



“100 Years, 100 Objects” Audio Transcript

*To listen to the audio tour of this exhibit,
please dial (212) 514-0014.*

108# Replica Telegram Response from Pierre Jay to John Skelton Williams, Comptroller of the Currency. The document displayed here is a replica of a telegram sent to John Skelton Williams, Comptroller of the Currency, from Pierre Jay, Chairman of the Board of Directors of the Federal Reserve Bank of New York, on November 16, 1914. In this communication, Jay acknowledged his receipt of a previous telegram from Williams informing him that the New York Fed had been officially authorized to begin operating. The telegram was sent via Western Union, which charged the Fed the standard government rate.

117# Decorative Cloisonné Egg from Visiting Central Bank. The Federal Reserve Bank of New York often receives gifts as an expression of good will from visiting central banks and dignitaries. In 2007, this decorative 24-karat gold-plated cloisonné egg was received by then-president of the New York Fed, Timothy Geithner, on behalf of the bank, from the Monetary Authority of Singapore. Gifts such as these are kept as a part of the New York Fed’s history, and items from the collection are often displayed around the building.

123# Canvas Coin/Cash Bag from NY and Chicago. Regional Federal Reserve Banks are responsible for maintaining the currency and coin

supplies in their districts. Member banks can make deposits and place orders for cash with the Fed. When banks place orders for money, their accounts with the Fed are debited, and when they deposit money, their accounts are credited. Deposits of paper money are inspected by automated currency processing machines to ensure the currency is fit for circulation. Money in poor condition is destroyed, and any counterfeits detected are sent to the Secret Service. There is less of a need to inspect coins, as they have a 30-year lifespan and are not easily damaged. These canvas bags are examples of how cash is transported, via armored car, between member banks and the Federal Reserve Banks.

136# Counterfeit \$10 Note. So what's wrong with this 10 spot? Is it real? Look again – President George Washington's image is on the \$1 bill, not the \$10! In this case, a criminal has cut the four corners off of a single and replaced them with the corners of a \$10 bill, adhering them with not-so-invisible tape. This is called "kiting," or trying to falsely increase the value of a monetary instrument, and it is of course against the law. A similar illegal maneuver involves bleaching a single and printing a larger-value bill on top of the blank paper. This move will land the culprit in jail, for each denomination has many distinguishing features, such as different color polymer strips in different locations. The US Secret Service remains committed to zero tolerance and is determined to investigate each and every counterfeiting case. Each case carries the serious consequences of incarceration and/or fines.

150# Third, Fourth, Victory and Liberty Loan Bond Pins. The US Department of the Treasury launched the Liberty Loan bond campaign when America entered World War I in 1917. Secretary of the Treasury William McAdoo requested that the Federal Reserve Banks take charge of the Liberty Loan drive. Every American was encouraged to support the country's war effort, and participation in the Liberty Loan bond drives was a popular way for Americans to demonstrate their patriotism. These pins are from the 8th district Federal Reserve Bank, which is headquartered in St. Louis with branches in Little Rock, Louisville and Memphis. The district includes all of Arkansas and portions of six other states: Missouri, Mississippi, Tennessee, Kentucky, Indiana and Illinois.

169# "Officers Only" Restroom Sign. The first women to advance their careers to management and officer positions at the Federal Reserve Bank of New York faced many challenges in their work. This not only stemmed from prejudicial attitudes about women in the workplace, but also from the way the building was set up. Anne Poniatowski remembers when Madeline McWhinney became the first female officer and could not use the restroom on the officer's floor because it was intended for men: "She [Madeline McWhinney] was our first female officer. And I used to always tease and say, to the officer or whomever I was talking to, why we couldn't have a female officer. Because the 10th floor men's room door sign read: 'Officers Only,' and Madeline or any other lady couldn't go in that restroom, because she would be a woman. She could be an officer, but you never knew if it was filled with men."

171# Booklet: "Liberty Loan Meeting at the Metropolitan Opera House, NYC." When the United States entered World War I, Secretary of the Treasury William McAdoo "requested that the Federal Reserve Banks take charge of the Liberty Loan Drive and that the Federal Reserve Bank of New York be in charge of the drive for the 2nd district." On September 27, 1918, President Woodrow Wilson and Federal Reserve Bank of New York Governor Benjamin Strong spoke at a special Liberty Loan meeting at the Metropolitan Opera House in New York City. This booklet contains their speeches and an appeal by President Wilson, reading, in part: "Again this government comes to the people of the country with the request that they lend their money, and lend it upon a more liberal scale than ever before, in order that the great war for the rights of America and the liberation of the world may be prosecuted with ever-increasing vigor to a victorious conclusion." This grand meeting opened the Fourth Liberty Loan campaign in the 2nd Federal Reserve district.

182# Alan Greenspan Photograph. Alan Greenspan served as the Chairman of the Fed's Board of Governors from August 1987 through January 2006. Serving under Presidents Ronald Reagan, George H.W. Bush, Bill Clinton and George W. Bush, Greenspan's 18.5-year tenure is the second-longest in Fed history. The Crash of 1987 occurred only two months after Greenspan began his term at the Fed, with the Dow Jones Industrial Average falling a record 508 points on October 19. He

responded quickly, assuring banks the Fed would be a source of liquidity. After 9/11, Greenspan's Federal Reserve began a series of cuts to federal funds interest rates that reached 1% in 2003 and 2004 to encourage investment in homes. Critics argue that these low rates encouraged the housing bubble and the subsequent subprime mortgage and credit crisis in 2007; however, Greenspan did state concerns about the impending crisis in 2007, noting that he began to understand the bubble in late 2005-2006.

199# Federal Reserve Notes from All Districts and One Specimen.

The Federal Reserve System consists of 12 district banks, each assigned its own letter to identify the paper currency it distributed. The first 12 notes displayed here come from each of the Federal Reserve Banks: A for Boston, District 1; B for New York, District 2; C for Philadelphia, District 3; D for Cleveland, District 4; E for Richmond, District 5; F for Atlanta, District 6; G for Chicago, District 7; H for St. Louis, District 8; I for Minneapolis, District 9; J for Kansas City, District 10; K for Dallas, District 11; and L for San Francisco, District 12. The 13th note is a specimen from New York. Specimen bank notes are printed and distributed to both American and foreign banks as examples of how currency should look, but are voided by the word "SPECIMEN" printed on them. Recently, the Fed has begun the process of shifting to bills that are marked with the seal of the Federal Reserve System.

202# Iron Claw. The Iron Claw is a 20th century handcuff, which was invented by Yngve Smith-Stange of Chicago. This clever invention is considered one of the most commercially-successful mechanical restraining devices in the history of law enforcement. It was widely popular due to that fact that it was both reliable and easy to apply. The Iron Claw was the only handcuff to be serial numbered sequentially. It was made for decades by the Argus Manufacturing Company of Chicago, and then by Jay Pee of New York. The Iron Claw received two patents, the first (number 1,950,757) in 1934 and the second (number 2,066,654) in 1937. The original patent description suggests it could also be used as a "striking weapon." This particular Iron Claw is from the Federal Reserve Bank of Cleveland.

