A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, January 25, 1943, at 9:45 a.m.

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

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on January 23, 1943, were approved unanimously.

Letter to Mr. Davis, President of the Federal Reserve Bank of St. Louis, reading as follows:

"In accordance with your request the Board of Governors approves the following new pages in the personnel classification plan of the Federal Reserve Bank of St. Louis and Branches, covering the creation of new positions as submitted with your letters of January 11, 1943:

<table>
<thead>
<tr>
<th>Page No.</th>
<th>Department</th>
<th>Title</th>
<th>Maximum Annual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>27-B</td>
<td>Banking House</td>
<td>Senior Maintenance Man</td>
<td>$2,100</td>
</tr>
<tr>
<td>26-A</td>
<td>Banking House</td>
<td>Engineer</td>
<td>2,400</td>
</tr>
<tr>
<td>16</td>
<td>Fiscal Agency</td>
<td>Supervisor of Accounting and Statistics</td>
<td>1,980</td>
</tr>
<tr>
<td>19-A</td>
<td>Credit-Discount</td>
<td>Administrative Assistant</td>
<td>2,400&quot;</td>
</tr>
</tbody>
</table>

Approved unanimously.
Letter to Mr. Brainard, Chairman of the Federal Reserve Bank of Cleveland, reading as follows:

"As you may recall, during the discussion of the agenda for the Conference of Chairmen which was held on October 5, 1942, it was suggested that a brief statement somewhat in the nature of by-laws be prepared relating to meetings of the Chairmen's Conference and the selection of the officers and committees of the Conference. A draft of such a statement is attached hereto. It has been prepared with a view to permitting the greatest possible flexibility in the activities of the Conference and, to that end, prescribes only the essentials with respect to organization, meetings, and procedure.

"The statement is being sent to you at this time as Chairman of the executive committee of the Chairmen's Conference with the thought that you may wish to discuss it with the other members of the executive committee and to present the matter for consideration at the next meeting of the Chairmen's Conference.

"The suggestion has also been made that it would be helpful to the Chairmen if they had readily available a brief statement with respect to other Federal Reserve System meetings that are held from time to time. Such a statement is also attached with the thought that, if you think it worthwhile, you might send it to the Chairmen of the other Federal Reserve Banks."

Approved unanimously.

Letter to Major General Blanton Winship, Coordinator of the Inter-American Defense Board, reading as follows:

"Further consideration has been given to the question of reimbursement for the space occupied by the Inter-American Defense Board in the Federal Reserve Building, in the light of previous correspondence and the discussions between Major Hinckley and members of the Board's staff. At the time of the request for space in this building for the Inter-American Defense Board, it was the understanding that, because of the possible needs of our own organization, the accommodation would have to be of a temporary nature, and we were assured that, one way or another, space would be obtained elsewhere for the Inter-American Defense Board within a period of approximately two months. The space was provided at considerable inconvenience and expense to our own organization. New
"Responsibilities may arise which may make it imperative that we have some or all of the space on short notice for our own use. With the passage of time, however, because you have not obtained space elsewhere, we feel that we can not continue to defer the question of reimbursement for the space occupied by your Board, especially in view of the fact that, as heretofore pointed out, the Board of Governors derives the funds it uses to pay its expenses, including those of this building, from assessments against the Federal Reserve Banks.

In this connection, it is understood that it is not the practice for one agency or establishment of the Government to charge rent for space which it controls when used or occupied by another agency of the Federal Government, but that it is the practice in such cases for one agency to reimburse the other agency for all costs of maintenance and operation of space so occupied. Accordingly, it is believed that the Inter-American Defense Board should arrange to pay the Board of Governors of the Federal Reserve System a proportionate share of the expenses of operating and maintaining the building and facilities which it is utilizing. It is understood, also, that the Inter-American Defense Board does not have funds available for the payment of expenses incurred prior to the current fiscal year and, therefore, it will be satisfactory if reimbursement is made for a proportionate share of such expenses from July 1, 1942, and continuing for such time as you occupy space in the building.

As you know, the Federal Reserve Building is fully air conditioned, and by reason of its construction and design, the facilities afforded are of unusually high character. The Inter-American Defense Board has been furnished with cleaning, heating, lighting, air conditioning, protection, and elevator services for the quarters it occupies, and has utilized many other facilities furnished in the building, such as the cafeteria, mail, and emergency rooms. During the six-months period from July 1, 1942 to December 31, 1942, the cost of operating and maintaining the building was approximately $72,000.

The Inter-American Defense Board has occupied, since the latter part of March, 1942, rooms numbered 1202, 1204, 1206, 1208 (A and B), 1210, 1212, 1214, 1215, 1216, 1217, 1218, 1219 and 1221, 1220, 1222 and 1224, 1226, 1228, 1230, 1232, 1234, 1236, 1238, 1240, 1242, 1244, 1245, 1247 and 1249, 1246, 1248, 1250, 1251, 1252, 1253, 1254, 1255, 1256, 1258, 1260 (A and B), 1262, 1264, 1266 (A, B, C, D and E), in the "W" Street wing of the first floor, which amounts to 11.8% of the amount of
"usable office space in the Federal Reserve Building. The proportionate share for this space of the expenses for the six-months period from July 1, 1942 to December 31, 1942, would be 11.8% of $72,000, or $8,496. As the recent provision for overtime pay did not go into effect until December, it is reasonable to believe that future expenses will be at least this much, and that they are likely to be greater.

"Included in the space enumerated above are five rooms aggregating approximately 1,080 square feet of office space, which were set aside, at the request of the War Department, for the use of the Brazilian-United States Defense Commission, and it is understood that your agreement to reimburse us as above outlined will cover this space and you will continue the arrangement for the occupancy of the space by the Brazilian Commission.

"As soon as you advise us of your agreement to the plan outlined in this letter, we will arrange to set aside 10 spaces on the parking lot for your cars, and in addition will issue 25 other general parking permits from time to time to such individuals as may be designated by the Inter-American Defense Board, with the understanding that such permits, as well as the use of the space on the parking lot, may be terminated by the Board of Governors upon thirty days notice, and with the further understanding that the vehicles covered by this arrangement will be removed immediately if we deem it necessary to make space available for vehicles which the Public Buildings Administration has recommended be moved from the basement of the Federal Reserve Building in the event of an air raid."

Approved, Mr. McKee voting "no".

Thereupon the meeting adjourned.