

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, November 25, 1924, at 11:15 a.m.

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

The minutes of the meeting of the Federal Reserve Board held on November 20th were read and approved as amended.

The reading of the minutes of the meeting of the Federal Reserve Board held on November 21st was dispensed with.

Memorandum dated November 21st from the Secretary, advising that the two months' leave of absence, without pay, granted Miss Miriam E. Holmes, stenographer in the Chief Clerk's Office, expired on November 15th and recommending that her name be dropped from the Board's rolls, effective as of November 16, 1924.

Approved.

Report of Committee on Salaries, Expenditures and Efficiency on matter referred to it at the meeting on November 19th, namely, letter dated November 14th from the Acting Comptroller of the Currency, recommending approval of a salary of \$2700 per annum for National Bank Examiner Frank Krippel, to be assigned to the 6th Federal Reserve District; the Committee also recommending approval.

Approved.

The Vice Governor then presented the matter approved on initials on November 22nd, namely, letter dated November 22nd from the Acting Comptroller of the Currency, recommending approval of a salary of \$3600 per annum for

11/25/24

-2-

National Bank Examiner Otis W. White, to be assigned to the 10th Federal Reserve District.

Upon motion, the above mentioned salary was formally approved.

Report of Committee on Examinations on memorandum dated November 21st from the Acting Comptroller of the Currency, recommending approval of a reduction from \$100,000 to \$50,000 in the capital of the Planters National Bank of Bennettsville, S. C.; the Committee also recommending approval.

Approved.

Report of Committee on Examinations on letter dated November 17th from the Chairman of the Federal Reserve Bank of Chicago, requesting approval of the absorption by the Kent State Bank of Grand Rapids, Michigan, of the Commercial Savings Bank and the Peoples Savings Bank, both members in that city; the Board's Committee also recommending approval.

Approved.

Letter dated November 19th from the Federal Reserve Agent at San Francisco, recommending approval of the application of the Pacific Southwest Trust and Savings Bank to change the location of its proposed Culver City branch from Bagley and Washington Streets to Main Street and Venice Boulevard, Culver City district, Los Angeles.

Approved.

Report of Committee on Salaries, Expenditures and Efficiency on the matter referred to it at the meeting on November 19th, namely, letter

11/25/24

-3-

dated November 13th from the Secretary of the Federal Reserve Bank of Atlanta, requesting approval of the action of the directors of that bank in voting to contribute an amount not exceeding \$500 to the Atlanta Chapter of the American Institute of Banking; the Committee calling attention to the fact that the question of the advisability and legality of such appropriations was discussed at the recent conference of Governors and Federal Reserve Agents and recommending that action by the Board be deferred pending the establishment of a System policy in the matter of contributions for welfare and educational work.

Upon motion, the recommendation of the Committee was approved.

Telegram dated November 20th from Mr. Henry C. Breck advising that his resignation as Assistant Federal Reserve Agent at San Francisco, dated November 14th and effective December 1st, is awaiting the return of Mr. Perrin for transmission to the Board.

Noted.

Letter dated November 22nd from the Federal Reserve Agent at San Francisco recommending the appointment of Mr. Henry A. Sproul as Assistant Federal Reserve Agent to succeed Mr. Breck, effective December 1, 1924; together with a telegram dated November 24th recommending an increase from \$4,000 to \$5,000 per annum in the salary of Mr. Sproul, effective January 1, 1925.

Referred to the Committee on Salaries, Expenditures and Efficiency.

Letter dated November 21st from the Chairman of the Federal Reserve Bank of New York, advising that the resignation of Mr. Shepard Morgan,

11/25/24

-4-

Assistant Federal Reserve Agent, has been tendered effective November 21, 1924.

Upon motion, the resignation of Mr. Morgan was accepted.

Memorandum dated November 24th from the Committee on Salaries, Expenditures and Efficiency, submitting draft of a letter to the Chairmen of all Federal Reserve banks on the subject "Closing of Books on December 31, 1924."

After amendment by the omission of a paragraph relating to charges against surplus, the proposed letter was approved and ordered transmitted.

Memorandum dated November 19th from the Director of the Division of Research and Statistics, recommending the purchase of electric calculating machines at a total cost of \$1000.

Approved.

Memorandum dated November 19th from the Director of the Division of Research and Statistics, submitting certain amendments to the principles governing research, statistical and publication activities of the Federal Reserve banks and the Federal Reserve Board, adopted by the Board on October 31, 1924.

After discussion, the revised principles were referred to the Committee on Research and Statistics for the inclusion of a clause prohibiting bulk distribution without charge of copies of monthly letters issued by the Federal reserve banks, the memorandum being otherwise approved.

Memorandum dated November 24th from the Secretary transmitting a statement on the subject "Relation of the Federal Reserve System to

11/25/24

-5-

Agriculture", requested by the Under Secretary of the Treasury in his letter of November 19th.

Referred to the Committee on Agricultural Credits.

Memorandum from Assistant Counsel dated November 24th, with regard to letter dated November 20th from the Chairman of the Federal Reserve Bank of Atlanta inquiring whether the election of a Class A director to succeed Mr. Oscar Newton, appointed Class C director of the bank, effective January 1, 1925, should be undertaken at the present time or deferred until after January 1st; Counsel advising that it would be better to hold the election after January 1st.

Upon motion, the position taken by the Board's Counsel was approved.

