



April 2006

TREASURY HISTORICAL ASSOCIATION

NEWSLETTER

Inside this Newsletter...

- **Financial Management Service's Historic Treasure.** The temporary World War I building in Southwest Washington has survived 80 years to become a significant historic structure in Washington, DC.
- **Public Tours to Begin.** The Department is finalizing plans to reinstitute its public tour program for the restored spaces of the Treasury Building..

New THA Officers and Committee Chairs for 2006-2007 Term of Office

Following the November 1, 2005 election of THA's Board of Directors for 2006-2007, the outgoing Board members cast their votes for the THA officers for this period.

Four of the five officer positions' incumbents were changed: THA's new president is David J. Monroe; vice president, Judith S. Ochs; Treasurer, Gary E. Grippo; and, Secretary, William F. Falls. The Board Chairman remains Thomas P. O'Malley.

After the first of the year, THA's president, David Monroe, appointed chairs for the Association's several committees: Publications, Paula Mohr; Commemorative Products, Thomas O'Malley; Communications, Charles Powers; Finance, Gary Grippo; Membership, Elaine Rand; and, Programs, Judith Ochs. The former term's Development Committee has been incorporated into the Finance Committee's responsibilities.

While most of the committee members are from the Board of Directors, there are opportunities offered to all THA members to participate in one or more committees of interest. To volunteer to assist in a committee, please contact THA by mail, e-mail or telephone (see reference box on page 2).

Photographic Calendars Remain Available

In 2000, THA published a fine art photographic calendar with contemporary and historic images and educational text about the National Historic Landmark Treasury Building, particularly the restored areas and antiques.

This keepsake of photographs and text remains available in limited quantity to THA members for only the shipping costs of \$2 for one or two copies or \$5 for a carton of 12 copies. To order, please mail your check and your address to THA (see box on page 2).

Katrina and the New Orleans Mint—It Could Have Been Worse

Treasury's historic buildings in Washington and around the country are no strangers to disasters. The Treasury headquarters buildings adjacent to the White House has had several major fires during the Department's long history. At the opposite end of the country, the San Francisco Mint weathered the earthquake and fire which devastated the city in 1906. The most recent disaster struck the Gulf Coast in August 2005 and the former New Orleans Mint Building was not spared. Of the nine museums in New Orleans' French Quarter operated by the Louisiana State Museum, the hardest hit was the Mint Building.

Two days after Katrina, the Louisiana State Museum staff entered the building under armed escort and discovered that the high winds had ripped off a large portion of the copper roof. Fortunately, the collections, including rare coins, displayed inside were undisturbed by looters or water. While the collections survived, the building itself sustained significant water damage. FEMA has hired contractors who have covered the Mint's roof with a tarp and temporary repairs are underway. Greg Lambousy, Director of Collections for the Louisiana State Museum, estimates that more permanent building repairs will take two or three years. Areas of the building that were in need of attention prior to the hurricane will also be addressed during the restoration process.

The New Orleans Mint was operated as a mint until 1909. After that time, it was used by the Federal Government for various office purposes. In 1966, the building was transferred to the state of Louisiana and, in 1981, it reopened as a museum dedicated to numismatic history and the history of Louisiana.

THA members who are interested in learning more about the Mint's historic buildings will want to look at the on-line exhibit "The Federal Presence: U.S. Mint Buildings Across the Nation" organized by the Treasury's Office of the Curator. See <http://www.ustreas.gov/offices/management/curator/exhibitions/mintbldgs/>



New Orleans Mint (Louisiana State Museum)

Liberty Center: FMS' Historic WWI Facility

As motorists proceed south on 14th Street toward Virginia, they view a building to the right that has a curious roadway cut through the first floor. Many do not realize the historical significance of this "temporary" World War I building that has survived to become the headquarters of Treasury's Financial Management Service (FMS).

The following is an article written by FMS retiree George Bromley that was published in FMS' Fiscal Scene newsletter, and reprinted here, with permission.

The Liberty Center Building has been the Financial Management Service's headquarters facility since 1987. However, for most of its existence, Liberty Center was known as the Liberty Loan Building. In many ways it is a very special structure, with a long and interesting history. Although it appears to be just another Government office building, the former Liberty Loan is Washington's sole surviving World War I temporary. Intended to last for only a decade or two, it has stood at the foot of 14th Street for over 80 years, enduring the rigors of time, changing as Washington itself has changed.

America entered what then was known as the World War in April 1917. Existing Federal buildings rapidly became overcrowded as the workforce expanded, creating an unprecedented demand for office space. In order to create additional work space, the Government began building many three story temporary structures on the Mall on the future location of Constitution Gardens and further east near the future sites of the National Gallery of Art and the Air and Space Museum. Additional temporaries were built north of the Mall in what is now the Federal Triangle area. In October 1918 one temporary building rose alone, tucked away on a small parcel of land just south of the Engraving and Printing plant. When completed in early 1919, the building was occupied by workers processing paperwork generated by the Government's war bond drives, known as Liberty Loans. At the time, it was a common practice to name a building after the work performed

there, so the new structure was christened the Liberty Loan Annex. This suffix was changed to "Building" in the 1920s, probably to avoid confusion with the newly completed Treasury Annex.

Liberty Loan was built overlooking one of the most picturesque spots in the District of Columbia, but before the early 1900s, Southwest Washington had been a very different place. In the Nineteenth Century the Potomac River shoreline ran just beyond 15th Street. From there, marshy shallows known as Potomac Flats stretched westward for hundreds of yards into the main channel of the river. The murky waters of the Flats were often fetid and occasionally malarial. The construction of the Tidal Basin after 1900 and the planting of the cherry trees in 1912 completely altered the landscape of Southwest, creating most of the vistas we know today.

From the beginning, Liberty Loan has stood in the shadow of the Bureau of Engraving and Printing plant that opened in 1914. This massive structure replaced the old facility at 14th and Independence, which had served BEP since 1879 (now the Yates Building, formerly the Department of Agriculture's Auditors Building).

In the early years of Liberty Loan, a covered walkway ran from the present west wing delivery entrance area to Engraving. Although many older LLLB employees later spoke of a "tunnel" between the two buildings, the walkway is visible in aerial photographs published in 1922.

Because of the walkway, there was no alley between BEP and Liberty Loan for some time. Originally, the building had no entrances facing 14th Street. The "front" door was located on the north side of the building, a few yards down the present alley. The only available parking was curbside along 14th Street. Traffic there was light as few workers owned cars in the early 20s. Those who did not arrive by car, or on foot, rode streetcars that ran past the building and left onto Maine Avenue, where they ended their southbound run. Riders paid a seven cent fare when Liberty Loan opened in 1919. Inside, Liberty Loan was mostly open

Continued on Page 3

Treasury Planning To Restart Tours

THA has learned that the Office of the Curator of the Treasury Building is finalizing plans with the Office of Security and the U.S. Secret Service to permit the reinstatement of the public tours of the restored areas of the Treasury Building sometime in early Summer. These public tours had been terminated shortly after September 11, 2001, to provide increased levels of security.

Tours are expected to be conducted on Saturday mornings only, by advance registration, with sufficient time for the authorities to conduct reviews of all visitors. Registration will require submission of full name, date of birth and social security number.

Since THA's next newsletter will not be published until August, when plans for the tours are finalized, THA will post the tour reservation telephone number on our website and will include it in our announcement on our telephone information line, to permit THA members to register for the tours. See box below for our website address and telephone information line.

During the multi-year repair and renovation project that is being essentially completed this month, several significant historical treatments in the building were unexpectedly discovered; and, restoration and preservation work ensued. Included were additional *trompe l'oeil* wall paintings, ceiling murals, and elegant gold leaf treatment of certain ceilings. Many of these "new finds," along with the previously-restored spaces in the building are expected to be included in the public tours.

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space, except for three large vaults that were located on each floor of the north side of the west wing. These areas are now conference rooms on the second and third floors, and part of the fitness center on the first floor. There were only two sets of elevators, both in the building's west wing. The original restrooms were directly opposite the main elevators. As there was no air conditioning, employees only recourse was to turn on electric fans, open the windows, and deploy the large awnings which were then a feature of virtually every office building in Washington. Occasionally, these measures proved insufficient and workers were sent home when the temperature-humidity index became excessive.

The surrounding neighborhood was very different during Liberty Loan's early years. A small railroad yard occupied the current parking lot on the opposite side of 14th Street. Row houses lined the street further north on the present sites of the Engraving Annex and the main Department of Agriculture building. Some of the early Liberty Loan employees may well have lived in these homes or in other row houses to the east. USDA's experimental gardens and greenhouses stood to the west of BEP in the now open area between the Tidal Basin and 15th Street.

Although Maine Avenue crossed 14th Street just south of the building, traffic jams were rare as not many workers commuted from outside the District. Southwest Washington saw very few tourists in the days before the BEP "money tour," but there were swimmers. A small beach ran along the Tidal Basin shore at the present site of the Jefferson Memorial and swimming was permitted there until 1927.

Though a modest and simple design, Liberty Loan was a strong building, one of the first reinforced concrete structures erected in the Washington area. Although intended as a temporary building, engineers determined it could support additional weight. Since the demand for office space had not abated after the war, the Government decided to add two floors to Liberty Loan in 1927.

Other significant alterations were made at that time. The building's main entrance was moved from the north side to the present location facing 14th Street.

A new entrance was added at the south end and a set of elevators was installed to serve that wing. The covered walkway from LLB to Engraving was probably removed during this renovation. These changes increased Liberty Loan's floor space by over 60 percent and considerably improved its appearance.

The 1927 addition gave LLB an advantage over its fellow temporaries, some of which were already being razed to make way for the Commerce Department building at 15th and Constitution.

However, Liberty Loan's future was hardly secure. Plans drawn up by the National Capital Park and Planning Commission in 1928-29 showed the building's site as parkland. Although LLB appeared in two plans published during the 30s, a 1941 plan featured only the west wing. Such were the hazards for any temporary facility in Washington, DC.

Tracing the various Liberty Loan tenants is difficult, but it appears Public Debt was the primary tenant until the early 1940s. A memo to the Secretary of the Treasury dated November 11, 1919, stated in part:

Since the beginning of our participation in the war, the Division of Loans and Currency has increased in personnel from 88 to over 2800 employees. The space occupied by the Division . . . includes space in nine buildings in Washington, including the exclusive occupancy of the three-story building on the grounds adjoining the Bureau of Engraving and Printing with something over 60,000 square feet of available floor space, which it was necessary to build as a war measure.

Loans and Currency shortly thereafter became part of the new Bureau of the Public Debt. The "three-story building" was of course, Liberty Loan.

Liberty Loan acquired its first future FMS tenant during World War II. In July 1942 the old Check Accounting Division, which was then part of the Office of the Treasurer, moved to LLB from the Main Treasury. Check Accounting was split into the Check Claims Division and the Check Payments Division in 1953. The latter was renamed Check Payment and Reconciliation Division (CPRD) in 1956. This organization began using some of

the Treasury's first computers in LLB in the late 1950s, but acquisition of larger, heavier systems forced CPRD to shift to the GAO Building in 1961. Check Claims, however, was to remain in Liberty Loan for over 40 years, eventually occupying the entire building by the mid-1970s.

