

Summary of Legitimate Interseries Differences

between the

Annual Report of Total Deposits and Reservable Liabilities  
(FR 2910a)

and the

Thrift Financial Report  
(OTS 1313)

**Federally Chartered Savings Banks  
Savings and Loan Associations  
Federally Chartered Cooperative Banks**

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## **Background**

“Interseries editing” compares data reported as of similar dates for analogous items from two different reports. Interseries editing enhances data quality by reconciling reporting discrepancies. Such discrepancies may be the result of a reporting error or may instead reflect legitimate differences between item definitions associated with the two reports. This document describes legitimate differences between the **Annual Report of Total Deposits and Reservable Liabilities (FR 2910a)** and the **Thrift Financial Report (OTS 1313)**, hereafter referred to in this document as the Call Report.

Interseries edits are performed for each OTS 1313 reporter (i.e., federally chartered savings bank, savings and loan association (S&L), and federally chartered cooperative bank) that reports the FR 2910a. The edits are based on data from the FR 2910a and the Call Report on June 30<sup>th</sup> each year.

A table showing the interseries item comparisons that are calculated each year appears in the next section, followed by a table summarizing most of the legitimate differences that might arise in reconciling those comparisons. Next, the two types of legitimate differences are discussed in detail: *general legitimate differences* that are valid for any item comparison, and *specific legitimate differences* that are valid only for the particular items being compared.

**Interseries Edits for OTS 1313 Reporters**

The following table shows the interseries item comparisons calculated for all OTS 1313 reporters that file the FR 2910a report.

<b>Detailed Interseries Item Comparisons for OTS 1313 Reporters</b>			
<b>FR 2910a</b>		<b>OTS 1313</b>	
<b>Line</b>	<b>Description</b>	<b>Code</b>	<b>Description</b>
1.	Total deposits	SC710	Schedule SC (Deposits)
2.a.	Net transaction accounts	DI310 - SC110	Schedule DI (Transaction accounts) - Schedule SC (Cash and non-interest-earning deposits)

<b>Summary of Legitimate Differences for OTS 1313 Reporters</b>	
<b>FR 2910a <i>less than</i> Call Report</b>	<b>FR 2910a <i>greater than</i> Call Report</b>
<i>Total Deposits</i>	
<ul style="list-style-type: none"> <li>• None.</li> </ul>	<ul style="list-style-type: none"> <li>• FR 2910a item may include certain escrow funds that are not included in the Call Report item.</li> <li>• FR 2910a item includes primary obligations while the Call Report item <i>does not</i> include primary obligations.</li> </ul>
<i>Net Transaction Accounts</i>	
<ul style="list-style-type: none"> <li>• FR 2910a item may exclude certain escrow funds that are not excluded from the Call Report item.</li> </ul>	<ul style="list-style-type: none"> <li>• FR 2910a item includes primary obligations with original maturities of less than seven days, while the Call Report item <i>does not</i> include primary obligations.</li> <li>• In calculating net transaction accounts, the FR 2910a netting items include only demand balances due from depository institutions in the U.S. and CIPC. In addition to these amounts, the Call Report netting item <i>also includes</i>: <ul style="list-style-type: none"> <li>○ Demand balances due from foreign depository institutions.</li> <li>○ Balances which may not be subject to immediate withdrawal.</li> <li>○ Demand balances due from Federal Home Loan Banks.</li> <li>○ Balances due from Federal Reserve Banks.</li> <li>○ Cash items payable immediately upon presentation to a depository institution outside the U.S.</li> <li>○ Vault cash.</li> </ul> </li> </ul>

Note: This table excludes interpretive differences because these legitimate differences are circumstance specific.

## **General Legitimate Differences**

The following legitimate differences may apply to any interseries item comparison.

### **Consolidation**

The FR 2910a report consolidates the head office and all branches (and operation subsidiaries and service corporations, if applicable) located in the 50 states of the United States, the District of Columbia, or on U.S. military facilities, wherever located. The deposit balances on the Call Report also include non-U.S. branches, Edge or Agreement subsidiaries, and International Banking Facilities (IBFs).

### **Primary Obligations**

Deposit balances on the FR 2910a may include primary obligations while deposit balances on the Call Report do not.

Certain liabilities of the reporting institution issued to nonexempt entities (e.g., nondepositories, such as individuals or businesses) are considered primary obligations. Except for a special class of due bills, similar liabilities issued to exempt entities (e.g., depository institutions) are not considered primary obligations. Primary obligations are reported as deposits on the FR 2910a because they are subject to reserve requirements and are considered part of the monetary aggregates. On the Call Report, however, primary obligations are not reported as deposits. For more information on primary obligations and a complete listing of exempt and nonexempt entities, see the FR 2910a instructions under “B. General Definitions.”

