

The Brookings Institution

Washington 6, D. C.

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December 21, 1955

DEC 23 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

Mr. George E. Van Dyke
Assistant Comptroller
The Rockefeller Foundation
49 West 49th Street
New York 20, New York

Dear Mr. Van Dyke:

I have deferred answering your letter of November 15 in which you requested a copy of the budget for 1955-56 for the study of the Federal Reserve System. We had hoped that we could submit a revised budget before this time. Actually the work of the Committee is under review at present, and it will be February before our final budget can be determined with any reliability.

Accordingly, I am sending you herewith a revised statement of estimated expenses for 1955-56 based on present salary commitments and other foreseeable expenses. The total amounts to \$44,445.00, from which may be deducted the unexpended balance from 1954-55 of \$12,531.61. Accordingly, I should like to request payment on January 1, 1956 of \$31,913.39, representing the amount required to finance our operations on a minimum basis for the current fiscal year. These figures are to be considered in substitution for those given in my letter to Mr. Gillette dated November 7, 1955, which were based on our preliminary budget for the year.

In filing this request for payment I should like to explain that when the plans of the Committee are definitely settled in February 1956, we shall wish to submit a revised budget and request a further payment if additional funds should be needed during the current year.

Sincerely yours,

President

Enc. cc: Mr. Akers
Miss Maroney
Mrs. Wilson
Miss Adams ✓
Mr. Woodward

THE BROOKINGS INSTITUTION

Project on the History of the Federal Reserve System
R. F. 54061

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Estimate of Expenditures, July 1, 1955 - June 30, 1956

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

| | | |
|---|------------------|-------|
| Salary Commitments (employees of Brookings Institution | \$16,845 | ✓ |
| Salary Estimates (employees of Federal Reserve Bank and miscellaneous personal services) | 3,100 | 4,408 |
| Contract with Lester V. Chandler - Ben Strong Study | 6,500 | ✓ |
| Travel, supplies, and miscellaneous expenses | 5,000 | 4,169 |
| Brookings Institution Overhead | 3,000 | ✓ |
| New Projects and Contingencies | <u>10,000</u> | |
| Total expenses, 1955-56 | \$ 44,445.00 | |
| Unexpended Balance, Budget for 1954-55 | <u>12,531.61</u> | |
| Cash Requirements, 1955-56 | \$ 31,913.39 | |

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COMMITTEE ON THE HISTORY
OF THE
Memorandum to Miss Adams

from M. M.

FEDERAL RESERVE SYSTEM

I hope this will make things clear to you. It is admittedly, but
unavoidably, complicated. I have pinpointed the differences. /

I wish I could "sit in" on budget preparation. I could head off
many of the problems of reconciliation involved in conflicts between
tax criteria (method of payment and so on) and budgetary criteria.

/ Refer back to your workpapers. For example, I have excluded Bulla
from contract costs for budget statement because not comprehended
there originally. (Yet handled in that form.)
Perhaps I should have carried this to the contingency figure instead
of to the salary budget; it was a matter of choice, which I decided
arbitrarily.

Reconciliation of Statements for 1954-55

1. Salaries

Actual Salaries (paid in that form, hence reportable as such to R. F.):

Adams.....
Singer
Burnett
Burstein
Bank employees
Calkins
Steno pool

Sub-total 23,016.10

Plus miscellaneous personal services

Lucy Cluett 72.67
E. Bowen 26.25
E. Abolin 6.60
Adelphia Reporting Bureau 386.37
E. Cooley 9.00
D. Warden 47.00

Sub-total 547.99

Total personal services (except contract payments and honoraria) 23,564.09

Adjustments for Budget Statement:

Carried to Conference expenses

Adelphia Reporting Bureau - 386.37
Bowen - 26.25

Carried to Contract expenses

Lucy Cluett - 72.67
Salary of Miss Burnett (budgeted under contracts)... - 2,469.70
Salary of Bank employees (indicated for conferences) - 63.02
Calkins - 26.88

Carried from Contract expenses

Payments to B. Bulla (paid in contract form,
not budgeted under that heading) + 713.76

Total Comparable with Budget Estimate for Salaries 21,232.90

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2. Expenses other than Personal Services

| | |
|-----------------------------------|--------------|
| Travel and entertainment | 3,500.11 |
| Supplies | 416.54 |
| Freight and express charges | 11.79 |
| Equipment | 742.23 |
| Equipment rental | 231.36 |
| Equipment maintenance | 44.00 |
| Telephone and telegraph | 413.29 |
| Postage | 8.70 |
| Books and subscriptions | <u>42.22</u> |

| | |
|--------------------------------------|----------|
| Totals (gross) reported to R. F..... | 5,410.24 |
|--------------------------------------|----------|

Adjustments for Budget Statement of Office
 Costs and Travel (to exclude special purposes):

Carried to Contract Costs

| | |
|--------------------------------|---------|
| Expenses for Dr. Kincaid | - 62.86 |
| Travel by Miss Burnett..... | - 84.32 |

Carried to Conference Costs

- 1,093.98

| | |
|--|----------|
| Office Costs (net) - To Budget Statement | 4,169.08 |
|--|----------|

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 OF THE
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3. Research Contracts

Actual payments in contractual form (and reported
as such to Rockefeller Foundation)

| | |
|-----------------|---------------|
| C. A. Kincaid | 2,666.66 |
| Lester Chandler | 3,000.00 |
| Beatrice Bulla | <u>713.76</u> |

| | |
|-------|----------|
| Total | 6,380.42 |
|-------|----------|

Adjustments for Budget Statement:

| | |
|--|---------------------|
| Carried from Salaries (Burnett project) | + 2,469.76 |
| Carried from Salaries (Cluett, for Kincaid project)..... | + 72.67 |
| Carried from Expenses (Burnett travel) | + 84.32 |
| Carried from Expenses (Cluett etc. for Kincaid) | + 62.86 |
| Carried to Salaries (not budgeted as contract operation) | - 713.76 (B. Bulla) |

| | |
|--|-----------------|
| Total Comparable with Budget Estimate for Contract Costs | <u>8,356.27</u> |
|--|-----------------|

Recap

Glass Papers

Contract with Dr. Kincaid
Lucy Cluett, Salary
Expenses, various

2,712.20¹⁹

Ben Strong project

3,000.00

Burnett-Archives project

Salary of Miss Burnett.....
Expenses of Miss Burnett (travel)

2,554.98

Total (excluding Bulla project because, although
paid in contractual form was not so
budgeted)

8,256.27

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Conference Expenses

(Buried under other headings on R. F. Report)

Carried from Salaries

Bank employees
Calkins

89.90

Carried from Miscellaneous Personal Services

Adelphia Reporting Bureau
Bowen

386.37
26.25

Carried from honoraria

400.00

Carried from travel and miscellaneous expenses

1,093.98

Total carried from other items for purposes
of budget statement (applicable to
contingency fund)

1,996.50

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Adjustments for Budget Statements - 1954-55
From Objects of Expenditure to Purposes of Expenditure (to extent segregated in budget)

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COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

| | Salaries and Misc. Personal Services | Honoraria | Contracts | General Expenses | Conference Expenses | B. I. Overhead | Totals |
|------------------------------------|---|-----------|-----------|---------------------|------------------------|-------------------|-------------|
| Totals on R. ¹ . Report | 23,564.09 | 400.00 | 6,380.42 | 5,410.24 | — | 3,000.00 | \$38,754.75 |
| Adelphia Reporting Bureau | | | | | + 386.37 | | 0 |
| Burnett salary | | | +2,469.76 | | | | 0 |
| Bowen salary | | | | | + 26.25 | | 0 |
| Bank employees | | | | | + 63.02 | | 0 |
| Calkins | | | | | + 26.88 | | 0 |
| Lucy Cluett | | | + 72.67 | | | | 0 |
| Beatrice Bulla | | | - 713.76 | | | | 0 |
| Kincaid expenses | | | + 62.86 | - 62.86 | | | 0 |
| Burnett travel | | | + 84.32 | - 84.32 | | | 0 |
| Conference expenses | | | | -1,093.98 | +1,093.98 | | 0 |
| Conference honoraria | | -400.00 | | | + 400.00 | | 0 |
| Totals on Budget Statement | 21,232.90 | — | 8,356.27 | 4,169.08 | 1,996.50 | 3,000.00 | 38,754.75 |

Explanatory Note

Figures as classified at beginning of this table are consistent with an unmixed classification by objects of expenditure, method of payment, and responsibilities for tax handling and reporting (which treasurer regards as primary)

Figures as classified at bottom of this table are as consistent as possible with the classification used by the Committee in its budgetary estimates. They re-distribute expenditures for comparability to the budget under the various captions of that budget (a mixed classification).

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The Brookings Institution

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Treasurer
ELIZABETH H. WILSON
Secretary
SHELDON B. AKERS
Executive Manager

Nov. 22, 1955

Miss Mildred Adams
Committee on the History of the Federal Reserve System,
33 Liberty Street,
New York, N. Y.

Attention: Miss Burstein

Dear Miss Burstein:

I enclose herewith a carbon copy of my report to the Rockefeller Foundation, which I wish you to substitute for the corresponding pages which I forwarded to you yesterday.

As I explained over the telephone this morning, the original of the latter was not mailed to the Foundation due to necessity of typing it over to correct an error.

I would very much appreciate your cooperation in destroying the incorrect copy which you have (substituting the enclosure) as I do not want it hanging around in anybody's copy.

The error arose from my haste in getting off the material to you, plus the fact that I did my own typing--which is miserable. As you see, the enclosed copy has been done by a competent professional!

I hope the other material, in rough, was satisfactory for Miss Adams' purposes. If not, she should call on me for anything further she needs.

Yours sincerely,

Mildred Marney

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COMMITTEE ON THE HISTORY
OF THE
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COMMITTEE ON THE HISTORY
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November 22, 1955

Mr. George E. Van Dyke,
Assistant Comptroller,
The Rockefeller Foundation,
49 West 49th Street,
New York 20, New York.

Dear Mr. Van Dyke:

I have received from you a copy of your letter of November 15 to Dr. Calkins in regard to the statements which you require in connection with your appropriation R. F. #54061 for the preparation of a history of the Federal Reserve System.

Dr. Calkins will supply the detailed breakdown of expenditure estimates as projected for the year ending June 30, 1956.

I am supplying herewith the report of actual expenditures for periods ending June 30, 1955 and the resulting position as of July 1, 1955. This report is in two parts.

