

# FFIEC

Federal Financial Institutions Examination Council  
Arlington, VA 22226

CALL REPORT DATE: March 31, 2024  
FIRST 2024 CALL, NUMBER 307

## SUPPLEMENTAL INSTRUCTIONS

### March 2024 Call Report Materials

*The agencies are implementing revisions to the Call Report forms and instructions for several Call Report schedules this quarter as Financial Accounting Standards Board's Accounting Standards Update No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" (ASU 2016-13) is now effective for all institutions. These revisions were approved in March 2019 following publication (see [84 FR 4131](#), February 14, 2019). The revisions primarily relate to changes in schedule titles or specific data item captions resulting from the change in nomenclature upon the adoption of ASU 2016-13. In addition, the Call Report instructions addressing the staggered adoption dates of the standard have been updated or removed, as appropriate. The related topic, "Credit Losses on Financial Instruments," has been removed from the Supplemental Instructions this quarter.*

The instructions for the FFIEC 031, FFIEC 041, and FFIEC 051 Call Reports for March 2024 are available for printing and downloading from the FFIEC's website ([https://www.ffiec.gov/ffiec\\_report\\_forms.htm](https://www.ffiec.gov/ffiec_report_forms.htm)) and the FDIC's website (<https://www.fdic.gov/callreports>). Sample FFIEC 031, FFIEC 041, and FFIEC 051 Call Report forms, including the cover (signature) page, for March 2024 also can be printed and downloaded from these websites. In addition, institutions that use Call Report software generally can print paper copies of blank forms from their software. Please ensure that the individual responsible for preparing the Call Report at your institution has been notified about the electronic availability of the March 2024 report forms, instructions, and these Supplemental Instructions. The locations of substantive changes to the text of the previous quarter's Supplemental Instructions, if any, are identified by a vertical line in the right margin.

### Submission of Completed Reports

Each institution's Call Report data must be submitted to the FFIEC's Central Data Repository (CDR), an Internet-based system for data collection (<https://cdr.ffiec.gov/cdr/>), using one of the two methods described in the banking agencies' Financial Institution Letter (FIL) for the March 31, 2024, report date. The CDR Help Desk is available from 9:00 a.m. until 8:00 p.m., Eastern Time, Monday through Friday, to provide assistance with user accounts, passwords, and other CDR system-related issues. The CDR Help Desk can be reached by telephone at (888) CDR-3111, by fax at (703) 774-3946, or by e-mail at [cdr.help@cdr.ffiec.gov](mailto:cdr.help@cdr.ffiec.gov).

Institutions are required to maintain in their files a signed and attested hard-copy record of the Call Report data file submitted to the CDR. (See the next section for information on the Call Report signature requirement.) The appearance of this hard-copy record of the submitted data file need not match exactly the appearance of the sample report forms on the FFIEC's website, but the hard-copy record should show at least the caption of each Call Report item and the reported amount. A copy of the cover page printed from Call Report software or from the FFIEC's website should be used to fulfill the signature and attestation requirement. The signed cover page should be attached to the hard-copy record of the Call Report data file that must be placed in the institution's files.

Currently, Call Report preparation software products marketed by (in alphabetical order) Adenza (formerly Axiom SL, Inc.); DBI Financial Systems, Inc.; Fed Reporter, Inc.; FiServ, Inc.; KPMG LLP; SHAZAM Core Services; Vermeq; and Wolters Kluwer Financial Services meet the technical specifications for producing Call Report data files that are able to be processed by the CDR. Contact information for these vendors is provided on the final page of these Supplemental Instructions.

## Call Report Signature Requirement and COVID-19

Generally, each Call Report submission must be signed by the Chief Financial Officer (or equivalent) and three directors (two for state nonmember banks).<sup>1</sup> While the Call Report data submission occurs electronically, the current Call Report instructions require that the signed cover page must be attached to a printout or copy of the Call Report forms or data reported to the agencies. The agencies note that while the instructions refer to a single page, the required signatures may be obtained on separate cover pages from each required signer, rather than by obtaining all signatures on a single cover page.

Business disruptions related to the Coronavirus Disease 2019 (COVID-19), including distancing requirements and remote work, made it operationally challenging for an institution to obtain original ink signatures from all required signers in order to submit the Call Report on a timely basis. For the duration of the COVID-19 disruptions, the agencies permitted an institution to use electronic signatures in lieu of ink signatures to fulfill the Call Report attestation requirement. Although the pandemic declaration ended on May 11, 2023, due to the widespread use of this alternative, the agencies are developing a more formal electronic signature alternative to use after that time. The agencies will continue to permit reasonable alternative signature methods until the formal alternative is finalized. The institution should follow appropriate governance procedures for collecting and retaining electronic signatures:

- The signature is executed by the required signer with the intent to sign;
- The signature is digitally attached to or associated with a copy of the Call Report;
- The signature or process identifies and authenticates the required signer; and
- The institution maintains the electronically signed Call Report and has it available for subsequent examiner review.

