A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, July 21, 1944, at 11:00 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. McKee
Mr. Evans
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:

Telegrams to Mr. Flanders, President of the Federal Reserve Bank of Boston, Mr. Treiber, Secretary of the Federal Reserve Bank of New York, Mr. Davis, Vice President of the Federal Reserve Bank of Philadelphia, Mr. McLarin, President of the Federal Reserve Bank of Atlanta, and Messrs. Dillard, Stewart, and Hale, Secretaries of the Federal Reserve Banks of Chicago, St. Louis, and San Francisco, respectively, stating that the Board approved the establishment without change by the Federal Reserve Bank of St. Louis on July 18, by the Federal Reserve Bank of Atlanta on July 19, by the Federal Reserve Banks of New York, Philadelphia, Chicago, and San Francisco on July 20, 1944, and by the Federal Reserve Bank of Boston today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated July 20, 1944, from Mr. Bethea submitting the resignation of Herbert E. Becke as a guard in the Secretary's Office, to become effective as of the close of business on August 18,
1944, and recommending that the resignation be accepted as of that date or an appropriate earlier date if annual leave is used prior to the date of his leaving the service of the Board, it being understood that appropriate deduction will be made from Mr. Becke's salary to cover 3 days, 3 hours, and 20 minutes of unearned sick leave.

The resignation was accepted as recommended.

Memorandum dated July 19, 1944, from Mr. Nelson, Assistant Secretary, reading as follows:

"Under the provisions of Public Law No. 364, copy of which is attached, each department, agency and independent establishment of the Government is required to deposit in the general funds of the Treasury the cost of handling its mail which is sent free of postage under the penalty privilege. The cost is to be determined by the Post Office Department at the end of each quarter and, according to a letter dated July 18, 1944, is to be computed at the rate of $15.00 per 1,000 pieces.

"Under the provisions of this law, all mail exceeding four pounds in weight will be accepted for mailing only upon the payment of postage at fourth-class rates. In order to relieve the various agencies of the requirement of affixing the necessary postage to each package, the Postmaster will issue to each agency a distinctive permit number which may be placed on the package in lieu of postage. The Post Office will then bill each agency for the postage involved at the close of each calendar month. A copy of the application for a permit number is attached, and it is recommended that we obtain the necessary permit to facilitate the handling of our packaged mail.

"It is difficult at this time to make an accurate estimate of the amount of the charges which we will be required to pay for our mail. At the present time approximately 40,000 pieces of mail go out from our mail room each month, and when consideration is given to the mailing of the Bulletin which is sent out by the printer, and to the number of pieces of mail sent out by the examiners
"on the road force, it is believed that we should allow approximately $1,000 a month for letter mail and about $200 a month for packaged mail. Therefore, it is recommended that the Board approve an increase of $7,000 for postage and expressage in the Service Functions budget of the Office of the Secretary, to cover the mailing costs during the balance of the year 1944."

Approved unanimously.

Thereupon the meeting adjourned.

Approved:

Assistant Secretary.

Approved:

Chairman.