

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, October 31, 1942, at 11:00 a.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Draper  
Mr. Evans

Mr. Morrill, Secretary  
Mr. Bethea, 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 October 30, 1942, were approved unanimously.

Memorandum dated October 27, 1942, from Mr. Morrill, recommending that the following increases in salaries of employees in the Secretary's Office be approved, effective as of November 1, 1942:

<u>Name</u>	<u>Designation</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
<u>Secretarial and Administrative</u>			
Mrs. Sarah B. Murphy	Secretary	\$2,300	\$2,400
Virginia Colon	Junior File Clerk	1,260	1,440
Alice M. Mackey	Junior File Clerk	1,260	1,440
Evelyn L. Simpson	Junior File Clerk	1,260	1,440
Margaret I. Wadley	Junior File Clerk	1,260	1,440
<u>Service Functions</u>			
H. M. Ott	Supervisor, Telegraph Section	2,400	2,600
L. L. Ball	Telegraph Operator	2,040	2,160
T. N. Buckley	Telegraph Operator	1,920	2,100
M. P. Flagg	Telegraph Operator	1,980	2,160
G. L. March	Telegraph Operator	1,920	2,100
W. S. Pool	Telegraph Operator	1,920	2,100
J. E. Tanner	Telegraph Operator	1,500	1,620

The memorandum also recommended that, effective November 1, 1942, the

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appointments of Misses Colon, Mackey, Simpson, and Wadley be made permanent.

Approved unanimously.

Memorandum dated October 28, 1942, from Mr. Leonard, Director of the Division of Personnel Administration, recommending that the salary of Miss M. Callie Wickline, nurse in the Board's emergency room, be increased from \$1,800 to \$1,980 per annum, effective November 1, 1942.

Approved unanimously.

Draft of a memorandum for Mr. Morrill's signature to all division heads, stating that the Board had modified the policy adopted on May 26, 1942, with respect to annual leave of employees during war time, so as to limit accrued leave taken during the current year, in addition to the two calendar weeks or 16 calendar days of annual leave at any one time, to "2-1/2 days at a time" instead of "a day or two at a time", and asking that this modification be brought to the attention of all employees in the respective divisions.

Approved unanimously.

Memorandum dated October 28, 1942, from Mr. Wingfield, Assistant General Attorney, referring to decisions reached by the Board in 1940 and 1941 that in connection with the examination of the Federal Reserve Bank of New York confirmations should not be requested of certain accounts maintained with that Bank by foreign banks and governments, and stating that the examiner in charge of the current examination of the New York Bank had discussed the matter again with Mr. Logan, General

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Counsel for the Bank, who had submitted a memorandum dated October 21, 1942, setting forth reasons why it was felt confirmations of certain accounts referred to in the memorandum should not be requested in connection with the current examination. Mr. Wingfield's memorandum stated that he concurred in the position taken in Mr. Logan's memorandum and that, in the absence of objection on the part of the Board, its examiner in charge would follow the previous practice and would not endeavor to obtain the usual confirmations of the particular accounts referred to in Mr. Logan's memorandum, and that in the case of the Vatican City and Sveriges Riksbank accounts the examiner would follow the procedure for obtaining confirmations suggested by Mr. Logan.

It was agreed that the confirmations of the accounts in question should not be requested and that in the case of the Vatican City and Sveriges Riksbank accounts the procedure for obtaining confirmations as outlined in Mr. Logan's memorandum should be followed.

Letter to Mr. Hays, Vice President and Secretary of the Federal Reserve Bank of Cleveland, reading as follows:

"Reference is made to your letter of October 24, 1942, enclosing two bills, dated October 13, 1942, from Squire, Sanders and Dempsey totalling \$5,500 for services from July 1 to September 30, 1942, in connection with loans guaranteed by the War Department and Navy Department under Executive Order No. 9112.

"It is noted that payment of these bills was approved by the executive committee of the Bank's board of directors on October 22, 1942, subject to the approval of the Board of Governors, and that claim for reimbursement is to be made for this expense.

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"Pursuant to your request the Board of Governors approves payment of the two bills from Squire, Sanders and Dempsey as above described."

Approved unanimously.

Thereupon the meeting adjourned.

Rochester Morrie  
Secretary.

Approved:

W. C. C. C.  
Chairman.