

At a meeting of the Federal Reserve Board held in the office of the Governor on Tuesday, September 16, 1919, at 11 A.M.,

PRESENT: The Governor  
Mr. Strauss  
Mr. Miller  
Mr. Hamlin  
Mr. Chapman, Acting Secretary.

Business was presented and disposed of as follows:

On motion duly seconded it was voted that in addition to the office of the Secretary of the Board there be created an office of Executive Secretary of the Board, the duties of such officer to be prescribed by the Board.

Memorandum by General Counsel dated September 15th, in re payment by the Federal Reserve Board of salaries of employees on the National Bank Redemption Agency force engaged in the redemption of Federal Reserve notes.

Approved.

Memorandum by Mr. Paddock dated September 16th in re violation of conditions of admission by the Bankers Trust Company, Atlantic City, New Jersey, and recommending that the Federal Reserve Agent at Philadelphia be requested to inform the Bankers Trust Company that the Board considers the undertaking of the repurchase agreement referred to in the memorandum would be such a broadening of the functions of the institution as would require the action of the Federal

-2-

Reserve Board under condition of admission No. 4, and further, that the nature of the transaction does not meet with the approval of the Board.

Approved.

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him: member bank promissory notes secured by Government obligations; rate 4% on paper secured by certificates of indebtedness and 4 $\frac{1}{4}$ % on paper secured by Liberty bonds and Victory notes, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept.11th	Dallas	Chicago	\$2,000,000	11-15 days
Sept.12th	Richmond	Minneapolis	5,000,000	"
"	Richmond	Minneapolis	10,000,000	"
"	Atlanta	Chicago	3,000,000	"
"	Philadelphia	Chicago	7,000,000	"
Sept.15th	Richmond	St.Louis	5,000,000	"

Noted.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business September 13th, and the status of rediscounts between Federal Reserve banks as of the same date.

The Governor reported the purchase of special 2% certificates of indebtedness of the United States for deposit with the Comptroller of the Currency as collateral for Federal Reserve bank notes, as follows:

-5-

<u>For Federal Reserve Bank of:</u>	<u>Date:</u>	<u>Amount</u>
Cleveland	Sept.15th	\$2,000,000
Richmond	Sept.16th	200,000

Approved.

Letter dated September 5th from the Chairman, Federal Reserve Bank of Cleveland, in re method of selecting an architect for new bank building of that Bank.

Referred to the Governor for reply.

On motion duly seconded it was voted that, effective September 15th, Mr. W. T. Chapman, at present Acting Secretary of the Federal Reserve Board, was appointed Secretary of the Federal Reserve Board.

On motion duly seconded, Mr. R. G. Emerson, at present designated as Acting Assistant Secretary of the Federal Reserve Board, was appointed Assistant Secretary of the Federal Reserve Board, effective September 15, 1919.

Letter dated September 10th from the Secretary of the Federal Reserve Bank of Chicago, inquiring whether or not the Board desires any change made in the method of classifying electoral groups for directors of Federal Reserve banks.

Referred to Secretary for reply.

Memorandum by Secretary dated September 16th, advising of an increase, effective September 1st, in the charges

-4-

made under the contract between the American Telephone and Telegraph Company and the Federal Reserve Board, covering the two private line telephone circuits between Boston and Washington by way of Philadelphia and New York, and between Washington and New York direct, resulting in a net increase of \$2.36 per month in the cost of operation of such circuits, and recommending that such net increase be absorbed by the Federal Reserve Board.

Approved.

At 11-22 A.M., the meeting adjourned.



Secretary.

Approved:



Governor.