

CONFERENCE OF TRANSIT MANAGERS OF FEDERAL RESERVE BANKS,
CLEVELAND, OHIO, June 23-25, 1919.

Suggested by

- I. Any plan of operation adopted by Conference must be strictly followed by all Federal Reserve Banks, and can be modified only on approval of a majority of Transit Advisory Committee and the Secretary of the Federal Reserve Board. 4
- II. FLOAT:
- A. Report of Committee.
- III. TIME SCHEDULES:
- A. Report of Committee.
- B. Time schedules on Reserve cities in other districts. 7
- C. Possible improvement of inter-district and intra-district clearing time schedules through co-operation of Post Office Department and readjustment of mail train schedules.
- IV. PAR LIST:
- A. Representatives should be prepared to explain any methods used by their respective banks since last conference, in acquiring par points. 4
- B. The desirability of furthering the par collection system at this time by collecting on non-member banks where the latter refuse to remit at par through the medium of post offices or express companies at the respective points. 11-4
- C. Whether Federal Reserve Banks should advise each other by wire of withdrawals from par list. 11
- D. Recognize changes only as published in par list and supplements. 8-12
- E. Removal of points from par list before next edition of supplement is published. 10
- F. Handling of items drawn on points which have withdrawn from par list between supplements. 11
- G. That on new par lists names of all banks in a city that can be handled be shown in detail and not as "all banks" or "all National banks". 11

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- H. Routing of non-member bank items. 8
- I. Direct routing of time items between Federal Reserve districts. 1
- J. Should savings banks and trust companies not carrying actual checking accounts appear on par list? 11
- K. Every Federal Reserve Bank should have a list of member banks attached to each Federal Reserve district and should be notified from time to time of any change - such a list is absolutely necessary when returning items direct. 2
- L. Should not the Federal Reserve Inter-district collection system books be amplified so that member banks may ~~better understand how and where to route~~ their items? 2

V. CASH LETTERS:

- A. Should a Federal Reserve Bank acknowledge to member banks in other Federal Reserve districts, cash letters received from them. 2-4-8-11
- B. Cash letters to include items drawn on banks and bankers only. 7
- C. Uniform cash letters between Federal Reserve Banks. Shall Federal Reserve Banks supply cash letters to direct sending banks? 7
- D. Discontinuance of coupons at bottom of cash letters, substituting postal card advice therefor. 7
- E. Uniform method of deferring country cash letters when a Sunday or holiday intervenes. 12
- F. In order to avoid unnecessary accounting and numerous entries, would it not be better to handle checks drawn on insurance companies, railroad companies, large corporations, etc. payable in Federal Reserve cities, when missorted through cash letters, rather than to enter them for collection. 2
- G. Dispense with acknowledgment of cash letters received direct from member banks in other Federal Reserve districts. 3
- H. Discontinuance by Federal Reserve Banks of forwarding duplicate as well as original advices of receipts for letters received by them from other districts. 11

I. That Federal Reserve Banks do not acknowledge receipt of cash letters to members of other districts, but let such bank inquire of its own Federal Reserve bank. 11

VI. COLLECTION ITEMS:

- A. Should proceeds of large items in other districts be telegraphed on date of payment? 7
- B. Protest fees on unpaid collection items should be classed as deductible items. 11-12
- C. Uniform forms for advising items deducted and entered for collection. 12
- D. Uniform form of advice of payment of all collections credited on same day. 12
- E. Telegraphic advice to member banks of credit for collections. 12
- F. Collection of trade acceptances. 12
- G. Direct routing by member banks of one district to other Federal Reserve Banks of collection items. 12
- H. Recovery of charges on unpaid collection items routed direct. 12
- I. Should member banks of one district forward a collection to a bank of another district and request that bank to deposit proceeds with its Federal Reserve Bank for credit for transfer by wire. 12
- J. Should a check with special instructions to telegraph payment or non-payment be handled for cash or collection. 2
- K. Advisability of sending non-cash collection items to member and non-member banks in other districts for remittance when paid to the sending Federal Reserve Bank or the Federal Reserve Bank of the district in which the collection bank is located. 4
- L. Should a Federal Reserve Bank assume the risk of loss by crediting member banks with proceeds of collections upon advice of member or non-member banks of other districts that a remittance has been made to their Federal Reserve Bank. 4

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VII. WIRE TRANSFERS.

