

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON



R-454

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

May 1, 1939.

Dear Sir:

Among the changes in the form of the par list which were made beginning with the January 1, 1932, issue was the elimination of a footnote reading "Normmember banks collected through intermediary town" which, in the January 1, 1931, issue, was appended to about 1,000 places listed in the par list, nearly all in the Chicago Federal Reserve district.

Recently one of the Federal Reserve banks experienced some delay in the return of dishonored items and upon inquiry found that the delay was due to the fact that the items were collected through an intermediary town. The Reserve bank thought that it would be desirable for all banks using the Federal Reserve check collection facilities to know that checks drawn on certain towns are collected through intermediary towns, and upon inquiry it developed that most of the Federal Reserve banks favor the inclusion of information indicating such instances in the par list. It will be appreciated, therefore, if you will

1. Furnish the Board with a copy of the January 1, 1939, par list, after having indicated thereon all places in your district checks on which are collected through intermediary points,
2. Advise the Board what notes, if any, you feel should be included in the par list to indicate such indirect collection of checks on normmember par banks, and
3. Furnish the Board with a memorandum describing briefly the procedure followed in effecting such indirect collection of checks.

In the present par list there is a headnote under Michigan to the effect that checks on Michigan banks in the Seventh District outside of Detroit may be forwarded either to the Federal Reserve

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Bank of Chicago or to the Detroit Branch, and headnotes appear under Arkansas, Indiana, and Missouri with respect to optional collection facilities for checks on certain points in those States. It will be appreciated if you will advise whether checks on any points in your district may be forwarded either to your head office or one of your branches. If so, please advise us of the optional collection facilities applicable to such points, also what notes, if any, you feel should be included in the par list to indicate such optional collection facilities.

Very truly yours,



E. L. Smead, Chief,  
Division of Bank Operations.

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS