

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, May 28, 1940, at 2:30 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

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on May 27, 1940, were approved unanimously.

Memorandum dated May 21, 1940, from Mr. Wyatt, General Counsel, recommending, for the reason stated in the memorandum, that the salary of Kit Williams, Assistant Counsel, be increased from \$7,500 to \$8,500 per annum, effective June 1, 1940.

Approved unanimously.

Letter to Mr. Lassiter, Chairman of the Federal Reserve Bank of Richmond, reading as follows:

"Referring to your letter of May 14, 1940, the Board approves payment of salaries, effective June 1, 1940, to the officers named below at the rates indicated:

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<u>"Name</u>	<u>Title</u>	<u>Annual Salary</u>
J. S. Walden, Jr.	First Vice President	\$14,000
J. G. Fry	Vice President	12,000
G. H. Keesee	Cashier and Secretary	9,000
Edw. Waller, Jr.	Assistant Cashier	7,500
W. W. Dillard	Assistant Cashier	6,500
A. S. Johnstone	Assistant Cashier	6,000
C. L. Guthrie	Assistant Cashier	5,400
R. W. Mercer	Assistant Cashier	5,400
M. G. Wallace	Counsel	8,000
R. S. Brock, Jr.	Auditor	5,400
<u>Baltimore Branch</u>		
W. R. Milford	Managing Director	12,000
J. R. Cupit	Cashier	6,500
J. A. Johnston	Assistant Cashier	5,000
D. F. Hagner	Assistant Cashier	4,200
<u>Charlotte Branch</u>		
W. T. Clements	Managing Director	7,500
R. L. Cherry	Cashier	5,000
L. D. Brooks	Assistant Cashier	4,000

"The above salary approvals are for the period June 1, 1940, to May 31, 1941, subject in the case of the First Vice President to his reappointment with the approval of the Board of Governors upon the expiration of his present term of office.

"The Board has requested me to advise you that, for the reasons given to you over the telephone by Governor Szymczak, it is not prepared at this time to approve the proposed increase in salary recommended for President Leach but approves the payment of salary to him for the period June 1, 1940 to May 31, 1941 at the rate of \$21,000 per annum, if fixed by the Board of Directors at such rate, subject to his reappointment with the approval of the Board of Governors upon the expiration of his present term of office."

Approved unanimously.

Letter to Mr. Force, Chairman of the Federal Reserve Bank of San Francisco, reading as follows:

"At the completion of the examination of the Federal

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"Reserve Bank of San Francisco, made as of March 19, 1940, by the Board's examiners, a copy of the report of examination was left for your information and the information of the directors. A copy was also furnished President Day.

"The report does not appear to contain any matters requiring further comment at this time. The Board will appreciate advice, however, that the report has been considered by the Board of Directors. Any comments you may care to offer regarding discussions with respect to the examination or as to action taken or to be taken as a result of the examination will also be appreciated."

Approved unanimously.

Letter to Honorable H. A. Wallace, Secretary of Agriculture, reading as follows:

"You will recall that under date of November 28, 1939 you asked that the Board of Governors obtain a classification of bank loans to farmers in connection with their call reports as of December 31, 1939, and that Governor Davis wrote you under date of December 1 suggesting that the collection of these data be postponed until June 1940. In accordance with the understanding then reached, the Board has arranged to collect the desired data in connection with the forthcoming June call reports of State bank members of the Federal Reserve System. A copy of the form of the proposed schedule, which was drafted by members of the Board's staff and of your Division of Agricultural Finance, is enclosed. It is understood that your Department will arrange to print the schedule, and it will be appreciated if you will furnish the Board with 3,500 copies thereof by June 10 if practicable."

Approved unanimously.

Mr. Morrill suggested that the Board authorize the payment of the cost of the luncheon served to Honorable Preston Delano, Comptroller

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of the Currency, in the Board's dining room today.

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

W. S. ...
Chairman.