

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, November 17, 1937, at 11:30 a. m.

PRESENT: Mr. Eccles, Chairman  
Mr. McKee

Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman

Consideration was given to each of the matters hereinafter referred to and the action stated with respect thereto was taken by the Board:

Telegram to Mr. Stewart, Secretary of the Federal Reserve Bank of St. Louis, stating that the Board approves the establishment without change by the bank today of the rates of discount and purchase in its existing schedule.

Approved unanimously.

Memorandum dated November 15, 1937, from Mr. Smead, Chief of the Division of Bank Operations, submitting a letter dated November 9 from Mr. Taylor, Cashier of the Federal Reserve Bank of Cleveland, which requested approval by the Board of a change in the personnel classification plan of the bank to provide for a change in the name of the Statistical Department to Business Statistics Department; for a change of the title of "Head" of the department to "Manager"; and for a minor change in the description of work for this position.

Approved unanimously.

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Memorandum dated November 10, 1937, from Mr. Smead, Chief of the Division of Bank Operations, submitting a letter dated November 5 from Mr. Schaller, President of the Federal Reserve Bank of Chicago, which requested approval by the Board of changes in the personnel classification plan of the bank to provide for increases in the maximum salaries for the positions of "Chief Examiner" and "Assistant Examiner", in the Bank Examination Department. The memorandum stated that the proposed changes had been reviewed and recommended that they be approved.

Approved unanimously.

Letter to Mr. Peyton, President of the Federal Reserve Bank of Minneapolis, reading as follows:

"Reference is made to your letter of November 4 stating that it appears desirable to you to suggest to your directors at their next meeting that Mr. Thomas H. Hodgson be appointed Assistant Counsel for the bank and inquiring whether such a move on your part would conflict with the Board's objectives.

"The Board appreciates your desire to cooperate with it by bringing this proposed action to its attention. If, as your letter indicates, it is your judgment that it is in the interest of efficiency of the institution to take such action at this time, the Board offers no objection. The report of the survey to which you refer has been filed with the Board but it has not yet given it consideration for the reason that the surveys of the legal divisions of the other banks have not been completed and the Board desires to canvass the situation as a whole before reaching any conclusions. Therefore, I am not in a position at this time to advise you as to what might be the Board's views as to the general policy to be followed in the future."

Approved unanimously.

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Letter to the board of directors of "The Citizens' State Bank of Choteau, Montana", Choteau, Montana, stating that, subject to the conditions of membership numbered 1 to 3 contained in the Board's Regulation H and the following special conditions, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Minneapolis:

- "4. Such bank shall make adequate provision for depreciation in its banking house and furniture and fixtures.
- "5. Prior to admission to membership such bank, if it has not already done so, shall charge off or otherwise eliminate estimated losses of \$1,181.04 in loans and discounts, as shown in the report of examination of such bank as of October 23, 1937, made by an examiner for the Federal Reserve Bank of Minneapolis."

Approved unanimously for transmission through the Federal Reserve Bank of Minneapolis.

Letter to Mr. Walter Lichtenstein, Secretary of the Federal Advisory Council, reading as follows:

"In response to your letter of November 10 we are glad to learn that the members of the Council are in favor of holding all of their meetings in the Federal Reserve Building.

"As to the place where the Council may hold its meeting on the first day, we shall be glad to be guided by the wishes of the Council and to make available the Board Room or the Conference Room adjoining the Board Room as the Council may prefer. We shall also be glad to provide lunch for the Council in the Board's private dining rooms.

"I have consulted Dr. Goldenweiser as to his attendance at the meeting on the first day and he has requested



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"me to say that he will be glad to hold himself available to respond to a call from the Council at any time that it may prefer from eleven to twelve in the morning.

"The expense of the lunch of the Council will be borne by the Board and the Board will be glad to have as its guests at lunch on the second day also any of the members of the Council and yourself who may desire to have lunch in the building.

"As we did at the last meeting, we shall take pleasure in making available to the Council when it meets here a private office and secretarial service.

"We hope that the Council will feel entirely comfortable in holding its meetings in our building."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrie  
Secretary.

Approved:

W. S. ...  
Chairman.