

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, June 17, 1944, 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 June 16, 1944, were approved unanimously.

Memorandum dated June 15, 1944, from Mr. Thomas, Assistant Director of the Division of Research and Statistics, recommending that, because of illness, Mrs. Agnete Laursen, a research assistant in that Division, be granted an advance of sick leave for the period May 16 to June 1, 1944, inclusive, and leave without pay for the period June 2 to not beyond July 15, 1944.

Approved unanimously.

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

"In accordance with the request contained in your letter of June 10, 1944, the Board of Governors approves continuation of payment of salary to Mr. James D. MacDonald at the rate of \$6,000 after his reclassification as Examiner, which salary is \$500 in excess of the maximum provided in the personnel classification plan for that position.

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"The Board of Governors also approves the continuation until June 30, 1945, of payment of salary to Mr. Walter F. Farrar at the rate of \$4,000 per annum, which is \$1,600 in excess of the maximum provided in the personnel classification plan for the position of Clerk in the Discount Department to which he is now assigned. It is assumed that the Bank will review the situation before the end of next June and that if further action by the Board is then considered desirable, appropriate recommendation will be made in the light of the circumstances then existing."

Approved unanimously.

Letter to Mr. Creighton, Chairman of the Federal Reserve Bank of Boston, reading as follows:

"In accordance with the request contained in Mr. Willett's letter of June 10, 1944, the Board approves payment of salary to Clifford E. Morrissey, Alternate Assistant Federal Reserve Agent, at the rate of \$2,700 per annum, effective July 1, 1944."

Approved unanimously.

Letter to the board of directors of the "Windsor State Bank", Windsor, Illinois, stating that, subject to conditions of membership numbered 1 to 3 contained in the Board's Regulation H, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Chicago.

Approved unanimously, for transmission through the Federal Reserve Bank of Chicago.

Letter to the board of directors of the "Laona State Bank", Laona, Wisconsin, stating that, subject to conditions of membership numbered 1 to 3 contained in the Board's Regulation H, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Minneapolis.

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Approved unanimously, for transmission through the Federal Reserve Bank of Minneapolis.

Memorandum dated June 16, 1944, from Mr. Nelson, Assistant Secretary, to Mr. Morrill, containing the recommendation, which Mr. Morrill approved, that the Board enter into an agreement with Mrs. Anna M. Guyselman to operate the beauty shop in its building to succeed Miss Ruth Counts, effective July 1, 1944, under the conditions set forth in the following letter to Mrs. Guyselman:

"In accordance with our conversation, the Board of Governors of the Federal Reserve System agrees to permit you to operate the beauty shop in its building under the following conditions:

"The beauty shop is to be operated primarily for the convenience of employees of the Board of Governors of the Federal Reserve System and not for the general public.

"The Board will furnish the permanent equipment such as facial and shampoo chairs, mirrors, cabinets, wash bowls, vanities, hair dryers, side chairs, clothes hooks, and other such equipment as may in its judgment be required. All other necessary items, such as tools, linen, and soaps, will be furnished by you. You will be permitted to furnish and use your own permanent wave machine and any other electrical or mechanical equipment after obtaining the written approval of the Board's representative, and said machine and all equipment furnished by you will remain your property.

"Eight per cent of the gross receipts from operations will be paid by you to the Board as a rental fee. You will make an accounting of receipts and pay the rental fee to the Board weekly.

"You will furnish as many operators, who shall be competent and satisfactory to the Board, as may be required to handle the business adequately, and you will have at least one qualified operator available for duty in the beauty shop at all times during the regular hours of service.

"You will be responsible for the payment of all expenses, including the salaries of your employees and laundry charges, in connection with the operation of the beauty shop.

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"The hours of service will be fixed by agreement between you and the Board's representative.

"The cleaning of the beauty shop, other than the washing of windows and the polishing of floors and window bronze, shall be performed by your employees.

"You will pay the cost of the telephone service in the beauty shop as shown by bills submitted to you monthly by the Board.

"Your relationship with the Board will be that of an independent contractor, and you will save and hold the Board, its members, officers and employees harmless from all claims for injury to any person and damages to any property arising out of or resulting in any way from the performance of this agreement. You will obtain and keep in force at all times a public liability insurance policy covering the beauty shop with limits of at least \$50,000. You will obtain and keep in force at all times a malpractice or beauty parlor liability insurance policy with limits of \$5,000/\$10,000. You will obtain and keep in force, when necessary, a workmen's compensation insurance policy. All such policies shall be satisfactory to the Board's representative.

"This agreement may be terminated at the request of you or of the Board's representative on thirty days' written notice.

"Kindly advise in writing whether you agree to assume the responsibility of operating the beauty shop in the Federal Reserve building under the conditions stated above."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morris
Secretary.

Approved:

W. C. C. C.
Chairman.