

REQUEST FOR OMB REVIEW AND APPROVAL, 3133-0004
SUMMARY OF PROPOSED CHANGES TO NCUA CALL REPORT AND PROFILE DATA
COLLECTION

PROPOSED CYCLE DATE: December 31, 2012

REPORT(S) IMPACTED: NCUA Call Report Form, NCUA Profile Form

OMB FORM #: 3133-0004 (Expires 12/31/2014)

CALL REPORT PAGE(S) IMPACTED: Delinquency – Page 8, Charge offs and Recoveries – Page 9, Specialized Lending, Section 5 – Page 15

PROFILE PAGE(S) IMPACTED: Contacts – Pages 4 - 10, Regulatory – Page 16

SUPPORTING ATTACHMENTS: December 2012 Proposed Profile Form.xlsx, March 2012 Profile Form.xlsx, March 2012 Call Report_Final.xlsx

DESCRIPTION OF NCUA PROFILE: The online system includes an area called the credit union profile. The profile contains information about the credit union that infrequently changes. This area includes some read-only chartering information as well as some data we formerly collected on the 5300 Call Report and Report of Official including the following categories:

- Report of Officials and other key contacts at the credit union,
- The main office and any branch offices,
- Information systems and technology services and structure,
- Disaster recovery information,
- Programs and services credit unions offer to their members,
- Regulatory compliance to include the annual financial statement audit, member account verification, and annual meeting dates, etc.
- Grants the credit union has received and any credit union partnerships they have (optional reporting),
- Credit Union Service Organizations they use and have a financial interest in.

Once a credit union enters their initial data, input is only required for additions, deletions, and changes. Under NCUA Rule and Regulations Section 741.6(a)(1), credit unions are required to update this information within ten days of the election or appointment of officials or thirty days of any other change. This data is editable by credit unions at any time through the online system. This area of NCUA's data collection is less of a burden on the credit union than the data collected through the quarterly 5300 Call Report since there is not a quarterly reporting requirement and the data infrequently changes.

The proposed changes for December 2012 would be added to the Call Report and profile area of NCUA's data collection.

DESCRIPTION OF CHANGE:

Profile Changes

Background

In 2010, NCUA approved changes to NCUA Rules and Regulations part 701.4 *General authorities and duties of Federal Credit Union directors* to clarify and document the important duties of board of directors of federal credit unions including the requirement for Directors to have a working familiarity with basic finance and accounting practices. The source of a Director's knowledge may come from vendors, trade organizations, college courses, NCUA, life experience, internal credit union training or other resources.

Proposed New Data Collection

NCUA planned to add 1 new account to the Contacts section of the profile to identify the initial date of election or appointment of each official. This question was proposed to help NCUA assess the longevity of credit union board members. NCUA invited public comments on these changes. Only one comment was received and the commenter "did not believe these changes to the profile section are necessary". The concern was "that such information may be used by credit union opponents and others to mischaracterize a particular credit union or the industry as a whole". After considering the comment, NCUA has removed the data element in the Profile related to the date of election/appointment. Additionally, NCUA is planning to add a question to the Regulatory section of the profile where credit unions will be required to certify their compliance with Part 701.4 of NCUA Rules and Regulations. Credit unions will also be required to recertify compliance when new Board members are elected or appointed.

NCUA believes the remaining question will not be a significant reporting burden on credit unions. The question would be added to the profile section and once a credit union provides a response for each Director and certifies compliance, they are only required to update this information if it changes. Additionally, for the 97% of credit unions who use the online data collection system, NCUA provides dropdown menus to alleviate confusion and simplify reporting.

Call Report Changes

Background

In January 2012, the NCUA Board approved the Interpretative Ruling and Policy Statement (IRPS) to modify NCUA Rules and Regulation 741.3 to clarify reporting and guidelines for troubled debt restructured (TDR) loans.

Proposed Data Collection Changes

The IRPS states the NCUA will revise the regulatory reporting requirements by eliminating the data collection on modified loans and target data collection efforts on loans meeting the definition of a TDR under Generally Accepted Accounting Principles (GAAP). NCUA is planning to remove the 78 account codes related to modified loans on pages 8, 9, and 15. It is NCUA's intent to collect similar data about TDRs that we currently collect on modified loans to include delinquency, loan loss, charge off, and number and amount of TDR loans outstanding.

Your review and attention to this matter is greatly appreciated.