

FR 2644:

Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks

The Facts Behind Your Figures



The Federal Reserve Bank of Philadelphia provides this information to depository institutions (DIs) that submit the FR 2644 report to this Reserve Bank. Its purpose is to provide institutions with insight into the procedures and techniques used to analyze the data that they submit. This document is only an informal guide and source of background information; it is not an official policy of the Federal Reserve Bank of Philadelphia or of the Board of Governors of the Federal Reserve System. Information and procedures described herein may be changed at any time, without notice.

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Introduction to the FR 2644 Report

FR 2644 Background

Data collected on the FR 2644 on assets and liabilities at US banks provides information on the availability of bank credit and the condition of the banking system, and closely parallels the quarterly Consolidated Reports of Condition and Income (FFIEC 031/041/051) filed by U.S. domestically chartered banks and the Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002).

The first data stream that collected balance sheet information was the monthly FR 635 report, "All Member Banks, Assets and Liabilities, by Class of Bank" initiated by the Board in January 1946. In 1969, the reporting frequency was increased to weekly to aid in the accurate and timely construction of the key series used to analyze current banking developments.

In response to changes in economic and banking conditions, regulations, and economic policy, the FR 2644 voluntary report series has undergone numerous revisions over the years. In July 2009, the FR 2644 report was combined with two other bank credit reports, the FR 2416, Weekly Report of Assets and Liabilities for Large Banks, and the FR 2069, Weekly Report of Assets and Liabilities for Large U.S. Branches and Agencies of Foreign Banks. With this change, panel coverage expanded to include both large and small domestically chartered commercial banks and U.S. branches and agencies of foreign banks. Current and historical versions of the FR 2644 form and their instructions are maintained on the Board of Governors' website in PDF format. The current report form and instructions can be found on the [Board of Governors' website](#).

Purpose of the FR 2644 Report

Data from the FR 2644 Report are used by the Federal Reserve System to analyze current banking and monetary conditions. Data are used to construct estimates of bank credit, the sources and uses of bank funds, and a balance sheet for the entire U.S. banking system. The information is provided to the Board of Governors and Federal Open Market Committee to assist in monetary policy decisions and analyzing banking developments and the supply of bank credit in the U.S. banking system. Please note that the Federal Reserve System treats information on individual institutions as strictly confidential and does not release the data to the public.

Aggregate data are published in the H.8 "Assets and Liabilities of Commercial Banks in the United States" statistical release.

H.8 Statistical Release

The Federal Reserve H.8 release is published on a weekly basis and provides an estimated weekly aggregate balance sheet for all commercial banks in the United States. The H.8 is available [online](#) on the Board of Governor's public site. The report captures a wealth of data on bank lending patterns that can be used to create information and provide guidance on the trajectory for the economy.

Report Instructions

Respondent Panel

The panel represents an important demographic and consists of an authorized stratified sample of about 875 domestically chartered commercial banks and U.S. branches and agencies of foreign banks.

Frequency and Deadline for Submission

Respondents on the FR 2644 should prepare data as of the close of business each Wednesday. Reports are typically expected to be submitted by the following Monday.

We ask you to notify your Reserve Bank analyst by telephone or email if you anticipate any delay in the FR 2644 submission due to extenuating circumstances such as a system conversion.

To avoid processing delays, we strongly suggest that your institution adequately trains two staff members to act as FR 2644 preparers. This prevents processing delays should one of the two staff members be absent. Their duties should encompass both compiling the report as well as addressing related questions. We also ask that you notify your Reserve Bank analyst by phone or email if there will be contact changes due to holidays or any other events that may affect processing.

How to Submit

Paper and electronic submissions are both acceptable submission types for the FR 2644. Your institution may choose to submit the FR 2644 data electronically via the Reporting Central website. Please visit the [Reporting Central page](#) on FRB Services to access the Reporting Central application, training materials, and contact information for the Federal Reserve's Customer Contact Center.

If your institution's data is prepared or submitted by a private vendor, your institution is responsible for the timeliness and accuracy of data to the same extent as if you had prepared and submitted the data yourself.

To ensure data accuracy, please verify that the data being submitted is filed under the correct as-of date. If your institution has any questions or concerns, please email your Reserve Bank analyst and phil.statistics.bankcredit@phil.frb.org.

Getting Set up in Reporting Central

If your institution has chosen to submit the FR 2644 data electronically, they will first need to acquire access to the Reporting Central website. The steps to obtain access are outlined in [Reporting Central Application Setup](#). Each individual your institution designates access to for the FR 2644 report will require a separate [RC-1 Subscriber Access Form](#). Please send the completed form to your local [Reporting Central District Contacts](#).

The [Reporting Central External User Guide](#) provides information on how to access and log into the Reporting Central website and includes instructions on how to enter and submit data.

For some report series, including the FR2644, Reporting Central permits the user to submit their data by uploading a file generated from a spreadsheet. Step-by-step instructions to create this file can be found in the [FR2644: File Upload User Guide](#).

