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Sent: Wednesday, November 24, 2021 6:51 PM
To: Mayfield, Richard <RMAYFIELD@NCUA.GOV>; Fay, Thomas K <TFAY@NCUA.GOV>
Cc: Li Cheng <lcheng@schoolsfirstfcu.org>; Neal Boocock <nboocock@schoolsfirstfcu.org>; Abed Raslan <araslan@schoolsfirstfcu.org>; Francisco Nebot - SCHOOLSFIRST <fnebot@schoolsfirstfcu.org>
Subject: Feedback on proposed Call Report Schedules

Good afternoon Richard and Thomas,

Thank you for sharing the proposed changes to the call report and allowing us the opportunity to provide input. We have completed our review and have attached questions and comments. Feel free to reach out if you need any clarification on our feedback.

Thank you and hope you have a wonderful Thanksgiving.

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SCHOOLSFIRST FEDERAL CREDIT UNION
PROPOSED NCUA CALL REPORT CHANGES FOR 2022
NOVEMBER 2021

Thank you for the opportunity to review and provide feedback on the proposed changes to the quarterly call reports in 2022. We have reviewed the drafts of the Instructions and Form 5300 and have the following comments and questions.

Instructions:

Page	Acct	Comment/question
21, 25, etc.		General comment throughout the instructions: Keep the blue shading for the ASC Topic 326 (CECL) and ASC Topic 842 (Leases) check box instructions to indicate we can skip these areas if it does not apply to us.
22	AS0003	Instructions state to include reserve balances at the FRB. Is this still applicable?
22	AS0007	Where do we classify negotiable CDs? Are they considered Equity securities or Debt securities? There does not appear to be a category for fixed income investments. <ul style="list-style-type: none"> - Equity securities are financial assets that represent shares of a corporation. - Debt securities are financial assets that define the terms of a loan between an issuer (borrower) and an investor (lender). - Fixed-income investments are interest income-oriented investments, including debt securities and certificates of deposit.
23	AS0055	Enhance instructions to include those securities held for deferred compensation plans.
26	AS0024	Does this include recreational or other secured vehicles?
27	008	Sentence is duplicated: "In this situation, your credit union is leasing assets and has a lease from an outside entity."
27	009D2, 779, AS0032	Enhance instructions to state that goodwill, MSRs and intangibles should be reported net of accumulated amortization within these accounts.
27	AS0032	Do we report non-trading derivative assets for interest rate swaps here?
29	013	Include the explanation that overdrafts must be reclassified to loans.
30	940	Where do we report the cumulative effects of prior period adjustments related to CECL and Lease accounting standard changes? Enhance instructions.
33	IS0005	Instructions pending.
36	131	Title "Other Operating Income" does not match title in the Form 5300.
36, 37	IS0020, IS0029	How do we differentiate between those loans we sell and report in account IS0020 versus IS0029?
36	IS0046	Enhance instructions: "Report the resulting gain (loss) from <i>changes in fair value</i> , the sale or disposition of all equity and trading debt securities."
36	IS0047	Does this also include the changes in fair value? If not where would this be reported? If so, enhance instructions.
37	430, IS0030	What is the difference between foreclosed assets and OREO?
38	250, 260	Clarify whether the amortization for leases related to office occupancy should be reported in account 250.
38	360	What types of annual meeting expenses are we required to report here? Shall this account also include OREO?

49	CV0001, CV0002	Clarify that we should report the number and amount of loans <i>outstanding</i> as of the report date.
52	024B etal	Do we include share secured credit cards on this line?
64	617A, 618A	Appears to no longer distinguish between merchant POS indirect lending vs. outsourced lending, is that right?
82	CM0099	We are no longer required to report 1-4 family residential RE loans refinancing, repricing or maturing?
92	NV0128	Trading securities instructions duplicate "Report these investments at fair value"
95	789C	Clarify that deferred comp plan securities are also to be reported in Equity securities wherever applicable.
99		Incomplete section title "7. Sold Credit Protection Through..."
106	641	Sweep reporting still applicable?
109	566B	Why do we need to report this when it's reported in the CU Profile?
117	1004B	Clarify that this amount should equal the fair value of the acquired entity as of the acquisition date (not book value).
134	RB0095	Clarify where split dollar life insurance is categorized?

Form 5300:

Page	Line	Acct	Comment/question
4	4	IS0005	New field , instruction is pending. Currently, we only report Interest on Loans & Investments. No "Other Interest Income" was reported on Call Report.
6	1		Do we include share-secured credit cards on this line?
10	4, 6		Do we report First mortgage loans sold on the secondary market in both lines 4 and 6?
15	1, 6		Do we report CD's in natural person credit unions in both lines 1 and 6?
15	11		Do we need to report the loans that are in the pipeline on this line?
25	29	RB0093	The instruction stated to include the unconsolidated CUSO investment. Are CUSOs in equity and cost method reported in this line?

CU Profile:

#	Area	Question						
1	General	Will there be changes in Q1 2022 to the CU Profile as well?						
2	Online banking	<p>Consider moving or consolidating these counts:</p> <ul style="list-style-type: none"> - CU Profile question. <p>5. If a credit union has online or mobile banking, how many members use it? 1147069</p> <ul style="list-style-type: none"> - Call report question, Page 7. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">7. If you have a transactional world wide website, how many members use it</td> <td style="width: 10%; text-align: center;">Number</td> <td style="width: 10%; text-align: center;">Acct</td> </tr> <tr> <td></td> <td style="text-align: center;">477,389</td> <td style="text-align: center;">892B</td> </tr> </table>	7. If you have a transactional world wide website, how many members use it	Number	Acct		477,389	892B
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