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Financial Institution Letter

FIL-8-2015
February 20, 2015

FINANCIAL INSTITUTION REPORTS

TO: CHIEF EXECUTIVE OFFICER (also of interest to Chief Financial Officer)
SUBJECT: Regulatory Capital Reporting Changes – Teleconference Scheduled for February 25

The Federal Financial Institutions Examination Council (FFIEC) has approved revisions to the risk-weighted assets portion of Schedule RC-R, Regulatory Capital, in the Consolidated Reports of Condition and Income (Call Report). As proposed in June 2014, the FFIEC and the banking agencies would replace existing Part II, Risk-Weighted Assets, of Schedule RC-R with a revised version of Part II that incorporates the standardized approach for calculating risk-weighted assets under the agencies' revised regulatory capital rules (see FIL-31-2014, dated June 23, 2014). The FFIEC and the agencies have modified the reporting form for Schedule RC-R, Part II, proposed in June 2014 in response to comments received on the proposal. The agencies also will implement a proposed revision to the reporting of securities borrowed in Call Report Schedule RC-L, Derivatives and Off-Balance Sheet Items. The effective date of the changes to Schedule RC-R, Part II, and Schedule RC-L is March 31, 2015. The U.S. Office of Management and Budget must approve these revisions to the Call Report before they become final.

The revisions to Call Report Schedule RC-R, Part II, and Schedule RC-L are consistent with the revised regulatory capital rules the banking agencies adopted in July 2013. A summary of these Call Report changes is attached to this Financial Institution Letter. In addition, the reporting forms for revised Part II of Schedule RC-R and the limited revision to Schedule RC-L, as well as draft instructions, are available on the FFIEC's Web site (http://www.ffiec.gov/ffiec_report_forms.htm).

Institutions also are reminded that the two-stage implementation of the revised regulatory capital components and ratios portion of Schedule RC-R will be completed as of March 31, 2015 (see FIL-14-2014, dated April 7, 2014). In March 2014, advanced approaches institutions (generally, institutions with \$250 billion or more in total assets) began to complete the revised version of this portion of Schedule RC-R, which was designated Part I.B, Regulatory Capital Components and Ratios. Effective March 31, 2015, Part I.B will be relabeled Part I and all institutions will complete Part I of Schedule RC-R as part of their first quarter 2015 Call Reports. Schedule RC-R, Part I.B, is included in the sample Call Report forms for December 2014 on the FFIEC's Web site (http://www.ffiec.gov/ffiec_report_forms.htm). The instructions for Part I.B of Schedule RC-R are currently included on pages RC-R-33 through RC-R-65 of the Call Report instruction book (http://www.ffiec.gov/pdf/FFIEC_forms/FFIEC031_FFIEC041_201412_i.pdf).

To assist you in understanding the revisions to Parts I and II of Schedule RC-R and Schedule RC-L, the banking agencies, under the auspices of the FFIEC, will hold a teleconference for depository institutions that file the Call Report on February 25, 2015, from 2:00 to 4:00 p.m., Eastern Standard Time (EST). The agencies will discuss the revisions to these two Call Report schedules and respond to questions about the regulatory capital reporting changes. Depository institution employees, officers, and directors wishing to participate in the teleconference should dial (888) 455-0408 and enter passcode 5705848#. Participants are asked to join the presentation 30 minutes before the 2:00 p.m. EST starting time. Presentation materials for the teleconference will be available on the FFIEC's Web site (http://www.ffiec.gov/ffiec_report_forms.htm) the day before the teleconference. Participants also are

encouraged to have copies of the revised reporting forms and the related instructions available for reference during the teleconference.

The agencies have issued an interagency Community Bank Guide to the revised regulatory capital rules (http://www.fdic.gov/regulations/capital/capital/Community_Bank_Guide.pdf) to help such institutions understand the sections of these rules most relevant to their operations. Additional resources for community institutions on the revised rules are available on the Federal Deposit Insurance Corporation's (FDIC) Web site (<http://www.fdic.gov/regulations/capital/>) and on the Office of the Comptroller of the Currency's (OCC) Web site (<http://www.occ.treas.gov/news-issuances/news-releases/2013/2013-110c.pdf>). The Federal Reserve System publishes additional information for community banking organizations through its *Community Banking Connections* Web site (<http://www.communitybankingconnections.org>), and the Federal Reserve Board maintains additional resources related to the revised regulatory capital rules on its Web site (<http://www.federalreserve.gov/bankinforeq/basel/USImplementation.htm>).

Please forward this letter to the persons responsible for calculating regulatory capital and preparing the Call Report at your institution. For further information about the revisions to Call Report Schedules RC-R and RC-L, state member banks should contact their Federal Reserve District Bank; national banks and federal savings associations should contact the OCC's Office of the Chief Accountant in Washington, D.C., by e-mail at callreportstaskforce@occ.treas.gov; and FDIC-supervised banks and savings associations should contact the FDIC's Data Collection and Analysis Section in Washington, D.C., by telephone at (800) 688-FDIC (3342) or by e-mail at insurance-research@fdic.gov.

Judith E. Dupré
Executive Secretary

[Attachment](#)

Distribution: FDIC-Supervised Banks (Commercial and Savings) and Savings Associations, National Banks and Federal Savings Associations, and State Member Institutions