

FEDERAL RESERVE BOARD

WASHINGTON

November 16, 1921.

St. 2410

SUBJECT: Outline of Federal Reserve
Branch Banks.

Dear Sir:

With a view to the revision of the outline of Federal reserve branch banks covering powers and functions, also character and volume of business handled, copies of which were forwarded to you on October 28, 1920 with the Board's letter St. 1528, there are enclosed herewith copies of a skeleton form describing briefly the principal functions and powers of the several branches.

The statement has been arranged in tabular form with the powers and functions listed in the left-hand margin and the names of the branches shown at the top, so that when complete it will afford a ready comparison of the powers and functions of the several branches. The division of the branches into two groups is wholly tentative and when the statement is finally prepared it may be found advisable either to arrange for more than two groups or to omit the grouping altogether. In the first group are now listed those branches that discount paper for and carry reserve accounts of member banks, while all other branches are shown in group 2.

May we ask that one copy of the enclosed form be returned to the Board with the letter "Y" for "Yes" or "N" for "No" shown opposite each function for each of the branches of your bank, together with any comments or suggestions for the revision or improvement of the proposed form that you may care to make? If a branch performs any functions not provided for

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in the proposed form, or performs certain of its functions in a manner different from that described therein, an appropriate addition or insertion should be made. It is also requested that as soon after January 1, 1922 as possible you forward to the Board statements showing for each Branch -

- (1) The name, home address, and business of each director.
- (2) Territory assigned to branch as of January 1, 1922.
- (3) Number, capital, surplus and total resources of National banks (combined figures for all banks) in branch zone on December 31, 1921, or on the date nearest thereto for which condition report figures are available, the date of the condition reports to be indicated.
- (4) Statement similar to that immediately preceding covering State bank and Trust company members of the System.
- (5) Number of non-member banks in branch zone on par list January 1, 1922.

Your prompt attention to this matter will be appreciated.

Very truly yours,

Walter L. Eddy,
Assistant Secretary.

(All Agents - except Boston and Philadelphia.

POWERS AND FUNCTIONS OF THE FEDERAL RESERVE BRANCH BANKS.

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D E P O S I T S

FEDERAL RESERVE BRANCH BANKS															
G R O U P 1												G R O U P 2			
Buffalo	Baltimore	New Orleans	Detroit	Little Rock	Louisville	Memphis	Helena	Denver	Omaha	El Paso	Houston	Los Angeles	Portland	Salt Lake City	Seattle
Spokane	Cincinnati	Pittsburgh	Birmingham	Jacksonville	Nashville	Savannah Agency	Oklahoma City								

MEMBER AND NONMEMBER BANKS --

Carries reserve accounts of member banks
and clearing accounts of nonmember banks
which have been assigned to deal with
the branch- - - - -

Carries no deposit accounts. Credit for
all items deposited is arranged daily with
parent bank by telegraph or otherwise - - -

GOVERNMENT --

Government deposits are received and
1. Carried on books of Branch - - - - -
2. Transmitted to parent bank - - - - -

Daily transcripts also paid checks and
warrants and cancelled coupons and other
obligations are forwarded to
1. U. S. Treasurer - - - - -
2. Parent bank - - - - -

POWERS AND FUNCTIONS OF THE FEDERAL RESERVE BRANCH BANKS

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DISCOUNT AND OPEN MARKET
OPERATIONS

FEDERAL RESERVE BRANCH BANKS															
G R O U P 1														G R O U P 2	
Buffalo	Baltimore	New Orleans	Detroit	Little Rock	Louisville	Memphis	Helena	Denver	Omaha	El Paso	Houston	Los Angeles	Portland	Salt Lake City	Seattle
														Spokane	Cincinnati
															Pittsburgh
															Birmingham
															Jacksonville
															Nashville
															Savannah Agency
															Oklahoma City

DISCOUNTS --

Discounts eligible paper and carries it
on its own books

1. Without referring the paper to the
parent bank for review - - - - -
2. Subject to review at the head office -

Examines notes presented for rediscount
and if technically acceptable, may
arrange by telegraph for immediate credit
on the books of the parent bank. The
notes are then forwarded to the head
office for final approval. - - - - -

OPEN MARKET OPERATIONS --

Acceptances

1. Acceptances are purchased in open market
and carried on books of Branch - - - -
2. Purchases acceptances in open market
only upon instructions from and
for the account of parent bank - - - -

U. S. Securities

Purchases are made upon instructions
from and for the account of parent bank - -

POWERS AND FUNCTIONS OF THE FEDERAL RESERVE BRANCH BANKS.

