

1411

INDEX

Page

1. Comparative Statement of Resources December 31, 1918
2. Comparative Statement of Liabilities December 31, 1918
3. Monthly Report of Proofs & Verifications - Bank
4. Monthly Report of Proofs & Verifications - Fiscal Agency Dept.
5. Proof of Bills Discounted Members
5. Proof of Acceptances Bought
5. Proof of United States Bonds & Securities Owned.
6. Investment Operations during month of December 1918
7. ~~Due From Other Federal Reserve Bank Balances - Comparative~~
8. ~~Due to Member Banks Reserve Account - Comparative~~
8. ~~Due to Treasurer of United States - Comparative~~
9. Capital Stock and Dividends Paid - Comparative
10. Earnings for December - Comparative
11. Expenses for December - Comparative
12. Expenses Agents Department and ~~Capital Issues Committee~~
13. Expenses - Fiscal Agent Department for December 1918
14. Expenses - Liberty Loan ~~and War Savings~~
15. Transit Department Disbursements & Service Charges for December
16. Transit Department Report for December
17. Twin City Clearings for December
18. ~~Liberty Loan Bond Subscriptions - Allotments and Conversions~~
19. ~~Liberty Loan Bond Deliveries~~
20. United States Treasury Certificates of Indebtedness
22. Average Earning Assets and Rates for December
23. Gross Earnings By Months for Year and Averages
24. Gross and Net Earnings and Expenses by Months
25. Average Holdings of earning Assets by Months
26. Profit and Loss Account
27. Salary Statistics - Bank and Liberty Loan Department
28. Furniture and Equipment (Including Vault)
28. Reserved for Sundry Expenses
29. Gold Holdings of the Bank and Federal Reserve Agent - Comparative
30. Cash Record - Bank
31. Cash Record - Federal Reserve Bank Notes
32. Cash Record - Federal Reserve Notes Rec'd from Comptroller of Currency since opening - Issued, Reissued and Destroyed
33. Cash Record - Federal Reserve Notes issued by Agent during 1918
34. Cash Record - Federal Reserve Notes - Agent's Vault Record
35. Acceptances held at Close of Business December 31, 1918
37. Rediscounts Member Banks - By Towns and States
42. Bill of Lading Drafts Discounted month of December 1918
43. Method of Procedure in Making Various Audits and Examinations of Bank and Fiscal Agency Department by Auditing Department.

COMPARATIVE STATEMENT OF RESOURCES
FEDERAL RESERVE BANK OF MINNEAPOLIS
1918 - 1917

Dec. 31st, 1918. Dec. 31, 1917.

B/L Drafts definite maturity	77,064.74	-
Bills discounted	2,684,673.91	7,022,335.78
Member banks' collateral notes,	3,535,450.00	2,059,992.00
Acceptances bought,	17,993,757.63	7,166,677.76
Rediscounts for other Federal Reserve Banks,	30,374,855.00	4,988,121.23
Other U. S. Bonds owned	115,560.00	1,887,990.00
One-year Treasury notes	530,000.00	1,340,000.00
U.S. Treasury certificates of Indebtedness	266,500.00	500.00
Interest accrued on U.S. Securities	16,659.09	17,841.63
Municipal warrants	-	25,380.00
Bill of lading drafts	-	960,758.32
Cert. of Indebtedness to secure circulation	4,350,000.00	-
Liberty Bonds sold on Installment Plan	4,970.00	-
Expense current	318,336.24	112,686.71
Bank premises	29,500.00	-
Furniture and equipment	1.00	66,065.25
Cost of unissued Federal Reserve currency	-	12,915.49
Other deferred charges	2,878.74	2,127.12
Dividend a/c, incl. premium on surrendered stock	86,574.41	-
Disbursements transit	-	44,461.13
Liberty Loan	-	53,797.73
Disbursements, Liberty Loan No. 3	16,875.35	-
Disbursements, Liberty Loan No. 4	122,816.54	-
Disbursements War Savings Certificates	10,520.45	329.16
Advances War Savings & Liberty Loan	12,000.00	-
Difference account	992.10	15.37
Due from other F. R. Banks - Collected funds	-	11,283,058.19
Exchanges for clearing house	2,068,841.15	-
Checks and other cash items	260,988.02	599,179.46
Natl. Bank notes and notes of other F. R. Banks,	375,135.00	169,361.00
Federal Reserve Banks - Transfers bought, net,	2,031,500.00	1,230,000.00
Other items,	2,917,434.00	729,552.53
Member and Nonmember banks and bankers,	5,470,865.82	3,063,947.48
Due from Treas. of U. S. 5% Fund	236,200.00	-
Federal Reserve Banks Notes on hand,	463,454.00	1,420,865.00
Federal Reserve Notes on hand	1,813,495.00	-
Mutilated F. R. notes forwarded for redemption	340,195.00	171,000.00
Nickels and cents,	10.85	16.61
Gold with Federal Reserve Agent	55,868,410.00	32,999,950.00
Due from Treas. of U. S. Gold Redemption Fund	4,948,850.00	878,225.00
Gold Settlement Fund	23,774,414.82	19,488,500.00
Gold bullion and coin	2,172,390.00	6,588,960.00
Gold Certificates	6,150,720.00	8,270,770.00
Gold with Foreign Agencies	233,154.97	2,100,000.00
Silver certificates	33,055.00	231,000.00
Legal-tender notes	38,620.00	179,105.00
Silver coin	1,170.00	2,120.00

TOTAL RESOURCES. 169,748,788.93 114,181,528.94

COMPARATIVE STATEMENT OF LIABILITIES
 FEDERAL RESERVE BANK OF MINNEAPOLIS
 1918 - 1917

	Dec. 31, 1918	Dec. 31, 1917
Capital, paid in,	2,931,200.00	2,612,450.00
Capital -- Suspense account	-	7,700.00
Surplus,	37,500.00	-
Profit and loss,	428,804.48	49,383.55
Discount earned - Bills discounted	1,175,998.09	242,284.63
Acceptances bought,	106,410.39	72,476.74
Transfers bought and sold, net charges,	51,920.60	35,117.63
Interest earned - Municipal warrants,	-	254.60
U.S. Securities,	30,116.52	49,184.97
Bill of lading drafts	2,692.32	6,535.87
Penalties on deficient reserves,	21,697.86	3,909.94
Sundry profits,	4,713.26	701.02
Discount on U. S. Bonds,	47,430.48	5,682.39
Unearned discount - Bills discounted,	95,610.65	52,861.94
Acceptances bought	59,491.37	41,412.45
Unearned interest on municipal warrants,	-	6.21
Reserved for sundry expenses,	14,092.08	-
Service charges, net	-	50,590.69
U.S. Government deposits - General Account,	5,191,471.43	8,716,529.47
Due to member banks - Reserve Account	48,825,966.37	39,347,899.01
Due to nonmember banks - Clearing account	15,500.00	-
Due to other Fed. Reserve Banks, collected funds	-	8,449,634.85
Gold Settlement Fund - Suspense Account	1,101,434.14	-
Cashier's, expense, return item & Div. checks	302,513.37	31,488.47
Federal Reserve bank drafts,	-	5,096.06
Federal Reserve exchange drafts,	2,121.10	325.90
Federal Reserve transfer drafts,	63,000.00	-
Federal Reserve banks - Other items	3,411,896.56	2,069,429.73
Member and nonmember banks,	2,314,722.99	1,129,016.30
Miscellaneous,	156,074.87	195,606.52
Federal Reserve Bank notes,	4,632,000.00	-
Federal Reserve notes outstanding,	98,724,410.00	51,005,950.00
TOTAL LIABILITIES		
	169,748,788.93	114,181,528.94
Ratio of total reserves to combined net deposit and note liabilities		
	65.8%	85.9%

MONTHLY REPORT OF PROOFS AND VERIFICATIONS BY
THE AUDIT DEPARTMENT OF THE FEDERAL RESERVE
BANK OF MINNEAPOLIS FOR THE MONTH OF DECEMBER
1918

Date of preceding proof.

Date of proof this month.

LOANS AND INVESTMENTS

Nov. 26	Bills discounted	Dec. 21
" 26	Member bank collateral notes	" 21
" 26	Acceptances	" 21
" 25	Bill of lading drafts	" 21
Continuous	United States Securities	Continuous
"	Premium or Discount U.S. securities	"
	Accrued interest U.S. securities	Dec. 21
	<u>CASH</u>	
Continuous	Reserve cash	Continuous
Nov. 25	Paying teller's cash	Dec. 4
" 25	Receiving teller's cash	" 4
" 25	Money " "	" 4
" 25	Note " Dept.	" 4
Weekly	Gold Redemption Fund	Weekly
	<u>TRANSFER AND COLLECTIONS</u>	
Nov. 22	Exchanges for clearing house	Dec. 30
" 8	Checks and other cash items	" 30
" 22	Hold over mail and items	" 30
	<u>COLLECTIONS OVERDUE</u>	
Nov. 20-21	Due from member and non-member banks	Dec. 2-3
None	Due from branches	None
Semi-monthly	Due from Fed. Res. Banks (Deferred)	Semi-monthly
	<u>CAPITAL ACCOUNT</u>	
Nov. 26	Ledger	Dec. 26
Daily	Stock certificates	Daily
	<u>DEPOSITS</u>	
Nov. 6	Due to Member banks, Reserve	Dec. 6
Nov. 25	Due to Member banks, Deferred	Dec. 30
21	Number of accounts of member banks not reconciled during month	6
Semi-monthly	Accounts with F.R. bank reconciled (indicate whether daily, weekly or monthly)	Semi-monthly
	<u>OUTSTANDING CHECKS</u>	
Nov. 15	Cashiers, expense, return item and dividend checks	Dec. 13
Nov. 15	Exchange-transfer and other drafts	" 17
	<u>MISCELLANEOUS</u>	
" 15	Expense - Current	" 17
" 15	Expense - Liberty Loan	" 17
Continuous	Cost of unissued F.R. Currency	Continuous
"	Postage account	"
	<u>EARNINGS - Interest</u>	
Nov. 29	Bills discounted	Dec. 30
" 29	Acceptances	" 30
" 30	United States Securities	" 30
" 29	Transfers bought and sold	" 30
" 30	Penalties on deficient reserves	Dec. 30
	<u>Unearned discount and interest</u>	
Nov. 29	Bills discounted	" 30
" 29	Acceptances	" 30
None	Warrants	None
Daily	Incoming currency shipments	Daily
Traced	Outgoing currency shipments	Traced
	<u>FEDERAL RESERVE AGENTS DEPARTMENT</u>	
Continuous	Federal Reserve notes	Continuous
"	Gold and lawful money held	"
Nov. 26	Rediscounts and acceptances held	Dec. 21
None	Custodies for other Reserve Banks or Reserve Agents.	None
	<u>CUSTOMERS</u>	
Continuous	Securities held for member banks	Continuous
None	Securities held for other F. R. Banks	None
0	Branch audit by auditor of bank	0

FISCAL AGENTS DEPARTMENT

MONTHLY REPORT OF PROOFS AND VERIFICATIONS
BY THE AUDIT DEPARTMENT OF THE FEDERAL RESERVE
BANK OF MINNEAPOLIS FOR THE MONTH OF DECEMBER
1918

<u>Date of preceding proof.</u>		<u>Date of proof this month.</u>
	<u>SUBSCRIPTION DIVISION</u>	
Daily	Cash receipt	Daily
"	Receipts deposited with Treas. U. S.	"
"	Items held in suspense	"
"	Unpaid balances	"
Nov. 29	Receipts issued in favor of other Depts. covering securities pledged or sold	Dec. 30
	<u>GOVERNMENT DEPOSIT DIVISION</u>	
Nov. 25	Due from depositary banks	Dec. 30
Monthly	Interest on bank balances	Monthly
Continuous	Collateral held as security U. S. Securities	Continuous
"	By Federal Reserve Bank	"
None	By Custodians	"
Sept. 7	Date last securities verification sent to or received from depositary banks	Sept. 7
	<u>TREASURY CERTIFICATE DIVISION</u>	
Nov. 25	Depositary balance	Dec. 30
Continuous	Collateral held as security	Continuous
Daily	Reserve Banks own temporary Certificates	Daily
Continuous	Definitive certificates	Daily
	<u>WAR SAVINGS DIVISION</u>	
Nov. 22	Stamps and certificates received, sold or consigned	Dec. 31
Continuous	Collateral security held	Continuous
Daily	Cash receipts	Daily
	<u>BOND CUSTODY DIVISION</u>	
Continuous	U. S. Securities held pending del'y to Bond I. D.	Continuous
	<u>BOND ISSUE DIVISION</u>	
Daily	Current deliveries	Daily
Nov. 25	Deliveries - Proof	Dec. 30
Daily	Return signed receipts checked	Daily
	<u>CONVERSION DIVISION</u>	
Oct. 31	Securities received for conversion	Daily
Nov. 25	Conversion securities delivered	Dec. 26
	<u>EXCHANGE DIVISION</u>	
Nov. 15	Current exchanges	Dec. 28
	<u>SECURITIES RECEIVED FROM WASHINGTON</u>	
Continuous	Interim Certificates	Continuous
"	3 $\frac{1}{2}$ % Coupon Bonds	"
"	3 $\frac{1}{2}$ % Registered bonds	"
"	4% Conversion bonds	"
"	4% Second Loan	"
	<u>SECURITIES CANCELLED</u>	
"	Securities returned to Washington	"

