

A meeting of the Federal Reserve Board was held in the office of the Board on Tuesday, March 29, 1921, at 3:45 p.m.

PRESENT: Governor Harding
Mr. Platt
Mr. Hamlin
Mr. Miller
Mr. Crissinger
Mr. Hoxton, Secretary.

Reading of the minutes was omitted.

Governor Harding stated that in view of the forthcoming conference of Governors to be held on April 12th, he thought it advisable to incorporate into his opening remarks to the Conference an expression of the Board's intention in future to require any Federal Reserve bank to rediscount when its specific reserves against deposits and its specific reserves against Federal Reserve notes shall reach minimum percentages to be determined by the Federal Reserve Board, and that such rediscounting will be done at a 7% rate, or at least at a rate in excess of the published rate of the borrowing Federal Reserve bank.

It was the sense of the meeting that the Governors' Conference should be addressed along the lines indicated.

Governor Harding stated that the principal purpose of the meeting was to take action upon the matter contained in Governor Strong's letter of March 28th which was discussed at the meeting this morning, and to express either the concurrence or the non-concurrence of the Federal Reserve Board in the proposal of the

Federal Reserve Bank of New York to commence work upon the foundations of its new building.

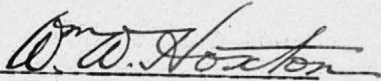
After full discussion, Governor Harding was requested to obtain from the Consulting Architect a written opinion as to the propriety and reasonableness of the fees proposed to be paid to the architects by the Federal Reserve Bank of New York. In the event that Mr. Trowbridge should advise that the said fees are usual and reasonable, Governor Harding was authorized to notify the Federal Reserve Bank of New York that the Board will interpose no objection to proceeding with the proposed foundation work, although some doubt exists as to the reasonableness of the architects' fees.

Letter dated March 26th, from the Chairman of the Federal Reserve Bank of New York, requesting approval of the action of the Board of Directors of that bank in voting a bonus for the first quarter of 1921, and which was referred to Mr. Platt at the meeting of the Board held this morning.

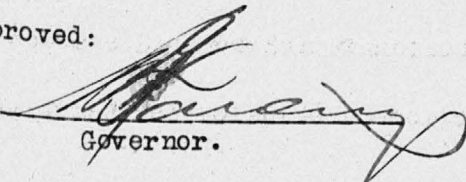
Mr. Platt reported that he desired to recommend approval, and that he was moved to this action by the statement of Mr. Jay that upon the payment of this bonus, the employes will receive definite notice that the amount of bonus will be decreased at the end of the next quarter.

Approved, on condition that the said definite notice will be given.

At 4:50 p.m. the meeting adjourned.


Secretary.

Approved:


Governor.