While the building changed very little inside or out in the 1930s and 40s, the surrounding area began to assume its present appearance. In the mid-30s the last private structures along 14th Street were demolished to make way for the Engraving and Printing Annex. Among the losses were two cafeterias, a deli, and a hamburger stand, greatly reducing employees' options for lunch. Agriculture completed construction of its massive south building in the late 30s. The BEP Annex opened in March 1938 and the Jefferson Memorial was dedicated in April 1943.

In the early 1940s the streetcar terminal at 14th Street and Maine Avenue was moved north to an underground location at the corner of 14th and C Streets SW. The tracks then began their descent into the new loop just south of 14th and Independence Avenue. The new terminal, which had exits to both BEP and USDA, remained in operation until January 1962, when the last street cars went out of service. The underground terminal space became part of Engraving's garage complex and 14th Street was filled in, assuming its present appearance.

During World War II, even more temporary buildings were erected south of the Mall's Reflecting Pool. The presence of these structures, combined with rapid population growth in Northern Virginia, led to a tremendous increase in commuter and tourist traffic in Southwest Washington. These developments would mean major changes for Liberty Loan.

In the late 1940s the decision was made to bridge 14th Street over Maine Avenue and thus eliminate the often congested intersection. However, Virginia-bound traffic moving west on Maine would then be forced to proceed up 15th Street, east on Independence, then back down 14th, encountering four traffic lights in the process. The simple alternative was a loop back onto 14th from Maine, as was proposed in the 1941 NCPPC plan. The problem was that Liberty Loan stood in the way.

Tearing down the south wing was considered, but the demand for office accommodations had increased dramatically during the New Deal and World War II, and the Government was reluctant to surrender any space. So Federal highway engineers drove the loop directly through the south wing in 1952, resolving the traffic problem, while keeping most of Liberty Loan intact.

By the late 1950s the facility was nearly forty years old but holding up well. Window air conditioning units were finally installed in the early 60s, making offices more habitable in summer and ending the early dismissals. By the mid-1960s tenants included Check Claims, the Comptroller of the Currency, Agriculture, and General Services Administration (GSA). A minor building renovation was carried out in 1966, the chief result being that the exterior was painted a slightly lighter hue. In 1969-70 the last of the World War I temporaries along Constitution Avenue were demolished, leaving Liberty Loan as the sole survivor of Washington's emergency building boom of 1917-18.

The 1970s were years of change for Liberty Loan. Ceilings and thermostats were lowered throughout the building to save energy. Carpeting was laid down in most offices, covering the worn hardwood floors. Modular furniture began to replace the old battleship-gray desks and partitions broke open work areas into cubicles. Gradually, push button phones replaced rotary models and typewriters started to give way to word processors.

During the mid-70s the Division of Check Claims became the sole Liberty Loan tenant when Smithsonian and Comptroller of the Currency offices were moved elsewhere. Many current FMS employees worked in the building at the time and undoubtedly can recall the building as it was in that era. The primary color throughout was a gloomy institutional green. Each level had a narrow central aisle with floor to ceiling walls. The effect was to make the interior much darker than it is today, since less natural light was let in.

Check Claims' executive offices were located on the fifth floor, overlooking 14th Street. Four huge automated files that stored the Division's closed cases stood on the ground floor of the west

wing in the present conference room space. The snack bar and the lounge were on the fifth floor of the west wing. In the area now occupied by the offices of the FMS Commissioner and Deputy Commissioner.

Although the 70s saw minor attempts at modernization, the building was showing its age. The structure no longer met the District's building code and conditions were deteriorating rapidly inside and out. All of the building's windows were desperately in need of replacement. Because windowpanes occasionally fell out, GSA constructed a corrugated metal covering over the alley sidewalk and each entrance. The loose windows meant drafts, making the building very difficult to heat properly. Temperatures in some offices fell into the low 60s during the winter months, occasionally forcing workers to wear their overcoats at their desks.

On January 4, 1979, the Washington Post reported that GSA was proposing to renovate the building at a cost of \$6.1 million, seven times the original cost of Liberty Loan. The Planning Commission opposed this plan and recommended that the building be torn down and the site returned to parkland. Many employees concurred, but Liberty Loan endured once more.

In late 1985, GSA began to gut the building completely and proceed with a reconstruction. The last offices were relocated to Hyattsville at the end of that year. Although the building was in desperate need of repair, there were other considerations that contributed to the decision to renovate. FMS had been under pressure to vacate the Treasury Annex for some time. The Service was also attempting to consolidate its Washington operations, which were scattered among seven different buildings. FMS' space needs thus played a major role in the retention and renovation of LLB.

The Liberty Loan project took nearly two years to complete. The first office staffs moved in on October 19, 1987. By December, the structure was fully occupied. In January 1988, FMS held an open house for the neighboring Government agencies. The building then was christened Liberty Center. However, that name has never been fully accepted. For example, the building was abbreviated

as "LL" in the Treasury Department telephone directory well into the 1990s. And to the many employees who worked in the pre-renovated structure, the building will always be known as Liberty Loan.

The last decade has seen relatively few changes. Additional conference rooms and executive offices have been added and a fitness center was installed in 2002. With the exception of the Holocaust Museum that opened in 1993, the surrounding area also has stayed much the same. The massive Portals complex, which was to occupy the parking lot across the street, remains mostly unbuilt. Meanwhile, "temporary" Liberty Loan's story shows no signs of ending. Although the building's site has been mentioned as a location for the proposed African-American History Museum, it seems unlikely to be chosen as there are better sites along the Mall.