BILLS DISCOUNTED MEMBERS
(Verified as of December 21, 1918)

Member Bank Collateral Loans		\$ 3,107,550.00
" " Rediscounts on hand	\$ 2,427,480.41	
" " " sent for Collection	742,657.82	<u>3,170,138.23</u>
Total		6,277,688.23

	<u>1918</u>	<u>1917</u>
Daily average amount of Rediscounts from Members	31,150,400.	7,370,500.
Average rate on Rediscounts from Members	4.733%	4.225%

ACCEPTANCES
(Verified as of December 21, 1918)

Acceptances on hand	\$ 18,872,150.18	
" out for collection	<u>112,486.32</u>	18,984,636.50
TOTAL		18,984,636.50

	<u>1918</u>	<u>1917</u>
Daily average amount of acceptances	4,790,200.	4,703,100.
Average rate earned after paying commission	4.331%	3.158%

UNITED STATES BONDS AND SECURITIES ON HAND AND HELD IN
WASHINGTON AT CLOSE OF BUSINESS DECEMBER 31, 1918
(Continuous Audit)

4 $\frac{1}{2}$ % U. S. Treasury Cert. of Indebtedness dated Dec. 5/18 due May 6/19	\$ 258,000.
4 $\frac{1}{2}$ % " " " " " " Oct. 1/18 " Jan 30/19	5,000.
4 $\frac{1}{2}$ % " " " " " " Sept 17/18 " Jan 16/19	500.
4 % " " " (Tax Issue) " Aug. 20/18 " Jul 15/19	3,000.
2 % " " " (To secure F.R.Bk. note circulation)..... " Oct 1/19	4,350,000.
2 % Reg'd. Panama Canal Loan Bonds 1906-1936-1938	260.
3% " " " " " 1911-1961	500.
3% Coupon U. S. Conversion Bonds 1916-1946	3,200.
3% " " " " 1917-1947	111,600.
3% One Year Treasury Gold Notes due Jan. 1, 1919	<u>530,000.</u>
	5,262,060.
4 $\frac{1}{4}$ % Fourth Liberty Loan Bonds purchased and being sold to Employees on monthly payment plan (Paid to date \$6,480.)	<u>4,970.</u>
Total	\$ 5,267,060.

	<u>1918</u>	<u>1917</u>
Daily average amount of United States Securities	3,525,700.	3,833,400.
Average rate earned	2.999%	2.560%

INVESTMENT OPERATIONS DURING THE MONTH OF DECEMBER 1918
 REPORTED BY THE FEDERAL RESERVE BANK OF MINNEAPOLIS

December 31, 1918

1. Bills discounted for member banks	9,908,926.95
2. Bills rediscounted for other Federal Reserve Banks	45,057,455.00
3. Bills bought in open market	10,846,655.07
4. Bill of lading drafts taken for collection on an interest basis, but not discounted	82,575.42
5. Municipal Warrants purchased	0
6. U. S. Bonds and Treasury Notes bought	0
7. U. S. Certificates of Indebtedness bought	<u>46,770,500.00</u>
Total discounts and open market purchases	<u>114,145,912.44</u>
8. U. S. Bonds and Treasury Notes sold	2,650.00
9. U. S. Certificates of Indebtedness sold	<u>46,605,500.00</u>
Total U. S. Securities sold	<u>46,608,150.00</u>

Number of member banks in district at end of month of December 866

Number of member banks accommodated through the discount of paper during the month of December 1918, 161.

BALANCES DUE FROM OTHER FEDERAL RESERVE BANKS AT CLOSE
OF BUSINESS DECEMBER 31, 1918 and DECEMBER 31, 1917

<u>Federal Reserve Bank of</u>	<u>Due From Dec. 31, 1918</u>	<u>Due From Dec. 31, 1917</u>
Boston	106,018.56 (Cr)	1,021,741.17
New York	105,253.37 (Dr)	5,460,688.79
Philadelphia	392,587.68 (Cr)	855,921.03
Cleveland	9,219.75 (Dr)	63,293.17
Richmond	213,560.16	3,820.87
Atlanta	7,732.14	1,822.38
Chicago	4,350,436.87	3,363,388.38
St. Louis	23,514.43	151,402.54
Kansas City	258,377.55	143,062.34
Dallas	266,419.13	34,734.57
San Francisco	55,173.20	183,182.95
Seattle	26,866.31	Not open
Spokane	37,938.52	"
Portland	53,090.53	"
Salt Lake City	52,053.50	"
Total (Immediate)	4,961,031.22 ✓	11,283,058.19
Total (Deferred)	(Nil)	1,964,552.53
Total	4,961,031.22 ✓	14,247,610.72

Detailed statements of all balances due from other Federal Reserve Banks as of December 31, 1918 have been compiled by the Auditing Department and forwarded to said banks for verification. All outstanding items will be traced on return of these statements.

Up to June 30, 1918 balances due were settled for weekly by the various Federal Reserve Banks through the Gold Settlement Fund at Washington. On July 1, 1918 a daily settlement plan was adopted and it is now the method of settlement by all Federal Reserve Banks.

The credit balances shown against Boston and Philadelphia are caused by those offices transferring for our credit to the Gold Fund on December 28, 1918 amounts in payment of their rediscounts with us, particulars of which had not reached us in time to make offsetting entries prior to December 31, 1918.

DAILY AVERAGE MEMBER BANK BALANCES BY MONTHS

1918 - 1917

	<u>1918</u>	<u>1917</u>		<u>1918</u>	<u>1917</u>
January	38,965 M	27,057 M	July	36,775 M	35,786 M
February	39,126	27,662	August	35,283	37,442
March	40,327	29,201	September	40,814	38,888
April	41,534	29,955	October	51,321	42,196
May	39,096	29,198	November	47,898	43,696
June	37,646	29,598	December	47,863	42,180

Daily Average Balances for year 1918 \$ 41,387 M
 " " " " " " " " 34,405 M
 " " " Increase \$ 6,982 M

MEMBER BANK RESERVE BALANCES BY STATES CLOSE OF BUSINESS
1918 - 1917

	<u>1918</u>	<u>1917</u>		<u>1918</u>	<u>1917</u>
Michigan	2,005,092.45	1,519,598.82	N. Dakota	4,610,959.28	3,504,385.27
Minnesota	31,615,127.04	23,978,899.57	S. Dakota	5,299,851.95	4,121,850.42
Montana	5,858,672.29	5,886,172.14	Wisconsin	<u>1,767,386.39</u>	<u>1,466,009.09</u>

Balance as shown by General Ledger
\$ 51,156,189.36 40,476,915.31

Net gain of Member Bank
 Reserve Balances for year \$ 10,679,274.05

DAILY AVERAGE BALANCES DUE TREASURER OF UNITED STATES BY MONTHS

1918 - 1917

	<u>1918</u>	<u>1917</u>		<u>1918</u>	<u>1917</u>
January	9,288 M	2,358 M	July	8,348-M	6,503 M
February	6,778	1,412	August	7,412	4,397 M
March	6,789	981	September	14,979	3,818
April	5,368	3,069	October	6,984	6,113
May	10,109	3,560	November	6,139	10,483
June	6,059	8,827	December	6,781	7,728

Daily Average for the year 1918 \$ 7,920,000.00
 " " " " " " " " 4,945,000.00
 " " " " " " " " Increase 2,974,000.00

CAPITAL STOCK

State	<u>December 31, 1918</u>		<u>December 31, 1917</u>		Gain No. of Banks for yr.	Gain Stock held for yr.	Total Div. Paid to 12/31/1917	Div. Paid from 1/1st to 6/30/18	Div. Paid from Jul. 1st to 12/31/18	Total Div. Paid to Dec. 31, 1918
	No. of Banks	Stock held	No. of Banks	Stock held						
Michigan	36	149,550.	33	139,700.	3	9,850.	23,304.32	4,273.76	4,364.10	31,942.18
Minnesota	322	1,704,200.	297	1,542,050.	25	162,150.	240,995.35	47,647.14	50,161.77	338,804.26
Montana	146	398,300.	115	322,100.	31	76,200.	45,478.56	10,758.91	11,853.71	68,091.18
N. Dakota	171	285,800.	162	260,250.	9	25,550.	42,858.43	8,113.93	8,528.45	59,500.81
S. Dakota	137	254,550.	128	227,100.	9	27,450.	36,012.55	6,974.91	7,456.76	50,444.22
Wisconsin	49	138,800.	38	121,250.	11	17,550.	32,946.72	3,759.91	4,052.12	40,758.75
	861	2,931,200.	773	2,612,450.	88	318,750.	421,595.93	81,528.56	86,416.91	589,541.40

Stock Ledgers proved and verified with General Ledger.

The total paid in Capital Stock of the Bank at close of business December 31st, 1918 was \$2,931,200. held by 861 Stockholders against \$2,612,450. held by 773 Stockholders at the close of business December 31st, 1917, making a net gain for the year 1918 of \$318,750. by 88 banks.

There were 8 banks who reduced their capital stock to the amount of \$11,200.

EARNINGS OF THE FEDERAL RESERVE BANK OF MINNEAPOLIS
FOR THE MONTH OF DECEMBER 1918

	<u>Total for Month</u>	<u>Total since Jan. 1, 1918</u>	<u>Same period 1917.</u>
Bills discounted and bought:			
Bills discounted - Members F.R. Banks	110,960.21	1,547,841.64	311,375.84
Acceptances bought in open market	68,915.15	211,601.68	148,530.68
Investments:			
United States securities	9,351.29	116,370.30	97,936.16
Municipal warrants	0	6.21	4,479.62
Bill of lading drafts	383.09	17,128.48	0
Transfers - Net earnings	8,549.00	89,608.05	45,982.83
Deficient Reserve penalties (including interest)	4,124.14	29,101.00	4,467.80
Net service charges received	0	27,719.24	0
Sundry profits	183.81	10,577.47	9,435.95
TOTAL EARNINGS	202,466.59	2,049,954.07	622,208.88

MEMORANDUM

	<u>Total for Month</u>	<u>Total since Jan. 1, 1918</u>	<u>Same period 1917.</u>
Cost of unissued F.R. Currency (payments a/c new notes, including expressage, ins. etc.)	47,014.95	101,378.36	0

Cost of Furniture and Equipment - Charged Expense Account.

Furniture and Fixtures	3,621.72	11,232.33	
Vaults - Safes	1,627.00	1,627.00	
Machines	919.37	13,309.52	
Other	0	4,307.57	
Total cost of Furniture and Equipment	6,168.09	30,476.42	29,501.

Dividends accrued since end of last dividend period to end of December 1918, \$86,574.41

CURRENT EXPENSES, INCLUDING TRANSIT DEPARTMENT
DISBURSEMENTS, OF THE FEDERAL RESERVE BANK OF
MINNEAPOLIS FOR THE MONTH OF DECEMBER
1918

	Total for Month	Total since Jan. 1, 1918	Same Period 1917
I. EXPENSES FOR OPERATION.			
Assessments a/c expenses F.R. Board (Monthly proportion)	1,172.97	14,116.77	10,196.14
Federal Advisory Council (fees and traveling expenses)	148.00	1,034.00	150.00
Governors' conferences (including traveling expenses)	.00	203.58	624.66
F.R. Agents' conferences (including traveling expenses)	190.00	370.20	112.90
Salaries: Bank officers	4,728.34	49,124.52	37,101.38
Clerical staff	29,858.72	123,401.98	31,925.78
Special officers and watchmen	.00	.00	1,666.60
All other	54.00	120.50	815.90
Directors' fees	400.00	3,610.00	3,740.00
Per diem allowance	110.00	850.00	940.00
Traveling expenses	228.97	1,562.11	1,506.36
Officers' and clerks' traveling expenses	335.51	1,982.37	361.87
Legal fees	125.00	1,732.10	1,500.00
Rent	1,101.83	11,297.66	5,660.04
Taxes and fire insurance	50.82	167.08	74.44
Telephone	132.30	2,213.03	1,030.89
Telegraph	283.46	3,193.49	698.50
Postage	4,112.24	36,500.69	6,551.63
Expressage	197.52	13,038.93	5,030.26
Insurance and premiums on fidelity bonds	2,059.50	7,775.65	2,069.71
Printing and stationery	1,642.16	18,361.47	7,474.62
Repairs and alterations	.50	2,016.41	1,267.33
All other expenses, n.s., including exchange paid	1,443.88	8,831.07	3,825.02
Total expenses of operation	48,375.72	301,503.61	124,324.03
Currency Receipts and Shipments Expense	563.81	1,466.66	
Furniture and Equipment	6,168.09	30,476.42	
Abrasion on Gold Coin	.00	5,939.88	
Liberty Loan Campaign Adjustment			761.70
	55,107.62	339,386.57	125,085.73
II. NOTE ISSUES.			
Cost of Federal Reserve currency issued by bank during month (including expressage, insurance, etc.)	60,933.77	114,286.84	42,381.30
Miscellaneous charges a/c note issues (including taxes on Federal Reserve Bank note circulation)	3,341.35	10,734.82	1,354.52
III. DEPRECIATION CHARGES.			
Furniture and Equipment			4,800.00
Total current expenses /	119,382.74	464,408.23	173,621.55

