

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, August 26, 1954. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Szymczak, Acting Chairman
Mr. Vardaman
Mr. Mills

Mr. Carpenter, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Thurston, Assistant to the Board
Mr. Bethea, Director, Division of Administrative Services
Mr. Sprecher, Assistant Director, Division of Personnel Administration

There was a discussion of what policy should be followed by the Board in maintaining its operations on Tuesday, August 31, 1954, in view of difficulties anticipated due to the American Legion parade scheduled to be held during the afternoon and evening of that day, beginning at 2:00 p.m. It was noted that the Board's parking lot probably would be inaccessible after noon on August 31, and that on the basis of available information it would be extremely difficult for employees to get adequate transportation away from the building in the afternoon and evening.

Reference was made in this connection to a memorandum dated August 12, 1954, from Mr. Philip Young to the heads of executive departments and agencies. This memorandum, prepared by direction of the President, stated that it had been decided that employees were to be excused on August 31 only if they desired to take annual leave and could be spared. Reference was also made to information obtained informally from other agencies located in the vicinity of the Board's

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building which indicated that they intended to grant annual leave liberally and operate with skeleton staffs.

The view was expressed that the Board should conform to the established Government policy, but that it should recognize the inconvenience and possible hardship on employees coming to work, particularly since the Board's building was situated in the parade dispersal area. It was suggested, therefore, that the various division heads be requested to keep on duty on August 31 only those employees who would be required to maintain a minimum necessary force and to grant permission to take annual leave to all others who so desired.

Accordingly, at the conclusion of the discussion, unanimous approval was given to a memorandum to all members of the Board's staff reading as follows:

On the basis of published police regulations for the control of traffic on August 31, the day of the American Legion's 10-hour parade, it appears that the Board's parking lot will be inaccessible after 12 noon, that it will be extremely difficult for employees to get adequate transportation away from the building in the afternoon and evening, and that they may be able to reach home only after long delay.

Recognizing the inconvenience and possible hardship of this situation on employees coming to work, the Board has requested the various Division Heads to keep on duty only those employees who will be required to maintain a minimum skeleton force, and to grant permission to take annual leave to all others who so desire.

The cafeteria will be closed. The Snack Bar will be open for breakfast only. Accordingly, those who come to work should make other arrangements for luncheon.

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The following requests for travel authorization were presented:

<u>Name and title</u>	<u>Duration of travel</u>
Mr. Solomon, Assistant General Counsel	September 21-24, 1954
Mr. Goodman, Assistant Director, Division of Examinations	September 20-24, 1954
To travel to Boston, Massachusetts, to attend a meeting of the Special Committee on Foreign Operations of American Banks.	

Approved unanimously.

Receipt was noted of a letter dated August 25, 1954, from Mr. Warren B. Irons, Acting Chairman of the Civil Service Commission, to Governor Szymczak, which stated that in response to the request contained in the Board's letter of August 23, 1954, the Commission granted the Board an exception to the commencing date for coverage under Public Law 598, the Federal Employees' Group Life Insurance Act of 1954, and fixed the effective date for the Board as September 26, 1954.

The meeting then adjourned. During the day the following additional actions were taken by the Board with Governors Szymczak, Vardaman, and Mills present:

Letter to Mr. Leach, President, Federal Reserve Bank of Richmond, reading as follows:

In accordance with the request contained in your letter of August 20, 1954, the Board approves, effective August 1, 1954, the appointment of Paul Donald Ring as an assistant examiner for the Federal Reserve Bank of Richmond.

Approved unanimously.

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Letter to Mr. Powell, President, Federal Reserve Bank of Minneapolis, reading as follows:

The Board of Governors approves the appointment of Mr. Franklin L. Parsons as the officer in charge of the Research Department at the Federal Reserve Bank of Minneapolis, with the title of Director of Research, effective August 13, 1954, in accordance with the action taken by the Board of Directors as reported in your letter of August 16, 1954.

The Board of Governors also approves the payment of salary to Mr. Parsons as Director of Research at his present rate of \$11,000 per annum, for the period August 13, 1954, through December 31, 1954.

Your letter of August 17, enclosing copies of a revised description of Mr. Parsons' duties in the position of Director of Research also has been received. It is noted that in the new position Mr. Parsons' salary will be in Grade B.

Approved unanimously.

