

## Frequently Asked Questions (FAQs)

### Categories:

- BHC Report Modernization - General
- Edits & Edit Explanations
- Revisions
- Security
- Software & Software Vendors
- Submission Deadline
- IESUB Submission Issues

<b>BHC Report Modernization – General</b>
<p><i>Is BHC Report Modernization the same as the Call Report Modernization Initiative?</i></p> <p>No. Although this project has similarities to the Call Report Modernization Initiative, this effort is separate and distinct and has different technical requirements. Similarities include: 1) BHCs must submit their FR Y-9 reports electronically, and 2) BHCs must correct all validity edits and provide written explanations for all remaining edit exceptions. Differences include: 1) the use of the Federal Reserve's current Internet submission facility, IESUB (using either the data entry or file transfer functionality), and 2) XBRL format is not used.</p>
<b>Edits &amp; Edit Explanations</b>
<p><i>Will BHCs be given the opportunity to comment on edits for Bank Holding Company report validation purposes announced in a formal notice and request for comment (Federal Register notices)?</i></p> <p>No. The edits are not part of the formal Federal Register notice. However, edit criteria for each FR Y-9 report are listed at the end of the <u>report instructions</u>. BHCs may provide comments, suggestions, or questions at any time to a Report Analyst at the appropriate Reserve Bank.</p>
<p><i>What is an edit?</i></p> <p>An edit is a specific check on BHC report data for accuracy and/or reasonableness. There are four types of edit checks. Validity edits test data for mathematical accuracy and factual consistency. Quality edits test data for reasonableness. Intraserries edits test data from one reporting period to another reporting period. Interseries edits test data from one BHC report against data from another BHC report (for example, the FR Y-9LP vs. the FR Y-9C report data).</p>
<p><i>What is an edit exception?</i></p> <p>When BHC report data fails an edit check, this is referred to as an edit exception. The BHC Report Modernization Initiative requires that report data fail no validity edit checks. All other edit exceptions must be resolved by correcting any data errors or addressed by the BHC with a detailed written explanation. These explanations must then be transmitted to the Federal Reserve, along with the BHC's FR Y-9 report data, via IESUB.</p>

<p><i>What are unacceptable edit explanations?</i></p> <p>BHCs may reference the <u>Guidelines for Resolving Edits</u> for examples of incomplete explanations and comments that should be avoided when submitting edit explanations (i.e., BHCs should avoid unnecessary and irrelevant details or expressing comments about edit logic). BHCs may contact a Report Analyst at the appropriate Reserve Bank if further explanation of an edit exception is needed.</p>
<p><i>Are edit explanations provided for the edit exceptions considered under supervisory programs that monitor late or inaccurate reporting?</i></p> <p>Yes. Explanations to edit exceptions are considered under supervisory programs that monitor late or inaccurate reporting of data.</p>
<p><i>Will the Federal Reserve accept an explanation that the institution is researching the answer?</i></p> <p>No. You may need to begin your preparations of the FR Y-9 report earlier to ensure adequate time to resolve edit exceptions and to submit data with complete explanations on time. A Report Analyst at the appropriate Reserve Bank should be contacted if the BHC is unable to provide an explanation by the report submission deadline.</p>
<p><i>Are Edit Explanations made public?</i></p> <p>No. Narrative edit explanations are not disclosed to the public. They represent confidential communications with the Federal Reserve.</p>
<p><i>In addition to the edits that have been explained, could additional questions be asked by Reserve Bank Report Analysts?</i></p> <p>Yes. Reserve Bank Report Analysts may perform additional analysis of the data. Based on the analysis, further questions may be asked. BHCs are not required to submit responses to such inquiries via IESUB. They may receive such questions via follow-up phone calls, fax or e-mail, and may respond to the questions in a similar manner. If, however, the questions result in a change to the report data or edit explanations, the revisions must be submitted through IESUB.</p>
<p><i>If a BHC is new and reporting for the first time, will edits that compare current quarter's data to the previous quarter fail since there will have been no previous quarter data reported?</i></p> <p>No. The system will bypass such edits.</p>
<p><i>If a BHC switched from reporting on the FR Y-9SP to the FR Y-9C and FR Y-9LP this quarter, will edits that compare current quarter data to the previous quarter fail?</i></p> <p>Yes. The BHC will need to enter edit explanations for any of those failed edits referencing the fact that they were an FR Y-9SP filer in the past and are filing the FR Y-9C and FR Y-9LP for the first time.</p>
<p><i>What should be entered into the Notes to Financial Statements?</i></p> <p>If the BHC deems that further explanation about a specific item or transaction should be presented to users of the financial statement, the BHC may put the amount of the item with an explanation in the consecutively numbered lines of the Notes to the Balance Sheet or Income Statement on the FR Y-9C or the Notes to the Financial Statements on the FR Y-9LP or FR Y-9SP. This information becomes part of the financial data that is made available to the public.</p>

