

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

March 28, 1941

Dear Sir:

There is enclosed for your information, a copy of a letter from the Honorable D. W. Bell, Undersecretary of the Treasury, dated March 20, 1941, transmitting a copy of a report dated March 6, 1941, by the Chief, Division of Public Debt Accounts and Audit, of an audit of the completed stocks of unissued Federal Reserve notes and Federal Reserve bank notes charged to the Federal Reserve vault in the Bureau of Engraving and Printing.

In his report, Mr. Loanman states that the amounts of Federal Reserve notes and Federal Reserve bank notes on hand, \$2,813,100,000 of 1928 Series and \$2,947,500,000 of 1934 Series Federal Reserve notes and \$450,800,000 of Federal Reserve bank notes, were in agreement with the records of the Federal Reserve Issue and Redemption Division of the Comptroller's Office. Copies of detailed statements "A", "B" and "C" which accompany Mr. Loanman's letter are also enclosed.

Very truly yours,

A handwritten signature in cursive script that reads "J. R. Van Fossen".

J. R. Van Fossen, Assistant Chief,
Division of Bank Operations.

Enclosures 5

TO ALL FEDERAL RESERVE AGENTS

C O P Y

R-813a

THE UNDER SECRETARY OF THE TREASURY

WASHINGTON

March 20, 1941

Mr. Chester Morrill,
Secretary,
Board of Governors of the
Federal Reserve System,
Washington, D. C.

Dear Mr. Morrill:

There is enclosed for your information a copy of a report dated March 6, 1941, by the Chief, Division of Public Debt Accounts and Audit, relative to the audit of the completed stocks of unissued Federal Reserve notes and Federal Reserve Bank notes charged to the Federal Reserve Vault in the Bureau of Engraving.

Very truly yours,

(Signed) D. W. Bell

Under Secretary of the Treasury.

Enclosure

C O P Y

March 6, 1941

The Honorable

The Secretary of the Treasury.

Sir:

An audit has been made of the completed stocks of unissued Federal Reserve notes and Federal Reserve Bank notes charged to the Federal Reserve Vault in the Bureau of Engraving and Printing. The audit was begun February 17 and completed February 18, 1941, as of the close of business February 14, 1941.

The following tabulation reflects the amounts as disclosed by the audit:

Under auditor's seal in Vault No. 1, Treasury Building:	
Federal Reserve notes (Series 1928)	\$2,813,100,000
Federal Reserve Bank notes (Series 1929)	450,800,000
	<u>3,263,900,000</u>
On hand in Federal Reserve Vault, Bureau of	
Engraving and Printing:	
Federal Reserve notes (Series 1934)	2,947,500,000
	<u>2,947,500,000</u>
Total	\$6,211,400,000

The above balance, comprising 87,204 packages, was in agreement with the records of the Federal Reserve Vault and those of the Division of Public Debt Accounts and Audit and with the statement submitted by the Federal Reserve Issue and Redemption Division of the Office of the Comptroller of the Currency. Detailed information with respect to each of the classes of currency is reflected in the attached statements, "A", "B", and "C", respectively.

The entire balance of Federal Reserve notes (Series 1928) and Federal Reserve Bank notes (Series 1929) have been under the auditor's seal since 1937 at which time they were package counted and the seals inspected and no further inspection was made in connection with this audit except to inspect the seal on the compartment in Vault No. 1.

The entire stock of Federal Reserve notes (Series 1934) consists of sealed packages bearing the seal of the Bureau of Engraving and Printing and is under the joint custody of representatives of the Secretary of the Treasury and the Bureau of Engraving and Printing. It was, therefore, not considered necessary to break the seals on the packages in making the verification but the brief on each package was examined with respect to the package number, serial numbers of the notes, bank, and denomination. The packages were found in orderly arrangement and grouped in such manner as to permit the auditors to accomplish the verification without delay.

Prior to beginning the audit, the Chief of the Secret Service was notified and a representative of his office was present on February 17 and 18, 1941.

Appreciation is extended to the officials of the Bureau of Engraving and Printing and the representatives at the Federal Reserve Vault for the cooperation and assistance rendered during the conduct of the audit.

Respectfully submitted:

(Signed) M. R. Loafman.

Chief, Division of Public Debt Accounts and Audit

STATEMENT "A"

R-813c

FEDERAL RESERVE NOTES (SERIES 1928) ON HAND IN THE FEDERAL RESERVE VAULT
IN THE BUREAU OF ENGRAVING AND PRINTING, * AS DISCLOSED BY AUDIT
AS OF FEBRUARY 14, 1941
(IN THOUSANDS OF DOLLARS)

