

SCHEDULE RC-A – CASH AND BALANCES DUE FROM DEPOSITORY INSTITUTIONS

General Instructions

Schedule RC-A is to be completed by banks with foreign offices or with \$300 million or more in total assets.

On the FFIEC 031, this schedule has two columns for banks with foreign offices to report detail on "Cash and balances due from depository institutions." In column A report amounts for the fully consolidated bank, and in column B report amounts for domestic offices only. See the Glossary entry for "domestic office" for the definition of this term. Refer to the General Instructions section of this book for a detailed discussion of consolidation.

On the FFIEC 041, this schedule has a single column for banks with \$300 million or more in total assets to report detail on "Cash and balances due from depository institutions."

For banks that elect to report balances due from depository institutions at fair value under a fair value option, report the fair value of those balances in the same items and columns as similar balances to which a fair value option has not been applied.

For purposes of these reports, deposit accounts "due from" other depository institutions that are overdrawn are to be reported as other borrowings with a remaining maturity of one year or less in Schedule RC-M, item 5.b.(1), except overdrawn "due from" accounts arising in connection with checks or drafts drawn by the reporting bank and drawn on, or payable at or through, another depository institution either on a zero-balance account or on an account that is not routinely maintained with sufficient balances to cover checks or drafts drawn in the normal course of business during the period until the amount of the checks or drafts is remitted to the other depository institution (in which case, report the funds received or held in connection with such checks or drafts as deposits in Schedule RC-E until the funds are remitted). For further information, refer to the Glossary entry for "overdraft."

Treatment of reciprocal balances with depository institutions -- Reciprocal balances arise when two depository institutions maintain deposit accounts with each other, i.e., when a reporting bank has both a "due from" and a "due to" balance with another depository institution. Reciprocal balances between the reporting bank and other depository institutions may be reported on a net basis when a right of setoff exists. Net "due from" balances should be reported in this schedule. Net "due to" balances should be reported as deposit liabilities in Schedule RC-E. See the Glossary entry for "offsetting" for the conditions that must be met for a right of setoff to exist. See also the Glossary entry for "reciprocal balances."

Exclude from this schedule:

- (1) All intrabank transactions, i.e., all transactions between any offices of the consolidated bank.
- (2) Claims on banks or other depository institutions that the reporting bank holds for trading purposes (report in Schedule RC, item 5, "Trading assets").
- (3) Deposit accounts "due to" other depository institutions that are overdrawn (report in Schedule RC-C, part I, item 2, "Loans to depository institutions and acceptances of other banks").
- (4) Loans to depository institutions (report in Schedule RC-C, part I, item 2).
- (5) Investments in money market mutual funds, which, for purposes of these reports, are to be reported as investments in equity securities.

Item Instructions**Item No. Caption and Instructions**

- 1** **Cash items in process of collection, unposted debits, and currency and coin.** On the FFIEC 031, report this item as a single total for the fully consolidated bank in column A, but with a breakdown between cash items in process of collection and unposted debits (Schedule RC-A, item 1.a) and currency and coin (Schedule RC-A, item 1.b) for domestic offices of the bank in column B. On the FFIEC 041, report cash items in process of collection and unposted debits in Schedule RC-A, item 1.a, and currency and coin in Schedule RC-A, item 1.b.

Cash items in process of collection include:

- (1) Checks or drafts in process of collection that are drawn on another depository institution (or on a Federal Reserve Bank) and that are payable immediately upon presentation in the United States (or, for purposes of the FFIEC 031, in the country where the reporting bank's office which is clearing or collecting the check or draft is located). This includes:
 - (a) Checks or drafts drawn on other institutions that have already been forwarded for collection but for which the reporting bank has not yet been given credit ("cash letters").
 - (b) Checks or drafts on hand that will be presented for payment or forwarded for collection on the following business day.
 - (c) Checks or drafts that have been deposited with the reporting bank's correspondent and for which the reporting bank has already been given credit, but for which the amount credited is not subject to immediate withdrawal ("ledger credit" items).

