

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, May 8, 1946, at 10:30 a.m.

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

Mr. Carpenter, Secretary
Mr. Morrill, Special Adviser
Mr. Thurston, Assistant to
the Chairman

Mr. Vardaman was absent from Washington on official business attending a meeting of the board of directors of the Federal Reserve Bank of St. Louis and the annual meetings of the Mississippi, Alabama, Tennessee and Arkansas Bankers Associations, and visiting banks in those States and the Birmingham Branch.

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 May 7, 1946, were approved unanimously.

Memorandum dated May 6, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that Miss Doris Bruderer be appointed as a Clerk-Stenographer in that Division, on a temporary indefinite basis at a salary of \$1,968 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical examination. The memorandum also stated (1) that the recommendation for this appointment was being made subject to a satisfactory check of the applicant's references and

5/8/46

-2-

(2) that Miss Bruderer would become a member of the Federal Reserve retirement system unless she still has funds in the Civil Service Retirement System from her previous employment in the National Labor Relations Board.

Approved unanimously.

Memorandum dated May 6, 1946, from Mr. Bethea, Director of the Division of Administrative Services, recommending that the basic annual salary of each of the following employees in that Division be increased to the amount set opposite his name, effective at the beginning of the next pay roll period following approval by the Board:

<u>Name</u>	<u>Title</u>	<u>Proposed Increase</u>	
		<u>From</u>	<u>To</u>
Bruce M. Unger	Senior Guard	\$2,298	\$2,364
Mary E. Johnson	Telephone Operator	1,920	1,968

Approved unanimously,
effective May 19, 1946.

Memorandum dated May 6, 1946, from Mr. Bethea, Director of the Division of Administrative Services, recommending that the appointment of Mrs. Myrtle Groves, cafeteria helper in that Division, be extended on a temporary basis for an indefinite period, without change in her present salary of \$1,440 per annum, effective at the expiration of her present temporary appointment on May 10, 1946. The memorandum also stated that Mrs. Groves will become a member of the Board's retirement system.

Approved unanimously.

Letter to Mr. Wayne, Vice President of the Federal Reserve Bank

5/8/46

-3-

of Richmond, reading as follows:

"Reference is made to your letter of March 27, 1946, recommending certain changes in the conditions of membership applicable to Union Trust Company of Maryland, Baltimore, Maryland.

"In general, it is felt that it would be preferable to cancel certain conditions rather than to substitute new conditions for those originally accepted by the trust company. However, in view of the circumstances that Mr. Paulger discussed with you over the telephone, it is believed desirable for the Board of Governors to defer action on the request of the trust company for the time being. It is hoped that the necessity for deferring consideration of the proposal will not be of extended duration."

Approved unanimously.

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

"Reference is made to the Board's letter of April 8, 1946, S-906, regarding authorization for the construction, alteration, and repair of Federal Reserve Bank buildings under the Veterans' Housing Program Order No. 1 issued by the Civilian Production Administration under date of March 26, 1946. In the last paragraph of the letter it was requested that the Board's approval be obtained before making applications to the Civilian Production Administration for such authorizations.

"The Board has had an opportunity to look into this matter further and has come to the conclusion that no adequate purpose would be served by continuing this request in all cases of alterations and repairs to Federal Reserve Bank and branch buildings. It continues to be the view of the Board that it would not be appropriate for a Reserve Bank to seek such an authorization except in an unusual or emergency situation. However, when such a situation does exist in connection with minor alterations and repairs it will not be necessary for your bank to obtain the Board's approval before asking the Civilian Production Administration for the necessary authorization.

"The Board will appreciate it if you will obtain its approval before asking the Civilian Production Administration for authority to proceed with major repairs and alterations of bank buildings, particularly in case the operations are of such a character as to change the structure of the building

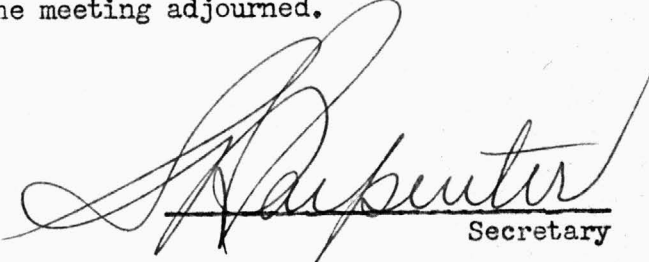
5/8/46

-4-

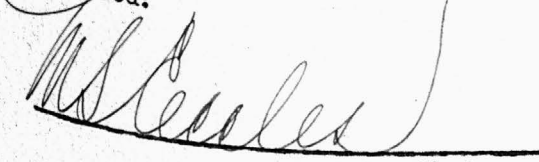
"or, prior to the letter of April 8, 1946, would have required approval of the Board before the letting of contracts."

Approved unanimously.

Thereupon the meeting adjourned.


Secretary

Approved:


Chairman