

TO: MISS Adams

DATE: October 27, 1954

FROM: M. Burnett

SUBJECT: Reports of Subcommittee on Destruction
of Records (in Corres. Files)

The Federal Reserve System Committee that has had under continuing consideration since 1936 the retention and destruction of records in the Federal Reserve Banks is called the "Subcommittee on Destruction of Records." It reports to a "Committee on Miscellaneous Operations", which in turn reports to the "Conference of Presidents of the Federal Reserve Banks."

The Chairmen of the Subcommittee seem to have been successively lodged with the N.Y. Bank. Names culled from reports on file (possibly incomplete):
1936 Chairman: Louis F. Sailer, and Member, W.S. Logan, V. Pres. & Gen'l Counsel.
1945 Chairman: W.S. Logan. Herbert H. Kimball took charge of work preliminary to meeting of Committee and was later designated secretary.

1949) Chairman: H.H. Kimball
1950)

1954 Chairman: F.T. Davis

The first two reports, issued in 1936 and 1945, were basic. These set up general principles and recommendations for retention of records. Subsequent reports issued in 1947, 1949 and 1954 (June 8 and Sept. 7) are confined to Fiscal Agency records, i.e. government securities, mainly savings bonds. These latter reports concern operating records and have no interest for historic research purposes.

A report issued August 9, 1950 on wartime protection of records has some interest for us since it describes briefly 3 categories of records considered important in formulating a Security Files Program. These are:

1. Vital Bank Records.

- a. Description of securities in safekeeping.
 - b. Facsimiles of acceptances and commercial paper held for account of others.
 - c. Facsimiles of primary obligations & supporting collateral.
 - d. Facsimiles of authorized signatures of member & non-member banks.
- (Payroll and other personnel records are not classified as vital. Instead, efforts should be made to arrange with the Retirement System for the reproduction of history cards as of a certain date, and subsequently.)

2. Vital Fiscal Agency Records.

- a. Closing balances in Treasury & Tax loan accounts.
- b. Statement of consignment accounts.
- c. Withdrawals from unissued stock of Government securities.

3. Other Important Records.

- a. Minutes of the board of directors, and attached exhibits.
- b. Any policy documents of comparable importance maintained in the files of the Chairman or President.
- c. Insurance policies.
- d. Important contracts to which the Bank is party.

The topics covered in the various reports mentioned above are indicated briefly below, for reference purposes.

1936 Correspondence

Je 11 All up to July 1, 1936 to be retained permanently, since impractical to sort. After this date each Bank, if it considers it desirable, should maintain separate files for (1) Routine correspondence. Destroy after 6 years. (2) All other to be kept permanently.

Routine correspondence defined,- currency shipments, wire transfers of funds, etc. Telegrams, the same.

Statistical Records

Statistical reports from outside,- at discretion of the statistical function. Trade or Commerce. Retain 3 years or until in printed form, or 10 years if not available later in printed form.

Public records, e.g. newspapers & periodicals. Keep for the time needed for current reference. Then rely on public library collections.

Printed Circulars

Sent to member banks. Keep permanently.

Fiscal Agency

Documents of historical interest, e.g. Liberty Loan posters, should be preserved. Forward to Treasury Dept.

Liberty Loan & War Savings Activities

Forms, records and literature, during and after World War I. Re these, Under Sec. of Treasury states: "In all probability, matter of this class ultimately should be forwarded to the Treasury Department."

Recommendations

Records re closed banks. Retain indefinitely. (Reconsider after 5 yrs.)

Personnel records. Keep permanently information to show history of all persons at any time employed by the Banks.

Schedule B,

Federal Reserve Agent. Statistical reports to be retained - 9 categories listed to be kept permanently, including :

- Bank Debits, weekly, monthly and annual.
- Important data on addresses, talks, etc.

1945 Considered retention periods only for those records requiring the most
My 24 substantial amount of storage space at Fed. Res. Banks. No attempt to consider "all the innumerable types of records".

Records listed in attached schedules occupy estimated 80% of storage space, at most F. R. Banks, assigned to records.

Recommended revised general principles & procedures (over 1936). Correspondence to be retained indefinitely, except routine.

Term "indefinite" has been substituted for "permanent" of 1936 report, since value of records may diminish with time & destruction be justified under a later decision.

Photographing of records, pros and cons. Cleveland Bk. has developed a definite program.

1947
Nov.25 Report by John H. Wurts on disposition of certain fiscal agency records.
Confined to savings bonds.
Cost of space for storing these bonds in N.Y. Bank estimated.

1949
April 15 Government Securities records.
Recommendations based on draft of schedule for destruction of fiscal agency records which was approved by Treasury Dept.
Early arrangement with Treasury anticipated for continuing authority for destruction of many fiscal agency records now retained on a permanent or indefinite basis.
Exhibit of representative types of material.

1950 see p.1
1954
Je.8 Government securities other than savings bonds.
Records, including correspondence. Essential & non-essential defined, with recommended minimum retention period.
The "Manual relating to disposal of records at Federal Reserve Banks", issued by the Subcommittee on Dec.1, 1953, already needs revision for material now obsolete and for new records that should be added. Subcommittee is now studying amendments and revisions.

1954
Se.7 Federal Records Centers
3 Federal Reserve Banks have availed themselves of the privilege of delivering to certain Federal Records Centers semi-active Government records.