However, if the reporting bank has been given immediate credit by its correspondent for checks or drafts presented for payment or forwarded for collection and if the funds on deposit are subject to immediate withdrawal, report the amount of such checks or drafts in Schedule RC-A, item 2, "Balances due from depository institutions in the U.S.," or item 3, "Balances due from banks in foreign countries and foreign central banks."
- (2) Government checks drawn on the Treasurer of the United States or any other government agency that are payable immediately upon presentation and that are in process of collection.
- (3) Such other items in process of collection that are payable immediately upon presentation and that are customarily cleared or collected as cash items by depository institutions in the United States or in such other country where the reporting bank's office which is clearing or collecting the item is located, such as:
 - (a) Redeemed United States savings bonds and food stamps.
 - (b) Amounts associated with automated payment arrangements in connection with payroll deposits, federal recurring payments, and other items that are credited to a depositor's account prior to the payment date to ensure that the funds are available on the payment date.

Item No. Caption and Instructions

- 1**
(cont.)
- (c) Federal Reserve deferred account balances until credit has been received in accordance with the appropriate time schedules established by the Federal Reserve Banks. At that time, such balances should be reported in Schedule RC-A, item 4, "Balances due from Federal Reserve Banks."
 - (d) Checks or drafts drawn on another depository institution that have been deposited in one office of the reporting bank and forwarded for collection to another office of the reporting bank.
 - (e) Brokers' security drafts and commodity or bill-of-lading drafts payable immediately upon presentation in the U.S. (See the Glossary entries for "broker's security draft" and "commodity or bill-of-lading draft" for the definitions of these terms.)

Exclude from cash items in process of collection:

- (1) Cash items for which the reporting bank has already received credit, provided that the funds on deposit are subject to immediate withdrawal (report in Schedule RC-A, item 2, 3, or 4, below, as appropriate).
- (2) Credit or debit card sales slips in process of collection (report as noncash items in Schedule RC-F, item 6, "All other assets"). However, when the reporting bank has been notified that it has been given credit, the amount of such sales slips should be reported in Schedule RC-A, item 2, "Balances due from depository institutions in the U.S.," or item 3, "Balances due from banks in foreign countries and foreign central banks," as appropriate.
- (3) Cash items not conforming to the definition of in process of collection, whether or not cleared through Federal Reserve Banks (report in Schedule RC-F, item 6, "All other assets").
- (4) Commodity or bill-of-lading drafts (including arrival drafts) not yet payable (because the merchandise against which the draft was drawn has not yet arrived), whether or not deposit credit has been given. (If deposit credit has been given, report as loans in the appropriate item of Schedule RC-C, part I; if the drafts were received on a collection basis, they should be excluded entirely from the bank's balance sheet, Schedule RC, until the funds have actually been collected.)

Unposted debits are cash items in the bank's possession, drawn on itself, that are immediately chargeable, but that have not been charged to the general ledger deposit control account at the close of business on the report date.

Currency and coin include both U.S. and foreign currency and coin owned and held in all offices of the reporting bank, currency and coin in transit to a Federal Reserve Bank or to any other depository institution for which the reporting bank has not yet received credit, and currency and coin in transit from a Federal Reserve Bank or from any other depository institution for which the reporting bank's account has already been charged. Foreign currency and coin should be converted into U.S. dollar equivalents as of the report date.

Item No. Caption and Instructions

- 1.a Cash items in process of collection and unposted debits.** Report (on the FFIEC 031, in column B) the total amount outstanding (at domestic offices) of cash items in process of collection and unposted debits that are immediately payable upon presentation in the United States.
- 1.b Currency and coin.** Report (on the FFIEC 031, in column B) all currency and coin owned and held (in domestic offices) by the reporting bank.
- 2 Balances due from depository institutions in the U.S.** Report (on the FFIEC 031, in columns A and B, as appropriate) the total balances due from depository institutions in the U.S.

Depository institutions in the U.S. cover:

- (1) U.S. branches and agencies of foreign banks (refer to the Glossary entry for "banks, U.S. and foreign" for the definition of this term); and
- (2) All other depository institutions in the U.S., i.e.,
 - (a) U.S. branches of U.S. banks (refer to the Glossary entry for "banks, U.S. and foreign");
 - (b) savings or building and loan associations, homestead associations, and cooperative banks;
 - (c) mutual and stock savings banks; and
 - (d) credit unions.

For purposes of this schedule, also include Federal Home Loan Banks in "all other depository institutions in the U.S."

Balances due from such institutions cover all interest-bearing and noninterest-bearing balances whether in the form of demand, savings, or time balances, including certificates of deposit (CDs), even if the CDs are negotiable or have CUSIP numbers, but excluding certificates of deposit held for trading. Balances, as reported in these items, should reflect funds on deposit at other depository institutions in the U.S. for which the reporting bank has already received credit and which are subject to immediate withdrawal. Balances for which the bank has not yet received credit and balances representing checks or drafts for which immediate credit has been given but which are not subject to immediate withdrawal are to be reported as "cash items in process of collection."

