

8/12/35

Classification of matters to be handled by Members of the
Board of Governors of the Federal Reserve System

MONETARY POLICY MATTERS
LEGISLATION AND PUBLIC RELATIONS
ADMINISTRATIVE MATTERS

Governor A. Chairman of the Board

1. Open market operations, discount rates, and reserve requirements
2. Interest rates of member banks
3. Government finance
4. Legislation affecting Federal Reserve System
5. Public relations of Federal Reserve System
6. Supervision of Board's staff

Under the terms of the Banking Act of 1935, the President will designate one member of the Board as Chairman and one as Vice Chairman, to serve as such for a term of four years. The Chairman, subject to the Board's supervision, will be the active executive officer of the Board and chairman of its Executive Committee. He will be the medium of contact between the Board and the various government departments and agencies and the Federal Advisory Council.

The Vice Chairman will perform the duties of the Chairman in the absence of the latter. He will also be Vice Chairman of the Board's Executive Committee and, in addition to the matters embraced in his regular assignments as a member of the Board, he should handle such other matters as may be assigned to him from time to time by the Chairman with the approval of the Board.

INTERNATIONAL BANKING
CAPITAL MARKET

Governor B

1. Relations of Federal Reserve banking system with foreign banks
2. International exchange
3. Acceptance market
4. Institutions engaged in international and foreign banking subject to sections 25 and 25(a) of Federal Reserve Act, and examinations thereof
5. Capital market

ECONOMIC SERVICE

Governor C

Collection and interpretation of monetary, banking, financial, and business information

FEDERAL RESERVE BANK AND MEMBER BANK CREDIT

Governor D

1. Loans and investments of member banks
2. Discounts and advances of Federal Reserve banks (including industrial loan activities) and questions of eligibility of paper for discount
3. Purchases by Federal Reserve banks of securities and bills (other than through system investment account)

ADMISSION TO MEMBERSHIP AND OPERATIONS OF MEMBER BANKS

Governor E

1. Admission to, conditions of, and termination of membership
2. Supervision and examination of State member banks; branches, mergers, consolidations, adjustments of capital structure, trust powers, maintenance of required reserves, etc., of member banks; relations regarding these matters with Federal Deposit Insurance Corporation, Reconstruction Finance Corporation, and Comptroller of the Currency
3. Relations with holding company and other affiliates; examination of affiliates; and issuance and revocation of voting permits of holding company affiliates
4. Classification of member banks and procedure for election of class "A" and class "B" directors of Federal Reserve banks

FEDERAL RESERVE BANK OPERATIONS

Governor F

1. Expenditures and services of Federal Reserve banks and reimbursements therefor; reserves for losses; chargeoffs and dividends; approval of salaries and classification plans; retirement system
2. Examinations of Federal Reserve banks
3. Clearance and collection systems, gold certificate settlement funds, and leased wire system
4. Issuance and cancellation of Federal Reserve bank stock
5. Issuance and redemption of currency
6. Establishment, regulation and discontinuance of branches and agencies, and determination of district and branch territorial limits

SECURITY LOANS
INTERLOCKING AND OTHER RELATIONS OF DIRECTORS, OFFICERS
AND EMPLOYEES OF MEMBER BANKS AND FEDERAL RESERVE BANKS

Governor G

1. Extension and maintenance of credit by brokers, dealers, banks and others for purchasing or carrying securities
2. Interlocking relations of directors, officers and employees of member banks serving other banks and security dealers
3. Loans to executive officers of member banks
4. Outside business and other relations of directors, officers and employees of Federal Reserve banks
5. Removal of directors, officers and employees of Federal Reserve banks and member banks; disposition of criminal charges

EXECUTIVE COMMITTEE

1. Approval of appointments of Presidents and Vice Presidents of Federal Reserve banks
2. Appointments of class "C" directors of Federal Reserve banks and certain directors of branches; appointments and salaries of Federal Reserve Agents and members of their staffs
3. Board's budget and expenditures
4. In the absence of a quorum of the Board, the transaction in accordance with established principles and policies of the Board of business which may require action in the absence of quorum

The Executive Committee will be composed of three members of the Board -- the Chairman, the Vice Chairman, and one of the other members of the Board who will be selected in rotation to serve on the Executive Committee for two months each. The third member of the Committee will be Chairman pro tem of the Board in the absence of the Chairman and Vice Chairman.