216# The Liberty Street Relief Fund and "Jeans Days" at the New York Fed. In October 2012, super storm Sandy caused so much

flooding in downtown Manhattan that the surge came within 100 yards of the New York Fed's building on Liberty Street. Subways, tunnels and roads were flooded, and virtually all transportation across the Metropolitan area was shut down for several days. Despite this, the New York Fed remained open for business through the storm – almost 300 essential staff members were in contingency mode, keeping vital businesses running. At the New York Fed, the impact of Sandy was devastating for many employees, and monetary assistance was made available to employees through several means. The first was the Benjamin Strong Memorial Fund, an employee relief fund created in 1929 and named in honor of the first president of the New York Fed. The second was the Liberty Street Relief Fund, which was set up across the entire Federal Reserve System so that employees could make contributions to benefit the victims of Sandy. The FRBNY also sponsored its own “Jeans Days” program – represented by the denim swatch – where employees contributed \$5 to the Liberty Street Relief Fund to wear jeans on select Fridays.

226# Photograph of the Meeting of the Four. In the years following the end of World War I, Federal Reserve officials were tasked with dealing with the inflationary aftermath of the war and its impact on the global economy. Since New York City was considered the financial center of the country, the Federal Reserve Bank of New York found itself at the center of the conversation between the four major world powers of the time. It was in this spirit of central bank cooperation and collaboration that a meeting was held at the New York Fed's headquarters in the summer of 1927. This famous and clandestine meeting between the four leading world powers at that time is now referred to as “the meeting of the four.” The participants were said to discuss the current matters that pressed upon their respective countries and the world. Pictured at the New York Fed's building are Governor Benjamin Strong of the New York Fed, Governor Montagu Norman of the Bank of England, Governor Hjalmar Schacht of the German Reichsbank and Deputy Governor Charles Rist of the Bank of France, representing Governor Emile Moreau.

238# Victory Liberty Loan Medal. This 1919 Victory Liberty Loan medal from the Federal Reserve Bank of Cleveland was made from the remnants of melted down German cannons that were captured by

American troops in France during World War I. Suspended from red, white and blue ribbons, the medals were issued to volunteers who participated in the Victory Liberty Loan campaign. The back of the medal bears the inscription: "Awarded by the US Treasury Department for patriotic service on behalf of the Liberty Loan." An additional notation on the back of the medal reads: "Made from Captured German Cannon."

247# Photograph of Construction of the Federal Reserve Bank of New York. By 1919, the New York Fed had acquired the land on which to erect its new building, but the construction was postponed due to high costs caused by World War I. In early 1921, the New York Fed's Board of Directors appointed a building committee, which held an architectural competition for the design of the new offices. The bank selected an 800,000 square foot concept submitted by the firm York and Sawyer. Excavation of the building site began in 1921 and reached 117 feet below street level to the bedrock of Manhattan Island, which supports the bank's triple-tiered vault system. Benjamin Strong, the first president of the New York Fed, laid the cornerstone of the building on May 31, 1922. By mid-1923, the brick skeleton and stone façade were completed, and 2,600 officers and employees were able to move in by June 1924. At the time, it was the largest bank structure in the world.

256# Photograph of Unfit Currency Shredding System. The process of currency destruction, as shown in this photograph, has changed over the years. Today, the Federal Reserve Bank of New York uses a high-speed shred system that first cuts notes into confetti-like shreds. These shreds are then sent to the shred removal system, where they are compacted into dense bullet-shaped forms. The New York Fed destroys approximately five billion unfit notes each year; in 2012, the monetary value of the notes destroyed was over \$42 billion. Currency that is deemed unfit and removed from circulation is replaced with new currency ordered by the Federal Reserve from the Bureau of Engraving and Printing (BEP). Since 2012, the New York Fed sends its shredded currency waste to a farm in Delaware, where it is converted into compost. About 30 tons of cash shred are composted on a weekly basis. At this rate, 1,500 tons of cash waste will have been diverted from landfills by September 2013 – that's enough to fill 107 garbage trucks!

264# Photograph of Frank Vanderlip and William McAdoo. This photograph of National City Bank of New York President Frank Vanderlip with Treasury Secretary William McAdoo was taken in 1917, at the height of World War I and just three years after the inception of the Fed. Although neither worked directly for the Fed, both helped create the Federal Reserve System. As Treasury Secretary, McAdoo was instrumental in implementing the emergency currency provisions of the 1908 Aldrich-Vreeland Act, a predecessor of the Federal Reserve Act that responded to the Panic of 1907. Vanderlip, a prominent banker, participated in the Jekyll Island meeting in 1910 that served as the basis for what would become the Federal Reserve Act of 1913. Under his leadership, National City was the first bank to become a member of the 2nd district of the Federal Reserve in New York.

277# Photograph of 2012 Fed Challenge Winners. The Federal Reserve runs a competition, called the “Fed Challenge,” that allows high school and college students to experience the process of creating monetary policy. Teams consist of three to five students, who are tasked with presenting recommendations to the Federal Open Market Committee (FOMC) based on real, current economic data and theory. Each participating district hosts a local preliminary competition, which is judged by Fed economists. The winning college teams then proceed to the national championship, which is judged by Federal Reserve governors and Reserve Bank presidents. In the following audio clip, a student from Parkway Central High School discusses economic indicators and interest rates during the 2002 St. Louis Fed Challenge: “It’s a good economic indicator if you look at it very carefully. It will vary due to outside factors that affect it, but if you look at it very carefully it can produce some useful information. So, if Billy will just change it to the graph real quick. As you can see, John mentioned there was an artificial spike in vehicle sales around October of this year. Zero percent financing, zero percent interest, I’m sure you all heard the commercials. Well that is not any real indicator of how our economy was doing. If you look directly after that period it dropped to a level that was no lower than it was before the artificial spike, which is an extremely good sign because it means even though there was a huge rush of people who went out to buy cars, there are still enough people left in the current system who are willing to spend that money on the vehicle sales.”

299# First Brick from Houston Branch. As one of 12 regional Reserve Banks in the Federal Reserve System, the Federal Reserve Bank of Dallas serves the 11th Federal Reserve district, which consists of Texas, northern Louisiana and southern New Mexico. There are three branches of the Dallas Fed, located in Houston, El Paso and San Antonio. The Houston branch was established in 1919, and in 2002 it broke ground on a four-story 280,000-square-foot facility west of the downtown Houston area. The new red brick building was dedicated to Houstonian and former Federal Reserve System Governor Edward "Mike" Kelley. This is the first brick of the Houston branch building, and it is inscribed with the date of February 2004. The Houston branch began operating out of the new building, located at 1801 Allen Parkway, in 2005.

305# Y2K Analog Countdown Clock. As the world awaited the turn of the 21st century, there was much anxiety about what would happen when the clock struck midnight on December 31, 1999. The term "Y2K" was used throughout the world when discussing the computer systems, which were not programmed to turn from reporting the 1900s to the 2000s. The world wondered whether this glitch would cause computer systems to crash all over the globe, causing a financial panic or worse. In the years leading up to 2000, many worked tirelessly and speculated endlessly about what would happen on January 1, 2000. What would become of cash and cash payment systems if the year 2000 would not be recognized by computers? The Federal Reserve Bank of Boston used this analog clock to countdown (*the days, hours, minutes...*) to the new millennium. When the 20th century came to an end and the 21st century began with few computer problems the world over, everyone breathed a sigh of relief.

314# \$20 Series 1914 Federal Reserve Note (2-B). Known in their time as "horse blankets," large-format Federal Reserve notes were produced from 1914 through 1927, after which US currency was reduced in size to the measurements still in use today (2.61" h x 6.14" w x 0.0043" thick). This early note features President Grover Cleveland, whose portrait was replaced on the \$20 bill in 1928 with President Andrew Jackson. Cleveland eventually ended up on the \$1,000 bill. The reverse side of this note features the latest US advances at the time in

land, sea and sky transportation: a roofless automobile, a powerful locomotive, a soaring biplane and a steam-powered ship and tugboat plying the waters of New York Harbor.