The first represents a cumulative statement which is set forth in terms of two grants (R. F. #5404 and #54061), which, according to the notification of May 24, 1954, were to be treated as a combined sum of \$320,000.00. As of June 30, 1955, we had expended \$50,793.39 against receipts aggregating \$63,325.00, and the unexpended balance of \$12,531.61 was carried to our liabilities in the form of prepaid grants, applicable to the budget for 1955-56.

(Of the total expended to June 30, 1955, \$12,038.64 was expended in 1953-54 and \$38,754.75 in 1954-55. Another breakdown of the total indicates that \$13,080.32 was disbursed in the form of reimbursements to the Federal Reserve Bank of New York, while \$37,713.07 was disbursed by the Institution as employer or vendee. The latter figures includes \$3,000 of indirect costs or general overhead covered by agreement with the Committee on the History of the Federal Reserve System for an annual charge at that rate beginning July 1, 1954.)

Mr. Van Dyke

11/22/55

Page 2

The second part of my report is a budget statement for 1954-55, which is prepared on a basis consistent with an estimate of \$53,325 for the fiscal year, as submitted by Dr. Calkins to the Rockefeller Foundation June 15, 1954. This statement reclassifies expenditures for 1954-55 for the purposes of the Committee. It also raises the total for 1954-55 from \$38,754.75 to \$40,793.39 by inclusion of the deficit for 1953-54 in the amount of \$2,038.64. This is necessary from a budgetary viewpoint to finance the deficit, although obviously the deficit is eliminated through the cumulative report of receipts and expenditures, which ends with the identical balance of \$12,531.61.

I trust that this information will supply your needs, except as to the breakdown of requirements for 1955-56. If not, please feel free to communicate with me further.

Yours very truly,

Treasurer

Enc.

THE BROOKINGS INSTITUTION

Project on the History of the Federal Reserve System
Administered Jointly with the
Committee on the History of the Federal Reserve System
Under R. F. Grants #5404 (\$10,000) and #54061 (\$310,000)

Financial Report
June 30, 1955

Receipts:

| | |
|---|------------------|
| R. F. Voucher #540873, February 3, 1954 | \$10,000.00 |
| R. F. Voucher #344779, June 29, 1954. | 26,662.50 |
| R. F. Voucher #548783, December 16, 1954. | <u>26,662.50</u> |
| Total | \$63,325.00 |

Expenditures, years ended June 30:

| | 1954 | 1955 | |
|--|--------------------|--------------------|--------------------|
| Salaries | \$ 8,865.30 | \$23,016.10 | |
| Contract payments | 1,333.33 | 6,380.42 | |
| Honoraria | - | 400.00 | |
| Miscellaneous personal services. | - | 547.99 | |
| Total, personal services | <u>\$10,198.63</u> | <u>\$30,344.51</u> | |
| Travel and entertainment. | 957.66 | 3,500.11 | |
| Supplies | 303.00 | 416.54 | |
| Freight and express charges | 154.06 | 11.79 | |
| Equipment. | 4.64 | 742.23 | |
| Equipment rental | 324.16 | 231.36 | |
| Equipment maintenance | - | 44.00 | |
| Telephone and telegraph | 95.47 | 413.29 | |
| Postage | 1.02 | 8.70 | |
| Books and subscriptions | - | 42.22 | |
| B. I. overhead allowance | - | 3,000.00 | |
| Totals | <u>\$12,038.64</u> | <u>\$38,754.75</u> | <u>\$50,793.39</u> |

| | |
|--|----------------------------|
| Balance on hand, June 30, 1955 (carried as prepaid grants) | \$ 12,531.61 |
| Grants receivable (unpaid balance, July 1, 1955) | <u>256,675.00</u> |
| Total available for the period July 1, 1955-May 31, 1959. | <u><u>\$269,206.61</u></u> |

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I certify that the above statement is correct.

NOV 23 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

Treasurer,
The Brookings Institution

November 22, 1955

BUDGET STATEMENT

Project on the History of the Federal Reserve System
Under R. F. Grant #54061
Fiscal Year 1954-55

This statement is prepared on a basis consistent with estimates submitted to The Rockefeller Foundation, by Dr. Calkins, June 15, 1954.

| | Estimated June 15, 1954 | Actual Performance 1954-55 |
|--|-----------------------------|-------------------------------|
| Salaries | \$21,388.00 | \$21,232.90 |
| Office costs and travel | 5,000.00 | 4,169.08 |
| Research contracts. | 8,937.00 | 8,356.27 |
| Brookings expenses and overhead . . | 3,000.00 | 3,000.00 |
| Contingencies | 15,000.00 | |
| Two Princeton conferences . . . | | 1,996.50 |
| Deficit for 1953-54 | <u> </u> | <u>2,038.64*</u> |
| | \$53,325.00 | \$40,793.39 |
| Receipts, for 1954-55 | | <u>53,325.00</u> |
| Balance available for 1955-56. | | \$12,531.61** |

*Expenditures, 1953-54 (\$12,038.64) less R. F. #5404 (\$10,000.00).

**See also cumulative report of receipts and expenditures under R. F. #5404 and #54061 (combined).

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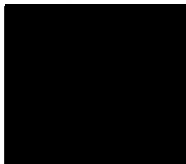
Tentative Budget for 1955-56

(to be refined)

This estimate is based on a total of \$55,000 estimated for Board of Trustees, May 1955. Has not been submitted in detail to Rockefeller Foundation.

Detailed commitments (known to treasurer):

Miss Adams (12 mos.)
Miss Burnett (4 mos salary)
Mrs. Tinger (3 mos salary)
Miss Burstein (12 mos.)



Lester V. Chandler:

| | |
|---------------------|-----------|
| Bal due for 1954-55 | 1,500.00* |
| Due in 1955-56 | 5,000.00 |

| | |
|----------------|----------|
| B. I. overhead | 3,000.00 |
|----------------|----------|

| | |
|--|-----------|
| ← Undesignated expenditures (residual figure) | 28,858.91 |
|--|-----------|

| | |
|-------|--------------|
| Total | 55,000.00 ** |
|-------|--------------|

*Paid in September

**Tentative total suggested by Dr. Calkins to Miss Maroney, May 1955.

*check do
better one
for Committee*

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Expenditures

First Quarter, 1955-56

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

Miss Adams
Mrs. Singer
Miss Burstein

Miss Burnett

Salaries through the Bank

Lester V. Chandler

2,500.00 *

Travel

130.63

Other expenses

New York office 263.04

B. I. overhead (at \$3,000 p. a.) 750.00

Total

9,050.94

- * Includes \$1,500 for personal compensation ^{to Dr. Chandler} which was due for payment 6/1/55 but not paid (through oversight) until September; balance represents advance for expenses in amount of \$1,000 due 9/1/55.

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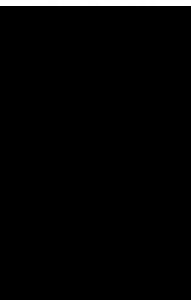
NOV 22 1955

May 24, 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

| | Budget 1954-55 | Spent through 3/31/55 | Estimated Expenditures through 6/30/55 | Actual expenditures through 6/30/55 | Notes |
|-------------------------------|--------------------|--------------------------|---|--|-------|
| Salaries <i>Misc Services</i> | \$21,388.00 | \$14,826.45 | \$20,262.06 | ✓ 21,232.90 (1) | |
| Expenses (office and travel) | 5,000.00 | 4,160.84 | 5,140.84 | ✓ 4169.08 (2) | |
| Brookings | 3,000.00 | 2,250.00 | 3,000.00 | ✓ 3000.00 | |
| Kincaid-Glass | 2,667.00 | 2,800.78 | 2,800.78 | ✓ 2802.19 (3) | |
| Chandler-Strong | 4,450.00 | 2,000.00 | 4,450.00 | ✓ 3000.00 (4) | |
| Burnett-Archives | 1,820.00 | 1,701.68 | 2,460.02 | ✓ 2554.08 (4) | |
| Contingency | 15,000.00 ✓ | | | | |
| Conferences | | 1,947.17 | 1,997.17 | 1996.50 (5) | |
| Overrun 1/1/54-6/30/54 | | 2,038.64 | 2,038.64 | 2038.64 | |
| | <u>\$53,325.00</u> | <u>\$31,725.56</u> | <u>\$42,149.51</u> | <u>40,793.39</u> | |

- (1) Consists of: *Payments to*
- Adams
 - Singer
 - Burstein
 - Bank employees...
 - B. I. pool
 - B. Bulla
 - E. Abolin
 - Evelyn V. Cooley...
 - Dorothy Warden ...



- (2) Excludes items allocated to conferences, Glass papers, Burnett project
- (3) Kincaid, \$2666.66; Cluett, 72.67; Cluett for supplies, 53.86; other (paid through Bank), \$9.00.
- (4) Salary, [redacted] expenses, 84.32.
- (5) Honoraria, \$400.00; reporting and stenographic, 475.64; other expenses, \$1,120.86.

21,232.90

Does not include 1,500 due for payment 6/1/55 (disbursed Sept 1955)

November 17, 1955

Dear Miss Maroney:

An Executive Committee meeting has been called for Friday, November 25th, and I know that among the items they will want are budget and expenditure figures.

Estimated expenditure figures for 1954-55 were prepared for a meeting on May 24th, and we have a memorandum from you dated July 21st promising a classified statement of expenditures to follow. Unfortunately our files yield no classified statement, but only two letters (July 28th and August 31st) dealing with totals.

Could you get for us a statement of total 1954-55 expenditures which will supplement the sheet used May 24th? We are sending you a copy of the latter, and if you will simply note the completed figures beside the estimates and get it back to us by Wednesday, the 23rd, we will have it copied for the members.

If, in addition, you can send us expenditure figures for the first quarter of 1955-56, I will be doubly grateful.

Most cordially,

Mildred Adams

Miss Mildred Maroney
The Brookings Institution
722 Jackson Place N. W.
Washington 6, D. C.

Enc.

TRUSTEES

WILLIAM R. BIGGS, *Chairman*
HUNTINGTON GILCHRIST, *Vice Chairman*
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ROBERT D. CALKINS
LEONARD CARMICHAEL
FRED L. GOODWYN, JR.
N. W. HANES
LEWIS WEBSTER JONES
JOHN E. LOCKWOOD
LEVERETT LYON
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The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

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August 31, 1955

Miss Mildred Adams,
33 Liberty St.
New York 45, N. Y.