BANK	5's	10's	20's	50's	100's	500's	1,000's	5,000's	10,000's	TOTAL
Boston.....	\$ 47,880	\$.....	\$46,560	\$ 50,400	\$ 50,400	\$ 30,000	\$ 30,000	\$ 2,000	\$.....	\$ 257,240
New York	87,560	.....	25,200	30,000	87,600	64,800	54,400	.....	6,000	355,560
Philadelphia...	36,780	15,160	50,320	75,000	78,000	42,000	50,400	.....	.....	347,660
Cleveland	37,040	19,120	107,440	41,400	28,400	39,300	31,600	6,000	.....	310,300
Richmond	22,340	.....	.....	41,600	27,200	28,500	21,000	9,000	10,000	159,640
Atlanta	6,760	9,520	36,720	23,200	20,000	19,600	16,400	4,000	9,320	145,520
Chicago	65,280	.....	114,000	88,200	96,800	108,900	135,200	16,000	20,000	644,380
St. Louis .....	.....	.....	8,480	19,200	24,800	18,400	16,200	.....	.....	87,080
Minneapolis ...	7,180	2,200	34,080	12,000	22,400	13,300	13,000	.....	.....	104,160
Kansas City ...	27,640	.....	26,720	22,600	26,000	25,500	23,600	.....	.....	152,060
Dallas	7,760	9,240	22,640	22,600	20,000	24,600	23,400	1,000	2,000	133,240
San Francisco .	12,260	.....	13,440	11,800	26,400	21,600	17,200	3,720	9,840	116,260
TOTAL	\$358,480	\$55,240	\$435,600	\$438,000	\$508,000	\$436,500	\$432,400	\$41,720	\$57,160	\$2,813,100

*These notes are in Vault No. 1, Main Treasury Building, under auditor's seal.

STATEMENT "B"

R-813d

FEDERAL RESERVE NOTES (SERIES 1934) ON HAND IN THE FEDERAL RESERVE VAULT
IN THE BUREAU OF ENGRAVING AND PRINTING, AS DISCLOSED BY AUDIT
AS OF FEBRUARY 14, 1941
(IN THOUSANDS OF DOLLARS)

BANK	5's	10's	20's	50's	100's	500's	1,000's	5,000's	10,000's	Total
Boston	\$ 25,200	\$ 77,640	\$ 49,120	\$ 16,600	\$ 42,400	\$ 10,000	\$ 10,200	\$12,000	\$14,000	\$ 257,160
New York	29,980	192,120	103,040	70,800	199,200	39,600	26,600	11,000	26,000	698,340
Philadelphia ...	27,600	54,840	60,560	38,600	42,800	3,200	1,800	3,000	6,000	238,400
Cleveland	11,000	45,960	80,160	31,000	17,600	1,100	7,200	4,000	8,000	206,020
Richmond	16,960	9,000	46,160	18,200	21,600	7,700	2,400	5,000	.....	127,020
Atlanta	8,260	4,360	16,240	4,000	16,000	5,700	4,600	5,000	4,000	68,160
Chicago	36,660	164,360	206,640	63,200	123,200	16,200	40,400	6,000	6,000	662,660
St. Louis	33,140	22,280	29,840	7,600	27,200	4,600	2,800	4,000	2,000	133,460
Minneapolis	19,600	40,400	48,480	3,000	11,600	2,700	800	.....	.....	126,580
Kansas City	11,380	27,120	40,880	5,600	22,000	1,900	6,600	6,000	4,000	125,480
Dallas	4,000	11,720	11,280	800	8,800	6,600	5,200	5,000	4,000	57,400
San Francisco ..	36,920	39,800	73,600	11,000	34,400	10,500	15,600	11,000	14,000	246,820
TOTAL	\$260,700	\$689,600	\$766,000	\$270,400	\$566,800	\$109,800	\$124,200	\$72,000	\$88,000	\$2,947,500

STATEMENT "C"

FEDERAL RESERVE BANK NOTES (SERIES 1929) ON HAND IN THE FEDERAL RESERVE VAULT
IN THE BUREAU OF ENGRAVING AND PRINTING,* AS DISCLOSED BY AUDIT
AS OF FEBRUARY 14, 1941
(IN THOUSANDS OF DOLLARS)

BANK	5's	10's	20's	50's	100's	TOTAL
Boston	\$5,020	5,000	\$5,040	\$.....	\$.....	\$15,060
New York	860	27,320	18,000	6,600	22,800	75,580
Philadelphia	4,100	3,800	13,840	.....	.....	21,740
Cleveland	10,020	10,080	1,520	23,800	23,600	69,020
Richmond .....	.....	10,840	21,600	.....	15,600	48,040
Atlanta	5,040	5,880	15,520	.....	.....	26,440
Chicago	19,380	23,440	24,720	15,000	10,800	93,340
St. Louis .....	.....	2,120	5,040	.....	.....	7,160
Minneapolis .....	.....	1,880	11,280	6,600	14,400	34,160
Kansas City	9,020	2,840	7,120	12,800	8,400	40,180
Dallas .....	.....	.....	1,680	1,200	1,200	4,080
San Francisco .....	.....	4,800	.....	11,200	.....	16,000
TOTAL	\$53,440	\$98,000	\$125,360	\$77,200	\$96,800	\$450,800

*These notes are in Vault No. 1, Main Treasury Building, under
auditor's seal.