

At a special meeting of the Federal Reserve Board held in the office of the Board on Friday, October 31, 1919, at 3:25 P. M.

PRESENT: The Governor
Mr. Strauss
Mr. Miller
Mr. Hamlin
Mr. Williams
Mr. De La Mater, Secretary of the meeting.

PRESENT ALSO:
Mr. Trowbridge, Consulting Architect
Mr. Strong, Governor, Federal Reserve Bank of New York.

Business was presented and disposed of as follows:

Mr. Trowbridge presented a plan for the erection of a building for the testing of vault construction and protection, with a view to ascertaining the best type of materials to be used, the estimated cost to be in the neighborhood of \$75,000, and to be apportioned among the Federal Reserve Banks.

Referred to the Governor, with authority to communicate with the Department of Commerce in an endeavor to obtain the cooperation of the Bureau of Standards should such a test be made, and to arrange for a conference during the week of November 3, at which Mr. Trowbridge shall be present.

(At this point Mr. Williams joined the meeting.)

Resolution of Mr. Strauss presented at the meeting of October 29th with reference to the petitions of Oklahoma City and Tulsa, Oklahoma, and Wichita, Kansas, for the establishment of a branch of the Federal Reserve Bank of Kansas City,

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in the southern territory of the Tenth District.

Voted, that upon consideration of the petitions of the cities of Oklahoma City and Tulsa, Oklahoma, and of Wichita, Kansas, the Federal Reserve Bank of Kansas City be directed to establish a branch with limited rediscount powers and proper collection facilities in one of these three cities.

Mr. Miller requested that he be recorded as voting in the negative.

The following resolution was then presented:

"The Federal Reserve Board has considered the briefs and oral arguments presented by the respective petitioners in the matter of the establishment of a branch Federal Reserve Bank in the southern portion of the Tenth Federal Reserve District by the Federal Reserve Bank of Kansas City, and has reached the following conclusions:

"While the portion of the District tributary to these cities is being well served in the matter of rediscount facilities by the Federal Reserve Bank of Kansas City, it is the opinion of the Board, however, that a branch with limited powers in the matter of rediscounts, the activities of which should be devoted mainly to the forwarding and receipt of currency and to transit operations, would be a convenience to the member banks and to the public in the territory served by the branch, and would increase the efficiency of the transit system. In view of the proximity of Wichita to Kansas City, it is manifest that a branch located at that point would not give any appreciable additional facilities in this respect to the more remote portions of the District; and the Board will therefore direct the Federal Reserve Bank of Kansas City to establish such a branch at either Oklahoma City or Tulsa. In view of the technical nature of transit operations, the Board desires a report from the Federal Reserve Bank of Kansas City, giving an analysis of the source, volume, and direction of outgoing business, and the volume and direction of incoming business, together with a complete analysis of all mail schedules with reference to the territory to be served by a branch located in one or the other of these two cities.

"The Federal Reserve Bank of Kansas City is therefore directed to transmit to the Board, not later than November 25, 1919, the information called for, in order that a decision may be reached as to the proper location of a branch."

The Governor was authorized to advise the Federal Reserve Bank of Kansas City of the Board's action in the matter of the establishment by it of an additional branch, and to prepare a statement for the press, for release to the morning papers of November 3d.

REPORTS OF COMMITTEE NO. 1:

Dated Oct. 29th, recommending the appointment of Miss Rose Heller in the Division of Analysis and Research for a thirty day probation period, at the rate of \$1,080 per annum, effective November 1, 1919.

Approved.

Mr. Williams requested that the Board approve increase from \$2,750 to \$3,000 per annum in the salary of Mr. W. E. Buell, Chief of the Federal Reserve Division of Issue and Redemption, such increase to be effective November 1, 1919.

Approved.

At 5-35 P.M., the meeting adjourned.

J. D. LaMater
Secretary of Meeting.

Approved:

[Signature]
Governor.