SEP 1 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

Dear Miss Adams:

You will recall our discussion in late July of the expenditure figure totalling \$38,754.75 for the fiscal year ended June 30. You then feared the figure was too low, and I confirmed it in my letter of July 28.

The confirmation was warranted in so far as actual disbursements were concerned. However, although I have not heard any complaint from Dr. Chandler, we have just discovered that we failed to make a payment of \$1,500 which was due to him on June 1 for personal compensation under the terms of his contract.

We are at once getting out this check to him, as well as the advance of \$1,000 toward expenses which is due for payment to him on September 1.

Since we have set up a tickler system here for the payment of items which are automatically payable on given dates, I cannot imagine how this happened but I am investigating.

As a result of our oversight, it would appear that we understated expenditures (in terms of accrual) by the amount of \$1,500. On the other hand, we have now received Dr. Chandler's expense account for the period ended July 31, 1955. This indicates an unexpended balance in his expense fund amounting to \$1,624.36 at July 31, or \$2,083.42 at June 30. Although this fund is not subject to refund until 1957, the unexpended portion was technically a receivable instead of an expense, and to that extent we overstated expenses. For purposes of a true account, we should have waited for Dr. Chandler's report, but I had no idea when we would receive it and I elected not to hold up my work.

In other words, a true account of expenses for the year would have aggregated \$38,171.33 ($\$38,754.75 + \$1,500 - \$2,083.42$). Since the adjustments are roughly compensatory, they should not upset your general calculations if we absorb them in the accounts for the current fiscal year. Nevertheless, I wish to apologize for the delay and confusion.

Yours sincerely,

Mildred Maroney
Treasurer.

HONORARY TRUSTEES

ROBERT PERKINS BASS
MRS. ROBERT S. BROOKINGS
JOHN LEE PRATT
HARRY BROOKINGS WALLACE

OFFICERS

ROBERT D. CALKINS
President
MILDRED MARONEY
Treasurer
ELIZABETH H. WILSON
Secretary
SHELDON B. AKERS
Executive Manager

TRUSTEES

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 HUNTINGTON GILCHRIST, *Vice Chairman*
 ARTHUR STANTON ADAMS
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 LEVERETT LYON
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COMMITTEE ON THE HISTORY
 OF THE
 FEDERAL RESERVE SYSTEM

OFFICERS

ROBERT D. CALKINS
President
 MILDRED MARONEY
Treasurer
 ELIZABETH H. WILSON
Secretary
 SHELDON B. AKERS
Executive Manager

July 28, 1955

Dear Miss Adams:

Replying to yours of July 26, I am glad to confirm that \$38,754.75 is the aggregate of expenses for 1954-55.

This figure includes accrual for June invoices (unpaid at June 30) in amount of \$555.39, of which \$531.10 was billed by the Bank for the month of June. Incidentally, I wish to thank Mrs. Singer for getting that bill to us by mid-July, enabling us to close the accounts payable register and start getting out financial statements.

This answers your question except for what light I can throw on the variation from spring estimates. My own estimate, in the spring, was a range of \$38,000 to \$40,000. Many things were too indefinite then to permit a finer estimate, so I used the top figure in this range. At the same time, I explained that this figure represented expenditures for the fiscal year, and that \$2,038 should be added for purposes of the budget of \$53,325 and the projection of surplus from that figure. The \$2,038 was the overrun in '53-'54, and this addition explains how the estimate in your discussions got to the level of \$42,000.

The comparable actual total (combined figures) is \$40,792, and the + carryover from the budget of \$53,325 is \$12,532.

My report of July 21 subordinates budgets and matches expenditures against funds, from beginning to June 30, 1955, but the result is the same:

| | 1953-54 | 1954-55 | Totals |
|----------------------|------------------|------------------|------------------|
| Available funds..... | 10,000.00 | 53,325.00 | 63,325.00 |
| Expenditures | <u>12,038.64</u> | <u>38,754.75</u> | <u>50,793.39</u> |
| Balances | - 2,038.64 | 14,570.25 | 12,531.61 |

Now that we have "swallowed" the deficit for '53-'54, I hope things will be less complicated for you in the future. Would it not be practical for you to construct a new budget for '55-'56 and subtract \$12,532 from that result for purposes of cash requirements?

Yours sincerely,

Mildred Maroney
 Treasurer

memorandum FROM THE DESK OF

Mildred Maroney

TO Miss Adams

DATE _____

Thought you might like to see this, although I have yet to inspect the account for 4th quarter for possible errors. (Occasionally a thing will get posted to an account which belongs elsewhere.)

When I have done this, I will send you a classified statement of expenditures.

RECEIVED
JUL 21 1955

MEMORANDUM

JUL 22 1955

To: Mr. Calkins
From: Mildred Maroney

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

This is a preliminary statement of the status of funds for the Federal Reserve study. For reasons which are apparent below, there is no urgency about cash requirements for 1955-56, and I would a little prefer deferring request to Rockefeller Foundation until we freeze figures (in August). Also, budget for 1955-56 may be excessive?

GRANTS

| | | |
|---|-------------------|--------------|
| R. F. GA SS 5404 (pilot project).... | \$10,000.00 | |
| R. F. 54061 | <u>310,000.00</u> | |
| Total (to be handled as a combined sum) | | \$320,000.00 |

EXPENDITURES

| | | |
|------------------------------------|------------------|--------------------|
| 1953-54 | 12,038.64 | |
| 1954-55 (preliminary figure) | <u>38,754.75</u> | (42,793.39) |
| Total | | - <u>50,793.39</u> |
| Unexpended balance of grants | | <u>269,206.61</u> |

PREPAYMENTS BY ROCKEFELLER FOUNDATION

| | | |
|---|------------------|--------------------|
| 1953-54 | 10,000.00 | |
| 1954-55 (budget for 1954-55) | <u>53,325.00</u> | |
| Total | | 63,325.00 |
| Less Expenditures (from beginning to 6/30/55) | | - <u>50,793.39</u> |
| Balance of prepayments, 6/30/55 | | <u>12,531.61</u> |

CASH REQUIREMENTS, 1955-56

| | | |
|--|------------------|-----------|
| Budget as estimated May 13, 1955 | 65,000.00 | |
| Less prepayments brought forward | <u>12,531.61</u> | |
| Cash Requirements, 1955-56 (?) | | 52,468.39 |

RECEIVED

April 6, 1955
APR 7 1955

MEMORANDUM

To: Mrs. Singer
From: M. Maroney

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

The classification of expenditures which Miss Adams suggested is as follows:

General Expenses or Office Costs
Kincaid-Glass Project
Chandler-Strong Project
Burnett-Archives Project
Miscellaneous research (Bulla etc.)
Conferences
 Princeton Nov 1954
 Princeton Jan 1955

etc.

Group interviews - Dr. Stewart
Paper chase

Perhaps it would be just as well to have Miss Adams review this again in order to decide definitely whether it is going to be satisfactory for purposes of budgeting and for matching against appropriations by your Executive Committee. I think it is all right, as far as I can judge, except for the possibility that your overhead would tend to be over-stated if it contains anything in the nature of a direct activity. I refer of course to the first item in the above list, into which everything not otherwise identified would land.

Meanwhile, I have re-classified expenditures through March along the above lines, and will send this along as soon as it is proved by our formal accounting. In about a week.

If this system is going to work automatically, you will have to identify many expenditures as to which of the above accounts is involved. (For example, I have inferred that the payment to Mrs. Goldenweiser for the shipment of papers belongs to "Paper Chase". But we here should not have to make these assumptions.) In this connection, I suggest that you do not attempt numerical coding but simply write across each voucher with a colored pencil the particular budgetary heading from the above (or modified) list. We can generally determine object coding from the other information on the voucher.

I understood from Miss Adams that she might be here again later this month and that she might be ready then with some budget estimates for fiscal year 1955-56.

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The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

RECEIVED

MAR 24 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

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OFFICERS

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President
MILDRED MARONEY
Treasurer
ELIZABETH H. WILSON
Secretary
SHELDON B. AKERS
Executive Manager

March 23, 1955

Miss Mildred Adams
Committee on the History of the Federal Reserve System,
33 Liberty Street,
New York 45, New York

Dear Miss Adams:

The revised cost of the November conference at Princeton is \$1,096.74. The difference between this figure and a former figure of \$872.39 is accounted for by (delayed) payment of honoraria and \$24.35 in bills from the Bank identified as travel in connection with the November conference.

The above account is probably complete by now, but it illustrates the lag between conferences and arrival of bills. For the January conference, we have accumulated a total of \$754.74 and you must judge whether this is complete.

I thought these figures might be helpful in connection with impending budget estimates. Also, please feel free to call on me for any other assistance which you may require. In connection with budget preparation, I have some tentative worksheets for all our projects, but in the case of Federal Reserve I know too little about sub-project planning to work this up independently.

Mr. Calkins' deadline for completion of estimates is May 1st, when he hopes to mail agenda for the meeting of the Board of Trustees on May 13th.

Yours sincerely,

Mildred Maroney
Treasurer.

RECEIVED

March 2, 1955

MAR 3 1955

Dear Mrs. Singer:

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

When Miss Adams was here yesterday, I devised a tentative budget format for such a project as the Federal Reserve study, which involves projects within a project, but I think it was her feeling as well as mine that this might be too complicated for your needs at the present time.

It is my experience here that it is really very difficult to devise a form which will fit all cases because each project is different in character; also the kind of layout which I sketched yesterday is really just a budget officer's dream, which could be something of a straitjacket from the viewpoint of operating levels.

The alternative which occurred to me at the last minute is simply to use the general form which we have evolved here, and I am enclosing herewith several copies of this form. (You may have more if needed for scribbling.)

What I would suggest is that a separate budget sheet be prepared for each individual project within the Federal Reserve project as a whole, and that a summary sheet be prepared to comprehend the program as a whole. The latter would then be a sort of composite, which should of course include the general office or administrative costs--including salaries not assigned to specific projects.

The fund for each individual project would be determined by the appropriation or authorization which you have from the Committee for a particular purpose. As a rule, such "funds" represent limits rather than a schedule or forecast of actual expenditures, but it is always well to have the amount in the foreground.

We are presently concerned here with the imminence of need for estimates for the fiscal year 1955-56. For the duration, it is presently assumed that the figure will accumulate to \$320,000 or less--including the pilot project.

