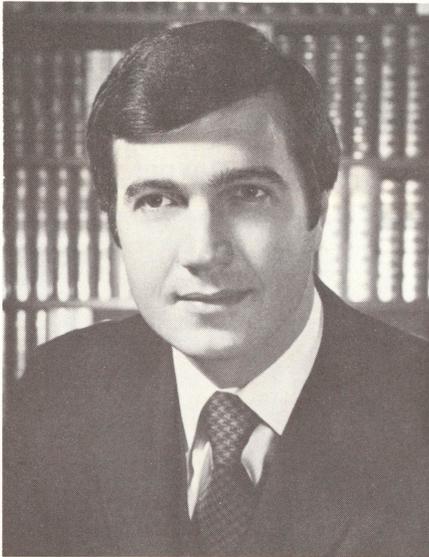


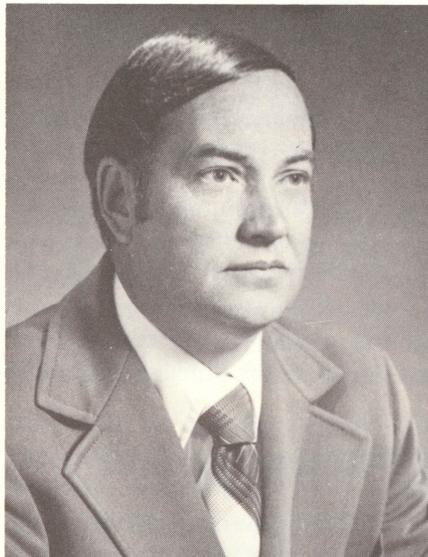
Federal Reserve Notes

FEDERAL RESERVE BANK OF SAN FRANCISCO • JUNE 1975

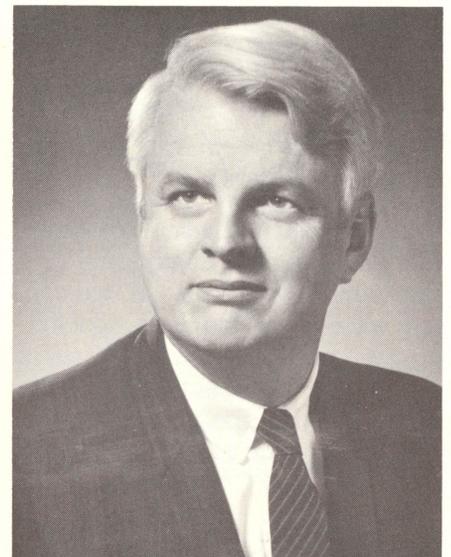
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K. O. Sims



J. J. Carson



G. R. Kelly

MAJOR BANK REORGANIZATION

The Federal Reserve Bank of San Francisco is now undertaking a major reorganization, in an attempt to enhance its ability to serve both the commercial-banking community and the general public. The new streamlined structure contains three major administrative groups, each headed by a Senior Vice President—Branch Offices (Gerald Kelly), District Departments (Kent Sims), and Corporate Staff (John Carson).

In announcing the changes, President John J. Balles noted several drawbacks to the Bank's former structure. The old organization chart showed five headquarters officers reporting directly to Balles, and nine other officers (including branch managers) reporting directly to First Vice President John Williams. This unwieldy structure at times caused slip-ups in communications and

delays in decision-making. Now, top-management decisions can be implemented smoothly through a five-man Managing Committee consisting of the President, First Vice President and the three heads of the new administrative groups. The Group Senior VP's will all be headquartered in San Francisco, with Sims reporting to President Balles, and with Carson and Kelly reporting to First Vice President Williams.

Sims, as head of District Departments, will be responsible for management of Research and Public Information (headed by Vice President Michael Keran); Supervision, Regulations and Credit (Vice President Henry Jamison); Research Data Services (Vice President Wilhelmine von Turk), Bank Relations and Public Services (Vice President Robert Dietz); and the Law Department (Vice President Louis Reilly).

Carson, as head of Corporate Staff,

will have responsibility for Computer Information Systems (headed by Vice President James Brundy); Budget and Control (Vice President Thomas Judge); Personnel Policy and Development (Vice President William Sumner); and the Secretary to the Board of Directors (Senior Vice President Donald Masten). Masten will assume additional responsibilities for the planning and coordination of Bank participation in Federal Reserve System committees, and for District-wide facilities planning. In a separate move, James Leyman will replace Carson as General Auditor, reporting directly to the Bank's Board of Directors.