Fed Contacts

For contact information, we encourage you to bookmark the following Federal Reserve Bank website for you to visit as needed: [Financial and Regulatory Reporting Contacts \(philadelphiafed.org\)](https://www.philadelphiafed.org).

If your institution has questions regarding the report, or would like to send explanations for any obvious unusual changes discovered during report preparation, we ask that you email these explanations to phil.statistics.bankcredit@phil.frb.org and your Reserve Bank analyst's email after submitting the report.

Links to Official Report Instructions

Additional information regarding the FR 2644 Report is publicly accessible through the following website: [The Fed: Report Forms \(federalreserve.gov\)](https://www.federalreserve.gov).

Using the link listed above, you can then navigate to the latest FR 2644 report form and instructions:

[FR 2644 Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks](#) (Current Report Form, approval expires March 31, 2022)

[FR 2644 Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks](#) (Report Instructions, effective January 1, 2021)

Preparation of Reports

This section provides basic concepts to aid in preparation of the FR 2644 Report and is intended only to supplement the detailed Report Instructions. The Report Instructions may be accessed through the [Board of Governor's website](#).

Consolidation and Inter-office Relationships

Domestic branches and majority-owned domestic subsidiaries that meet the tests of significance (as described in the General Instructions of the Call Report) are to be fully consolidated line by line on the FR 2644. However, accounts of domestic subsidiaries that are not available on a timely basis may be consolidated with a lag, or amounts reported for such subsidiaries may be estimated for use in the weekly process of consolidation.

All individual asset and liability items should exclude the asset and liability relationships with respondents' own International Banking Facilities. For purposes of this report, all such relationships and transactions should be reported on a net basis either in item 5.a, "Net due from related foreign offices," or in item 9.a, "Net due to related foreign offices." When line-by-line exclusion of transactions with IBFs is not possible within the given time schedule, amounts to be excluded may be estimated.

Mergers and Other Structure Activity

In case of mergers, acquisitions, or large transfers of assets, respondents should contact their Federal Reserve Bank. When there is an upcoming merger, the surviving Depository Institution (DI) should consolidate FR 2644 balances starting on the legal merger date.

Please note, if the DI acquires a nonbank entity (i.e. the non-survivor is NOT a commercial bank, non-deposit trust company, industrial bank, or an edge or agreement corporation) and its total assets exceed

\$5.00B, in addition to the consolidated FR 2644 balances starting on the legal merger date, your Reserve Bank analyst will also request:

- A completed FR 2644 (AD) report for the nonbank entity involved in the merger, absorption, divestiture, or acquisition, and
- A written approval for including the information about the transaction in a footnote to the H.8 statistical release, if that is the only activity for the week.

A nonbank adjustment reporter will also be requested from each bank that had an individual structure activity equal to or greater than \$1.00B during any week that combined nonbank structure activity that is equal to or greater than \$5.00B in total assets.

Foreign (Non-U.S.) Currency-Denominated Transactions

Transactions involving foreign currency must be converted to U.S. dollars each reporting week at either the exchange rate prevailing on the Tuesday immediately preceding (that is, the day before) the Wednesday report date (“Tuesday method”) or the exchange rate prevailing on the Wednesday report date (“report day method”). The institution must use one of these methods consistently for all Federal Reserve reports.

Line Item Overview

Please note, this document provides a high level overview of the FR 2644 instructions available on the [Federal Reserve Board of Governor’s website](#). Please refer to the instructions for greater details as well as the item-by-item comparison guide at the end of the instructions that can assist with mapping FR 2644 to Call Report line items.

Report all balances as of the close of business on Wednesday of each week. All dollar amounts should be reported to the nearest thousand. With the exceptions of item M1, “Net unrealized gains (losses) on available-for-sale securities,” and item M1a, “Net unrealized gains (losses) on available-for-sale securities, U.S. Treasury and U.S. Government agency obligations, mortgage-backed securities,” no negative entries are appropriate for this report.

Item 1 – Cash and Balances due from depository institutions

Line Item Overview

- Include cash items in process of collection (including unposted debits and currency and coin).
- Include balances due from depository institutions in the US.
- Include balances due from banks in foreign countries and foreign central banks.
- Include balances due from Federal Reserve Banks (including term deposits).
- Include balances due from Federal Home Loan Banks.

Providing Explanations for Unusual Data Fluctuations

Due to the high volatility of item 1, the questions regarding the fluctuations in this line item are less frequent. When providing a response regarding fluctuations in Cash, please include:

1. Type of account where the activity took place (e.g. Due From Depository Institutions, Federal Reserve Bank account).
2. Other impacted line items that contributed to the fluctuation in question (e.g. the purchase of U.S Treasury securities, the sale of multifamily residential loan portfolio, deposit activity in the DI’s personal checking accounts).

Item 2 – Securities

Line Item Overview

2a1 – US Treasury securities and US Government agency obligations, Mortgage-backed securities

- Include all residential mortgage-backed securities (MBS), whether held-to-maturity (HTM), available-for-sale (AFS), or held-for-trading (HFT), guaranteed by U.S. Government agencies or issued by U.S. Government-sponsored agencies.
- Include residential pass-thru securities and other residential MBS (including CMOs, REMICs, CMO and REMIC residuals, stripped MBS, and mortgage-backed commercial paper).
- Include commercial MBS issued by U.S. Government-sponsored agencies.

2a2 – Other US Treasury and US Government agency obligations

- Include all obligations, whether HTM, AFS, HFT, other than mortgage-backed securities, issued by U.S. Government agencies or by U.S. Government-sponsored agencies.

2b1 – Other Securities, Mortgage-backed securities

- Include all residential MBS, whether HTM, AFS, HFT, issued by non-U.S. Government issuers and by non-U.S. issuers.
- Include residential pass-thru securities and other residential MBS (including CMOs, REMICs, CMO and REMIC residuals, stripped MBS, and mortgage-backed commercial paper).
- Include those issued by others, but whose collateral consists of MBS guaranteed or issued by U.S. Government agencies or U.S. Government-sponsored agencies.
- Include all commercial MBS not issued by U.S. Government-sponsored agencies.

2b2 – All Other Securities

- Include all other securities, whether HTM, AFS, HFT such as:
 - Commercial paper
 - Securities issued by states and political subdivisions in the U.S.
 - Asset backed securities
 - Other domestic debt securities
 - Foreign debt securities
 - Equity securities with readily determinable fair values not held for trading

Common reporting errors

- a) Misclassification of security by type (MBS, non-MBS).
- b) Misclassification of security by counterparty (Agency, non-agency).
- c) Please note, month-end adjustments to item 2a1 should also be reflected in item M1 and item M1a. Month-end adjustments to items 2a2, 2b1, and 2b2 should only be reflected in item M1. For more information regarding item M1 and M1a, please refer to the sub-section “Memoranda”.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in securities items, please include a breakout with:

1. What activity occurred (such as purchases, sales, month-end adjustments, etc.).
2. Type of security (MBS, CMO, municipal, corporate, etc.).
3. Counterparty information (FNMA, FHLMC, FHLB, U.S. Treasury, etc.).
4. Transaction amount.

Item 3 – Federal funds sold and securities purchased under agreements to resell

Line Item Overview

- Include federal funds sold.
- Include securities purchased under agreements to resell with domestically chartered commercial banks.
- Include securities purchased under agreements to resell with US branches and agencies of foreign banks.
- Include securities purchased under agreements to resell with all other entities, including nonbank brokers and dealers in securities, thrifts.
- Include securities purchased under agreements to resell with any Federal Home Loan Banks.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in federal funds sold, please include a breakout with:

1. Counterparty information.
2. How the funds were made available (for increases) or why the funds left the market (for decreases).
3. Any other line items impacted by the fluctuation.
4. Transaction amount.

Item 4 – Loans and Leases

- All loans should be categorized according to security, borrower, or purpose.
- Report the book value of all loans and leases before deduction of any general "Allowance for loan losses." For institutions that have adopted ASU 2016-13, the allowance for loan losses is the allowance for credit losses on loans and leases.
- Each loan item, 4a through 4f, should be reported net of unearned income to the extent possible.

Loans secured by real estate

Include all loans secured by real estate (other than those to states and political subdivisions) regardless of purpose and regardless of whether originated by the reporting bank, purchased from others, or first or junior lien. Include all such loans held as trading assets.

Line Item Overview

4a1 – Construction, land development, and other land loans

- Include loans secured by real estate made to finance
 - Land development preparatory to erecting new structures.
 - The on-site construction of industrial, commercial, residential, or farm buildings.
- Include loans for the purpose of constructing 1–4 family residential properties, which will secure the loan, as well as all construction loans for purposes other than constructing 1–4 family residential properties.
- Include loans for the development of building lots and loans secured by vacant land.
- Include "construction" loans for additions or alterations to, and demolition of, existing structures.

Note, Combination construction-permanent loans are reported in this item until construction is completed or principal amortization begins, at which time the loans should be reported in the appropriate category.

4a2 – Secured by farmland

- Include loans secured by farmland and improvements. Farmland includes all land known to be used or usable for agricultural purposes, such as crop and livestock production. Farmland includes grazing or pasture land, whether tillable or not and whether wooded or not.
- Include loans secured by farmland that are guaranteed by the Farmers Home Administration (FmHA) or by the Small Business Administration (SBA) and that are extended, serviced, and collected by any party other than FmHA or SBA.

4a3a – Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit

- Include all open-end loans secured by 1–4 family residential properties and extended under lines of credit. These loans are typically junior liens accessed by check or credit card.

4a3b – Closed-end loans secured by 1-4 family residential properties

- Include all closed-end loans secured by 1–4 family residential properties, both first and junior liens.