For purposes of estimating salary costs, I would like to explain how the OASI or social security costs (employer's contribution) should be computed. For those earning \$4,200 per annum or less the amount is exactly 2% of the salary for any period. All other cases are more complicated, since the tax applies to the first \$4,200 earned in a calendar year. The amount for persons at \$4,200 or over can vary anywhere between \$84 and \$168 in our fiscal year, depending on the inception of employment and the rate of pay. Perhaps it would be better for me to work on these estimates before they are finalized. Another alternative is to provide leeway for errors through the contingency figures in your budget. Either procedure is satisfactory to us.

You should ignore the TIAA as it does not apply to employees for the Committee on the History of the Federal Reserve System. Indeed, it does not apply to all employees who are working within the Institution.

Also, the addition to salaries for vacations or annual leave may be ignored provided the duration of time on which salary computations are based includes the period of time during which vacations will be taken. We incorporated this into our form primarily for people who are working on more than one project at the same time, or on projects of such short duration that they might have shifted to another assignment before taking leave. In these cases, it helps us to anticipate the vacation cost for purposes of picking up all project costs. But you need not worry about this if, as I assume, our general rule applies; this is the rule whereby it is expected that employees will use their leave accruals within periods of appointment, and not after the appointment expires.

Also, the allowance for overhead (which you will find just above the item of Contingencies) is not a problem of estimating, since this has already been negotiated at a flat rate of \$3,000 per annum rather than as a percentage of other expenditures as is done in some cases. Everybody seems to be satisfied with this formula; hence the flat rate may simply be inserted on the summary sheet or composite budget. It need not be allocated in turn to subprojects.

Please let me know if there is any way in which I can help you further.

Yours sincerely,

Mildred Manning
Treasurer

Mrs. Ellen Colt Singer
Committee on the History of the Federal Reserve System
33 Liberty St.
New York 45, N. Y.

(X)

Classification of Objects of Expenditure (Analysis Coding)

100 Personal services

- 101 Staff
- 102 Stenographic and clerical
- 103 Honoraria
- 104 Contract payments and consultants
- 105 Wages

B-105 Building

~~G-105 Garage~~

P-105 Painters

106 Accounting Services

107

108

109 Others

200 Supplies and materials

- 201 Stationery and office supplies
- 202 Cleaning and toilet supplies
- 203 Fuel
- 204 Provisions
- 205 Household supplies
- 206 Building supplies
- 207 Cooling and air conditioning
- 208 Equipment Rental
- 209 Other supplies

300 Communication

- 301 Telephone
- 302 Telegraph, cable, and radio
- 303 Postage
- 304 Messenger service
- 305 Mailing expense (not mailed by Postings)

400 Travel, transportation and freight

- 7 401 Travel
- 402 Express
- 403 Freight
- 404 Drayage (local)

500 Maintenance and repairs

501 Buildings

502 Equipment

B-502 Elevator

B-502 Heating

C-502 Cooling

G-502 General

P-502 Plumbing

503 Land

600 Miscellaneous expenses

601 Rent
602 Printing and binding
603 Advertising and publication of notices
604 Utilities - heat, light and power
 H-604 Heat
 E-604 Electricity
 G-604 Gas
 W-604 Water
605 Membership dues
606 Subscriptions
607 Collection expense and custodian fees
608 Laundry and towel service
609 Sundry expenses
609a Exterminator service
610 Films - rental
611 Type storage
612 Entertainment
613 Time service
614 Uniforms
615 Notary fees

700 Fixed charges

701 Interest
702 Grants and contributions
703 Fire, tornado, boiler, etc. insurance
704 Employees and public liability insurance
705 Fidelity insurance
706 Taxes, license, and vault fees
707 Elevator inspection fee
708 Depreciation
709 Other

800 Capital outlays

801 Land
802 Buildings and structures
803 Building equipment
804 Office equipment
805 Library equipment
806 Books
807 Kitchen and dining room equipment
808 Household equipment, furniture, and fixtures
809 Films
810

1000 Manufacturing cost of publications

Schematic Basis for Coding Expenditures

1. The code number for the Federal Reserve project as a whole is 2705 (ledger account number). The reason for this number is: According to our master chart of accounts, ledger accounts are numbered from 1,000 to 3,000. (The number of digits permits almost indefinite expansion within sections of the chart.) Expense accounts begin at 2,300 and these in turn are divided between General Fund Transactions and Restricted Fund Transactions. The latter begin at 2,500, and the account for Federal Reserve Project is 2705.

2. Our master plan of coding provides a separate code for objects of expenditure--such as salaries, travel, supplies and so on. A copy of this code is enclosed. For example, it will be seen that the code for a travel voucher is 401. Hence, when we receive a travel voucher in connection with the Federal Reserve project, the disbursement is coded thus:

2705--401.

For most of our activities, this scheme is sufficient to provide the kind of information that is needed. For example, we have in progress a study of Urban Transportation, for which the total accumulated under this heading in ledger accounts is analyzable in terms of objects of expenditure such as salaries, travel, and so on.

However, in the case of the Federal Reserve project, which has its own administrative group, and has projects within a project, it becomes desirable to further classify the purposes as well as the objects of expenditure. This arose, for example, in connection with the Princeton conferences. In order to show the cost of these conferences, it was necessary to segregate certain travel from travel as a whole.

In order to meet this objective, I suggest that ~~2705 be broken down into~~ A, B, C, D and so on be added to 2705 for purposes of coding; say:

A for Overhead or General Expenses and Administration
(Some such title expands the idea of Office costs ~~xxx~~ as set up in the first budget so that it would include salaries as well as expenses which are not allocable to specific activities)

B for Project _____

C for Project _____

and so on.

Insert one in this series for miscellaneous or undesignated and arrange these in any order desired

On the foregoing basis, a specific expenditure would be coded in this manner: If it represents salary of administrative staff member, ~~xxx~~ the code number would be 2705A--101. A contract payment would be 2705B--104 or 2705C--104 and so on. Travel for general administrative purposes becomes 2705A-401, while travel to a conference would be 2705X-401 (depending on the layout of ~~xxxx~~ letters for conference expenses).

The extent to which 2705 should be broken into subaccounts depends on the wishes and requirements of the Committee for statistical information.

2/28/55

MEMORANDUM

To: Miss Adams
From: M. Maroney

In the light of our conversation this morning, I have prepared the enclosed table

- 1) To re-distribute expenditures in line with the budget of June 1954 (for the current fiscal year);
- 2) To estimate results as of June 30 next, with a view to the carryover which might be expected to eventuate from this budget.

The second objective is necessarily incomplete. I have taken into account the salary increases which are impending, but you will have to determine what salaries if any there will be at the Bank other than for Miss McKinstry. For her, I have included a figure in the contingency section estimated at \$200 a month. There could be some saving here, as well as in travel (general) and office costs.

You will also have to add to my estimate for any commitments which are impending but not of record here, and I will send you a figure for the second Princeton conference as soon as our accounts catch up.

The leeway of \$12,800 seems adequate for adjustments (plus and minus) in my third column.

Budget Statement and Worksheet
FEDERAL RESERVE PROJECT
Fiscal Year 1954-55

| | Budget of 6/15/54 (12 mos.) | Expended to Dec. 31 (1st 6 mos.) | Revised Est. for 12 mos. (Incomplete) | Comments |
|-------------------------------------|-----------------------------------|--|---|--|
| ANNUAL SALARIES | | | | |
| Adams..... | | | | Amounts include social security costs |
| Singer..... | | | | At 4,160 to Mar. 1; at 4,500 from Mar. 1 |
| Burstein | | | | At 3,380 to May 1; at 3,600 from May 1 |
| Bank employees | | | | Excludes McKinstry after Oct 1; shifted to research costs (Oct. 1 (see contingencies) |
| OFFICE COSTS | 2,000.00 | 1,244.88 | 2,000.00 ? | Items other than salaries (above) |
| TRAVEL | 3,000.00 | 771.62 | 3,000.00 ? | All travel except items included in con- ference costs (see contingencies) |
| B. I. ExpENSES AND OVERHEAD | 3,000.00 | 1,500.00 | 3,000.00 | Fixed rate |
| PROJECT COSTS | 8,937.00 | | | |
| Kincaid (Glass papers) | | 2,666.66 | 2,666.66 | |
| Chandler (Strong study) | | 2,000.00 | 4,500.00 | |
| Burnett: Bibliographic | | 768.08 | 1,856.40 + | Oct 13 to April 13 at \$303.33/mo. plus 2% |
| CONTINGENCIES | 15,000.00 | | | |
| Princeton conference of Nov. '54 | | 872.39 | 1,072.39 | Third column includes honoraria (pd in Feb.) |
| Conference of Jan '55 | | — | ? | To be computed |
| McKinstry (10/1-6/30) | | 469.90 | 1,669.90 | Estimated at \$200 month (1/1 to 6/30) |
| Beatrice Bulla | | — | 655.63 + | Contract liquidated Feb 1955 |
| E. Abolin (misc.) | | 6.60 | 6.60 | |
| Deficit for 1953-54 | | | 2,038.64 | To be absorbed here |
| TOTALS | 53,325.00 | 19,268.35 | 40, 517.16 + ? | |

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Secretary
SHELDON B. AKERS
Executive Manager

RECEIVED

FEB 18 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

February 17, 1955

Miss Mildred Adams,
Committee on the History of the Federal Reserve System
33 Liberty Street
New York 45, N. Y.

Dear Miss Adams:

I am sending you herewith five copies of the report, and am glad you think it will be helpful.

Yes I did confuse the Glass papers with the Goldenweiser papers in my previous letter, and that was a mixup in my mind.

This reminds me: In connection with the problem of further classifying expenditures functionally, the information to be provided by Mrs. Singer in vouchering will of course be helpful. It would also be helpful to have from you a list of projects for which you desire to build up specific cost accounts.

As you probably know, the three main expenditure code bases in general use are (1) character and object, (2) functions and activities, and (3) organization units. We have the first one well in hand and the third is not, I believe, a problem here.

The second major basis of classification is the one for which I lack a master plan. We started the account at the outset with only the major heading: "A study of the history of the Federal Reserve System." Meanwhile, the only sub-head under which I have tagged expenses on the enclosed report is "Princeton Conference, November 1954," and I have a reminder to look out for later conferences. In going through my file, I detect other projects such as a volume on Benjamin Strong (Dr. Chandler) and a project on the Glass papers (Dr. Kincaid). For completion of the list, I suggest that we sit down together some time and work out a plan for reporting. Let's not make this unnecessarily detailed; on the other hand, we wish to serve your needs. The latter, I would like to say, represents my view of the function of accounting, within orthodox principles, requirements of fidelity, and so on.