*What is the limit on the amount of space available for edit explanations and text items?*

The amount of space available for edit explanations in IESUB is 3,500 characters. BHCs should contact their vendor to determine their specifications.

## **Revisions**

*If a BHC submits a prior period correction, does the BHC need to ensure that this did not trigger edit failures to the current period data for which they need to provide additional explanations?*

Yes. BHCs should contact a Report Analyst to discuss transmission of or questions about revisions to periods prior to September 30, 2004. For periods September 30, 2004 and forward, the BHC should submit the revisions via IESUB. The Report Analyst will edit subsequent periods and the BHC will be contacted to re-submit reports for new edit failures or explanations that are not sufficient due to the revised data.

*While using the IESUB Data Entry facility, a BHC entered a report and the submission was unaccepted. Corrections to the data were made, and when attempting to resubmit, the original edit failures reappeared and the data will not resubmit. What should the BHC do?*

When a submission is unaccepted, the data and any edit failures received are automatically saved in IESUB. The BHC should return to the main menu and select "Data Entry" and click on "Next". The saved edits will appear again (*they are not automatically deleted*). Then, delete each inapplicable edit failure by placing a checkmark in the "Delete" box next to the appropriate edit. Then click the "Submit" button to submit the modified report.

*How can a BHC send a note to a Report Analyst to explain a revision to prior period data?*

If a BHC has information that is confidential or needs to communicate information to a Report Analyst, the BHC may enter that information in the box labeled "Remarks" which appears on the last page of the report in the IESUB data entry option. If the BHC uses vendor software to prepare the report, depending on the vendor, the software may prompt the BHC to enter information in "Notes: Schedule Y9C (Text4769)" when saving the file. (For FR Y-9LP and FR Y-9SP filers, the prompt will read "Notes: Schedule Y9LP" and "Notes: Schedule FRY9SP", respectively.) If a BHC enters any information in this field, it will automatically load into IESUB. This information is kept confidential just like narrative edit explanations.

*In preparing current period reports, a BHC noticed that a prior period was incorrect and revisions are needed. How does the BHC make prior period revisions?*

The as of date of the revision determines the approach to submitting the revision. Prior to September 30, 2004, the BHC must submit revisions in the manner they were initially submitted. If vendor software was used to create the initial file, the BHC should revise the file, import the revised file into IESUB, and resubmit the report. If the data entry option was used, data should be revised directly in IESUB and then resubmitted.

If the revision is for September 30, 2004 or after, the BHC has several options. The BHC may correct the data directly in IESUB and resubmit the report. If vendor software was used to create a file, this method would not automatically change the data file. The revision would only be reflected in IESUB. To reflect the revision in both the BHC file and IESUB, the BHC must correct the data in the file, import the revised file into IESUB, and resubmit the report.

Before submitting any revised financial data, the BHC may contact a Report Analyst to help determine the best way to submit revised reports.

*If an organization revises a bank's Call Report; do they need to revise their FR Y-9 report?*

Yes. If the revision impacts the consolidated data reported on the FR Y-9 reports, a revision should be submitted. A revision may also be required for parent company only reports if the change will affect net income or the investment in bank.

## **Security**

*Is the system secure?*

Yes. The process for submitting reports over the Internet has been carefully designed to ensure the confidentiality of the data and authenticity of the respondent. In addition, to ensure only authorized users can access the system, unique user identifications and passwords are issued to each person in the reporting institution who is responsible for submitting data. It is the responsibility of reporting institution staff to protect their user identifications and passwords. The reporting institution should advise the appropriate Reserve Bank contact of any changes in responsibility and request the necessary change in access. Please refer to the [IESUB General Instructions](#) for additional information.