4a4 – Secured by multifamily (5 or more) residential properties

- Include loans secured by nonfarm properties with 5 or more dwelling units in structures (including apartment buildings and apartment hotels) used to accommodate households on a permanent basis.
- Include loans secured by cooperative-type apartment buildings containing 5 or more dwellings units.
- Include loans secured by 5 or more housekeeping dwellings with commercial units combined where use is primarily residential.

4a5 – Secured by nonfarm nonresidential properties

- Include loans secured by nonfarm nonresidential properties such as business and industrial properties, hotels, motels, churches, hospitals, clubs, lodges, golf courses, “homes” for elderly, and educational and charitable institutions.
- Include loans secured by owner-occupied nonfarm nonresidential properties for which the primary source of repayment is the cash flow from the ongoing operations and activities conducted by the party who owns the property.
- Include loans secured by other nonfarm nonresidential properties where the primary source of repayment (at least 50 percent) is derived from rental income associated with the property. This includes loans secured by hotels, motels, assisted living facilities, mini-storage facilities, and similar properties.

Common reporting errors

- a) Loans in their construction phase erroneously reported in items 4a2-4a5 instead of item 4a1.
- b) Agricultural and other land loans erroneously reported in item 4a2 instead of item 4f.
- c) Misclassified loans based on the type of collateral or the type of customer (e.g. erroneously reporting HELOCs in item 4a3b instead of 4a3a; erroneously reporting loans to businesses secured by nonfarm nonresidential properties in item 4a4 instead of 4a5).

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in loan items, please include a breakout with:

1. What activity occurred during that period (origination/paydown/payoff activity, the purchase/sale of loans).

2. Customer type/counterparty information (personal/business customer/other depository institution or a firm).
3. If available, the largest contributors to the fluctuation with the dollar amount.

Loans NOT secured by real estate

4b – Loans to, and acceptances of, commercial banks in the US

- Include all loans (other than those secured by real estate), including overdrafts, to domestic commercial banks and U.S. branches and agencies of foreign banks.
- Include the reporting bank's own acceptances discounted and held in its portfolio when the account party is another depository institution.

4c – Commercial and industrial loans

- Include loans for commercial and industrial purposes to sole proprietorships, partnerships, corporations, other business enterprises, and to individuals, whether secured (other than by real estate) or unsecured, installment, or single payment, originated by the reporting bank or purchased from others, to U.S. and non-U.S. addressees.
- Include the reporting bank's own acceptances that it holds in its portfolio when the account party is a commercial and industrial enterprise.
- Include loans extended under credit cards and other related plans issued in the name of a commercial and industrial enterprise.

4d1 – Credit cards and other revolving credit plans

- Include all extensions of credit to individuals for household, family, and other personal expenditures arising from credit cards or from prearranged overdraft plans, whether originated or purchased.

4d2 – Automobile loans

- Include all consumer loans extended for the purpose of purchasing new and used passenger cars and other vehicles, such as minivans, pickup trucks, and sport utility vehicles for personal use.
- Include both direct and indirect consumer automobile loans as well as retail installment paper purchased by the bank from automobile dealers.

4d3 – Other consumer loans (including single payment and installment loans other than automobile loans, and all student loans)

- Include all other loans to individuals for household, family, and other personal expenditures, not assessed by credit cards and other revolving credit plans.
- Include loans to purchase household appliances and mobile homes.
- Include home improvement loans (not secured by real estate).
- Include all student loans.
- Include loans for medical expenses, vacations, personal taxes, and consolidation of personal debt.
- Include consumer loans made for the purchase of motorcycles, boats, recreational vehicles, golf carts, and airplanes.

4e – Loans to non-depository financial institutions

- Include loans to real estate investment trusts and mortgage companies that specialize in mortgage loan originations and warehousing or mortgage servicing.
- Include loans to insurance companies, holding companies of other depository institutions, finance companies, mortgage finance companies, factors and other financial intermediaries, and

short-term business credit institutions that extend credit to finance inventories or carry accounts receivables.

- Include loans to investment banks and loans to the bank's own trust department.
- Include loans to other domestic and foreign financial intermediaries which extend credit for business purposes.

4f – All other loans and leases

- Include all loans and leases as reported on Schedule RC-C of the Call Report that cannot be properly reported in items 4a1 through 4e of this report.
- Include loans to other (nonbank) depository institutions in the U.S.
- Include loans to banks in foreign countries.
- Include loans to finance agricultural production and other loans to farmers.
- Include obligations (other than securities and leases) of states and political subdivisions in the U.S., including those secured by real estate.
- Include loans for purchasing or carrying securities.
- Include lease financing receivables (net of unearned income).

Treatment of Overdrafts, Planned and Unplanned:

- Only unplanned overdrafts should be included in item 4f.
- Please report planned overdrafts in the appropriate line item where they belong. Please see FR 2644 instructions for more detailed information.