Yours sincerely,

Mildred Maroney

Treasurer.

Report of Expenditures
STUDY OF THE HISTORY OF THE FEDERAL RESERVE SYSTEM

To December 31, 1954

| OBJECTS OF EXPENDITURE — | I. Fiscal Periods | | |
|---|---------------------|----------------------|--------------|
| | 1/1/54 - 6/30/54 | 7/1/54 - 12/31/54 | Totals |
| <u>Salaries</u> | | | |
| Mildred Adams | | | |
| Ellen Colt Singer | | | |
| Marguerite Burnett | | | |
| Irma Burstein | | | |
| Dorothy Bowen | | | |
| Elizabeth Abolin | | | |
| OASI paid by B. I. | | | |
| Bank payrolls (reimbursed) . . | | | |
| Total Salaries | \$ 8,669.85 | \$ 10,270.17 | \$ 18,940.02 |
| <u>Contract Payments</u> | | | |
| E. A. Kincaid | 1,333.33 | 2,666.66 | 3,999.99 |
| Lester V. Chandler | — | 2,000.00 | 2,000.00 |
| Adelphia Reporting Bureau . . | — | 208.62 | 208.62 |
| Total contracts | 1,333.33 | 4,875.28 | 6,208.61 |
| <u>Travel and subsistence</u> | 957.66 | 1,378.02 | 2,335.68 |
| <u>Office Costs of Committee</u> | 695.07 | 1,244.88 | 1,939.95 |
| <u>Brookings Institution Expenses</u> and Overhead | | | |
| Salaries allocated directly | 195.45 | 42.54 | 237.99 |
| Long distance calls and express . . | 37.28 | 15.48 | 52.76 |
| Indirect costs | No charge | 1,441.98 | 1,441.98 a/ |
| Total | 232.73 | 1,500.00 | 1,732.73 |
| <u>Miscellaneous</u> | | | |
| Mrs. E. A. Goldenweiser (freight) . | 150.00 | | 150.00 |
| Total Expenditures | 12,038.64 | 19,268.35 | 31,306.99 |

| RECAPITULATION, 1/1/54--12/31/54: | II. Purposes of Expenditure | | |
|---|-----------------------------|------------------------------|-----------|
| | Unclassified b/ | Princeton Conf. Nov. 1954 | Totals |
| Salaries | 18,882.65 | 57.37 | 18,940.02 |
| Contract payments | 5,999.99 | 208.62 | 6,208.61 |
| Travel and subsistence | 1,729.28 | 606.40 | 2,335.68 |
| Office costs of Committee | 1,939.95 | — | 1,939.95 |
| B. I. expenses and overhead | 1,732.73 | — | 1,732.73 |
| Miscellaneous (Glass. papers) | 150.00 | — | 150.00 |
| Total Expenditures | 30,434.60 | 872.39 c/ | 31,306.99 |

a/ \$1,500 less \$58.02

b/ Pending classification by projects.

c/ Does not include honoraria (paid in February 1955)

STATUS OF FUNDS

December 31, 1954

| GRANTS (ROCKEFELLER FOUNDATION) | 1/1/54-- 6/30/54 | 7/1/54-- 12/31/54 | Totals |
|---------------------------------|---------------------|----------------------|-------------------|
| Totals | \$10,000.00 | \$310,000.00 | \$320,000.00 |
| Expenditures | <u>12,038.64</u> | <u>19,268.35</u> | <u>31,306.99</u> |
| Unexpended Balances | - <u>2,038.64</u> | <u>290,731.65</u> | <u>288,693.01</u> |

PREPAYMENTS

| | | | |
|--------------------------------------|-------------------|------------------|------------------|
| Receipts of Brookings Institution | 10,000.00 | 53,325.00 | 63,325.00 |
| Expenditures | <u>12,038.64</u> | <u>19,268.35</u> | <u>31,306.99</u> |
| Unexpended Balances | - <u>2,038.64</u> | <u>34,056.65</u> | <u>32,018.01</u> |

RECEIVED

FEB 10 1955

COMMITTED ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

February 15, 1955

Miss Mildred Maroney
Mr. Sheldon Akers
Brookings Institution
722 Jackson Place, N.W.
Washington, D. C.

Dear Miss Maroney and Mr. Akers:

Regarding the question raised in your memorandum to Miss Adams of February 10 regarding honoraria payments to Dr. Wood, Bopp and Chandler, I think your proposal number II is the appropriate way to handle the matter.

Cordially,

Donal W. Woodard

DBW:lw

RECEIVED

2/10/55

FEB 11 1955

To: Miss Adams
From: M. Maroney, Mr. Akers et al

Re: Honoraria payments of February 10, 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

We are not sure just how these should be distributed to specific conferences. Will you indicate below which of the alternative possibilities which I can envision is the correct one? Or if neither is right, indicate the correct allocations. (Return this sheet, and ~~wik~~ we will complete our voucher record.)

- I -

| | Princeton Conference of Nov 1954 | Princeton Conference of Jan, 1955 | Totals (Paid 2/10/55) |
|--------------|--|---|-----------------------------|
| Dr. Wood | 100.00 | 100.00 | 200.00 |
| Dr. Bopp | 100.00 | -- | 100.00 |
| Dr. Chandler | 100.00 | -- | 100.00 |
| Totals | 300.00 | 100.00 | 400.00 |

- II -

| | | | |
|--------------|--------|--------|--------|
| Dr. Wood | 100.00 | 100.00 | 200.00 |
| Dr. Bopp | 50.00 | 50.00 | 100.00 |
| Dr. Chandler | 50.00 | 50.00 | 100.00 |
| Totals | 200.00 | 200.00 | 400.00 |

- III - ?

MEMO

DATE _____

TO _____ M. A. _____

FROM _____ M. M. _____

RE: _____

I am supplying the enclosure in duplicate, also mailing another copy to Mr. Woodward.

Please let me know if you need any more and I will send them.

RECEIVED

FEB 4 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

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Secretary

SHELDON B. AKERS
Executive Manager

February 11, 1955

RECEIVED
FEB 11 1955
COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

Miss Mildred Adams,
Committee on the History of the Federal Reserve System,
33 Liberty Street,
New York 45, N. Y.

Dear Miss Adams:

With your kind indulgence, I am sending you herewith still another report of expenditures, which I would like you to use as the official report instead of previous versions.

The totals are the same as those reported February 8th. The difference lies in the fact that I have segregated a payment of \$150 to Mrs. Goldenweiser from the so-called Brookings Institution expenses. I learned from further study of details that this was a payment for the shipment of the Glass papers and should not, I think you will agree, be considered as an internal Brookings expense. (We merely paid the bill.)

This has no importance except in the event of a re-opening of the question of the charges for Institution overhead. In that connection, it is my purpose to show that the only expenses at the Institution which have been charged directly to this project are long distance calls and a small component of salaries. The latter were merely items that were actually reported on time sheets by Mr. Calkins and his secretarial group, without including any of the time devoted by Mr. Akers, Miss Long, Miss McCarthy or myself, which has been fairly substantial. Therefore, I have merely subtracted these direct charges, beginning July 1, 1954, from the agreed charge rate of \$3,000 per annum for "Brookings Institution expenses and overhead." Although this procedure is somewhat involved, it is indicated in order to hold all the charges for our activity within the context of existing agreements.

Yours sincerely,

Mildred Maroney

Treasurer.

Report of Expenditures
STUDY OF THE HISTORY OF THE FEDERAL RESERVE SYSTEM
To December 31, 1954

| OBJECTS OF EXPENDITURE -- | | I. Fiscal Periods | | Totals |
|--|--|-----------------------------|------------------------------|-------------|
| | | 1/1/54-- 6/30/54 | 7/1/54-- 12/31/54 | |
| <u>Salaries</u> | Mildred Adams | | | |
| | Ellen Colt Singer | | | |
| | Marguerite Burnett | | | |
| | Irma Burstein | | | |
| | Dorothy Bowen | | | |
| | Elizabeth Abolin | | | |
| | OASI paid by B. I. | | | |
| | Bank payrolls (reimbursed) | | | |
| | Total Salaries | 8,669.85 | 10,270.17 | 18,940.02 |
| <u>Contract Payments</u> | | | | |
| | E. A. Kincaid | 1,333.33 | 2,666.66 | 3,999.99 |
| | Lester V. Chandler | — | 2,000.00 | 2,000.00 |
| | Adelphia Reporting Bureau | — | 208.62 | 208.62 |
| | Total contracts..... | 1,333.33 | 4,875.28 | 6,208.61 |
| <u>Travel and subsistence</u> | | 957.66 | 1,378.02 | 2,335.68 |
| <u>Office Costs of Committee</u> | | 695.07 | 1,244.88 | 1,939.95 |
| <u>Brookings Institution Expenses</u> <u>and Overhead</u> | | | | |
| | Salaries allocated directly... | 195.45 | 42.54 | 237.99 |
| | Long distance calls and express | 37.28 | 15.48 | 52.76 |
| | Indirect costs | No charge | 1,441.98 | 1,441.98 a/ |
| | Total | 232.73 | 1,500.00 | 1,732.73 |
| <u>Miscellaneous</u> | | | | |
| | Mrs. E. A. Goldenweiser (frt.) | 150.00 | | 150.00 |
| | by objects | | | |
| Total Expenditures | | 12,038.64 | 19,268.35 | 31,306.99 |
| RECAPITULATION, 1/1/54--12/31/54: | | II. Purposes of Expenditure | | Totals |
| | | Unclassified | Princeton Conf. Nov. 1954 | |
| Salaries | 18,882.65 | | 57.37 | 18,940.02 |
| Contract payments | 5,999.99 | | 208.62 | 6,208.61 |
| Travel and subsistence | 1,729.28 | | 606.40 | 2,335.68 |
| Office costs of Committee | 1,939.95 | | — | 1,939.95 |
| B. I. expenses and overhead | 1,732.73 | | — | 1,732.73 |
| Miscellaneous (Glass papers)..... | 150.00 | | — | 150.00 |
| Total Expenditures, by purposes..... | 30,434.60 | | 872.39 b/ | 31,306.99 |
| a/ | \$1,500 (1/2 of \$3,000) less \$58.02 | | | |
| b/ | Does not include honoraria (paid in February 1955) | | | |

STATUS OF FUNDS

December 31, 1954

| GRANTS (ROCKEFELLER FOUNDATION) | 1/1/54-- 6/30/54 | 7/1/54-- 12/31/54 | Totals |
|---------------------------------|---------------------|----------------------|-------------------|
| Totals | \$10,000.00 | \$310,000.00 | \$320,000.00 |
| Expenditures | <u>12,038.64</u> | <u>19,268.35</u> | <u>31,306.99</u> |
| Unexpended Balances | <u>- 2,038.64</u> | <u>290,731.65</u> | <u>288,693.01</u> |

PREPAYMENTS

| | | | |
|--------------------------------------|-------------------|------------------|------------------|
| Receipts of Brookings Institution | 10,000.00 | 53,325.00 | 63,325.00 |
| Expenditures | <u>12,038.64</u> | <u>19,268.35</u> | <u>31,306.99</u> |
| Unexpended Balances | <u>- 2,038.64</u> | <u>34,056.65</u> | <u>32,018.01</u> |

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The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

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FEB - 9 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

OFFICERS

ROBERT D. CALKINS
President
MILDRED MARONEY
Treasurer
ELIZABETH H. WILSON
Secretary
SHELDON B. AKERS
Executive Manager

February 8, 1955

Miss Mildred Adams
33 Liberty Street
New York 45, N. Y.