### **Interpretive Differences**

Some items may be classified on the Call Report as either deposits or accounts payable and other liabilities. On the FR 2910a, these items are generally reported as deposits. When reported as accounts payable and other liabilities on the Call Report, these items are omitted from the Call Report items used in interseries edit comparisons, making FR 2910a balances higher than Call Report balances when these items are present.

Examples of items that may be classified in this manner are: undistributed payments, advance payments of taxes and insurance, undistributed payroll deductions (withheld payroll taxes), and funds received in the course of servicing loans for others.

### **Escrow Funds**

Balances on the FR 2910a exclude certain types of escrow funds, while balances on the Call Report may or may not exclude escrow funds, depending on the item. FR 2910a balances exclude escrow funds that are held in the reporting institution's own trust department as part of the trust department's fiduciary activities, if such funds are kept properly segregated as trust funds and apart from the reporting institution's general assets.

## Specific Legitimate Differences

The most common explanations given for legitimate differences are discussed in turn below.

### 1. Total Deposits

FR 2910a		OTS 1313	
Line	Description	Code	Description
1.	Total deposits	SC710	Schedule SC (Deposits)

#### *Legitimate Difference:*

Escrow Funds: FR 2910a balance may be greater than the Call Report balance. The FR 2910a item includes escrow funds that the reporting institution keeps properly segregated as trust funds. In contrast, the Call Report item does not include any escrow funds. (For more information see the treatment of trust funds in the FR 2910a reporting instructions.)

Primary Obligations: FR 2910a balance may be greater than the Call Report balance because primary obligations must be included in the FR 2910a item, while the Call Report item *does not* include primary obligations.

### 2. Net Transaction Accounts

FR 2910a		OTS 1313	
Line	Description	Code	Description
2.a.	Net transaction accounts	DI310 - SC110	Schedule DI (Transaction accounts) - Schedule SC (Cash and non-interest-earning deposits)

#### *Legitimate Differences:*

Escrow Funds: Total transaction accounts (FR 2910a Worksheet line 4) may be less than transaction accounts on the Call Report. The FR 2910a item excludes escrow funds that the reporting institution keeps properly segregated as trust funds. In contrast, the Call Report item does not exclude such funds. (For more information see the treatment of trust funds in the FR 2910a reporting instructions.)

Primary Obligations: Total transaction accounts (FR 2910a Worksheet line 4) may be greater than transaction accounts on the Call Report because primary obligations must be included in the FR 2910a item, while the Call Report item *does not* include primary obligations.

#### Netting Items:

On the FR 2910a, two items are netted (subtracted) from total transaction accounts in order to calculate net transaction accounts. These netting items are:

- Demand balances due from depository institutions in the U.S. (FR 2910a Worksheet line 5)
- Cash items in process of collection (FR 2910a Worksheet line 6).

The calculation of net transaction accounts based on the Call Report, however, involves netting the

following additional balances. In each of the six cases listed below, the FR 2910a-based netting items are *lower* than the Call Report-based netting item. As a result, net transaction accounts are *greater* on the FR 2910a than on the Call Report.

*Demand balances due from foreign depository institutions:* The FR 2910a netting item (FR 2910a Worksheet line 5) includes only those demand balances that are due from U.S. depository institutions, while the Call Report netting item also includes demand balances that are due from foreign depository institutions.

*Balances not subject to immediate withdrawal:* The FR 2910a netting item (FR 2910a Worksheet line 5) includes only those balances that are subject to *immediate* withdrawal by the reporting institution (i.e., no notice period prior to withdrawal is associated with these deposits, regardless of whether a notice period is ever actually exercised). The Call Report netting item also includes balances which may not be subject to immediate withdrawal.

*Demand Balances due from Federal Home Loan Banks:* The FR 2910a netting item (FR 2910a Worksheet line 5) does not include balances due from Federal Home Loan Banks, while the Call Report netting item includes these balances.

*Balances due from Federal Reserve Banks:* The FR 2910a netting item (FR 2910a Worksheet line 5) does not include balances due from Federal Reserve Banks, while the Call Report netting item includes these balances.

*CIPC payable outside the United States:* The FR 2910a netting item (FR 2910a Worksheet line 6) includes only those cash items in process of collection that are payable immediately upon presentation in the United States. The Call Report netting item also includes cash items that are payable *outside* the United States.

*Vault cash:* The FR 2910a netting items (FR 2910a Worksheet lines 5 and 6) do not include vault cash, while the Call Report netting item includes vault cash.