

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Governor on Saturday, June 29, 1918, at 11 A.M.,

## PRESENT:

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

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

A resolution of the Federal Reserve Bank of Kansas City re maximum and minimum rates of discount was presented. The following resolution was read and ordered discussed with the Governors of Reserve banks on Monday, July 1st:

"Now, therefore, be it resolved, That whenever, after August 15, 1918, the Executive Committee of this Bank approves offerings of member banks for discount in excess of their respective required reserve balances, such offerings shall be subject to an advanced differential in discount rates equal to one-half ( $\frac{1}{2}$ ) per cent for all classes of paper, and all maturities except notes secured by certificates of indebtedness and Liberty Loan Bonds, which notes shall be subject to an advanced differential of one-fourth ( $\frac{1}{4}$ ) per cent; provided that, in dealing with offerings of paper secured by certificates of indebtedness or Liberty Loan Bonds, this Bank may, in its discretion, abstain from putting into effect the above differential of  $\frac{1}{4}$ % in cases where the offerings are caused by transactions undertaken by a member bank for the benefit of the Government rather than for its own or that of its customers."

A report of Committee No. 3, granting to Irving

H. Chase permission under the Clayton Act as indicated in the report was adopted.

A report of Committee No. 2, favoring the grant of acceptance powers to 100% to the Phoenix National Bank of Hartford, Connecticut, was adopted.

A letter from Mr. W. H. Kettig, accepting appointment as director of the Birmingham branch, was read and noted.

A report of Committee No. 1, recommending a separate bond for \$25,000 for R. R. Burklin as Deputy Fiscal Agent, was adopted, the premium to be paid by the Board.

Mrs. M. W. Marvin of Mr. Hamlin's office was ordered transferred to the Division of Mail and Files and Miss Lucia M. Emery to Mr. Hamlin's office.

Mr. Delano read a report on the salaries of the Board's staff and on motion the report was adopted with amendments as follows:

June 28, 1916.

To the Federal Reserve Board,  
Gentlemen:

Your Committee No. 1(a), to whom has been referred various recommendations covering adjustments in salaries of the staff of the Federal Reserve Board for the period beginning July 1st, begs to report:

There are attached hereto recommendations from the Comptroller of the Currency covering certain employes in the Division of Federal Reserve Issue and Redemption; from the Secretary of the Board, covering certain employes under his jurisdiction, including those of the Division of Reports and Statistics; from Mr. Broderick, of the Division of Audit and Examination, and from Mr. Kent, of the Division of Foreign Exchange, New York.

After a careful consideration of the attached memoranda, your Committee believes that the increases listed therein are justified, and therefore recommends to the Board their approval, as shown upon the enclosure next attached, to be effective July 1, 1918.

Your Committee begs to call attention to the fact that the Congress has passed a Bill, known as H.R. 10358, the "Legislative Bill", which is now before The President for his signature, one section of which provides for an added compensation of \$120 per annum for all employes of the Legislative Departments of Government service receiving an annual salary of \$2,500 or less. If this Bill becomes law, your Committee is advised by the Comptroller of the Treasury that the Federal Reserve Board will be governed thereby. In this case there will be further increases for the ten employes whose names are marked with (#), amounting, in total, to \$260 per annum.

There will also be a general increase of \$120 per annum for all employes of the Federal Reserve Board whose headquarters are in Washington, D.C., not covered by our specific recommendation, who receive salaries of \$2,500 per annum or less. This list would cover 36 employes, and would amount to \$4,320 per annum.