Dear Miss Adams:

As promised, I have gone over the record of expenditures with a view to pulling out the costs of the November conference at Princeton, which amounted to \$872.39 as set forth in Part II of the attached report of expenditures. This figure differs only slightly from Mr. Singer's earlier computation, due to a \$10.00 adjustment in the bill from Princeton Inn. We also have added 50 cents for travel by Dr. Calkins, which item represents the cost of cancelling his reservations.

All other travel in my report is accounted for by trips to Denver, Ithaca, Charlottesville, Boston and Washington, including bills and advances by the Bank, items paid by Brookings, less refunds to Brookings. As explained on the telephone, it is not possible at this juncture to further break down these items by projects, because I do not know what the projects are, or if I did, I would not be able to tell what trips and what salaries are assigned to them. But I shall be glad to cooperate with you in the development of classification consistent with your budgetary criteria, in so far as you want this done.

Apart from the re-classification in the enclosure, I have raised the overall totals of expenditures by \$49.04. This correction is explained as follows:

1. I find I overstated payments to Dr. Kincaid by \$0.01. I guess we owe him that penny!

2. I understated travel by \$75.30. This is due to the fact that a supplementary bill which we received in December from the Bank in New York was erroneously posted to another account, and we have since corrected.

3. In the previous report, the supplementary payment of \$26.25 to Miss Bowen was counted twice because we paid her once via the register of vouchers and again via the payrolls; meanwhile, the latter check has been cancelled.

The three adjustments in combination amount to \$49.04.

Total expenditures, as of Dec. 31, become \$31,306.99 instead of \$31,257.95. The unexpended balance of \$320,000 was \$288,693.01, and the unexpended balance of cash receipts (prepayments at Dec. 31) was \$32,018.01.

Yours sincerely,

Mildred Maroney
Treasurer

RECEIVED

Corrected Report
M. Maroney - 2/8/55

FEB - 8 1955

Report of Expenditures
COMMITTEE ON THE HISTORY OF THE HISTORY OF THE FEDERAL RESERVE SYSTEM
OF THE
FEDERAL RESERVE SYSTEM

December 31, 1954

| OBJECTS OF EXPENDITURE -- | I. Fiscal Periods | | |
|--|---------------------|----------------------|-------------|
| | 1/1/54 - 6/30/54 | 7/1/54 - 12/31/54 | Totals |
| <u>Salaries</u> | | | |
| Mildred Adams | | | |
| Ellen Colt Singer | | | |
| Marguerite Burnett | | | |
| Irma Burstein | | | |
| Dorothy Bowen | | | |
| Elizabeth Abolin | | | |
| OASI paid by B. I. | | | |
| Bank payrolls (reimbursed) | | | |
| Total Salaries | 8,669.85 | 10,270.17 | 18,940.02 |
| <u>Contract payments</u> | | | |
| E. A. Kincaid | 1,333.33 | 2,666.66 | 3,999.99 a/ |
| Lester V. Chandler | — | 2,000.00 | 2,000.00 b/ |
| Adelphia Reporting Bureau | — | 208.62 | 208.62 |
| Total contracts | 1,333.33 | 4,875.28 | 6,208.61 |
| <u>Travel and subsistence</u> | 957.66 | 1,378.02 | 2,335.68 c/ |
| <u>Office Costs of Committee</u> | 695.07 | 1,244.88 | 1,939.95 |
| <u>Brookings Institution Expenses</u> <u>and Overhead</u> | 382.73 | 1,500.00 | 1,882.73 |
| Total Expenditures | 12,038.64 | 19,268.35 | 31,306.99 |

| RECAPITULATION, 1/1/54--12/31/54: | II. Purposes of Expenditure | | |
|---------------------------------------|-----------------------------|------------------------------|-------------|
| | Unclassified | Princeton Conf. Nov. 1954 | Totals |
| Salaries | 18,882.65 | 57.37 d/ | 18,940.02 |
| Contract payments | 5,999.99 | 208.62 | 6,208.61 |
| Travel and subsistence | 1,729.28 | 606.40 | 2,335.68 |
| Office costs of Committee | 1,939.95 | — | 1,939.95 |
| B. I. Expenses and Overhead | 1,882.73 | — | 1,882.73 |
| Total Expenditures | \$30,434.60 | \$ 872.39 | \$31,306.99 |

- a/ Due to oversight, less than contracted by one cent (we owe Dr. Kincaid one cent).
b/ Includes payment due 1/1/55.
c/ Includes \$75.30 omitted from previous report.
d/ Salary supplements (\$56.25) plus 2%

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Secretary
SHELDON B. AKERS
Executive Manager

The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

Feb. 3, 1955

Miss Mildred S. Adams
Committee on the History of the Federal Reserve System
33 Liberty Street
New York 45, New York

Dear Miss Adams:

Mr. Akers reports a telephone call from Mrs. Singer, while I was out, to the effect that we had perhaps omitted the cost of the Princeton conference in connection with the statement of expenditures which I supplied the other day.

That suggestion is erroneous. The cost is included in so far as vouchered to us through the end of December. It is not included to the extent of any January vouchers, except the one we received from the Bank for the month of December.

I explained in my letter, but perhaps did not make wholly clear, that the cost of conferences is embedded in totals for travel, office costs and miscellaneous, and in salaries to the extent of supplements at Princeton.

Also I suggested that I would be glad to rearrange the report with a view to separation of conference costs from other travel and expenses. This would not affect the aggregates in my report but is a matter of classification.

If you wish this done as a matter of routine, we should set up a sub-account for conferences apart from the account for the study proper, so that in future we do not have to go back to voucher level in order to analyze the account along those lines. Please let us know if you wish that done. We wish to supply your needs adequately, and if this has not been done already it is only because this activity is somewhat different from that which we ~~are~~ ordinarily handle.

Yours sincerely,

Mildred Maroney
Treasurer.

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Summary Accounts, Jan. 15, 1954 - Dec. 31, 1954¹

| | <u>SPENT</u> 1/15/54-6/30/54 | <u>BUDGET</u> 7/1/54-6/30/55 | <u>BUDGET</u> 7/1/54-12/31/54 | <u>SPENT</u> 7/1/54-12/31/54 | <u>TO BE SPENT</u> 1/1/55-6/30/55 |
|-----------------------|---------------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------------------------|
| SALARIES | \$ 8,669.85 | \$21,388.00 | \$10,694.00 | \$ 9,543.40 | \$11,844.60 |
| OFFICE COSTS | 695.07 | 2,000.00 | 1,000.00 | 1,453.50 ³ | 546.50 |
| TRAVEL | 957.66 | 3,000.00 | 1,500.00 | 1,302.72 | 1,697.28 |
| BROOKINGS OVERHEAD | 382.73 | 3,000.00 | 2,500.00 | 1,500.00 | 1,500.00 |
| PROJECTS | 1,333.33 | 8,937.00 | 5,802.00 | 5,419.69 | 3,517.31 |
| KINCAID | 1,333.33 | 2,667.00 | 2,667.00 ⁴ | 2,666.67 ⁴ | .33 |
| CHANDLER | ----- | 4,450.00 | 2,225.00 | 2,000.00 | 2,450.00 |
| BURNETT | ----- | 1,820.00 | 910.00 | 753.02 | 1,066.98 |
| CONTINGENCY | ----- | 15,000.00 | 7,500.00 | 2,038.64 ⁵ | 12,961.36 |
| <u>TOTAL</u> | <u>\$12,038.64²</u> | <u>\$53,325.00</u> | <u>\$27,996.00</u> | <u>\$21,257.95</u> | <u>\$32,067.95</u> |

Notes:

1. Brookings' accounting, on which this is based, is more detailed. It is on file in the Committee office and may be examined there.
2. Pilot budget was \$10,000 to run January 15 - May 15, later made available until exhausted. Regular budget began July 1st.
3. Includes non-recurrent Ediphone purchase, \$677.88.
4. Non-recurrent, paid in first half of the year.
5. Figure of \$2,038.64 represents unbudgeted costs of period between May 15 and July 1st.