4g – Allowance for loan and lease losses

- Include month-end and quarter-end adjustments to the allowance for loan and lease losses or the allowance for credit losses.
- Include charge-offs and recoveries.
- Institutions that have adopted ASU 2016-13 (CECL), which governs the accounting for credit losses, should report the allowance for credit losses in this item.
- For more information regarding ASU 2016-13, please refer to the section "Accounting Standard Updates".

Common reporting errors

- a) Planned overdrafts erroneously reported in item 4f. Planned overdrafts should be reported in the appropriate line item where they belong, classified as loans according to the nature of the overdrawn depositor. Only unplanned overdrafts should be reported in item 4f.
- b) Work in process (WIP) loans erroneously reported in items 4a1-4e instead of item 4f.
- c) Loans to finance agricultural production and other loans to farmers reported in item 4a2 instead of item 4f.
- d) Loans made for purchase of motorcycles, boats, recreational vehicles, golf carts, and airplanes erroneously reported in item 4d2 instead of 4d3.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in loan items, please include a breakout with:

1. What activity occurred during that period (origination/extension/purchase/recovery or paydown/payoff/sale/charge-off).
2. Customer type/counterparty information (personal/business customer/other depository institution or a firm).
3. If available, the largest contributors to the fluctuation with the dollar amount.

Item 5 – Other Assets

Line Item Overview

5a – Net due from related foreign offices

- This item is only reported by FFIEC 031 and FFIEC 002 filers.
- A balance should be reported in item 5a or in item 9a, but not both.

5b – All Other Assets

- Include premises and fixed assets.
- Include other real estate owned.
- Include investments in unconsolidated subsidiaries and associated companies.
- Include direct and indirect investments in real estate ventures.
- Include intangible assets (including goodwill).
- Include derivatives with a positive fair value held for purposes other than trading, and other assets.
- Include trading assets such as derivatives with a positive fair value held for trading purposes, gold bullion, certificates of deposit, bankers' acceptances, equity securities without a readily determinable fair value held for trading, and other trading assets.
- Include other assets such as accrued interest receivable; net deferred tax assets; equity investments without readily determinable fair values; life insurance assets; prepaid expenses; accounts receivable.

Common reporting errors

- a) Misreporting related to new accounting standards updates.
- b) Work in process (WIP) loans erroneously reported in item 5b instead of item 4f.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in Other Assets, please include a breakout with:

1. What activity occurred.
2. Which account types were the main drivers of the fluctuation (ex. accounts receivable, net deferred tax assets, etc.)
3. Counterparty information.
4. Transaction amount.

Item 6 – Total Assets



Item 7 – Total Deposits

Line Item Overview

7a – Time deposits of \$100,000 or more

- Include all time deposits of \$100,000 or more.

7b – All Other Deposits

- Include transaction accounts (demand deposits).
- Include non-transaction accounts (savings and money market deposits, small time deposits, time deposits issued to deposit brokered in the form of large certificates of deposit that have been participated out in shares of less than \$100,000).

Common reporting errors

- a) Erroneously reporting CDs >\$100K in item 7b instead of item 7a.
- b) Include in item 7a CDs originally issued in denominations <\$100K that, because of interest paid or credited, or because of additional deposits, now have balances >\$100K.
- c) Erroneously reporting subordinated debt issued by the Bank in item 7b instead of item 9b.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in deposits, please include a breakout with:

1. What activity occurred (deposit, withdrawal, CD issuance or maturity, etc.).
2. Customer type (personal, municipal, business).
3. Account type (MMDA, Savings, Checking, etc.).
4. Transaction amount.

Item 8 – Borrowings

Line Item Overview

- Include demand notes issued to the U.S. Treasury.
- Include Federal funds purchased and securities sold under agreements to repurchase. Note, Federal funds purchased and securities sold under agreements to repurchase include those from domestically chartered commercial banks and U.S. branches and agencies of foreign banks and all other entities, including nonbank brokers and dealers in securities, thrifts, any Federal Reserve Bank or Federal Home Loan Bank.
- Include other borrowed money such as Federal Home Loan Bank advances, any borrowings by an Employee Stock Ownership Plan (ESOP) that the reporting bank must report as a borrowing on its own balance sheet in accordance with generally accepted accounting principles. Note, include in Other Borrowings lease liabilities for finance leases for institutions that have adopted FASB ASU 2016-02.

Common reporting errors

- a) Misreporting related to the new accounting standards updates.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in borrowings, please include a breakout with:

1. How the funds were made available.
2. What the funds were used for.
3. Counterparty.
4. Transaction amount.

Item 9 – Other Liabilities

Line Item Overview

9a – Net due to related foreign offices

- This item is only reported by FFIEC 031 and FFIEC 002 filers.
- A balance should be reported in item 5a or in item 9a, but not both.

