

SUPPORTING STATEMENT  
CONSOLIDATED REPORTS OF CONDITION AND INCOME  
FFIEC 031, 041, and 051  
OMB No. 3064-0052

**INTRODUCTION**

The Federal Deposit Insurance Corporation (FDIC) is requesting approval from the Office of Management and Budget's (OMB) to extend for three years, with revision, the Federal Financial Institutions Examination Council (FFIEC) Consolidated Reports of Condition and Income (Call Reports) (FFIEC 031, FFIEC 041, and FFIEC 051; OMB No. 3064-0052). These reports are required of the insured state nonmember banks and insured state savings associations and are filed on a quarterly basis. The Federal Reserve Board (FRB or Board) and the Office of the Comptroller of the Currency (OCC) are submitting these same Call Report changes to OMB for the institutions under their supervision.

The proposed revisions are in response to the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) 2022-02, "Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures" (ASU 2022-02). The agencies are now finalizing instructional revisions related to the length of time that loan modifications to borrowers experiencing financial difficulty would be reported in the Call Report and Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002) forms.

These revisions will be effective as of the December 31, 2025, report date. However, the agencies do not object if an institution chooses to implement this revised reporting in advance of the effective date for the September 30, 2025, report date.

For FDIC-supervised institutions, the estimated burden for filing the Call Reports is estimated to decrease from 461,962 hours to 442,621, which is due to the reduction of institutions filing the Call Report. The number of filers decreased from 2,929 to 2,825 resulting in a reduction of 19,341 burden hours. The changes to the Call Report instructions proposed in this notice would not result in a burden change for all three Call Reports.

**JUSTIFICATION**

1. Circumstances and Need

Section 7 of the Federal Deposit Insurance Act requires all insured depository institutions to submit four "reports of condition" each year to their primary federal bank supervisory authority, i.e., the FDIC, the OCC, or the Board, as appropriate. FDIC-supervised institutions, i.e., insured state nonmember banks and insured state savings associations, submit these reports to the FDIC. The FDIC uses the quarterly Call Reports to monitor

the condition, performance, and risk profile of individual institutions and the industry as a whole. In addition, Call Reports provide the FDIC with the most current statistical data available for evaluating depository institution corporate applications such as mergers; identifying areas of heightened focus and reduced emphasis for both on-site and off-site examinations; calculating all insured institutions' deposit insurance assessments; and other public purposes.

At present within the Call Report information collection system as a whole, separate report forms apply to (1) institutions that have domestic and foreign offices and institutions with domestic offices only and consolidated total assets of \$100 billion or more (FFIEC 031); (2) institutions with domestic offices only and consolidated total assets less than \$100 billion, except those institutions that file the FFIEC 051 (FFIEC 041); and (3) institutions with domestic offices only and total assets less than \$5 billion not otherwise required to file the FFIEC 041 (FFIEC 051). All institutions that are advanced approaches institutions for regulatory capital purposes, regardless of size, would file the FFIEC 031 Call Report.

The amount of data required to be reported varies between the three versions of the report forms, with the FFIEC 031 report form, which, in general, is filed by the largest institutions (i.e., institutions with domestic and foreign offices and institutions with domestic offices only and consolidated total assets of \$100 billion or more) having more data items than the FFIEC 041 and FFIEC 051 report forms that, in general, are filed by smaller institutions, i.e., institutions with domestic offices only and consolidated total assets less than \$100 billion. Furthermore, within the FFIEC 041 report form, the amount of data required to be reported varies, primarily based on the size of an institution, but also in some cases based on activity levels. The FFIEC 051 report form is a significantly streamlined version of the FFIEC 041 that includes numerous data items that are collected less frequently than quarterly, but the amount of data required in the FFIEC 051 also varies depending on the size of an institution and activity levels.

#### Proposed Revisions that are the Subject of This Proposal

The proposed revisions are in response to ASU 2022-02. The agencies are now finalizing instructional revisions related to the length of time that loan modifications to borrowers experiencing financial difficulty would be reported in the Call Report.

