

FEDERAL RESERVE BANK *of* NEW YORK

33 LIBERTY STREET, NEW YORK, NY 10045-0001

SCOTT SMENTEK
ASSISTANT VICE PRESIDENT

July 19, 2018

To: The Chief Executive Officer of Each State Member Bank Located in the Second Federal Reserve District

As part of the joint mailing with other supervisory agencies, state member banks received their Consolidated Report of Condition and Income (“Call Report”) materials for the June 30, 2018, report date from the Federal Financial Institutions Examinations Council (“FFIEC”).

Please plan to complete the preparation, review, and submission of your Call Report data to the Central Data Repository (“CDR”) as early as possible. Starting your preparation early will aid you in identifying and resolving any edit exceptions prior to the submission deadline.

The FFIEC 031, FFIEC 041, and FFIEC 051 Call Report forms for June 2018 are available for printing and downloading from the FFIEC’s website (https://www.ffiec.gov/ffiec_report_forms.htm) and the Federal Deposit Insurance Corporation’s (FDIC) website (<https://www.fdic.gov/callreports>). Updates to the Call Report instruction books for June 2018 are available at these websites. Institutions should refer to the attached Supplemental Instructions for June 2018 for guidance on certain reporting issues in addition to The Economic Growth, Regulatory Relief, and Consumer Protection Act sections discussed further below. Please notify the individual responsible for preparing the Call Report at your institution about the electronic availability of the report forms, instruction book updates, and Supplemental Instructions for June 2018.

As the Federal Financial Institutions Examination Council (FFIEC) previously advised, the banking agencies are implementing additional burden-reducing revisions to all three versions of the Call Report this quarter (see FIL-2-2018, dated January 3, 2018, and FIL-12-2018, dated March 30, 2018). These reporting changes, which originated from separate proposals issued for comment in June and November 2017, result from ongoing efforts by the FFIEC and the agencies to ease reporting requirements and lessen reporting burden that are focused on, but not limited to, small institutions. The revisions taking effect this quarter include removing or consolidating data items, adding new or raising certain existing reporting thresholds, and reducing the frequency of reporting data items. In addition, beginning this quarter, institutions with consolidated total assets of \$100 billion or more that do not have foreign offices must begin filing the FFIEC 031 report instead of the FFIEC 041 report this quarter.

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The Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA), which was enacted on May 24, 2018, includes two sections, effective upon enactment, that affect reporting in the second quarter 2018 Call Report. Section 214 of EGRRCPA addresses the risk weighting of acquisition, development, or construction (ADC) loans considered high volatility commercial real estate (HVCRE) and defines “HVCRE ADC Loan” for risk-based capital purposes. Under Section 202 of EGRRCPA, qualifying institutions may exclude a capped amount of reciprocal deposits from treatment as brokered deposits. Please refer to the attached Supplemental Instructions for information regarding the reporting of HVCRE ADC loans and reciprocal deposits in the Call Report for June 2018.

Eligible small institutions, generally those with domestic offices only that reported total assets less than \$1 billion in the Call Report for June 30, 2017, had the option to file either the streamlined FFIEC 051 report form or the FFIEC 041 report form for the March 31, 2018, report date. An eligible small institution is expected to file the same report form, either the FFIEC 051 or the FFIEC 041, for the second through fourth quarters of 2018 that it filed for the first quarter of 2018.

Report Submission

Except for certain banks with foreign offices, a completed Call Report must be submitted electronically to the CDR no later than Monday, July 30, 2018. However, institutions with more than one foreign office, other than a “shell” branch or an International Banking Facility, is permitted an additional five calendar days to submit its Call Report data. Such an institution must electronically transmit its data to the CDR no later than Saturday, August 4, 2018. To be considered timely, the report must pass FFIEC published validity edits and qualities edits, or where necessary, contain explanations for any quality edits that are not passed. Explanatory comments should be prepared consistent with the “Guidelines for Resolving Edits” that are published on the FFIEC’s web site:

<http://www.ffiec.gov/find/documents/resolvingedits.pdf>

Please note that the timeliness of receipt of the Call Report will be monitored. Any report received at the CDR after 5:00 p.m. on July 30th will be considered late. The staff of this Bank will monitor whether banking organizations are meeting their basic reporting requirements through the use of validity edits.

Each institution must file its June 30, 2018, Call Report data in one of the following two ways:

- By using computer software to prepare and edit its report data and then electronically submitting the data directly to the CDR (<https://cdr.ffiec.gov/cdr/>).

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- By completing its report in paper form and arrange with a software vendor or another party to convert its paper report into the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank's Call Report data file to the CDR.

If there are any questions concerning this report, please contact Scott Smentek, Assistant Vice President, at (212) 720-8596.

Sincerely

Scott Smentek
Assistant Vice President