CURRENT EXPENSES
 FEDERAL RESERVE AGENT AND CAPITAL ISSUES COMMITTEE
 FEDERAL RESERVE BANK OF MINNEAPOLIS
 FOR THE MONTH OF DECEMBER
 1918

EXPENSES OF OPERATION

	<u>Total for Month</u>	<u>Total since Jan. 1, 1918.</u>
Salaries: Bank officers	1,125.00	13,675.00
Clerical staff	173.34	1,864.61
Officers' & Clerks' traveling expense		
Re-Seed Corn		50.78
Other	190.00	369.18
Postage	34.39	358.08
Insurance and premiums on fidelity bonds		200.00
Printing and Stationery		
Re-Seed Corn		872.00
Other	52.00	795.55
All other expenses, ns.	120.52	849.20
Total expenses of operation.	1,695.25	19,034.49
Capital issues committee,	575.44	1,337.79
Total expense.	2,270.69	20,372.28

FISCAL AGENT DEPARTMENT, DISBURSEMENTS ACCOUNT
 FISCAL AGENT OPERATIONS REIMBURSABLE BY U. S.
 TREASURER, FEDERAL RESERVE BANK OF MINNEAPOLIS
 FOR THE MONTH OF DECEMBER 1918

	Total for month	Total since Jan. 1, 1918
Salaries : Clerical Staff	82,700.18	167,115.73
Officers' and Clerks' Traveling expenses	2,519.44	83,660.53
Rent	1,425.20	12,322.61
Publicity	2,832.28	71,779.49
Telephone & Telegraph	2,579.75	17,265.01
Postage	676.52	6,236.84
Expressage	13.55	616.68
Equipment	967.14	15,201.67
Printing & Stationery	8,061.89	82,285.67
Newspapers & Directories	322.55	331.53
All other expenses, n.e.c.	715.91	11,135.48
Total Disbursements	62,463.19	422,843.04
Total Disbursements to December 31, 1917		104,537.97
Total Disbursements to December 31, 1918		527,381.01
Reimbursement received from U. S. Treasurer		377,168.67
Total disbursement for which reimbursement has not yet been received		150,212.34

LIBERTY LOAN AND WAR SAVINGS EXPENSE

Total expense to Jan. 1, 1919.

Classification	First Loan	Second Loan	Third Loan	Total of Vouchers still Unpaid
Equipment	\$	\$4,124.22	\$6,462.63	
Expressage		318.01	81.60	
Postage	4,840.28	4,719.57	2,181.71	
Printing and Stationery	13,774.40	22,207.78	24,835.34	
Publicity	5,131.12	13,175.66	24,460.47	
Rent	1,564.00	2,811.73	4,586.12	
Salaries	17,514.42	35,682.68	60,558.01	
Telephone and Telegraph	229.96	3,078.76	7,333.01	
Traveling	934.52	3,799.21	16,056.29	
Miscellaneous	1,538.10	5,265.34	5,433.62	
Total	45,426.80	95,182.96	151,988.80	
Recovered from				
Treas. Dept.....	45,426.80	95,182.96	135,113.45	
Balance.....	0 0 0	0 0 0	16,875.35	\$16,875.35

Fourth Loan

Equipment	\$ 3,207.32		
Express & Postage	1,932.92		
Newspapers & Directories	793.73		
Printing and Stationery	29,798.09		
Publicity	33,869.46		
Rent	3,101.95		
Salaries	50,166.70		
Telephone and Telegraph	7,349.86		
Traveling	9,285.34		
Miscellaneous	1,593.77		
Total.....	141,099.14		
Recovered from Treas. Department....	18,659.54		
Balance.....	122,439.60		122,439.60

War Savings

Equipment	\$ 2,423.66		
Express and postage	1,332.91		
Newspapers and directories	92.93		
Printing and stationery	25,444.30		
Publicity	13,343.59		
Rent	2,656.47		
Salaries	37,236.77		
Telephone and telegraph	1,925.87		
Traveling	7,020.13		
Miscellaneous	2,206.68		
Total.....	93,683.31		
Recovered from Treas. Department.....	82,785.92		
Balance.....	10,897.39		10,897.39
			\$ 150,212.34
			12,000.00
Advance to Committees.....			162,212.34
Liberty Loan and War Savings expense - Form 34			

**TRANSIT DEPARTMENT -- FEDERAL RESERVE BANK OF MINNEAPOLIS,
DISBURSEMENTS AND SERVICE CHARGES FOR THE MONTH OF DECEMBER
1918**

EXPENSES OF OPERATION

	Total for Month	Total since Jan. 1, 1918
Salaries: Clerical staff	9,279.56	46,607.00
Rent	250.00	3,000.00
Taxes and fire insurance	7.00	64.00
Telephone	7.00	64.00
Postage	2,176.89	17,264.54
Insurance and premiums on fidelity bonds	90.00	1,105.00
Printing and stationery	522.89	4,911.20
All other expenses, n.s.	19.20	467.52
Total expenses of operation . . .	12,352.54	73,502.86
Total disbursements	12,352.54	73,502.86

SERVICE CHARGES

Service charges, member banks	17,415.94
Service charges, other Federal Reserve Banks	11,721.90
Total service charges	29,135.84
Service charges paid other Federal Reserve Banks	1,416.60
Service charges, net (equal to same item on Form 34)	27,719.24

Grand Total of Items... 696,459
 Grand Total of Amounts, \$257,468,453.76

FEDERAL RESERVE BANK OF MINNEAPOLIS

REPORT OF TREASURY DEPARTMENT FOR DECEMBER 1918

DATE	CLEARINGS		MONEY & BANK-EXCHANGE		OTHER RESERVE BANKS		PAYEE TO MEMBERS OF OTHER DISTRICTS		TREASURER OF THE UNITED STATES	
1918	No.	AMOUNT	No.	AMOUNT	No.	AMOUNT	No.	AMOUNT	No.	AMOUNT
Dec. 2	2985	4,049,102.91	22169	2,659,847.33	1117	1,853,359.97	1	20,000.00	1549	302,004.91
" 3	2797	3,403,512.93	18329	1,806,192.51	899	1,995,638.80	3	53,300.00	1689	289,448.45
" 4	3293	4,510,512.14	20038	2,454,229.02	1037	2,203,086.29	8	90,000.00	1190	129,883.65
" 5	4061	4,599,814.94	21672	2,296,111.97	1054	1,468,699.65	25	252,910.37	1585	424,489.11
" 6	4120	7,468,493.89	22189	2,659,847.33	935	2,390,212.37	1	25,000.00	1369	230,435.99
" 7	2951	5,050,981.59	21570	2,103,533.36	1016	1,524,158.78	7	44,447.23	1459	252,853.51
" 9	4521	3,974,762.00	24700	2,410,298.93	1221	854,522.26	4	32,085.40	1392	247,685.71
" 10	4821	4,281,618.08	20796	2,106,537.92	1151	612,216.84	9	115,264.39	938	719,819.36
" 11	4120	5,119,925.93	21788	2,302,901.49	1069	802,379.61	3	61,900.00	993	127,419.34
" 12	3992	4,315,153.27	24610	2,430,364.76	1181	3,235,364.60	4	36,300.00	1039	347,893.82
" 13	3972	4,262,025.58	21933	2,022,788.18	1083	534,254.18	6	79,912.00	874	725,424.17
" 14	4339	3,990,096.75	22089	2,018,225.44	1020	497,443.19	0	0	843	68,129.55
" 16	4287	3,934,497.68	24256	2,265,891.98	1316	925,501.20	11	109,736.91	1048	398,453.10
" 17	2863	3,864,674.83	19717	2,157,515.49	1307	677,423.84	6	94,993.66	1385	270,149.12
" 18	4596	3,888,828.77	23607	2,380,499.04	1194	894,040.35	6	74,000.00	1126	105,379.81
" 19	4823	9,512,022.25	18919	2,217,988.64	1122	2,778,122.81	18	228,688.84	1378	165,833.76
" 20	4501	6,560,184.90	22326	2,354,538.14	1240	2,634,820.32	6	89,569.98	1295	140,562.00
" 21	3876	9,433,533.13	19269	2,040,733.20	1143	4,480,353.79	9	137,169.33	1284	355,634.22
" 23	4253	3,440,945.32	26200	2,838,534.54	1288	1,301,860.73	7	109,990.05	1125	115,937.12
" 24	2993	6,048,897.77	18488	1,936,082.16	1246	2,308,182.69	3	91,000.00	1678	243,588.80
" 26	3935	6,471,893.24	22367	2,577,314.60	1256	3,024,799.11	14	148,000.00	1315	181,738.54
" 27	3057	3,557,932.68	19183	2,439,710.48	1265	874,176.87	12	117,180.17	2177	94,256.64
" 28	2767	4,844,288.52	19297	2,049,423.47	1080	2,761,619.17	3	54,000.00	1090	390,677.69
" 30	4321	3,785,184.70	26015	2,653,878.34	1291	844,499.89	11	138,000.00	883	119,323.03
" 31	3872	4,374,250.35	17124	1,742,432.64	1142	2,426,224.22	6	0	1213	759,659.21
	97992	126,644,424.04	538743	57,271,974.96	29889	44,180,810.84	175	2,170,326.53	31649	7,276,197.59
					171	2,170,326.53				
					29785	46,270,897.17				

Average
 Daily..... 3883..... 21549..... 1180..... 1274
 Av. Am't per item..... 1,304.37..... 106.30..... 1,609.14..... 228.37
 Service Charge $\frac{1}{2}$ ¢ per
 item, equal to cost per $\frac{1}{2}$ ¢. Free..... 14.11..... 93..... Free
 All out of town items \$8.22 per \$1,000. Average number of remittance letters sent out daily: 1379

FEDERAL RESERVE BANK OF MINNEAPOLIS

TWIN CITY CLEARINGS

THROUGH

FEDERAL RESERVE BANK

1918

December	2nd	9,709,481.69
"	3d	9,153,305.06
"	4th	10,080,945.74
"	5th	10,597,413.49
"	6th	13,977,348.76
"	7th	10,432,287.53
"	9th	9,114,280.33
"	10th	9,942,959.95
"	11th	10,529,216.03
"	12th	9,748,466.54
"	13th	9,819,511.96
"	14th	8,618,474.00
"	15th	9,748,179.47
"	17th	8,210,191.87
"	18th	8,470,016.72
"	19th	14,532,055.27
"	20th	11,921,166.50
"	21st	14,954,599.78
"	22d	10,722,695.84
"	24th	11,016,280.71
"	25th	12,174,132.91
"	27th	8,266,846.89
"	28th	10,419,219.66
"	30th	8,589,456.47
"	31st	<u>8,246,856.16</u>

To tal.....\$258,719,169.06

FISCAL AGENT'S DEPARTMENT.

BOND ISSUES DURING YEAR 1918

THIRD LIBERTY LOAN

<u>Quota</u>	<u>Subscription</u>	<u>Allotments</u>	<u>Paid on Allotment</u>	<u>Balance due</u>
105,000,000.	180,892,100.	180,892,100.	180,877,457.50	14,642.50

FOURTH LIBERTY LOAN

<u>Quota</u>	<u>Subscription</u>	<u>Allotments</u>	<u>Paid on Allotment</u>	<u>Balance due</u>
210,000,000.	242,046,050.	242,046,050.	197,034,125.87	45,011,924.13

BONDS RECEIVED FOR CONVERSION.

3% First Liberty Loan
Coupon Bonds

<u>No. of pieces</u>	<u>Denomination</u>	<u>Amount</u>
610	\$ 50.	\$ 30,500.
456	100.	45,600.
55	500.	27,500.
26	1000.	26,000.
<u>1147</u>		<u>\$ 129,600.</u>

3% First Liberty Loan
Registered Bonds

<u>No. of pieces</u>	<u>Denomination</u>	<u>Amount</u>
0.	\$ 50.	\$ 0.
165	100.	16,500.
27	500.	13,500.
18	1000.	18,000.
<u>210</u>		<u>\$ 48,000.</u>

4% First Liberty Loan Converted
Coupon Bonds

<u>No. of pieces</u>	<u>Denomination</u>	<u>Amount</u>
13219	\$ 50.	\$ 660,950.
11097	100.	1,109,700.
1581	500.	790,500.
1817	1000.	1,817,000.
24	5000.	120,000.
8	10000.	80,000.
<u>27746</u>		<u>\$ 4,578,150.</u>

4% First Liberty Loan Converted
Registered Bonds

<u>No. of pieces</u>	<u>Denomination</u>	<u>Amount</u>
9	\$ 50.	\$ 450.
907	100.	90,700.
257	500.	128,500.
271	1000.	271,000.
35	5000.	175,000.
27	10000.	270,000.
1	50000.	50,000.
<u>1507</u>		<u>\$ 985,650.</u>

4% Second Liberty Loan
Coupon Bonds

<u>No. of pieces</u>	<u>Denomination</u>	<u>Amount</u>
100286	\$ 50.	\$ 5,014,300.
77288	100.	7,728,800.
11312	500.	5,656,000.
16595	1000.	16,595,000.
1007	5000.	5,035,000.
463	10000.	4,630,000.
<u>206951</u>		<u>\$44,659,100.</u>

4% Second Liberty Loan
Registered Bonds

<u>No. of pieces</u>	<u>Denomination</u>	<u>Amount</u>
1134	\$ 50.	\$ 56,700.
4607	100.	460,700.
1200	500.	600,000.
1425	1000.	1,425,000.
106	5000.	530,000.
106	10000.	1,060,000.
12	50000.	600,000.
<u>8590</u>		<u>\$ 4,732,400.</u>

BONDS DELIVERED

TO JANUARY 1, 1919.

