

BUREAU OF THE BUDGET

WASHINGTON

JUN 25 1938

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MEMORANDUM FOR THE PRESIDENT:

There is attached a letter of June 7, 1938 from the Chairman of the Securities and Exchange Commission recommending the issuance of an Executive Order authorizing the appointment of Mrs. Eleanor J. Townsend to a classified position in the Securities and Exchange Commission without compliance with the requirements of the civil service rules.

Mrs. Townsend occupies an exempt position as Administrative Assistant to the Chairman of the Securities and Exchange Commission, and the Chairman desires to appoint her to a position as Administrative Assistant in the New York office which is in the classified service.

Mr. Douglas points out that the maintenance of the morale of the New York office makes it imperative that someone of executive ability who is familiar with the personnel and administrative functions of the Commission be appointed immediately, and that he hopes that Mrs. Townsend, who has been employed by the Commission since September 17, 1934, and who has a long record of efficient and loyal service and unusual administrative abilities, may be made available for the vacancy.

In its attached report the Civil Service Commission advises that inasmuch as it has an ample supply of eligibles qualified for administrative positions, who appear to possess executive ability which would fit them for administrative positions under any government establishment, including the Securities and Exchange Commission, it cannot recommend approval of the Executive Order requested and must express its objection thereto since Mr. Douglas does not indicate that the particular position which he desires to fill without regard to competitive requirements is of such a nature or involves such peculiar or extraordinary duties that any civil service eligible would be unsuitable for the position.

While I feel some sympathy with Mr. Douglas' request, I am unable to see sufficient merit in the matter to overcome the objections of the Civil Service Commission, and therefore feel inclined to concur with the recommendation of the Civil Service Commission that the proposed order be not approved. However, I have prepared a draft of order which I am transmitting through prescribed channels for your consideration in the event you should find it appropriate to take favorable action in the matter.

Enclosures.

W. B. Bell
Acting Director.