Today, Washington, DC, is no longer the city of 1918. Many of its institutions have vanished with the passing years: the Washington Senators twice moved away, "Woodies" declared bankruptcy, The Evening Star folded, Peoples Drugs became CVS, and DC Transit's green street cars gave way to Metro's red, white, and blue buses, and silver-gray trains. The list goes on and on, but through it all, Liberty Loan has remained standing and become a part of the cityscape of Southwest Washington.

Although nothing lasts forever, some things manage to last for years against great odds. Many stronger buildings have crumbled before the wrecker's ball, but "war measure" Liberty Loan has somehow prevailed and now stands in a new millennium. If there is a lesson in all this, perhaps it is that life is capricious. Sometimes man's best laid plans and projects go astray, while some of his footnotes endure for generations. When it began, and in so many "master plans," Liberty Loan was such a footnote, if it was thought of at all. On a number of occasions, it could have been swiftly leveled and soon forgotten. But the Fates were kind, and so it stands today, long after all of its builders and brother temporaries have gone. Liberty Loan has served us and our predecessors for many years and likely will continue to do so far into the future. All of us should hope to do as well.



August 2006

TREASURY HISTORICAL ASSOCIATION

NEWSLETTER

Inside this Newsletter...

- **The Treasury Cash Room.** Designed to be the most elegant room in the Federal Government, it served for over a century as a financial hub for both financial institutions and for its employees and the public at large.
- **Public Tours Have Begin.** The Department reinstated its Saturday morning public tour program for visitors to see some of the magnificent restored spaces in the Building and some of the "new finds" of historic significance.

THA Now A CFC Agency in 2006 Federal Campaign

The Treasury Historical Association (THA) was recently advised that its application for inclusion in the Combined Federal Campaign of the National Capital Area has been approved. This means that THA can share in the proceeds received from Federal employees who contribute to the CFC Campaign. More importantly, employees can designate THA as the sole, or one of several, designated organization(s) to receive their CFC donation.

THA's donee number for the CFC is 7741. The Association will be listed in local Washington, DC area campaign brochures and plans are now being made for THA to participate in various CFC Campaign events, such as rallies at Treasury and its bureaus.

The infusion of employees' CFC donations, which are separate from individual membership contributions, will aid THA immeasurably in its mission efforts of assisting the Department of the Treasury in carrying out important historical restoration projects in the Treasury Building and in educating employees and the public in the rich history of the Treasury and its constituent bureaus.

Please be generous in your CFC pledges and donations — and remember THA's #7741.

Historian's Corner Added to United States Mint Website

The U.S. Mint's website was recently expanded to include "The Historian's Corner." This addition provides the public information on the history of the Mint, images of commemorative coins, and other information of interest. Visit www.usmint.gov. Also, be sure to look at H.I.P Pocket Change page for kids, too.

The 1906 Earthquake, Fires and the San Francisco Mint — It Could Not Have Been Worse

On April 18th, 1906, at 5:16 a.m., the serenity of 5:16 in the San Francisco Bay Area was shaken with the rolling of earth segments, long-feared earthquakes of the Golden State. Following the earthquake and its disastrous effects were gas line explosions and hundreds of fires throughout the city, burning for four days.

This series of catastrophes left the city appearing to be what today would be described as a war zone. Buildings collapsed throughout the city, leaving thousands of citizens homeless and without food or water. Deaths were estimated at 3,000 and property damage over \$500 million in 1906 dollars. The "rippling effect" tremors were felt from Oregon to Los Angeles.

Throughout San Francisco, buildings were leveled, often with little evidence of survivors. Despite the havoc and destruction throughout the city, one significant building stood firm, arising like the phoenix from the ashes — the United States Mint building at 5th and Mission Streets.

Frank A. Leach, Superintendent of the San Francisco Mint, published his eyewitness account in a book in 1917. He wrote: "Inside the mint building I was greatly pleased to find fifty of our employees, whose sense of loyalty to duty had not been modified by fear of earthquake or the horror of being penned up in a big building surrounded by fire. They were there to do their best to help save the property of the government, and they went about the work in a simple, every-day manner, but nevertheless with earnest, willing, and active spirit. I felt proud to be Superintendent of that band of faithful and brave men."

The superintendent and his staff battled fires starting throughout the building for hours, finally gaining some assistance from the U.S. Army. Finally, by the end of the day, he felt the Mint was saved from risk of fire.

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Old San Francisco Mint (Library of Congress)

Treasury Reinststitutes Saturday Public Tours

On June 17, Treasury reinstited its public tour program on Saturday mornings. Treasury tours had been suspended shortly after 9/11, for both security reasons and as a result of the major multi-year renovation and restoration efforts throughout the building.

The public may make tour reservations through their Congressional members' offices. Registration will require submission of full name, date of birth and social security number, for Secret Service's security processing.

The 60-minute tours start at 9:00, 9:45, 10:30 and 11:15 a.m., and are led by volunteer docents. Security regulations prohibit visitors from bringing into the building strollers and backpacks, and photographs cannot be taken during the tours. Tours, each limited to 15 persons, begin at the South steps of the Building and special arrangements are needed for disability access.

Added to the tours are the recently restored gilded monumental dome and staircase in the West wing (where elevator shafts were previously installed) and the *trompe l'oeil* restoration in the South wing. Also, a many historical exhibitions are mounted throughout the Building, as educational items for visitors. Treasury's public tour information line is (202) 622-7473.

