

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

S-312

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



September 6, 1941

Dear Sir:

During the latter part of 1938 and early part of 1939 the Board gave considerable thought to the difficulties experienced in passing upon changes in officers' salaries at all Federal Reserve Banks and Branches within a comparatively short period at the beginning of the year, and in 1939 advised the Federal Reserve Banks that it had decided to review the salaries of officers in the months of March, April, and May of each year, such salaries to become effective on the first of the following month.

It is believed that the revised procedure has been mutually advantageous to the Reserve Banks and the Board of Governors, particularly in relieving some of the pressure around the end of each year. There appears to be some uncertainty on the part of the Reserve Banks, however, as to just what information is desired by the Board in connection with officers' salaries under the revised procedure and when it should be submitted. Accordingly, it is requested that the following data be furnished the Board as early as practicable in March, April, or May of each year:

1. A list of all officers as of March 1, April 1, or May 1 (depending on whether their salaries are reviewed by the Board in March, April, or May) showing in the case of each officer (a) name; (b) title; (c) principal departments supervised (Form A classification); (d) present annual salary; and (e) annual salary for the year beginning on the first of the following month as fixed by your board of directors subject to the approval of the Board of Governors. If the Bank's counsel is not an officer of the Bank, his annual retainer fee should be shown separately.
2. In the case of each officer for whom an increase in salary is recommended a statement of changes in his duties and responsibilities since his last increase in salary and of any other factors that have a material bearing on the proposed increase.

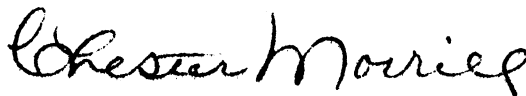
3. A copy of the current organization chart of the Reserve Bank including Branches, if any.

From time to time the Reserve Banks have found it desirable, because of resignations or otherwise, to make certain changes in positions of officers during the year. Since the Board's approval of salary for a given officer is contingent upon his occupying a specific position, it is requested that whenever an officer is assigned to another position (change in title) his salary be fixed by the board of directors for the new position subject to the approval of the Board of Governors. The Board would also appreciate receiving current advice of any major changes in the duties of an officer which do not involve a change in either title or salary.

You may wish to review the provisions of the by-laws of the Bank that relate to the election or appointment of officers and the fixing of their salaries and consider whether any changes appear necessary or desirable as a result of the changed procedure.

This letter supplements the Board's letter of June 16, 1939, and supersedes and cancels all previous letters, instructions, etc. relating to the submission of officers' salaries to the Board, except that it should not be construed to change in any way the present practice of taking up informally in advance with the appropriate member of the Board any important adjustments contemplated in official salaries.

Very truly yours,



Chester Morrill,
Secretary.

TO THE CHAIRMEN OF ALL FEDERAL RESERVE BANKS