Classification of matters to be handled by Members of the
Board Of Governors of the Federal Reserve System

MONETARY POLICY MATTERS
LEGISLATION AND PUBLIC RELATIONS
ADMINISTRATIVE MATTERS

Chairman of the Board

1. Open market operations
2. Discount rates of Federal Reserve banks and interest rates of member banks
3. Reserve requirements
4. Legislation affecting Federal Reserve System
5. Public relations of Federal Reserve System (including Federal Advisory Council)
6. Supervision of Board's staff

+ Govt
finance

Vice Chairman of the Board

1. International exchange
2. Acceptance market
3. Relations of Federal Reserve banks with foreign banks

& perform such of above
as this shall assign

10. Capital Market

RESEARCH

1. Research and statistical activities of Federal Reserve System.
2. Analyses of business conditions; call and statistical reports of member banks and their affiliates; Federal Reserve Bulletin and Annual Reports

Language: Economic
Service
information

Credit operations of
~~LOANS, DISCOUNTS AND INVESTMENTS OF FEDERAL
RESERVE BANKS AND MEMBER BANKS~~

1. Eligibility for discount and purchase by Federal Reserve banks
2. Real estate loans by member banks (incl. RE Loans)
3. Loans and discounts of Federal Reserve banks (including industrial loan activities)
4. Purchases by Federal Reserve banks of securities and bills (other than open market policy operations)

4. Govt lending agencies

~~MEMBERSHIP IN FEDERAL RESERVE SYSTEM~~

1. Admission to, conditions of, and termination of membership
2. Supervision and examination of member banks; branches, mergers, consolidations, adjustments of capital structure, trust powers, maintenance of required reserves, etc., of member banks; relations regarding these matters with Federal Deposit Insurance Corporation, Reconstruction Finance Corporation and Comptroller of the Currency

Admission operations of banks, *Banking*
Conditions

3. Relations with holding company and other affiliates; examination of affiliates; and issuance and revocation of voting permits of holding company affiliates
4. Classification of member banks and procedure for election of class "A" and class "B" directors of Federal Reserve banks
5. Charters and agreements of institutions engaged in international and foreign banking subject to sections 25 and 25(a) of Federal Reserve Act, and examinations thereof

SUPERVISION OF FEDERAL RESERVE BANK OPERATIONS

1. Expenditures and services of Federal Reserve banks and reimbursement therefor; reserves for losses, chargeoffs and dividends; approval of salaries and classification plans; retirement system
2. Examinations of Federal Reserve banks
3. Clearance and collection systems, gold certificate settlement funds and leased wire system.
4. Issuance and retirement of Federal Reserve bank stock
5. Issuance and redemption of currency
6. Establishment, regulation and discontinuance of branches and agencies, and determination of district and branch territorial limits

SECURITY LOANS

INTERLOCKING AND OTHER RELATIONS OF DIRECTORS, OFFICERS AND EMPLOYEES OF MEMBER BANKS AND FEDERAL RESERVE BANKS

1. Extension and maintenance of credit by brokers, dealers, banks, and others, for purchasing or carrying securities
2. Interlocking relations of directors, officers and employees of member banks serving other banks and security dealers
3. Loans to executive officers of member banks
4. Outside business and other relations of directors, officers and employees of Federal Reserve banks
5. Removal of directors, officers and employees of Federal Reserve banks and member banks; disposition of criminal charges.

EXECUTIVE COMMITTEE

1. Approval of appointments of Presidents and Vice Presidents of Federal Reserve banks
2. Appointments of class "C" directors of Federal Reserve banks and certain directors of branches; appointments and salaries of Federal Reserve Agents and members of their staffs
3. Board's budget and expenditures.
4. In the absence of a quorum of the Board, the transaction in accordance with established principles and policies of the Board of such business as may require action in the absence of such quorum

The Chairman of the Board will be the active executive officer of the Board and as such will have supervision of the Board's staff. He will also be Chairman of the Board's Executive Committee. In addition, he may act as Chairman of the new statutory Open Market Committee and be the medium of contact between the Federal Reserve Board and the Federal Advisory Council.

The Vice Chairman of the Board will perform the duties of the Chairman in the absence of the latter and will be a member of the Board's Executive Committee, the third member of that committee being one of the other members of the Board who will be selected in rotation to serve on the Executive Committee for two months each. The third member of the committee will be Chairman pro tem of the Board in the absence of the Chairman and Vice Chairman.