

# RESCINDED

OCC Bulletin 2020-37 | April 10, 2020

Outdated - Refer to FFIEC website and call report instructions.

## Consolidated Reports of Condition and Income: Revisions to the FFIEC Call Reports and FFIEC 101 for the March 31, 2020, Report Date

To

Chief Executive Officers of All National Banks, Federal Savings Associations, and Federal Branches and Agencies; Department and Division Heads; All Examining Personnel; and Other Interested Parties

## Summary

The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation (collectively, the agencies) have published a set of supplemental instructions on the Federal Financial Institutions Examination Council (FFIEC) website to assist financial

institutions in completing the first-quarter Consolidated Reports of Condition and Income (call report). The documents contain

- supplemental instructions for implementing three interim final rules and one notice that the agencies recently published in the *Federal Register*. The three interim final rules and notice revise certain aspects of the regulatory capital rule and affect the reporting of regulatory capital in the FFIEC's call report and Regulatory Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework (FFIEC 101).
- updates to the Quarterly Call Report Supplemental Instructions for March 2020.

### Note for Community Banks

This bulletin applies to community banks.<sup>1</sup>

## Highlights

The supplemental instructions for implementing the interim final rules and the notice affecting the regulatory capital rule and FFIEC 101 pertain to

- changing the definition of eligible retained income in the capital rule.
- permitting banks to neutralize the effects of purchasing assets through the Money Market Mutual Fund Liquidity Facility on their risk-based and leverage capital ratios.
- providing banks that implement Accounting Standards Update No. 2016-13, "Financial Instruments – Credit Losses," Topic 326, "Measurement of Credit Losses on Financial Instruments" (ASU 2016-13) before the end

of 2020 the option to delay for two years an estimate of the current expected credit losses (CECL) methodology's effect on regulatory capital, relative to the incurred loss methodology's effect on capital, followed by a three-year transition period.

- allowing banks to implement the final rule titled "Standardized Approach for Calculating the Exposure Amount of Derivative Contracts" for the first quarter of 2020, on a best effort basis.

One of the updates in the Quarterly Call Report Supplemental Instructions for March 2020 provides an option for financial institutions to use electronic signatures in lieu of ink signatures to fulfill the call report attestation requirement.

In addition, the Appendix of the Quarterly Call Report Supplemental Instructions was updated with information on certain sections of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that was signed into law on March 27, 2020, that affect accounting and regulatory reporting. The following sections are addressed:

- Section 2303, "Modifications for Net Operating Losses"
- Section 4013, "Temporary Relief from Troubled Debt Restructurings"
- Section 4014, "Optional Temporary Relief from Current Expected Credit Losses"

## Further Information

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## Related Links

- **Regulatory Capital Reporting and FFIEC 101**

- [First Quarter 2020 Capital-Related Revisions Interim Final Rules Supplemental Instructions \(Call Report\) – beginning with March 31, 2020](#) (PDF)
- [First Quarter 2020 Capital-Related Revisions Interim Final Rules Supplemental Instructions \(FFIEC 101\) – beginning with March 31, 2020](#) (PDF)
- OCC Bulletin 2020-18, "Money Market Liquidity Facility: Interim Final Rule"
- [OCC Bulletin 2020-27](#), "Current Expected Credit Losses: Interim Final Rule"
- [OCC Bulletin 2020-28](#), "Standardized Approach for Counterparty Credit Risk: Notice to Allow Early Adoption"
- [OCC News Release 2020-34](#), "Federal Banking Agencies Provide Banks Additional Flexibility to Support Households and Businesses"

- **Quarterly Call Report Supplemental Instructions for March 2020**

- ◦ [Quarterly Call Report Supplemental Instructions](#) (PDF)

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<sup>1</sup> The term "banks" refers collectively to national banks, federal savings associations, and federal branches and agencies of foreign banking organizations.

Topic(s): ■ ACCOUNTING ■ CALL REPORTS ■ CAPITAL

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