

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, June 19, 1953.

PRESENT: Mr. Martin, Chairman
Mr. Szymczak
Mr. Vardaman
Mr. Mills
Mr. Robertson

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Kenyon, Assistant Secretary

Minutes of actions taken by the Board of Governors of the Federal Reserve System on June 18, 1953, were approved unanimously.

Telegrams to the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Kansas City stating that the Board approves the establishment without change by those Banks on June 18, 1953, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated June 17, 1953, from Mr. Noyes, Assistant Director, Division of Research and Statistics, recommending the appointment of Mary Ann Nichols as Clerk-Typist in that Division on a temporary basis for a period of three months, with basic salary at the rate of \$2,830 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical examination and subject to the completion of a satisfactory employment investigation.

Approved unanimously.

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Memorandum dated June 3, 1953, from Mr. Marget, Director, Division of International Finance, recommending the appointment of John E. Reynolds as Economist in that Division on a temporary indefinite basis, with basic salary at the rate of \$6,340 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination and subject to the completion of a satisfactory employment investigation.

Approved, Governor Vardaman
not voting.

Memorandum dated June 12, 1953, from Mr. Bethea, Director, Division of Administrative Services, recommending the appointment of David William Southard as Laborer in that Division on a temporary basis for a period of two months, with basic salary at the rate of \$2,420 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination and subject to the completion of a satisfactory employment investigation.

Approved unanimously.

Memorandum dated June 17, 1953, from Mr. Bethea, Director, Division of Administrative Services, recommending that Sven Johnson, who had been on military leave, be reinstated in his position as Foreman of Laborers in that Division, with basic salary at the rate of

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\$4,135 per annum, effective as of the date upon which he reports for duty and subject to his passing satisfactorily the usual physical examination.

Approved unanimously.

Memorandum dated June 16, 1953, from Mr. Noyes, Assistant Director, Division of Research and Statistics, recommending that the temporary appointment of Margaret F. Ebenfield, Clerk in that Division, be extended on a temporary indefinite basis, with no change in her basic salary at the rate of \$2,950 per annum, effective June 19, 1953.

Approved unanimously.

Memorandum dated June 16, 1953, from Mr. Carpenter, Secretary of the Board, recommending that Margaret T. Notter, Clerk in the Division of Research and Statistics, be transferred to the Office of the Secretary as Index Clerk, with no change in her basic salary at the rate of \$3,335 per annum, effective as of the date upon which she enters upon the performance of her new duties. The memorandum also stated that the Division of Research and Statistics was agreeable to this transfer.

Approved unanimously.

Memorandum dated June 12, 1953, from Mr. Noyes, Assistant Director, Division of Research and Statistics, recommending that Kathryn E. Ridgway, Statistical Clerk in the Division of Bank Operations, be transferred to the Division of Research and Statistics as Clerk, with no change in her basic salary at the rate of \$3,255 per annum, effective

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as of the date upon which she enters upon the performance of her new duties. The memorandum also stated that the Division of Bank Operations was agreeable to this transfer.

Approved unanimously.

Memoranda recommending that the basic annual salaries of the following employees be increased in the amounts indicated, effective June 21, 1953:

<u>Date of Memorandum</u>	<u>Name and Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
<u>Memoranda from Mr. Young, Director, Division of Research and Statistics</u>			
6/4/53	Ruth H. Reehling, Clerk	\$4,285	\$4,410
6/4/53	Harold F. Chapin, Economist	5,810	5,935

Memorandum from Mr. Noyes, Assistant Director,
Division of Research and Statistics

6/17/53	Jeanine O'Shields, Clerk-Typist	2,830	2,950
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Memoranda from Mr. Bethea, Director,
Division of Administrative Services

6/17/53	Donald W. Moon, Purchasing Assistant	4,035	4,205
6/17/53	Kathryn H. Fortunato, Clerk-Stenographer	2,750	2,950

Approved unanimously.

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Memorandum dated June 15, 1953, from Mr. Marget, Director, Division of International Finance, recommending that the resignation of Lawrence Bostow, Economist in that Division, be accepted effective July 10, 1953.

Approved unanimously.

Letter to Mr. Wiltse, Vice President, Federal Reserve Bank of New York, reading as follows:

"In accordance with the request contained in your letter of June 15, 1953, the Board approves the appointments of Martin F. Byrne, Kenneth M. Conover, and William M. Schultz, as assistant examiners for the Federal Reserve Bank of New York. Please advise us of the dates upon which the appointments are made effective.

"The Board also approves the designation of William R. Crotty and Robert F. Moreschi as special assistant examiners for the Federal Reserve Bank of New York."

Approved unanimously.

Letter to Mr. Mangels, First Vice President, Federal Reserve Bank of San Francisco, reading as follows:

"In accordance with the request contained in your letter of June 12, 1953, the Board approves the appointment of John Vandermark, Jr., at present an assistant examiner, as an examiner for the Federal Reserve Bank of San Francisco, effective July 1, 1953."

Approved unanimously.

Letter to Mr. Mangels, First Vice President, Federal Reserve Bank of San Francisco, reading as follows:

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"In accordance with the requests contained in your letters of June 12, 1953, the Board approves the appointments of Robert P. Glascock and Douglas C. Kelly, at present assistant examiners, as examiners for the Federal Reserve Bank of San Francisco."

Approved unanimously.

Letter to the Honorable Arthur E. Summerfield, Postmaster General, Post Office Department, Washington, D. C., reading as follows:

"This refers to the arrangement executed effective July 1, 1951, under which the Federal Reserve Banks, as fiscal agents of the United States, are now processing United States postal money orders.

"Under that arrangement it was provided that the Federal Reserve Banks would be reimbursed by the Post Office Department for certain of their expenses in connection with the handling of postal money orders. The rate of reimbursement agreed to for the first fiscal year of operations was adjusted in 1952, with the understanding that the basis for reimbursement would again be reconsidered before June 30, 1953.

"This is to advise you that the Federal Reserve Banks are now prepared to continue present operations under this arrangement for the handling of postal money orders for the fiscal year commencing July 1, 1953 at a reimbursement rate of \$3.60 per thousand money orders handled, but with the understanding that the right is reserved to the Federal Reserve Banks to review and redetermine the rate of reimbursement after 6 months of the fiscal year in the event of any substantial change in the factors on which it is based.

"The proposed rate of reimbursement has been approved by the Conference of Presidents of the Federal Reserve Banks and concurred in by the Board of Governors; and in discussions of the matter at a conference on May 15, 1953, between representatives of the Federal Reserve Banks and Mr. A. J. Robertson, Assistant Postmaster General, and Mr. J. W. Askew, Comptroller of the Post Office Department, it was indicated by the Post

