

At a regular meeting of the Federal Reserve Board held in the office of the Board on Friday, June 14, 1918, at 11 A.M.,

## PRESENT:

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

The minutes of the meeting of the Board held on June 12th were read and on motion approved.

The minutes of the meetings of the Gold Export Committee held on June 13th and 14th, were presented and on motion approved and the action therein set forth ratified.

Discount rate sheets from Federal Reserve Banks (no changes) were presented and ordered passed to file.

The following telegram transmitted on June 13th to the Federal Reserve Banks of Chicago and Cleveland, was read and the action approved:

"June 13, 1918.

"Board desires you to rediscount five million dollars bills receivable for Federal Reserve Bank, Kansas City, with its endorsement four and three quarters per cent rate. Please arrange details direct.

Warburg"

A telegram from the Federal Reserve Bank of Dallas asking a rediscount of \$5,000,000 for 30 to 60 days was read and discussed. On motion it was voted that the matter be referred to Vice Governor Warburg with power to act.

On motion of Mr. Miller, it was voted that the whole question of discount rates of Federal Reserve banks be taken up for discussion by the appropriate Committee and that a new schedule be reported at an early date for action.

On motion it was voted that henceforth (dating from June 18th) Board meetings shall occur on Tuesdays and Thursdays at 11 o'clock. It was agreed that the Gold Export Committee meet on those days at 10:15 A.M.

A letter from Assistant Federal Reserve Agent Elliott re the early preparation of \$5 Federal Reserve notes for San Francisco was read; also a letter from the Comptroller's office re the present situation was read and noted, the Secretary to reply accordingly.

It was on motion voted to ask the Comptroller of the Currency to take all such measures as are in his power to hasten the preparation and issue of Federal Reserve notes in consultation with the authorities of the Treasury.

Mr. Warburg read a telegram by Assistant Secretary Leffingwell to Federal Reserve Banks relative to the sale of certificates of indebtedness in anticipation of the 4th Liberty Loan.

The status of Max May with special reference to a recent secret service report as to his record and loyalty was discussed, apropos of a visit from Mr. May to members of the Board on the 13th instant. It was agreed that the Board write the Federal Reserve Bank of New York that the Board believes the paper of the Corporation which now employs Mr. May should be dealt with on the same basis as that of other corporations in like position.

A letter from the Federal Reserve Bank of New York transmitting a vote of the Board of Directors re the accounting treatment of their new site, was read and on motion referred to the New York Committee.

A letter from Assistant Secretary Leffingwell re the publication of lists of subscribers to Treasury Certificates was read and Mr. Miller asked to reply in accordance therewith.

A memorandum from the Statistician re the publication of data showing rediscounts among Federal Reserve

banks was read and on motion the data approved for semi-annual publication.

Correspondence re losses of Federal Reserve notes or parts thereof was referred to the Assistant Counsel for report to Committee No. 3 with power, the Committee to report to the Board.

A letter from the Comptroller re the purchase of a new macerator was referred to Committee No. 1, with power.

Reports of Committees were presented and approved as follows:

No. 1.

Dated June 12th, recommending approval of the appointment of T. G. Bell as National Bank Examiner at \$3,600 per annum, effective June 16th.

Dated June 14th, recommending the temporary appointment of W. H. Steiner (Board's Staff) at \$150 per month, effective June 15th.

Dated June 12th, recommending approval of appointment of B. K. Patterson as National Bank Examiner at \$2,400 per annum, effective on assuming duty.

Dated June 14th, recommending the appointment of Mrs. E.B. Williams (Division of Foreign Exchange) at \$1,000 per annum, effective June 17th.

Dated June 14th, recommending approval of appointment of C. F. Smith as National Bank Examiner at \$2,400 per annum; and approval of an increase of the salary of W. H. Reed from \$2,700 to \$3,000 per annum, effective July 1st.

Dated June 14th, recommending approval of appointment of W. H. Dilliston as Special Examiner for the Board and the Federal Reserve Bank of New York, at \$4,500 per annum, effective on assuming duty.

A letter from the Comptroller announcing the appointment of Mrs. M. H. Hester at \$960 per annum, effective June 11th, under authority already granted was read and approved.

No. 2.

Dated June 14th, recommending the approval of the admission of state institutions on terms named in each case by the Committee, as follows:

Bank of New Richmond, Wis., 30 shares in the Federal Reserve Bank of Minneapolis.

Farmers & Stockgrowers Bank, Salt Lake City, Utah, 191 shares in the Federal Reserve Bank of San Francisco.

Mr. Delano reported informally re the reimbursement of expenses incurred by members of the old Capital Issues Committee. The matter was laid on the table until the next meeting.

Mr. Miller reported his intention of leaving Washington for California on June 21st, returning starting probably August 5th, stopping at Chicago and Salt Lake City. He suggested that the Board authorize him to visit the Northwestern branches officially. On motion this visit (from San Francisco to the branches and back to San Francisco)

