

SUPPORTING STATEMENT
OMB 3133-0067
Corporate Credit Union Monthly Call Report and Report of Officers

A. JUSTIFICATION

1. Necessity of Information 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. Corporate credit unions report this information monthly on NCUA Form 5310 also known as the corporate credit union call report. The financial and statistical information is essential to NCUA in carrying out its responsibility for supervising corporate credit unions.

The Federal Credit Union Act, 12 U.S.C. 1762 specifically requires federal credit unions to report the identity of credit union officials. 12 CFR 741.6(a) requires federally-insured credit unions to submit a Report of Officers annually to NCUA containing the annual certification of compliance with security requirements. The branch information is requested under the authority of Section 741.6 of the NCUA Rules and Regulations.

2. Purpose and Use of the Information Collection

The Call Report 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.

The Report of Officers information is collected on an annual basis and used by NCUA to monitor the directors, officials and office locations of federally insured corporate credit unions.

3. Consideration Given to Information Technology

NCUA is modifying the instrument for collecting call report data from corporate credit unions. This information is currently collected through a standalone application that requires manual input of data by respondents. NCUA is updating its systems to allow this information to be provided through an online portal in a way that allows respondents to automate the submission of this data. This will significantly reduce the burden associated with this collection.

4. Duplication

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

Through this action, the NCUA is also combining two currently approved collections – the monthly call report (OMB Number 3133-0067) and the annual report of officials (OMB Number 3133-0053). These collections will both be submitted through the same online platform.

5. Effect on Small Entities

The collection of information affects only corporate credit unions. The asset sizes of these institutions ranges from approximately \$140 million to \$4 billion. NCUA has promulgated regulations establishing \$100 million in assets as the definition of “small entity” for the purposes of the Regulatory Flexibility Act. The collection of information will have no impact on any small business or other small entities.

6. Consequences of Not Conducting Collection

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.

7. Inconsistencies with Guidelines in 5 CFR 1320.5(d)(2)

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. The collection is otherwise fully consistent with 5 CFR 1320.5(d)(2).

8. Consultations Outside the Agency

The required Federal Register notice with a 60-day comment period soliciting comments on this collection of information was published on June 6, 2016 (81 FR 36354). No comments were received in response to this solicitation.

In addition, all corporate credit unions and NCUA Office of National Examinations and Supervision staff are asked, at least annually, to provide recommendations for improvements to the 5310 Call Report and its instructions. Emphasis is placed on an effective and efficient reporting system.

9. Payment or Gift

There is no intent by NCUA to provide payment or gifts for information collected.

10. Confidentiality

There is no guarantee of confidentiality associated with this information collection.

11. Sensitive Questions

There are no questions of a sensitive nature.

12. Burden of Information Collection

There are currently 12 corporate credit unions required to submit this information. We estimate that the transition from the stand alone system to the integrated online system will cut reporting time from eight hours to four for each response. The estimate of the burden associated with annual reporting of officers and branch locations will remain the same as the currently approved collection at one hour per response

Information Collection Activity	Number of Respondents	Frequency of Response (Annual (1), Quarterly (4), etc.)	Number of Responses	Burden Hours per Response	Annual Hourly Burden
	(A)	(B)	(C)	(D)	(E)
1. Annual Report of Officers (Form 4510)	12	1	12	1.0 Hours	12 Hours
2. Monthly Call Report (Form 5310)	12	12	144	4.0 Hours	576 Hours
Total (Sum)	12		156		588 Hours

At a labor rate of \$35 per hour (the average loaded wage rate for credit union employees), this results in a cost to credit unions of \$20,580 per year.

13. Capital start-up costs and operation and maintenance costs.

All equipment needed to collect, prepare, and submit financial statements, when required, is equipment used for the customary and usual business of the credit union. There is no special or additional equipment.

14. Costs to Federal Government

There is no additional cost to the government.

15. Changes in Burden

The burden has been adjusted to reflect changes in the method of submission of this information as well as a reduction in the number of corporate credit unions. The use of a system that

facilitates automation of the submission of the monthly call report information is expected to reduce the burden by, at least, 50 percent.

16. Information Collection Planned for Statistical Purposes

Not applicable. The information collection is not used for statistical purposes.

17. Approval to Omit OMB Expiration Date

The display of the expiration date may cause confusion among respondents when providing information by a prescribed date and minor technical changes to an electronic systems would impose additional time and resources if no other information was to change. Non-display of the expiration date of the OMB approval is requested.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

This collection complies with the requirements in 5 CFR 1320.9.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not involve statistical methods.