

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

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

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

As stated in the minutes of the meeting on May 8, 1946, Mr. Vardaman was absent on official business.

The action stated with respect to each of the matters hereinafter referred to was taken by the Board:

Telegrams to Mr. Whittemore, President of the Federal Reserve Bank of Boston, Messrs. Treiber, Dillard and Stewart, Secretaries of the Federal Reserve Banks of New York, Chicago and St. Louis, respectively, Mr. Powell, First Vice President of the Federal Reserve Bank of Minneapolis, 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 Bank of San Francisco on May 7, by the Federal Reserve Banks of New York, Chicago, St. Louis and Minneapolis on May 9, 1946, and by the Federal Reserve Bank of Boston today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated May 8, 1946, from Mr. Bethea, Director of the Division of Administrative Services, recommending that Mr. Ralph L. Faust be appointed as a guard in that Division on a

5/10/46

-2-

temporary basis for an indefinite period, at a salary of \$1,770 per annum, effective as of the date upon which he enters upon the performance of his duties, after having passed the usual physical examination. The memorandum also stated that it was contemplated that Mr. Faust would become a member of the Federal Reserve retirement system, and that if anything derogatory should develop in the investigation of his references, his services could be discontinued.

Approved unanimously.

Letter to Mr. Rainey, Director of Personnel of the Federal Reserve Bank of Atlanta, reading as follows:

"In your letter of May 1, 1946, you advise the Board that the Executive Committee of the Federal Reserve Bank of Atlanta has approved a payment of approximately \$1,250 to the Retirement System on behalf of Mr. Roy E. Milling, an employee of the Bank, in order that his service credit may extend from the date of his original employment rather than from the date of reemployment following military service in World War I.

"You state that the circumstances in Mr. Milling's case are identical with those in the case of Mr. W. S. McLarin, Jr., and ask as to whether the Board will interpose any objection to your proposed procedure.

"In Mr. McLarin's case the Board took the position that the question was essentially one of fact as to the amount of prior service rather than a question of a special benefit. The Board's position has not changed and it will interpose no objection to the correction of the records so as to reflect the full amount of creditable service to which the Retirement Committee feels Mr. Milling is entitled upon the basis of the facts."

Approved unanimously.

Thereupon the meeting adjourned.

*S. Carpenter*  
Secretary.

Approved:

*M. Steeles*  
Chairman.