

Minutes of actions taken by the Board of Governors of the
Federal Reserve System on Thursday, October 6, 1949.

PRESENT: Mr. Eccles, Chairman pro tem.
Mr. Szymczak
Mr. Draper
Mr. Vardaman

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

Minutes of actions taken by the Board of Governors of the
Federal Reserve System on October 5, 1949, were approved unanimously.

Memoranda from the heads of the Divisions indicated below
recommending increases in the basic annual salaries of the following
employees in those divisions, effective October 16, 1949:

<u>Date of Memo.</u>	<u>Name</u>	<u>Title</u>	<u>Salary Increase</u>	
			<u>From</u>	<u>To</u>
RESEARCH AND STATISTICS				
10-3-49	Betty J. Haller	Clerk-Stenographer	\$2,350.00	\$2,498.28
OFFICE OF THE SECRETARY				
10-4-49	Portia A. Agadjanian	File-Clerk	\$2,573.52	\$2,648.76
	Cora Lee Hatch	Records Clerk	3,024.96	3,100.20
BANK OPERATIONS				
9-30-49	J. J. Connell	Technical Assistant	\$6,235.20	\$6,474.60
	John R. Farrell	Technical Assistant	6,235.20	6,474.60
	Edwin J. Johnson	Technical Assistant	5,984.40	6,235.20
	John J. Hurley	Analyst	4,855.80	4,981.20
	Loretta M. Coheen	Supervisor, Federal Reserve Bank State- ment Unit	4,103.40	4,228.80
	Rita S. Boyer	Statistical Assistant	3,727.20	3,852.60
	John M. Poundstone	Settlement Clerk	3,601.80	3,727.20
	Margaret Griset	Clerk-Stenographer	3,175.44	3,351.00
	Dorothy Werner	Clerk-Stenographer	3,175.44	3,351.00
	Mary L. Roberts	Statistical Clerk	2,949.72	2,974.80
	Grace L. Van Order	Statistical Clerk	2,949.72	2,974.80
	Jane Lipps Clayton	Statistical Clerk	2,648.76	2,724.00
	Carl M. Skinner	Clerk	2,724.00	2,799.24

Approved unanimously.

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Letter to Mr. Harl, Chairman of the Federal Deposit Insurance Corporation, reading as follows:

"In connection with the request contained in your letter of September 28, 1949, the Board of Governors of the Federal Reserve System hereby grants written consent, pursuant to the provisions of sub-section (k) (2) of Section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to make an examination of the Curwensville State Bank, Curwensville, Pennsylvania, in connection with its application for continuance of insurance after withdrawal from membership in the Federal Reserve System.

"There have been no corrective programs urged upon the bank or agreed to, which have not been fully consummated and in connection with which the Board would suggest incorporation of conditions for continuing its status as an insured bank."

Approved unanimously.

Letter to Mr. Harl, Chairman of the Federal Deposit Insurance Corporation, reading as follows:

"In connection with the request contained in your letter of September 27, 1949, the Board of Governors of the Federal Reserve System hereby grants written consent, pursuant to the provisions of sub-section (k) (2) of Section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to make an examination of the First Trust and Savings Bank, Galva, Iowa, in connection with its application for continuance of insurance after withdrawal from membership in the Federal Reserve System.

"There have been no corrective programs urged upon the bank or agreed to, which have not been fully consummated and in connection with which the Board would suggest incorporation of conditions for continuing its status as an insured bank."

Approved unanimously.

Memorandum dated September 7, 1949, from Mr. Nelson, Director of the Division of Personnel Administration, submitting for approval the following statement of Procedures Regarding Fair Employment

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Practices to be followed by the Board in order to carry out the spirit and purpose of Executive Order 9980 relating to Fair Employment Practices in Federal establishments. The memorandum recommended adoption of the statement even though there might be some question whether the Executive Order is applicable to the Board of Governors, and stated that if approved, copies of the statement would be sent to the Fair Employment Board of the Civil Service Commission and furnished to all of the employees of the Board:

"The following procedures are hereby established in order to carry out the spirit and purpose of Executive Order of the President 9980, dated July 26, 1948, relating to Fair Employment Practices within the Federal Establishment.

"A. It is the policy of the Board of Governors of the Federal Reserve System that all personnel actions, including selection for employment, shall be based solely on merit and on the qualifications of applicants or employees available, regardless of political affiliations, creed, color, race, or national origin, and having due regard for veterans' preference as set forth in the Veterans' Preference Act of 1944. Within the meaning of these procedures, personnel actions shall include failure to act.

"B. The Personnel Officer of the Board's staff has been designated as Fair Employment Officer and it is his duty, among other things, to appraise at regular intervals all personnel actions involving employees of the Board of Governors to determine whether such actions conform to the fair employment policy expressed above.

"C. Any employee of the Board of Governors, or any person failing of appointment to a position on the Board's staff, who feels that a personnel action affecting him has been taken because of race, color, religion, or national origin may file a complaint with the Fair Employment Officer. All such complaints shall be in writing and shall state specifically and in detail the facts which in his judgment constitute alleged discrimination against him on grounds of race, color, religion or national origin, together with full information regarding the specific personnel action complained of, the approximate date, and the reasons in support of the alleged discrimination.

"D. Upon the receipt of any such complaint, the Fair Employment Officer shall promptly make such investigation as he

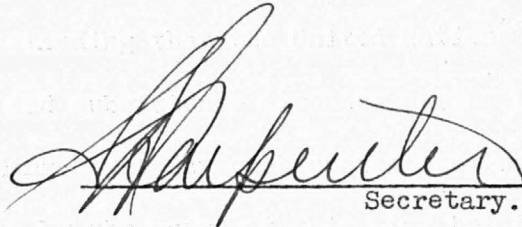
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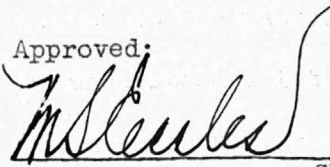
"deems necessary to ascertain the facts alleged in the complaint and, if possible through informal negotiations, attempt to effect a satisfactory solution of the complaint. If a satisfactory solution can not be effected by informal negotiations, the Fair Employment Officer shall, on the basis of all material facts relevant to the complaint, make a decision as to whether there has been discrimination as alleged in the complaint.

"E. If such decision is favorable to the complainant the Fair Employment Officer shall report the matter to the Board's Personnel Committee, together with his recommendation, for such corrective action as may be necessary. If the decision of the Fair Employment Officer is unfavorable to the complainant, the Fair Employment Officer shall so inform him in writing and advise him of his right to appeal to the Board's Personnel Committee within 10 days from the date of the receipt of the decision. Such appeal shall be made in writing. The Fair Employment Officer shall make a written report of the matter, including such recommendation as he deems advisable to the Board's Personnel Committee. In all appeals the Personnel Committee shall make a decision in the matter based upon all the facts contained in the record of the case, and notify the interested parties in writing of such decision. The decision of the Personnel Committee shall be reported to the Board of Governors and, if it is not disagreed to or changed by the Board of Governors, such decision will be regarded as final action by the Board of Governors."

Approved unanimously.


Secretary.

Approved:


Chairman pro tem.