321# *TV Guide & Soap Opera Digest.* Many former New York Fed employees say they feel as if they were a part of a “Fed Family.” Elizabeth Snipes fondly remembers the environment the bank created for its employees while she worked there from the 1950s to the 1980s. Here, she reminisces about the employee lounges, which were divided for men and women at the time: “The bank was a pleasant place to work. And it was very lively. And then we had — we could go up on our time, at lunch hour, we’d go up and watch the soaps — you know, the people that liked to look at the soaps, ’cause I was one of them...Oh yes. They always had that upstairs. Always. Always had television. Especially, you go upstairs in the lounge a lot of people — some people would be upstairs sitting down nodding, you know, because they come to work early, you know, on their lunch hour. They’d only do that on their lunch hour. Because it was a lovely — the bank, in those days, had beautiful lounging rooms in those days. Very pretty. And you go up there and you look at television and then they had the shows for you and things like that. And mostly, when people retired, they had dancing. It was really outstanding.”

343# *Badge and Graduation Photograph of the New York Fed’s Federal Law Enforcement Officers.* The Federal Reserve's uniformed protection force was greatly impacted by the Patriot Act, which was passed in response to the events of September 11, 2001. One provision of the Act was that it reclassified the Fed’s protection force as federal law enforcement officers and gave them the rights to use "new investigative tools to root out terrorists and stop acts of terrorism before they occur," which included making arrests for federal crimes. Federal Reserve attorneys quickly teamed up with the Federal Law Enforcement Training Center (FLETC) to develop training for Federal Reserve officers. With New York leading the way, each district began to train its forces in such areas as “the fourth and fifth amendments, criminal law, general constitutional law, courtroom testimony and procedures, federal firearms law, officer liability, victim witness protection and the scope of their authority.” By the summer of 2002, the officers had completed their rigorous new training program and

were officially sworn in as federal law enforcement officers. The first graduating class is pictured in front of the New York Fed's building at 33 Liberty Street. The officers also received new credentials, with badges identifying them as Federal Reserve officers.

346# Bag of Shredded Currency. Currency is removed from circulation and replaced with new currency regularly, and each denomination of note has its own life cycle. Roughly 26% of all notes replaced are \$1 bills, which have a life expectancy of only 21 months. Other denominations remain in circulation longer – a \$20 bill usually lasts two years, and a typical \$100 bill lasts seven. US paper money is made of 25% linen and 75% cotton, which ensures that it lasts longer than a weaker composite. US currency also contains tiny red and blue synthetic fibers of various lengths, which are evenly distributed throughout the paper. It takes an estimated 4,000 double folds (forward and backward) before a note will actually tear. The shredded currency you see here has gone through the first part of the shredding process at the Fed's East Rutherford Operations Center. It has been deemed unfit, removed from circulation and shredded into confetti. These confetti shreds are normally compacted into bullet-shaped forms and then composted.

347# *The Federal Reserve Act, by Robert Owen.* Robert Latham Owen served in the US Senate from 1907 to 1925 as one of the first two senators from Oklahoma. He was a progressive Democrat who campaigned for stronger public control over government, child labor restrictions and compensation from the US government for Native Americans. Owen is also known for sponsoring the Federal Reserve Act of 1913 to create the Federal Reserve System, having expressed concerns over the power of large banks since the beginning of his Senate career. His book, *The Federal Reserve Act*, published in 1919, is a first-person account of his experiences passing the bill and his rationale for supporting the central bank. In the 1920s and '30s, Owen grew to be critical of the Fed because it instituted deflationary monetary policies rather than seeking a stable price level, which Owen believed to have caused the Great Depression. An unpopular view at the time, Owen's theory became widely accepted after Milton Friedman and Anna Jacobson Schwartz took the same stance in their 1963 book, *A Monetary History of the United States*.

358# Postcard of the Federal Reserve Bank of New York opening, 1924. The completed Federal Reserve Bank of New York building opened in June 1924, welcoming 2,600 officers and employees. The neo-Renaissance structure, designed by the architectural firm York and Sawyer, is 14 stories tall and was inspired by Florentine palazzos. It is made of Indiana limestone and Ohio sandstone, which create a multicolored façade that breaks up the monotony of the building's undecorated walls. The windows and doors are inset and made of bronze. Polish-American metal worker Samuel Yellin designed the functional, yet ornamental, ironwork that complements the Italian style of the architecture. Yellin employed more than 200 people at his Philadelphia workshop to complete the project on time. The imposing and beautiful building was designated a New York City Landmark in December 1965 and was listed on the State and National Registry of Historic places in May 1980.

379# 1949 Photograph of Currency Being Destroyed by Cutting. Each business day, Reserve Banks handle currency that is deposited by member banks. In the district served by the Federal Reserve Bank of New York – the second district – currency processing is performed at the East Rutherford Operations Center (EROC) in New Jersey. EROC employees in the currency verification department use high-speed currency processing machines to verify the deposits. Incorrect denominations, suspected counterfeits and non-machine-readable notes are rejected, and, if necessary, the depositing bank's account is debited or credited. This photograph shows the process of currency destruction as it was in 1949, when the machine operator would feed packages of 100 pieces of unfit currency into the machine. The currency package would then be punched with four diamond-shaped holes, two on the upper half and two on the bottom, which would render the bills void.

392# Fed Cafeteria Silverware. Allan Rothbaum began working at the New York Fed after he graduated high school in the early 1960s. He first worked in the money orders and government checks area, but then moved to the securities area after serving two years in Vietnam. He remembers the friendly environment the bank created for employees during his career by hosting various activities and providing a full-service cafeteria: “Back in those days there was a lot of camaraderie.

For example, John and myself have both married fellow employees. So there was a dating thing. There were things to do back in those days. There were trips the bank sponsored. There was a daily/weekly/monthly show in the auditorium. There was a men's lounge, a women's lounge. Back when I started, there was a men's side and a women's side, not only in the cafeteria, but back in those days when you finished eating lunch at your table, you left your tray. We had bus boys."

404# Photograph of "The Fed's Finest" in 1920 and the Watchman's Clock. In 1920, the New York Fed's law enforcement unit was known as "The Protection Section" and was comprised of 106 men protecting the bank's premises and business operations. In addition to their duties on post, the guards were also responsible for guarding the incoming and outgoing shipments of money and securities, and they often accompanied messengers around the city when collections were taken. The guards' training was upgraded in 1920, with the help of an NYPD captain and a retired US Army drill sergeant. The military drills proved to be so successful that they were made a regular part of the department's operations. The guards sometimes carried watch clocks, such as the 1927 Detex Newman example shown here, which is from the Federal Reserve Bank of Richmond's Baltimore branch. Watch clocks such as this were reliable and portable and were commonly used by law enforcement individuals for logging checkpoints during their patrols.

410# United States Official Liberty Bond Salesman Badge. In the spring of 1917, the United States entered into World War I, or "The Great War." The American public was called upon to help support the country's war efforts by purchasing US Liberty Bonds. Whether buying, selling or promoting, it was considered one's patriotic duty to participate in the Liberty Bond program. Liberty Bond salesmen throughout the country wore official Liberty Bond badges, such as number 298 shown here from the Federal Reserve Bank of Cleveland. The Cleveland Fed serves the fourth district of the Federal Reserve System, which comprises Ohio, western Pennsylvania, eastern Kentucky and northern West Virginia.