Third Liberty Loan
Coupon Bonds

Third Liberty Loan
Registered Bonds

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
804011	\$ 50.	\$ 40,200,550.
564291	100.	56,429,100.
36421	500.	18,210,500.
27727	1000.	27,727,000.
1390	5000.	6,950,000.
1138	10000.	11,380,000.
<u>1434978</u>		<u>\$160,897,150.</u>

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
28919	\$ 50.	\$ 1,445,950.
59727	100.	5,972,700.
7970	500.	3,985,000.
3494	1000.	3,494,000.
196	5000.	980,000.
180	10000.	1,800,000.
22	50000.	1,100,000.
<u>12</u>	100000.	<u>1,200,000.</u>
<u>100520</u>		<u>\$ 19,977,650.</u>

4 1/2% Second Liberty Loan Converted
Coupon Bonds

4 1/2% Second Liberty Loan Converted
Registered Bonds

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
70074	\$ 50.	\$ 3,503,700.
65157	100.	6,515,700.
11097	500.	5,548,500.
16371	1000.	16,371,000.
993	5000.	4,965,000.
740	10000.	7,400,000.
<u>164432</u>		<u>\$44,303,900.</u>

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
588	\$ 50.	\$ 29,400.
2522	100.	252,200.
594	500.	297,000.
600	1000.	600,000.
72	5000.	360,000.
61	10000.	610,000.
<u>11</u>	50000.	<u>550,000.</u>
<u>4448</u>		<u>\$ 2,698,600.</u>

4 1/2% First Liberty Loan Converted
Coupon Bonds

4 1/2% First Liberty Loan Converted
Registered Bonds

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
10379	\$ 50.	\$ 518,950.
10245	100.	1,024,500.
1619	500.	809,500.
1859	1000.	1,859,000.
50	5000.	250,000.
21	10000.	210,000.
<u>24173</u>		<u>\$ 4,671,950.</u>

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
28	\$ 50.	\$ 1,400.
382	100.	38,200.
139	500.	69,500.
99	1000.	99,000.
20	5000.	100,000.
11	10000.	110,000.
<u>1</u>	50000.	<u>50,000.</u>
<u>680</u>		<u>\$ 468,100.</u>

Fourth Liberty Loan
Coupon Bonds

Fourth Liberty Loan
Registered Bonds

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
471134	\$ 50.	\$23,556,700.
483695	100.	48,369,500.
34185	500.	17,092,500.
21703	1000.	21,703,000.
1048	5000.	5,240,000.
782	10000.	7,820,000.
<u>1012547</u>		<u>123,781,700.</u>

<u>No. of pieces</u>	<u>Denomi- nation</u>	<u>Amount</u>
6824	\$ 50.	\$ 341,200.
19343	100.	1,934,300.
2752	500.	1,376,000.
1101	1000.	1,101,000.
38	5000.	190,000.
35	10000.	350,000.
2	50000.	100,000.
<u>3</u>	100000.	<u>300,000.</u>
<u>30098</u>		<u>\$ 5,692,500.</u>

20

UNITED STATES CERTIFICATES OF INDEBTEDNESS

ISSUED DURING THE YEAR 1918

Date of Issue	Allot. 25% & Less	No. Sub.	Allot. 25% to 50%	No. Sub.	Allot. 50% to 100%	No. Sub.	Allot. 100% to 250%	No. Sub.	Allot. 250% to 500%	No. Sub.	Allot. 500% to 1000% & Over	No. Sub.	Total each Issue	Total Sub. each Issue
Jan. 2	828,500.		610,000.		765,000.		1,478,500.		800,000.		750,000.		5,230,000.	
		98		13		9		8		2		1		128
Jan. 22	2,857,000.		935,000.		1,069,000.		957,000.		500,000.		4,432,000.		10,750,000.	
		313		23		12		6		1		5		360
Feb. 8	6,949,000.		1,759,000.		1,032,000.		695,000.		310,000.		4,255,000.		15,000,000.	
		1154		45		11		4		1		5		1220
Feb. 15	295,000.		345,000.		215,000.				400,000.				1,255,000.	
		52		8		3				1				64
Feb. 27	8,200,000.		1,999,500.		1,810,000.		830,500.		315,000.		3,845,000.		17,000,000.	
		1352		50		22		5		1		5		1438
Mar. 15	185,000.		90,000.		150,000.		297,000.						720,000.	
		19		2		2		2						25
Mar. 20	8,743,000.		2,611,000.		1,646,500.		1,020,000.		1,108,000.		851,500.		15,000,000.	
		1376		63		20		6		3		1		1409
Apr. 10	7,086,500.		3,516,000.		1,365,000.		2,092,500.		1,000,000.		740,000.		15,580,000.	
		1216		60		15		12		2		1		1305
Apr. 15	104,000.		50,000.		55,000.		578,500.						787,500.	
		10		1		1		3						15
Apr. 22	5,620,000.		1,131,000.		980,000.		1,029,000.		1,350,000.		4,430,000.		15,000,000.	
		822		27		9		5		5		4		875
Jun. 25	6,878,000.		2,281,500.		2,778,500.		1,414,500.		500,000.		7,077,500.		20,000,000.	
		835		54		33		9		2		7		940
Jul. 9	8,795,500.		2,266,000.		2,041,000.		2,450,500.		1,878,000.		4,551,000.		22,100,000.	
		1334		56		26		15		5		4		1440
Jul. 23	9,045,500.		2,014,000.		1,777,000.		887,500.		500,000.		2,575,000.		16,800,000.	
		1608		49		21		4		1		3		1685
Aug. 5	7,238,500.		1,638,500.		1,494,500.		891,500.		300,000.		700,000.		12,250,000.	
		1289		41		18		6		1		1		1856
Aug. 20	987,000.		285,000.		57,000.				500,000.				1,829,000.	
		252		6		1				1				270
Sept 3	9,552,000.		2,387,500.		1,510,500.		520,000.		400,000.		2,750,000.		17,200,000.	
		1501		60		17		3		1		2		1584

(CONTINUED)

UNITED STATES CERTIFICATES OF INDEBTEDNESS

ISSUED DURING THE YEAR 1918

Date of Issue	Allot. 25% & Less	No. Sub.	Allot. 25% to 50%	No. Sub.	Allot. 50% to 100%	No. Sub.	Allot. 100% to 250%	No. Sub.	Allot. 250% to 500%	No. Sub.	Allot. 500% to 1000% & Over	No. Sub.	Total each Issue	Total Sub. each Issue
Sep. 17	9,840,000.	1460	2,968,500.	73	1,908,000.	21	1,380,000.	8	950,000.	2	656,500.	1	17,700,000.	1568
Oct. 1	10,833,500.	1504	3,759,500.	90	2,399,000.	20	200,000.	1	1,300,000.	3	3,008,000.	3	21,500,000.	1629
Nov. 7	3,818,000.	555	1,004,000.	25	1,057,500.	13	751,000.	4	1,700,000.	5	1,890,000.	1	10,220,500.	603
Dec. 5	12,263,000.	1731	1,210,500.	36	3,041,000.	12	3,619,000.	28	1,101,000.	4	3,265,500.	5	24,500,000.	1816
Dec. 19	11,758,500.	1595	3,214,500.	79	2,211,000.	26	1,035,000.	6	695,000.	2	3,351,000.	4	22,265,000.	1712
Totals	131,792,500.	20,080	35,043,000.	861	29,259,500.	320	22,127,000.	138	16,207,000.	43	49,288,000.	54		
Total allotment all groups													283,717,000.	
Total subscribers all groups														21496

21

AVERAGE AMOUNT OF EACH CLASS OF EARNING
ASSETS HELD BY THE FEDERAL RESERVE BANK
OF MINNEAPOLIS, EARNINGS, AND RATES OF
EARNINGS (LESS COMMISSIONS) THEREON FOR
THE MONTH OF DECEMBER 1918

	Average during Month	Earnings for Month	Annual Rate
Bills Discounted for Members and F. R. Banks	32,009,700	110,980.11	4.081
Acceptances Bought	17,235,300	68,915.15	4.707
United States Securities	4,838,700	9,851.28	2.275
Total	54,083,700	189,746.55	4.119

GROSS EARNINGS BY MONTHS FOR 1918

1918	Member Bank Discounts	Acceptances	U.S. Bonds and notes	War- rants	Rediscounts	Trfs. Bought and Sold	Penalties	B/L Drafts	Service Chgs. & Sundry Profits	Total
January	31,524.98	13,648.08	11,323.66	6.21	16,624.42	5,966.00	1,152.94	2,471.23	5,244.36	87,961.88
February	41,897.48	4,317.48	22,521.91	-	-	5,464.95	1,179.46	2,736.89	4,324.92	82,443.09
March	26,189.27	15,380.31	20,178.11	-	-	7,822.25	680.11	4,451.57	5,078.76	79,780.38
April	39,421.55	38,191.29	15,730.13	-	-	6,879.05	1,239.33	2,872.64	5,485.87	109,529.86
May	87,178.85	28,361.35	7,603.48	-	-	7,685.20	806.45	1,075.87	5,295.87	138,007.07
June	129,007.00	5,292.78	8,896.49	-	-	4,170.00	2,344.85	827.96	8,143.67	158,682.75
July	212,405.79	2,207.95	5,796.61	-	-	5,613.06	3,602.17	702.86	3,869.09	234,197.55
August	233,798.30	1,948.26	2,747.99	-	-	7,014.38	4,013.92	481.41	143.36	250,147.62
September	266,281.91	829.77	2,984.60	-	-	13,437.91	4,127.05	337.21	129.61	288,150.06
October	210,616.96	7,894.65	3,911.19	-	-	10,228.75	3,085.46	429.18	185.84	236,362.03
November	141,935.02	24,614.61	5,322.84	-	-	7,067.80	2,745.12	338.55	201.55	182,225.19
December	110,960.11	68,915.15	9,351.29	-	-	8,549.00	4,124.14	363.09	163.81	202,466.59
TOTAL	1,531,217.22	211,601.68	116,370.30	6.21	16,624.42	89,808.05	29,101.00	17,128.48	38,296.71	2,049,954.07

Average Monthly Gross Earnings for year	1918	1917
" " Expenses	170,853.51	82,341.83
" " Net Profits	38,700.48	14,468.46
" " Divident Paid	132,128.82	37,893.07
	14,898.88	12,225.28
Average Monthly Gross Earnings last half of year	232,258.17	69,432.50
" " Expenses	53,057.23	18,781.12
" " Net Profits	179,200.94	80,651.38
Average Monthly cost for Federal Reserve Notes for year	5,631.51	3,531.77
Rate per cent of Net Earnings on Capital Stock for year	54.09%	18.12%

GROSS AND NET EARNINGS AND EXPENSES BY MONTHS FOR 1918.

	<u>Earnings</u>	<u>Expenses</u>	<u>Net Earnings</u>
January	87,961.88	21,829.09	66,132.79
February	82,443.09	19,596.00	62,847.09
March	79,780.38	22,813.96	56,966.42
April	109,529.86	26,031.33	83,498.53
May	138,007.07	23,667.46	112,339.61
June	158,682.75	30,134.15	128,548.60
July	234,197.55	31,336.35	302,871.20
August	250,147.62	41,607.26	208,540.36
September	288,150.06	51,284.20	236,865.86
October	236,362.03	38,696.63	197,665.40
November	182,225.19	36,099.06	146,126.13
December	<u>202,466.59</u>	<u>119,382.74</u>	<u>83,083.85</u>
Total since Jan 1, 1918	2,049,954.07	464,408.23	1,585,545.84
 <u>Less Dividend Paid:</u>			
January 1, 1918, to December 31, 1918			<u>168,102.97</u>
Total Net Earnings for Year			1,417,442.87

AVERAGE HOLDINGS OF EARNING ASSETS BY MONTHS
1918

1918	Bills Discounted	Acceptances	U.S. Bonds & Treasury Notes	Warrants	Rediscounts Other F.R. Bks.	Total
January	7,854,500.	3,844,000.	4,697,200.	1,600.	4,885,300.	21,282,600.
February	11,348,000.	1,429,000.	8,697,000.	-	-	21,465,000.
March	6,009,000.	4,890,000.	5,968,000.	-	-	16,867,000.
April	10,180,000.	11,257,000.	5,693,000.	-	-	27,130,000.
May	21,420,000.	7,391,000.	3,199,000.	-	-	32,010,000.
June	33,706,000.	1,447,000.	3,721,000.	-	-	38,874,000.
July	22,829,900.	594,500.	2,487,600.	-	-	25,912,000.
August	29,442,000.	473,000.	1,575,000.	-	-	31,490,000.
September	69,476,400.	207,300.	1,134,300.	-	-	70,818,000.
October	52,694,300.	2,156,000.	1,333,000.	-	-	56,183,300.
November	39,684,000.	6,982,000.	2,834,000.	-	-	49,500,000.
December	32,009,700.	17,235,300.	4,828,700.	-	-	54,073,700.
Average 1918	32,929,483.	4,824,756.	3,839,617.	-	-	42,009,633.
Average 1917	7,370,500.	4,703,100.	3,833,400.	153,500.	-	16,060,500.