One acceptable method could include obtaining written attestation via e-mail from the required signer to the person submitting the Call Report data, provided the e-mail included an attached electronic version of the Call Report data and indicating the attestation is based on the attached information. That e-mail should be retained in the institution's records to support that the Call Report was appropriately attested to by the required signer. Institutions should discuss any concerns regarding the attestation with their primary federal regulator.

## FDIC Special Assessment

On November 16, 2023, the FDIC Board of Directors adopted a [final rule](#) to implement a special assessment to recover the estimated loss to the Deposit Insurance Fund (DIF) associated with protecting uninsured depositors following certain 2023 bank closures. The Federal Deposit Insurance Act (FDI Act) requires the FDIC to take this action in connection with the systemic risk determination announced on March 12, 2023. Under the final rule, the FDIC will collect the special assessment at a quarterly rate of 3.36 basis points from those institutions subject to the final rule.

The assessment base for the special assessment is equal to an insured depository institution's (IDI) estimated uninsured deposits (Schedule RC-O, Other Data for Deposit Insurance Assessments, Memoranda item 2, "Estimated amount of uninsured deposits in domestic offices of the bank and in insured branches in Puerto Rico and U.S. territories and possessions, including related interest accrued and unpaid"), reported for the quarter that ended December 31, 2022, adjusted to exclude the first \$5 billion in estimated uninsured deposits from the IDI, or for IDIs that are part of a holding company with one or more subsidiary IDIs, at the banking organization level.

The special assessment is not applicable to banking organizations that reported \$5 billion or less in estimated uninsured deposits for the December 31, 2022, reporting period. However, some IDIs that reported less than \$5 billion in estimated uninsured deposits will be subject to the special assessment if they are part of banking organizations with multiple IDIs that reported a combined total of estimated uninsured deposits in excess of \$5 billion for the December 31, 2022, reporting period.

For Call Report purposes, each institution that will pay this special assessment should account for it in

<sup>1</sup> See, e.g., 12 U.S.C. §§ [161\(a\)](#) and [1817\(a\)\(3\)](#).

accordance with FASB ASC Subtopic 450-20, “Contingencies--Loss Contingencies.” The estimated amount of the special assessment should be accrued as a liability (Schedule RC-G, Other Liabilities, item 1.b, “Other expenses accrued and unpaid”) and an expense (Schedule RI, Income Statement, item 7.d, “Other noninterest expense”, and Schedule RI-E, Explanations, item 2.g, “Other noninterest expense: FDIC deposit insurance assessments”). As with all failed bank loss estimates, the loss estimates to be recovered by the special assessment will be periodically adjusted as FDIC as the receiver of the failed bank sells assets, satisfies liabilities, and incurs receivership expenses. The FDIC will provide any updates on the amount and collection period for the special assessment to banking organizations subject to the special assessment, primarily through quarterly deposit insurance assessment invoices. If an institution had accrued its best estimate of the liability for the special assessment and the related expense, based on the final rule, an institution should adjust its previous accrual based on subsequent notifications from the FDIC relating to changes in the total special assessment in accordance with FASB ASC Subtopic 450-20.

### **Estimated Uninsured Deposits Reporting**

Institutions report estimated uninsured deposits in accordance with the instructions to Memorandum item 2 on Schedule RC-O, Other Data for Deposit Insurance Assessments, which is applicable to institutions with \$1 billion or more in total assets. Institutions should not reduce the amount reported to the extent that the uninsured deposits are collateralized by pledged assets. This reporting is incorrect, because in and of itself, the existence of collateral has no bearing on the portion of a deposit that is covered by federal deposit insurance. Additionally, institutions should not reduce the amount reported by excluding intercompany deposit balances of subsidiaries. Further information is available in [FIL 37-2023](#) issued by the FDIC on July 24, 2023.

### **Debt Securities Transferred from Available-for-Sale to Held-to-Maturity**

ASC Topic 320, “Investments–Debt Securities,” provides relevant guidance on accounting for debt securities. In accordance with ASC Topic 320, institutions should categorize an investment in a debt security at acquisition as trading, available-for-sale (AFS), or held-to-maturity (HTM) and retain proper documentation as to its classification. At each reporting date, the appropriateness of an institution’s classification of the investments in debt securities shall be reassessed.<sup>2</sup> In general, the reassessment of the classification of debt securities should align with the quarterly Call Report dates.