427# Model of the Brooklyn Bridge. The Federal Reserve Bank of New York's location on Liberty Street is less than half a mile away from the iconic Brooklyn Bridge. It became a tradition for the security

officers to take walks across the bridge during their breaks. Vincent Lynch worked in Vault Security from 1959 to 1984 and remembers these excursions: “When I was in security, on our lunch hour we used to walk up to the Brooklyn Bridge and walk right across the Brooklyn Bridge and then come back and then continue our night shift. We did that on our lunch hour. It was just one of the funny things that you remember: that we had a bunch of good guys — and there were four or five of us — and get up there working the night shift, so we didn’t have many people nor much traffic... Yeah, we used to cross the Brooklyn Bridge and come back again, and go back to work and do our runs. We used to try to see who can go the fastest from the top floor all the way down to the basement — do the rings.”

434# Bedrock Core Sampling From Federal Reserve Bank of New York Construction. This sample of New York City bedrock was extracted during the construction of the Federal Reserve Bank of New York building at 33 Liberty Street. It is made of Manhattan schist, which is an especially strong metamorphic rock that is able to support New York City’s soaring skyscrapers. The bedrock also supports the gold vault beneath the New York Fed, which is located 80 feet below street level and holds approximately 530,000 gold bars. Combined, the bars weigh about 6,700 tons or 13.4 million pounds.

456# Magnesium Shoe Cover. Gold custody is one of several financial services the Federal Reserve Bank of New York provides to central banks, governments and official international organizations on behalf of the Federal Reserve System. The New York Fed acts as the guardian and custodian of the gold on behalf of these account holders, and this storage service is offered free of charge. The Fed charges a nominal fee for gold transactions – when gold enters or leaves the vault or ownership transfers between compartments. All bars brought into the vault for deposit are carefully weighed, and the refiner and fineness markings on the bars are inspected to ensure they match the depositor instructions. They are then recorded in the New York Fed’s records. While gold bricks themselves are nearly indestructible, because of their weight and extreme density, they can be a danger to the workers who handle them. To protect their feet, workers wear these magnesium shoe covers when they handle the bars during transactions.

469# \$2 Bill and Susan B. Anthony Dollar. The \$2 bill and Susan B. Anthony dollar were conceived as ways of reducing demand for \$1 bills, but they both proved to be unpopular. Richard Hoenig worked in the public information department at the New York Fed from 1964 to 1990. One of the challenges he faced was promoting unsuccessful currency: “With hindsight we can say neither one of them were exceptionally successful, to say the least. The Susan B. Anthony coin was advertised — I have a quote here in my files that calls it ‘the dollar of the future.’ Of course you and I know that neither the Susan B. Anthony dollar nor the \$2 bill have taken the place of the paper dollar bill. That was one of the big ideas behind the \$2 bill, especially — was to reduce demand for the dollar bill — and I really don’t think it did that. The major reasons that I can find for — going back to the Susan Anthony dollar — the major reason, of course, was that — and it’s something that the New York bank, as far as I can remember, warned the Treasury and the Mint and everybody else that it might be a problem — the Susan B. Anthony dollar was too much like a quarter. And the public seemed to think that it would be confused with the quarter, and I think that was probably the main reason it didn’t go over...But the coin, of course — it was the first time a real woman had been on a piece of our currency. And that came in July of 1979, and there was a big fuss about everything. The bank put up something like \$40,000 for pamphlets and kits and posters and all kinds of publicity about it, and the woman who was the first Undersecretary of the Treasury said she expected it to be an effective medium of exchange and replace demand for the dollar. But it didn’t turn out that way.”

478# Milk Bottle. One of the benefits of working at the New York Fed was in-house medical services that ensured all employees were in good health. Anne Poniatowski worked at the bank from 1942-1985 as a typist and secretary. She remembers being put on the “Milk Squad” because she was thought to be too skinny: “Oh! I was on the Milk Squad because I was so skinny. They should see me today, they’d never pass me. But, you were not allowed to leave your floor, except to go to the restroom; up with the hand. Medical, if they checked you out, and they thought you needed to go on a Milk Squad — you were so thin — or some other reason they could find, they would give you a pass. That pass authorized you to leave your room — your work area — and go up to food supply (the cafeteria).”

482# Scale. This scale, manufactured by the Exact Weight Scale Company, was used to weigh coins at the Federal Reserve Bank of Atlanta. The Federal Reserve Bank of Atlanta covers the sixth Federal Reserve district, which includes Alabama, Florida and Georgia, as well as portions of Louisiana, Mississippi and Tennessee. The Atlanta Fed has branch offices in Birmingham, Jacksonville, Miami, Nashville and New Orleans.

491# Photograph of the First Joint Meeting of Federal Reserve Bank Officers and Directors. For three days in late October of 1914, the officers and directors of each of the newly-established Federal Reserve Banks attended a joint meeting in Washington, DC at the behest of the Federal Reserve Board. The Reserve Banks had been officially incorporated that summer, but would not open their doors for business until November of that year. More than 80 people attended the conference at which “standard by-laws were prepared, a uniform plan of accounting was tentatively approved on and various problems relating to the inauguration of the system and the operation of the banks were discussed.” In this photograph of the momentous event, the attendees pose in front of the US Treasury building, which housed the Federal Reserve Board until the 1930s.

#504 25th Anniversary Pin. This boxed Federal Reserve Bank of Richmond lapel pin was given to employee Eloise E. Stein in celebration of 25 years of service. The little gold and blue pin is in the shape of the Richmond Fed’s seal, and the front is encrusted with a small jewel. The back of the pin bears her initials, E.E.S., and is dated 1945. The Federal Reserve Bank of Richmond serves the fifth district of the Federal Reserve, which includes the states of Virginia, Maryland, North Carolina, South Carolina, Washington, DC and most of the state of West Virginia. The Richmond Fed branch offices are located in Baltimore and Charlotte.

516# The Federal Reserve Organization Committee Book. The 1913 Federal Reserve Act called for “not less than eight nor more than twelve” Federal Reserve District Banks that would be managed by a Federal Reserve Board. In order to prevent a concentration of power to one region or state, the Federal Reserve’s founders designed the “decentralized central bank” with the Reserve Banks established as the

operating arms of the Federal Reserve System. It was easily decided that the Board would be located in Washington, DC, but the locations of the Reserve Banks and their branches would require more careful consideration by the Reserve Bank Organization Committee. Members of the committee were the Secretary of the Treasury, William McAdoo; the Secretary of Agriculture, David F. Houston; and the Comptroller of the Currency, John Skelton Williams. The committee toured the country to collect testimonies from city and community representatives, and the Department of the Treasury sent ballots to the country's commercial banks for their input. Ultimately, the locations of the regional Reserve Banks and the branches were "determined mostly by the geographic distribution of US population...to accommodate the local needs of the times." This book is their final report, known as the *Report of the Organizational Committee*.

517# Photograph of Maiden Lane and William Street before the Federal Reserve Bank of New York. The Federal Reserve Bank of New York began operations on November 19, 1914 in subleased offices in Lower Manhattan with only seven officers and 85 clerical staff. As the bank's responsibilities increased, so did its need for space. By 1918, its employees were spread across six different locations. In many cases, the spaces in which their offices were located did not suit the type of work being performed, such as currency and check operations. In 1917, the bank's directors and officers issued a resolution to construct a new building specially designed to suit the bank's functions. In 1918 and 1919, the Federal Reserve Bank of New York purchased plots of land on the block surrounded by Liberty, Nassau and William Streets, as well as Maiden Lane. This would be the site for the new bank building. This photograph shows Nassau and Liberty Streets before the bank was constructed.