AVERAGE RATE OF EARNINGS ON EARNING ASSETS BY MONTHS
1918

1918	Bills Discount- ed for Members.	Acceptances	U.S. Bonds & Treasury Notes	Warrants	Rediscounts	Total
January	4.725%	4.180%	2.638%	4.461%	4.007%	4.045%
February	4.812	3.962	3.376	-	-	4.174
March	5.131	3.703	3.961	-	-	4.310
April	4.711	4.127	3.362	-	-	4.186
May	4.792	4.518	2.798	-	-	4.529
June	4.657	4.449	2.909	-	-	4.481
July	4.778	4.380	2.734	-	-	4.683
August	4.710	4.853	2.054	-	-	4.642
September	4.687	4.869	3.203	-	-	4.640
October	4.715	4.310	3.454	-	-	4.661
November	4.351	4.289	2.284	-	-	4.224
December	4.292	4.309	2.275	-	-	4.119
Average 1918	4.69%	4.33%	2.94%	-	-	4.59%
Average 1917	4.22%	3.15%	2.56%	2.91%	-	3.50%

PROFIT AND LOSS ACCOUNT
1918

<u>Balance January 1, 1918</u>	75,157.13
Distributed as follows:	
Transferred to Treas. U.S. as Franchise Tax	37,500.00
" " Surplus Account	37,500.00
" " Reserve for Sundry Expenses	157.13
	75,157.13
	0

Gross Earnings for year 1918

From Discounts - Members and Fed. Res. Bks.	1,564,970.12	
" " - Acceptances Bought	211,601.68	
" United States Securities	116,370.30	
" Warrants	6.21	
" Interest on Transfers	89,608.06	
" Penalties on Deficient Reserves	29,101.00	
" B/L Drafts -Exchange -Protest fees, etc.	10,577.47	
" Service Charges	27,719.24	
	2,049,954.07	2,049,954.07

Expenses for year 1918

Expense of operation of Bank proper	339,386.57	
Cost of Fed. Res. notes issued during year	67,578.17	
Cost of Fed. Res. notes printed but not yet iss.	46,708.67	
Cost of plates, expressage etc. in connection with issue of Fed. Res. Bank notes	7,698.01	
Tax on Bank note circulation to Dec. 31, 1918	2,836.61	
	464,408.23	

Net earnings for year 1,585,545.84

Distribution of Net Earnings

Vault Account charged off	29,500.00	
Reserved for abrasion on Gold Coin	9,207.13	
Difference Account	992.10	
Dividend - Period 1/1/18 to 6/30/18	81,528.56	
Dividend - Period 7/1/18 to 12/31/18	86,416.91	
Interest paid on surrendered stock	157.60	
Transferred to "Reserve for Franchise Tax"	688,871.82	
Transferred to Surplus	688,871.82	
	1,585,545.84	0

SALARY STATISTICS.
LIBERTY LOAN DEPARTMENT

Month 1918	Number of Employees	Compensa- tion Paid	Average Compen- sation Paid.
January	50	4,846.18	96.92
February	51	5,021.01	98.45
March	53	5,620.37	106.04
April	64	6,187.14	96.67
May	66	7,426.69	112.37
June	69	8,965.09	130.21
July	76	7,602.00	100.02
August	79	7,687.66	98.57
September	86	7,759.56	90.21
October	90	8,556.08	95.06
November	92	9,579.06	104.22
December	95	17,471.63	183.91
Totals	871	96,742.67	111.07

Bonus paid in June and December included in above figures \$9,560.34
Average number of clerks 1918 72
Average monthly salary of clerks 1918 \$111.07

OFFICERS AND CLERKS -- BANK

Month	No. of em- ployees.	Officers Com- pensation	Clerks Com- pensation	Total Com- pensation	Average Monthly Com- pensation Officers and Clerks.
January	84	3,916.74	5,477.10	9,393.84	111.83
February	86	3,916.66	5,823.39	9,740.05	113.25
March	92	3,916.66	6,046.90	9,963.56	108.30
April	91	3,916.66	6,513.32	10,429.98	114.61
May	101	3,916.66	7,048.51	10,965.17	108.56
June	105	4,893.66	10,906.81	15,800.47	150.48
July	134	3,892.66	10,217.26	14,109.92	105.29
August	142	4,087.48	10,922.25	15,009.73	105.70
September	144	3,977.00	11,792.14	15,769.14	109.50
October	156	3,973.00	12,396.73	16,369.73	104.92
November	164	3,989.00	13,398.85	17,387.85	106.02
December	166	4,698.34	22,858.72	27,557.06	166.00
Totals . . .	1465	49,094.52	123,401.96	172,496.50	117.73

Bonus paid in June and December amounting to \$16,130.24 included in above table.
Average number of Officers and Clerks 1918 122
Average monthly salary of Officers & Clerks 1918 \$117.73

FURNITURE AND EQUIPMENT
(Including Vault)

Total costs and charged off since opening of Bank.

Furn. & Equip. Purchased	Total Purchased	Depreciation 1916 & 1917	Chgd off Dec. 31, 1917	Charged off During 1918	Balance in Account
For Bank & Transit	69,794.67	6,753.00	32,564.25	30,476.42	1.00
Vault	40,000.00	6,500.00	4,000.00	29,500.00	0
Total	109,794.67	13,253.00	36,564.25	59,976.42	1.00

RESERVED FOR SUNDRY EXPENSES

Reserved for abrasion on gold Coin	\$ 19,754.88
Transferred from Profit & Loss Account (surplus 1917 profits)	157.13
Reserved for Tax on Federal Reserve Bank Note circulation to 12/31/18	2,836.62
Reserved against Canadian Lieutenant's bill (To be credited advances Third Liberty Loan)	100.00
Total	\$ 22,848.63

GOLD HOLDINGS OF THE BANK AND THE FEDERAL RESERVE AGENT

CLOSE OF BUSINESS DECEMBER 31, 1918, AS COMPARED TO CLOSE OF BUSINESS DECEMBER 31, 1917

BANK 1918

Gold Coin \$ 2,172,390.
 Gold Certificates 6,150,720.
 Sterling Gold Account 233,155.
 Gold Settlement Fund 23,774,414.
 Gold Redemption Fund 4,949,850. \$37,279,529.

BANK 1917

Gold Coin \$ 6,589,000.
 Gold Certificates 8,271,000.
 Sterling Gold Acct. 2,100,000.
 Gold Settlement Fd. 19,486,000.
 Gold Redemption Fd 878,000. \$37,424,000

AGENT 1918

Gold Coin 3,000,000.
 Gold Certificates 10,052,000.
 Gold Settlement Fund 40,800,000.
 Gold Redemption Fund 2,016,410. \$55,868,410.

AGENT 1917

Gold Coin 3,000,000.
 Gold Certificates 10,102,000.
 Gold Settlement Fd 18,500,000.
 Gold Redemption Fd 1,308,000. \$32,910,000.

Grand Total \$93,147,939. \$70,334,000.

Average Balance in Gold Settlement Fund of Bank during 1918 \$15,908,000.

Average Balance in Gold Settlement Fund of Agent during 1918 \$39,300,000.

The amount of gold coin and certificates held by the bank is considerably less than one year ago, due to the fact that \$10,000,000. in gold coin and \$7,300,000. in gold certificates were shipped the Sub-Treasury at Chicago for our credit in the Gold Fund. In addition there was shipped direct to the Sub-Treasury by member banks, for our credit, approximately \$5,000,000. Our material gain in gold from other Federal Reserve Districts due to drawings on these Districts in exchange for Federal Reserve Notes, is largely offset by transfers out of the Gold Fund covering rediscounts for other Federal Reserve Banks. During 1918, the Agent's Gold Fund was charged \$9,400,000. covering unfit notes redeemed by the Treasury Department. This is a material increase in percentage of unfit notes; the total destroyed in three years preceding 1918 being \$9,900,000.

Daily settlements in Gold Fund are now in effect and statements are sent weekly by Federal Reserve Board for our verification. The Treasury Department also submits weekly statements of the various Redemption Funds.

C A S H R E C O R D

FEDERAL RESERVE BANK OF MINNEAPOLIS

December 31, 1918

Compartment	Gold Coin	Gold Cert. Bearer	Gold Cert. Order	Federal Reserve Notes	Federal Reserve Bank Notes	Totals
D				495,000.	120,000.	615,000.
13	1,115,000.					1,115,000.
14		2,000,000.				2,000,000.
15		2,882,000.	1,190,000.			4,072,000.
16				100,000.		100,000.
18					144,000.	144,000.
20					96,000.	96,000.
22				500,000.		500,000.
27	1,020,000.					1,020,000.
Totals	2,135,000.	4,882,000.	1,190,000.	1,095,000.	360,000.	9,662,000.

	<u>Payer</u>	<u>Receiver</u>	<u>Reserve</u>	<u>Totals</u>
Gold Coin	37,390.00		2,135,000.	2,172,390.00
Gold Certificates-Bearer		28,720.00	4,882,000.	4,910,720.00
Gold Certificates-Order			1,190,000.	1,190,000.00
Federal Reserve Notes	207,600.00	510,895.00	1,095,000.	1,813,495.00
Federal Reserve Bank Notes	99,604.00	3,850.00	360,000.	463,454.00
Silver Certificates		33,055.00		33,055.00
Legal		38,620.00		38,620.00
Natl and other Fed. Res. Notes		355,135.00		355,135.00
Miscellaneous	1,019.77	161.08		1,180.85
Total Cash	345,613.77	970,436.08	9,662,000.	10,978,049.85

In addition to the above Gold Holdings, there were \$50,000. in Gold Certificates in transit to the Assistant Treasurer of the United States at Chicago on December 31st for our credit in the Gold Settlement Fund at Washington.

FEDERAL RESERVE BANK NOTES

Circulation Account Close of Business December 31, 1918.

	<u>\$1.</u>	<u>\$2.</u>	<u>\$5.</u>	<u>Total</u>
Received from Comptroller...	2,820,000.	992,000.	820,000.	4,632,000.
On Hand.....	<u>259,612.</u>	<u>83,842.</u>	<u>120,000.</u>	<u>463,454.</u>
In Circulation.....	2,560,388.	908,158.	700,000.	4,168,546.

United States Securities with Treasurer United States to Secure Circulation.

1-Year Treasury Notes 3%.....	\$ 530,000.
United States Certificates of Indebtedness 2%.....	<u>4,350,000.</u>
	\$ 4,880,000.

Our first issue of bank notes was made on September 20, 1918, at which time we had in Washington as security \$880,000. in 1-Year Treasury Notes. Our tax based on this security was 1-1/2 per cent. On January 1, 1919, balance of our Treasury notes matured and were replaced with special United States 2% Certificates of Indebtedness.

To date the cost for plates and expressage has been \$7,898.01. while the circulation tax to December 31, 1918 (103 days) is \$2,836.81. As the Government's contract with express companies will not be renewed, our shipping charges will be materially higher in 1919.

RECORD OF FEDERAL RESERVE NOTES RECEIVED FROM THE COMPTROLLER OF THE CURRENCY.

since opening of Bank, Amounts Issued, Reissued and Destroyed as of December 31, 1918.

<u>Denom.</u>	<u>Received from Comptroller</u>	<u>Returned to Agent by Bank</u>	<u>Issued to Bank (New)</u>	<u>Reissued to Bank (Used)</u>	<u>Returned by Agent for Destruction</u>	<u>On Hand</u>
5	31,840,000.	7,142,000.	29,960,000.	2,882,000.	4,260,000.	1,880,000.
10	48,560,000.	3,320,000.	46,200,000.	775,000.	2,545,000.	2,360,000.
20	38,880,000.	2,275,000.	37,040,000.	1,255,000.	1,020,000.	1,840,000.
50	2,000,000.	155,000.	1,910,000.	130,000.	25,000.	90,000.
100	<u>3,200,000.</u>	<u>210,000.</u>	<u>2,920,000.</u>	<u>180,000.</u>	<u>30,000.</u>	<u>280,000.</u>
	124,480,000.	18,102,000.	118,030,000.	5,222,000.	7,880,000.	6,450,000.

<u>Denom.</u>	<u>Our Unfit Notes returned to Treasurer of the United States by Federal Reserve Bank of Minneapolis.</u>	<u>Our Unfit Notes returned to Treasurer of the United States by Other Federal Reserve Banks.</u>	<u>Our Unfit Notes returned to Comptroller From other Sources</u>
5	250,000.	3,323,780.	1,596,680.
10	155,000.	2,781,510.	1,197,590.
20	80,000.	1,365,560.	615,220.
50	0.	6,800.	20,950.
100	<u>0.</u>	<u>9,700.</u>	<u>22,600.</u>
	485,000.	7,487,350.	3,453,240.

