Meeting Demand for Currency during a Disaster Video Transcript

Nature is beautiful, but it can also be fierce. Natural and man-made disasters can have far-reaching impacts on an area as residents recover from flooding, property damage, power outages, and transportation challenges.

Just as you and your family would prepare to protect yourselves during a disaster, the Federal Reserve has plans in place too. Our business continuity planning supports our goal of meeting demand for currency and coin during a disaster.


The Cash Product Office - or CPO - is one of the Federal Reserve entities responsible for the cash business in the United States. With 28 cash processing operations across the country, one of the Federal Reserve’s most important jobs is to provide currency and coin to financial institutions, such as your local bank, credit union, or savings and loan, so they can provide cash to you and merchants in your area.

When a disaster strikes, causing telecommunication networks or power lines to go down, we know people want to have cash. The CPO works with local Federal Reserve Cash departments across the country to prepare for business disruptions and provide national support when they occur.

During a disruption, we work closely with local banks and armored carriers to make sure that happens, through a variety of communication channels and response options. And we test our plans regularly to ensure we’re familiar with what we should do when disaster strikes.

There are some disruptions you can anticipate, and others you can’t. Here’s one example of the Federal Reserve’s response to a disaster we could see coming.

When Superstorm Sandy struck the Northeastern United States in October 2012, we had limited advance warning. The CPO’s role was to help affected Federal Reserve offices with communications and other support before, during, and after the storm.

The Federal Reserve monitored and evaluated weather conditions day-by-day and then hour-by-hour leading up to the storm’s landfall. At the same time, the CPO and the Federal Reserve Banks activated business continuity and communications plans. We worked to ensure that our partners - the banks and armored carriers - were well informed about how the storm could impact Federal Reserve Bank operations, and we also wanted to understand bank and carrier plans and conditions.

Sandy affected a large area of the East coast with different degrees of severity. Two Federal Reserve Banks closed briefly during the height of the storm due to unsafe conditions. Three others modified their operational hours to accommodate armored carriers who arrived early to “beat” the storm or were delayed due to road closures and other transportation challenges.

As conditions improved, all Federal Reserve Cash offices quickly returned to normal operations. They coordinated closely with banks and armored carriers to ensure cash orders were filled and delivered to local banks.
Our work didn’t end when the storm subsided though. Due to the severe flooding, some local banks had currency that had been contaminated by floodwater.

Contaminated currency is currency that has been damaged by or exposed to contaminants, such as flood waters, sewage, chemicals, or mold. Given the potential safety risk to cash handlers, contaminated currency must be carefully packaged and sent to the Federal Reserve for proper destruction. After the storm, we continued to partner with local banks and armored carriers to assess the amount of contaminated currency and provided special bags to safely transport it to the Federal Reserve.

Regardless of the amount of planning, however, we always seek to do better next time. We regularly evaluate and test our business continuity plans to ensure our staff and industry partners are prepared to respond to future disruptions.

For more information on how you and your family can prepare for severe weather events and emergencies, visit www.ready.gov.