

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, January 4, 1946, at 10:30 a.m.

PRESENT: Mr. Ransom, Vice Chairman
Mr. Szymczak
Mr. McKee
Mr. Evans

Mr. Carpenter, Secretary
Mr. Connell, General Assistant,
Office of the Secretary
Mr. Morrill, Special Adviser
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 January 3, 1946, were approved unanimously.

Telegrams to Mr. Flanders, President of the Federal Reserve Bank of Boston, Messrs. Treiber and McCreedy, Secretaries of the Federal Reserve Banks of New York and Philadelphia, respectively, Mr. McLarin, President of the Federal Reserve Bank of Atlanta, Mr. Dillard, Vice President of the Federal Reserve Bank of Chicago, Mr. Stewart, Secretary of the Federal Reserve Bank of St. Louis, and Mr. Mangels, Vice President of the Federal Reserve Bank of San Francisco, stating that the Board approves the establishment without change by the Federal Reserve Banks of Atlanta, St. Louis, and San Francisco on January 2, by the Federal Reserve Banks of New York, Philadelphia, Chicago, and San Francisco on January 3, 1946, and by the Federal Reserve Bank of

1/4/46

-2-

Boston today of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated December 28, 1945, from Mr. Thomas, Director of the Division of Research and Statistics, recommending, in accordance with the desire of the Board, that the following arrangements be made whereby the services of Dr. E. A. Goldenweiser could be utilized during the coming year as needed:

1. The services of Dr. Goldenweiser may be requested either by the Board, a Board member, or the director of the Division of Research and Statistics, whenever needed.
2. Dr. Goldenweiser's title for such services to be "Consultant".
3. The rate of compensation to be \$40 per day for each calendar day of work for the Board, either in Washington or elsewhere.
4. Dr. Goldenweiser to be paid travelling expenses and per diem in lieu of subsistence as provided under the Board's travel regulations for Directors of divisions, with the understanding that Princeton, New Jersey, will be considered his official headquarters and that Washington, also, will be considered his official headquarters so long as he maintains a home here.

In making this recommendation it was understood (1) that the payment of \$40 per diem compensation would not be subject to retirement deductions and would not affect in any way the status of Dr. Goldenweiser nor his retirement allowance as a retired member of the retirement system,

1/4/46

-3-

and (2) that his compensation would be based upon the principle that when called upon to work for the Board he should receive approximately the same compensation in the form of pension and per diem payment as his daily salary at the time of his retirement.

Approved unanimously.

Memorandum dated December 29, 1945, from Mr. Bethea, Director of the Division of Administrative Services, recommending that Thomas B. Handley, who has been on military leave, be reinstated as a clerk in that Division, with salary at the rate of \$2,496 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination.

Approved unanimously.

Memorandum dated January 4, 1946, from Mr. Bethea, Director of the Division of Administrative Services, submitting the resignation of Peter W. Beers, a supply clerk in that Division who has been on military leave, and recommending that the resignation be accepted effective as of the close of business January 3, 1946.

The resignation was accepted
as recommended.

Telegram to Mr. Cecil C. Cox, Stuttgart, Arkansas, reading as follows:

"Board of Governors of the Federal Reserve System
has appointed you director of Little Rock Branch of Federal

1/4/46

-4-

"Reserve Bank of St. Louis for three-year term beginning January 1, 1946, and will be pleased to have your acceptance by collect telegram."

Approved unanimously.

Letter to Mr. Shepard, Federal Reserve Agent at the Federal Reserve Bank of Minneapolis, reading as follows:

"In accordance with the request contained in Mr. Core's letter of December 29, 1945, the Board of Governors approves the payment of salary to Mr. John Johnson as Alternate Assistant Federal Reserve Agent at the rate of \$3,800 per annum, effective January 1, 1946.

"In Mr. Core's letter reference is also made to Mr. Tillander who serves as Chief Examiner and as Assistant Federal Reserve Agent. As indicated in the Board's letter to Mr. Peyton dated December 29, 1945, Mr. Tillander's salary was specifically approved at the rate of \$5,500 per annum, effective January 1, 1946, and accordingly, further action by the Board at this time is not required."

Approved unanimously.

Letter to Mr. Attebery, Vice President of the Federal Reserve Bank of St. Louis, reading as follows:

"This refers to your letter of December 26 regarding the penalty of \$25.55 incurred by Peoples State Bank of Gillespie, Gillespie, Illinois, as a result of a deficiency in reserves during the semimonthly period ended December 15, 1945.

"In the circumstances, the Board authorizes your Bank to waive this penalty."

Approved unanimously.

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

"The Board has approved budget of bank examination

1/4/46

-5-

"department of your bank for calendar year 1946 as submitted."

Approved unanimously.

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

"For your information, there is enclosed a copy of a memorandum received by the Board from the Navy Department, dated December 28, 1945, signed by Lieutenant Bentley G. McCloud, Jr., Chief of Finance Division, regarding the transfer of the Finance Division from the Office of the Assistant Secretary to the Office of the Fiscal Director for the Department of the Navy, effective January 1, 1946, together with a copy of an enclosed memorandum from the Acting Secretary of the Navy, dated December 22, 1945, regarding such transfer, and a photostat of a memorandum from the Acting Secretary of the Navy, dated January 1, 1946, setting forth a specimen signature of Mr. W. J. McNeil, Fiscal Director for the Department of the Navy."

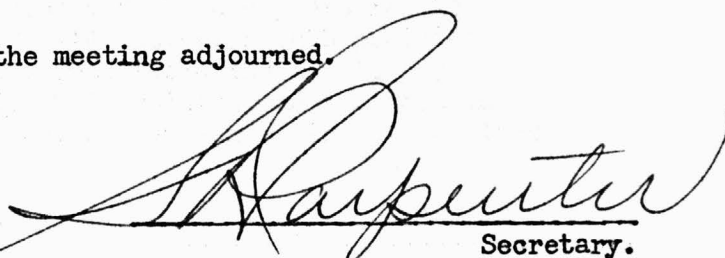
Approved unanimously.

Memorandum dated January 4, 1946, from Mr. Hooff, Attorney, recommending that, in addition to the material previously submitted for publication in the law department of the January issue of the Federal Reserve Bulletin, there be included a statement in the form attached to the memorandum with respect to the following subject:

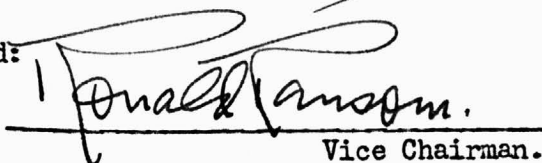
License to Transact Banking Business.

Approved unanimously.

Thereupon the meeting adjourned.


Secretary.

Approved:


Vice Chairman.