<u>Denom.</u>	<u>Total Notes Destroyed to December 31, 1918.</u>	<u>Total Notes in Circulation December 31, 1918. (All costs paid)</u>
5	9,430,660.	20,529,340.
10	6,679,100.	39,520,900.
20	3,080,780.	33,959,220.
50	52,750.	1,857,250.
100	<u>62,500.</u>	<u>2,857,700.</u>
	19,305,590.	98,724,410.

FEDERAL RESERVE NOTES ISSUED BY AGENT DURING 1918.

<u>\$ 5's</u>		<u>Total</u>	<u>50's</u>		<u>Total</u>
New	\$ 11,760,000.		New	\$ 1,030,000.	
Used	0.	\$ 11,760,000.	Used		\$ 1,030,000.
<u>10's</u>			<u>100's</u>		
New	\$ 24,280,000.		New	\$ 1,430,000.	
Used	0.	\$ 24,280,000.	Used	0.	\$ 1,430,000.
<u>20's</u>			<u>Total</u>		
New	\$ 18,640,000.		New	\$ 57,140,000.	
Used	0.	\$ 18,640,000.	Used	0.	\$ 57,140,000

Our total issue of Federal Reserve Notes since opening of bank is \$118,030,000. and of this amount \$57,140,000. was put in circulation during 1918. At no time during the year did the Agent have any used notes that were fit for circulation on hand. The continued demand made it necessary to steadily issue new bills. While our District demand for 5's remained approximately the same as in 1917, the demand for 20's increased 40%. Our big gain in issue of 10's is accounted for by the fact that during November and December the Treasury Department at Washington made use of \$9,000,000.

Costs of preparing notes at Washington increased 23% on July 1, 1918—the advance being from \$36.36 to \$44.75 per 1000 sheets. During the year a total of \$114,286.84 was charged off covering cost of Federal Reserve Notes. However, \$46,708.67 of this amount represents Bureau of Engraving charges on notes prepared to December 31, 1918, and not yet issued by us. Total costs of notes since opening of bank \$186,589.99.

Our arrangement with the Federal Reserve Board to maintain at all times at Washington and in Sub-Treasury at Chicago, a supply of \$50,000,000. of our notes, is still in effect. The Board, however, ordered an additional supply of approximately \$13,000,000. during October last. The table below will indicate where our surplus notes are held and the amount in course of preparation:

HELD IN SUB-TREASURY AT CHICAGO

<u>5's</u>	<u>10's</u>	<u>20's</u>	<u>50's</u>	<u>100's</u>	<u>Total</u>
\$ 5,200,000.	1,960,000.	1,840,000.	200,000.	800,000.	10,000,000.

HELD AT WASHINGTON (PREPARED) OR IN TRANSIT

<u>5's</u>	<u>10's</u>	<u>20's</u>	<u>50's</u>	<u>100's</u>	<u>Total</u>
8,160,000.	1,360,000.	8,720,000.	1,800,000.	1,200,000.	21,240,000.

BEING PRINTED AT WASHINGTON

<u>5's</u>	<u>10's</u>	<u>20's</u>	<u>50's</u>	<u>100's</u>	<u>Total</u>
5,040,000.	7,240,000.	9,600,000.	0.	400,000.	22,280,000.
					55,520,000.
					\$1000 bills being printed at Washington..... 6,000,000.
					<u>59,520,000.</u>

AGENT'S VAULT RECORD

FEDERAL RESERVE NOTES AND GOLD HELD

Compartment	5's	10's	20's	50's	100's	Total
1	500,000.					500,000.
2	600,000.					600,000.
3	700,000.					700,000.
5			1,840,000.	90,000.	280,000.	2,210,000.
5	80,000.					80,000.
7		1,400,000.				1,400,000.
8		960,000.				960,000.
	1,880,000.	2,360,000.	1,840,000.	90,000.	280,000.	6,450,000.

	Gold Coin	Order Certificates	Bearer Certificates	Total
4		5,000,000	1,000,000.	6,000,000.
5		1,240,000.	2,812,000.	4,052,000.
9	1,000,000.			1,000,000
10	1,000,000.			1,000,000
11	1,000,000.			1,000,000.
	3,000,000.	6,240,000.	3,812,000.	13,052,000.

Paper held as collateral.....	\$	53,816,956.58
Agent's Fund at Washington.....		40,800,000.00
Agent's Five Per Cent Redemption Fund.....		2,016,410.00
Gold Coin and Certificates Held.....		13,052,000.00
Total Federal Reserve Notes on Hand.....		6,450,000.00
Total Federal Reserve Notes Destroyed.....		<u>19,305,590.00</u>
Total.....	\$	135,440,956.58
Notes received from Comptroller to 12/31/18.....	\$	<u>124,480,000.00</u>
Excess with Agent.....	\$	10,960,956.58

TOTAL AMOUNT OF REDISCOUNTS BY BANKS AS OF DECEMBER 31, 1918

AND AMOUNT REDISCOUNTED DURING THE MONTH

MINNESOTA

<u>Name of Town</u>	<u>Name of Bank</u>	<u>Amount Rediscounted for month of December</u>	<u>Amount held end of month</u>
Adams	First National	22,000.	11,000.
Adrian	"	75,500.	35,500.
Albert Lea	Citizens National		13,850.
"	First National	40,000.00	
Alden	"	20,000.00	20,000.00
Alexandria	"		11,688.75
Amboy	"		12,265.69
Argyle	"	15,000.00	
Atwater	"		
Austin	Austin National		
"	First National	250,000.00	160,000.00
Balaton	"	35,000.00	10,000.00
Beaver Creek	"	34,000.00	17,000.00
Bemidji	"	10,000.00	10,000.00
Benson	"	25,000.00	15,591.
Blackduck	"	3,332.20	3,332.20
Blue Earth	Farmers National	21,649.02	41,095.63
Braham	First National		9,138.75
Bricelyn	"	11,666.15	21,226.51
Brockton	"	6,000.00	
Cambridge	"	39,000.00	24,000.00
Ceylon	"		20,167.47
Clarkfield	Clarkfield State	20,000.00	
Cottonwood	First National		
Crookston	Merchants National	50,000.00	
Deer Creek	First National	9,674.72	9,674.72
Deer River	"	5,000.00	5,000.00
Detroit	Merchants National		1,080.22
Dodge Center	First National		
Elk River	"	14,000.00	
Elmore	"		11,112.28
Emmons	"	39,315.00	39,843.61
Eveleth	"	20,000.00	
"	Miners National	64,000.00	
Fairmont	Citizens National		7,012.07
"	First National	40,000.00	20,000.00
"	Martin Co. Natl.	50,000.00	25,000.00
Fulda	First National	85,371.74	65,900.33
Gilbert	"	55,000.00	
Grand Meadow	"	4,516.75	19,016.75
Grand Rapids	"		
Grey Eagle	"	5,000.00	
Hancock	"		
Hendricks	Farmers National	50,000.00	20,000.00
Herman	First National		
Jackson	Brown National		6,182.58
"	First National	51,000.00	27,756.98
"	Jackson National	15,000.00	43,096.70
Kasson	Natl. Bk. of Dodge Co.		25,583.01
Kiester	First National		1,566.00
Lake Benton	National Citizens	10,000.00	10,000.00
Lake City	Lake City Bk. of Minn.		
Lake Crystal	First National		11,662.73
Lakeville	"		8,455.73
Lamberton	"	14,000.00	
LeRoy	"		7,360.18
Lewiston	Security State	74,000.00	22,000.00
Litchfield	First National	190,000.00	90,000.00
Luverne	Farmers National	60,000.00	34,280.00
"	Rock County	35,000.00	11,437.55

<u>Name of Town</u>	<u>Name of Bank</u>	<u>Amount Rediscounted for month of December</u>	<u>Amount held end of month</u>
Madelia	First National	15,238.28	38,187.66
"	State Bank	40,000.00	10,000.00
Mankato	First National	304,506.35	184,942.50
"	Natl.Bk. of Com.	26,000.00	
"	Natl. Citizens	203,800.00	103,966.81
Mapleton	First National		749.00
Marshall	"	50,000.00	27,577.21
"	Lyon Co.		
Minneapolis	Bankers National		
"	First & Secy.		
"	Lincoln National		
"	Metropolitan Natl.	340,377.50	240,377.50
"	Midland National		
"	Northwestern Natl.		
Minneota	Farmers & Merchants	34,000.00	46,454.71
Minnesota Lake	First National		
Morris	Morris Natl.		7,617.80
New Richland	First Natl.		
"	State Bank		7,093.74
Northfield	First National	25,000.00	31,531.04
"	Northfield Natl.		4,280.00
Olivia	Peoples First Natl.	30,000.00	
Osakis	First Natl.		
Owatonna	"	30,000.00	
"	Natl. Farmers Bk.		
Pipestone	First Natl.		
Plainview	"		856.00
Red Wing	First Natl.	26,000.00	26,000.00
Redwood Falls	"	30,000.00	15,000.00
Renville	"		4,610.44
Rochester	Union Natl.		
Royalton	First National		
Rush City	"	15,000.00	25,500.00
Rushmore	"	48,000.00	30,522.22
St. Charles	"	9,778.59	14,631.09
St. Cloud	"	40,000.00	40,000.00
St. James	Citizens Natl.		12,567.38
St. Paul	Capital Natl.	500,000.00	150,000.00
"	Central Bank	145,000.00	100,000.00
"	First National		
"	Merchants National	595,940.00	
"	Natl.Bk. of Com.	402,700.00	387,400.00
"	National Exchange	100,000.00	50,000.00
So. St. Paul	Exchange State	13,800.00	5,150.00
Sherburn	Sherburn Natl.	10,000.00	
Spring Valley	Farmers State		2,224.00
"	First National		
Thief River Falls	"		4,680.00
Ulen	"	15,000.00	5,000.00
Virginia	Amer. Exch. Bank	25,000.00	
"	First Natl.	100,000.00	100,000.00
Wabasha	"		
Wadena	"		
Waseca	Farmers Natl.	100,000.00	50,000.00
"	First National		
Welcome	Welcome Natl.	42,080.00	9,643.89
Wells	First Natl.	185,000.00	70,482.29
"	Wells National	146,479.97	96,229.49
Westbrook	First National	50,000.00	20,000.00
Willmar	"	85,000.00	50,000.00
"	Kandiyochi Co.	400,000.00	175,000.00
Wilmont	First National	11,109.15	16,643.79
Windom	"	33,000.00	
Winnebago	Blue Earth Vly.Natl.	19,000.00	8,500.00
"	First Natl.	48,994.08	38,397.08
Worthington	Citizens Natl.	54,000.00	48,769.72
		<u>5,922,829.51</u>	<u>3,219,462.80</u>

37
38

NORTH DAKOTA

<u>Name of Town</u>	<u>Name of Bank</u>	<u>Amount Rediscounted for month of December</u>	<u>Amount held end of month</u>
Bismarck	First National	150,000.00	75,000.00
Bottineau	"		15,282.52
Dickinson	Dakota National		
East Fairview	First National		3,006.05
Ellendale	Farmers National	65,000.00	
Fargo	Merchants National		
Fingal	First National	5,000.00	2,500.00
Garrison	"		
Hope	Hope National		
Jamestown	Citizens National	15,000.00	
"	James River National	50,000.00	50,000.00
Langdon	First National		
Mandan	Merchants Natl	30,000.00	20,000.00
Marion	First National		
Marmarth	"		3,086.33
Medina	"		6,705.12
Mohall	"		
New Rockford	"		
Ryder	"		9,403.40
Sentinel Butte	"		698.02
Steele	"	41,000.00	16,500.00
Tolley	"		
Van Hook	"		
Williston	"		13,792.89
Willow City	"	5,000.00	
Wyndmere	"		
		<hr/>	<hr/>
		361,000.00	215,974.33

SOUTH DAKOTA

Arlington	First National	30,000.00	42,716.63
Belle Fourche	"		
Brandt	"	2,000.00	
Brookings	Bank of	445,000.00	200,000.00
"	First National	30,000.00	26,292.78
Carthage	"	10,113.95	26,049.15
Castlewood	"	16,500.00	14,201.14
Chamberlain	Brule National		33,653.26
Clark	Clark Co. Natl		
Clear Lake	First National	17,500.00	13,580.30
Colman	"	45,000.00	49,504.89
Custer City	"	49,219.03	40,890.69
Dell Rapids	"	20,000.00	20,000.00
"	Homd National		
DeSmet	DeSmet National	28,290.03	28,290.03
Egan	First National	8,350.00	16,326.00
Elkton	"	51,480.02	30,000.00
Fairfax	"	41,800.00	43,900.45
Ft. Pierre	Fort Pierre Natl		
Gregory	Gregory National	20,933.10	40,485.16
"	First National		7,774.67
Hecla	Farmers & Merchants State	8,000.00	
Hot Springs	Peoples National	9,088.26	29,866.28
Howard	Howard National	14,100.00	19,486.40
Huron	First National	20,000.00	41,479.22
Kennebec	"	33,749.85	34,801.50
Lake Norden	"	40,000.00	62,325.91
Lake Preston	Farmers National	13,000.00	12,751.95
"	First National	40,000.00	20,000.00
Madison	First National	267,404.60	203,005.14
Milbank	"	65,000.00	
Mitchell	"	84,000.00	42,000.00