Respectfully submitted,

F. A. Delano, )  
C. S. Hamlin, ) Committee.

## Proposed salary adjustments as of July 1, 1918:

NAME	Present Salary	Proposed Salary	Increase
<u>Secretary's Office:</u>			
Kitzmilller, H. W.	\$2,100	\$2,400	\$300
Moore, J. P.	1,650	1,800	150
Morey, Miss E.	1,200	1,500	300
Black, Miss B.	1,320	1,440	120
Jemison, W. W.	1,650	1,800	150
Rice, Mrs. M.A.	1,200	1,320	120
Fletcher, Wilson	900	1,100	200
Jett, Charles R.	900	1,000	100 (#)
<u>Reports and Statistics:</u>			
Jacobson, M., Chief,	4,500	5,000 *	500
Snead, Edw. L.	2,500	3,000	500
Tracy, J. F.	2,000	2,100	100 (#)
Emerson, R. G.	1,800	2,250	450
McLinden, Miss Pauline	1,800	1,920	120
Smith, A. E.	2,000	2,250	250
Van Fossen, J.R.	1,650	1,800	150
Moore, A.A.	1,500	1,650	150
Ould, J. C.	1,440	1,500	60 (#)
Halsted, J. P.	1,400	1,500	100 (#)
Dorsey, W. P.	1,200	1,400	200 (Temporary)
Holt, Warren	1,200	1,400	200 ( " )
Jones, Mrs. Susan W.	1,000	1,200	200
Lally, Miss Katherine	1,000	1,200	200
Matter, Mrs. Laura N.	900	1,000	100 (#) (Temporary)
Cooke, Mrs. Frances	900	1,000	100 (#) ( " )

Your Committee concurs in Mr. Jacobson's request that the temporary appointments noted above be made permanent.

Audit and Examination:

Herson, James F.	3,600	4,000	400
Buchanan, James, Jr.	1,800	2,100	300
Laning, Alfred H.	1,800	2,000	200
Augherton, G. A.	1,800	2,000	200
Brett, Rolfe H.	1,500	1,800	300
Chamberlin, R. B.	1,500	1,800	300
Millikin, Miss N.L.	1,320	1,440	120
Bartz, Charles	600	720	120

\* Mr. Jacobson's salary amended to \$5,400.

Division of Federal Reserve Issue & Redemption:

<u>NAME</u>	<u>Present Salary</u>	<u>Proposed Salary</u>	<u>Increase</u>
Tucker, Wm. J.	\$1,900	\$2,000	\$100 (#)
Durnbaugh, Walter K.	1,200	1,320	120
Hunton, Miss Lillian,	960	1,080	120
Snead, Miss Susan	960	1,020	60 (#)
Dashiell, S.T.	900	1,000	100 (#)
Telephone Operator:			
Miss Pauline Tippet,	900	1,000	100 (#)

Division of Foreign Exchange:

J. E. Bizzell,	1,800	4,000	2,200
.....			
Anne L. Seward,		3,000	
Hymes, Louis B.	1,500	1,800	300
McCain, Miss W.	1,500	1,800	300
McGowan, Anna,	1,320	1,320	
Wells, Marion H.	1,200	1,200	
Mercready, Lillian	1,200	1,200	
Ivins, Hope	1,200	1,200	
Petry, Lillian A.	1,200	1,200	
Parks, Daisy A.	1,080	1,200	120
De Roxtro, Emma	960	1,000	40
Edrige, Adelaide R.	960	1,000	40
Gallagher, Florence	960	1,020	60
March, Florence	960	1,000	40
Russlend, Henrietta	960	1,000	40
Johnson, Florence C.	900	960	60
Spiller, Florence M.	900	960	60
King, Lilian M.	900	900	
Brower, Helen I.	840	900	60
Dreyer, Margaret	840	840	
Eckhardt, Anna K.	840	900	60
Hyland, Theresa	840	900	60
Jones, Mrs. D.W.	840	1,000	160
Knox, Ethel M.	840	1,000	160
de Vigne, Helene A.	780	840	60
Greason, Susan B.	780	840	60
Kelly, Marion F.	780	780	
MacDonald, Eva	780	780	
Root, Madeleine H.	780	780	
Tallaksen, Signe E.	780	840	60
Bowker, Mabel A.	720	780	60

Division of Foreign Exchange (Continued)

<u>NAME</u>	<u>Present Salary</u>	<u>Proposed Salary</u>	<u>Increase</u>
Coombe, Grace E.	\$720	\$780	\$60
Crookston, Helene M.	720	780	60
Hatfield, Minnie	720	840	120
Pine, Violet G.	720	780	60
Hildenfinger, Bessie	660	780	120
Walsh, Thomas	480	600	120
Patterson, Louise	900	900	
Wing, C. R.	<u>1,300</u>	<u>1,300</u>	
Totals .....	\$38,518	\$39,700	\$2,340

Salaries of secretaries to members and also the chief clerk of the Board were set at not to exceed \$2,500 with a permissive addition of \$100 per annum for each successive year's service, such increase at the option of the member or in the case of the chief clerk, of the Secretary, to a maximum of \$3,000. Accordingly the following salaries were fixed, effective August 1st:

R. R. Burklin,	\$2,900
O. E. Foulk,	2,900
John DeLaMater,	2,900
W. T. Chapman,	2,900
Nelson Stuart,	2,900

Payment of all the foregoing at \$2,800 was ordered effective July 1 to August 1, 1918.

