

CALL REPORT – ESTIMATED UNINSURED DEPOSITS REPORTING

The Federal Deposit Insurance Corporation (FDIC) has observed in a recent Financial Institution Letter (FIL) 37-2023, that some insured depository institutions (IDIs) are not reporting estimated uninsured deposits in accordance with the instructions to the Consolidated Reports of Condition and Income (Call Report). For example, some institutions incorrectly reduced the amount reported to the extent that the uninsured deposits are collateralized by pledged assets; this 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, some institutions incorrectly reduced the amount reported on Schedule RC-O by excluding intercompany deposit balances of subsidiaries.

NOTE: The FDIC FIL does not impact institutions with less than \$1 billion in total assets that do not report estimated uninsured deposits. The FDIC recommends that if an IDI has deposit accounts with balances in excess of the federal deposit insurance limit that it has collateralized by pledging assets, such as deposits of the U.S. Government and of states and political subdivisions in the U.S., the IDI should make a reasonable estimate of the portion of these deposits that is uninsured using the data available from its information systems.

The FDIC FIL notes that each IDI is responsible for the accuracy of the data in its Call Report and for filing amendments as necessary to ensure Call Report accuracy. The chief financial officer (or the individual performing an equivalent function) and multiple directors of each IDI are required to attest to the correctness of the Call Report. If your institution incorrectly reduced the amount of reported uninsured deposits, for example, to reflect collateralization of deposits by pledged assets or by excluding intercompany deposit balances of subsidiaries, those reports are inaccurate. Consistent with the requirement to file accurate Call Reports, IDIs that have incorrectly reported uninsured deposits should amend their Call Reports by making the appropriate changes to the data and submitting the revised data file to the Central Data Repository (CDR) using the same processes as the original filing. Institutions can submit up to three years of revisions, or more, if appropriate.

The foregoing Compliance Update is for informational purposes only, and does not constitute legal advice. As a reminder, the NBA general counsel is the attorney for the Nebraska Bankers Association, not its member banks. The general counsel is available to assist members with finding resources to help answer their questions. However, for specific legal advice about specific situations, members must consult and retain their own attorney.