Recently restored gilded monumental dome, with triple skylights, Treasury's West wing (Treasury Collection)



A Bit of History Behind The IRS Building Closure

Newspapers across the U.S. reported the extensive damage to the Internal Revenue Service's National Office caused by recent torrential rains. However, few provided an historical perspective of one of the underlying causes that also claimed as victims the buildings across 12th Street and Constitution Avenue from IRS.

When the Nation's capital was designed, the natural characteristics of the area needed to be incorporated into the L'Enfant Plan, and the modification called the Shepherd Plan of 80 years later. Jenkins' Hill was an ideal place for the Congress House, later called the Capitol Building, and, thus, the hill was renamed "Capitol Hill."

Another natural characteristic was Goose Creek (later named Tiber Creek, in reference to the river in Rome). Tiber Creek runs Southward and then Southwestward from somewhat west of Union Station into the Potomac River. Initially, the creek was put into commercial barge use and terminated at the Capital Canal, which ran exactly where Constitution Avenue is today — from Roosevelt Bridge to about 4th Street, and then the canal angled South to meet the river bank.

Although the Canal was closed up in the 1880s, to eliminate major health hazards associated with its water, the creek continues to run through its original natural path, although in a man-made tunnel ..right under the IRS Building and its neighbors.

San Francisco Mint, Continued

The citizens of Oakland, across the Bay, offered great assistance to San Franciscans. The Mint Superintendent was finally able to send a telegram from Oakland to the Director of the Mint in Washington, DC at the end of the day.

He reported to the Director, in the terse Western Union style of the time: "San Francisco visited early this morning by terrible earthquake followed by fire which has burned the greater part of business district. Mint building not damaged much by shock. Every building around the mint burned to the ground. It is the only building not destroyed for blocks. I reached building before the worst of the fire came, finding a lot of our men there, stationed them at points of vantage from roof to basement, and with our fire apparatus and without help from the fire department we successfully fought the fire away...Lieut. G. R. Armstrong, Sixth United States Infantry, with squad of men, was sent to us by commanding officer of department, who rendered efficient aid. Fire still burning in central and western parts of city, and what little remains of central business section is threatened. I could not report sooner, as I had to wait until I could return to Oakland. No dispatches could be sent from San Francisco."

Credit for saving the Mint building in San Francisco was certainly due to the employees, as described by the Superintendent in his memoirs. But, credit is also due to Alfred Mullett, the architect of the building (and of the Treasury Building's North Wing), who almost 40 years earlier, designed the San Francisco Mint building in such a massive and monumental style, with an intentional approach to minimizing the effects of any fire that should threaten it.

Although not an operational mint today, the building still stands strong, in tribute to those who fearlessly saved it from destruction one hundred years ago.

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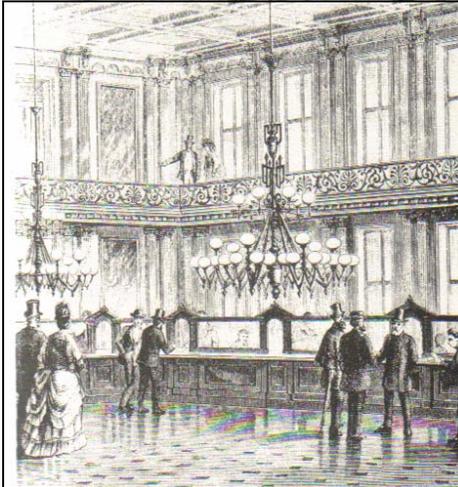
No More Check Cashing After June 30, 1976!

Thus heralded the closing of the Cash Room's banking operations in the Treasury Building after 107 years! The Cash Room had been built in a most elegant style to symbolize the strong financial condition of the "united" states after the Civil War. In its service to the country, the Treasury Cash Room could be used by Treasury employees, the District's "unbanked" (pension, welfare or veteran benefits recipients), and any person wanting to cash a check or a Savings Bond issued by the U.S. Treasury. Many Treasury employees cashed their paychecks and Savings Bonds in the Cash Room. It served also as a government receipts depository, exchanging old money for new, redeeming silver and gold certificates, and selling and redeeming Treasury Bonds. It was staffed by the 1,000-person Office of the Treasurer of the United States, a Treasury bureau at the time.

The balcony on the second floor of the Cash Room had been designed for use by the public to view the transactions carried on in the room below, observing the exchange of paper money for hard gold and silver, and thus seeing how strong the Nation's finances were. After all, until 1865, there was no common U.S. currency. With the advent of the new "greenback" (or "Demand Notes") by Secretary Salmon Chase in December 1861, the common, standard U.S. currency began to emerge, culminating with the Congressional Act of March 4, 1865 making all currency "national" and issued by federally-chartered banks.

The first use of the Cash Room, however, was not as a banking facility. President Grant's Inaugural Reception was held there on March 4, 1869. The unfinished marble floors were temporarily covered with polished wood to accommodate the 6,000 invitees, and unfinished walls were draped with bunting and other fabric to hide their incomplete status. Since the Cash Room was designed to hold only 375 people for ceremonies, the Inaugural Reception's activi-

ties were conducted throughout the Building, with food service and musical entertainment provided throughout. However, coat check arrangements for such a large event were disastrously lacking, according to the press of the day, and the Cash Room was not used for that purpose again! Soon after, in June 1869, the Cash Room officially



