

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, April 18, 1938, at 12:15 p. m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
Mr. McKee
Mr. Davis
Mr. Draper

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:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on April 15, 1938, were approved unanimously.

Letter to Mr. Leach, President of the Federal Reserve Bank of Richmond, reading as follows:

"Referring to your letter of April 14, 1938, the Board approves payment of salary at the rate of \$4,800 per annum, as fixed by your Board of Directors, for Mr. Roger W. Mercer, who has been appointed Assistant Cashier of your bank, effective April 14."

Approved unanimously.

Letter dated April 16, 1938, to Mr. Leach, President of the Federal Reserve Bank of Richmond, reading as follows:

"In accordance with the request contained in your letter of April 12, the Board approves the appointment

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"on a permanent basis of R. T. Short as examiner and P. H. Eubank, W. H. Malcolm, Jr., and U. H. Mills as assistant examiners, their appointments as such on a temporary basis having been previously approved by the Board."

Approved unanimously.

Memorandum dated April 13, 1938, from Mr. Paulger, Chief of the Division of Examinations, submitting the budgets for the year 1938 for the bank examination departments of the respective Federal reserve banks, as follows:

| <u>F. R. Bank</u> | <u>Budget</u> |
|-------------------|--------------------|
| Boston | \$ 66,465 |
| New York | 376,319 |
| Philadelphia | 140,851 |
| Cleveland | 95,632 |
| Richmond | 71,621 |
| Atlanta | 46,519 |
| Chicago | 126,663 |
| St. Louis | 63,909 |
| Minneapolis | 31,337 |
| Kansas City | 48,697 |
| Dallas | 35,545 |
| San Francisco | 85,716 |
| Total | <u>\$1,189,274</u> |

The memorandum set forth a comparison of the budget proposed for 1938 with the budget figures and actual expenses of the departments of the respective banks for the year 1937 and recommended that the budgets for the current year be approved as submitted (which would include the approval of the budgets of the Federal Reserve Banks of Philadelphia and St. Louis exclusive of any reimbursement obtained by the two banks for examinations conducted by the respective departments).

Approved unanimously.

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Letter to Mr. Sinclair, President of the Federal Reserve Bank of Philadelphia, reading as follows:

"Reference is made to your telegram of April 9, 1938, in regard to the program of the Federal Reserve Bank of Philadelphia in connection with the coming summer session of the Graduate School of Banking at Rutgers University.

"It is noted that the bank expects to pay the tuition expenses of one second-year and two third-year students, but that two other prospective students from your bank, one of whom attended the school for the first time last year and one of whom has not previously attended the school, will pay their own expenses.

"In view of the special circumstances previously reported to the Board, it will interpose no objection to the payment by the bank of the tuition expenses of the three students above mentioned in connection with their attendance at the coming summer session of the Graduate School of Banking at Rutgers University."

Approved unanimously.

Letter to Mr. Frank W. Simmonds, Senior Deputy Manager, The American Bankers Association, New York, New York, reading as follows:

"This refers to your letter of April 5 requesting earnings and expense figures of State bank members of the Federal Reserve System for the calendar year 1937, by States and by size of banks, corresponding to data heretofore made available to your Association covering the calendar years 1935 and 1936.

"The Board will be glad to make the desired data for the year 1937 available to your representative under the same conditions as outlined in our letter to you dated May 5, 1937, with respect to corresponding data for the year 1936. The recapitulation sheets showing the desired data for the year 1937 will be available in about one month. You will be advised as soon as they are available, whereupon your representative may arrange direct with Mr. E. L. Smead, Chief of the Division of Bank Operations, for copying the desired figures from the recapitulation sheets."

Approved unanimously.

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Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

W. Stecker
Chairman.