528# Commemorative Coin from the National Bank of Poland. The National Bank of Poland, Poland's central bank, gave this commemorative coin to the Federal Reserve Bank of New York in 2013. The coin is from a 2008 series commemorating the 400th anniversary of Polish settlement in North America. It features a bas-relief design that depicts the Jamestown, Virginia, settlement, a glass core with an image of a glassblower and an inscription which translates to "of the Polish settlement in North America."

531# Chalk, Eraser and Photograph of Price Boards. The trading desk at the Federal Reserve Bank of New York executes the open market operations for the Federal Reserve System. It is responsible for managing the Fed's portfolio of securities, called the System Open Market Account, buying or selling securities when the reserve supply needs to be changed. Before trading became digital, Fed employees had to manually verify and update information about the markets in which the Federal Reserve deals, managing the information on giant chalk boards. This photograph shows two women updating the market price boards to track the prices of various securities.

542# Second District Liberty Loan Recognition. When the US entered World War I, the government looked to the American citizens to help pay for the soldiers and equipment that were necessary to join the fight. At the request of US Treasury Secretary William McAdoo, the Federal Reserve Bank of New York took charge of the Liberty Loan drive for the second district of the Federal Reserve System. This certificate of recognition was awarded to Mrs. Daniel McCool in connection with her contribution to the Second Liberty Loan drive of 1917. The Liberty Loan Committee took "pleasure in acknowledging and recording the patriotic service rendered to the government of the United States" by awarding certificates of recognition to those who participated the sale of Liberty Loan bonds.

565# Sports Trophy. The Federal Reserve Bank of San Francisco serves the twelfth district of the Federal Reserve System, covering the states of Arizona, California, Idaho, Nevada, Oregon, Utah and Washington. In 1917, the Spokane, Seattle and Portland branches opened their doors, followed by the Salt Lake City branch in 1918 and the Los Angeles branch in 1920. Although the Spokane branch closed in 1938, all other branches remain in business today, including a cash processing facility in Phoenix. The San Francisco Fed now also serves Alaska, Hawaii, American Samoa, Guam and the Commonwealth of the Northern Mariana Islands. On September 11, 1920 the San Francisco Fed's Bank Club, in cooperation with the American Institute of Banking, held a track and field meet with competitors representing the Wells Fargo Nevada National Bank, Humboldt Saving Bank, Bank of California, Bank of Italy and American National Bank. A four-person team from the

Federal Reserve Bank of San Francisco came in first place for one of the races and won the “Ellery Trophy” – a large silver metallic-coated flask with a cork stopper, which was inscribed with the team members’ names and the winning time.

570# Samuel Yellin Ironwork. York & Sawyer, the architects of the New York Fed’s building on Liberty Street, famously modeled it after three Florentine palazzos. While ornamentation was kept to a minimum, York & Sawyer knew they wanted to add something to embellish the building. Other banks at the time were using marble and bronze in their construction, but York & Sawyer decided to keep with the Renaissance inspiration for the building and chose wrought iron – 200 tons of it – as the building’s only ornamentation. The ironwork was put out for bid, and in 1922 the Board of Directors agreed the contract should be awarded to Samuel Yellin, due to the superiority of his work and his aesthetic vision. His forge was not the largest, and his work was not well-known at that time, but his artistry spoke for itself. Yellin’s ironwork embellishes the building’s exterior, as well as the first and tenth floors of the interior. Every wrought iron piece, including the clocks, teller gates, chandeliers, elevator gates and ventilation grilles are both ornamental and functional. The piece displayed here is from one of Yellin’s famous chandelier designs.

583# Federal Reserve Stock Certificate. The regional Federal Reserve Banks issue shares of stock to member banks as a condition of their membership. However, Federal Reserve stock works differently than owning shares of a private for-profit company. Member banks are required to hold on to their shares and are not permitted to trade or sell them. They are also forbidden from pledging Fed stock as security for loans. The dividends the banks receive from their shares in the Fed are limited to 6% each year. Before 2008, the Federal Reserve could not offer interest on the funds deposited by banks for their reserve requirements. However, now member banks earn both dividends on their Fed stock and interest on their reserve requirements.

617# "Treasure House," by Boyden Sparkes. On September 28, 1929, *The Saturday Evening Post* published a feature article on the Federal Reserve Bank of New York and described the daily operations of the institution in great detail. The article gave the public a look into the

business of the New York Fed to an extent that had not been done before, shedding light on the “financial fortress” on Liberty Street. Opening with an anecdote about the severe demeanor of the guards at the doors, the article goes on to explain what the guards are protecting. The article reads, “Here is a plant in the very heart of downtown New York which contains a mass of treasure greater by far than that which tempted generations of pirates to risk their necks under black flags.” The article also describes the Fed’s importance to New York City and to the financial markets.

629# Ben Bernanke Photograph. In 2013, Ben Bernanke is the Chairman of the Board of Governors of the Federal Reserve. President George W. Bush appointed him to the position in February 2006 and President Barack Obama re-nominated him in January 2010. Bernanke’s term has been marked by the 2008 financial crisis and the Fed’s controversial roles in the Merrill Lynch and Bank of America merger and the AIG bailout. Prior to becoming Fed chairman, Bernanke chaired the Princeton University economics department from 1996-2002, served as a Federal Reserve board member, and then moved on to serve as the chairman of President Bush’s Council of Economic Advisers. From Dillon, South Carolina, Bernanke earned his bachelor’s degree in economics from Harvard University and then his Ph.D. in economics from MIT. He and his wife, Anna, have two children. During his free time, Bernanke is a huge fan of the Washington Nationals and is often spotted at games in blue jeans and a baseball cap.

635# Photograph of First Female Officer, Madeline McWhinney. The 2010 Dodd-Frank Act mandated that the Fed create an Office of Minority and Women Inclusion as part of its structure. However, when Madeline McWhinney was named the first female Federal Reserve officer in 1960, she encountered obstacles like many female pioneers. She recounts one of her experiences: “As I said, the Reserve System then, and I presume now, works with committees. And the committee that was responsible for the statistics, which I later chaired—my boss was on that committee and he couldn’t go at one point. He had told the Chicago Fed that I would go in his place, as a substitute for him, and I happened to be in his office when the Chicago Fed called and said, ‘No women allowed.’ And he said, ‘She’s going to represent the New York Fed, period.’ When I got out there I found somebody’s elderly secretary

was there to chaperone me. She sat behind me at all the meetings and she sat next to me at dinner. They wanted to make sure I was behaving, I guess. Well, as I say, I ended up chairing that committee for about 10 or 12 years.”

642# *New York Post* article, "Goof Has Faces Red at New York Fed."

The Federal Reserve is no stranger to public scrutiny. Richard Hoenig, former assistant vice president of public information at the New York Fed, remembers when a mistake he made was published by the *New York Post*: “It’s not something I liked, but the biggest goof I that I ever made in 25 years — and it was described as a “goof” in large type in the *New York Post* on January 7, 1986... I was named, full name and identification. Turned out that one of the things that we did in public information was to inform the press, meaning the Dow Jones wire and there were other wire services, as well as Fed watchers [who] would call us and ask about what the desk was doing. This was the trading desk, and we were allowed to tell them if the desk was putting reserves into the banking system. This particular day I received a call which I thought had come from the authorized person on the desk, and it sounded like they were doing repurchase agreements and putting reserves into the system temporarily, and I told the people calling that this was the case. It turns out that whoever called wasn’t who it was supposed to be, and we never figured out whether it was someone trying to fool me or whether it was just a mistake, which is how it ended up being listed.”