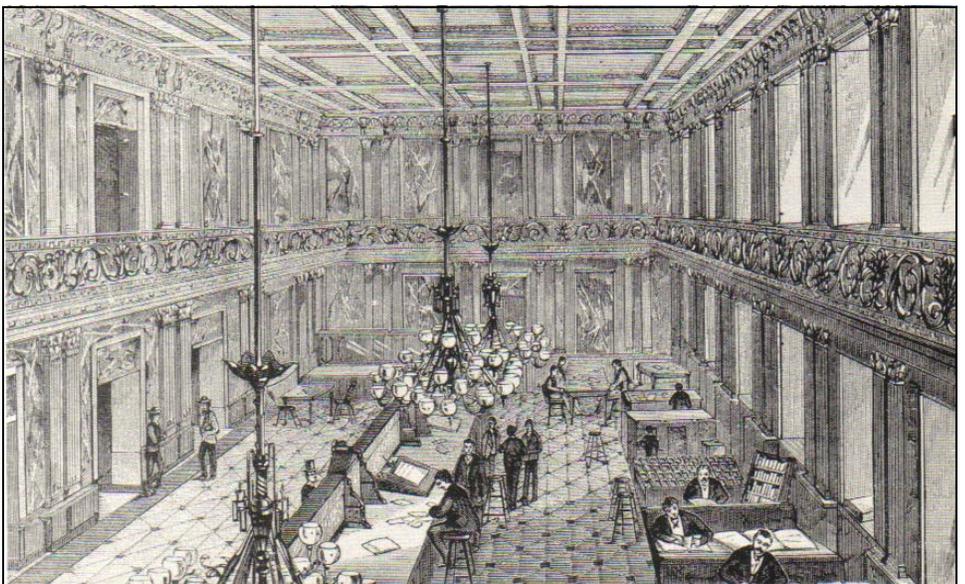
opened for its banking business. *Early etchings (above and below images) of Treasury Cash Room Banking Operations (Treasury Collection)*

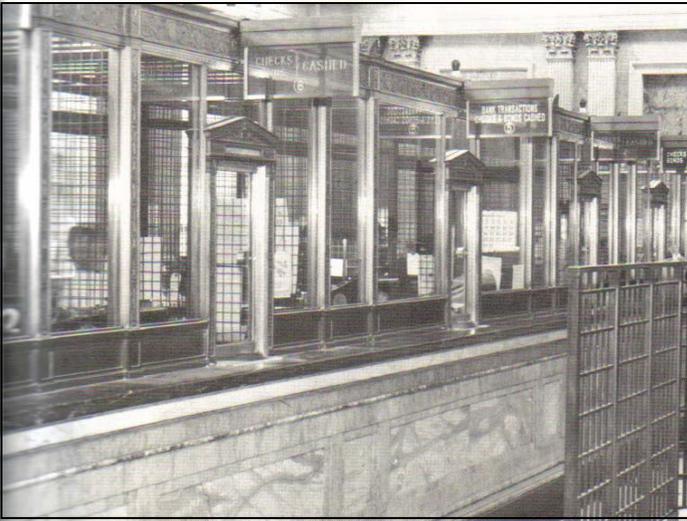
The Cash Room served the citizens well for over 100 years. Long lines formed outside the North entrance lobby on the first of the month to cash checks (without a cash checking fee). Elderly ladies with their black purses could be seen climbing the long steps of the North entrance to gain access to the Cash Room to cash

their pension checks. Then, as banks became more sophisticated, chartered, and "united" with federal currency, the Cash Room banking business began to decline. Eventually, business was at a peak for only 3-4 days each month. A study in 1974 set the stage for serious consideration of closing the Treasury Cash Room's banking operations. In September 1975, Treasury proposed returning the Cash Room back to its original "ceremonial" purposes and, thus, holding important Treasury events in its own building, at last. Ten new uses were proposed for the Cash Room. from meetings and conferences to historic and significant events for Treasury.

As of April 1, 1976, "users" of the Cash Room's banking operations were given notice to consider "direct deposit" (not electronic at that time) at a bank of their choice. June 30 was selected as the closing date, since it was the end of the fiscal year at that time (changing to September 30 one year later in 1977).

There was great concern by some that the "unbanked" population of the locality would no longer be able to cash their Federal benefit checks. Only the Cash Room bank had the authority to cash all federally-issued checks of this or any type for individuals who were not customers of a bank. Congressman Ron Dellums visited Treasury often during this time on this issue. Treasury then made arrangements with local banks to help these citizens become able to cash Treasury checks at these financial institutions in the future.





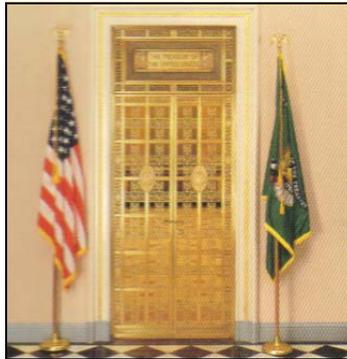
Tellers windows in Cash Room during its last 50 years of banking operations (Unknown Source)

The closing of the Cash Room was considered an “economy move” by Treasury and the then-Fiscal Assistant Secretary, David Mosso. Also involved in the decision were Secretary William E. Simon, Francine Neff, Treasurer of the United States, and Robert Fredlund, Director of Administrative Programs, whose responsibilities included the operations and management of the Treasury facilities. In 1975, at the time of this closing, THA published a new brochure about the purposes and planned activities for the restored Cash Room. At one time, THA even considered renaming the room the “Alexander Hamilton Room” after the first Secretary of the Treasury.

