



Mr. Mark Vaughan  
National Credit Union Administration  
Office of Examination and Insurance  
1775 Duke Street  
Alexandria, VA 22314

August 15, 2016

Dear Mr. Vaughan:

Re: Request for Information on 5300 Call Report and Form 4501A/Profile

Alaska USA appreciates the opportunity to provide input on NCUA's Request for Information (RFI) to modernize the 5300 Call Report (Call Report) and Form 4501A Profile (Profile).

Alaska USA supports NCUA's efforts to modernize the Call Report content and its goal to strengthen on-site examination and off-site monitoring, facilitate richer comparisons of institution and industry trends by other parties, and minimize the burden on reporting. We recommend the NCUA Board consider the elimination of reporting the same information in multiple areas, provide flexibility in reporting formats and limit changes to once a year. In addition, please see answers to the RFI questions below.

1. *What specific areas of the Call Report/Profile forms do you find challenging to complete? Please describe the nature of those challenges.*

We believe Schedule A is challenging due to the nature of the information requested. Consumer and commercial real estate loans are combined on the schedule into a series of line items by type of mortgage product. We find it difficult to combine consumer and commercial into these categories, and feel it would be easier to produce and confirm the information if they were in separate sub-sections of the schedule. Additionally, the same commercial loans are required to be reported in multiple places on this schedule.

For credit unions that routinely sell mortgages into the secondary market, derivative reporting is overly cumbersome for interest rate lock commitments and forward loan sales. The current reporting requirement results in data being reported multiple times on multiple pages. For example, the current notional amount and net fair value gain/loss are both reported on four separate pages.

2. *What sections/schedules/items on the Call Report/Profile could be made optional for small or non-complex credit unions without complicating assessments of risk?*

While we have no specific suggestions for what items should be considered optional, we do suggest that any area that is made optional on the Call Report/Profile should be optional for any credit union that has limited complexity, regardless of size.

3. *What specific items would you like to see added to the Call Report/Profile to enhance analysis of local, regional and national performance trends or improve comparisons of individual credit unions with peer institutions?*

It is our opinion that greater transparency in cash and equivalent and investment reporting would increase comparability among peer institutions. Specifically, reporting on types of cash equivalents and types of investments including agency and municipal debt. Additionally, reporting on pledged assets and location of safekeeping institutions.

4. *Are current Call Report account categories (database fields) reasonably aligned with your internal accounting? If not, what changes would improve the alignment?*

As noted in our response to Question 1, the credit union accounts for commercial and consumer loans in a different format than is required to be reported on the Call Report. Separating reporting on the Call Report into different sections for consumer and commercial loans would simplify the reporting requirement.

5. *Are the Call Report and Profile instructions adequate? If not, what improvements (overall and peculiar to specific items/schedules) would improve clarity and reduce reporting burden?*

We believe Call Report instructions are frequently vague. As noted in our response to Question 1, Schedule A is difficult to compile partly due to vague and confusing instructions. The Call Report instructions should also note when balances and totals from one section are required to equal balances and totals from another section. Frequent errors are received online when inputting balances that do not equal to other sections of the report. Additionally, instructions for reporting on mortgage derivatives in Schedule D should be clarified.

6. *Could re-organization of the Call Report or Profile reduce reporting burden? If so, please describe the needed changes. Does the Call Report contain elements that should be moved to the Profile? If so, please detail these elements. Does the Profile contain elements that should be moved to the Call Report? If so, please detail these elements.*

We suggest a reorganization of the Call Report could be beneficial by organizing sections and schedules in a manner consistent with financial reporting for credit unions. The CUSO sections of the Call Report and Profile could be consolidated into one section.

7. *Do you have any concerns or ideas about NCUA schedules/forms for collecting financial and non-financial information not addressed above?*

We recommend minimizing the number and frequency of changes to the Call Report and instructions and providing a significant amount of lead time (minimum of six (6) months) would be beneficial to all preparers. Also, while there may be a regulatory reason for collecting the information, reporting on interest rates in the Loans & Leases section of the Call Report provides inaccurate and misleading information to any Call Report user as these are rates at a point in time and are only the "most common" rate in that category. Additionally, changes could be made to the Credit Union Online website to accommodate multiple users with a version control to ensure updates are saved.

Thank you again for this opportunity to comment on the RFI to modernize the Call Report and Profile. Please contact me at (907) 786-2802 if you have any questions.

Sincerely,



Troy Sheldon  
Senior Vice President,  
Accounting