<u>Name of Town</u>	<u>Name of Bank</u>	<u>Amount Rediscounted for month of December</u>	<u>Amount held end of month</u>
Mitchell	Mitchell National	100,060.00	
"	Western National		95,192.74
Oldham	First National	11,175.47	17,254.27
Parker	"		
Redfield	American National	150,000.00	
Scotland	Corn Belt National	5,686.11	14,842.54
Sioux Falls	Minnehaha Natl.		6,500.00
"	Scandinavian Amer.	50,000.00	
"	Security National	90,000.00	
"	Sioux Falls Natl.		
"	Sioux Falls Savings		
Sisseton	First National		
Timber Lake	Stock Growers State	15,853.08	19,139.08
Watertown	Security Natl.	113,000.00	55,000.00
Webster	First National	42,988.05	22,988.05
"	Security Bank		
Wessington Springs	First National	20,000.00	46,647.12
Winner	First National	9,117.10	19,354.90
Woonsocket	"	10,000.00	13,280.83
		<hr/>	<hr/>
		2,028,348.65	1409,581.08

MONTANA

Brookton	First National	6,000.00	
Browning	"		
Carter	"		
Circle	"	3,781.99	7,431.97
Columbus	"		
Conrad	"	14,978.64	57,841.56
Cut Bank	"	13,455.35	48,853.96
Denton	Denton State		14,685.31
Dillon	Beaverhead State		1,363.25
"	Security State	4,000.00	6,399.25
Dodson	First National	1,381.00	
Forsyth	American National	3,543.75	19,462.31
"	First National		19,999.75
Fresno	"	9,713.35	11,601.35
Geraldine	"		660.07
Geyser	"		4,196.04
Glasgow	"	9,000.00	
"	Glasgow Natl.		12,500.00
Great Falls	Commercial Natl.		80,700.00
Hardin	Stockmens Natl.		
Highwood	First National	5,801.00	21,624.75
Hingham	Hingham State	9,816.69	11,470.42
Hinsdale	First National		
Hobson	"		
Intake	"	10,889.08	11,414.08
Ismay	"	18,050.00	10,050.00
Joplin	"		7,100.00
Kalispell	"		
Lambert	"		
Laurel	Citizens National		
Leistown	Empire Bk. & Tr. Co.		7,507.50
"	First National		
Nashua	"	4,110.15	6,235.40
Opheim	"	5,031.58	6,003.08
Plevna	"		420.00
Poplar	"	15,699.66	22,978.71
Rapelje	"		
Raymond	"		

<u>Name of Town</u>	<u>Name of Bank</u>	<u>Amount Rediscounted for month of December</u>	<u>Amount held end of month</u>
Richey	First National		
Ronan	"		2,625.00
Roundup	"		
"	Roundup National		1,998.20
Shelby	First National		3,360.
Sidney	"	12,484.70	35,155.95
"	Yellowstone Bk. & Tr. Co.		
Stevensville	First National		
Three Forks	American National		
"	First National		154.92
Townsend	"		34,072.44
Wolf Point	Citizens Natl.	2,065.84	2,065.84
"	First National		5,085.72
		<hr/>	<hr/>
		148,421.78	476,397.83

WISCONSIN

Balsam Lake	Polk County Bank	23,555.99	25,724.43
Barron	First Natl.	252.94	
Boyceville	Bank of Boyceville	222,000.00	80,000.00
Ellsworth	Bank of Ellsworth		
Glenwood City	Farmers National	19,500.00	16,251.04
"	First State		6,605.58
Hayward	First National	20,000.00	10,000.00
Medford	"	93,000.00	40,000.00
Merrill	Citizens National	25,000.00	
"	Lincoln Co.	147,500.00	137,500.00
Mondovi	First National		26,594.90
New Richmond	Bank of	65,000.00	25,000.00
Park Falls	First National	8,000.00	4,000.00
Stone Lake	"	5,079.55	5,079.55
Whitehall	Peoples State	20,000.00	
		<hr/>	<hr/>
		648,635.54	377,006.44

MICHIGAN

Bessemer	First National	16,000.00	
Escanaba	Escanaba National	125,000.00	25,000.00
Gladstone	First National	43,000.00	28,000.00
"	Gladstone St. Svgs.	85,000.00	55,000.00
Iron Mountain	Commercial Bank	100,000.00	100,000.00
Iron River	First National	25,000.00	25,000.00
Ironwood	Geogebic National		20,087.50
Manistique	First National	40,331.47	56,073.92
Marquette	Marquette National		
Menominee	First National	60,000.00	
"	Lumbermens Natl.	90,000.00	
Negaunee	Negaunee Natl.	200,360.00	89,000.00
Ontonagon	First National	15,000.00	
		<hr/>	<hr/>
		799,691.47	398,161.42

RECAPITULATION

Amount rediscounted by member banks during December	9,908,926.95
Member banks liability account rediscounts	6,096,583.90
Acceptances purchased during December	10,346,655.07
Paper rediscounted other Federal Reserve Banks	45,037,455.00

BILL OF LADING DRAFTS DISCOUNTED MONTH OF DECEMBER 1918

<u>Name of Bank</u>	<u>Name of Town</u>	<u>Amount</u>
Bankers National	Minneapolis, Minn.	5,894.49
National Exchange Bank	St. Paul, Minn.	49,757.20
First National	Townsend, Mont.	21,413.05
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		77,064.74

METHOD OF PROCEDURE IN MAKING VARIOUS AUDITS
AND EXAMINATIONS OF THE FEDERAL RESERVE BANK
OF MINNEAPOLIS - BY THE AUDITING DEPARTMENT.

All departments are audited at different dates each month, no department knowing in advance date set for its examination.

Bills Discounted - Member Banks Collateral
Notes and Acceptances

The amounts of all notes are listed on audit sheets once a month and totals reconciled with the accounts on the General Ledger. The notes are examined in a general manner when listed to note any irregularities that might impair their eligibility under the Federal Reserve Act, or their validity under the Uniform Negotiable Instruments Act. All bills appearing on statement to the Federal Reserve Board (B.D. 4) are checked against those listed on the application for discount which has been approved by the Discount Committee.

Bill of Lading Drafts

Amounts are listed in detail on auditing sheets once a month and total reconciled with General Ledger. It is our intention to send out lists for verification and return to the Banks holding these bills for collection, also to the Banks from whom the drafts were received about every three months.

United States Securities

We maintain a continuous audit on all United States Securities owned and in addition at various intervals we check up those on hand with the balance as per the General Ledger. When securities on hand are increased or diminished, we see that the entries made to the General Ledger correspond with the amount of the securities taken in or out of the vault. In regard to securities held at Washington on our account, we receive the advices from Washington and check same against the actual entries in the General Ledger. Periodically the balances on the books here are forwarded to Washington for their verification.

Premium on United States Securities

A continuous audit is maintained on this account, that is, we check every entry in and out of it.

Accrued Interest on United States Securities

This account is audited monthly by figuring interest earned on bonds owned from last quarterly payment and on Treasury Certificates of Indebtedness from the date of issue at the various rates to the date of the audit. The gross amount of interest figured should agree with the amount of debit of this account.

Interest Earned on United States Securities

Interest is figured each day on amount of the various securities held for that day, the amount being credited "Interest Earned a/c" and a like amount is charged "Accrued Interest on U.S. Securities". Account is audited periodically by listing securities owned and figuring actual interest to the date of audit.

Reserve Cash

A continuous audit is kept on all reserve cash. Tickets covering amounts in and out of vault are initialed by the Auditing Department.

Paying Tellers Cash
and
Receiving Tellers Cash

Possession is taken by the Auditing Department of cash in hands of Tellers on morning of the monthly audit before it leaves the vaults. All money is then counted in detail and verified with figures on the General Ledger.

Gold Redemption Fund.

Statements of this account are received weekly from Washington and are checked by the Auditor against the entries on the General Ledger.

Gold Settlement Fund

We have daily check on this account. The balance being wired by the Federal Reserve Board daily, any differences between their books and ours are immediately traced.

Exchanges for Clearing House

Once a month at the close of business for the day, after reconciling with total charged General Ledger, we take possession of all the items charged and put each Bank's in an envelope under our seal. A letter is enclosed, signed by the Auditor stating amount of contents, and embodied therein is a request to the receiving Bank to verify this amount, also to notify us of any returned or irregular items in the parcel. A record is kept to see that all receiving Banks return this verification. The account in the General Ledger is watched to see if entries wash out from day to day.

Checks and Other Cash Items

Listed in detail on audit sheets from the items themselves and total reconciled with the General Ledger once a month. The account, too, is carefully watched from day to day to see that all items wash out.

Hold Over Mail and Items (Not entered on books)

We do not have this class of items frequently but when such are on hand same are audited by checking the items against the letters accompanying them and ascertaining that the proper entries are made on the records the following day.

Due from Member Banks

Carbon copies of the remittance letters dispatched to the various Member Banks on which charges have been deferred are obtained from the Manager of the Transit Department once a month. The amount of each letter is listed on audit sheets and the total reconciled with that on the General Ledger. These letters are then held in the custody of the Auditing Department and charged by them to the Member Bank's Reserve account as they mature.

Due from Non-Member Banks

Once a month the amount of all remittance letters dispatched to Non-Member Banks (and not yet remitted for) are picked up from the register of such letters in the Transit Department. These outstanding

ing letters are listed on Audit Sheets in alphabetical order and the total reconciled with the General Ledger. As the checks in payment of these outstanding letters are received they are checked by the Auditing Department against the letters enclosing them and the letters themselves are used to mark off the outstanding items on the Audit Sheets.

Due from Federal Reserve Banks-Deferred Account

All credits to this account are marked off daily by the Auditing Department. One man devoting all his time for this purpose. At the end of every two weeks all items unaccounted for in each Federal Reserve Bank account are listed and total reconciled with the General Ledger account. A detailed statement is then rendered each Federal Reserve Bank of all open items, who reports as to their fate and in this manner everything is traced.

Capital Stock Account

Balances are run from Capital Stock Ledgers on Audit Sheets once a month and total reconciled with the General Ledger. All debits and credits to the General Ledger in Capital Stock account are checked by the Auditing Department.

Stock Certificates

All certificates as issued are checked and initialed against entries in the General Ledger prior to having them signed by the Bank's officers.

Due to Member Banks Reserve Account

Daily statements are rendered Member Banks of their accounts. The Auditing Department at the close of each month forwards reconciliation blanks to be filled out by the Member Bank and returned to the Auditing Department. All exceptions are traced as speedily as possible and considerable pressure is brought to bear in case a Bank fails to return its reconciliation form. Balances in Member Bank ledgers are listed once a month and total reconciled with balance shown on the General Ledger.

Number of Accounts not Reconciled At end of Month

A list is taken of all banks whose accounts are not reconciled at end of the month. These banks are written to until their reconciliation is forthcoming. When it seems impossible to procure the reconciliation in this manner, the matter is referred to the Chief National Bank Examiner of the district for attention.

Government Deposits

Daily transcript is rendered the Treasurer of the United States and any discrepancies are traded out by the Auditing Department on notice from the Treasurer.

Cashiers, Expense, Return Items and Liberty Loan Checks

Requisitions are checked daily with check registers and amounts credited to those accounts in the General Ledger are compared to see that they are in agreement with the total of the registers for the day. Once a month the outstanding checks are listed on audit sheets both as to number and amount and the balance is reconciled with the General Ledger. All checks outstanding as at the date of the audit,

and which come in later, are marked off on the audit sheet before being passed to the files.

Exchange, Transfer and Other Drafts

All entries in and out of these accounts are checked by the Auditing Department.

Expense Current and Expense
Liberty Loan and War Savings

All debits to these accounts are O. K.'d by the Auditor.

Cost of Unissued Federal Reserve Currency

Continuous audit -- all debits and credits to the account are checked by the Auditing Department.

Postage Account

Transit Manager buys postage stamps in lots of \$150. of which he has the custody. Daily he releases to the mailing clerks sufficient postage to take care of the outgoing mail for that day. All letters requiring postage pass through these clerks. Most of the Bank's letters go in stamped envelopes which bear the bank's printed label. The possibility of anyone except the Transit Manager redeeming these envelopes from the Post Office has been provided for. The Postmaster requires the Transit Manager's signed order before he will replace the stamped envelopes with stamps. Loose stamps are applied to envelopes by use of the "Mailometer" so there are very few loose stamps in the hands of the mailing clerks at any one time. The Auditing Department periodically counts the number of outgoing letters for a given day and sees that the total is an approximate average of the total charged for month.

Postage on Outgoing Money Parcels

We keep a continuous audit on this account. All debits are checked by the Auditing Department. The Receiving Teller keeps a revolving fund of \$50.00 to cover debits.

Earnings

Bills Discounted and Acceptances made up and checked twice in Discount Department. The Auditing Department checks daily all applications that have been passed by the discount committee with form B. D. 4 and also in a general way checks interest credited unearned discount account.

Transfers Bought & Sold

At present the earnings on these items are checked by the Assistant Cashier in whose department the entries are made up.

Penalties on Deficient Reserves

At present all entries in this account are made up under the cashier who initials all tickets.

Interest Earned and Unearned on Warrants

Interest is added to face of Warrants when purchased and amount credited to Unearned Interest on Warrants account. Daily the amount actually earned for that day is figured and debited to Unearned Interest and credited to Interest Earned account. Accounts are audited by checking all amounts credited to Unearned Interest account and periodically checking all credits to Interest Earned account.