9b – All Other Liabilities

- Include subordinated notes and debentures.
- Include net deferred tax liabilities.
- Include interest and other expenses accrued and unpaid.
- Include derivatives with a negative fair value held for purposes other than trading.
- Include dividends declared but not yet payable.
- Include accounts payable.
- Include allowance for credit losses on off-balance sheet credit exposures.
Note, institutions that have adopted FASB Accounting Standards Update No. 2016-13, which governs the accounting for credit losses, should exclude off-balance sheet credit exposures that are unconditionally cancellable by the institution when estimating expected credit losses.
- Include other liabilities such as servicing liabilities; bank's liability for deferred payment letters of credit; leases, lease liabilities for operating leases for institutions that have adopted FASB ASU 2016-02.
- Report liabilities from trading activities, including those resulting from sales of assets that the reporting entity did not own ("short positions"), derivatives with a negative fair value held for trading purposes, and any liabilities to which the reporting entity has applied fair value accounting and manages for trading purposes.

Common reporting errors

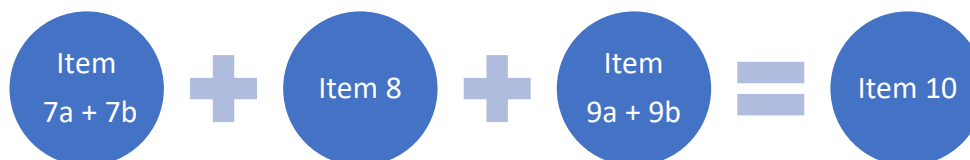
- a) Subordinated debt should be reported on the Bank's balance sheet in item 9b, only if it was issued by the depository institution, not the DI's parent holding company.
- b) Misreporting related to the new accounting standards updates.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in Other Liabilities, please include a breakout with:

1. What activity occurred.
2. Which account types were the main drivers of the fluctuation (ex. accounts payable, dividends payable, etc.)
3. Counterparty information.
4. Transaction amount.

Item 10 – Total Liabilities



Memoranda

Line Item Overview

M1 – Net unrealized gains (losses) on available-for-sale securities

- Report net unrealized gains/losses on all available-for-sale securities reported in items 2a1-2b2.

M1a – Net unrealized gains (losses) on available-for-sale securities, US Treasury and US Government agency obligations, mortgage backed securities (included in line M1 above)

- Include the portion of net unrealized gains/losses on available-for-sale securities reported in item M1 above attributable to those securities included in item 2a1, U.S. Treasury securities and Government agency obligations, mortgage-backed securities.

Common reporting errors

- a. The frequency with which portfolios of available-for-sale securities are revalued (marked to market) may differ across reporting banks and branches and agencies. In all cases, items M1 and M1a should be revalued at the same frequency.
- b. Unrealized gains/losses on **ALL** available-for-sale securities (reported in item 2a1-2b2) should be reported in item M1.
- c. Unrealized gains/losses on AFS U.S. Treasury/ Government Agency MBSs (reported in item 2a1 only) should also be reflected in item M1a.

Providing Explanations for Unusual Data Fluctuations

When providing a response regarding fluctuations in Memoranda items, please include a breakout with:

1. Type of securities that had MTM changes:
 - a. Item M1 (e.g. Agency/non-agency MBS/ABS such as U.S Treasury securities, AFS CLOs, FHLMC MBSs, foreign debt securities, etc.)
 - b. Item M1a (e.g. FNMA AFS MBS, Agency CMOs, etc.)

Explanations for Unusual Data Fluctuations

The Federal Reserve uses the information collected on the FR 2644 Report to determine and implement monetary policy. Therefore, it is crucial that the FR 2644 data be as accurate as possible.

We are very much aware of the burden placed on financial institutions by all reporting requirements, and we make our best effort to ask for extensive explanations only when necessary. To avoid excessive questions to institutions, we utilize internal analysis techniques to identify consistent patterns in the data and to improve our knowledge of your institution's typical activity. However, what may seem like normal activity for your institution, does not always appear normal from the Reserve Bank analyst's perspective which is based on how they look at the data.

These methods include statistical and graphical analysis of weekly, monthly, and seasonal fluctuations. If a trend of consistent behavior is apparent for a sufficient period, the need to contact the respondent is greatly reduced. However, when unusual fluctuations occur that are inconsistent in either magnitude or direction of movement, we will contact you to verify the figures. Questions may be more frequent immediately following a dramatic reporting shift until a clear pattern emerges.

If the accuracy of the figure has been confirmed and no revision is necessary, we may still need to identify the legitimate underlying cause of the unusual fluctuation.

If you wish, you can send explanations for any obvious unusual changes discovered during report preparation along with your report. We ask that you email these explanations to phil.statistics.bankcredit@phil.frb.org and your Reserve Bank analyst's email after submitting the report.

What makes a good explanation?

A good explanation describes the majority of the fluctuation in question that includes the details of a transaction and the activity that occurred. In general, Reserve Bank analysts need a breakout of the following information that comprises the fluctuation in question:

- The account type(s) involved.
- The customer type(s) involved.
- The dollar amount of the contributors.
- Any related activity between report items.