658# *Wooden 2x4*. Paul Volcker served as Federal Reserve Chairman from 1979 until 1987. Volcker’s policies steered the US economy out of a period of high inflation and slow economic growth by severely raising interest rates. During his tenure, Volcker experienced more political attacks and public protests than any other Fed Chairman, mostly due to the effect of his high interest rates on the construction and agricultural industries. In protest, farmers blockaded the main office of the Board of Governors with their tractors. This piece of 2x4 wood was mailed to Volcker’s office as a part of a protest by building contractors and carpenters, who claimed their lumber was unneeded since no one was buying houses. Although Volcker is now widely credited with stabilizing the economy in the 1980s, these protests show the

complexities of managing a national economy, as changes in policy are not necessarily universally beneficial.

673# Fedwire Map. The Federal Reserve Wire Network, also known as Fedwire, allows the Federal Reserve Banks and member banks to quickly transfer large amounts of money or securities, such as bonds and notes issued by the Treasury. The Fed has offered electronic transfer services since 1915 and created its own telegraph network that connected the 12 Reserve Banks, the Federal Reserve Board in Washington, DC and the Treasury in 1918. Funds and securities were transferred predominantly via this telegraphic system through the early 1970s. Today, billions of dollars are transferred electronically through the sophisticated Fedwire telecommunications network every day. Fedwire provides a communications link among banks and government agencies, which use the network to send money to one another. The majority of the transactions sent over Fedwire are fund transfers between banks on behalf of their customers. In 2003, electronic payments exceeded paper checks for the first time as a percentage of non-cash payments in the United States.

684# Bank Seal Embosser. The Federal Reserve Bank of Philadelphia serves the third district of the Federal Reserve System, which covers eastern Pennsylvania, southern New Jersey and Delaware. This embosser of the "Philadelphia Seal" was used in the executive area of the Philadelphia Fed from 1914 through the middle of the 20th century. It depicts the original Philadelphia Reserve Bank seal with the national symbol of the eagle and the Philadelphia Fed's identifying mark of 3C at the center. The embosser is made of a black mixed alloy and, although the handle is showing some wear, it is in good working condition, allowing a clear impression of the seal on standard office paper. It weighs 36.5 pounds and measures 22" high, when open, and 4.5" wide.

691# Photograph of Discount Window. One of the ways the Fed executes monetary policy is by lending money to banks experiencing short-term liquidity problems. For example, banks use deposits to provide other customers loans. If, at the end of the day, the bank doesn't have enough cash in reserve to provide cash to its customers, the bank can borrow money from the Fed at a special interest rate, called the discount rate. Until 1980, bank representatives could walk up

to a window at the New York Fed and get these loans. Today, this lending is still known as borrowing from the discount window.

700# Gavel. Under Section 4 of the Federal Reserve Act, each Federal Reserve Bank must operate under the supervision of a Board of Directors consisting of nine members, all chosen from outside the Reserve Bank. The directors are divided into three equal classes – designated A, B and C – and their class determines whether they are appointed by the Board of Governors or elected by the member commercial banks of the respective Federal Reserve District. The roles of Reserve Bank directors fall in three principal areas: overseeing the management of the Reserve Banks, participating in the formulation of national monetary and credit policies and acting as a link between the government and the private sector.

715# Plaques Acknowledging Service During 1990 Blackout. On August 13, 1990, a fire at a Consolidated Edison plant in New York City caused a lasting blackout in much of Lower Manhattan. Many financial operations shut down, including the American Stock Exchange, five futures exchanges, major banks and brokerages, as well as data sources used by traders such as Telerate and the Dow Jones News Services. The Federal Reserve Bank of New York was forced to run without power for six days, using its own emergency generators to support critical operations such as life safety systems, computer rooms, computer room air conditioning and some elevators. After the incident, the New York Fed developed an improved emergency plan with Con Edison that would implement a 1750 kilowatt emergency roll-up generator to supplement the bank's back-up generators to provide for better services during future outages. The plaques shown here were given to the many employees who worked extra hours during the blackout to manually complete operations that were ordinarily done by computers. The clock represents the time the power went out.

722# Counterfeit \$5 Note. You'd have to be foolish to think you could fool the federal government by faking money. After all, the US Secret Service was established on July 5, 1865 expressly to suppress counterfeit currency. (At the time of the Civil War, it was estimated that one-third of all currency in circulation was counterfeit!) The Secret Service has eyes seemingly everywhere. For example, if you try to

duplicate real money on a scanner, even an inexpensive one, a warning from the Secret Service will pop up on your screen. It doesn't take a specially-trained secret agent to realize that although the two serial numbers on this fake bill match, they are printed in two distinctly different shades of green. Additionally, the graphics are inelegant, there are smears of extra ink below President Abraham Lincoln's right ear and the black ink is applied too thickly and unevenly. No wonder counterfeit money earned the nickname "Sourdough." If you are offered such a bill, you are best off saying "no, thank you." Otherwise, if you are knowingly in possession of a counterfeit, you are required by law to turn it in to the authorities and take the loss.

724# General Ledger Book. Before the existence of computers, tablets and mobile devices, accounting functions were done by hand on paper, as shown in this Federal Reserve Bank of New York General Ledger Difference Account Book from 1920. Pens dipped in ink were used to make written entries on specially-designed accounting paper to reflect departmental debits, credits and differences. Today, accounting systems have evolved into streamlined electronic processes, where a few simple keystrokes can reveal a company's entire financial picture.

738# Ad for National City Bank in Spanish for Buenos Aires Branch. Before the Federal Reserve Act of 1913 established a central bank for the United States, national banks were required to hold reserves for the federal government. When the Federal Reserve took over this function, the banks became free to pursue more profitable opportunities. These opportunities included opening international branches, a venture newly legalized by the Federal Reserve Act. National City Bank of New York (now Citibank) became the first American bank to pursue foreign branches when it opened a bank in Buenos Aires in 1914. The bank already had a relatively strong international presence because it chartered the International Banking Corporation (or IBC) to conduct business in cities such as London, Shanghai and Calcutta as early as 1901. The IBC merged with National City in 1918. By 1920, the National City Bank of New York expanded to include 52 foreign branches, the largest number of any American bank.

749# AIG tombstone. In September 2008, in order to prevent the collapse of the American International Group (AIG), the Federal Reserve

loaned the insurance company a total of \$43.8 billion. Combined with money from the US Treasury, AIG received a total of \$182.3 billion in loans. The bailout was met with public scrutiny, especially in March 2009 when AIG announced company-wide bonuses would amount to more than \$1 billion. Nevertheless, the Federal Reserve maintains that AIG's collapse would have threatened more than 30 million consumers in the US using the company's services and destroyed confidence in the financial system. By December 2012, AIG had paid back to the government \$205 billion, allowing for a \$22.7 billion profit, some of which was raised by the company through selling off its own assets.

