

August 7, 1922.

MEMORANDUM FOR GOVERNOR HARDING:

The undersigned request that you call a special meeting of the Federal Reserve Board for today, Monday, August 7, 1922, at 11:15 a.m.

Edmund Platt
Hamilton
Esom

A special meeting of the Federal Reserve Board was held in the office of the Board on Monday, August 7, 1922, at 11:15 a.m.

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

The Governor stated that he had called the meeting upon the written request of three members of the Board, in accordance with the terms of the By-Laws.

Minutes of the meeting of the Board held August 2d were read and on motion approved.

The Governor reported the reserve positions of the several Federal reserve banks as at close of business August 1st, 2d, 3d, 4th and 5th.

The Governor submitted a letter of August 3d, from Mr. John D. Sage from Cincinnati, with reference to the service of Mr. Sage upon certain interlocking directorates.

Referred to the Clayton Act Committee.

Letter dated July 24th, from the Federal Reserve Agent at Dallas, recommending the appointment of Mr. Floyd Ikard as Director of the Houston Branch of the Federal Reserve Bank of Dallas, to serve the unexpired term of Mr. J. J. Davis, of Galveston, resigned.

Upon motion, Mr. Floyd Ikard was appointed a director of the Houston Branch, to serve the unexpired term of Mr. J. J. Davis, of Galveston.

Letter dated July 11th, from the Chairman of the Federal Reserve Bank of Dallas, recommending, in items 4 and 5, certain adjustments in salaries of certain employes.

Referred to the Committee on Salaries and Charge Offs.

Draft of proposed circular letter, submitted by Mr. Miller at the meeting of July 27th, designed to regulate the salaries of officers and employes of Federal reserve banks while such officers and employes are absent from duty. The Governor stated that this letter had been referred to the Executive Committee at the meeting of July 27th, but had not been acted upon, owing to the absence from the city of certain members of the Executive Committee.

Upon motion, the matter was again referred to the Executive Committee.

At the request of the Governor, Mr. Mitchell was, upon motion, designated to serve as a member of the Executive Committee, in lieu of Governor Harding, such service to last until further action by the Board.

Letter dated July 28th, from the Federal Reserve Agent at Dallas, recommending that the salary of Mr. T. E. Parks, Chief of the Insolvent Division of the Loan and Discount Department, be increased from \$3000 a year to \$3300 a year, effective August 1st.

Approved.

Letter dated July 28th, from the Federal Reserve Agent at Dallas, recommending an increase in the salary of Mr. L. F. Dickson, a stenographer in the Auditing Department of that Bank, from \$110. to \$125. a month, effective August 1st.

Approved.

Letter dated August 2d, from the Federal Reserve Agent at Dallas, enclosing a letter from Mr. Gilbert, the Cashier of that Bank, transmitting a report covering all the matters mentioned in the Board's letter St.2809, sent out under date of June 1, 1922, on the subject of "Quarterly Bank Premises Report".

Judge Ramsey's letter and Mr. Gilbert's report were noted with approval.

The Governor submitted a letter dated August 2d, from the Secretary of the Treasury, with reference to the Fiscal Agency operations at the branches of the Federal reserve banks, having especial bearing upon the redemption at the Branches of Victory and United States Treasury Notes.

Noted.

Letter dated July 31st, from the Chairman of the Federal Reserve Bank of Kansas City, enclosing, with favorable recommendation, the application of the Enid National Bank of Enid, Okla. for permission to accept drafts or bills of exchange up to 100% of its paid-in and unimpaired capital and surplus.

Approved.

Letter dated July 3d, from the Deputy Governor of the Federal Reserve Bank of New York, Mr. Case, transmitting, with favorable recommendation, the application of the Bank of New York for permission to accept up to 100% of the applicant's paid-in and unimpaired capital and surplus.

Approved, if and when the Bank of New York shall become a member of the Federal Reserve System.

Letter dated August 1st, from the Federal Reserve Agent at San Francisco, transmitting, with favorable recommendation, the application of the Mercantile Trust Company of San Francisco, to purchase the First National Bank of Richmond, the Richmond Savings Bank and the Bank of Richmond, and to establish two branches in Richmond, Calif.

Formally approved, having previously been approved by the initials of Board members.

Letter dated August 3d, from Dr. H. Parker Willis, requesting the Board to approve the severing of Dr. Willis' connection with the Federal Reserve Board on September 15, 1922, upon which date the duties of the Director of the Division of Analysis and Research will be assumed by Mr. W. W. Stewart.

Upon motion, Dr. Willis' resignation was accepted, effective September 15, 1922. The Secretary was directed to drop his name from the payroll as of that date, and the letter of Dr. Willis was referred to the Governor for reply.

