

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D C. 20551

March 12, 1973

CONFIDENTIAL (FR)

To: Federal Open Market Committee

From: Mr. Broida

Attached is a copy of a memorandum from Mr. Holland dated today and entitled "Recommendation that Committee establish positions of Deputy Manager and Deputy Special Manager."

It is contemplated that this memorandum will be considered at the meeting of the Committee to be held on March 19-20.

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Arthur L. Broida
Deputy Secretary
Federal Open Market Committee

Attachment

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March 12, 1973

To: Federal Open Subject: Recommendation that

Market Committee Committee establish positions

of Deputy Manager and Deputy

From: Mr. Holland Special Manager.

From time to time the System Account Manager and the Special Manager for Foreign Currency Operations are absent from the New York Bank because their official duties so require or because they are on vacation or sick leave. For the same reasons they are unable to attend some meetings of the Committee. In recent years Vice Presidents Peter Sternlight and David Bodner of the New York Bank have been substituting on such occasions for the Manager and Special Manager, respectively, both in directing operations at the Desk and in reporting to the Committee at meetings.

In recognition of these facts, and to make explicit the authority of such associates to perform the duties of the Manager and Special Manager in the absence of the latter, it is recommended that the Committee establish the positions of Deputy Manager and Deputy Special Manager. Attached is the draft of an amendment to Section 5 of the Committee's Rules of Organization that would accomplish this.

If the Committee approves this recommendation, the names of Peter Sternlight and David Bodner will be proposed for the positions of Deputy Manager and Deputy Special Manager, respectively.

Attachment

Proposed Revision of Section 5 of Committee's Rules of Organization

Manager, and Special Manager, AND DEPUTIES.

The Committee selects a Manager of the System Open Market Account and a Special Manager for Foreign Currency Operations for such Account, AND IT MAY ALSO SELECT A DEPUTY MANAGER AND A DEPUTY SPECIAL MANAGER FOR FOREIGN CURRENCY OPERATIONS;. beth ALL of THE FOREGOING whem shall be satisfactory to the Federal Reserve Bank selected by the Committee to execute open market transactions for such Account, and beth ALL ef-whem SHALL serve at the pleasure of the Committee. The Manager and Special Manager, OR THEIR DEPUTIES, keep the Committee informed on market conditions and on transactions they have made and render such reports as the Committee may specify.