

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, May 27, 1944, at 10:00 a.m.

PRESENT: 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 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 26, 1944, were approved unanimously.

Memorandum dated May 25, 1944, from Mr. Paulger, Director of the Division of Examinations, recommending (1) that the leave of absence without pay for military service granted by the Board on November 9, 1942, to Herbert H. Hagler, an Assistant Federal Reserve Examiner, be terminated, and (2) that, in accordance with the policy adopted by the Board on November 14, 1940, and amended August 20, 1941, for all employees entering military service, he be reinstated in his former position of Assistant Federal Reserve Examiner, with an increase in his basic salary from \$3,100 to \$3,300 per annum, effective as of the date upon which he re-enters upon the performance of his duties after having passed satisfactorily a physical examination to determine whether he is still qualified to perform the duties of his position.

Approved unanimously.

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Memorandum dated May 23, 1944, from Mr. Morrill recommending, (1) in order that she might be with her husband who is in the Navy and stationed in Rhode Island, that Mrs. Margaret Lee Higdon, a clerk-stenographer in the Secretary's Office, be granted leave of absence from June 14 to September 15, 1944, with the understanding that she will utilize her accumulated annual leave of 31 days, which will carry her to the close of business July 19, 1944, and that the balance of the time will be taken on leave without pay, and (2) that the Board authorize the continuation of Mrs. Higdon's death benefits under the retirement system, with the understanding that she will make appropriate contributions therefor.

Approved unanimously.

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

"There is enclosed for your information and guidance, a copy of a memorandum dated May 26, 1944, received from Colonel Paul Cleveland, Chief, Advance Payment and Loan Branch, War Department, regarding the transmission of information to financing institutions and Liaison Officers.

"It is understood that the instructions and interpretations referred to in paragraph 2(b), relate to those furnished to all Federal Reserve Banks, rather than to answers to specific questions which are given to the inquiring Federal Reserve Bank only."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

Mrs. [Signature]
Member.