Several major changes have been announced for Branch Operations, which Kelly will supervise in his role as overseer of District-wide central-banking services. Senior Vice President Wesley DeVries will manage the San Francisco Branch, with Vice (continued on page 2)

(continued from page 1)

President Claude Woessner in charge of Branch Operations, in a move which separates San Francisco Branch administration from the Bank's corporate organization. With a few exceptions, such as discount-window administration, all operating functions in the San Francisco zone henceforth will be handled by the Branch.

Richard Dunn has been appointed Senior Vice President in charge of the Los Angeles Branch, replacing Kelly in that position. Effective July 1, Vice President James Curran will become officer in charge of the Seattle Branch and Vice President Angelo Carella will become officer in charge at the Portland Branch. (Senior vice President Paul Cavan at Seattle, and Vice President William Brown at Portland, both will retire on that date, concluding distinguished careers of 46 years and 39 years, respectively, with the Bank.) Vice President A. Grant Holman will continue as officer in charge of the Salt Lake City Branch.

President Balles pointed out that the reorganization is the culmination of a year-long study conducted by the Bank with the assistance of a team of management consultants. "These structural improvements will enhance the operations of our Bank in virtually every department while improving our cost effectiveness and working conditions. We believe this new structure will make it possible to handle our sharply increasing workload without unacceptable cost increases."

Kent O. Sims, Senior Vice President, joined the Federal Reserve Bank of San Francisco as an economist in 1969 and was named Assistant Vice President in 1971. He was promoted to Vice President in charge of Research in 1972 and to Senior Vice President, Research, in 1974. Before his association with the Fed, Sims served as an economist with the U.S. Agency for International Development in Washington, D. C., and in Pakistan. He is a graduate of the University of Colorado where he received his B.A. and Ph.D. degrees.

John J. Carson, Senior Vice President, joined the Bank at its Los Angeles office in 1962 and was appointed to the official staff as Assistant Manager in 1968. In 1971 he was named Assistant Vice President and in September of 1972 transferred to the Head Office in San Francisco as General Auditor. Carson is a graduate of California State College, Los Angeles, and the Pacific Coast Banking School at the University of Washington, Seattle.

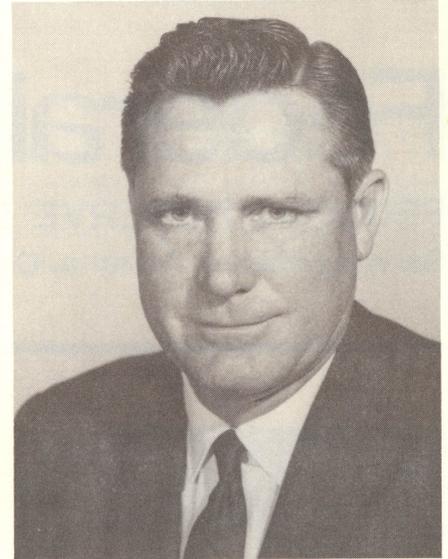
Gerald R. Kelly, Senior Vice President, was employed at the Los Angeles Branch in 1953, named Assistant Manager in 1962 and Vice President in 1966. He was transferred to the San Francisco office in 1968 and was promoted to Senior Vice President in January 1972. On May 1, 1973 he returned to the Los Angeles Branch as Senior vice President and Manager. Kelly graduated with honors from the Pacific coast Banking School. 🏛️

BRANCH MANAGERS

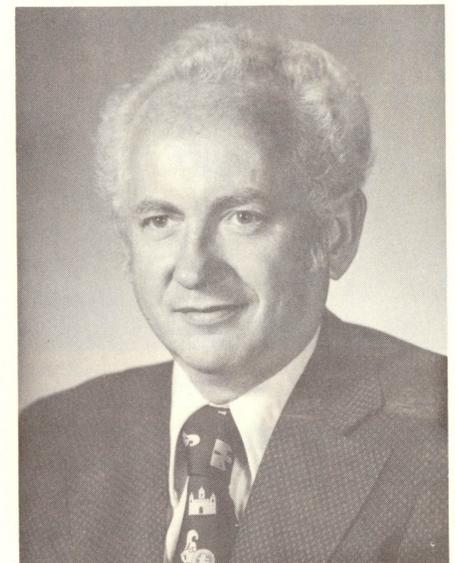
Wesley G. DeVries, Senior Vice President of the San Francisco Branch, joined the Bank in November 1945. He was appointed Assistant Cashier in March 1960 and transferred to Portland Branch as Assistant Vice President in 1964. From there he transferred to Los Angeles Branch as Vice President in August 1968 and returned to San Francisco as Senior Vice President in June 1973.

