

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

February 13, 1925.

SUBJECT: Bank Examination and Credit Work.

Dear Sir:

An examination of the outlines covering the work performed by the Bank Examinations and Credit departments of the Federal reserve banks furnished this committee in response to its letter of October 7, 1924, indicates that the policy with respect to these functions differs materially among the banks.

It is recognized that the work of these departments of the banks is of the utmost importance as it keeps the reserve banks in close touch with the condition of their members and with the financial standing of the makers of the paper that finds its way into the Federal Reserve System. In view of the similarity of the problems involved, however, it would seem practicable to work out general plans for both bank examinations and credit work, both as to scope and procedure, that would embody the results of several years' experience and would be very helpful to the Reserve banks. In order that this may be done it has been decided to appoint a committee of Federal reserve bank officers who have had direct contact with both phases of this work to review the questionnaires and to submit a report thereon. The committee named is as follows:

F. J. Zurlinden, Deputy Governor, Federal Reserve Bank of Cleveland
(Chairman)

J. H. Blair, Deputy Governor, Federal Reserve Bank of Chicago

L. C. Pontious, Deputy Governor, Federal Reserve Bank of San Francisco

It is believed that if the above named committee submits a report which will be acceptable to all Federal reserve banks there should result a saving in expense and possibly an improvement in the quality of the service rendered and in the information available for the System as a whole.

Very truly yours,

Geo. R. James, Chairman,
Committee on Salaries,
Expenditures and Efficiency.

LETTER TO ALL CHAIRMEN