Related Item Comparisons

When Reserve Bank analysts review FR 2644 data, they routinely look for corresponding changes in related categories. While an exact one-to-one relationship is not necessarily expected, our analysts do routinely look for evidence of some corresponding activity among related items.

For example, if item 1 (Cash and Balances Due From) reflects a significant increase, we would expect to see a corresponding fluctuation in other line items, e.g. a large decrease in items 2a1-2b2 related to the sale or maturity of securities or a large increase in item 7b related to customer deposit activity. If we do not see a corresponding activity, we may contact you for more information about the activity.

Advanced Notification of Events Impacting the FR 2644 Report

When possible, we ask that you notify us in advance of any activity that may significantly impact your reporting. Such activity includes new products, loan portfolio and business plan changes, acquisitions, changes in the personnel preparing the report, and computer system conversions that may cause reporting delays. Your Reserve Bank analyst will work with you to ensure that accurate and timely data are received as soon as possible.

Related Report Comparisons (Interseries Edits)

Quarterly, this Reserve Bank is charged with comparing the balances reported on the *Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial banks and U.S. Branches and Agencies of Foreign Banks* (FR 2644) with those on the *Consolidated Report of Condition* (Call Report) for the corresponding date.

This process, referred to as "interseries editing" (ISE), enhances data quality by reconciling reporting differences that may otherwise remain undetected. Interseries edits occur when a discrepancy is found, and they are based on a single day's data from the two reports on the Call Report date. Discrepancies may be the result of a reporting error or may instead reflect legitimate differences between item definitions and/or timing associated with the two reports.

If your institution reflects a discrepancy, your Reserve Bank analyst may request that your institution provide an explanation and, potentially, submit a revision.

Example:

Reported item(s) on the FR2644 report exceed(s) comparable item(s) on the Call report by \$X:

Edit Check: Q270 Other consumer loans (incl single payment & installment loans other than auto loans & student loans)			
Call Report MDRM	Call Report Line Item	FR2644 MDRM	FR2644 Line Item
RCONK207 +	RC-C.1.B.6.d	WRSSK207	Item 4.d(3)
RCONHT65	Item 6.c.		

Revision Policy

Due to the importance of the data collected on the FR 2644 report, Reserve Bank analysts may contact your institution and request revisions if the data are deemed inaccurate. If possible, the errors in reporting should be corrected when they are discovered to maintain an accurate and consistent data series. Corrections are sometimes needed for previous periods as well as for the current period.

Prior to submitting any revisions, contact your Reserve Bank analyst outlining the reason for the revisions and the item(s) affected by the revisions.

You can submit the revised reports on the Reporting Central website, via email (phil.statistics.bankcredit@phil.frb.org and your Reserve Bank analyst), or fax 215-574-6388.

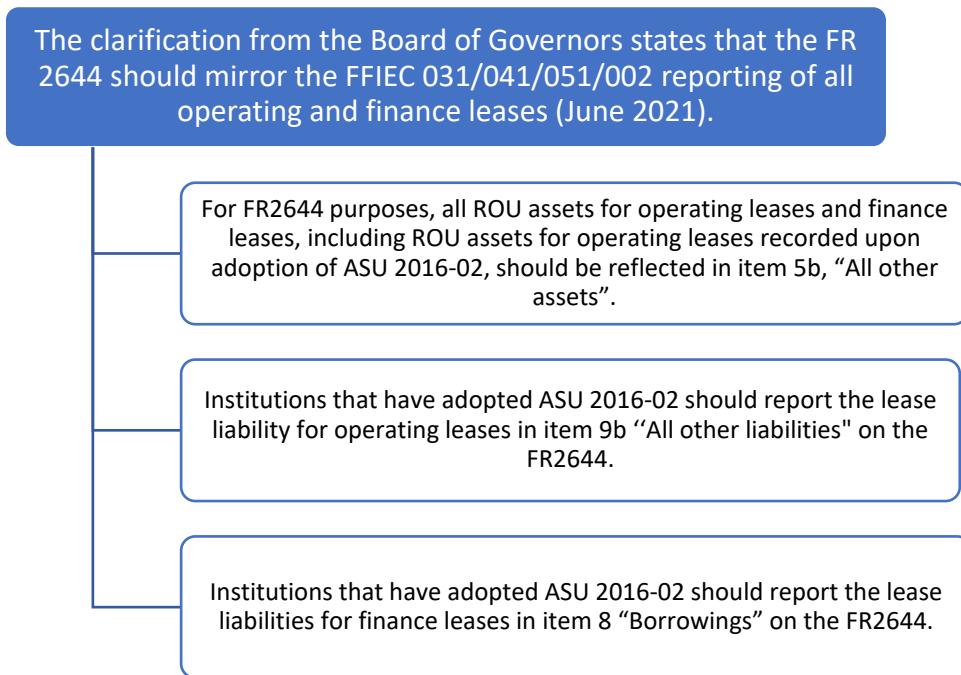
Accounting Standards Updates

Lease Liabilities (ASU 2016-02)

In February 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-02, "Leases," which added [ASC Topic 842, Leases](#). The objective of this ASU is to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements.