Included in the amounts to be reported as balances due from depository institutions in the U.S. are:

- (1) Balances due from the reporting bank's correspondents, including amounts that its correspondent is to pass through or already has passed through to a Federal Reserve Bank on behalf of the reporting bank (see the Glossary entry for "pass-through reserve balances" for further discussion).
- (2) Balances that reflect deposit credit received by the reporting bank because of credit or debit card sales slips that had been forwarded for collection. (Until credit has been received, report as noncash items in process of collection in Schedule RC-F, item 6, "All other assets.")

Item No. Caption and Instructions

2 Exclude from balances due from depository institutions in the U.S.:
(cont.)

- (1) Cash items in process of collection (including cash letters and "ledger credit" items) and unposted debits (report in Schedule RC-A, item 1, above).
- (2) All balances that the reporting bank's trust department maintains with other depository institutions.
- (3) Loans to depository institutions (report in Schedule RC-C, part I, item 2).
- (4) Certificates of deposit held for trading (report in Schedule RC, item 5).

3 **Balances due from banks in foreign countries and foreign central banks.** Report (on the FFIEC 031, in columns A and B, as appropriate) the total balances due from banks in foreign countries and foreign central banks.

Banks in foreign countries cover:

- (1) foreign-domiciled branches of other U.S. banks; and
- (2) foreign-domiciled branches of foreign banks.

See the Glossary entry for "banks, U.S. and foreign" for a description of banks in foreign countries.

For purposes of this item, foreign central banks cover:

- (1) Central banks in foreign countries;
- (2) Departments of foreign central governments that have, as an important part of their functions, activities similar to those of a central bank;
- (3) Nationalized banks and banking institutions owned by central governments that have, as an important part of their functions, activities similar to those of a central bank; and
- (4) The Bank for International Settlements (BIS).

Balances due from banks in foreign countries and foreign central banks cover all interest-bearing and noninterest-bearing balances excluding any balances that the reporting bank holds for trading. Balances, as reported in this item, should reflect funds on deposit at other banks in foreign countries and at foreign central banks for which the reporting bank has already received credit. Balances with foreign central banks should include all balances with such entities, including reserve, operating, and investment balances. On the FFIEC 031, balances reported in column A should include "placements and redeposits" between foreign offices of the reporting bank and foreign offices of other banks.

Item No. **Caption and Instructions**

- 3** Exclude from balances due from banks in foreign countries and foreign central banks:
(cont.)
- (1) Balances due from U.S. branches and agencies of foreign banks (report in Schedule RC-A, item 2 above).
 - (2) Loans to foreign central banks (report in Schedule RC-C, part I, item 7, on the FFIEC 031; Schedule RC-C, part I, item 9.b, on the FFIEC 041).
 - (3) Loans to banks in foreign countries (report in Schedule RC-C, part I, item 2.c).
 - (4) Cash items in process of collection and unposted debits (report in Schedule RC-A, item 1 above).
 - (5) Any balances held for trading (report in Schedule RC, item 5).
- 4** **Balances due from Federal Reserve Banks.** Report (on the FFIEC 031, in columns A and B, as appropriate) the total balances due from Federal Reserve Banks as shown by the reporting bank's books. This amount includes balances maintained to satisfy reserve balance requirements, excess balances, and term deposits. Include the amount of balances maintained to satisfy reserve balance requirements actually passed through to a Federal Reserve Bank by the reporting bank on behalf of its respondent depository institutions. If the reporting bank is an agent for an excess balance account at a Federal Reserve Bank, the balances in the excess balance account should not be reflected as an asset or a liability on the reporting bank's balance sheet and should not be reported in this item. (See the Glossary entries for "excess balance account" and "pass-through reserve balances.")
- On the FFIEC 031, include in column A balances of the bank's Edge and Agreement subsidiaries with a Federal Reserve Bank.
- 5** **Total.** On the FFIEC 041, report the sum of items 1 through 4. On the FFIEC 031, report the sum of items 1 through 4 in column A for the fully consolidated bank and in column B for its domestic offices. On the FFIEC 041, this item must equal Schedule RC, sum of items 1.a and 1.b. On the FFIEC 031, the total of column A must equal Schedule RC, sum of items 1.a and 1.b.