

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, May 5, 1947.

PRESENT: Mr. Szymczak, Chairman pro tem
 Mr. Draper
 Mr. Evans
 Mr. Vardaman
 Mr. Clayton

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

Minutes of actions taken by the Board of Governors of the Federal Reserve System on May 2, 1947, were approved unanimously.

Memorandum dated April 30, 1947, from Mr. Smead, Director of the Division of Bank Operations, recommending the appointments of Gerald F. Millea and Paul F. Smith as analysts in that Division with basic salaries at the rate of \$3,397.20 each, effective as of the date upon which they enter upon the performance of their duties after having passed the usual physical examination. The memorandum also stated that it was contemplated that Mr. Millea and Mr. Smith would become members of the Federal Reserve retirement system.

Approved unanimously.

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 Citizens State Bank, Ysleta, Texas,

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"became a member of the Federal Reserve System on May 1, 1947, 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,
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 the Comptroller of the Currency reading as follows:

"It is respectfully requested that you place an order with the Bureau of Engraving and Printing, supplementing the order of June 13, 1946, for printing of \$40,200,000 of Federal Reserve notes of the 1934 Series for the Federal Reserve Bank of Boston in the \$10 denomination."

Approved unanimously.

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

"Referring Board's letter S-958 of February 4, 1947, a number of Reserve Banks have suggested that 1947 budget cover last half of year instead of full calendar year. Board concurs in suggestion and, accordingly, your budget for 1947 should cover last half of year only. This will permit direct comparison of expenses incurred during last half of year with budget estimates as both will be compiled

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"on basis of instructions to become effective July 1, 1947. Expenses for last half of 1946 should be shown in budget reports in all cases where comparable figures are readily available, but not otherwise."

Approved unanimously.

[Handwritten Signature]
Secretary.

Approved:

[Handwritten Signature]
Chairman pro tem.