764# Photograph of the First Board of Governors of the Federal Reserve System. The Federal Reserve Board was created by Congress in 1914 through the Federal Reserve Act to be the governing body of the Federal Reserve System. The President of the United States was responsible for appointing five members to the Board, subject to the approval of the Senate. The Secretary of the Treasury and the Comptroller of the Currency were originally considered *ex-officio* members. Pictured here are: Paul M. Warburg; John Skelton Williams, Comptroller of the Currency; William P. G. Harding; Adolph C. Miller; Charles S. Hamlin; William G. McAdoo, Secretary of the Treasury; and Frederic A. Delano. One of the Board's earliest conflicts concerned the strong representation of the Treasury Department on the Board. Some members were concerned that the presence of William McAdoo and John Skelton Williams created an inadvisable link to the administration. They were concerned that this close relationship to the Treasury might create a conflict of interest and lead to undue political influence in the setting of monetary policy. These issues were later resolved in the Banking Act of 1935, which eliminated the requirement for the Secretary of the Treasury and the Comptroller of the Currency to serve on the Board and instead filled the seven chairs with seven appointed members. The Act also renamed the Federal Reserve Board to the Board of Governors, the title of Governor to Chairman and the title of Vice Governor to Vice Chairman.

783# FRBNY Employee Identification Badges. Security for the New York Fed's employees, premises and property has been an important issue since the bank first opened its doors in 1914. Access to the building is carefully guarded, and employees must show their bank-

issued identification credentials for entry. In the 1960s, employee ID cards featured a black and white photograph that included the employee's name, height, weight and original signature. In later years the format changed, and while the ID card excluded the weight measurement, it included the date of birth and blood type. Still later ID cards, from the New York Fed's processing facility in New Jersey, held less personal information but still easily identified the employees and place of employment. Today's ID cards display the employee's name, ID number and photograph, but do not disclose the employer. Employees are required to display their ID badges at all times while on the bank's premises.

791# Cancelled Checks. The Fed provides many vital financial services to US banks, and one of the formerly vital services is check processing. For a fee, the Fed sorts and credits the respective accounts of banks and acts as a sort of check clearing house. Although there is only one Fed check processing center today, since most are handled digitally, there were over 45 check processing centers before 2003. Here, James Aston, former vice president and branch manager of the Buffalo branch of the FRBNY, explains the interesting and personnel-intensive task of sorting, tracking and processing checks: "My first supervisory job, I remember - Fred Smedley was head of personnel and he sent me - he called me in when I was doing something in personnel and he said, 'We would like you to become a supervisor in the check function.' And he said - and I don't know if this is accurate or not - but he said: 'We've never assigned a college graduate to that tough work down there, and we want to see how this goes and think you might be suited for this.' And so I became a supervisor of over 80 young ladies who were running proof machines and worked for a great old guy named Siegfried Weber. We sat across from the office where the manager of the department, George Smith, sat with a group of ladies who were typing all kinds of reports and tickets."

803# Women's Shoes. The Federal Reserve Bank of New York was more than a workplace for many former employees. The Fed provided many opportunities for employees to socialize with their coworkers through employee lounges, clubs, teams, dances and shows. Rosemary Cafiero worked at the New York Fed as a travel consultant and supervisor of the purchasing department for 44 years. She remembers

participating in fashion shows at the Fed: “I got involved in a lot of things. I used to be in the fashion shows and they used to have noontime variety shows, which I got involved in. I know a lot of that stuff is no longer there, but it was a nice place to grow up.”

816# \$45 Billion. The Fed played a pivotal role in dampening the effects of the attacks of September 11, 2001 on the US financial markets. Immediately after the attacks, the Fed issued a statement to the banking community: “The Federal Reserve System is open and operating. The discount window is available to meet liquidity needs.” On September 12, the Fed lowered interest rates and loaned over \$45 billion through the discount window, more than 200 times the daily average for the previous month. The flood of funds released into the banking system reduced the immediate need for banks to rely on payments from other banks to make the payments they owed. By the end of the month, Fed lending had returned to pre-September 11 levels, and a liquidity crunch had been averted.

819# Notice from McAdoo to Member Banks Announcing the Federal Reserve Bank of New York. On November 16, 1914, Secretary of the Treasury William G. McAdoo wrote a letter to all the member banks of the Federal Reserve System notifying them that “in accordance with Section 19 [of the Federal Reserve Act], you are hereby notified that said bank has been established and opened for business and that the reserve requirements...from and after this date, become effective.” This letter marks a seminal moment in Federal Reserve history. Years of tireless work had finally paid off and the Federal Reserve’s long history of public service had officially begun. Any state-chartered bank was able to become a member of the Federal Reserve System, but with the benefits of the membership came capital requirements and an agreement to be under the supervisory authority of the Federal Reserve System. Today, more than one-third of US commercial banks are members of the Federal Reserve System. National banks must be members, while state chartered banks may join by meeting certain requirements.

834# “Summer at the Fed” T-Shirt and Photograph. The Federal Reserve Bank of Kansas City serves the tenth Federal Reserve district, which includes western Missouri, Nebraska, Kansas, Oklahoma,

Wyoming, Colorado and northern New Mexico. Additionally, there are branches of the Kansas City Fed in Denver, Oklahoma City and Omaha. Every summer, the Kansas City Fed leads “Summer @ The Fed,” an interactive economic educational program for fourth, fifth and sixth grade students living in the Kansas City area. The program teaches students about the Fed and the importance of banking in a fun and engaging way. The program, which is staffed by recent high school graduates from Kansas City, MO and Kansas City, KS who were members of the bank’s student board of directors program, reached over 300 students in 2012. All students receive a t-shirt as part of their program experience. The photograph shows some of the students who participated in this summer program in 2012.

850# Video of Robots Moving Money. The Federal Reserve Bank of New York’s cash and custody function, based out of the East Rutherford Operations Center in New Jersey, acts like an ATM for banks in the region by supplying cash and taking in deposits for these institutions when they request it. The Fed found that the most secure and effective way to do this was by automating the process and using robots to handle the currency. The technical name for the robots is automated guided vehicles, or AGVs. The New York Fed has a fleet of nine AGVs that take currency from the processing area to the vault; they move 200 feet per minute, weigh about 6,500 pounds each and have laser sensors for navigation. The cash vault, which is the size of a football field and three stories high, is unmanned and operated only by robots.

857# Counterfeit \$20 Note. US currency has an extremely complex design and contains features not visible to the naked eye. At first glance, this \$20 bill looks like the real deal, but upon closer inspection, the serial numbers are missing, except for the one in the middle of President Jackson’s forehead! You might also notice that the top and side borders are too narrow and have been cut crookedly. Additionally, the black ink tends towards grey in spots, and the paper is missing perhaps the most distinctive feature of US currency: the grainy texture achieved with proprietary inks that are applied with high-quality engraving machines. Today’s Super Orlov intaglio printing presses cost over \$7 million each and, unlike photocopiers, which leave the ink on the paper’s surface, these machines use up to 60 tons of pressure to force the ink INTO the paper. While the content of the fibers and paper

in US currency is among the nation's most secure information, most people can feel the tactility of intaglio and discern true money from fake with a quick rub between the thumb and forefinger. You can further protect yourself against counterfeiters by keeping an eye peeled for the tiny red and blue fibers uniformly embedded throughout each bill.

872# Sweetgrass Braid From the Federal Reserve Bank of Minneapolis. The Federal Reserve Bank of Minneapolis serves the six states of the ninth Federal Reserve district: Minnesota, Montana, North and South Dakota, 26 counties in northwestern Wisconsin and the Upper Peninsula of Michigan. The district covers 409,291 square miles, is home to about 8.8 million people and has one branch, which is located in Helena, MT. Although 12% of the nation's land is in the ninth district, only 3% of the nation's population resides there. This sweetgrass braid and the accompanying display comes from the Helena branch and represents the community outreach efforts put forth by the Minneapolis Fed to the Crow Tribe. The documents recognize the first joint sovereign filing system in the Apsáalooke Nation by the Crow Tribe in 2008, and the sweetgrass braid is important as a Native American ceremonial tradition.

