

At a regular meeting of the Executive Committee of the Federal Reserve Board held in the office of the Governor on July 19, 1918, at 12 noon,

PRESENT: Mr. Harding, presiding
Mr. Warburg
Mr. Delano
Mr. Willis, Secretary.

Morning business was presented and disposed of as follows:

A letter from Federal Reserve Agent Rich re the filing of a statement with notes offered for rediscount, read and agreed to write to all banks that the present is a favorable time for getting statements from borrowers wherever possible.

Governor Harding stated the situation in the War Finance Corporation re advances to banks and trust companies and the policy adopted in referring applications to local Federal Reserve banks.

A letter from D. G. Wing re the draft status of branch employees of the First National Bank of Boston at Buenos Ayres was read and it was agreed that the Governor make a statement in accord with the facts as represented.

The question of larger quarters for the Division of Statistics was considered and Mr. Delano made an informal report on the situation but no final action was taken.

Governor Harding reported a strong growth of opinion in Pittsburgh in favor of the sliding scale of interest on

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deposits with banks. On motion he was authorized to visit Pittsburgh at his discretion at the expense of the Board.

The question of charging off the entire cost of the new vault of the Federal Reserve Bank of Philadelphia was discussed and on motion it was voted to say that the Board reserves the right to consider the item as still open and subject to adjustment at the end of the year. In the meantime, the item may be temporarily carried as at present without reopening the books.

The question of repurchase agreement resulting in giving the 15 day rate to banks presenting 90 day paper for discount was discussed apropos of a memorandum from the Statistician, and the matter referred to Committee No. 2.

The Secretary presented a letter to banks and trust companies asking for copies of acceptance agreements, which was modified and authorized.

A letter from Federal Reserve Agent Rich re Clearing House figures was referred to the Division of Analysis and Investigation for report.

The Secretary was authorized to sign a lease of specified quarters in the Bankers' Trust Company building, New York, for the Division of Foreign Exchange.

Reports of Committees were presented and approved as follows:

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No. 1

Dated July 19th, recommending the following changes in the Board's staff (Division of Foreign Exchange):

| | | |
|------------------|----------------|--------------------|
| F. W. Jackson, | Salary \$3,000 | Effective Aug. 1st |
| A. F. Fessenden, | " 1,800 | " July 25th |

Dated July 19th, recommending changes in the staff and salaries at the Federal Reserve Bank of Kansas City, as stated.

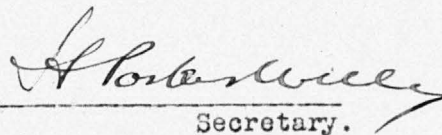
Dated July 19th, recommending the adoption of a liberal policy for the staff and equipment of the Division of Foreign Exchange. Noted and filed.

Dated July 19th, recommending reprint of 5,000 copies of pamphlet on uniform accounting. Approved.

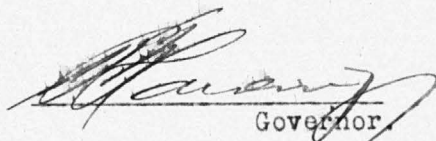
No. 2

Dated July 19th, recommending admission of state institutions as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to each application.

At 1:05 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.