The most significant change that Topic 842 makes is to lessee accounting. Under existing accounting standards, lessees recognize lease assets and lease liabilities on the balance sheet for capital leases, but do not recognize operating leases on the balance sheet. The lessee accounting model under Topic 842 retains the distinction between operating leases and capital leases, which the new standard labels finance leases. However, the new standard requires lessees to record a right-of-use (ROU) asset and a lease liability on the balance sheet for operating leases. (For finance leases, a lessee's lease asset also is designated an ROU asset.) In general, the new standard permits a lessee to make an accounting policy election to exempt leases with a term of one year or less at their commencement date from on-balance sheet recognition. The lease term generally includes the non-cancellable period of a lease as well as purchase options and renewal options reasonably certain to be exercised by the lessee, renewal options controlled by the lessor, and any other economic incentive for the lessee to extend the lease. An

economic incentive may include a related-party commitment. When preparing to implement Topic 842, lessees will need to analyze their existing lease contracts to determine the entries to record on adoption of this new standard.



For additional information on ASU 2016-02, its effective dates, and the latest guidance institutions should refer to the FASB's website at <https://www.fasb.org/leases> and [Call Report instructions/supplemental instructions](#).

Current Expected Credit Losses, CECL (ASU 2016-13)

In June 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-13, [Topic 326, Financial Instruments – Credit Losses](#). The new accounting standard introduces the current expected credit losses methodology (CECL) for estimating allowances for credit losses and applies to all banks, savings associations, credit unions, and financial institution holding companies, regardless of size, that file regulatory reports for which the reporting requirements conform to U.S. generally accepted accounting principles (GAAP).

What's in scope of CECL?

CECL applies to financial assets measured at amortized cost and certain off-balance sheet credit exposures.

Scope of the standard

- Loans held for investment
- Held-to-maturity debt securities
- OBS exposures (loan commitments, standby letters of credit, and financial guarantees)
- Trade receivables
- Net investments in sales-type and direct financing leases
- Reinsurance recoverables
- Purchased credit deteriorated (PCD) assets recorded at amortized cost
- Receivables that relate to repurchase agreements and securities lending agreements

Specifically excluded

- Loans held-for-sale
- Trading assets
- Financial assets for which fair value option is elected
- Equity instruments and equity method investments
- Derivatives
- Loans and receivables between entities under common control

Until the new accounting standard becomes effective, institutions must continue to follow current U.S. GAAP on impairment and the allowance for loan and lease losses (ALLL). Each institution also should continue to refer to the agencies' December 2006 Interagency Policy Statement on the Allowance for Loan and Lease Losses, and the policy statements on allowance methodologies and documentation (collectively, the ALLL policy statements) until the effective date of ASU 2016-13 applicable to the institution. The agencies will not rescind existing supervisory guidance on the ALLL until CECL becomes effective for all institutions.

The agencies have developed [frequently asked questions](#) (FAQ) to assist institutions and examiners on the application of CECL and related supervisory expectations.

For FR2644 purposes, institutions that have adopted ASU 2016-13 should:

Item 2: Securities

- For held-to-maturity securities, report the amortized cost net of any applicable allowance for credit losses.

Item 3: Federal Funds Sold

- For securities purchased under agreements to resell, report the amount net of any applicable allowance for credit losses.

Item 4: Loans

- Report the book value of all loans and leases before deduction of any general allowance for credit losses on loans and leases (ACL).

Item 4g: Allowance for loan and lease losses

- Report the allowance for credit losses on loans and leases.

Item 5a: Net due from related foreign offices, Item 9a: Net due to related foreign offices

- Include any allowance for credit losses for the positions reported in item 5a or 9a.

Item 5b: All other assets, including trading assets

- Report financial assets included within this line item net of any applicable allowances for credit losses.

Appendix

Report Forms

- [Board of Governors – Reporting Forms](#)
 - [FR2644 Report Form](#) (Current Report Form, approval expires March 31, 2022)
 - [FR2644 Instructions](#) (Report Instructions, effective January 1, 2021)
- [FFIEC – Reporting Forms](#)
- [H.8 “Assets and Liabilities of Commercial Banks in the United States” Statistical Release](#)

Reporting Central

- [Reporting Central on FRB Services](#)
- [Reporting Central Application Setup](#)
- [Reporting Central – Set Up Report Access](#)
- [Reporting Central User Guides](#)

Contact Information

- [Financial and Regulatory Reporting Contacts](#)
- [Reporting Central District Contacts](#)
- phil.statistics.bankcredit@phil.frb.org

Accounting Standards Updates

- [ASU 2016-02, Leases \(Topic 842\)](#)
- [FASB: Leases](#)
- [ASU 2016-13, Financial Instruments – Credit Losses \(Topic 326\)](#)
- [Frequently Asked Questions on New Accounting Standard on Financial Instruments – Credit Losses](#)