

JUSTIFICATION
For a collection of Information by the National Credit Union Administration
3133-0067
Corporate Credit Union Monthly Call Report

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

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, 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 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. If this information was not collected, NCUA would not be able to effectively fulfill its primary mission of regulating and supervising credit unions.

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

The information is entered into 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.

NCUA is proposing to replace the software with an online application as part of CU Online. This will allow corporate credit unions the ability to access the application from any location as well as reduce the administrative burden and cost associated with installation and maintenance of previous credit union software. With the implementation of an online application, hourly burden for respondents will be reduced as the online system will allow for quicker and more efficient upload of the call report data versus previous manual data entry and e-mailing.

4. Describe efforts to identify duplication.

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

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

There is no similar information readily available.

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

The collection of information affects only corporate credit unions. The asset sizes of these institutions ranges from approximately \$140 million to \$4 billion. The collection of information will have no impact on any small business or other small entities.

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

Corporate credit unions are complex financial institutions that are systemically important. The composition of their balance sheets can, in many cases, change on a day-to-day basis. Natural person credit unions invest 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 when material negative trends develop. Without the ability to review and analyze the information provided on the Call Report, federal supervisors would not be guaranteed the availability and timeliness of comprehensive financial information. The lack of such information could jeopardize the regulator's ability to proactively 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.

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.

The composition of corporate credit union balance sheets may undergo significant changes on a day-to-day basis. Quarterly reporting of information is insufficient to maintain an appropriate level of supervision of these institutions that account for a significant portion of natural person credit union investments.

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

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 and request for comments were published in the Federal Register on January 31, 2014 (79 FR 5466) and on June 17, 2014 (79 FR 34556).

At least annually, all corporate credit unions and NCUA's Office of National Examinations and Supervision staff are asked to provide recommendations for improvements to the 5310 Call Report and its instructions. Emphasis is placed on an effective and efficient reporting system. A number of recommended changes and clarifications have been incorporated into the final reports and instructions.

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

Not applicable.

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

Not applicable.

12. Provide estimates of annualized cost to the Federal Government.

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 two hours per month. The annual cost for NCUA associated with processing is estimated at \$2,400.

2 hours per month x 12 months x \$100 per hour = \$2,400.

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.

It is expected that it will take each corporate credit union approximately eight hours to prepare each monthly 5310 Call Report. On-going computer administration costs are minimal as NCUA provides the software and corporate credit union already have computers.

The aggregate cost to the respondents is estimated at approximately \$72,000.

15 respondents x 12 reports each year x 8 hours to prepare each report x \$50 an hour.

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

This is a reinstatement of a previously approved collection. Changes in the burden estimate are due to the reduction in the number of corporate credit unions from 27 to 15.

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.

Not applicable.