

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, August 9, 1943, at 11:00 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
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 August 6, 1943, were approved unanimously.

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on August 7, 1943, were approved and the actions recorded therein were ratified unanimously.

Memorandum of this date from Mr. Morrill, recommending that Mrs. Sadie M. Mann be appointed as a charwoman in the Secretary's Office, with basic salary at the rate of \$1,200 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 of this date from Mr. Morrill, recommending (1) that the appointment of Miss Mary Forrest as a cafeteria helper in the Secretary's Office be made permanent, effective as of the expiration of her

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present temporary appointment at the close of business on August 12, 1943, with an increase in her basic salary from \$1,080 to \$1,200 per annum, effective August 16, 1943, and (2) that the temporary appointment of Mrs. Mary Tavenner as a cafeteria helper in the Secretary's Office be extended for an additional period of not to exceed 60 days, with no change in her present basic salary at the rate of \$1,080 per annum, effective as of the expiration of her present appointment at the close of business on August 14, 1943.

Approved unanimously.

Memorandum dated August 7, 1943, from Mr. Morrill, submitting the resignation of Mrs. Lillie J. Wiklund as a charwoman in the Secretary's Office, to become effective as of the close of business on September 30, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Letter to Mr. Walden, First Vice President of the Federal Reserve Bank of Richmond, reading as follows:

"The Board approves the changes in the personnel classification plan of the Baltimore Branch covering the new position of Assistant Manager of the Transit Department, and a change in the description of the duties of Supervisor of the Transit Department, as submitted with your letter of August 3."

Approved unanimously.

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

"In accordance with the request contained in your letter of July 31, 1943, the Board of Governors approves the payment of

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"salaries for the period ending April 30, 1944, to the following officers, at the rates shown:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
O. H. Barnard	Assistant Manager, Salt Lake City Branch	\$3,900
D. E. Bent	Assistant Manager, Portland Branch	4,800
D. E. Simms	Assistant Manager, Seattle Branch	4,500
E. R. Barglebaugh	Assistant Manager, Los Angeles Branch	3,900
Ronald T. Symms	Assistant Cashier, Head Office	5,000

"As requested, the effective date of the adjustment in Mr. Bent's salary is September 1, 1943, the date his appointment as Assistant Manager of the Portland Branch becomes effective, and the effective date of the other salaries is August 1, 1943."

Approved unanimously.

Letter to Mr. W. H. Hitson, Branch Manager of the Pacific Finance Corporation, San Antonio, Texas, reading as follows:

"This will acknowledge your letter of July 29, 1943, with reference to the used car price situation in San Antonio, Texas. We are giving consideration to the suggestion that the Kelley Blue Book, The Official Used Car Guide, be designated for use in connection with Regulation W's credit requirements in your market.

"A change in the area for which this used car appraisal guide book is designated can only be made after a comprehensive survey of the situation in the Southwest. This will take some time but it will be done as promptly as possible and you will be advised of the result."

Approved unanimously, together with similar letters to Mr. Fred Sheppard and Mr. M. L. Goeglein, Branch Manager of the Pacific Finance Corporation, of Dallas, Texas; Mr. J. A. McFaddin, Branch Manager of the Pacific Finance Corporation, Houston, Texas; and Mr. A. H. Barnacastle, Manager of Barney's Used Car Market, Mr. Temple Howard, Branch Manager of the Pacific Finance Corporation, Mr. J. P. Himmel of the Himmel Motor Company, Mr. F. B. Gordon of the Beaumont Used Car Co., Mr. J. Leon Brogan of the B and T Motor Co., and Mr. Carl Markley, President of the Carl Markley Motor Company, all of Beaumont, Texas.

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Letter to Mr. Clerk, First Vice President of the Federal Reserve Bank of San Francisco, reading as follows:

"Thank you for your letter of July 29 furnishing us, in reply to our letter of July 5, with a copy of your letter to Mr. Bell, dated July 28, regarding the extension of certain fiscal agency functions to your Branches.

"We were pleased to note from your letter to Mr. Bell that beginning September 1 you are arranging to have all banks in the Branch territories enter their subscriptions for Treasury issues through the appropriate Branch offices. We were also pleased to note that you are arranging to transfer to your Branches the accounts of issuing agents for Series E Savings Bonds so that all transactions and accounting for sales in Branch territories will be made through your Branches.

"It is noted from your letter to Mr. Bell that in the operation of the banking functions of the Twelfth District you are convinced that, if all services performed in your five offices were concentrated in one, the same volume of work could be conducted with a saving of at least half the expense now incurred by the Branches. Everyone is agreed, we believe, that the Branches add somewhat to the expenses of your Bank. Presumably, however, the additional expenses incurred in decentralizing the banking functions are considered justified, especially at the present time, in view of the size and importance of the Twelfth District. Regardless, however, whether in your opinion such expenses are or are not fully justified, the question naturally arises, if complete banking facilities are available at the Branches, why should not complete fiscal agency facilities also be available. In other words, as long as the Branches continue to operate and to perform practically all banking operations, it would seem to us that their services should be utilized in connection with fiscal agency operations to the fullest extent practicable. The next time you are in Washington we would like very much to discuss this matter with you.

"Since writing to you on July 5, we have had some further informal talks with the Treasury Department with respect to fiscal agency operations performed at the Branches, and it is our understanding that the Department now feels it will be satisfactory to have war loan deposit accounts maintained at the Branches. The suggestion was made that the interested Federal Reserve Banks request the Treasury for the necessary authority and submit statements outlining in general how they propose to handle the accounts at the Branches. It will be appreciated if you will advise us whether, in the circumstances,

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"it appears feasible for your Bank to take up with the Treasury the matter of having war loan deposit accounts maintained at the Branches."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

M. C. ...
Chairman.