In accordance with ASC Topic 320, any transfers of debt securities between categories are recorded on the date of transfer. As with the initial classification of debt securities, any transfers of debt securities between categories should be well documented. An institution’s financial records shall be maintained in such a manner as to ensure that the Call Report is prepared in accordance with U.S. GAAP and Call Report instructions and reflect a fair presentation of the institution’s financial condition and results of operations. Amending a previously submitted Call Report to retroactively report a debt security in another category when such transfer was not documented with evidence supporting the actual date of transfer is inappropriate. Institutions are responsible for ensuring that Call Reports are accurate when initially filed for a quarterly reporting period.

For additional information, refer to ASC Topic 320, the Call Report General Instructions, and the Call Report Glossary entries for “Allowance for Credit Losses” and “Securities Activities.”

### **Securities and Exchange Commission Staff Accounting Bulletin No. 121**

On March 31, 2022, the SEC released SAB 121 to express SEC staff views regarding the accounting for entities that have obligations to safeguard crypto-assets held for their platform users. SAB 121 provides that an entity, including a financial institution, should present a liability on its balance sheet to reflect its obligation to safeguard the crypto-assets held for its platform users at the fair value of the crypto-assets. The entity should also recognize a corresponding asset on its balance sheet measured at the fair value of the crypto-assets held for its platform users.

The agencies are still reviewing the implications of SAB 121. An institution that determines that it is appropriate for it to apply SAB 121 for SEC or other financial reporting purposes should complete its Call

<sup>2</sup> ASC paragraph 320-10-35-5.

Report consistent with the classification determination made for SEC or other financial reporting purposes. For example, an institution that has concluded that a SAB 121 crypto safeguarding asset should be recorded on its balance sheet as “other assets” would include the asset in the relevant regulatory reporting schedules as “other assets.” If the reported item requires a concise caption on a schedule and a preprinted caption has not been provided, an institution may write in a caption that best describes the item (e.g., “SAB 121 custody activity”). Institutions may provide details in the Optional Narrative Statement indicating that SAB 121 was implemented and the value of the associated asset and liability.

An institution that intends to apply SAB 121 for SEC or other financial reporting purposes should discuss any questions regarding SAB 121 with its primary federal regulator.

### **Accounting for Loan Modifications to Borrowers Experiencing Financial Difficulty**

In March 2022, the FASB issued ASU 2022-02, “Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures,” which amended ASC Topic 326, Financial Instruments – Credit Losses. This guidance, now effective for all institutions, eliminates the recognition and measurement accounting guidance for Troubled Debt Restructurings (TDRs) by creditors in Subtopic 310-40, Receivables – Troubled Debt Restructurings by Creditors, while enhancing disclosure requirements for certain loan refinancings and restructurings by creditors when a borrower is experiencing financial difficulty. Consistent with the accounting for other loan modifications under ASC Section 310-20-35, Subsequent Measurement, under ASU 2022-02, an institution would evaluate whether the modification to a borrower experiencing financial difficulty represents a new loan or a continuation of an existing loan.

ASU 2022-02 is effective for fiscal years beginning after December 15, 2022, including interim reporting periods within those fiscal years; therefore, all institutions must now apply ASC Topic 326, and ASU 2022-02 for Call Report purposes as of the December 31, 2023, report date.

For Call Report purposes, institutions should report loans modified since adoption of the new standard to borrowers experiencing financial difficulty that are performing in accordance with their modified terms on Schedule RC-C, Part I, Memorandum items 1.a. through 1.g. If a loan is not performing in accordance with its modified terms, it should be reported on Schedule RC-N, Memorandum items 1.a through 1.g. Institutions should use loan modifications to borrowers experiencing financial difficulty in the calculation of the 10 percent threshold for the itemization of loan categories for Memorandum item 1.f on Schedules RC-C and RC-N. Institutions should no longer report TDRs in Memorandum items 1.a through 1.g on Schedules RC-C and RC-N.

For additional information on ASU 2022-02, institutions should refer to the FASB’s website at: [Accounting Standards Updates Issued \(fasb.org\)](https://www.fasb.org/standards/updates/issued) which includes a link to the accounting standard update.

The comment period for the initial 60-day Federal Register notice<sup>3</sup> on proposed revisions to the Call Report forms and instructions in response to ASU 2022-02 (see [FIL 53-2023](https://www.federalregister.gov/documents/2023/10/02/2023-10051), dated October 2, 2023) closed on November 27, 2023. The agencies are reviewing the comments received.

### **Reference Rate Reform**

In March 2020, the FASB issued ASU 2020-04, “Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting.” The ASU states that “[r]eference rates such as the London Interbank Offered Rate (LIBOR) are widely used in a broad range of financial instruments and other agreements. Regulators and market participants in various jurisdictions have undertaken efforts, generally referred to as reference rate reform, to eliminate certain reference rates and introduce new reference rates that are based on a larger and more liquid population of observable transactions. As a result of this initiative, certain widely used reference rates such as LIBOR are expected to be discontinued.”