These revisions will be effective as of the December 31, 2025, report date. However, the agencies do not object if an institution chooses to implement this revised reporting in advance of the effective date for the September 30, 2025, report date.

## 2. Use of Information Collected

The information collected in the Call Reports is used by the FDIC and the other federal banking agencies both on an individual institution basis and in aggregate form for supervisory, surveillance, regulatory, research, statistical, insurance assessment, and informational purposes. Call Report data for all institutions, not just the institutions

under an individual banking agency's primary supervision, are available to each of the three banking agencies in order for each agency to have access to information for the insured depository institution system as a whole.

The FDIC uses the data collected in the Call Reports extensively for supervisory and surveillance purposes in an effort to detect at an early date those institutions that are experiencing deterioration or some other significant change in their condition, performance, or risk profile. The underlying basis for this activity at the FDIC, as well as at the OCC and the Board, is the goal of maintaining a safe and sound banking system and reducing the possibility of the failure of individual institutions and the concomitant exposure of the Deposit Insurance Fund administered by the FDIC. The FDIC has two major surveillance programs (EWS and UBPR) for its use in performing off-site evaluation of the condition of banks and savings associations. In addition, various quarterly management and supervisory reports used for off-site monitoring capabilities are available in web-based systems like ViSION (Virtual Supervisory Information on the Net) and distributed systems like ARIS (Automated Regional Information System).

Early Warning Systems (EWS) – The EWS is the FDIC's umbrella of off-site surveillance models that are used to monitor the condition of insured institutions between regular on-site examinations. Data collected from each institution's Call Report are subjected to a screening process in the EWS known as SCOR (Statistical CAMELS Off-site Rating). SCOR is an off-site model for insured institutions that compares an institution's financial condition against examination ratings for comparable financial institutions. SCOR derives a rating for each component of the Uniform Financial Institutions Rating System (UFIRS). The composite and component ratings are then compared to those given at the last examination and a downgrade probability is derived for each institution. Those institutions whose downgrade probability exceeds a specified level are subject to supervisory follow-up procedures including the prompt scheduling of examinations or visitations. The FDIC also has developed two off-site rating tools called GMS (Growth Monitoring System) and REST (Real Estate Stress Test) in order to effectively and efficiently monitor risk at individual insured depository institutions. GMS identifies institutions that may pose greater risks due to rapid growth and/or funding issues. GMS places institutions into percentile rankings based on GMS scores. Those with the highest GMS scores are subject to formal off-site review requirements similar to SCOR. REST identifies institutions with high concentrations of commercial real estate and other exposures similar to the exposure characteristics of problem institutions and institutions that failed during the New England crisis of the late 1980s and early 1990s.

Another part of the EWS includes the Uniform Bank Performance System (UBPS). The UBPS is an on-line support subsystem that calculates for each institution approximately 300 financial ratios and accompanying peer group and ranking data and presents this information in a manner consistent with the Uniform Bank Performance Report, which is discussed below. The UBPS covers the most recent and preceding 15 quarters.

Uniform Bank Performance Report (UBPR) – This report is prepared quarterly for each insured institution from Call Report data and presents information for five periods on an institution's performance and financial statement composition in the form of ratios, percentages, and dollar amounts. Each UBPR also includes corresponding average data for the institution's peer group and percentile rankings for most ratios. In 2017, data visualization features (e.g., graphs and charts) were added to the UBPR to assist users in gaining further value from UBPR ratio data.

The comparative and trend data contained in the UBPR complement the EWS data and are utilized by FDIC supervisory staff for further off-premises review of individual institutions, particularly at the field office level. Based on an analysis of the information in the UBPR, an examiner can set the priorities for the examination of an individual institution. An institution's condition, performance, and risk profile can then be evaluated during the examination in light of its recent trends and the examiner's findings can be communicated to the institution's management. Management can verify this trend data for itself in the institution's own UBPRs. UBPRs are available on-line on the Internet for access by institutions, regulators, and the public.

