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At a regular meeting of the Federal Reserve Board held in the office of the Governor on Tuesday, July 3, at 11 a.m.,

PRESENT:

Mr. Harding, presiding, Mr. Warburg,
Mr. Miller Mr. Willis, Secretary.
Mr. Delano,

The minutes of the meeting of the Board held on July 2 were read and, on motion, approved.

Letters from Governor Strong and Federal Reserve Agent Jay inquiring with reference to future audits of the Gold Settlement Fund, were read and discussed, and the question of method of dealing with such audits in the future was referred to Governor Harding and Mr. Miller, acting as a special committee, in lieu of the Gold Settlement Committee, for this occasion.

A letter from Mr. R. M. Gidney with reference to the joint custody of funds held by the Federal Reserve Agent at New York, was read and, on motion, referred to the Governor and Counsel of the Board.

A letter from Federal Reserve Agent Perrin with reference to the "earmarking" of paper in the hands of Federal

reserve agents was read, and, on motion, referred to the Governor and Counsel.

A memorandum on the hours of work in the Statistical Division of the Board was read and referred to the Committee on Expenditures with power to act.

A letter from Federal Reserve Agent Sawyer with reference to the use of the term "Federal Reserve" in the titles of State banks was read and, on motion, referred to Counsel for an opinion.

A letter from Mr. R. M. Gidney stating the method employed by the Federal Reserve Bank of New York in maintaining practically equivalent percentages of reserve against notes and deposits, was read and the contents noted.

A copy of a letter sent by Assistant Secretary of the Treasury Crosby to the Treasurer of the United States relative to the purchase of one year 3% Treasury notes by Federal reserve banks, was read and noted.

Governor Harding notified the Board that he had surrendered the combination of the safe in which the Gold Settlement Certificates were formerly kept, to the Secretary of the Board, the safe itself being now

empty, due to the transfer of all certificates to the Treasury.

Changes in capital stock of Federal Reserve Banks, duly recommended by the Committee on Membership, were approved as follows:

Applications for Surrender of Stock.

<u>District No. 4.</u>		Shares	
First National Bank	Bowling Green, Ohio,	<u>41</u>	41
<u>District No. 8.</u>			
First National Bank.	Omaha, Ill.	<u>18</u>	18
<u>District No. 11.</u>			
Security National Bank	Caddo, Okla.	<u>18</u>	18
	Total		<u>77</u>

Applications for Original Stock.

<u>District No. 9.</u>			
National Exchange Bank	St. Paul, Minn.		225
First National Bank	Big Sandy, Mont.		18
First National Bank	Carter, Mont.	<u>17</u>	260
<u>District No. 10.</u>			
Union National Bank	Wichita, Kansas,	<u>120</u>	120
<u>District No. 12.</u>			
First National Bank	Florence, Ariz.		9
First National Bank	Chowchilla, Calif.	<u>17</u>	26
	Total		<u>405</u>

The minutes of the meetings of the Committee on Clayton Act held on June 29 and July 3, were read and, on motion, approved and the action therein set forth ratified.

Governor Harding gave notice that the Committee on Trustee Powers had a report with reference to the granting of trustee powers to certain banks, in process of preparation and which it would like to be authorized to file officially with the Board. On motion, the matter was placed in the hands of the Executive Committee with power to act.

After discussion of existing methods of filing and reporting on pending business, the Secretary of the Board was authorized to confer with the secretaries of the various members for the purpose of obtaining more expeditious methods of filing and the transaction of business, and also to secure the prompt closing up of business now pending, if any.

Governor Harding presented a letter from Federal Reserve Agent Hardy inquiring what action had been taken with reference to salaries at Federal Reserve Banks. The matter was informally called to the attention of the Com-

mittee on Staff.

A letter from Federal Reserve Agent Perrin with reference to the joint custody of funds by Federal reserve banks and Federal reserve agents, was read to the Board; also a letter from Mr. Perrin relative to a change in the form of endorsement on paper in the hands of the reserve agent. A draft of reply to the latter letter was presented and, on motion, ordered transmitted.

It was agreed that in the absence of Mr. Delano during the next few days, Mr. Miller should take his place as a member of the Executive Committee.

On motion at 12.10 p.m. the Board adjourned to meet on Tuesday, July 10, at eleven a.m., unless sooner called by the Chair.

APPROVED:

H. P. [Signature]
Secretary.

Chairman.