Richard C. Dunn, Senior Vice President in charge of the Los Angeles Branch, has been an employee of the Fed since 1941 when he joined the Bank at the Salt Lake City office. He was appointed Assistant Manager in 1961 and transferred to Portland Branch as Assistant Vice President in August 1970. His title was changed to Assistant Vice President and Assistant Manager of the Portland Branch in January of 1971 and in June of 1973 he transferred to San Francisco as Vice President.

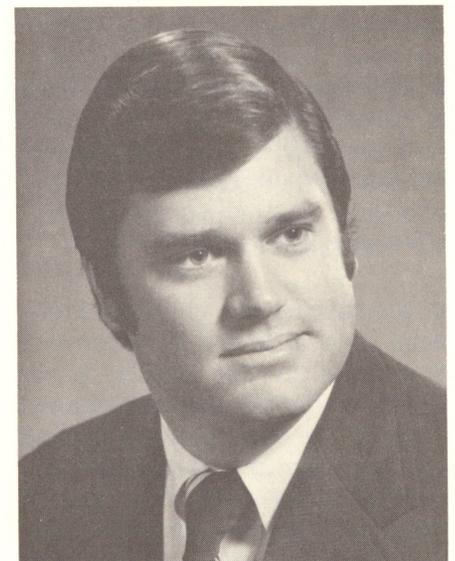
James J. Curran, Vice President, will be officer in charge of the Seattle Branch. He joined the Bank in 1965. He was appointed Assistant Vice



W. G. DeVries



R. C. Dunn

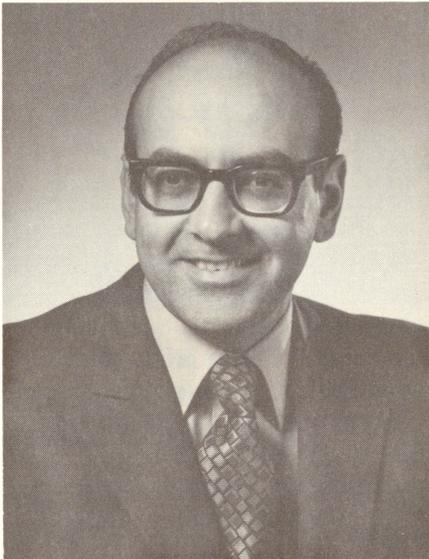


J. J. Curran

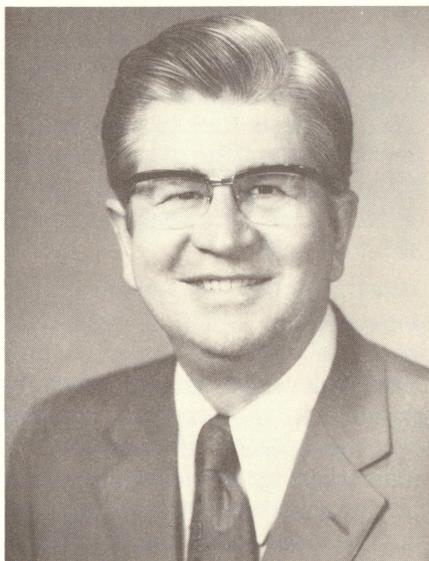
President in January 1972 and transferred to the Seattle office as Vice President in June of 1973.

Angelo S. Carella, Vice President at Portland Branch, was employed by the Fed in 1955. He has worked in various operating departments, including 10 years in the Auditing department. He was appointed Assistant Cashier in July 1968 and Vice President in October of 1972.

A. Grant Holman, Vice President in charge of the Salt Lake City Branch, joined the Federal Reserve Bank of San Francisco in 1947. He transferred to Salt Lake City as an operating officer in 1956 and was appointed to Vice President and Manager of the Branch on October 1, 1973. 🏛️



A. S. Carella



A. G. Holman



H. A. Rogers

FEDERAL ADVISORY COUNCIL MEMBER DIES

Harold A. Rogers, President of Peoples National Bank of Washington and the Federal Reserve Bank of San Francisco's representative to the Federal Advisory Council, passed away last month in Seattle.

"All of us at the Fed extend our deepest sympathy to the family of Hal Rogers," President John J. Balles said. "His death is a deep loss to the entire Twelfth District, which he served with outstanding dedication and distinction. His counsel and friendship will be sorely missed by all his acquaintances in the financial community."

As a member of the Federal Advisory Council, Rogers represented the banks in the Twelfth Federal Reserve District on the 12-member national body. The council is one of the Federal Reserve System's most important consultative bodies, by providing for a constant interchange of opinions between the banking community and the Fed's Board of Governors. He was first named to the Federal Advisory Council in 1973 and was reappointed to a third annual term for 1975.