889# Trowel Used for Cornerstone Ceremony. During a brief ceremony on May 31, 1922, Benjamin Strong, president of the Federal Reserve Bank of New York, used this trowel to place the cornerstone of the new bank building at 33 Liberty Street. Strong and Vice Governor Edmund Platt used the occasion to congratulate the members of the Fed's building committee, the architects, contractors and others who worked on the project. Sealed within the cornerstone are the history of the building project, the address by Strong at the laying of the cornerstone, a list of invited guests, two newspapers, all the annual reports of the Federal Reserve Agent, the report of the Federal Reserve Board covering its operations in 1921, the Federal Reserve Act as enacted and amended to date, the by-laws of the banks, the regulations of the Federal Reserve Board, Federal Reserve Bank of New York \$5 and \$1 notes, a 1922 peace dollar, the historical record of terms of directors and officers of the bank, the roster of employees and officers as of May 15, 1922, a "Better Banking" pamphlet, a *Federal Reserve Club Magazine* and the first and last issues of "Monthly Reviews."

906# *The Story of Checks, Comic Book Published By the Fed.*

Richard Hoenig, former assistant vice president of the FRBNY's public information department, discusses the Fed's comic book series, which was one of the bank's more famous financial literacy initiatives: "When I arrived in '64, they already had a book called *The Story of Checks*. This was a booklet that looked like a comic book. It was designed to get across the story of what checks were to kids – people used to comic books. And during my regime we expanded the use of those booklets quite a bit. We published another maybe five or six or seven of them on all kinds of subjects related to central banking: inflation and monetary policy, foreign trade, banks and consumer credit, and that has continued. There are millions and millions of these comic-like books that were circulated."

913# *The Ben Cup.* The Federal Reserve Bank of New York has always been attuned to the innovative ideas of its employees. A suggestion box and an incentive program were introduced as early as 1919. The prizes were \$5 for First Place, \$3 for Second Place and \$1 for Third Place. Multiple boxes were placed throughout the bank, and the suggestion committee evaluated the ideas weekly. Prizes were awarded for the best suggestions. "The Ben Cup," named after the New York Fed's first president, Benjamin Strong, was another prize awarded for the best idea.

920# *Receipt for First Reserve Deposits by National City Bank.* The National Banking Act of 1863 created a system of national banks in the United States and encouraged the creation of a single national currency backed by US Treasury securities. Previously, state chartered banks issued their own currencies backed by gold or silver. Once the Federal Reserve Act of 1913 passed, the Fed required all member banks to deposit a certain percentage of their assets in their regional Reserve Bank. The Board of Governors sets the reserve requirement, and any changes can impact the money supply in the economy. This receipt is for the first reserve deposit to the Federal Reserve Bank of New York by the National City Bank of New York (today, Citibank), for \$21 million.

935# *Federal Reserve System Member Sign.* This "Member of the Federal Reserve System" placard comes from the Federal Reserve Bank of Dallas, which covers the eleventh district of the Federal Reserve

System. This particular plaque was placed in one of the eleventh district bank lobbies in the 1970s.

947# Telephone Representing Transfer of Iranian Assets. Peter Bakstansky worked as the chief spokesman for the FRBNY for over 30 years. He used his skills in journalism and commercial banking to help the Fed in its efforts to increase transparency in its communications with the public. He remembers especially challenging times during his time at the Fed, which included the Iranian Hostage Crisis: “I sat in a room at 5:00 in the morning or so, New York time, it was noon there or whatever, and we waited for the pilot, we had a radio connection via telephone in that room, waiting for the pilot to confirm that he had left Iranian airspace. And then there was the moment when he confirmed, ‘we’re outside of Iranian airspace,’ there was a cheer from the half dozen people in the room and about an hour later I held a little press conference where I held up the copy of the telegram representing the transfer of the assets, and soon after, the hostages landed in Germany — in an airbase in Germany and were welcomed – and the Fed was off the stage.”

952# \$10 Series 1914 Federal Reserve Note (2-B). Less than a year passed between the founding of the Federal Reserve Bank and the issuance of the first United States Federal Reserve notes, the 1914 series. This helped curb counterfeiting and build confidence with its complex and highly-skilled engraving, world-class production values and guarantee: “This note is receivable by all national and member banks and Federal Reserve Banks and for all taxes, customs and other public dues. It is redeemable in gold on demand at the Treasury Department of the United States in the city of Washington, District of Columbia, or in gold or lawful money at any Federal Reserve Bank.” To the right of the portrait of President Andrew Jackson is an early seal of the US Treasury. The center of this ornate and highly-symbolic roundel contains a shield, a chevron with 13 stars, a key and a scale. These features still appear in the current seal: the shield represents protection, the 13 stars stand for the 13 original colonies, the key represents authority and the scale stands for justice. Today, \$10 bills depict Alexander Hamilton instead of Jackson, and the old seal’s Latin motto, an abbreviation for “The Seal of the Treasury of North America,” now reads “The Department of the Treasury 1789,” which was the year

the Treasury was established by an Act of Congress. Several other characteristics of this seminal 1914 note remain in place, or have been slightly modified, on currency today.

#961 Dress Pattern Advertisement. During its early years, the Federal Reserve Bank of New York maintained a strict employee dress code, especially for women. Anne Poniatowski, who started at the Bank in 1942 as a typist, remembers a story told to her by a more experienced coworker: “Yes! There was a dress code. And I understand that, before I came to the bank, the ladies would be inspected upon entry. There was a lady from personnel down at the entrance on Maiden Lane, as you came into the bank, and she would do the inspection. If she didn’t think your attire was appropriate, she’d send you home. Ella Halpin told me that story. She was here, like, when the bank opened!”

986# 1970 Photograph of Currency Being Destroyed by Incineration. Unfit currency, or currency that has been deemed too worn or damaged to continue to be used, must be destroyed after it is removed from circulation. Though it is no longer current practice, packages of unfit currency were once incinerated on the New York Fed’s premises. At the time of this photo in 1970, the New York Fed was burning approximately 1.2 million pieces of paper currency each day. The Federal Reserve Bank of New York became concerned over the environmental issues their incineration process could be causing and were very sensitive to New York City’s local laws on air pollution control, though guidance on the incineration of money was not yet formalized. It was not until 1977 that the incineration process was eliminated, and unfit currency was shredded instead.

998# Paul Volcker Photograph. Paul Volcker began his career as an economist at the Federal Reserve Bank of New York in 1952. After leaving in 1957 to work for Chase Manhattan Bank and then the US Treasury, he returned as president of the New York Fed in 1975. In 1979, President Jimmy Carter appointed him to be the Chairman of the Fed’s Board of Governors. He continued in this position under Ronald Reagan until August 1987. Volcker is commonly credited with ending the high levels of inflation in the United States during the 1970s and 1980s. More recently, he served as chairperson of President Barack

Obama's Economic Recovery Advisory Board, from February 2009-January 2011. In addition to his undergraduate and master's degrees from Princeton and Harvard, respectively, Volcker has been awarded honorary degrees from 20 colleges and universities in the US and Canada. He is an avid fly-fisherman and earned the nickname "Tall Paul" for his 6' 7" stature.