

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, March 19, 1924, at 11:10 a.m.

- PRESENT: Governor Crissinger
 Mr. Platt
 Mr. Hamlin
 Mr. Miller
 Mr. James
 Mr. Cunningham
 Mr. Eddy, Secretary

The reading of the minutes of the meeting of the Federal Reserve Board held on March 18th was dispensed with.

The Governor then presented the matter held over at the meeting on March 14th, namely, report of Committee on Salaries and Expenditures on telegram dated March 11th from the Chairman of the Federal Reserve Bank of Dallas, requesting approval of certain changes in officers and directors of that bank and its branches, made necessary by the resignations of Deputy Governor Emerson and Manager Weiss of the El Paso branch, the adjustments involving increases in salary as follows:

V. J. Grund, Deputy Governor	- \$6,600 to \$7,500
R. L. Foulks, General Auditor	- 3,600 to 4,200
W. J. Evans, Asst. Federal Reserve Agent	- 5,000 to 6,000
J. L. Herman, Assistant Cashier	- 3,900 to 4,000

In the Committee's report Messrs. James and Dawes recommended approval of all changes and Mr. Miller recommended approval with two exceptions, namely, salaries proposed for V. J. Grund and W. J. Evans.

After discussion, Mr. Hamlin moved adoption by the Board of the majority report of the Committee, recommending approval of all changes.

Mr. Miller moved, as a substitute, that the Board approve all changes with the exception of salaries proposed for Messrs. Grund and Evans.

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Mr. Miller's motion being put by the chair was lost, Mr. Miller voting "aye".

Mr. Hamlin's original motion being put by the chair was carried, Mr. Miller not voting.

The Governor then stated that Messrs. Delano and Hoxton, Class "C" directors of the Federal Reserve Bank of Richmond wished to appear before the Board as a committee to request that the Board reconsider its previous action in declining to approve increases in the salaries of certain officers of the bank which were recommended by the Board of directors.

Mr. Miller moved that the Board reconsider its former action.

Mr. Miller's motion being put by the chair was carried, Mr. James voting "no".

Messrs. Hoxton and Delano were then invited into the meeting and Mr. Delano urged the Board to approve the recommendations of the Richmond directors, explaining the effect upon the directors of the Board's previous action in disapproving their recommendations. After discussion, Messrs. Hoxton and Delano withdrew from the room and the Board proceeded with its regular business.

Letter dated March 15th from Mr. John W. Davis, replying to the Board's letter of March 12th and advising that it is not possible at this time to indicate what his fees would be for further services in the Cleveland and San Francisco par clearance cases, but that he is willing to leave the matter subject to conference and approval by the Board.

Referred to Law Committee.

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Letter dated March 17th from the Chairman of the Federal Reserve Bank of Philadelphia, advising that the Mount Holly National Bank of Mount Holly, New Jersey, will probably sustain a large loss due to the action of certain agents of the bank in issuing letters of credit to the extent of about \$90,000 upon the authority of the cashier of the bank, unsupported by any resolution of the board of directors and without their knowledge.

Referred to the Law Committee.

Letter dated March 15th from the Chief of the Bureau of Insular Affairs of the War Department, quoting a cablegram from Governor General Wood of the Philippines stating that Auditor House of the Philippine National Bank retires about April 1st and that a capable successor is needed immediately and requesting that the services of Frank H. Holman, General Auditor of the Federal Reserve Bank of San Francisco be secured on the same terms as those given Mr. House, who was formerly connected with the San Francisco bank.

Upon motion, the Secretary was ordered to telegraph the above letter to the Chairman of the Federal Reserve Bank of San Francisco and to advise him that the Board has no objection to the arrangement suggested.

Letter dated March 14th from the Governor of the Federal Reserve Bank of New York, replying to the Board's letter of March 4th and suggesting that the whole matter of domestic acceptance credits be put on the program for the next conference of Governors and that meanwhile it be

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considered by the subcommittee of the Acceptance Committee, which consists of Messrs. McKay, Zurlinden, Bullen and Kenzel.

Referred to the Law Committee.

Letter dated March 15th from the Chairman of the Federal Reserve Bank of Atlanta, enclosing copy of extract from minutes of meeting of the Board of Directors of the New Orleans branch held on February 7th with reference to the organization of a new bank at Crowley, La., to take over the affairs of the First National Bank of that place.

Referred to the Law Committee.

