



DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, DC 20227

MAY 04 2015

Dear Sir or Madam:

The Bureau of Fiscal Service (Fiscal Service) of the U.S. Department of the Treasury has noticed over the past year an increase in submissions of large dollar checks by Federal agencies to the Treasury General Accounts (TGAs) that are over the amount of \$99,999,999.00. This recent activity has prompted some attention to Fiscal Service's existing policy on large dollar checks.

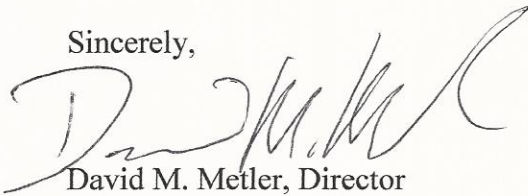
For the purpose of educational efforts, Fiscal Service reminds agencies about the policy on large dollar checks in the Treasury Financial Manual (TFM), Volume 1, Part 5, Section 2060-Reporting Large Deposits, which states that "agencies must not accept any check written for more than \$99,999,999.99, as the Federal Reserve banks will not process checks over that amount." Additionally, the Federal Reserve Banks give specific guidance related to large dollar check amounts, with which Fiscal Service is aligned. The Federal Reserve Banks Operating Circular 3, "Collection of Cash Items and Returned Checks," Section 3.2, states that the Federal Reserve Banks do not handle any items over the \$99,999,999.00.

More importantly, since no check processing equipment can handle amounts over a million dollars, these large dollar items are handled entirely manually. With manual processing, the risks of fraudulent activity, processing errors, and uncollectible funds are more likely when checks over these amounts are accepted by TGA depositories. In addition, the large check items may become lost or mis-shipped, stolen, and require special handling procedures by the TGA banks. Fiscal Service understands that these policies may impact agencies' internal policies. Where necessary, Federal agencies should implement policies that align with the above mentioned policies on large dollar check amounts to avoid check processing delays, which may result in customer late fees and penalties.

Effective January 1, 2016, TGA depositories will no longer accept checks over \$99,999,999.00 for TGA services. The TGA depositories will be instructed to reject any deposit in OTCnet which contains a large dollar check in the amount of one hundred million or more. The large dollar check will be returned to the Federal agency that attempted to deposit it.

Should you have any further questions regarding this policy, please feel free to contact me at 202-874-5202 or Ava Singleton, who can be reached on 202-874-9986.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Metler', written in a cursive style.

David M. Metler, Director
Over the Counter Division
A/C Revenue Collections Division