

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, January 31, 1938, at 11:50 a. m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice 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:

Memorandum dated January 27, 1938, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that, for the reason stated in the memorandum, Mr. Martin Krost, a junior economist in the Division, be granted leave of absence without pay for a period of not to exceed three months from about February 7 to May 9, 1938.

Approved unanimously.

Memorandum dated January 27, 1938, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that, Mr. William L. Starr, Jr., who had previously served as a temporary junior economist in the Division, be appointed on a temporary basis for a period of three and one-half months as a junior economist in the Division, with salary at the rate of \$250 per month, effective as of

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the date upon which he enters upon the performance of his duties, to carry on the work of Mr. Martin Krost during his absence.

Approved unanimously.

Memorandum dated January 31, 1938, from Mr. Smead, Chief of the Division of Bank Operations, submitting a letter dated January 28, 1938, from Mr. Drinnen, First Vice President of the Federal Reserve Bank of Philadelphia, which requested approval by the Board of a change in the personnel classification plan of the bank to provide for the creation of the new position of "Reconciliation Clerk" in the Accounting Department. The memorandum stated that the proposed change had been reviewed and recommended that it be approved.

Approved unanimously.

Letter to Mr. Young, Vice President of the Federal Reserve Bank of Chicago, reading as follows:

"The December 31, 1937 condition report of The Home State Bank of South Milwaukee, Wisconsin, includes in the classification of time deposits in Schedule 'K' demand certificates of deposit and demand deposits evidenced by savings passbooks on which no interest is paid. As it is indicated that these deposits are payable on demand they should have been included among other demand deposits in Schedule 'J', and it will be appreciated if you will so advise the bank for its guidance in submitting future condition reports.

"Since the deposits are payable on demand it is assumed that they are reported as demand deposits for reserve purposes."

Approved unanimously.

There was submitted a recommendation, which had been approved

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by the Personnel Committee, that the Board authorize the purchase of metal folding chairs, as listed in purchase order numbered 3020, at a total cost of \$345.00.

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morley
Secretary.

Approved:

W. S. C. C. C.
Chairman.