

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, May 5, 1945, at 10:30 a.m.

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

Mr. Morrill, Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Thurston, 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 4, 1945, were approved unanimously.

Memorandum dated April 30, 1945, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that Mrs. Florence G. Nixon be appointed as a research assistant in that Division on a temporary basis for an indefinite period, with basic salary at the rate of \$2,200 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. The memorandum stated that Mrs. Nixon would become a member of the Board's retirement system.

Approved unanimously.

Memorandum dated April 26, 1945, from Mr. Thomas, Director of the Division of Research and Statistics, submitting a letter from the War Department requesting that John Hans Adler, an economic specialist

5/5/45

-2-

in the Division of Research and Statistics, be released by the Board so that he may participate in the United States Strategic Bombing Survey to be conducted by the War Department, and recommending, for the reasons stated in the memorandum, that Mr. Adler be allowed to resign if he is offered a definite appointment by the War Department.

Approved unanimously.

Memorandum dated May 5, 1945, from Mr. Thomas, Director of the Division of Research and Statistics, submitting the resignation of Mrs. Vera Myers Sherrill as a library aid in that Division, to become effective as of the close of business on May 31, 1945, and recommending that the resignation be accepted as of that date with the understanding that she will make appropriate reimbursement for her overdrawn sick leave.

The resignation was accepted as recommended.

Memorandum dated May 5, 1945, from Mr. Thomas, Director of the Division of Research and Statistics, submitting the resignation of Mrs. Mary S. Krauss as a clerk-typist in that Division, to become effective as of May 6, 1945, and recommending that the resignation be accepted as of that date.

The resignation was accepted as recommended, with the understanding that Mrs. Krauss would receive proper payment for the annual leave remaining to her credit on May 6, 1945.

Memorandum dated May 2, 1945, from Mr. Smead, Director of the Division of Bank Operations, reading as follows:

5/5/45

-3-

"It is recommended that if and when the amendment to Section 16 of the Federal Reserve Act reducing reserve requirements against Federal Reserve note and deposit liabilities becomes effective, the changes indicated below be made in the Board's weekly statement of condition of Federal Reserve Banks. The amendment passed the Senate on April 26, 1945.

"Change the first four items in the consolidated statement of condition of the twelve Federal Reserve Banks combined, and in the detailed statement of assets of each Federal Reserve Bank from:

Gold certificates  
 Redemption fund - F. R. notes  
 Other cash  
Total reserves

to:

Gold certificates  
 Redemption fund for F. R. notes  
Total gold certificate reserves  
 Other cash

"It is also recommended that the caption 'ratio of total reserves to deposit and F. R. note liabilities combined' be changed to read 'ratio of gold certificate reserves to deposit and F. R. note liabilities combined'.

"It is proposed to insert in the Statement for the Press accompanying the first weekly statement in which the above suggested changes appear the following comment:

'Before the amendment of           (date)           to the Federal Reserve Act, the reserves of the Federal Reserve Banks against their deposit liabilities could consist of lawful money as well as gold certificates. Since that amendment their reserves must consist of gold certificates only. Appropriate changes have been made in the statement of condition to conform to this amendment.'

Approved unanimously.

5/5/45

-4-

Thereupon the meeting adjourned.

Chester Morie  
Secretary.

Approved:

M. S. ...  
Chairman.