

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, September 15, 1941, at 4:00 p.m.

PRESENT: Mr. Ransom, Vice Chairman
Mr. Szymczak
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 hereinafter referred to was taken by the Board:

Memorandum dated September 10, 1941, from Mr. Wyatt, General Counsel, recommending that Miss Mary F. Tesh be appointed as a stenographer in the Office of General Counsel, 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 September 9, 1941, from Mr. Goldenweiser, recommending that Miss Florence E. Erickson be appointed on a temporary basis for a period of not to exceed six months as a library assistant in the Division of Research and Statistics, with salary at the rate of \$1,800 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.

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Memorandum dated September 11, 1941, from Mr. Morrill, Secretary, recommending that the salaries of Philip D. Faber and J. J. Yilek, porters in the Building Operation and Maintenance Section of the Secretary's Office, be increased from \$1,200 to \$1,260 per annum and from \$1,080 to \$1,200 per annum, respectively, effective as of September 16, 1941.

Approved unanimously.

Letter to Mr. Meyer, Assistant Cashier of the Federal Reserve Bank of Chicago, reading as follows:

"As requested in your letter of September 10, 1941, the Board of Governors approves, effective September 1, 1941, the payment of a salary at the rate of \$2,640 per annum to Mr. Christ M. Hansen, Auditing Clerk Junior, which amount is \$120 in excess of the maximum salary for this position as provided in the personnel classification plan of your Bank."

Approved unanimously.

Telegram to the Presidents of all of the Federal Reserve Banks reading as follows:

"Reg. W-62. The Board has received the following inquiries:

'Does the term "automobile" in Group A of Supplement, Regulation W include automobile engines purchased separately for installation in a used car chassis?

'Does term "mechanical refrigerator", Item 1, Group C, Supplement, include motor unit replacement, if purchased separately?'

"These inquiries raise a general question with respect to the treatment of replacement or repair parts for listed articles. It is to be noted that certain parts are mentioned specifically in the list, as for

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"example, motors for power driven boats, heating units for furnaces, and certain items that are included in Group D-4 and Group E. The regulation however does not treat replacement or repair parts as being included in the list merely by reason of the listing of the complete article, with the consequence that an automobile engine purchased separately would not by inference be classified as a listed article on the ground that automobiles are listed. On the other hand, if the Registrant knows or has reason to know that any purchase is part of a scheme to acquire a complete listed article by purchasing separate pieces, the Registrant is required to treat the credit extended as if the piece purchased were a listed article."

Approved unanimously.

Telegram to Mr. Crause, Director of the Instalment Credit Division of the Federal Reserve Bank of St. Louis, reading as follows:

"Section 9(b) of Regulation W was designed to permit dating of contract so that instalments will fall on convenient dates, for example obligor's pay days. Consequently, if automobile is sold on October 20, contract may be dated November 1 so that first monthly instalment will fall due December 1."

Approved unanimously.

Letter to Mr. Collas Harris, Executive Officer of the National Archives, reading as follows:

"This letter is in response to the request contained in the letter addressed to Chairman Eccles under date of September 4, 1941, by Mr. MacLeish, as Chairman of the Subcommittee of the Committee on the Conservation of Cultural Resources, in which a request was made for a report of the books and records, etc., in the offices of the Board of Governors which would require protection against possible air raid damage.

"After discussing the matter with a representative of the National Archives, in the light of the classes of materials set forth in Mr. MacLeish's letter, it has been concluded that, with two minor exceptions, all of the material in the Board's offices would fall in category 1(a), that is, books and records which the Board

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"must have constantly in its possession in Washington in order to perform its functions and which would be protected in the Board's building in which they are now housed. Therefore, no consideration has been given to the manner in which this material could be packed for evacuation and safe storage elsewhere. It is assumed that, should it ever become necessary to move books and records of this kind from Washington, a uniform procedure would be worked out for all Government departments and agencies. As soon as the details of any approved procedures are available with respect to the protection of records which are to be kept in the offices of the various departments and agencies, we would appreciate it very much if we could be advised.

"The reports attached to this letter cover the material in the Board's libraries, official files, personnel records, minutes and indexes, mailing lists, records of the Fiscal Agent, and files held for a period in file cases in various offices of the Board's staff prior to their release to the central files, but do not include material being actively worked on and temporarily out of the files, or bulletins, annual reports, text books, printed reports, or reference files maintained in the offices of members of the staff which are regarded more or less as personal working tools. While the files and cases covered by the attached reports are not entirely full and, therefore, the figures reported allow for some expansion, no attempt has been made to estimate or make allowance for possible growth in volume during the next year or two.

"If we can cooperate further in this matter we shall be pleased to do so."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morris
Secretary.

Approved:

Harold Hanson
Vice Chairman.