ViSION and ARIS – ViSION is a secure web-enabled system that was developed as a comprehensive and easy-to-use reporting source for the FDIC's supervisory and financial data. The system provides FDIC users with multiple reports that display information for a specific institution or set of institutions. ViSION provides users the ability to retrieve various supervisory and off-site reports. These various management reports are used to assist in off-site monitoring efforts and are reviewed at the regional or field office level on a regular basis. ARIS is a localized database and reporting system that includes many levels of drill-down management and supervisory reporting.

Through the use of monitoring and surveillance systems that rely on Call Report information, the FDIC is able to more effectively and efficiently allocate resources to those institutions experiencing difficulties or exhibiting heightened risk profiles. Also, FDIC policy requires examiners to use information from Call Reports as well as data available from monitoring and surveillance systems to assist in their examination planning activities. Through examination planning, examiners can determine the areas of an institution's operations and activities on which to focus heightened attention or place reduced emphasis during their time on-site at the institution. Moreover, effective examination planning can help to limit the amount of time examiners need to spend on-site during an examination. These efforts would not be feasible if Call Report data, with their emphasis on the collection of information for supervisory and surveillance purposes, were not available on a quarterly or, for certain data, a semiannual or annual, basis.

Call Reports also provide the most current statistical data available for evaluating statutory factors relating to the FDIC's consideration of institutions' applications for deposit insurance and for consent to merge, establish a branch, relocate an office, and retire capital. The amount of each individual institution's deposit insurance assessment is calculated directly by the FDIC from the data reported in the institution's Call Report. In addition, under the FDIC's risk-related insurance assessment system, Call Report data are

used to help determine the risk assignment for each insured institution. The FDIC's Division of Insurance and Research uses data collected in the Call Reports to prepare quarterly reports on the condition and performance of the banking system, with separate reports also prepared for community institutions, and for numerous economic studies and analyses of trends in banking that are incorporated into reports submitted to Congress and made available to the public.

### 3. Use of Technology to Reduce Burden

All banks and savings associations are subject to an electronic filing requirement for the Call Report. In this regard, the agencies have created a secure shared database for collecting, managing, validating, and distributing Call Report data. This database system, the Central Data Repository (CDR), was implemented in 2005 and is the only method available to banks and savings associations for submitting their Call Report data. Under the CDR system, institutions file their Call Report data via the Internet using software that contains the FFIEC's edits for validating Call Report data before submission.

### 4. Efforts to Identify Duplication

There is no other report or series of reports that collects from all insured banks and savings associations the regulatory capital and other information gathered through the Consolidated Reports of Condition and Income taken as a whole. There are other information collection systems which tend to duplicate certain parts of the Call Report; however, the information they provide would be of limited value as a replacement for the Call Report.

### 5. Minimizing the Burden on Small Institutions

The Call Report requires the least amount of data from small institutions with domestic offices only and less than \$5 billion in total assets that are eligible to file the streamlined FFIEC 051 report form. Within the FFIEC 051, for example, certain institutions with less than \$300 million in total assets have fewer data items applicable to them than do institutions with \$300 million or more in total assets. Exemptions from reporting certain Call Report data within the FFIEC 051 report form also apply to institutions with less than \$100 million and \$1 billion in total assets. In addition, the supplemental information schedule in the FFIEC 051, which replaced five entire schedules and parts of certain other schedules that had been in the FFIEC 041, includes eight indicator questions with "yes"/"no" responses that ask about an institution's involvement in certain complex or specialized activities. Only if the response to a particular indicator question is a "yes" is an institution required to complete, on average, three additional sub-indicator items that provide data on the extent of the institution's involvement in that activity.

