



NCUA
National Credit Union Administration

Office of Examination and Insurance

Call Report and Profile Modernization

Board Briefing
January 25, 2018

Overview of Call Report Modernization

May 2016 - NCUA Board Meeting, the agency discussed the desire to explore how changes to the NCUA's data collection practices can enhance off-site monitoring and pre-exam planning as well as reduce the burden on submitting credit unions.

June 2016 - the NCUA published a Request for Information (RFI) notice in the Federal Register and accepted comments for 90 days.

June to September 2016 - Continued outreach with NCUA and state regulator staff.

October 2016 – Teleconferences and meetings with federally insured credit unions and other parties.

Seeking Feedback

In December 2016 – Established a public web page to provide status updates for the Call Report Modernization project under “Open Government” on the NCUA’s web site. This site has summaries of the feedback received during outreach.

What we heard was there is ample opportunity to:

- **Reduce the amount and complexity of data collected**
- **Reorganize the forms**
- **Improve the instructions**
- **Functionality is another concern for nearly all commenters and those comments were shared with the Agency’s Enterprise Solution Modernization team**

Summary of Actions

- **Conducted a comprehensive review of the Call Report and Profile forms**
 - Performed a frequency analysis to determine how many credit unions report on each data field
 - Evaluated stakeholder input and recommendations
 - Conducted technical research, such as GAAP relevant to Call Report

- **Developed prototypes of a new Call Report and Profile**

Summary of Call Report Changes

- **Reduced the number of data fields on the Call Report by approximately 40 percent. Reductions resulted from (in descending order):**
 - **Simplifying the derivative schedules**
 - **Streamlining lending related data collected (Loan, delinquency, and charge-off schedules, troubled debt restructured loans, and purchase credit impaired loans)**
 - **Reducing information for shares, liabilities, and off-balance sheet items**
 - **A broad mix of other simplifications and reforms**

For a complete list of all changes, refer to the “catalog of account code changes” on the NCUA’s website.

Summary of Call Report Changes

- **Improved the organization of the Call Report and better aligned reporting of related information. In particular:**
 - **Investments schedules**
 - Updated the types of investments
 - Added information on amortized cost and fair value
 - **Loan schedules**
 - Aligned loan types across all related schedules
 - Reduced unnecessary variations in reporting of the same or similar loan activity
 - Separated the current 60 – 179 day delinquency category into 60 – 89 and 90 – 179 day delinquency categories
 - **Updates based on GAAP**
 - CECL (to address early adoption provision)
 - Other miscellaneous GAAP changes
 - **Separate Schedule for Risk-based capital***
- **Improved instructions**

* RBC is included in case the rule is not delayed or repealed.

Summary of Profile Changes

- Updated for contemporary relevance, a variety of areas (elements) for which information is requested for:
 - Payment Systems
 - Information Technology
 - Product and service categories
- Reduced checkbox (attributes) options by about 20 percent
 - A broad mix of other simplifications and reforms
- The hard copy Profile form was modified to match the Credit Union Online system's Profile tab
- Improved instructions

Disposition of Call Report and Profile

Asset Groups	Total Account Codes		Total Fillable Account Codes	
	Current	Proposed without CECL (871)	Current	Proposed without CECL (716)
		Proposed with CECL ³ Adopted (891)		Proposed with CECL ³ Adopted (733)
<\$50 million in assets ¹	1516	782	1174	632
		802		649
\$50 - 100 million in assets	1523	789	1179	637
		809		654
>\$100 million in assets ²	1523	871	1179	716
		891		733

Profile: Total Fillable Elements	Current	Proposed
Credit unions are required to complete the Profile but the sections completed will depend on the programs and services offered by each credit union. ⁴	87	91

1. RBNW account codes not required for CUs under \$50M. (5 fillable, 2 calculated).

2. RBC account codes are required for CUs over \$100M (79 fillable, 3 calculated).

3. CECL Early Adopters (Net 17 additional fillable, Net 3 additional Calculated).

4. Fillable Profile elements vary, such as the number of board members and other roles, will affect the quantity of contacts required.