- A. Wire transfers from a member bank in one district to a Federal Reserve Bank or branch in another district for use of a non-member bank in that district. 4
- B. Uniform closing hour for wire transfers at all Federal Reserve Banks, and uniform method of handling. 8-10
1. When received from member banks.
 2. When received from Federal Reserve Banks or branches.
- C. Proceeds to be available to member banks as of day on which funds were transferred. 8
- D. Wire transfers between member banks or between member banks and non-member banks for account of individuals or firms. 6-11

VIII. LEASED WIRE SERVICE.

- A. Telegrams over private wire system to be signed to show department or officer to whom reply should be addressed. 4
- B. Use of private wire for advising of returned items and other transit operations. 5-8
- C. Small telegrams between Federal Reserve Banks covering unpaid items sent direct by member banks of other districts be sent over leased wires with instructions to notify sending banks. 7
- D. Adoption of A.B.A. code for transit managers. 8
- E. The private wires are occasionally loaded with business - could not something be done to relieve this condition. 2

IX. TELEGRAPHIC CHARGES.

- A. Should a Federal Reserve Bank absorb telegraphic charges on wires sent direct to member banks in other districts. 2-10
- B. Absorption of cost of telegrams on unpaid items. 6

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C. Telegraphic charges on messages to and from a member bank re unpaid items to be absorbed by the Federal Reserve Bank of the district to which the cash letter is forwarded, regardless of whether received from another Federal Reserve Bank or a member bank of another district.

12

X. UNIFORM PROTEST INSTRUCTIONS.

A. Uniform protest instructions to be followed by all Federal Reserve Banks.

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B. Should protest fees on collection items, telegram charges, etc., be handled as deductions.

12

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XI. EXCHANGE DRAFTS AND TRANSFER DRAFTS:

- A. Removal of limit on exchange drafts. 4
- B. Federal Reserve Banks and direct settling branches to draw drafts on other Federal Reserve Banks and direct settling branches. 8
 - 1. Method of handling by branches.
- C. Transfer drafts should be treated as deductible items. 12
- D. Recommendation that use of transfer drafts be either stimulated or abolished. 12

XII. EXCHANGE CHARGES:

- A. Possibility of exchange charges on items payable in Federal Reserve cities. 1

XIII. ENDORSEMENTS:

- A. Uniformity of date and A. B. A. number. 8
- B. Distinctive form of endorsement used by banks forwarding remittances direct to other Federal Reserve Banks. 9
- C. Practice of stamping endorser's number on face of check. 9

XIV. RETURNED ITEMS:

- A. Shall unpaid or irregular items be returned direct to sending bank? 10
- B. Where a check is returned unpaid without reason for non-payment, Federal Reserve Bank should return check to its endorser but notify the returning bank that it failed to give a reason for refusal. 11

XV. EXPENSE:

- A. Can any uniform plan for paying postage to member banks for remittances made to Federal Reserve Bank be evolved. 11
- B. Uniform method of compilation or abolition of transit expense records. 12

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XVI. LOST ITEMS.

- A. Failure to report lost items within a reasonable time.

7

XVII. GENERAL.

- A. Advisability of using words "At par" in the wording placed on checks to show that they are collectible through Federal Reserve Banks

9

- B. Use of the words "Payable at" or "Payable through" on checks and drafts.

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- C. Uniform phraseology in writing and wiring Federal Reserve Banks in regard to credit deductions and deferred debits.

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- D. Special symbols on checks to indicate Federal Reserve Banks or bank through which checks should be collected.

- E. Parent bank should be addressed with request to convey to or secure information from its branches.

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- F. Uniform rules and regulations at various Federal Reserve Banks to govern handling of transit items.

9