The Cash Room renovation and restoration project was not begun until 1985 and it was completed in 1987. During this time, the sectional brass and glass teller’s cages were disassembled, numbered and stored. Some were placed in the Annex Building and in the Treasury Building’s Appointment Center at the 15th Street entrance. The fluorescent lights were removed from the underside of the balcony and many other early twentieth century “modernization” additions were removed in order to restore the Cash Room to its original 1869 appearance. The U-shaped long marble counter that was the base of the teller’s cages remained in the room for about 8 years after 1976, even though meetings and other events were now being held there. It, too, needed to be disassembled, pieces numbered, and stored off-site.

During the years between the closing of the Cash Room’s banking operations and the 1985-1987 restoration project, the Department of the Treasury was granted authority by the U.S. Congress to accept gifts for its own use. This authority proved to be invaluable, and private donations helped immeasurably in the ultimate restoration of the Cash Room to the original elegance and grandeur intended by its architect, Alfred B. Mullett. (Mr. Mullett was also the architect of the Eisenhower Executive Office Building on the West side of the White House and which was originally named the State, War and Navy Building.)

In closing the doors of memories of the Cash Room’s banking operations, many



customers of the facility, to this day, fondly recall various nostalgic events related to their use of it:

- One of the staff members of the Cash Room operations would often frequently give children visitors a tour of the vault next to and below the Cash Room, and let them hold \$1 million in currency – a very heavy experience.
- Customers enjoyed receiving brand new, crisp bills and shiny coins in exchange for their paycheck.
- Secret Service officers would control the

walk-in flow of customers into the Cash Room, to ensure that the room would not become too crowded. Queues formed in the corridor for entry into the Cash Room as well as a near-by room where high-dollar T-Bills were sold. For the elderly, there were “church pew” type benches in the hallway where they could sit as they progressed up the line.

- Being located in the Treasury Building, the Cash Room operations enjoyed the unique status of being protected by uniformed officers the U.S. Secret Service. On one occasion, Treasury employees in nearby corridors were shouted at by officers to get against the wall, as the officers ran toward the Cash Room with rifles drawn. They had been alerted that a robbery was taking place. The Treasurer’s staff was locked in their office for protection. The Treasurer had a button under her desk to summons the Secret Service for events such as this. Eventually the perpetrator (robber or someone threatening a staff member in the banking operations) was apprehended!

While banking operations are no longer conducted in the Treasury Building, the rich and interesting history of this function will survive for future generations in the very name of “The Cash Room.”

Cash Room ornate entry doors (THA Files), left; Restored Cash Room as it appears today (Treasury Collection), below





December 2006

TREASURY HISTORICAL ASSOCIATION NEWSLETTER

Inside this Newsletter...

- **Treasury Annual Holiday Sale.** THA had a successful fundraising effort through our participation in the Department's Annual Cash Room Holiday Sale.
- **Keys to the Treasury.** THA has been able to obtain a limited quantity of this 1975 movie, converted to VHS for its members. Ordering information is on page 2.

Former Secretary Blumenthal Spoke at THA's Annual Open Membership Meeting

On December 7, THA held its annual Open Membership Meeting in the Treasury Building, and was honored to have as a guest lecturer former Secretary W. Michael Blumenthal, the 64th person to hold this post in the Nation's history. Secretary Blumenthal was one of two Treasury secretaries under President Jimmy Carter and served from 1977 to mid-1979. In his first visit to the Treasury Building in many years, Mr. Blumenthal presented to THA members and their guests an informative and entertaining summary of several key points of his tenure as a member of the Carter Cabinet.

The current Secretary, Henry M. Paulson, Jr., provided an introduction of Mr. Blumenthal, noting how the future Secretary escaped from Nazi Germany just prior to the outbreak of the Second World War, found refuge in China, and eventually arrived in the United States in 1947. Later, he would earn bachelor's, master's, and doctorate degrees in economics, as well as a master's degree in public affairs. Immediately prior to being appointed Treasury Secretary, Mr. Blumenthal served as President, Chairman, and CEO of the Bendix Corporation. His prior Federal service was at the State Department, where he served as a Deputy Assistant Secretary under the Kennedy Administration and as the President's Special Representative for Trade Negotiations in the the Johnson Administration.

Mr. Blumenthal's presentation to the THA audience included recollections of how the market reflects on the sitting Treasury Secretary, and also addressed a number of

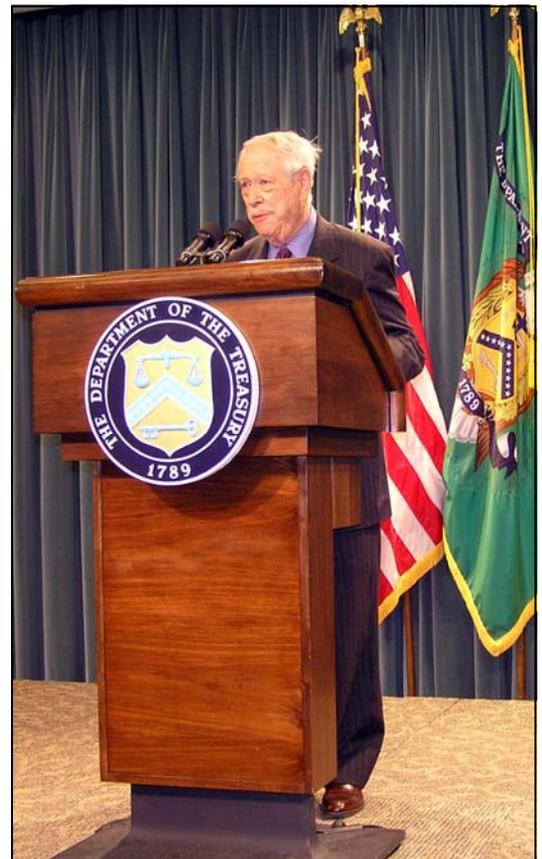
THA Annual Meeting — Continued

questions from the audience, including one relating to the Susan B. Anthony dollar coin, which did not really gain public acceptance.