The Governor then brought up the Board's action in voting to reconsider the recommendations of the Richmond directors made at the end of the year 1923 for increases in the salaries of certain officers of that bank as follows:

J. G. Fry, Asst. Federal Reserve Agent	-	\$7,000 to \$7,500
Geo. J. Seay, Governor	-	18,000 to 20,000
J. S. Walden, Jr., Controller	-	7,500 to 10,000
George H. Keesee, Cashier	-	7,500 to 8,000
W. W. Dillard, Assistant Cashier	-	4,500 to 4,800
Thomas Marshall, Jr., Asst. Cashier	-	4,800 to 5,000
George S. Sloane, Assistant Cashier	-	4,500 to 5,000
Edw. Waller, Jr., Assistant Cashier	-	4,500 to 5,000
Hugh Leach, Auditor,	-	4,500 to 5,000
John T. Garrett, Manager Bank Relations Department	-	5,000 to 5,400

Mr. Hamlin moved that the Board approve the increases, but that the Board insist that the Federal Reserve Bank of Richmond reply to the specific questions affecting the management of the bank made by Mr. James at the hearing on February 15th.

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Mr. Hamlin's motion being put by the chair was carried, the members voting as follows:

- Governor Crissinger, "aye"
- Mr. Platt, "aye"
- Mr. Hamlin, "aye"
- Mr. Miller, "aye"
- Mr. James, "no"
- Mr. Cunningham not voting.

The Governor then brought up the matter ordered circulated at the meeting on March 11th, namely, report of Committee on Salaries and Expenditures with regard to the action of the directors of the Federal Reserve Bank of Minneapolis in authorizing the employment of Brigadier General H. P. Howard, to supervise the care and protection of the new building of that bank, at a salary not to exceed \$5,000 per annum; the Committee recommending approval of the proposed employment and salary of General Howard and suggesting that the Federal Reserve Bank of Minneapolis be advised to make comparison of its expenditures on account of buildings, care, protection and operation, with like expenditures in other banks, with a view of keeping such expenditures at the lowest possible figure.

Mr. James moved approval of the Committee's report.
Carried.

REPORTS OF STANDING COMMITTEES:

Dated, March 18th, Recommending changes in stock at Federal Reserve banks, as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated, March 19th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

Approved.

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REPORTS OF STANDING COMMITTEES: (Cont'd)

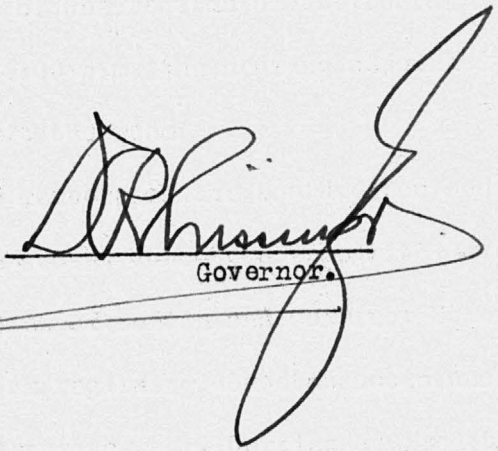
Dated, March 18th, Recommending approval of the application of Mr. J. H. Hillman, Jr., to serve at the same time as director of the First National Bank, as director of the Dollar Savings and Trust Company and as director and chairman of the Board of the Peoples Savings and Trust Company, all of Pittsburgh, Pa.
Approved.

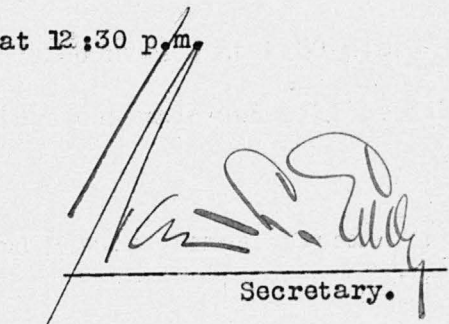
Dated, March 18th, Recommending approval of the application of Mr. Hugh Halsell, to serve at the same time as director of the City National Bank of Dallas, Texas, as director of the Caddo National Bank of Caddo, Okla., and as director and president of the Durant National Bank of Durant, Okla.
Approved.

Dated, March 18th, Recommending approval of the application of Mr. Lawrence E. Sands to serve at the same time as director and President of the First National Bank, as director of the Peoples Savings and Trust Company and as director of the Dollar Savings and Trust Company, all of Pittsburgh, Pa.
Approved.

The meeting adjourned at 12:30 p.m.

Approved:


Governor.


Secretary.