The next least amount of data is collected from other institutions with domestic offices only that file the FFIEC 041 report form (even if they are eligible to file the FFIEC 051) and have less than \$100 billion in total assets. Exemptions from reporting certain Call Report data within the FFIEC 041 report form also apply to institutions with less than \$100 million, \$300 million, \$1 billion, and \$10 billion in total assets. In both the FFIEC 051 and the FFIEC 041, other exemptions are based on activity levels rather than total assets and these activity-based thresholds tend to benefit small institutions. In addition, for small institutions with domestic offices only and less than \$5 billion in total assets that file the FFIEC 051, a significant number of data items in the FFIEC 051 report are collected semiannually or annually rather than quarterly as they had been when these institutions filed the FFIEC 041 report.

## 6. Consequences of Less Frequent Collection

Collecting Call Report data less frequently than quarterly would reduce the FDIC's ability to identify on a timely basis those institutions experiencing adverse changes in their condition or risk profile. Timely identification enables the FDIC to work with the managements of such institutions to initiate appropriate corrective measures at an early stage to restore the institutions' safety and soundness. Timely identification cannot be accomplished through periodic on-site examinations alone. To allocate its examination resources in the most efficient manner, off-site analysis of Call Report data to single out institutions in need of accelerated on-site follow-up must be performed (see Item 2 above). Submission of Call Reports less frequently than quarterly would permit deteriorating conditions at institutions to fester considerably longer before they would be detected through the FDIC's monitoring systems, through the fortunate scheduling of examinations, or by other means. Such institutions would therefore run a greater risk of failure because of delays in effecting corrective action, either on institution management's own initiative or at the behest of the FDIC. Nevertheless, certain Call Report data items are collected less frequently than quarterly from some or all institutions, particularly in the streamlined FFIEC 051 Call Report for eligible small institutions.

In addition to supporting the identification of higher-risk situations and enabling timely corrective action for such cases, the quarterly reporting of Call Report data also aids in the identification of low-risk areas prior to on-site examinations, allowing the agencies to improve the allocation of their supervisory resources and increase the efficiency of supervisory assessments, which reduces the scope of examinations in these areas, thereby reducing regulatory burden.

Furthermore, certain Call Report data items are required quarterly due to various statutes or regulations. Leverage ratios based on average quarterly assets (reported on Schedule RC-K) and, for institutions that do not have a community bank leverage ratio framework election in effect as of a quarter-end report date, risk-based capital ratios (reported on Schedule RC-R) are necessary under the prompt corrective action framework established under 12 U.S.C. 1831o. Data on off-balance sheet assets and

liabilities (reported on Schedule RC-L) are required every quarter for which an institution submits a balance sheet to the agencies pursuant to 12 U.S.C. 1831n. Granular data on deposit liabilities and data affecting risk assessments for deposit insurance (reported on Schedules RC-E and RC-O) are required four times per year under 12 U.S.C. 1817.

#### 7. Special Circumstances

There are no special circumstances.

#### 8. Consultation with Persons Outside the FDIC

On September 28, 2023, the agencies proposed revisions to all three versions of the Call Report (FFIEC 031, FFIEC 041 and FFIEC 051) in response to FASB's ASU 2022-02, reporting on past due loans and reporting on internet website addresses of depository institution trade names. In general, these revisions in response to ASU 2022-02 eliminate reporting of troubled debt restructurings and align the data collected in the Call Report forms and instructions with the definition of loan modifications to borrowers experiencing financial difficulty that is used in U.S. generally accepted accounting principles (GAAP). The comment period for the September notice ended on November 27, 2023. The agencies received six comment letters on the September notice.

No commenters objected to the adoption in the Call Report of the revised GAAP terminology or to the change in accounting for modifications to borrowers experiencing financial difficulty. These updates were effective as of the June 30, 2024, report date. The September proposal also included instruction revisions related to the length of time for reporting modifications. Four commenters objected to the length of time for which these modifications would be reported on the Call Report. These commenters indicated that the timeline divergence from GAAP disclosure requirements in accordance with ASU 2022-02 would create additional costs, complexity, and operational challenges without any substantial corresponding benefit to the institutions or agencies.

