

SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSIONS
CORPORATE CREDIT UNION CALL REPORT (5310)

3133-0067

May 2007

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and of each regulation mandating or authorizing the collection of information.

Section 202(a)(1) of the Federal Credit Union Act (Act) requires federally insured credit unions to make reports of condition to the NCUA Board upon dates selected by it. The financial and statistical information is essential to NCUA in carrying out its responsibility for supervising corporate credit unions.

2. Indicate how, by whom, how frequently, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The information is collected on a monthly basis and used by NCUA to monitor financial and statistical trends in corporate credit unions and to allocate examination and supervision resources.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The information is entered onto a standard report in electronic format. An electronic file is transmitted via e-mail to NCUA. This means of submission was selected due to the universal use of computers and e-mail in corporate credit unions. Electronic gathering and submission of information simplifies the data collection process and improves the accuracy and timeliness of the data.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

NCUA makes no other monthly collection of financial information from the corporate credit unions. There is no duplication at the federal level.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The collection of information affects only corporate credit unions. The asset size of these institutions ranges from \$6 million to \$43 billion. The collection of information will have no impact on any small business or other small entities.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Corporate credit unions are complex financial institutions. The composition of their balance sheets can, in many cases, change from day to day. Natural person credit unions invest a significant percentage of their funds in corporate credit unions. To gather this information any less frequently than monthly would not provide NCUA with the ability to monitor and promptly act appropriately in the face of changing trends. Without the ability to review and analyze the information provided on the Call Report, Federal supervisors would not be guaranteed the availability of timely, comprehensive information. The lack of such information could jeopardize the regulator's ability to implement timely corrective measures in the event of emerging negative financial trends. The potential impact could cause a crisis within the credit union system and could imperil the National Credit Union Share Insurance Fund.

7. Explain any special circumstances that would cause an informational collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by the disclosure**

and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or

- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

The composition of corporate credit union balance sheets, in many cases, undergoes significant changes from day to day. Quarterly reporting of information is insufficient to maintain an appropriate level of supervision of these institutions that account for approximately 25 percent of natural person credit union investments.

None of the other special circumstances noted above are applicable to the collection of data.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically, address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that mitigate against consultation in a specific situation. These should be explained.

Two corporate credit unions, entities from among the group of respondents, were provided copies of the draft information collection report. The corporates were asked to complete the report and provide comments or recommendations. A number of the recommended changes and clarifications were incorporated into the final report.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments or gifts have been provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

No assurance of confidentiality has been provided.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature.

12. Provide estimates of hour burden of the collection of information. The statement should:

- **Indicate the number of respondents, frequency of response, annual hour burden, and explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

There are 30 respondents. The frequency of response is monthly. The annual hour burden is estimated to be 792 hours. The burden was estimated by multiplying the number of respondents (30) by the frequency of response (12) by the number of hours estimated to complete the collection of information (2).

$$30 \text{ respondents} \times 12 \text{ responses} \times 2 \text{ hours} = 720 \text{ hours}$$

Consultation with the two respondents that tested the call report indicated that 2 hours was a reasonable estimate for completion of the collection of information.

This request covers approval of only one form.

The estimated cost to respondents for the collection of information is \$10,800. This is based upon an hour burden of 720 hours at an average hourly rate of \$15.

$$720 \text{ hours} \times \$15 \text{ per hour} = \$10,800$$

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

- **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing this information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and storage facilities.**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

It is not expected that the respondents will have additional annual cost burden, above the hour burden noted in item 12, due to the collection of information. Each corporate credit union has at least one computer on which the software to complete the collection can be installed. The software is supplied by NCUA. Therefore, there are no initial start-up costs or any operational or maintenance costs.

14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include

quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

There are no additional equipment or overhead costs to the Federal Government associated with this collection of information. It is estimated that processing the information submitted by the respondents will take approximately one hour per month. The annual cost associated with the processing is estimated at \$180.

1 hours per month x 12 months x \$15 per hour = \$180

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

The adjustment change in Item 13 is due to the reduction in the number of corporate credit unions from 33 to 30 since the last extension of the approved collection.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

There are no plans to publish results.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

NCUA is not seeking approval to not display the expirations date.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions to the certification statement.