

FEDERAL RESERVE BOARD

WASHINGTON

X-3783
July 20, 1923.

SUBJECT: Recommendations of Committee on Economy and Efficiency.

Dear Sir:

In a letter dated May 29, 1923, X-3726, all banks were advised of the recent progress of the work of the Board's Committee on Economy and Efficiency in studying and making a comparison of the methods and expenses of the banks in the four principal functions. Since that time the auxiliary committee of this Committee, representing the banks, has given considerable time to a study of the reports and data submitted by the banks and has made a number of recommendations to the Board's Committee on Economy and Efficiency which have been approved.

The attached memorandum, in which the several recommendations are discussed in detail, is now furnished to all banks for their information and guidance. While the present practice at every bank conforms to a number of the recommendations made, there is at present no bank in the System following every recommendation.

The Board's Committee realizes that there may possibly be some special cases where these recommendations may not be fully practicable, yet it believes that in the great majority of cases their adoption will result in greater economy and efficiency of operation. It is requested, therefore, that your bank carefully consider the recommendations made and advise the Committee of your conclusions with respect to each recommendation.

Very truly yours,

A.C. Miller, Chairman,
Committee on Economy & Efficiency.

(Enclosures)

TO GOVERNORS OF F. R. BANKS.