The ASU provides optional expedients for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. In particular, the expedients in

<sup>3</sup> 88 FR 66933 (September 28, 2023).

the ASU are available to be elected by all institutions, subject to meeting certain criteria, for contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform.

With respect to contracts, the ASU applies to contract modifications that replace a reference rate affected by reference rate reform (including rates referenced in fallback provisions) and contemporaneous modifications of other contract terms related to the replacement of the reference rate (including contract modifications to add or change fallback provisions). The ASU provides optional expedients for applying ASC in the following areas:

- ASC Topics 310, Receivables, and 470, Debt: Modifications of contracts within the scope of these topics should be accounted for by prospectively adjusting the effective interest rate.
- ASC Topics 840, Leases, and 842, Leases: Modifications of contracts within the scope of these topics should be accounted for as a continuation of the existing contracts with no reassessments of the lease classification and the discount rate (for example, the incremental borrowing rate) or remeasurements of lease payments that otherwise would be required under these topics for modifications not accounted for as separate contracts.
- ASC Subtopic 815-15, Derivatives and Hedging—Embedded Derivatives: Modifications of contracts do not require an entity to reassess its original conclusion about whether that contract contains an embedded derivative that is clearly and closely related to the economic characteristics and risks of the host contract under this subtopic.

For other topics in the ASC, the ASU states a general principle that permits an institution to consider contract modifications due to reference rate reform to be an event that does not require contract remeasurement at the modification date or reassessment of a previous accounting determination. When elected, an institution must apply the optional expedients for contract modifications consistently for all eligible contracts or eligible transactions within the relevant ASC topic that contains the guidance that otherwise would be required to be applied.

In addition, the ASU provides exceptions to the guidance in ASC Topic 815, Derivatives and Hedging, related to changes to the critical terms of a hedging relationship due to reference rate reform. The ASU includes examples of changes to these terms that should not result in the dedesignation of the hedging relationship if certain criteria are met. The ASU also provides optional expedients for fair value hedging relationships, cash flow hedging relationships, and net investment hedging relationships for which the component excluded from the assessment of hedge effectiveness is affected by reference rate reform. If certain criteria are met, other optional expedients apply to cash flow hedging relationships affected by reference rate reform and to fair value hedging relationships for which the derivative designated as the hedging instrument is affected by reference rate reform. The optional expedients for hedging relationships may be elected on an individual hedging relationship basis.

Finally, the ASU permits institutions to make a one-time election to sell, transfer, or both sell and transfer held-to-maturity debt securities that reference a rate affected by reference rate reform and were classified as held-to-maturity before January 1, 2020.

The ASU is effective for all institutions as of March 12, 2020, through December 31, 2024. For additional information, institutions should refer to ASU 2020-04 and ASU 2022-06, “Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848,” which are available at [Accounting Standards Updates Issued \(fasb.org\)](https://www.fasb.org/accounting-standards-updates-issued).

### **Amending Previously Submitted Report Data**

Should your institution find that it needs to revise previously submitted Call Report data, please make the appropriate changes to the data, ensure that the revised data passes the FFIEC-published validation criteria, and submit the revised data file to the CDR using the same processes as the original filing. For technical assistance with the submission of amendments to the CDR, please contact the CDR Help Desk by telephone at (888) CDR-3111, by fax at (703) 774-3946, or by e-mail at [cdr.help@cdr.ffiec.gov](mailto:cdr.help@cdr.ffiec.gov).

## Call Report Software Vendors

For information on available Call Report preparation software products, institutions should contact:

Adenza (formerly Axiom SL, Inc)  
99 Park Avenue Suite 930  
New York, New York 10016  
Telephone: (212) 248-4188  
<http://www.adenza.com>

DBI Financial Systems, Inc.  
P.O. Box 14027  
Bradenton, Florida 34280  
Telephone: (800) 774-3279  
<http://www.e-dbi.com>

Fed Reporter, Inc.  
28118 Agoura Road, Suite 202  
Agoura Hills, California 91301  
Telephone: (888) 972-3772  
<http://www.fedreporter.net>

FiServ, Inc.  
1345 Old Cheney Road  
Lincoln, Nebraska 68512  
Telephone: (402) 423-2682  
<http://www.fiserv.com>

KPMG LLP  
303 Peachtree Street, Suite 2000  
Atlanta, Georgia 30308  
Telephone: (404) 221-2355  
<http://advisory.kpmg.us>

SHAZAM Core Services  
6700 Pioneer Parkway  
Johnston, Iowa 50131  
Telephone: (888) 262-3348  
<http://www.shazam.net>

Vermeg  
205 Lexington Avenue,  
14th floor  
New York, New York 10016  
Telephone: (212) 682-4930  
<http://www.vermeg.com>

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130 Turner Street, Building 3,  
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