

X-6286a

C O P Y

T R E A S U R Y D E P A R T M E N T

WASHINGTON

April 5, 1929.

My dear Governor:

With reference to our recent talk, and to the bill presented by the Bureau of Engraving and Printing for \$750,000 in part payment of the cost of producing Federal reserve notes this fiscal year, it may be pointed out that Federal reserve notes are produced on a repay basis, it being the usual procedure to reimburse the Bureau appropriations at the end of each month to cover the notes completed and delivered during that month. However, in the production of some 22,000,000 sheets of reduced-size Federal reserve notes this fiscal year, it has not been possible to complete and deliver the new currency on a basis prorated by months, with the result that although more than 50 per cent of the production costs for the year have been incurred, reimbursement in the usual manner has not been made because the currency has not reached completion. The account now submitted by the Bureau is less in amount than the expenditures actually made and charged to the Bureau appropriations on account of this production.

The total production of Federal reserve notes this fiscal year, all to be delivered before June 30 next, will approximate 22,000,000 sheets, and the cost will exceed \$1,800,000.

Very truly yours,

(s) Henry Herick Bond
Assistant Secretary of the Treasury.

Hon. R. A. Young,
Governor, Federal Reserve Board.

X-6286b

STATEMENT OF BUREAU OF ENGRAVING AND PRINTING.

For labor performed and materials purchased for Federal reserve notes Series 1928, now in process of printing, to be delivered during April, May and June, 1929.

Boston	\$ 51,600.00	
New York	178,500.00	
Philadelphia	71,100.00	
Cleveland	71,100.00	
Richmond	24,800.00	
Atlanta	66,500.00	
Chicago	116,000.00	
St. Louis	19,800.00	
Minneapolis	16,300.00	
Kansas City	21,000.00	
Dallas	39,100.00	
San Francisco	<u>74,200.00</u>	\$750,000.00

Credit appropriations, 1929, as follows:

Comp. of Emp.,	B.E. & P.	\$374,700.00
Plate Printing,	B.E. & P.	161,800.00
Mtls. & Misc. Exp.	B.E. & P.	<u>213,500.00</u>

Bureau of Engraving and Printing

Per

C. R. Long
Assistant Director.

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

X-6287

April 10, 1929.

SUBJECT: Currency Conference.

Dear Sir:

There is enclosed herewith copy of a letter from the Assistant Secretary of the Treasury, calling a conference for May 2, 1929, in accordance with the understanding had with the Governors last week, for the consideration of matters connected with the new reduced size currency.

It is requested that you advise this office in advance by whom your bank will be represented.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Enclosure.

TO GOVERNORS OF ALL F. R. BANKS.

COPY

X-6287-a

TREASURY DEPARTMENT
WASHINGTON

April 6, 1929.

My dear Governor:

This will confirm the Department's agreement with the suggestion, made by the Governors of the Federal Reserve Banks at their recent meeting, that a conference on matters connected with the issue of the new reduced-size currency be arranged, to meet at the Treasury on May 2, 1929, with representatives from each of the Federal Reserve Banks, from the Federal Reserve Board, and from the Treasury.

Will you kindly convey this advice to the several Governors, and arrange for your own Board's representation.

Very truly yours,

(S) Henry Herrick Bond,

Assistant Secretary of the Treasury.

Hon. R. A. Young,

Governor, Federal Reserve Board.