

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, September 20, 1944, at 11:00 a.m.

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

Mr. Morrill, Secretary  
Mr. Carpenter, Assistant Secretary

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 September 19, 1944, were approved unanimously.

Memorandum dated September 15, 1944, from Mr. Morrill submitting the resignation of Mrs. Carrie L. Sanford as a telephone operator in the Secretary's Office, to become effective as of the close of business on September 17, 1944, with the understanding that reimbursement would be made by Mrs. Sanford to cover unearned sick leave of 20 days and 50 minutes.

The resignation was accepted as recommended.

Letter to Mr. Rice, Vice President of the Federal Reserve Bank of New York, reading as follows:

"The Board of Governors approves the change in the personnel classification plan of the Federal Reserve Bank

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"of New York, involving an increase in the maximum annual salary for the position of Accountant, Foreign Department, as submitted with your letter of September 13, 1944.

"The Board of Governors approves this change effective September 16, 1944. It is understood from a conversation with Mr. Douglas that the effective date of such approval is satisfactory to your Bank."

Approved unanimously, together with  
the following letter to the Joint Committee  
on Salaries and Wages:

"Under the procedure established by General Order No. 19, of the War Labor Board and the authority granted by the Commissioner of Internal Revenue, transmitted herewith are five copies of a certificate of the Federal Reserve Bank of New York with respect to an increase in the maximum annual salary for one position, under the personnel classification plan of that Bank.

"The increase has been approved by the Board of Governors of the Federal Reserve System as submitted, effective September 16, 1944.

"In transmitting this certificate, attention is called to the fact which has been discussed with representatives of the War Labor Board and of the Commissioner of Internal Revenue, that the maximum annual salaries approved under the personnel classification plan are not, in general, established rates paid for all employees coming within the respective groups. They represent instead maximums within which adjustments, including increases due to individual merit and earned through long service, may be made by the Reserve Bank without further reference to the Board of Governors."

Letter to Mr. Blake, Assistant Cashier of the Federal Reserve Bank of Cleveland, reading as follows:

"The Board of Governors approves the changes in the personnel classification plan of the Federal Reserve Bank of Cleveland and its Branches, as submitted with your letter of August 25, 1944, supplemented by your letter of September 15."

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Approved unanimously, together with the following letter to the Joint Committee on Salaries and Wages:

"Under the procedure established by General Order No. 19, of the War Labor Board and the authority granted by the Commissioner of Internal Revenue, transmitted herewith are five copies of a certificate of the Federal Reserve Bank of Cleveland with respect to increases in the maximum annual salaries for twelve positions, under the personnel classification plan of the Federal Reserve Bank of Cleveland and its Cincinnati Branch.

"The increases have been approved by the Board of Governors of the Federal Reserve System as submitted.

"In transmitting this certificate, attention is called to the fact which has been discussed with representatives of the War Labor Board and of the Commissioner of Internal Revenue, that the maximum annual salaries approved under the personnel classification plan are not, in general, established rates paid for all employees coming within the respective groups. They represent instead maximums within which adjustments, including increases due to individual merit and earned through long service, may be made by the Reserve Bank without further reference to the Board of Governors."

Letter to the Federal Deposit Insurance Corporation reading as follows:

"Pursuant to the provisions of section 12B of the Federal Reserve Act, as amended, the Board of Governors of the Federal Reserve System hereby certifies that the Miles City Bank, Miles City, Montana, Miles City, Montana, became a member of the Federal Reserve System on September 18, 1944 and is now a member of the System. The Board of Governors of the Federal Reserve System further hereby certifies that, in connection with the admission of such bank to membership in the Federal Reserve System, consideration was given to the following factors enumerated in subsection (g) of section 12B of the Federal Reserve Act:

1. The financial history and condition of the bank,
2. The adequacy of its capital structure,

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- "3. Its future earnings prospects,
4. The general character of its management,
5. The convenience and needs of the community to be served by the bank, and
6. Whether or not its corporate powers are consistent with the purposes of section 12B of the Federal Reserve Act."

Approved unanimously.

Letter to Colonel John C. Mechem, Chief, Special Financial Services Division, Office of the Fiscal Director, War Department, reading as follows:

"For your information, there is enclosed a copy of a letter from the Board to all Federal Reserve Banks, dated September 19, 1944, with mimeographed copies of the enclosures to that letter, regarding approval by the Maritime Commission of the use of the new 1944 V-Loan Guarantee Agreement."

Approved unanimously, together with similar letters to Lieutenant Commander Donald P. Welles of the Navy Department and Mr. R. E. Anderson of the United States Maritime Commission.

Thereupon the meeting adjourned.

Walter Morrie  
Secretary.

Approved:

W. S. ...  
Chairman.