

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 80-171
September 8, 1980

MONETARY CONTROL ACT - RESERVE REPORTING

TO THE CHIEF EXECUTIVE OFFICER OF EACH
NONMEMBER COMMERCIAL BANK, SAVINGS
AND LOAN ASSOCIATION, CREDIT UNION, EDGE
ACT AND AGREEMENT CORPORATION IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

On March 31, 1980 the Monetary Control Act of 1980 was enacted increasing the responsibilities of the Federal Reserve System. Many institutions, in addition to member banks, will now be required to file data reports and maintain reserve balances with a Federal Reserve Bank or branch beginning on October 30, 1980--or somewhat later for small firms. In order to aid our planning for orderly implementation of the Act, we would like to collect some basic information from new reporting institutions. Enclosed are two copies of a one-time survey form, an instruction sheet, and a post-paid envelope. One completed copy of this questionnaire should be returned to our Statistical Department by September 17, 1980.

If actual figures are not available, or would be difficult to calculate for Section A, please provide estimates. Nonfederally insured credit unions and noninsured savings and loan associations should complete the entire questionnaire. Edge Act and Agreement Corporations need not complete Sections A and B. Nonmember commercial banks, insured savings and loan associations, and federally insured credit unions need not complete Section B of the questionnaire. If there are any questions regarding the survey form, they should be directed to William T. Green, Manager, Statistical Department, Ext. 6394 or collect at (214) 651-6394. We appreciate your cooperation.

Sincerely yours,

Ernest T. Baughman

President

Enclosures

Banks and others are encouraged to use the following incoming WATS numbers in contacting this Bank: 1-800-442-7140 (intrastate) and 1-800-527-9200 (interstate). For calls placed locally, please use 651 plus the extension referred to above.

INSTRUCTIONS

Report all dollar amounts to the nearest thousand dollars. Section A should reflect data as of the close of business on June 30, 1980, or on the day nearest to that date for which data are available. In the event that actual data are not available, please provide estimates. Section B should reflect data as of December 31, 1979.

Deposits denominated in non-U.S. currency should be valued in U.S. dollars.

Consolidations

U.S. branches and agencies of the same foreign (non-U.S.) bank that operate within the same State and within the same Federal Reserve District shall prepare and file this survey on an aggregated basis.

All offices of the same Edge Act or Agreement corporation that operate within the same State and within the same Federal Reserve District shall prepare and file this survey on an aggregated basis.

All other depository institutions--i.e., commercial banks, mutual savings banks, savings and loan associations, and credit unions--shall prepare a consolidated report that combines amounts outstanding of the following entities:

- (1) the head office of the reporting institution;
- (2) all branches located in the 50 States of the United States or the District of Columbia; and
- (3) all operations subsidiaries (other than Edge Act and Agreement corporations) of the reporting institution that are located in the 50 States of the United States or the District of Columbia. An operations subsidiary is defined as a separately incorporated subsidiary (1) that is majority owned or controlled, either directly or indirectly, by the depository institution and (2) that performs functions that the depository institution is empowered to perform at locations where the depository institution is authorized to engage in business. Examples include credit card companies, mortgage companies, or safe deposit companies.

Item Definitions

For purposes of this survey, item definitions are provided in general terms. For more detailed information, please refer to Regulation D, Reserve Requirements of Depository Institutions. Detailed instructions for the preparation of reports required for the calculation of required reserves will be provided at a later date.

Section A, Item 1: Total transaction accounts

Report in this item deposits or accounts on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instruments, payment orders of withdrawal, telephone transfers or other similar devices for the purpose of making payments to third parties or others.

Transaction accounts include:

1. demand deposits;
2. negotiable order of withdrawal (NOW) or share draft accounts;
3. savings deposits authorized for automatic transfer to demand deposit or other accounts pursuant to prior written agreement (ATS accounts);
4. accounts under the terms of which a depositor is permitted to make more than three preauthorized or telephone transfers per month (whether to another account of the depositor or to a third party); and
5. accounts that permit a depositor to make payments to third parties through automated teller machines or remote service units.

An account is not regarded as a transaction account merely because it permits transfers in connection with loans made by the institution itself.

Section A, Item 2: Nonpersonal savings deposits not included in Item 1 and nonpersonal time deposits with original maturities of less than 4 years

Nonpersonal deposits are those in which any beneficial interest is held by a depositor which is not an individual or sole proprietorship. A nonpersonal time or savings deposit does not include funds deposited to the credit of an Individual Retirement Account or Keogh Plan Account.

A savings deposit is defined as a deposit or account with respect to which the depositor is not required by the deposit contract but may at any time be required by the depository institution to give written notice of an intended withdrawal not less than 14 days before withdrawal is made, and that is not payable on a specified date or at the expiration of a specified time after the date of deposit. A savings deposit includes a regular share account at a credit union and a regular account at a savings and loan association.

Include in this item all nonpersonal savings deposits that are not reported in Item 1 as transaction accounts.

A time deposit is defined as funds that the depositor does not have a right to withdraw for a period of 14 days or more after the date of deposit.

Time deposits include funds:

- (1) payable on a specified date not less than 14 days after the date of deposit;
- (2) payable at the expiration of a specified time not less than 14 days after the date of deposit;
- (3) payable upon written notice which actually is required to be given by the depositor not less than 14 days before the date of repayment; and

- (4) such as Christmas club accounts and vacation club accounts that are deposited under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than three months, even though some of the deposits are made within 14 days from the end of the period.

A time deposit may be represented by a transferable or nontransferable instrument, a negotiable or nonnegotiable instrument, a passbook, or otherwise. A time deposit includes share certificate accounts and certificates of indebtedness issued by credit unions, and certificate accounts and notice accounts issued by savings and loan associations.

