

JUSTIFICATION
For a new collection of Information by the National Credit Union Administration
Large Credit Union Monthly Financials and Board Packages
3133-NEW
2008

1. Explain the circumstances that make the collection of information necessary, include identification of any legal or administrative requirements that necessitate the collection.

The information is needed for field staff and management to perform effective, proactive monitoring of the financial condition and other emerging issues that affect the safety and soundness of federally insured (FICUs) that are at least \$1 billion in assets. Because of risk based examination scheduling, it may be two years between onsite contacts. Due to their asset sizes, these credit unions present a high degree of risk to the National Credit Union Share Insurance Fund (NCUSIF). All of the information required for comprehensive monitoring is not collected through the call report process. Considering the current economic environment and potential for loss to the NCUSIF, proactive offsite monitoring is a necessity.

2. Indicate how, by whom, and for what purpose the information is to be used and the consequence to the federal program or policy activities if the collection of information was not conducted.

The information will be used by field staff and management to identify negative trends and other emerging issues that require additional actions outside of the normal onsite supervision cycle. The consequence to the federal supervision program of not collecting the information is concerns involving institutions that present the greatest risk to the NCUSIF may not be identified and addressed in a timely manner.

3. Describe any considerations of the use of improved information technology to reduce burden and any technical or legal obstacles to reducing burden.

All of the credit unions meeting the reporting criteria will have electronic documents that can be transmitted electronically with encryption and password protection for additional security. This means of collection will be the most efficient and least costly.

4. Describe efforts to identify duplication.

Credit unions are not required to report all of the information necessary for an appropriate offsite analysis on the call report. Many of the credit unions meeting the reporting criteria (\$1 billion in assets) do not require corrective actions during the examination process that would necessitate issuing a document of resolution requesting the documents.

5. Show specifically why any similar information already available cannot be used or modified for the purpose described in item 2 above.

Board packages are not currently available. Much of the information reported on the call report is aggregated and is only available quarterly. Monthly analysis is required for early detection of emerging issues.

6. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

The collection of information will not affect small businesses or other small entities.

7. Describe the consequence to the federal program or policy activities if the collection were conducted less frequently.

The consequence to the federal supervision program would be concerns involving institutions that present the greatest risk to the NCUSIF could not be identified as timely. In addition, financial ratio trending requires monthly data. A monthly frequency causes no additional burden since the FCU Bylaws require monthly financials and written board minutes. Therefore, there is no additional preparation of documents.

8. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines of 5 C.F.R. 1320.6.

Respondents will be required to report existing information more often than quarterly (monthly) to allow early detection of emerging concerns and accurate financial ratio trending. The information collection is not inconsistent with any other guidelines of 5 C.F.R. 1320.6.

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

Notice of the proposed information collection will be published in the Federal Register with a 60-day comment period. NCUA will carefully consider all comments it receives regarding the proposal.

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

NCUA has issued guidance to FISCUs regarding agency personnel handling of sensitive information. In addition, the latest Office of Inspector General review of NCUA's compliance with OMB M-06-16, Protection of Sensitive Agency Information is posted on the agency's internet site.

11. Provide additional justification for any questions of a sensitive nature, etc.

The information collection does not include any questions of a sensitive nature.

12. Provide estimates of annualized cost to the Federal Government and to the respondents. 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 the paperwork burden.

The respondents will not incur any additional operational expenses since they will only be required to provide existing documents. NCUA will not incur any additional expenses or time allocations since the examination program includes program hours for offsite supervision and office administrative time.

13. Provide estimates of burden of the collection of information. The statement should: provide number of respondents, frequency of response, annual burden and an explanation of how the burden was estimated.

Respondents will not incur any additional expenses since only existing information will be collected. The quantification of hours is based on the estimated time respondents will use to gather and electronically submit the documents to field staff. The following provides a detailed illustration:

Number of Respondents	Frequency	Annual Responses	Estimated Time Per Response	Total Annualized hours
30	Monthly	12	30 minutes	*180

* (30 X 12) / 2

14. Explain reasons for changes in burden, including the need for any increase.

There are no changes in burden. This is a new collection.

15. For collections of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis, and publication. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of reports, publication dates, and other actions.

The results will not be published.