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Financial Institution Letter

FIL-53-2016
August 15, 2016

DEPOSITORY INSTITUTION REPORTS

TO: CHIEF EXECUTIVE OFFICER (also of interest to Chief Financial Officer)
SUBJECT: Proposed New Consolidated Reports of Condition and Income (Call Report) for Eligible Small Institutions and Other Proposed Call Report Revisions

As the next step in the Federal Financial Institutions Examination Council's (FFIEC) community bank Call Report burden-reduction initiative, the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board (Board), and the Office of the Comptroller of the Currency (collectively, the agencies) are requesting comment on a proposed new streamlined Call Report for eligible small institutions. The FFIEC launched this initiative in December 2014 to identify potential opportunities to reduce burden associated with Call Report requirements for community banks. The proposed new Call Report is intended to ease reporting requirements and lessen reporting burden for eligible small institutions. The agencies' proposal, which has been approved by the FFIEC, also includes burden-reducing revisions to the other two versions of the Call Report.

The agencies are proposing that the new FFIEC 051 Call Report for eligible small institutions and the proposed changes to the FFIEC 041 and FFIEC 031 Call Reports would take effect March 31, 2017. The agencies propose to define "eligible small institutions" as institutions with total assets less than \$1 billion and domestic offices only. Such institutions currently file the FFIEC 041 Call Report. Eligible small institutions would have the option to file the FFIEC 041 Call Report rather than the FFIEC 051. A small institution otherwise eligible to file the FFIEC 051 Call Report may be required to file the FFIEC 041 based on supervisory needs.

The agencies encourage you to review the proposal, which is described in the attached Federal Register notice, and comment on those aspects of interest to you. In particular, the agencies invite comment on the estimated lead time necessary for institutions to be properly prepared for reporting on the proposed FFIEC 051 Call Report, and the revised FFIEC 041 and FFIEC 031 Call Reports, and whether the proposed March 31, 2017, implementation date for these reporting changes provides sufficient time. You may send comments to any or all of the agencies by the methods described in the attached Federal Register notice. All comments must be submitted by October 14, 2016. The FFIEC and the agencies will review and consider the comments as they determine how to proceed with this Call Report proposal.

The existing FFIEC 041 Call Report has served as the starting point for developing the proposed new FFIEC 051. The following changes have been made to the FFIEC 041 to create the proposed FFIEC 051, which would reduce the length of the Call Report for eligible small institutions from 85 to 61 pages and would remove approximately 950 or about 40 percent of the nearly 2,400 data items currently included in the FFIEC 041 Call Report:

- The addition of a Supplemental Schedule to collect indicator questions and indicator data items on certain complex and specialized activities as a basis for removing all or part of six schedules (and other related items) currently included in the FFIEC 041;
- The elimination of data items identified during interagency reviews of existing Call Report data items as no longer necessary for collection from institutions with total assets less than \$1 billion and domestic offices only;
- A reduction in the frequency of data collection for certain data items identified as needed less often than quarterly from institutions with less than \$1 billion in total assets and domestic offices only; and
- The removal of all data items for which a \$1 billion asset-size reporting threshold currently exists.

In addition, the agencies plan to prepare a separate shorter Call Report instruction book for eligible small institutions that file the FFIEC 051.

To assist you in understanding how the new FFIEC 051 Call Report would differ from the existing FFIEC 041 Call Report, a redlined copy of the FFIEC 041 report form showing the schedules and data items proposed to be removed or to be collected less frequently than quarterly, as well as a prototype copy of the FFIEC 051 report form, are available on the FFIEC's website (https://www.ffiec.gov/ffiec_report_forms.htm). Draft instructions for the proposed Supplemental Schedule also are available on that website. In addition, drafts of the Call Report schedules in the FFIEC 041 and FFIEC 031 report forms for which burden-reducing changes have been proposed are available on the FFIEC's website. Separate lists detailing all of the Call Report schedules and data items affected by the proposed reporting changes involved in creating the FFIEC 051 and revising the existing FFIEC 041 and FFIEC 031 Call Reports are included in appendices to the attached Federal Register notice and have been posted on the FFIEC's website.

Please share this letter with the persons responsible for preparing Call Reports at your institution. For further information about the proposed reporting revisions, state member banks should contact their Federal Reserve District Bank. National banks, savings associations, and FDIC-supervised banks should contact the FDIC's Data Collection and Analysis Section in Washington, D.C., by telephone at (800) 688-FDIC (3342) or by email at insurance-research@fdic.gov.

Judith E. Dupre'
Executive Secretary

Attachment: [Federal Register Notice](#) - PDF ([PDF Help](#))

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