Include in this item all time deposits with original maturities of less than 4 years that were issued to other than individuals or sole proprietorships.

Section A, Item 3: Vault Cash

Report in this item all United States currency and coin owned and held by the reporting institution that may be used to satisfy a depositor's claims except such currency and coin whose numismatic or bullion value is substantially in excess of its face value. All foreign (non-U.S.) currency and coin is excluded from vault cash.

Section B, Item 1: Total Deposits

Report in this item the sum of total transaction accounts (as defined in Section A, Item 1 above); total savings deposits (as defined in Section A, Item 2 above) that are not classified as transaction accounts, whether personal or nonpersonal; and total time deposits (as defined in Section A, Item 2 above), whether personal or nonpersonal and regardless of maturity.

Section C.

Depository institutions that are not members of the Federal Reserve System and that must maintain required reserve balances in excess of vault cash may elect to maintain such balances directly with the Federal Reserve Bank or, alternatively, to pass such balances through a correspondent to the Federal Reserve Bank. The correspondent may be a Federal Home Loan Bank, the National Credit Union Administration Central Liquidity Facility, or an institution that holds a reserve balance directly with the Federal Reserve.

In this Section, please indicate how the required reserve balances (if any) of your institution are expected to be maintained, and provide certain information regarding the selection of a pass-through correspondent, if appropriate. The information provided in this section will be verified by the Reserve Bank shortly before implementation of the Monetary Control Act of 1980.

Section D, item 1: additional information

The Federal Reserve Bank will be glad to provide financial institutions with additional information on our various services. You should indicate in the appropriate box or boxes in this section if your institution is interested in receiving detailed information on Federal Reserve services.

Section D, item 2: normal business hours

The Federal Reserve Bank and its branch offices are normally open from 8:00 a.m. to 5:00 p.m., local time, Monday through Friday. If we need to contact your institution for any reason, we will usually try to reach you during these

hours. Please provide the days and hours that your institution is open for business and we will schedule any telephone calls to reach you during your usual business hours.

Section D, item 3, after-hours telephone numbers

Please list any "after-hours" telephone numbers your institution maintains. Some institutions close their switchboards during the day, or are open for business a limited number of hours. We find it convenient to have a file of "after-hours" telephone numbers, so that we can resolve major problems without delay.

ONE-TIME SURVEY OF TRANSACTION ACCOUNTS, OTHER DEPOSITS, AND VAULT CASH

This report is required by law (12 U.S.C. §248(a) and §461).

The Federal Reserve Bank regards the information provided by each respondent as confidential. If it should be determined subsequently that any information collected on this form must be released, respondents will be notified.

Name and mailing address of institution
completing this survey (please print)

Name and title of person to be
contacted about this report
(please print)

Telephone number (including
area code and extension)

PLEASE READ INSTRUCTIONS PRIOR TO COMPLETING FORM

Outstandings
as of June 30, 1980
(in thousands of dollars)

Section A: To be completed by all respondents.

1. Total transaction accounts _____
2. Sum of total nonpersonal savings deposits
(including share accounts) not included in Item
1 above and total nonpersonal time deposits
(including share certificates and certain
certificates of indebtedness) with original
maturities of less than 4 years. _____
3. Vault cash (U.S. currency and coin) _____

Outstandings
as of December 31, 1979
(in thousands of dollars)

Section B: To be completed only by non-FSLIC insured savings and loan associations and cooperative banks and by non-Federally insured credit unions.

1. Total deposits. _____

Section C: To be completed by any institution, other than a current member of the Federal Reserve System, that currently has transaction accounts or nonpersonal time and savings deposits or that expects to have such deposits in the near future. The information provided below should reflect the institution's plans at this time. Verification of this information will be requested by the Reserve Bank shortly before implementation of the Monetary Control Act of 1980.

1. How does your institution plan to maintain its reserve balances required by the Federal Reserve System? (Please check one box).

Vault cash only (all reserve requirements will be satisfied by vault cash).

Vault cash plus a reserve balance:

Deposited directly with the Federal Reserve Bank.

Passed through a correspondent to the Federal Reserve Bank.

Undecided at this time.

2. If you expect to hold required reserve balances on a pass-through basis, have you selected or decided on an institution to serve as pass-through correspondent?

Yes No

If no, you are reminded that pass-through arrangements must be completed by October 1, 1980. If yes, please indicate below who you expect the correspondent will be.

Name of correspondent institution

Mailing address

City, state, zip code

Section D: To be completed by all respondents.

1. We have recently mailed to you our new Regulation A which describes the loans service of the Federal Reserve Banks. We will soon mail our new Regulation D which describes reserve requirements. Also, we will soon mail an announcement of other services and the prices at which they are available. Please indicate those Federal Reserve services which your institution may be interested in using by placing an "X" in the appropriate box.

- discount window
- currency and coin transportation
- check clearing and collection
- wire transfer of funds
- automated clearing house (ACH)
- net settlement
- noncash collection
- purchase and sale of securities
- safekeeping of securities
- transfer of securities

2. List below the days of the week and hours of the day that you are normally open for business.

3. List any after-hours telephone number or numbers that the Federal Reserve may use to contact your institution if we have questions regarding reserve reporting or maintenance.

4. List your institution's ABA routing number (9-digit routing, identification, and check digit number), if you have one.

PLEASE RETURN ONE COPY OF THE SURVEY FORM TO THE STATISTICAL DEPARTMENT,
FEDERAL RESERVE BANK OF DALLAS, STATION K, DALLAS, TEXAS 75222 BY
WEDNESDAY, SEPTEMBER 17, 1980.