As a small token of appreciation for his coming to THA's event from Princeton, NJ, THA's Chairman, Thomas O'Malley, presented the former Secretary with THA's commemorative ornament celebrating the 200th anniversary of the Department's move to Washington, DC.

Afterwards, THA President, David Monroe, briefed the meeting attendees on the state of the Association, with brief summarizations of the activities of each of THA's committees, as well as the organization's current overall financial standing.

Following the event, THA hosted a brief reception with refreshments for guests to meet the former Secretary and have brief conversations with him.



W. Michael Blumenthal, the 64th Secretary of the Treasury, at THA's December 7, 2006, Annual Open Membership Meeting (Photo Credit: Michael D. Serlin)

THA Participated in 2006 Cash Room Holiday Sale

THA was, once again, invited to participate in the Department's Annual Holiday Sale event in the Cash Room, this year held on December 12. This event provides opportunities for Treasury staff to make holiday gift purchases from Treasury organizations and non-profit organizations during the five-hour opening.

Organizations at this event were the United States Mint, the U.S. Secret Service Uniformed Division Benefit Fund, the Treasury Department Recreation Association, the Treasury Department Federal Credit Union, and THA.

While THA has not developed new commemorative ornaments since the year 2000, our past years' ornaments are of interest to new Treasury employees who were not at the Department during THA's 1989—2000 series of ornaments. Also, each year, THA offers for sale matted and framed photographs from our 2000 calendar, as well as other items of interest to Treasury employees. Included this year were copies of *The Keys to the Treasury* VHS video, a 1975 presentation of the functions of the Department and all its bureaus at that time. (See next column to order this video.)

This year's event was successful for THA's fundraising effort, realizing net proceeds of \$2,000 in sales and special orders.

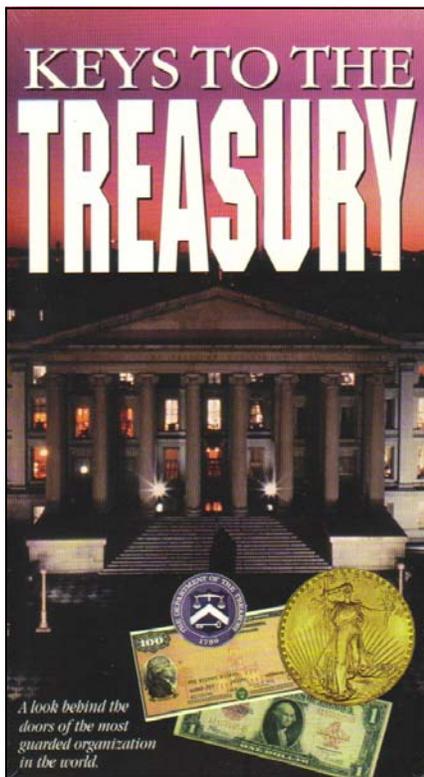
Correction to August Newsletter

And we thought the Y2K problem with automatic dates was over !

In our August newsletter, page 1, right column, the story on the San Francisco earthquake had a headline citing the year 1906, but the first line of text cited 2006...obviously, an error. The on-line copy of this Newsletter that appears on THA's website has been corrected immediately upon our discovery, but hard copies were already in the mail to those members who do not receive it electronically. So, if you retain copies of our newsletters, please correct our error...yes, human error, not Y2K computer problem!

The Keys to the Treasury Video Available to THA

The Keys to the Treasury is a 1975-vintage movie on the many functions of the Treasury Department and was professionally converted from its original 16 millimeter theatre format to VHS by a THA member, the late Michael Craven, an educational film producer in Hollywood. The original film production was managed by Treasury's Office of Public Affairs, and was part of the Department's celebration of the Bicentennial of the American Revolution in 1976. It includes many scenes in the Treasury Building as well as in the various bureaus that were in the Department at that time.



THA was fortunate to obtain a limited quantity of this 30-minute video from Mr. Craven's family recently, and is offering them to our members at \$20 a copy, including shipping and handling. To order, please send your check with a note containing your name and mailing address to THA at our P.O. Box. Please allow 3-4 weeks for order processing and mail delivery.

Treasury's Ties to the Military; Partnership Under Construction

Treasury's role in military operations is commonly known, since the U.S. Coast Guard was part of the Department in our generation's time. Coast Guard activities, particularly during times of declared war, are identified as military operations. But, more than 100 years earlier, Treasury had a relationship with another military organization — today's U.S. Army Corps of Engineers, then the Corps of Topographical Engineers.

While Treasury's Office of the Supervising Architect had responsibilities for design and construction of Federal buildings, the expanding nation was too great a burden for Treasury to take on alone, and they sought the aid of the Corps.

To support the Lighthouse Service, a Treasury bureau, the Corps became involved with construction of "lights" in 1834. When the Corps oversaw the construction of lighthouses, the Treasury transferred all responsibilities to them, with structures being turned back to Treasury for operations, after completion.

Treasury's Marine Hospital Service, the predecessor to today's Public Health Service, was another expanding bureau where the Corps was called upon to assist in construction oversight of hospital buildings. This assignment began around 1837, using hospital designs created by Robert Mills, the architect of Treasury's East wing. Again, when they were completed, the Corps turned the hospitals back to Treasury for operations.

The Corps aided Treasury again in 1848 in overseeing the construction of the foundation of the New Orleans Customs House, a technical challenge due to the ground water problems in that city.

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