

Take steps today to move to Check 21: Implementation overview

Processing paper checks is looking less appealing from a business perspective every day. Transportation costs, as well as labor costs for the handling of paper, are on the rise. The Federal Reserve Banks' Check 21-enabled product suite—FedForward, FedReturn and FedReceipt—is designed to help you transform your operations to clear dollars faster, reduce transportation costs, streamline backroom operations and extend deadlines.

The financial services industry is experiencing an accelerating adoption rate of electronic payments throughout the country. In fact, more than one in three checks deposited with Federal Reserve Banks are cleared through our Check 21-enabled services. So, what is holding your financial institution back from implementing Check 21 for the efficient, electronic processing of check payments?

You set the pace

You can implement Check 21 Services in as little as one month, but you set the pace by how quickly you complete each step in the implementation process. Of course, a key factor in determining the speed of your implementation is the readiness of your vendor and the integration to your own back-end

systems. And, you will need to determine whether it makes sense for your institution to implement the entire Check 21 product suite in stages or all at one time.

John Franklin, president and chief executive officer of 1st Bank in Sydney, Montana, explained it didn't make sense for his bank to move to Check 21-enabled services in stages. "Not only did we avoid increased transportation charges due to our distance from Helena, we cut them out altogether when we went live on FedReceipt Plus," he said. You can read more about his Check 21 experiences in the March issue of *FedFocus*, available at www.frbservices.org/FedFocus/2007/fedfocus0307.pdf

The process is smooth

Check 21 implementation teams stand ready to walk you through all of the steps shown in the diagram below, helping to ensure your adoption of Check 21-enabled products proceeds as smoothly as possible. In addition, an assortment of Check 21 implementation and technical materials is available at www.frbservices.org/Retail/check21TechInfo.html, including a four-page *Check 21-Enabled Products Implementation Overview* and a comprehensive *Guide to Connectivity Options for FedForward, FedReturn and FedReceipt Services*.

Marilyn Faust, vice president, and Greg Snell, director of transaction services, teamed up to implement the entire Check 21-enabled product suite for New Jersey-based Commerce Bank. Faust worked closely with the Federal Reserve Banks to create a business case and a detailed implementation strategy. "Overall, we had a smooth and non-eventful conversion," Faust stated. See page 8 for more details about Commerce Bank's Check 21 conversion efforts or view the Commerce Bank video case study online at www.frbservices.org/Retail/check21_casestudies.html.

Take steps to implement Check 21 today

By May 2007, nearly 3,000 Federal Reserve Bank customers had completed their Check 21 implementations and began reaping the rewards of electronic image exchange. Join their ranks by taking that first step today. Visit the Destination Check 21 Online Resource Center at www.destinationcheck21.com. There, you'll find valuable reference materials and answers to your pressing questions. Then, contact your Account Executive and your Check 21 journey will begin.

Pre-Implementation Planning

- Determine vendor technical readiness
- Evaluate connectivity options
- Provide key information to Account Executive
- Execute applicable paperwork
- Establish implementation team

Implementation

- Participate in Kickoff Call
- Conduct internal testing
- Conduct testing with the Federal Reserve Banks
- Execute production cutover

Post-Implementation

- Identify potential re-testing needs
- Monitor deposit volumes
- Access ongoing support