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

STATUS OF FUNDS

December 31, 1954

| | <u>1/1/54-- 6/30/54</u> | <u>7/1/54-- 12/31/54</u> | <u>Totals 12/31/54</u> |
|--|-----------------------------|------------------------------|----------------------------|
| GRANTS (ROCKEFELLER FOUNDATION) | | | |
| Totals | \$10,000.00 | \$310,000.00 | \$320,000.00 |
| Expenditures | <u>12,038.64</u> | <u>19,219.31</u> | <u>31,257.95</u> |
| Unexpended Balance | <u>- 2,038.64</u> | <u>290,780.69</u> | <u>288,742.05</u> |

CASH STATUS OF GRANTS

| | | | |
|-----------------------------|-------------------|------------------|------------------|
| Receipts | \$10,000.00 | \$53,325.00 | \$63,325.00 |
| Expenditures | <u>12,038.64</u> | <u>19,219.31</u> | <u>31,257.95</u> |
| Prepayments (end of period) | <u>- 2,038.64</u> | <u>34,105.69</u> | <u>32,067.05</u> |

Report of Expenditures
STUDY OF THE HISTORY OF THE FEDERAL RESERVE SYSTEM
December 31, 1954

| Objects of Expenditure | B. I. Fiscal Periods | | |
|---|----------------------|---------------------|-----------|
| | 1/1/54- 6/30/54 | 7/1/54- 12/31/54 | Totals |
| SALARIES | | | |
| Mildred S. Adams | | | |
| Ellen Colt Singer | | | |
| Marguerite Burnett | | | |
| Irma Burstein | | | |
| Dorothy Bowen | | | |
| Elizabeth Abolin | | | |
| Social Security for above persons | | | |
| Bank employees (inc. OASI) | | | |
| <i>Melvin ...</i> | | | |
| Total salaries | 8,669.85 ✓ | 10,296.42 | 18,966.27 |
| CONTRACT PAYMENTS | | | |
| E. A. Kincaid | 1,333.33 ✓ | 2,666.67 ✓ | 4,000.00 |
| Lester V. Chandler (advances) ... | — | 2,000.00 ✓ | 2,000.00 |
| Total contract payments | 1,333.33 | 4,666.67 | 6,000.00 |
| TRAVEL | 957.66 ✓ | 1,302.72 | 2,260.38 |
| OFFICE COSTS AND MISCELLANEOUS (See Schedule A) | | | |
| Less: Misc. charges at B. I. (included below) | 882.35 | 1,468.98 | 2,351.33 |
| | — 187.28 | — 15.48 | — 202.76 |
| Office Costs of Committee | 695.07 ✓ | 1,453.50 | 2,148.57 |
| BROOKINGS INSTITUTION EXPENSES AND OVERHEAD | | | |
| Salary allocations <i>a/</i> | 195.45 | 42.54 | 237.99 |
| Miscellaneous direct charges | 187.28 | 15.48 | 202.76 |
| Indirect costs (\$1,500 - 58.02) | — | 1,441.98 | 1,441.98 |
| Total | 382.73 ✓ | 1,500.00 | 1,882.73 |
| TOTAL EXPENDITURES <i>b/</i> | 12,038.64 | 19,219.31 | 31,257.95 |

a/ Dr. Calkins and steno pool

b/ Includes Federal Reserve Bank billing for December 1954 (\$476.43)

Schedule A

OFFICE COSTS AND MISCELLANEOUS

| | 1/1/54-- 6/30/54 | 7/1/54- 12/31/54 | Totals |
|---|---------------------|---------------------|--------------------|
| Stationery and office supplies | 303.00 | 234.38 | 537.38 |
| Telephone | 85.78 | 151.58 | 237.36 |
| Telegraph | 10.71 | 18.55 | 29.26 |
| Postage | — | 8.70 | 8.70 |
| Freight and express | 154.06 | — | 154.06 |
| Books | — | 28.22 | 28.22 |
| Equipment | 4.64 | 678.48 | 683.12 |
| Equipment maintenance | — | 44.00 | 44.00 |
| Equipment rental | 324.16 | 93.25 | 417.41 |
| Entertainment | — | 3.20 | 3.20 |
| Transcript of Princeton meeting | — | 208.62 | 208.62 |
| Totals | 882.35 | 1,468.98 | 2,351.33 |
| Less Brookings charges (included above) | 187.28 | 15.48 | 202.76 |
| Committee expenses | 695.07 | 1,453.50 | 2,148.57 <u>a/</u> |

a/ Of this amount, \$1,939.95 was disbursed by the Federal Reserve Bank (reimbursed by B. I.) and \$208.62 by the Brookings Institution (for transcript of Princeton meeting).

STATUS OF FUNDS
December 31, 1954

| | 1/1/54-- 6/30/54 | 7/1/54-- 12/31/54 | Totals 12/31/54 |
|---------------------------------|---------------------|----------------------|--------------------|
| GRANTS (ROCKEFELLER FOUNDATION) | | | |
| Totals | 10,000.00 | 310,000.00 | 320,000.00 |
| Expenditures | <u>12,038.64</u> | <u>19,219.31</u> | <u>31,257.95</u> |
| Unexpended Balance | <u>- 2,038.64</u> | <u>290,780.69</u> | <u>288,742.05</u> |
| CASH STATUS OF GRANTS | | | |
| Receipts | 10,000.00 | 53,325.00 | 63,325.00 |
| Expenditures | <u>12,038.64</u> | <u>19,219.31</u> | <u>31,257.95</u> |
| Prepayments (end of period) | <u>- 2,038.64</u> | <u>34,105.69</u> | <u>32,067.05</u> |

TRUSTEES

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HUNTINGTON GILCHRIST, *Vice Chairman*
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JOHN E. LOCKWOOD
LEVERETT LYON
ROBERT BROOKINGS SMITH
LAURENCE F. WHITEMORE
DONALD B. WOODWARD

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The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

FEB - 2 1955
COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

HONORARY TRUSTEES

ROBERT PERKINS BASS
MRS. ROBERT S. BROOKINGS
JOHN LEE PRATT
HARRY BROOKINGS WALLACE

OFFICERS

ROBERT D. CALKINS
President
MILDRED MARONEY
Treasurer
ELIZABETH H. WILSON
Secretary
SHELDON B. AKERS
Executive Manager

February 1, 1955

Dr. Mildred S. Adams
Committee on the History of the Federal Reserve System
33 Liberty Street,
New York 45, New York

Dear Miss Adams:

I am sending you and Dr. Calkins the enclosed statement of expenditures to the end of December 1954, supplemented by a statement of the status of funds on the basis of these expenditures.

As previously explained, I have been uncertain what is the proper charge to be made for that component of expenses which is referred to in the budget as "Brookings Institution Expenses and Overhead." The terminology is confusing because we customarily make certain direct charges to specific projects for time sheet reports by Dr. Calkins and the stenographic pool, and for certain office expenses which are clearly identifiable with the projects, while overhead charges represent allowance for indirect costs such as accounting, administrative, and other general operating expenses (building operation, library operation and so on).

In this case, however, it seems to me probable that the direct charges which we have made to this project have an administrative rather than a substantive connection with the project. Therefore, I have tentatively regarded these amounts as items which should be embraced by the allowance for "Brookings Institution Expenses and Overhead"--that is, \$3,000 per annum.

I hope this is satisfactory. However, if I have not interpreted the situation as intended, I hope that you and Dr. Calkins will clarify what was intended.

Other expenditures in this report are grouped in terms of the budget classification except with regard to "conference costs". With that inclusion, the budget is a mixed classification of objects and functions of expenditure; in order to recapitulate the cost of conferences, it would be necessary to pull out parts of travel, office costs, and certain salary supplements. If necessary, I can analyze the vouchers with a view to re-classification, in so far as vouchers are susceptible to identification with expenses in the field. Please let me hear from you if anything further is needed.

Yours sincerely,

Mildred Maroney
Treasurer

January 24, 1955

Memorandum

Brookings Expenses and Overhead

After talking with Mr. Woodward by telephone, I called Miss Maroney Monday, January 24, 1955 to explain that the \$3,000 allotted in the budget for Brookings expenses and overhead was an arbitrary figure brought up by Dr. Calkins at the time of budget making. So far as we were aware, it was presented as a lump figure with no breakdown and no expressed relationship to the contingency figure of \$15,000 or the total budget allotment for the year.

Miss Maroney's point seemed to be that, as so much of the work of this Committee is in the field rather than requiring work by the headquarters staff at Brookings, the charge seemed too large. I reminded her that Brookings is doing the bookkeeping and providing aid when I am in Washington. She will take up with Dr. Calkins the matter of proportions and possible breakdown and will try to arrive at a figure which seems more in line for use in the budget of 1955-56. I told her that the entire budget was presented on the basis of intelligent guessing, as we had had no experience to go on. She said that no written reply was necessary. This memorandum is merely to record the conversation.

MA:ib

TRUSTEES

WILLIAM R. BIGGS, *Chairman*
HUNTINGTON GILCHRIST, *Vice Chairman*
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ROBERT D. CALKINS
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JOHN E. LOCKWOOD
LEVERETT LYON
ROBERT BROOKINGS SMITH
LAURENCE F. WHITTEMORE
DONALD B. WOODWARD

The Brookings Institution
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Washington 6, D. C.

JAN 19 1955 722 JACKSON PLACE, N. W.

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

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JOHN LEE PRATT
HARRY BROOKINGS WALLACE

OFFICERS

ROBERT D. CALKINS
President
MILDRED MARONEY
Treasurer
ELIZABETH H. WILSON
Secretary
SHELDON B. AKERS
Executive Manager

January 18, 1955

Miss Mildred Adams
Committee on the History of the Federal Reserve System
33 Liberty Street,
New York 45, New York

Dear Miss Adams:

The statement requested in your letter of December 22 will be ready for you as soon as we receive the bill from the Bank for December. This has not reached us; or at any rate it has not yet crossed my desk.

Also, I have an unresolved problem with respect to the charge for overhead which should be made for the period. For the first period of operation ended June 30, 1954, we omitted any such charge as there was no budgetary basis for it and, in all fairness, it did not seem to me to be indicated, with the bulk of expenditures for the project occurring in the field.

Meanwhile, our Trustees have indicated in principle that all project costs should include an allowance for Brookings Institution overhead, but we have not yet evolved uniform rules for application of this principle. In some cases, where the projects are conducted largely within the Institution, Dr. Calkins has indicated a charge in ratio to total expenditures, and in other cases an arbitrary figure.

The budget for the Federal Reserve project, for the current fiscal year, indicated total expenditures of \$53,325—of which \$3,000 represented "Brookings expenses and overhead." The total also included a contingency figure of \$15,000. On the basis of the ratio between \$3,000 and \$53,325, it appears to me that the overhead charge was probably intended to be about 8-1/2% of total actual expenditures.

Do you happen to know whether that was the intention?

Also, was it intended that the overhead allowance should be inclusive or exclusive of Brookings Institution expenses? If the former, which Brookings Institution expenses? The charges which we have had here include some salary allocations, mainly from Dr. Calkins and the steno pool, which I presume though I do not know the facts have a substantive rather than an administrative connection with the project. Other charges, apart from salaries in New York and contract payments, involve travel and miscellaneous expenses such as supplies, equipment and so on. Since these charges are accumulated by objects or nature of expenditure rather than by the point at which they were incurred, we would have to break them

down in order to separate reimbursements to the Bank and the New York staff for purposes of applying our direct expenses to the provision for overhead.

