

## Corporate & Financial Weekly Digest

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### FFIEC Finalizes Call Report Changes for Banks

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The Federal Financial Institutions Examination Council (FFIEC) announced on February 14 that it has approved revisions to the reporting requirements for the Consolidated Reports of Condition and Income (Call Report). These revisions will take effect as of March 31, and include most, but not all, of the proposed Call Report changes that the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board, and the Office of the Comptroller of the Currency (the agencies) published on September 30, 2010. The agencies made certain modifications to their original proposal in response to the comments they received.

The Call Report revisions are intended to provide data to meet safety and soundness needs or for other public purposes. The revisions will help the agencies better understand banks' credit and liquidity risk exposures, primarily through enhanced data on loans, deposits, and securitization activities. A number of the reporting changes will be relevant to only a small percentage of banks. The reporting changes include:

- A breakdown by loan category of the existing Memorandum items for loans that are troubled debt restructurings in Schedule RC-N – Past Due and Nonaccrual Loans, Leases, and Other Assets, and Schedule RC-C, part I – Loans and Leases, as well as the elimination of the exclusion from reporting restructured troubled consumer loans in these items;
- The addition of automobile loans as a new loan category separate from other consumer loans in Schedule RC-C, part I; Schedule RC-D – Trading Assets and Liabilities; Schedule RC-N; and Schedule RI-B, part I – Charge-offs and Recoveries on Loans and Leases;
- A breakdown of the existing items for commercial mortgage-backed securities between those issued or guaranteed by U.S. Government agencies and sponsored agencies and those not issued or guaranteed by these agencies in Schedule RC-B – Securities, and Schedule RC-D;
- A new item for the estimated amount of non-brokered deposits obtained through the use of deposit listing service companies in Schedule RC-E – Deposit Liabilities;
- A breakdown of the existing items in Schedule RC-E for brokered deposits of \$100,000 or more and time deposits of \$100,000 or more with a remaining maturity of one year or less that will distinguish between deposits of (1) \$100,000 through \$250,000 and (2)

more than \$250,000. This change will enable the agencies to modify the definitions of core deposits, non-core liabilities, and short-term non-core liabilities for Uniform Bank Performance Report calculation purposes beginning with Call Report data reported as of March 31;

- A new Schedule RC-V – Variable Interest Entities for reporting the assets of consolidated variable interest entities (VIEs) that can be used only to settle the VIEs’ obligations, the liabilities of consolidated VIEs without recourse to the bank’s general credit, and the other assets and liabilities of consolidated VIEs, with these data reported separately for securitization vehicles, asset-backed commercial paper conduits, and other VIEs;
- A breakdown by category of the existing items for loans and other real estate owned covered by FDIC loss-sharing agreements in Schedule RC-M – Memoranda, along with a breakdown by loan category of past due and nonaccrual covered loans in Schedule RC-N;
- A breakdown of the existing item for “Life insurance assets” in Schedule RC-F – Other Assets, into items for general account, separate account, and hybrid account life insurance assets;
- New items for the total assets of captive insurance and reinsurance subsidiaries in Schedule RC-M;
- New Memorandum items in Schedule RI for credit valuation adjustments and debit valuation adjustments included in trading revenues for banks with total assets of \$100 billion or more;
- A change in reporting frequency from annual to quarterly for the data reported in Schedule RC-T – Fiduciary and Related Services, on collective investment funds and common trust funds for banks with fiduciary assets greater than \$250 million or gross fiduciary income greater than 10 percent of bank revenue; and
- Instructional revisions that would incorporate residential mortgages held for trading within the scope of Schedule RC-P – 1-4 Family Residential Mortgage Banking Activities and clarify the reporting of construction loans following the completion of construction in Schedule RC-C, part I, and other schedules that collect loan data.

For the March 31 report date, banks may provide reasonable estimates for any new or revised Call Report item initially required to be reported as of that date for which the requested information is not readily available. After considering the comments received on the Call Report revisions proposed last year, the FFIEC decided not to implement the proposed items for interest income and quarterly averages for automobile loans, but, as noted above, new items for automobile loans will be added to other Call Report schedules. In addition, the FFIEC is not adding the proposed breakdown of deposits of individuals, partnerships, and corporations into deposits of individuals and deposits of partnerships and corporations in Schedule RC-E. The agencies also are not introducing a proposed change to the instructions for reporting repricing data that would have revised the treatment of assets and liabilities with interest rates that have reached contractual ceilings or floors.

To view the Call Report Forms, click [here](#).

To view Reports of Condition and Income Forms and User Guides, click [here](#).

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