

At an adjourned meeting of the Federal Reserve Board held in the office of the Governor on Thursday, August 9, 1917, at 11 a.m.,

PRESENT:

Mr. Harding, presiding,	Mr. Delano,
Mr. Hamlin,	Mr. Miller,
Mr. Warburg,	Mr. Allen, Assistant Secretary.

The minutes of the meeting of the Board held on July 31, with additions to be made by Governor Harding, and the minutes of the meeting of August 8, were approved.

The question raised by Federal Reserve Agent Martin, whether an Assistant Federal Reserve Agent should act as a member of the Executive Committee in the absence of the Agent, was ordered to be answered in the negative, with the suggestion that the aid of the Assistant should be at the disposal of the Executive Committee when desired.

Recommendations as to rates of discount for nine banks were presented. No changes were recommended.

Consideration was given to Mr. Broderick's memorandum on the open market rate at Atlanta, and the memorandum was approved.

A telegram from Federal Reserve Agent Martin stating the election of W. P. Kincheloe, national bank examiner, as the third director of the branch bank at Louisville and his selection as manager, was received, and referred to Mr. Delano for consideration of the question of salary, not stated.

The Board authorized the announcement to the press of the four directors already selected for the Louisville branch.

Reports of the Committee on Staff covering the following increases, were approved by the Board:

J. L. Reed, Assistant Federal Reserve Agent at San Francisco, an increase from \$100 to \$125 per month.

The salary of \$2400 per annum for Charles R. Kuchins, appointed national bank examiner, district No. 4, effective on the date he takes up his duties.

Opinions of Counsel holding that postal savings are subject to 3% reserve and that the word "bank" as used in Section 13 of the Act does not include private bankers, and that Federal reserve banks are without authority to extend the clearing privileges to such bankers, were approved and ordered to be sent out.

Mr. Delano was authorized by the Board to make a trip to investigate the branch bank situation in various sections of the United States at the expense of the Board. It was informally agreed that Mr. Miller and Mr. Delano could not at this time act upon the suggestion wired by Federal Reserve Agent Perrin and visit the Pacific Northwest.

Mr. Williams entered the meeting at this point, and there was an informal report of the Committee on Quarters, as the result of which the Executive Committee was given power to authorize the Governor of the Board to sign a lease for all or part of the fifth floor of the Metropolitan National Bank Building, at such price as seemed to them reasonable. It was agreed that Counsel's office should remain in the Treasury Building, and assignment to the new space was not made.

The Board approved a circular to Federal Reserve Agents and banks covering joint custody of notes and securities, and it was ordered to be sent out.

Assistant Secretary Allen was authorized to turn over to Secretary Willis the work of the Gold Settlement

Fund as of Monday, August 13, and to take leave.

At 12.30 the meeting adjourned, to meet on Tuesday, August 14, at 11 a.m.

APPROVED:

Secretary.

Chairman.