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CLEARINGS AND COLLECTIONS	FEDERAL RESERVE BRANCH BANKS																							
	GROUP 1																GROUP 2							
	Buffalo	Baltimore	New Orleans	Detroit	Little Rock	Louisville	Memphis	Helena	Denver	Omaha	El Paso	Houston	Los Angeles	Portland	Salt Lake City	Seattle	Spokane	Cincinnati	Pittsburgh	Birmingham	Jacksonville	Nashville	Savannah Agency	Oklahoma City

CASH ITEMS --

Clears and collects checks, drafts and other cash items collectible at par through a Federal reserve bank or branch--

COLLECTION ITEMS --

Receives for collection maturing bills, notes, coupons, acceptances, bill of lading drafts, etc.--

GOLD SETTLEMENT FUND --

Participates directly in daily clearing through Gold Settlement Fund.--
Daily clearing telegram to the Board, giving credits to other F. R. banks and branches, includes also credits to own head office and other branches in own district--

POWERS AND FUNCTIONS OF THE FEDERAL RESERVE BRANCH BANKS.

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CLEARINGS AND COLLECTIONS (Cont'd.)	FEDERAL RESERVE BRANCH BANKS																							
	GROUP 1																GROUP 2							
	Buffalo	Baltimore	New Orleans	Detroit	Little Rock	Louisville	Memphis	Helena	Denver	Omaha	El Paso	Houston	Los Angeles	Portland	Salt Lake City	Seattle	Spokane	Cincinnati	Pittsburgh	Birmingham	Jacksonville	Nashville	Savannah Agency	Oklahoma City

CLEARING HOUSE --

All functions formerly performed by the local clearing house are now performed by the branch - - - - -

All members of the local clearing house are members or clearing non-members of the Federal Reserve System and clearing house balances are paid by debit or credit entries to members reserve or to non-member clearing accounts on books of the Branch - - - - -

Membership -

1. Branch has same privileges and is subject to same penalties as are other members of the clearing house association but has no voice in its management. - - - - -
2. Pays dues as a member of the association. - - - - -

POWERS AND FUNCTIONS OF THE FEDERAL RESERVE BRANCH BANKS

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	FEDERAL RESERVE BRANCH BANKS																							
	G R O U P 1																G R O U P 2							
	Buffalo	Baltimore	New Orleans	Detroit	Little Rock	Louisville	Memphis	Helena	Denver	Omaha	El Paso	Houston	Los Angeles	Portland	Salt Lake City	Seattle	Spokane	Cincinnati	Pittsburgh	Birmingham	Jacksonville	Nashville	Savannah Agency	Oklahoma City
CURRENCY (including coin)																								

CURRENCY (INCLUDING COIN)--

Maintains a supply of Federal Reserve notes to meet requirements of banks in branch territory. - - - - -

Maintains a supply of \$1 and \$2 notes and of silver and minor coin to meet requirements of banks in branch territory. - - - - -

TELEGRAPHIC TRANSFERS --

Makes telegraphic transfers of funds for the account of member and clearing non-member banks located in branch territory. - -

FISCAL AGENCY --

Pays government checks and redeems coupons, maturing certificates of indebtedness and other government obligations. - - - - -

Makes exchanges of Liberty bonds and Victory notes, also receives such bonds and notes for registry, transfer, etc. - - -

Sells war savings securities through both cash and collateral agents. - - - - -

Receives subscriptions to certificates of indebtedness and Treasury notes. - - - - -

FEDERAL RESERVE BRANCH BANKS	
GROUP 1	GROUP 2
Buffalo Baltimore New Orleans Detroit Little Rock Louisville Memphis Helena Denver Omaha El Paso Houston Los Angeles Portland Salt Lake City Seattle Spokane	Cincinnati Pittsburgh Birmingham Jacksonville Nashville Savannah Agency Oklahoma City

CUSTODIES --

Retains custody in its own vaults of - - - -

1. Liberty bonds, Victory notes, and other securities held by the Fiscal Agency Department for the account of the U. S. Treasury. - - - - -
2. Collateral pledged by member banks as security for government deposits. - -
3. Collateral security for rediscounts and member banks' collateral notes as follows:
 - (a) U. S. Government securities only - - - - -
 - (b) All collateral - - - - -
4. Securities held in safe keeping. - - -

FEDERAL RESERVE AGENT --

Assistant Federal Reserve Agent has custody
of:

1. Unissued F. R. notes. - - - - -
2. Gold and paper collateral pledged as security against F. R. notes. - - -

BANK PREMISES --

Branch occupies rented quarters. - - - - -

Quarters occupied by the Branch are

owned by the Federal reserve bank. - - - - -