

C O P Y

D-348

SPECIAL MEETING OF BOARD OF DIRECTORS, MARCH 7, 1941

A special meeting of the Board of Directors of the Federal Reserve Bank of Chicago was held in the Directors' room on Friday, March 7, 1941, at 10:00 A.M., pursuant to notice duly given.

PRESENT: Directors Babb
 Cummings
 Estberg
 Gregory, Deputy Chairman
 Leland
 Lewis, Chairman
 Noyes
 Williams

ABSENT: Director Van Dusen

Chairman Lewis presided.

Director Leland was asked by the Chairman to act as Secretary, pro tem.

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SALARY -
C. A. PHILLIPS

Chairman Lewis reported that the Board of Governors had approved the salary of C. A. PHILLIPS on a monthly basis at \$250 per month until March 31, 1941. After some discussion, it was decided that no action be taken with reference to this, inasmuch as the action at the last meeting still stands.

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MANAGING DIRECTOR -
DETROIT BRANCH

Upon the motion of Director Gregory, seconded by Director Babb, the appointment of H. J. CHALFONT as Managing Director of the Detroit Branch at a salary of \$10,000 per annum was unanimously APPROVED for one year, beginning April 1, 1941.

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FEDERAL OPEN MARKET
COMMITTEE - MEMBER AND
ALTERNATE FOR 1941

Pursuant to the provisions of Section 12a of the Federal Reserve Act, as amended, and Section 1 of Article 1 of the By-Laws of the Federal Open Market Committee, upon motion of Director Gregory, seconded by Director Noyes, the Directors present cast their respective ballots for the President of the Federal Reserve Bank of St. Louis (CHESTER C. DAVIS) as the Member, and the President of the Federal Reserve Bank of Chicago (to be elected) as the Alternate Member of the Federal Open Market Committee for the term of one year, beginning March 1, 1941.

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STANDING COMMITTEES

The matter of appointment of standing committees was next discussed. On motion by Director Williams, seconded by Director Babb, it was unanimously VOTED to substitute Director Leland for Director Wood on all of the standing committees, it being understood that Director Lewis would be Chairman of the Executive Committee. This being done, the standing committees for the period up until April 1, 1941, and from April 1, 1941, to April 1, 1942, are as follows:

EXECUTIVE COMMITTEE

Directors Cummings
Estberg
Lewis - Chairman
Williams
Leland

Alternates:

Directors Babb
Gregory
Noyes

COMMITTEE ON ADMISSIONS

Directors Cummings
Estberg
Van Dusen
Williams

Alternates:

Directors Babb
Lewis
Leland

DISCOUNT COMMITTEE

Messrs. Preston
Snyder
Young - Chairman
Dillard
Olson - Secretary

SALARY COMMITTEE

Directors Babb
Cummings
Estberg
Lewis
Leland

AUDITING COMMITTEE

Directors Estberg
Gregory
Williams

FUNCTIONAL EXPENSE COMMITTEE

Directors Cummings
Estberg
Williams

It was understood that the newly-elected President would take the place of retiring President Schaller on the Discount Committee.

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PRESIDENT AND FIRST
VICE PRESIDENT -
ELECTION AND FIXING
OF SALARIES

The next order of business was the election of a President for a term of five years and the fixing of his salary.

Upon the motion of Director Gregory, seconded by Director Estberg, MR. CLIFFORD S. YOUNG was nominated for President of the Federal Reserve Bank of Chicago for a term of five years. Ballots were taken and Chairman Lewis declared Mr. Young ELECTED unanimously.

Upon the motion of Director Babb, seconded by Director Williams, it was unanimously VOTED that the election of MR. HOWARD P. PRESTON as First Vice President of the Federal Reserve Bank of Chicago for a term of five years, as reported at the last meeting, be made unanimous.

Upon the motion of Director Cummings, seconded by Director Leland, it was unanimously VOTED that the salary of the President of the Federal Reserve Bank of Chicago for the next five years be fixed at \$35,000 per annum.

Upon the motion of Director Williams, seconded by Director Estberg, it was unanimously VOTED that the salary of the First Vice President of the Federal Reserve Bank of Chicago for the next five years be fixed at \$25,000 per annum.

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VICE PRESIDENT -
F. R. BANK OF CHICAGO

Upon the motion of Director Babb, seconded by Director Estberg, it was unanimously VOTED that Director FRANK D. WILLIAMS be offered the post of Vice President of the Federal Reserve Bank of Chicago at a salary of \$21,000 per annum, succeeding Mr. Clifford S. Young. The matter was referred to Director Williams for consideration.

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There being no further business, the meeting was ADJOURNED upon the motion of Director Noyes, seconded by Director Babb, and carried unanimously.

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(Signed) Simeon E. Leland
Secretary pro tem