Report of Committee on Branches on letter dated November 18th from the Secretary of the Federal Reserve Bank of Cleveland, transmitting the By-laws of its Pittsburgh and Cincinnati Branches, amended to conform to the Board's regulations governing the appointment of directors of Branch Federal Reserve banks; the Committee recommending approval of the By-laws as amended.

Approved.

Letter dated November 22nd from the Secretary of the Stockholders Advisory Committee of the 1st Federal Reserve District, transmitting a resolution adopted by the Stockholders of the Federal Reserve Bank of Boston at a meeting held on November 19th, recommending that member banks be permitted to deduct from gross demand deposits subject to reserve, the amount of cash items sent to the Federal Reserve bank in process of collection

11/25/24

-6-

Upon motion, the above letter was ordered circulated and referred to a special committee to be appointed for the purpose of considering the revision of reserve requirements.

Letter dated November 24th from the Secretary of the Governors' Conference, advising of the recommendation of the recent Governors' Conference that there be referred to the meeting of Federal Reserve Bank Counsel to be held in Washington on December 5th, the question of the necessity of a guarantee of prior endorsements on non-cash collection items.

Upon motion, this question was ordered referred to the Federal Reserve Bank Counsel at their meeting on December 5th.

Draft of reply to letter dated November 20th from the Assistant Federal Reserve Agent at Boston, advising that the Holyoke National Bank of Holyoke, Massachusetts has declined to cancel shares of capital stock in the Federal Reserve bank in proportion to a recent reduction from \$400,000 to \$100,000 in its surplus; the proposed reply stating that under the Board's ruling on the subject the bank is entitled to retain the extra stock if it desires.

Upon motion, the proposed reply was approved.

Telegram dated November 22nd from the Assistant Federal Reserve Agent at San Francisco, inquiring whether Oakland, Berkeley and Alameda, which are separated from San Francisco by San Francisco Bay, are considered contiguous to the city of San Francisco under the Board's regulations.

Referred to the Committee on Examinations.

Report of Law Committee on the matter referred to it at the meeting on November 19th, namely, memorandum dated November 15th from Mr. James submit-

11/25/24

-7-

ting an opinion of Counsel on the subject of permitting country banks to deduct items in process of collection from gross demand deposits; the Law Committee recommending that this matter be referred to a special committee on reserves the appointment of which was recommended by the recent conference of Governors and Federal Reserve Agents.

Upon motion, this memorandum was ordered referred to the special committee along with the letter from the Secretary of the Stockholders Advisory Committee of the 1st Federal Reserve District, above referred to.

Mr. Cunningham then reported that there had come to him as Chairman of the Board's Committee on District #10, a letter dated September 29th addressed to the Governor of the Board by Mr. Fred O. Roof, tendering his resignation as Class C director of the Federal Reserve Bank of Kansas City. Mr. Cunningham stated that he desired instructions as to whether the Committee should proceed in the matter of recommending a successor to Mr. Roof.

After discussion, Mr. James made the following motion:

"Whereas, a letter dated September 29, 1924 from Mr. Fred O. Roof, tendering his resignation as Class C director of the Federal Reserve Bank of Kansas City, has inadvertently miscarried and has not formally been acted upon,

Be It Resolved, that Mr. Roof and the Federal Reserve Bank of Kansas City be formally notified that the resignation is accepted as of September 29, 1924."

Carried.

Mr. James then moved that the Board's Committee on District #10 make recommendation to the Board as to the appointment of a successor to Mr. Roof, to serve for the unexpired term ending December 31, 1925.

Carried.

11/25/24

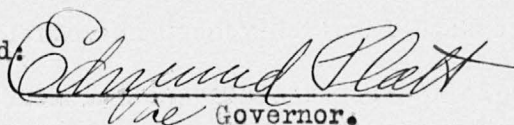
-8-

REPORTS OF STANDING COMMITTEES:

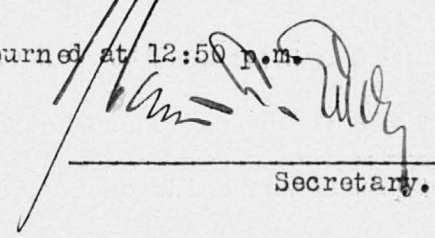
- Dated, November 21st, 22nd, Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, November 25th, 25th, 25th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated, November 25th, Recommending action on application for admission of state bank, subject to the conditions stated in the individual reports attached to the application, as set forth in the Auxiliary Minute Book of this date.
Disapproved.
- Dated, November 24th, Recommending approval of the application of Mr. A. W. Baltz to serve at the same time as director and officer of the First National Bank of Madison, Ills., as director and officer of the First National Bank of Millstadt, Ills. and as director and officer of the First National Bank of East St. Louis, Ills.
Approved.
- Dated, November 22nd, Recommending approval of the application of Mr. A. T. Hudspeth to serve at the same time as director of the American-Southern Trust Company, Little Rock, Ark., as Vice President and director of the First National Bank, Eureka Springs, Ark. and as Vice President and director of the Citizens National Bank, Harrison, Ark.
Approved.
- Dated, November 22nd, Recommending disapproval of the application of Mr. Emanuel Cohen to serve as director of the United States National Bank, Los Angeles, Cal. and as officer and director of the Hellman Commercial Trust and Savings Bank, Los Angeles, Cal.
Disapproved.

The meeting adjourned at 12:50 p.m.

Approved:



 Vice Governor.



 Secretary.