

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, May 13, 1941, at 11:00 a.m.

PRESENT: Mr. Eccles, Chairman

Mr. Szymczak

Mr. McKee

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 12, 1941, were approved unanimously.

Memorandum dated May 5, 1941, from Mr. Morrill, recommending approval of the following salary increases in the Secretary's Office to become effective May 16, 1941:

| <u>Name</u> | <u>Designation</u> | <u>Salary Increase</u> | |
|---|-------------------------------------|------------------------|-----------|
| | | <u>From</u> | <u>To</u> |
| <u>Secretarial and Administrative Section</u> | | | |
| Sampson H. Bass | Supervisor, Accounting Section | \$2,900 | \$3,200 |
| John C. Brennan | Secretary | 2,500 | 2,600 |
| Mrs. Sarah B. Murphy | Secretary | 2,100 | 2,300 |
| Frank H. Grimes, Jr. | Voucher Clerk | 2,100 | 2,300 |
| John F. Cassil | Purchasing Clerk | 1,800 | 2,000 |
| John N. Kiley, Jr. | Assistant Supervisor, Files Section | 2,200 | 2,400 |
| Mrs. Elva H. McKnew | Clerk | 1,860 | 1,980 |
| E. Katherine Meiser | Clerk-Stenographer | 1,800 | 1,920 |
| John Poundstone | Clerk | 1,500 | 1,620 |
| Bert C. Dedman, Jr. | Index Clerk | 1,620 | 1,740 |
| Mrs. Louise Thomason | Typist | 1,560 | 1,620 |
| Ruby A. Pitzer | Junior File Clerk | 1,440 | 1,500 |

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| <u>Name</u> | <u>Designation</u> | <u>Salary Increase</u> | |
|---|---------------------------------------|------------------------|-----------|
| | | <u>From</u> | <u>To</u> |
| <u>Building Operation and Maintenance Section</u> | | | |
| Herbert W. Young | Principal Operating Engineer | \$2,500 | \$2,600 |
| Charles D. Lindamood | Operating Engineer | 2,120 | 2,200 |
| Charles W. Storm | Carpenter | 1,980 | 2,040 |
| Sven Johnson | Supervising Janitor | 1,900 | 2,040 |
| Morris Mayhew | Gardener | 1,500 | 1,560 |
| Arad B. Shipp | Gardener | 1,320 | 1,440 |
| John Blash | Apprentice Mechanic | 1,320 | 1,440 |
| <u>Service Functions</u> | | | |
| Flora J. Griffith | Telephone Operator | 1,500 | 1,620 |
| Gordon P. Johnson | Junior Operator (Duplicating Devices) | 1,320 | 1,380 |

Approved unanimously.

Memorandum dated May 8, 1941, from Mr. Smead, Chief of the Division of Bank Operations, recommending approval of the following salary increases in that Division to become effective May 16, 1941:

| <u>Name</u> | <u>Designation</u> | <u>Salary Increase</u> | |
|----------------------|--------------------|------------------------|-----------|
| | | <u>From</u> | <u>To</u> |
| Catherine E. Hopping | Clerk-Stenographer | \$1,440 | \$1,620 |
| Charlotte M. Shaffer | Clerk | 1,320 | 1,440 |
| Carl M. Skinner | Messenger | 1,460 | 1,500 |
| Jerry L. Williams | Messenger | 1,260 | 1,320 |

Approved unanimously.

Memorandum dated May 13, 1941, from Mr. Nelson, Assistant Secretary, submitting a request from J. A. Cameron, Jr., guard in the Building Operation and Maintenance Section of the Office of the Secretary, for leave of absence for the purpose of reporting for military duty with the United States Army, and recommending that Mr. Cameron be granted leave of absence for military duty beginning May 23, 1941,

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in accordance with the policy adopted by the Board on November 14, 1940, for employees called for military service.

Approved unanimously.

Memorandum dated May 10, 1941, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending with the concurrence of Mr. Smead that David M. Kennedy, Technical Assistant in the Division of Bank Operations, be transferred to the Division of Research and Statistics as an associate economist with salary at the rate of \$5,000 per annum, effective as of the date upon which he enters upon the performance of his new duties.

Approved unanimously.

Memorandum dated May 9, 1941, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that Miss Mary M. Hough be appointed as a stenographer in that Division, with salary at the rate of \$1,620 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed satisfactorily the usual physical examination.

Approved unanimously.

Memorandum dated May 12, 1941, from Mr. Nelson, Assistant Secretary, submitting a memorandum dated May 5 from R. K. Thompson, advising of his acceptance of a position as Assistant to Mr. Leon Henderson, Administrator, Office of Price Administration and Civilian Supply and inquiring whether his transfer to this position would affect his status

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under the leave of absence without pay to July 1, 1941, granted to him by the Board. The memorandum suggested that Mr. Thompson be advised that his transfer to the office of Mr. Henderson would not affect his leave status up to July 1, 1941. The memorandum also stated that it was contemplated that any further extension of leave for Mr. Thompson, as well as that of two other employees loaned to the Defense Commission, would be submitted for consideration by the Board prior to July 1, 1941.

Approved unanimously.

Memorandum dated May 7, 1941, from Mr. Goldenweiser, Director of the Division of Research and Statistics, submitting for approval by the Board the budgets for the statistical and analytical function, including library services, at the respective Federal Reserve Banks for the year 1941, and recommending that the Board approve the proposed budgets as follows:

| | |
|---------------|---------------|
| Boston | \$ 36,940 |
| New York | 200,040 |
| Philadelphia | 53,595 |
| Cleveland | 33,068 |
| Richmond | 28,633 |
| Atlanta | 24,989 |
| Chicago | 48,193 |
| St. Louis | 21,565 |
| Minneapolis | 14,307 |
| Kansas City | 22,749 |
| Dallas | 21,401 |
| San Francisco | <u>52,141</u> |

Total \$557,621

Approved unanimously.

Letter to Mr. McCabe, Chairman of the Federal Reserve Bank of

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Philadelphia, reading as follows:

"At the completion of the examination of the Federal Reserve Bank of Philadelphia, made as of March 15, 1941, 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 Sinclair.

"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.

Memorandum dated May 9, 1941, from Messrs. Goldenweiser, Thurston, and Hammond (Staff Editorial Committee) submitting for approval by the Board the latest revision of the preface prepared by the Staff Editorial Committee for the Banking Studies.

The revised preface was approved unanimously.

Thereupon the meeting adjourned.

Walter Morrie

Secretary.

Approved:

W. C. C. C.

Chairman.