

**FEDERAL RESERVE BANK
OF DALLAS**

Dallas, Texas, February 27, 1929

**ANALYSIS ADJUSTMENTS IN MEMBER BANKS'
RESERVE ACCOUNTS COVERING MONEY
SHIPMENTS IN TRANSIT.**

To the Member Bank Addressed:

In order to furnish a better and more economical facility with respect to shipments of money between the Federal Reserve Bank of Dallas and its member banks located outside of the cities of Dallas, El Paso, Houston and San Antonio, our Board of Directors at its last meeting passed a resolution providing that money shipments in transit be taken into consideration when assessing penalty charges on account of reserve deficiencies.

Under the contemplated plan entries will be made to member banks' reserve accounts as at present, i. e., they will be charged with outgoing shipments on date of shipment and credit will be allowed for incoming shipments on date received. However, a record will be kept of all money shipments either to or from our Dallas, El Paso, Houston and San Antonio offices and in those cases where member banks' reserve balances show deficiencies, adjustments will be made allowing them the benefit of money shipments in transit with a view of minimizing or eliminating such reserve deficiencies. Adjustments will be applicable only to shipments in transit during the particular period in which reserve deficiencies occur and cannot be used against deficiencies in other periods.

This circular applies only to member banks located outside of the cities in which this bank has offices and its provisions will become effective March 1, 1929. Other than herein stated there will be no change in the present method employed in calculating legal reserve requirements as set forth in our circular No. 1, series of 1928.

Yours very truly,



Governor.