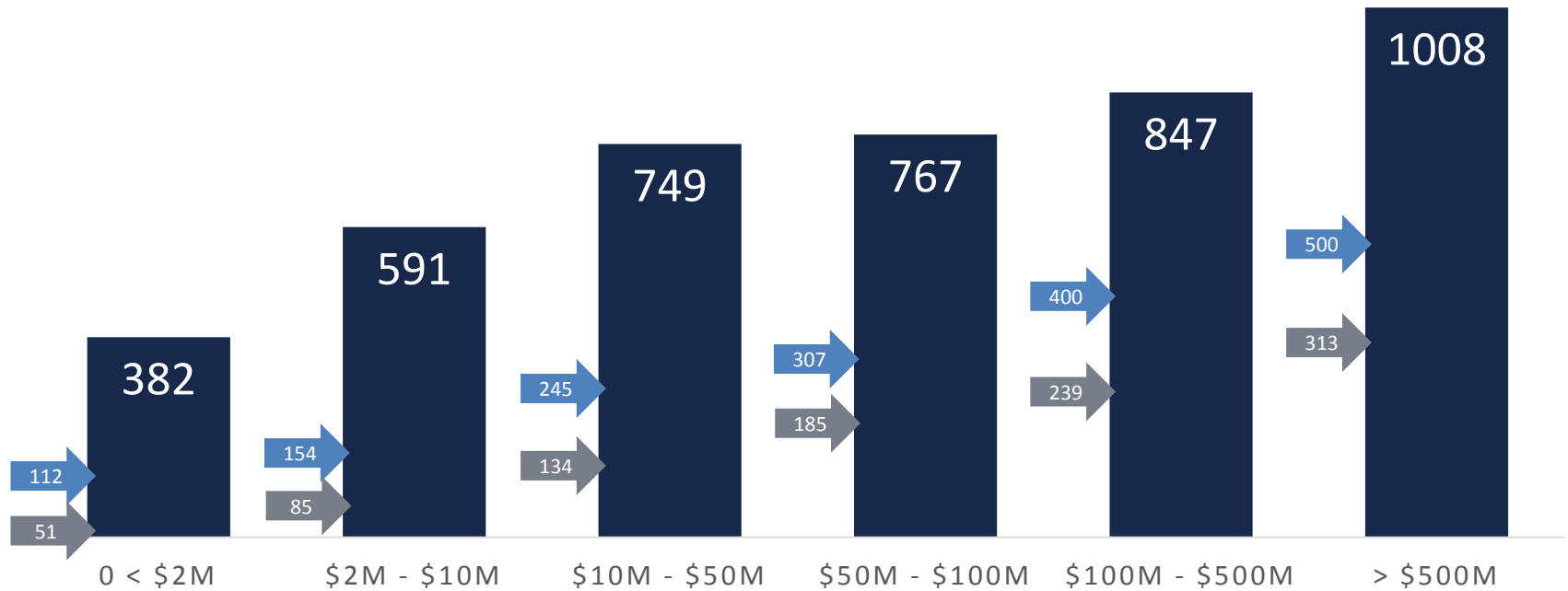
Call Report Streamlined by 38 to 48 Percent

Asset Groups	Total Proposed Account Codes		Total Proposed Fillable Account Codes	
	Without CECL	Net Percent Reduction	Without CECL	Net Percent Reduction
	CECL Adopted		CECL Adopted	
<\$50 million in assets	782	48%	632	46%
	802	47%	649	45%
\$50 - 100 million in assets	789	48%	637	46%
	809	47%	654	45%
>\$100 million in assets	871	43%	716	39%
	891	41%	733	38%

Current Call Report Usage

FILLABLE ACCOUNT CODE USAGE BY ASSET SIZE

Max Fillable Fields
1179



Usage data are from 09/30/2017 Cycle.

Next Steps

- **Publish a Request for Information in the Federal Register - 60 day comment period**
 - Did we propose to retire important account codes?
 - Should we retire additional account codes?
 - Does the proposed reorganization make sense?
 - Is there additional data the Agency should collect?
 - How much lead time do credit unions and their vendors need to prepare for the changes?
 - Are there any other issues the credit unions want to express about the proposed Call Report and Profile?
- **Analyze comments and finalize changes**
- **Establish implementation date* and conduct Paperwork Reduction Act (PRA) process**
- **Implement**

*Earliest possible implementation for any of the changes is March 2019

Federal Register – Reference Documents

The *Federal Register* Notice will contain a link to these documents on the NCUA's website:

- Proposed 5300 Call Report Form
- Proposed 5300 Call Report Instructions
- Proposed 4501A Profile Form
- Proposed 4501A Profile Instructions
- Catalog of Account Code Changes

Contact Page

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