On recommendation of Mr. Williams the salary of S. B. Congdon as National Bank Examiner was set at \$3,000, effective July 1st.

The following reports of Committee No. 1 re

salaries at Federal Reserve banks, effective July 1st, were adopted:

Dated June 29th, salaries at Boston;

Dated June 29th, salaries at Cleveland;

Dated June 29th, salaries at Dallas.

A report, dated June 29th, regarding salaries at Philadelphia, was laid on the table.

Reports of Committee No. 1 were approved as follows:

Dated June 29th, recommending appointment of Miss Ida B. Gilson at \$1,200 per annum, effective July 1st.

A report of Mr. Delano, recommending postponement of the proposed plan for the establishment of a schedule of rates to be charged by member banks against their customers, until the Federal Reserve clearing system shall have been more thoroughly established, was read and adopted.

The resignation of Mr. Herbert M. Rose, effective July 1st, was on motion accepted.

On motion it was voted that Mr. Kent be authorized to pay his stenographer, not now on the payroll, a sufficient sum to cover extra expenses.

\* A report providing for the organization of the Board's Division of Analysis and Research and specifying

the personnel to be engaged therein was on motion adopted, as follows:

"The Executive Committee to which was referred the report adopted by the Board on June 25th providing for the establishment of a Division of Analysis and Research, with the request that a plan of organization be prepared, reports to the Board as follows:

"(1) We recommend the creation of a staff of the Division of Analysis and Research as follows:

- (a) Head of division, salary \$5,000.
- (b) Four statistical clerks at salaries from \$1,200 to \$1,800.
- (c) One stenographer at not to exceed \$1,200.

"The statistical clerks shall be appointed upon the recommendation of the head of the division, name, salary and conditions of employment being in each case submitted to the Board for ratification and the appointments being made as the work develops, so that the present recommendation means only a general authority for proceeding with the work of organization on the basis outlined. The stenographer provided for will probably be appointed first, name, salary and conditions of employment being placed before the Board for ratification as soon as a selection is made.

"(2) We recommend that for the present at least, the division be assigned quarters in New York inasmuch as some of the important work to be conducted by the division will be prosecuted there to best advantage. The division should be allotted one small and one moderate sized room, the latter to serve as a statistical work room. We recommend that effort be made to obtain this space from the Federal Reserve Bank of New York or from the Division of Foreign Exchange, but if not possible to obtain it without inconvenience, that such space be rented upon a monthly basis if possible or, if necessary, upon short lease, the arrangements to this effect being submitted to the Board for ratification as soon as tentatively made. Pending complete organization of the division its work will be done in the rooms of the Division of Statistics.

"(3) We recommend that the head of the Division of

Analysis and Research report to the Board as often as quarterly, showing cost of division, work accomplished, and changes in personnel if any.

"(4) We recommend as head of the new division, such appointment to be effective upon assuming duty, Mr. H. Parker Willis.

W.P.G. HARDING,  
PAUL M. WARBURG  
F. A. DELANO

NOTE: The cost of the Division of Statistics during the past three years has been as follows:

<u>Year</u>	<u>No. of Employees</u> <u>(July 1)</u>	<u>Salaries</u>
1916	7	\$10,273.46
1917	8	14,127.03
1918 1st half	22	11,158.00 (half year)

The Secretary of the Board was authorized to permit the destruction of the plates of the first and second Annual Reports of the Board if in his judgment such action is warranted or to order an additional supply of reports in case such supply is needed.

On motion at 12:05 P.M., the Committee adjourned.

APPROVED:

                      
Chairman.

*H. P. Willis*  
Secretary,