From:	John McKenzie
To:	_Call Report Modernization
Subject:	Indiana Credit Union League Comment Letter on Call Report/Profile Content Modernization
Date:	Monday, August 15, 2016 7:31:46 PM

Mark Vaughan
National Credit Union Administration
Office of Examination and Insurance
1775 Duke Street
Alexandria, VA 22314-3428

Re: Call Report/Profile Content Modernization

Mr. Vaughan,

The Indiana Credit Union League (ICUL) appreciates the opportunity to submit comments on the National Credit Union Administration's Call Report/Profile Content Modernization initiative. The ICUL member credit unions represent 97% of assets and members of Indiana's credit unions, with those memberships totaling more than 2.3 million consumers.

We strongly support your Call Report/Profile Content Modernization Initiative. Member credit unions have often raised concerns with the challenges of completing the call report in a timely fashion, while experiencing difficulties interpreting what NCUA is requesting. Credit unions indicate that the current process can easily result in inadvertent errors, which quite often are included in the examination report. In particular, medium and small credit unions report that completing the call report under the current structure and timeframes creates resource challenges, and requires much more time than the six hour estimate included on the certification page of the call report. We continually receive feedback from credit unions, and would like to share the following thoughts on ways to improve the call report and profile forms.

As NCUA has done recently, the deadline date for the call report to be completed should be permanently changed to the end of the month following the quarter end. This is in line with what other regulators require, and would allow credit unions more time to gather and input the data required, resulting in fewer errors and fewer credit unions being fined for late call reports.

A major improvement that could be made is to improve the clarity of the instructions provided to complete the report. NCUA should train the individuals writing the instructions to fully explain what is wanted in each field. Providing examples at times would further improve the instructions. The instructions are often too vague and/or the field is not explained in a clear and concise manner. Credit unions have reported to us that different examiners have interpreted the instructions in different ways, resulting in corrections being necessary when a new examiner is assigned. If the examiners do not consistently interpret the instructions, how are credit union staff supposed to?

The online form itself could be improved by having the cursor automatically move to the next filed once the a number has been input. Additionally, if the same number is used in multiple fields on the call report, have those additional fields auto populate once the number is input the first time. Another suggestion received is to allow the credit union to check boxes at the beginning of the form that would result in only those sections applicable to that credit union's operations being presented on the screen. For example, if a credit union is participating in derivatives, staff would check that box and the derivatives section of the report would be included. If the box is not checked, it would not appear on the screen. Even if a credit union does not have activity that is applicable to a section, currently staff still must work through that section to get to the next relevant data entry point.

A thorough review of all of the data being collected needs to occur, and information that is unnecessary should no longer be collected. For example, as credit unions are currently structured (multi-group, community, combinations of both), does the number of potential members still have any relevance?

NCUA needs to focus on collecting information about credit unions that is relevant to evaluating the ongoing safety and soundness of the institution.

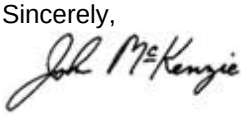
We encourage NCUA to consider requiring call reports on a semi-annual basis for well-run small credit unions. We believe that this revised frequency would reduce the burden of completing the report, while still providing NCUA with information in a reasonable timeframe to monitor the financial performance of the credit union.

Some credit union data processing systems offer the ability to upload the information for the call report relatively easily. Other data processing systems do not support this, or at least not in a cost effective manner. Any efforts that NCUA can include in this modernization initiative to make the mapping of the call report to the credit union's core processing system general ledger as easy as possible would be a major improvement for many credit unions.

Often times, credit unions like to analyze market share compared to other financial institutions in their markets. The only readily available comparison from other financial institution call report data is deposits reported by branch location. It would be helpful if credit unions had the option of reporting similar data in the call report to more accurately reflect market share across all financial institutions as calculated by third party data aggregators that rely on call report data for this information.

In closing, we look forward to working with NCUA in any way we can to modernize the Call Report and Profile Content to make it more effective and efficient for both NCUA and credit unions. Thank you for the opportunity to comment on the Call Report/Profile Content Modernization Initiative. We applaud NCUA taking this initiative, and for recognizing that there are improvements that can be made. If you have any questions about our letter, please do not hesitate to give me a call at (317) 594-5320.

Sincerely,



John McKenzie
President, Indiana Credit Union League