Unearned Discounts on Bills Discounted
and Acceptances

Totals are taken from the maturity tickler for each rate and date of maturity. Interest is figures on each total to end of period and total of the interest is reconciled with the total in Unearned Discount account in the General Ledger.

Incoming Currency Shipments

All letters or advices in reference to incoming currency are received by the Auditing Department and registered. These letters or advices are then turned over to the Receiving Teller. The Auditors register is checked daily against that kept by the Teller and is checked against the credits to the Member Bank's Reserve account.

Outgoing Currency Shipments

Currency shipped out is registered daily by the Shipping Teller. This register is passed on to the Auditing Department where four copies of an advice are written. One copy is enclosed with the remittance, another is sent under separate cover to the bank, which they return to us acknowledgment receipt of the currency. The third copy is used as a debit to the Bank's account who receives the currency. The fourth copy is retained by the Auditing Department and is held until the copy acknowledging receipt of the currency shipment is received. Receipts for currency shipped if not promptly received are immediately traced.

Federal Reserve Agent's Department

On Federal Reserve Notes and Gold & Lawful Money held, we keep a continuous audit having joint custody with the agent's representative and we check all entries.

Items held in course of Collection

These are verified from the Collection Register periodically by sending out verification lists to the Banks to whom items are sent and also to the Banks from whom we receive the items.

Securities held for Member Banks, etc.

We have a continuous audit on all securities held, We are now installing an independent card record on which all securities held will be listed according to Banks. The Auditing Department has a representative check all enclosures with the registered mail man when received. When the securities are deposited in the vault, the Auditing Department receives a detailed list of them from which the card record is posted, likewise when securities are released from the vault a similar list is made out from which the cards are posted. The originals of these deposit and release lists are passed on to the Collateral Ledger to be posted. The securities on hand as per our card record will be compared from time to time with the records as per the Collateral Ledgers and any differences located. Every few months it is our aim to send out requests to the Banks for whom we hold securities to furnish us with a list of same, so that we can compare with our own records and trace any discrepancies. Minneapolis and St. Paul Banks will verify more frequently, due to the fact that their entries are counter transactions.

FISCAL AGENT'S DEPARTMENT.

SUBSCRIPTION DIVISION.

CASH RECEIVED - PAYMENTS BY CREDIT -
CERTIFICATES OF INDEBTEDNESS USED AS PAYMENTS.

All payments for Bonds received by the Government Bond Department are entered on a daily proof sheet which is balanced at the close of business each day, and the total posted to the General Ledger. These totals appearing on the General Ledger are checked by the Auditor. All cash received is charged to a suspense account and later transferred to the Treasurer's General Account, both on the General Ledger of the Federal Reserve Bank and the Fiscal Agents' General Ledger. A daily check is maintained to see that all transfers are properly made on the General Ledger. A copy of the daily transcript of the Treasurer's General Account is furnished the Auditor for the purpose of keeping a daily check on all entries put through by the Fiscal Agents' Department. No effort is made to identify the items which go to make up the balance shown in the suspense account, as all cash passes through this account and is transferred in even thousands as collected. A monthly statement is furnished by the Treasury Department showing the amount which we have placed to the credit of the Treasurer of the United States on account of Liberty Bond payments as shown on the records of that Department. This is reconciled with our General Ledger.

UNPAID BALANCES.

The credit balances appearing on each of the subscription ledgers are listed daily by the ledger clerks and once a month by the Auditing Department, and the totals obtained reconciled with the balances as shown by the controlling accounts on the General Ledger.

UNPAID BALANCES - CONTINUED.

A statement is also made once a month from these controlling accounts to see that the total payments received agrees with the total as shown by the Treasurer's General Account plus the suspense account and that the total delivery orders issued agrees with that of the orders turned over to the Delivery Department. The bonds delivered plus the unfilled orders is then reconciled with the total orders issued.

By maintaining a daily and monthly check on all remittances received and charged on the General Ledger it is easy to arrive at the correct amount of the unpaid balances by deducting the amount of payments actually received from the total amount of bonds allotted. This check is made about twice a month and compared with the amount shown as unpaid on the General Ledger.

RECEIPTS ISSUED IN FAVOR OF OTHER DEPARTMENTS
COVERING SECURITIES PLEDGED OR SOLD.

These receipts are issued in triplicate. The original goes to the Subscription Ledger Keeper - the duplicate goes to the Department in whose favor the receipt is issued, and the triplicate is held by the Auditing Department. All receipts issued and released pass through the Auditing Department. By this method it is easy to reconcile the Memo. Account appearing on the General Ledger, which shows the total outstanding receipts. This account is checked monthly with the total receipts outstanding as shown by unreleased receipts held by the Auditor and also with the unreleased receipts actually held by other Departments.

GOVERNMENT DEPOSIT DIVISION.

All deposits and withdrawals are taken from the daily transcripts of the Treasurer's General Account, and reconciled with the entries on the General Ledger.

GOVERNMENT DEPOSIT DIVISION - CONTINUED:

The balances shown on the Depositary Bank Ledgers are listed monthly and reconciled with the controlling accounts on the General Ledger.

Twice a year verification letters are sent to all qualified Depositories for the purpose of reconciling the balance due the Treasurer of the United States as shown by their books with the balance charged against them on the Fiscal Agents' records.

TREASURY CERTIFICATE DIVISION.

CASH RECEIVED. - PAYMENTS BY CREDIT.

After each issue a check is made to see that the Treasurer's General Account has received credit for all Certificates of Indebtedness purchased, and that proper entries have been made on the General Ledger showing the amount of Certificates of Indebtedness held in trust by the Treasury Department on hand in our vault, or delivered to subscribers.

Invariably Interim Receipts are issued for all Certificates of Indebtedness sold and entries go through our records accordingly.

Duplicates of all Reserve Bank Interim Receipts issued are turned over to the Auditing Department daily. These duplicates are checked against the Interim Receipt Register and the total amount for the day compared with the General Ledger. All cancellations on account of reissue or redemption are turned over to the Auditing Department daily and the total compared with the entries on the General Ledger. Reference is then made to the C.I. register to see that all cancellations have been properly noted. About once a month a list is made of all outstanding Interim Receipts as shown by the register, and the total compared with the total outstanding as shown by the General Ledger.

As we aim to deliver Interim Receipts only, very few definitives are issued by us to subscribers, and a very few are held in our vault. All definitives are checked in and out of the vault by the custodian and Auditor. No more Certificates of Indebtedness are taken out of the vault than are required for the day's deliveries. The daily withdrawals are compared by the Auditor each day with the figures appearing on the General Ledger showing definitives delivered.

The audit of Depository Banks is the same as described under Government Deposit Division.

WAR SAVINGS DIVISION.

We are about to install a daily proof sheet in the "War Savings Department" which will be balanced at the close of each day and turned over to the Auditing Department. This sheet will show all transactions in stamps for the day, and will be checked by the Auditing Department against the entries on the General Ledger. The cash received (both for War Savings and Thrift Stamps) as shown by our General Ledger is reconciled each month by letter with the records at Washington.

In the past a list has been made once a month of all remittances received for War Savings and Thrift Stamps as shown by the daily transcripts of the Treasurer's General Account, and added to the total cash received to date as shown by the figures on the General Ledger at the close of the preceding month. This total is compared with the total amount shown on the Fiscal Agents' General Ledger, as having been received to date, thus checking the total amount received to date as well as the total amount for the month.

All Thrift Cards received in exchange for War Savings Stamps, or cash are turned over to the Auditor daily and reconciled with the figures reported to the General Ledger each day. These cards remain with the Auditor until the end of each month when they are returned to the Treasury Department after the total on hand is compared with the total received during the month as shown by the General Ledger. The total received to date is also compared by adding the amount received during the month to the amount previously returned to the Treasury Department.

Stamps received from the Treasury Department are checked into the vault by the custodian and the Auditor, where they remain under

WAR SAVINGS DIVISION - CONTINUED:

joint control and none are released to the Delivery Department except by the custodian and the Auditor, thus making the audit on stamps in and out of the vault continuous.

Once a month the Auditor counts all of the stamps in the Delivery Department. By adding the amount on hand in the Department to the amount delivered on cash orders, or consignment, we obtain the total of all stamps received by that Department which must agree with the total stamps released to that Department to date by the Custodian. The total received by the Delivery Department to date is then added to the amount held by the Custodian, and this total compared with the total amount received from the Treasury Department. The total of the deliveries to date is then compared with the total of cash received plus Thrift Cards received in exchange for War Savings Stamps.

Once a month a list is made of the outstanding balances of War Savings and Thrift Stamps as shown by the consignment ledger and the total compared with the controlling account on the General Ledger. About every four months verification letters showing the number of War Savings and Thrift Stamps held on consignment, as shown by our records, are sent to all agents of the Second class for reconciliation and return to us.

BOND CUSTODY DIVISION.

All Coupon Bonds received from the Treasury Department are checked into the vault by the Custodian and the Auditor, where they remain under joint control, being released to the Bond Issue Department daily in quantities sufficient for one day's work. By this method a continuous audit is maintained on all bonds in and out of the vault. A copy of all invoices covering bonds sent us by the Treasury Department is mailed to the Auditor, which enables him to see that the bonds are received promptly and proper entries made on the General Ledger.

BOND ISSUE DEPARTMENT.

A daily report is made by the Bond Issue Department to the Auditor. A blank form used for this purpose is attached hereto. The delivery register is turned over to the Auditor each day and an adding machine list is made of all deliveries for the day. The total of this list is compared with the figures appearing on the General Ledger, and also the daily report.

Once a month all bonds held by this Department are counted and the total of each issue added to the total deliveries of each issue to date. The figures thus obtained are reconciled with the records of the Custodian showing the amount of bonds of each issue turned over to the Bond Issue Department. These totals plus the bonds held by the Custodian are reconciled with the total bonds of each issue received from the Treasury Department to date.

Requisitions for all registered bonds are checked by the Auditing Department before going to Washington, and a copy of all requisitions is retained by the Auditor. When the registered bonds are received the requisitions are checked by the Auditing Department before turning them over to the Bond Issue Department for delivery. In this way a daily check is maintained on all requisitions sent to and registered bonds received from the Treasury Department. Each day a list is made of the deliveries as shown by the delivery register, and the total compared with the total as reported that day. Once a month a count is made of all registered bonds held by the Bond Issue Department. The figure obtained is added to the total deliveries to date, and this total reconciled with the total of the registered bonds received to date as shown by the General Ledger.

BOND ISSUE DEPARTMENT - CONTINUED:

The Auditing Department checks and has custody of all signed receipts returned covering shipments of all Registered and Coupon Bonds as well as War Savings and Thrift Stamps. The receipts are checked daily against the Delivery Register and tracers are sent on all shipments not acknowledged within a few days. We insist on receiving an acknowledgment covering each shipment and follow up our tracers with letters and wires if necessary.

CONVERSION DEPARTMENT.

All bonds and applications for bonds received by our Conversion Department are recorded in a journal and ledger. Each days work is proved by this Department, and the figures for the day reported to the General Ledger. All bonds received for conversion are cancelled daily and turned over to the Auditor for verification and comparison with the figures appearing on the General Ledger.

All cancelled bonds remain in the custody of the Auditor until they are ready to be returned to the Treasury Department when they are sorted according to denominations and serial number and again counted and the total compared with the amount on hand as shown by the General Ledger.

The delivery orders for converted bonds likewise are turned over to the Auditor for verification and comparison with the total amount of bonds received for conversion as shown by the General Ledger for the day. The delivery orders are then turned over to the Bond Delivery Department.

The delivery of the converted bonds is fully explained under "Bond Issue Division".

BOND EXCHANGE DEPARTMENT.

All Coupon bonds received from the Treasury Department for interchange purposes are checked into the vault by the Custodian and Auditor, where they remain under joint control and are released to the Bond Exchange Department only in such quantities as are necessary for the current Exchanges. Once a month all bonds held by this Department are counted and compared with the amount of bonds turned over to this Department as shown by the records of the Custodian. The total amount of each issue held by this Department is then added to the total amount of each issue held by the Custodian and these totals compared with the total amount of each issue received from the Treasury Department as shown by the General Ledger.

Receipts are obtained for all shipments in the same manner as outlined under "BOND ISSUE DIVISION".

SECURITIES RECEIVED FROM WASHINGTON.

A continuous audit is maintained as described under "BOND CUSTODY DIVISION".

CANCELLED SECURITIES.

All cancelled securities are checked by the Auditing Department, and the total amount compared with the On Hand as shown by the General Ledger before returning the securities to Washington.

All monthly and semi-monthly reports to the Treasury Department are made up by the Auditing Department from the General Ledger, and all exceptions taken by the Treasury Department are referred to the Auditing Department for adjustment.

At the end of each loan a general audit of the loan is made using the following forms:

<u>NAME</u>	<u>ALLOTMENT</u>	<u>CASH REC'D.</u>	<u>DEL. ORDERS ISSUED</u>	<u>SIGNED RECEIPTS RETURNED.</u>	<u>INT. REC'D.</u>
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The totals of these columns are compared with the controlling accounts on the General Ledger.