

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, September 1, 1939, at 2:35 p. m.

PRESENT: Mr. Eccles, Chairman
Mr. Szymczak
Mr. Draper

Mr. Morrill, Secretary
Mr. Thurston, Special Assistant to the
Chairman

It was agreed that in view of the demands being made on the telephone switchboard in the Board's building during the present unsettled period arrangements should be made to have the switchboard in operation from 8:00 a.m. to 11:00 p.m. on week days and at such hours over the weekend as may be found to be necessary.

In accordance with this decision, approval was given to the employment of Mrs. Helen Jones as a telephone operator on a temporary basis at a salary of \$18.00 per week.

The installation of an additional direct telephone line between the Board's offices and the Federal Reserve Bank of New York for the period of the emergency was also approved unanimously, with the understanding that the cost of the wire would be equally divided between the Board and the bank and that the item Telephone and Telegraph in the Board's General Budget for 1939 would be increased in an amount sufficient to defray the cost of such wire.

Approval was then given to a telegram to Mr. Leedy, Vice President of the Federal Reserve Bank of Kansas City, reading as follows:

"Board of Governors of the Federal Reserve System approves establishment by your bank, without change, of

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"rates of discount and purchase in bank's existing schedule, advice of which was contained in your telegram dated August 31 except that in accordance with action of your executive committee advice of which was contained in your telegram September 1, Board approves effective immediately rate of 1-1/2 percent on advances to nonmember banks secured by direct obligations of United States under last paragraph of section 13 of Federal Reserve Act."

At this point Mr. Thurston left the meeting and the action stated with respect to each of the matters hereinafter referred to was then taken by the Board:

Telegram to Mr. Sanford, Assistant Secretary of the Federal Reserve Bank of New York, stating that the Board approves the establishment without change by the Federal Reserve Bank of New York on August 31, 1939, of the rates of discount and purchase in its existing schedule.

Approved unanimously.

Memorandum from Mr. Thomas, Assistant Director of the Division of Research and Statistics, recommending that, for the reason stated in the memorandum, the appointment of Mr. Emile M. Despres as a senior economist in that division, be made effective September 5, 1939, instead of September 11 as originally approved by the Board.

Approved unanimously.

Letter to Mr. McCormick, Director of the Baltimore Branch of the Federal Reserve Bank of Richmond, reading as follows:

"The Board of Governors of the Federal Reserve System accepts your resignation, tendered in your letter of August 30, 1939, as a director of the Baltimore Branch of the Federal Reserve Bank of Richmond.

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"It is noted from your letter that you are no longer an officer, director, employee or stockholder of any bank, and that you have executed the oath of office of a class 'C' director and have forwarded it to the Federal Reserve Bank of Richmond."

Approved unanimously, together with a letter to Mr. Leach, President of the Federal Reserve Bank of Richmond, reading as follows:

"For your information and files there is sent you herewith a copy of the Board's letter of this date to Mr. Charles P. McCormick, Baltimore, Maryland, accepting his resignation as a director of the Baltimore Branch of the Federal Reserve Bank of Richmond."

Thereupon the meeting adjourned.

Chesley Morris
Secretary.

Approved:

W. Leach
Chairman.