Letter dated August 2d, from the Comptroller of the Currency, advising that owing to the great reduction in the number of notes being sent in for redemption, he recommended that certain employes of the Federal Reserve Issue and Redemption Division of the Comptroller's office, be dropped from the payroll of the Federal Reserve Board, that this action be made effective as of the close of business Saturday, August 5, 1922, and that the eleven employes concerned be given their usual 30 days leave less any which they may have already taken.

The action of the Comptroller of the Currency in dismissing the eleven employes referred to was noted with approval.

Letter dated August 2d, from the Comptroller of the Currency, recommending an increase in the salary of National Bank Examiner Irwin D. Wright from \$3600 to \$4000 per annum, effective as of August 1, 1922.

Approved.

Letter dated August 1st, from the Comptroller of the Currency, recommending an increase in the salary of National Bank Examiner V. H. Northcutt from \$3600 to \$4200 per annum.

Approved.

The Governor stated that the Director of the Budget had asked permission of the Board to use the Board Room for the purpose of holding a committee meeting at 3 p.m. this afternoon.

Upon motion, the permission was granted.

The Governor submitted a memorandum dated August 7th, from the Assistant Secretary, advising of the request of the Chief of the Division of Examination for authority to employ Mr. L. A. A. Siems and Mr. A. P. Freer, both at salary of \$2400 per annum, effective September 1, 1922. Mr. Herson also advised, through Mr. Eddy, that he desires to transfer Mr. E. A. Farrell, who is already on the examining roll, from office work to road work, and requests authority to employ another man to take over the office work now performed by Mr. Farrell. In addition to performing duties incident to his position in the examining force, Mr. Farrell assists the Fiscal Agent in the conduct of the duties of that office.

Mr. Herson also desires to find a man for the place left vacant by the transfer of Mr. Farrell, and the memorandum of Mr. Eddy suggested that the Board might find it agreeable to transfer to that post Mr. E.M. McClelland,

at the same salary he is now receiving, namely \$2600 per annum.

Upon motion approved. It was, upon further motion, voted that Mr. McClelland's salary be fixed at \$2700 per annum, effective August 1, 1922, and that the Governor or the Vice Governor be authorized, at his discretion, to make the transfer of Mr. McClelland from the office of Governor Harding to the Division of Examination.

REPORTS OF COMMITTEE NO. 1:

- Dated August 5th, Recommending changes in stock at Federal reserve banks, as set forth in the auxiliary minute book of this date.
Approved.
- Dated August 3d, Recommending action on applications for fiduciary powers, as set forth in the auxiliary minute book of this date.
Approved.
- Dated August 3d, Recommending approval of the application of a state bank for admission to the system, subject to the conditions stated in the individual report attached to the application, as set forth in the auxiliary minute book of this date.
Approved.
- Dated August 3d, Recommending approval of the application of Mr. W. A. McKenzie to serve at the same time as director of the Commercial National Bank, Shreveport, La., and as director of the Homer Trust & Savings Bank, Homer, La., and as director of the Homer National Bank, Homer, La.
Approved.
- Dated August 3d, Recommending approval of the application of Mr. Guy Oakes to serve at the same time as director of the First National Bank, Shreveport, La. and as director of the Homer National Bank, and the Homer Trust & Savings Bank, both of Homer, La.
Approved.
- Dated August 4th, Recommending approval of the application of Mr. Edmund S. Jones to serve at the same time as director and officer of the Payday National Bank and the Marquette Trust Co., both of Minneapolis, Minn.
Approved.
- Dated August 4th, Recommending approval of the application of Mr. M.J. Higgins to serve at the same time as director and officer of the Payday National Bank and the Marquette Trust Co., both of Minneapolis, Minn.
Approved.
- Dated August 4th, Recommending approval of the application of Mr. O. S. Frederickson to serve at the same time as officer of the Payday National Bank and the Marquette Trust Company, both of Minneapolis, Minn.
Approved.

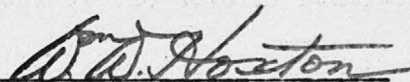
Dated August 4th, Recommending approval of the application of Mr. Ralph W. Manuel to serve at the same time as director and officer of the Payday National Bank and the Marquette Trust Company, both of Minneapolis, Minn.

Approved.

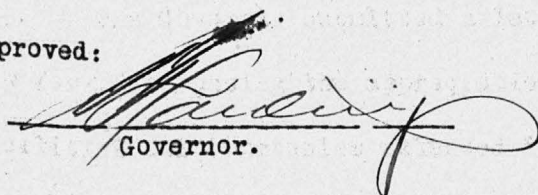
Dated August 4th, Recommending approval of the application of Mr. Wm. F. Kunze to serve at the same time as director and officer of the Payday National Bank and the Marquette Trust Company, both of Minneapolis, Minn.

Approved.

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


Secretary.

Approved:


Governor.