



Ms. Mary Thor
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Submitted via email to: CallReportMod@ncua.gov

March 16, 2018

Dear Ms. Thor:

The NCUA has requested comments from credit unions on the Call Report Modernization project, which includes the proposed changes to the Call Report, Profile and their related instructions. Suncoast Credit Union (Suncoast) is located in Tampa, Florida, has assets of \$8.9 billion as of February 28, 2018 and over 757,000 members. Suncoast appreciates this opportunity to reply to this request by responding to questions specially outlined in the Federal Register, as well as additional comments.

- Are relocated account codes grouped logically? If not, please propose a location you feel is more logically suited.
RESPONSE: Yes
- Are the instructions adequate in both content and design? If not, please cite specific sections that require improvement or correction.
RESPONSE: The changes and updates to the instructions from the September 2017 Call Report revision and this modernization have generally addressed most of the prior issues with lack of content for the instructions. As a new addition to the instructions, it would be most helpful to include examples within the instructions for clarity of classification and consistency among credit unions.
- How much lead-time do credit unions need to work with vendors to make changes to their systems in order to support such changes to the Call Report?
RESPONSE: Depending on the volume and complexity of changes, at least twelve months would be needed to make adjustments to or create new reports in response to changes on the Call Report. This time will also be needed for the required line-by-line review and response to this modernization of the Call Report by each institution and determination of the revised data requirements.
- Are there any other operational issues the NCUA should be aware of prior to implementing the proposed changes?
RESPONSE: For many of the account codes that have been retired, there is a note included in the Catalog of Account Code Changes, in the "Decision for Action" column, stating that this data "May be reviewed during examination and supervision contacts." The requirement that this data is still subject to audit review will require the maintenance and review of a report identical to what had been maintained for Call Report disclosure. This will not allow any time savings from the current full disclosure requirement in the Call Report.
- From your perspective, do you think this is a reduction in your reporting burden? Please explain.

RESPONSE: *It is unlikely that there will be a reduction for Suncoast in the reporting burden with the changes. The Catalog of Account Code Changes listing is 87 pages. Most of the codes retired were replaced or still require a report available for audit review, with a substantial number of new codes added. New codes added will require further review for compliance with the final changes. Suncoast will not benefit from the largest portion of the time savings within the Call Report changes as we have never had or reported on Derivatives.*

We are noting below several items that we previously commented on that we feel strongly would assist with efficiency and did not see addressed within the modernization changes:

Commercial Loans

Any single loan or combination of commercial loans per business member under \$50,000 is excluded from the Call Report. This requires a *manual* review of each individual business loan in our portfolio to determine if it meets this threshold and qualifies to be reported. We currently do not have systematic capability to automate the reporting, which requires us to manually calculate all fields. As our commercial loan portfolio grows, this is becoming more and more of a challenge.

Warning notices

Warning notices are in place in the Call Report to assist with reviewing possible input errors before filing the report. The warning notices are generic for all credit unions, regardless of their size. For example, we always receive a warning that we have over 1,000 employees. We have had over 1,000 employees for many years so this warning is bypassed. Another constant warning is that our balances for cash on deposit in other financial institutions have increased or decreased by \$1,000,000. This variance would be normal for a Credit Union of our size, so this warning is not helpful and is continually bypassed.

Recommendation for change: Warning notices that could be generated based on the asset size of the credit union would be a better indicator that an input error has been made or a major fluctuation has occurred, rather than the standard generic warnings.

Profile updating

When updating or completing the Profile, the Profile must be completed and certified or all input is lost.

Recommendation for change: The ability to save the Profile data at any point of input (similar to the Call Report) would allow it to be completed at a later time.

Suncoast Credit Union greatly appreciates this opportunity to share with the NCUA our comments on the Call Report modernization, which we compliment the NCUA in undertaking. We believe this will create consistency in comparisons between Credit Unions.

Sincerely,

Nancy Ostermann
Vice President Controller

cc: Julie Renderos, SCU EVP/CFO