



-2-

In the staff's judgment, the addition of a category for members "Absent and not voting," where relevant, would pose no particular problems in the Board's policy record. Nor would it ordinarily pose a problem for Board-members of the FOMC in the Committee's policy record. A question arises, however, with respect to the treatment of absent President-members of the FOMC, since their alternates normally vote in their place.

To illustrate one possible procedure, assume that (a) Messrs. Robertson, Hayes, and Kimbrel are absent at an FOMC meeting; (2) Mr. Treiber is serving as alternate for Mr. Hayes, but Mr. Coldwell (Mr. Kimbrel's alternate) is also absent; and (3) Mr. Mitchell abstains on the vote in question, but other members vote favorably. The vote might then be recorded as follows:

Votes for this action: Messrs. Martin, Brimmer, Daane, Ellis, Galusha, Hickman, Maisel, Sherrill, and Treiber. Votes against this action: None. Present but not voting: Mr. Mitchell.

Absent and not voting: Mr. Robertson, Mr. Hayes (Mr. Treiber voted as his alternate), and Mr. Kimbrel.

As indicated, the procedure would call for a second paragraph listing absent members of the Committee and indicating parenthetically, where appropriate, the alternate who voted in place of the absent member. The purpose of placing this information in a separate paragraph would be to preserve an unencumbered first paragraph specifying the position taken on the question by each voter, in a form like

-3-

that now used. (There would seem to be no need for paragraphing in the Board's policy record.)

A rather different type of problem is illustrated by the tentative treatment of absent FOMC members on page 10 of the revised draft policy record entry for the Committee meeting of January 9, 1968, distributed under date of March 20. On occasion, when Committee members find it necessary to enter a meeting late or leave early, there are differences in the lists of members voting in different actions taken at the meeting. It might be confusing in such cases to record a member as voting on one action and simply as "absent and not voting" on another. It would seem better to indicate that the member was "Absent at this point in meeting and not voting," as shown in the January 9 entry.