Rogers was a member of the Executive Committee of Greater Seattle, Inc., and the Executive Committee of the Central Association of Seattle. He served on the Board of Directors of the Seattle Chamber of Commerce, the Seattle Goodwill Industries and the American National Red Cross. 🏛️

ECONOMIC SEMINAR SERIES KICKS OFF IN JUNE

The Economic Seminar Series for 1975 will be launched in June when the Federal Reserve Bank of San Francisco presents the first of five programs scheduled for Twelfth District bankers and businessmen.

Inaugurated here several years ago to overcome the communication barriers naturally imposed by the sheer size and diversity of a district that covers nine states and 6,000 banking offices, the seminar brings the Fed face-to-face with bankers, corporate executives and financial specialists. The series concentrates on analysis of current economic issues and on operational matters of special interest to members of the financial community. The San Francisco Fed draws on operations and research officers from the bank's headquarters office and branches to present programs geared to Western banking and business developments.

Five seminars will be held in the District between June and December at 15 separate sites:

Date	Site
June 3	Eureka, California
June 4	Red Bluff, California
June 5	Santa Rosa, California
July 8	San Jose, California
July 9	Stockton, California
July 10	Napa, California
August 12	Bremerton, Washington
August 13	Bellingham, Washington
August 14	Everett, Washington
September 16	Portland, Oregon
September 17	Boise, Idaho
September 18	Twin Falls, Idaho
December 9	San Luis Obispo, California
December 10	Long Beach, California
December 11	El Centro, California

For the San Francisco Fed, the seminar series is an opportunity to share system expertise and respond to audience comments on the day's most pressing economic concerns. But it is also a kind of clearinghouse to exchange viewpoints with bankers and businessmen on vital economics-related issues. 🏛️

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TAX REBATES MEAN EXTRA WORK

As Uncle Sam's fiscal agent in the Western states, the Federal Reserve Bank of San Francisco is handling an estimated 20 million tax-rebate and special social-security checks between about mid-May and mid-June. All of this is part of the \$8 billion tax-rebate program authorized by Congress.

Treasury Department issuing centers began their extensive check-distribution operations on May 8. For the Fed this was only the beginning of an intensive work cycle. In its role as fiscal agent, the Fed clears every check issued by Uncle Sam. Once a rebate check is cashed by a taxpayer or deposited in his account, the check is forwarded to the Fed through the commercial-banking system. The checks are run through processing machines, and dollar amounts are then computed and deducted from the Treasury's account at the Fed.

Finally the cancelled checks are dispatched to Washington, D.C. Thus over 100 million rebate checks end up with the Treasury while billions of anti-recession dollars are placed in the pockets of the public.

For individual taxpayers the rebate signifies a welcome windfall ranging between \$100 to \$200. But for the Fed it means thousands of additional manhours to process all those pieces of paper. According to Fed figures, the number of government checks now being processed under the rebate program is about 15 percent of the total government checks cleared last year by the system. The Treasury has a three-shift, seven-days-a-week operation at issuing centers throughout the nation to get the checks out quickly. The San Francisco Fed also is geared up to work overtime and weekends to process the checks with dispatch in the bank's five offices in San Francisco, Los Angeles, Portland, Salt Lake City and Seattle. 🏛️

NEW PUBLICATION FEATURES PACIFIC AREA

The Fed has published a compendium of statistics giving annual rate of change data for 13 Pacific Basin countries on money supply, international reserves, consumer prices, wholesale prices, manufacturing employment, industrial production, nominal gross national product, real gross national product, imports and exports. The countries included in the survey are Australia, Canada, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, and United States.

Readers interested in obtaining a copy of the publication should address requests to Public Information Section, Federal Reserve Bank of San Francisco, P.O. Box 7702, San Francisco, Ca. 94120. Telephone (415) 397-1137. 🏛️

OFFICIAL QUOTES

There are some who would assign the full responsibility (of recent economic events) to central banks. They point out that there has never been an inflation that was not accompanied by a rise in the money supply, and that the central bank had the technical

means to prevent any such rise. But that is a poor reading of reality. Circumstances have often appeared in which it would not have been technically possible to limit the growth of the money supply, or when the cost of doing so would have been prohibitive.

Nevertheless, we have reason to be grateful to the monetarists for what they have done to sharpen our understanding. Keynesian fiscal policies, or at least their abuse, led to the inflation of the 1960's and this inflation is turning many of us into monetarists.
Governor Henry C. Wallich 🏛️