

National Credit Union Administration
SUPPORTING STATEMENT

Corporate Credit Union Monthly Call Report and Report of Officers
NCUA Form 5310

OMB No. 3133-0067

A. JUSTIFICATION

1. Circumstances that make the collection of information necessary.

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. Section 741.6(a) requires federally-insured credit unions to submit a Report of Officials 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 collected.

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. Use of information technology.

Corporate credit unions provide their data through an online portal, Corporate CUOnline.

4. Duplication of information.

This collection of information is unique to Corporate Credit Unions and is not duplicated.

5. Effects to reduce burden 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 the 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).

A corporate credit union balance sheet can vary significantly month to month since they are a payments systems and liquidity provider to consumer credit unions. 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. Efforts to consult with persons outside the agency.

A 60-day notice was published in the *Federal Register* on October 15, 2020, at 85 FR 65435, to solicit comment from the public and no comments were received. 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.

9. Payment or gifts to respondents.

The NCUA does not provide payment or gifts for information collected.

10. Assurance of confidentiality.

There is no assurance of confidentiality associated with this information collection other than that provided by law.

11. Questions of a sensitive nature.

Data collection fields are critical for adequate off-site monitoring and on-site examination of corporate credit unions. The profile asks for critical non-financial data such as contact information corporate credit union officials and mandatory-role individuals. A System of Records Notice (SORN) is not required as the information is not stored based on the individual’s name or other personally identifiable information.

12. Burden of information collection.

IC Activity – Form 5310	# of Respondents	# Responses per Respondent	Total Annual Responses	Hours per Response	Annual Burden
Annual Report of Officers	11	1	11	1	11
Monthly Call Report	11	12	132	4	528
TOTAL	11		143		539

At a labor rate of \$35 per hour, this results in a cost to credit unions of \$18,865 per year.

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

There are no capital start-up or maintenance costs.

14. Annualized costs to Federal government.

There is no additional cost to the government.

15. Changes in burden.

The changes for the NCUA Form 5310, Corporate Credit Union Call Report, are being made to align the form with recently approved Generally Accepted Accounting Principles (GAAP) related to ASC 326 Current Expected Credit Losses (CECL). These changes will allow corporate credit unions to early adopt CECL. A corporate credit union would continue to complete form as is or they can voluntarily elect to early adopt ASC 326 and report under the CECL standard. Additional changes will also be made to better defined investments, consolidate duplicative questions, and clarify other data collection elements.

These revisions and will not alter the estimated burden hours necessary to review the instrument and complete the form. The total annual burden remains unchanged at 539 hours.

16. Information collection planned for statistical purposes.

The information collection is not used for statistical purposes.

17. Request non-display the expiration date of the OMB number.

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. There are no exceptions to the certification statement

B COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not involve statistical methods.