This can of course be done if necessary. First, however, it seems to me that we ought to get a clear understanding of what was or is intended to be done with respect to this whole overhead matter. Indeed, I do not see how I can supply an accurate statement of costs to date until this has been done. I don't believe I ought to proceed solely on my own initiative.

If, as I suspect, it may take some time to work out this problem, we could of course ignore the overhead charge at this time and pick up the charge for the entire fiscal year on June 30 next. This would be perfectly satisfactory to me, provided it is understood by all the parties that this item is not included on current statements.

Yours sincerely,

Mildred Maroney

Treasurer.

I am enclosing a copy of this letter in case you think it advisable to submit this problem to Mr. Woodward.

March 23, 1955

To: Miss Adams

From: Mrs. Singer

Bookkeeping

Miss Maroney's suggestion of using our Brookings code number (2705) and different letters of the alphabet for individual projects within the Committee's responsibility seems an excellent idea to me. She says this may be difficult to carry out, "a budget officer's dream" but we certainly ought to try it. She is the person to whom the difficulties will eventually come. If she is willing to give it a whirl, we are bound to benefit.

I therefore suggest that you work out with her a code scheme which might include:

General Expenses (A)
(costs relating to project
as a whole, i.e. salaries,
office, travel)

Kincaid-Glass Project (B)
(includes Cluett)

Chandler-Strong Project (C)

Burnett-Archives Project (D)
(should this be only Miss
Burnett's salary or should
it include any travel expenses
she may have?) ~~etc.~~

→ McKinstry-Bibliography Project (E)

Miscellaneous (F) E
(Abolin, Bulla, etc.)

First Princeton Conf. (G)

Second Princeton Conf. (H)

Group Interviews-Dr. Stewart (I) G.

Paper Chase (J) Int

↓ 11 apr ? needs new name

have been
a Conference
heading - one
Field Conference

TO: Miss Adams

February 24, 1955

FROM: Mrs. Singer

SUBJECT: Bookkeeping

Since I do not understand bookkeeping, my suggestions may not be appropriate. I certainly do not wish to propose anything which will make the bookkeeping more difficult.

If Miss Maroney could explain just what items in our budget fall under the three expenditure code bases she mentions, it would be most helpful to me.

Each project, such as the Kincaid or Chandler work, should certainly be identified. Perhaps when someone is paid by the week, as is Miss Burnett, it is difficult to consider her as working under contract. But it would be easier for us to reconcile expenses with the target budget if she, and any future people working under that arrangement, were considered under the same heading as the other "projects".

In view of your recommendation to the Executive Committee at their recent meeting, I think it would be useful to have all money spent on the "paper chase" isolated as far as possible. Of course, most of this would come under individual projects and be identified easily as that. But there are smaller expenditures (such as the postage paid by the National Records Management Council) which might be lost under office expenses. If a separate appropriation is made in the budget for FY 1955/56 for the paper chase, we should keep track of these small items. Another new project is the Dr. Stewart-group interview. We should keep track of all expenses connected with that in view of the fact that \$500 was appropriated by the Executive Committee at their meeting on December 28, 1954 especially for this project.

If these suggestions seem too complicated, they can be carried out here in this office for our own information.

Brookings needs "tentative budget"
for 1955-56 by ~~May 1st~~ April 30th
Overall estimate - to which revenue will be ~~afforded~~

When is Ellen Singer's social security number?
Brookings needs

December 14, 1954

To: Miss Adams

From: Mrs. Singer

Subject: Budget

Our fiscal position is good. On the sheet I gave you this morning, all figures are final except for November where I had to estimate since we do not have the Bank's bill. July, when the Ediphone was bought, is the only month in which we overstepped our budget.

The costs of the Princeton meeting are not figured as office costs as I considered them to fall more properly under Contingencies. The cost of the Princeton conference was \$1180.77 (this figure includes your travel costs to Princeton which I shall eventually charge to travel in November). I have also considered Miss Bulla's fee as coming under Contracts, though if you wished to do so, we could absorb it under Office Costs.

Should we need more money, we might consider charging Miss McKinstry's salary to Contracts. Apart from giving us more "office money", this plan might enable you to arrange for Miss McKinstry to do the annotated bibliography and receive the credit for it. I am sure it could be done while still maintaining the loan arrangement with the New York Bank. Miss McKinstry, I am sure, would not consider becoming any kind of an employee of Brookings nor would Miss Maroney welcome new tax arrangements.

According to my estimate we were, as of the first of December, \$766.15 to the good. Since August first, our office costs have been hovering close to \$1600, and even the increased expense of the new offices and (I hope) a much higher travel bill from you, should not put us into the red. Our budget, which allows us \$2,119 per month for the office, gives us the funds to consider hiring a typist to do some copying. I think we could use some typing assistance. For instance, there are the Carter Glass Indexes which need to be done, the copying of bibliography cards, the constant addition of new cards to our persons file, and various typing jobs which come up in the course of the work and which I would like to delegate to someone else in order to free Miss Burstein and myself for the less routine work.

11/29/54

NOV 30 1954

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

PAYMENT SCHEDULE

Agreement of Sep. 14/16, 1954

Between: (1) The Brookings Institution) Acting
Committee for the History of the F. R. S.) Jointly

(2) Lester V. Chandler, Princeton, New Jersey

Fiscal Years

Payments under Paragraph 3
(Advances for Exp)Under Paragraph 4
(Personal Compensation)1954-55

| | | |
|----------------|-----------------|-----------------|
| Sep. 20, 1954 | \$1,000.00 | |
| Jan. 1, 1955 | 1,000.00 | |
| May 1, 1955 | 1,000.00 | |
| June 1, 1955 | 0 | \$1,500.00 |
| Total, 1954-55 | <u>3,000.00</u> | <u>1,500.00</u> |

1955-56

| | | |
|----------------|-----------------|-----------------|
| Sep. 20, 1955 | 1,000.00 | |
| Dec. 1, 1955 | 0 | 1,000.00 |
| Jan. 1, 1956 | 1,000.00 | |
| May 1, 1956 | 1,000.00 | |
| June 1, 1956 | | 1,000.00 |
| Total, 1955-56 | <u>3,000.00</u> | <u>2,000.00</u> |

1956-57

| | | |
|----------------|--------------------------------------|------------------------|
| Sep. 1, 1956 | 1,000.00 | |
| Dec. 1, 1956 | 0 | 1,000.00 |
| Mar. 1, 1957 | 0 | 500.00 |
| Total, 1956-57 | <u>1,000.00</u> | <u>1,500.00</u> |
| GRAND TOTALS | <u><u>7,000.00</u></u> ^{a/} | <u><u>5,000.00</u></u> |

^{a/} Subject to return of unexpended funds on June 30, 1957

responsiveness with the District Director and the Social Security Administration.

4. Who Are Employees

A. Common Law Rules.—Every individual who performs services subject to the will and control of an employer, both as to what shall be done and how it shall be done, is an employee for purposes of these taxes. It does not matter that the employer permits the employee considerable discretion and freedom of action, so long as the employer has the legal right to control both the method and the result of the services.

While not always applicable, some of the usual characteristics of an employee are that the employer has the right to discharge him and that the employer furnishes tools and a place to work.

In general, persons who are in business for themselves are not employees. For example, physicians, lawyers, dentists, veterinarians, construction contractors, public stenographers, and others who follow an independent trade, business, or profession in which they offer their services to the public are not employees.

If the relationship of employer and employee exists, the description of the relationship by the parties as anything other than that of employer and employee is immaterial. Thus, it is of no consequence that the employee is designated as a partner, coadventurer, agent, or independent contractor. The measurement, method, or designation of compensation is also immaterial. Also, it does not matter whether the individual is employed full or part time.

No distinction is made between classes of employees. Superintendents, managers, and other superior employees are employees. Generally, an officer of a corporation is an employee but a director in his capacity as such is not an employee. However, an officer who does not perform any services or performs only minor services and who neither receives nor is entitled to receive any compensation is not considered to be an employee.

Whether the relationship of employer and employee exists under the usual common law rules will be determined in doubtful cases upon an examination of the particular facts of each case.

B. Other Statutory Provisions.—For F.I.C.A. taxes the term "employee" also means any individual who performs services for remuneration under the conditions stated in the last paragraph of this section—

(a) as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal;

(b) as a full-time life insurance salesman;

(c) as a home worker performing work, according to specifications furnished by the person for whom the services are performed, on materials or goods furnished by such person which are required to be returned to such person or a person designated by him, if the performance of such services is subject to licensing requirements under the laws of the State in which such services are performed; or

(d) as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, his principal (except for side-line sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations.

Any individual who is within any one of these categories is an employee for F.I.C.A. taxes if the contract of service contemplates that substantially all of such services are to be performed personally by such individual; except that an individual shall not be included in the term "employee" under these provisions if such individual has a substantial investment in facilities used in connection with the performance of such services (other than in facilities for transportation), or if the services

RECEIVED

NOV 20 1954

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

ESTIMATED BUDGET

July 1, 1954 to June 30, 1955

ANNUAL SALARIES:

Executive Director (Miss Adams)
Research Assistant (1/2 time - McKinstry)
Secretarial and typing aid

\$ 10,074
3,430
7,884

\$ 21,388

OFFICE COSTS:

Supplies
Telephone
Equipment - cost and rental

600
400
1,000

2,000

TRAVEL COSTS
BROOKINGS EXPENSES & OVERHEAD CHARGES

3,000
3,000

Chandler - 4.450

BUDGET ESTIMATES

Funds

Project _____

Title

Director

Period _____

EXPENDITURES

1954-55

1955-56

1956-57

Totals

Staff salaries—include vacations (11%), ~~TIAA~~
(5%), OASI (2% or \$72) & 4

Secretarial & Clerical (allocation)

Advisory Committee

Editor (allocation)

Total salaries

Consultants

Contracts

Travel

Miscellaneous—special supplies, long distance
calls, postage, special books, etc.

Subtotals

Allowance for Overhead

Administrative staff (officers and super-
visory); service staff (library, accounting,
household, messenger, receptionist, etc.);
building employees; utilities; maintenance
and depreciation, general supplies and
equipment.

Contingencies

Printing (\$12 to \$25 per page)

TOTAL EXPENDITURES