

A meeting of the Federal Reserve Board was held in the office of the Board on Tuesday, October 18, 1921, at 11:15 a.m.

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

Minutes of the meeting of the Board held October 14th were read and on motion approved.

The Governor reported the reserve positions of the several Federal reserve banks as at close of business October 14th and 15th, and the status of rediscounts between the Federal reserve banks as of the same dates.

The Governor reported rediscount transactions, member bank promissory notes secured by Government obligations, rate 6%, as follows:

| <u>Date</u> | <u>Bank redis- counting</u> | <u>With</u> | <u>Amount</u> | <u>Maturities</u> |
|-------------|---------------------------------|-------------|---------------|-------------------|
| Oct. 17 | Minneapolis | New York | \$3,000,000 | 1-15 days |
| Oct. 17 | Dallas | Boston | 2,000,000 | 11-15 " |

Letter dated October 13th, from the Director of the Division of Analysis & Research, acknowledging receipt of advice that the Federal Reserve Board had, on October 11th, authorized the expenditure of \$1,000 to be used in securing certain data at Berlin, Rome and Paris, and explaining that his letter of October 7th was intended as an application for authority to expend not more than \$1,000 for services at each of the three cities named, making a total maximum appropriation of \$3,000, in lieu of \$1,000.

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Upon motion, it was voted that the Director of the Division of Analysis & Research be authorized to incur the necessary expenses for data procured from Berlin, Rome and Paris, said expenses not to exceed \$1,000 in each of the three cities named.

Memorandum dated October 17th, addressed to the Secretary of the Treasury, advising of the approval of the Federal Reserve Board of a request from the Federal Reserve Bank of Kansas City that the Secretary of the Treasury consider extending authority to the three branches of that Bank to conduct operations under the confidential instructions, dated August 30, 1920, with respect to exchanges, replacements and redemptions of United States paper currency.

Approved.

Telegram dated October 18th, from the Governor of the Federal Reserve Bank of Dallas, advising of the failure of the National Bank of Cleborne, Texas, the defalcation of the President of that institution, and the amount owed by it to the Federal Reserve Bank of Dallas.

Noted.

Letter dated October 17th, from the Secretary of Commerce, calling the attention of the Federal Reserve Board to the advisability, in view of the unemployment situation, of expediting the construction of all public buildings, including the Federal Reserve Bank buildings.

Noted.

Letter dated October 15th, from the Managing Director of the War Finance Corporation, transmitting for the information of the Board copies of a letter sent by that Corporation, dated October 11th, to the Govern-

ors of all Federal Reserve banks.

Referred to Governor Harding.

Telegram dated October 17th, from the Governor of the Federal Reserve Bank of San Francisco, requesting advise as to the attitude of the Federal Reserve Board regarding conferences proposed to be held by the Federal Reserve Bank of San Francisco at the Branch Banks in that District, between representatives of the Branches and representatives of member banks and business interests, it being stated that such conferences would be merely a continuance of a program already inaugurated.

Upon motion, Governor Harding was requested to transmit the following telegram:

"Board is of the opinion that you should adopt some less expensive method of keeping in touch with your member banks than that which you contemplate. The suggestion is offered that if you wish to bring member bank officers and directors into branch cities for conference, that the member banks concerned should pay their own expenses. As an alternative, you might send representatives from your bank and branches to meet member banks at points in or near their own home communities. In latter case, of course, expenses of your representatives may be paid by your Bank."

Memorandum dated October 14th, from the Assistant Secretary of the Board, recommending that L. B. Harget, messenger, employed August 15th, 1921, be given a permanent appointment and granted the minimum salary of \$1160 (inclusive of bonus) paid messengers.

Approved.

Memorandum dated October 15th, from the Assistant Secretary, recommending that the resignation of Miss Catherine McCloskey, stenographer, at salary of \$1440 per annum, be accepted, and advising that it will not

be necessary to fill the place vacated by Miss McCloskey.

Approved.

Letter dated October 17th, from the Comptroller of the Currency, submitting names of employes whose services as money counters can be dispensed with, owing to the retirement from circulation of Federal reserve bank notes, and recommending that they be dropped from the rolls at the close of business October 31, 1921.

Approved.

REPORTS OF COMMITTEE NO. 1:

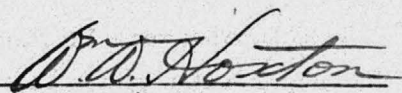
Dated Oct. 18th, Recommending changes in stock at Federal reserve banks, as set forth in the auxiliary minute book as of this date.

Approved.

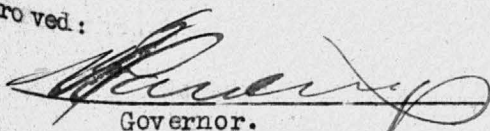
Dated Oct. 15th, Recommending approval of the application of Mr. W. Clifford Wood to serve at the same time as director of the Third National Bank of Philadelphia, and as director of the Chestnut Hill Title and Trust Company of Chestnut Hill, Philadelphia.

Approved.

At 12:30 p.m. the meeting adjourned.


Secretary.

Approved:


Governor.