

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, October 22, 1947.

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

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 October 21, 1947, were approved unanimously.

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

"You will recall that at the joint meeting of the Board and the Presidents of the Federal Reserve Banks on October 7, 1947, Chairman Eccles presented informally certain suggested changes in the check collection procedures at the Federal Reserve Banks. During the discussion the Presidents asked that a memorandum outlining the changes be sent to them for consideration. Since that time the Board has given further thought to the matter and believes that inasmuch as action with respect to it would not be taken in the immediate future it would be preferable to have a further informal discussion at the time of the next joint meeting of the Presidents and the Board which will be held during the early part of December.

"However, there is one change which the Board would like to have considered at this time. From information received from the Federal Reserve Banks in response to the Board's letter of June 26, 1947, with respect to the absorption of transportation charges on direct sendings, it is found that some 50 or 60 banks are depositing with their own Federal Reserve Banks a daily average of more than 300 items payable in the territory of another Federal

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"Reserve Bank or branch. In some cases the number of items runs into the thousands, the largest number reported being 5,248. The Board believes that the best way to correct this practice is to provide, after taking the matter up with the banks affected, that on and after, say January 1, 1948, if a member or nonmember clearing bank sends to its Federal Reserve Bank or branch a daily average of more than 300 items payable in the territory of another Federal Reserve Bank or branch, such items must be sorted and listed separately by the depositing bank. It will be appreciated if you will forward your personal views on this suggestion to reach the Board, if possible, not later than November 10, 1947."

Approved unanimously.

Letter to Mr. Young, President of the Federal Reserve Bank of Chicago, reading as follows:

"It is desired that the regular annual report to the Board on Form F. R. 437 be obtained from Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, covering its fiscal year ending October 31, 1947. Please request the Corporation to file its report in duplicate with your Bank on or before December 1, 1947.

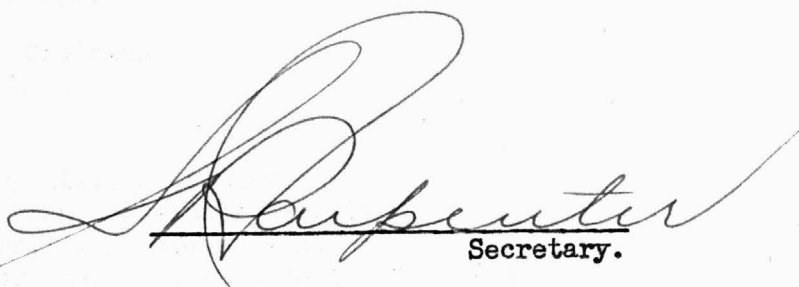
"We are enclosing six copies of Form F. R. 437 for use in obtaining the report from Wisconsin Bankshares Corporation.

"It is requested that one copy of the report be forwarded to us immediately after receipt by your Bank. We shall appreciate it if, following the usual practice, you will review the report and other relevant information as soon as practicable and submit to the Board a copy of the memorandum relating to such review, together with any further information which it may be found necessary or desirable to request the Corporation to furnish, and any recommendations, comments, or suggestions which you may have regarding the group.

Approved unanimously.

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Secretary.

Approved:

  
Chairman.