After evaluating these comments, the agencies determined that consistency with the GAAP financial statement disclosure requirements under ASU 2022-02 would provide sufficient supervisory data on loan modifications due to the debtor's financial difficulty.

#### 9. Payment or Gift to Respondents

No payment or gift will be provided to respondents.

## 10. Confidentiality

At present, all data items collected from individual institutions in the Call Report are publicly available with limited exceptions. In this regard, for all institutions, the amount, if any, reported in Schedule RI-E, item 2.g, “FDIC deposit insurance assessments,” is treated as confidential on an individual institution basis. In addition, on the FFIEC 031 and FFIEC 041 versions of the Call Report, the following data are treated as confidential on an individual institution basis:

- (1) Amounts reported in Schedule RC-P, items 7.a and 7.b, for representation and warranty reserves for 1-4 family residential mortgages sold to specified parties;
- (2) Information that large and highly complex institutions report on criticized and classified items, nontraditional 1-4 family residential mortgage loans, higher-risk consumer loans, higher risk commercial and industrial loans and securities, top 20 counterparty exposures, and largest counterparty exposure for assessment purposes in Schedule RC-O, Memorandum items 6 through 9, 14, and 15, which are used as inputs to scorecard measures in the FDIC’s deposit insurance assessment system for these institutions; and
- (3) The table of consumer loans by loan type and probability of default band reported for deposit insurance assessment purposes by large and highly complex institutions in Schedule RC-O, Memorandum item 18.

Furthermore, contact information for depository institution personnel that is provided in institutions’ Call Report submissions is not available to the public.

Consistent with Section 4013 of the CARES Act, the agencies requested and received emergency approvals from OMB to add two new confidential data items for Section 4013 loans to the Call Report, which have been collected quarterly beginning with the June 30, 2020, report date, with the collection of these items expected to be time-limited. These items, Memorandum item 17.a, “Number of Section 4013 loans outstanding,” and Memorandum item 17.b, “Outstanding balance of Section 4013 loans,” have been added to Call Report Schedule RC-C, Part I, Loans and Leases. These items enable the agencies to monitor individual institutions and the industry’s use of the temporary relief provided by Section 4013 as well as the volume of loans modified in accordance with Section 4013. The agencies plan to propose to discontinue the collection of these specific items once the aggregate industry activity has diminished to a point where individual institution information is of limited practical utility.<sup>1</sup>

## 11. Information of a Sensitive Nature

The Call Report contains no questions of a sensitive nature.

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<sup>1</sup> These Call Report items will be reviewed in connection with the statutorily mandated review of the Call Report.



12. Estimate of Annual Burden

Form	Number of Respondents	Frequency	Time (Hours)	Burden (Hours)
FFIEC 031	20	4	68.6440	5,492
FFIEC 041	578	4	54.1458	125,185
FFIEC 051	2,227	4	35.0149	311,913
Subtotal:	2,825			442,590
Rounding				31
<b>Total:</b>	<b>2,825</b>			<b>442,621</b>

Due to decimal rounding, approximately 31 hours are not reflected in the estimated subtotal.

13. Estimate of Start-up Costs to Respondents

None.

14. Estimate of Total Annual Cost to the Federal Government

The FFIEC pays for hosting and maintenance expenses for the CDR and bills the three participating FFIEC member agencies (i.e., FDIC, FRB, and OCC). The FDIC's current allocation for 2025 is \$1,527,036.84.

15. Reason for Change in Burden

The decrease in burden of 19,341 hours from 461,962 hours to 442,621 hours is due to the reduction of institutions filing the Call Report. The number of filers decreased from 2,929 to 2,825.

16. Publication

Not applicable.

17. Display of Expiration Date

Not applicable.

18. Exceptions to Certification

None.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.