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

Attached are five copies of Interagency Circular No. 1, dated March 23, 1954, addressed to the Heads of Executive Departments and Agencies by the Federal Civil Defense Administration, containing information regarding a uniform nation-wide identification system for Federal employees and supporting non-Federal personnel scheduled for essential duties in the event of a civil defense emergency. The system is designed to expedite the movement of certain Federal employees and nongovernmental personnel during periods of emergency to locations where their duties must be performed. Each Federal department and agency has been given the responsibility of designating those employees necessary for the continuity of its essential functions and of issuing identification cards and vehicle markers to such employees.

The Board recently received a letter from one of the Federal Reserve Banks inquiring as to the proper procedure for obtaining appropriate identification cards and vehicle markers to facilitate the movement of personnel to emergency

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relocation sites. While it was hoped that it would be possible to obtain appropriate authorization from the FCDA for each Federal Reserve Bank and Branch to obtain these credentials directly from the regional FCDA representative, we have been advised informally by Mr. Leslie L. Kullenberg, Director, Federal Emergency Control Office, FCDA, that, to insure adequate centralized coordination and control, all requests for Federal Government identification cards and vehicle markers for Federal Reserve Bank personnel should be channeled through the Board to General Services Administration by way of FCDA. The Board, therefore, upon receipt of advice as to your requirements, will purchase identification cards and vehicle markers from GSA on purchase orders which are approved by FCDA.

It will be appreciated if you will review the criteria set forth in Section III of the enclosed circular and determine those directors, officers and employees at your Head Office and Branches, if any, who will require identification cards and vehicle markers to carry out your emergency planning. It is expected that the number of persons furnished such credentials will be held to a minimum, but it is assumed that consideration will be given to the need for the designation of alternates to insure adequate staffing at relocation points.

Please advise not later than September 15, 1954, as to the total number of cards and markers your Bank will need, rounded up to the nearest multiple of twenty-five, and furnish a breakdown showing the number required in each of the three categories (directors, officers, and employees) for your Head Office and for each Branch. In this connection, it is suggested that your requirements include a reasonable margin for substitutions and changes through calendar year 1955.

All FCDA identification cards remain the property of the United States Government. When issued, each must be laminated, bear the signature of the "Issuing Officer", contain a description and photograph of the individual identified, and indicate the "assigned duty area or areas" of the holder. FCDA desires that the assigned duty area be restricted except in those cases where extensive travel may reasonably be required. In most instances one or more States might be shown. Where national travel is to be authorized, "United States" should be designated as the area. Since it would be

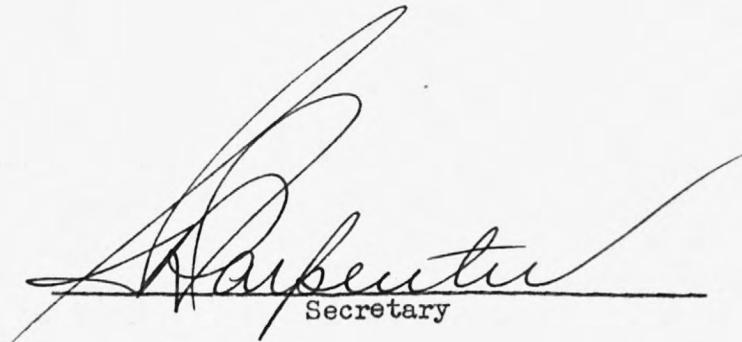
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impractical for the Board to issue cards and markers that may be required by Reserve Bank personnel, it is assumed that you will designate appropriate officers to do so as "Issuing Officer" for your Bank and Branches. Please include in your reply the names, titles and specimen signatures of the officers designated for the purpose.

With regard to paragraph VI of the Circular relating to "Method of Control", the Board was advised under date of May 5, 1954, by Mr. Kullenberg that it had been assigned a letter prefix "FR" which is to appear on all cards and vehicle markers issued. To simplify the numbering of cards and markers, it is suggested that each Reserve Bank use its own letter designation following a dash and the letters "FR" and begin with number 1. For example, the first ID card issued by the Federal Reserve Bank of Boston would be numbered FR-A1. Separate series of numbers for Branches should be avoided. To be in a position to furnish the reports required by FCDA, it is requested that a report of the number of cards and markers outstanding and active for your Bank and Branches be submitted to the Board promptly following the close of each calendar quarter.

Approved unanimously.


Secretary

[Faint, illegible text from the reverse side of the page, including names like 'Gladys L. Folsom', 'Virginia Jones', and 'Donald G. Miller']