

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON

X-9614

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 9, 1936.



Dear Sir:

In accordance with Paragraph 22 of Section 4 of the Federal Reserve Act, the Board, on December 21, 1914, wrote to the Federal reserve banks with respect to the fees, compensation, and traveling expenses of directors. An examination of our files indicates that the fees and compensation now paid by the Federal reserve banks are in substantial accord with those set forth in the Board's letter.

In order, however, that the Board may review the existing practice of the Federal reserve banks with respect to fees, compensation, and traveling allowances provided for directors, it will be appreciated if you will furnish the Board with a statement on the attached form showing the fees, compensation and traveling allowances paid to directors for attending Board meetings, meetings of the Executive and Discount Committees, and other meetings. The term other meetings, as here used, is intended to include all services rendered by directors except those rendered in connection with directors' meetings and meetings of the Executive and Discount Committees. Such information should be furnished with respect to directors of the head office and of branches, if any, and should cover all payments to

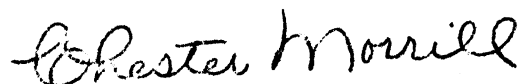
-2-

X-9614

directors residing in the city in which the meeting is held, to directors residing within 50 miles of the place of meeting, and to directors residing more than 50 miles from the place of meeting.

It will also be appreciated if you will submit to the Board any suggestions you may wish to make with respect to the method of compensating directors, with particular reference to whether the 50 mile radius mentioned in the Board's letter of December 21, 1914, is a satisfactory basis for per diem allowances.

Very truly yours,

A handwritten signature in cursive script that reads "Chester Morrill".

Chester Morrill,
Secretary.

Inclosure.

TO ALL PRESIDENTS

STATEMENT AS TO FEES, COMPENSATION,
AND TRAVELING EXPENSES PAID DIRECTORS

Federal Reserve bank or branch

<u>Meetings of</u> <u>Board of</u> <u>Directors</u>	<u>Meetings of</u> <u>Executive</u> <u>Committee</u>	<u>Other</u> <u>Meetings</u>
---	--	---------------------------------

A. Fees for attendance at Meetings:

1. Amount paid for meeting not exceeding one day
2. Amount paid for meetings held on two or more consecutive days
 - (a) First day
 - (b) Subsequent days-per day
3. Amount paid for an adjourned meeting where a day intervenes between the original meeting and the adjourned meeting
 - (a) First day
 - (b) Intervening days-per day
 - (c) Subsequent days-per day
4. Amount paid for meeting where a quorum is not present
5. Is more than one fee paid when two or more meetings are held on the same day?

B. Per diem allowance to directors residing more than 50 miles from place of meeting for each day of absence from place of residence:

1. Amount
2. When absence from place of residence includes a part of one or more calendar days in addition to the day or days on which director is in attendance at meetings, is per diem allowance paid for
 - (a) Day or days of meeting only
 - (b) For each fractional part of a calendar day away from home

C. Subsistence expenses or allowance therefor:

1. Are directors residing in city in which meeting is held given luncheon at bank's expense
2. Are nonresident directors living within 50 miles of place of meeting reimbursed for any subsistence expense not covered by item 1
3. Are directors residing more than 50 miles from place of meeting
 - (a) Reimbursed for actual subsistence expenses
 - (b) Given an allowance in lieu of actual expenses
 - (c) If answer to (b) is "Yes", what is amount of per diem allowance

D. Transportation expenses or allowance therefor

1. Are directors residing in city in which meeting is held reimbursed for any transportation expenses
2. Are nonresident directors living within 50 miles of place of meeting
 - (a) Reimbursed for actual transportation expenses
 - (b) Given an allowance in lieu of actual expenses
 - (c) If answer to (b) is "Yes" does allowance closely approximate actual cost (If not please explain in footnote)
3. Are directors residing more than 50 miles from place of meeting
 - (a) Reimbursed for actual transportation expenses
 - (b) Given an allowance in lieu of actual expenses
 - (c) If answer to (b) is "Yes" does allowance closely approximate actual cost (If not please explain in footnote)