

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11.15 a. m. on Wednesday, April 14,

PRESENT:

Mr. Delano, presiding,      Mr. Harding

Mr. Warburg                      Mr. Miller

Mr. Willis, Secretary.

The minutes of the meeting of 11.30 a. m. Tuesday, April 13, were read and approved.

The Acting Governor stated to the Board that, pursuant to an executive order issued by the President, the Treasury Department would be closed on April 15th as a mark of respect to the memory of Abraham Lincoln, it being the fiftieth anniversary of his death. On motion, the Board voted that tomorrow, April 15th, 1915, be observed as a holiday, in accordance with the executive order of the President.

At the request of the Acting Governor, it was directed that a minute be entered to the fact that on March 26th a committee, acting for the Board, sent to the Attorney General of the United States a request for a conversation with him, a similar note at the same time being sent to Assistant Attorney General Warren. The

Committee was informed in reply that the Attorney General himself being out of town, it was suggested that the conference be had with Assistant Attorney General Warren. On April 2d, an informal conference at luncheon was held with Assistant Attorney General Warren and at that time the general question whether the funds of the Board be treated as "public moneys" was laid before him, and the content of the recent opinion of the Attorney General relative to that subject was discussed. At the same time, a formal letter dated March 29th, was submitted to him, while on April 7th a legal brief covering the principal points at issue, was also submitted. The Board is now awaiting an official answer to these communications.

The draft of a proposed announcement to appear in the first issue of the Federal Reserve Bulletin having been brought before the Board was approved, and its publication authorized, subject to minor changes in language, where necessary.

The minutes of the meeting of the Executive Committee of April 13th, making report of the action and recommendations of that meeting, were read to the Board, and this report was received and adopted.

On motion it was voted to enter a minute regard-



ing the action of the Executive Committee with reference to the establishment of the salary of Messrs. M. B. Wellborn and E. O. Tenison at \$7,500 per annum each, and approving thereof, as well as of the action of the Committee in recommending the approval of the salaries named by the Federal Reserve Bank of Dallas for its officers. It was voted that the salaries of Messrs. Wellborn and Tenison should date from May 1st next.

The subject of discount rates at Federal reserve banks was taken up, and various communications from the banks, indicating that no change was necessary, were presented.

On motion, the Secretary was directed to prepare a form of blank to be filled out by Federal reserve agents each week for transmission to the Federal Reserve Board, such blanks to state what changes in rates were desired or whether none was deemed necessary. The Secretary was further directed to prepare the draft of a letter relating to the subject, for presentation to the Board.

A report from Federal Reserve Agent Ingle relating to gold shipments from Richmond to the Treasury, and the issue of order certificates against them, was read to the Board and the facts noted.

A report submitted by Federal Reserve Agent Bosworth of Chicago, relative to the failure of the Commercial National Bank of Indianapolis, Indiana, to maintain its required reserve, was referred to Messrs. Harding and Williams for recommendation of a plan of action.

The Secretary of the Board having presented a letter from the Mellon National Bank of Pittsburgh, making inquiry with regard to the cost of a recent examination, and the draft of a reply thereto, it was, on motion, voted that the Committee on Audit and Examination be asked to report fully what has been done in regard to the regulation of bank examiners' salaries, in order that an appropriate reply may be framed, and that the Comptroller of the Currency be asked to supply a list of the men at present holding office as examiners, with the salary fixed for each such man. Pending the outcome of this investigation and report, the Secretary of the Board was directed to draft a letter stating that the Board will shortly report fully on the whole subject.

On motion it was voted, on recommendation of Mr. Harding, to admit to the Federal Reserve system the First State Bank of Wolfe City, Texas.

A request for the opinion of Counsel relating to



Section 22 of the Federal Reserve Act having been made of the Board, it was voted that this opinion may be sent to any inquirer, and that it may also be published in the Federal Reserve Bulletin, a statement, however, to be attached to the opinion, noting that the penalty under this section in questions involving criminal offense, the mere opinion of the Counsel of the Board is unable to release the liability for any such penalties as may be incurred by offenders against the law.

In answer to an inquiry whether the approval of the Executive Committee of any Federal Reserve Bank is sufficient to authorize the participation of that bank in the proposed gold settlement fund, the Secretary was instructed to say that such a vote of the Executive Committee will be satisfactory.

Mr. Warburg presented to the Board the question of the establishment of a branch of the National City Bank in Uruguay, same to be a subbranch of the branch already authorized at Buenos Ayres. The question was ordered taken under advisement, to be considered at a subsequent meeting.

On motion, at 12.45 p. m. the Board adjourned

to meet on Friday, April 16 at 11.00 a. m.

H. Parker Willis  
Secretary.

APPROVED:

Carlano

Chairman.