*How are the passwords determined?*

Once the appropriate Reserve Bank receives an IESUB User Request Form, a user identification and password will be assigned to each individual who will be submitting reports. The first time an individual accesses IESUB, the individual will be prompted to change the password that was assigned. The password should be at least 8 characters in length and must contain alpha and numeric characters. The password will expire every 30 days at which time the individual will be prompted to change it. The current password may be changed at any time by accessing the link on the IESUB home page. If it becomes necessary, a new password can be issued by calling the appropriate Reserve Bank.

*Who has access to a BHC's data?*

Data that are saved in IESUB, but not submitted to the Federal Reserve, reside only in IESUB and are not made available to Reserve Bank Report Analysts. Data that are submitted, whether or not the submission is accepted, are available to the Report Analysts. The Federal Reserve will then release data to the public once the data are accepted and reviewed.

*Can an accounting firm or other third party submit data for a BHC?*

Yes. A third party may submit data if an IESUB User Request Form for the individual has been completed and authorized by a bank holding company officer, and sent to the appropriate Reserve Bank.

## **Software & Software Vendors**

*Does a BHC have to use a software vendor to submit the report in the correct format?*

No. While vendor software is an option, a BHC may also enter data directly or submit data by file transfer into IESUB. The use of vendor software is strictly a business decision.

*If a reporter changes vendors and subsequently has to revise prior period data, how will the new vendor have the necessary information in the system to do the period-to-period comparison?*

BHCs should contact their vendor to discuss the best approach for adding prior period data. Prior period data will need to be available in the new vendor's software not only to run the period-to-period comparisons in the current period and explain any edit exceptions, but also to revise prior period data. If the BHC does not have prior period data in their system, the BHC can use IESUB to revise the prior period data and determine if the revision triggered edit exceptions that require explanations.

### **Submission Deadline**

*What if a BHC is unable to meet the deadline?*

BHCs are expected to submit timely data. If the BHC is unable to meet the submission deadline, the BHC should contact a Report Analyst at the appropriate Reserve Bank as soon as possible to discuss the BHC's specific situation.

*When is the IESUB System available?*

The standard business hours of staffed IESUB support are 8:00 a.m. to 8:00 p.m., Eastern Time, Monday through Friday, except for bank holidays. The system should be available for use by organizations at other times, except for specified and limited scheduled system maintenance periods. IESUB notifies the user if, on occasion, the backend processing system is unavailable. In that case, data can be saved in IESUB, but the user will have to logon at another time to submit their data.

### **IESUB Submission Issues**

*Should a BHC submit the FR Y-9LP report before or after the FR Y-9C report?*

BHCs should submit the FR Y-9C report first. Edit checks on the FR Y-9LP report that compare FR Y-9LP and FR Y-9C data for consistency (referred to as interseries edits) can not be performed until the FR Y-9C submission is accepted. If a BHC attempts to submit the FR Y-9LP before the FR Y-9C, IESUB will return the following message:

***"Your report was saved but NOT accepted by the Federal Reserve. There was a mismatch between the edit explanations submitted and the edit failures detected.***

***Please provide any missing edit explanations and delete any unnecessary edits. If applicable, correct the data before resubmitting your report.***

***NOTE: FRY-9C filers must submit an accepted FRY-9C report before their FRY-9LP report can be accepted."***

*After a BHC clicks “submit”, how long will it take to receive notification that the report was accepted or not?*

The process of submitting a BHC report usually takes less than a minute, but can take as long as five minutes. IESUB will respond to your submission request with information detailing the status of the submission.

*If a report is “unaccepted”, what should a BHC do?*

If a report is “unaccepted”, review the information provided in the Edit Error Report. Either the report is missing edit explanations or edit explanations provided are not required. Additionally, if both the FRY-9LP and FRY-9C are required, the FRY-9LP report will not be “accepted” until after the FRY-9C report is “accepted.” Print the Edit Error Report and use it to correct the report, enter edit explanations, and/or delete edit explanations that are not required, and resubmit the report.

*When a BHC submits a report, the BHC receives a pop-up window indicating that there was a system error. What should the BHC do?*

This message indicates that there was a system problem and the data were not successfully submitted to the Federal Reserve. The data were saved and the BHC should try resubmitting the data at a later time. If, on subsequent attempts, the BHC is unable to submit data, the BHC should contact a Report Analyst.

*What does the status “unprocessed” mean?*

This occurs when the BHC clicks the “submit” button, intending to transmit the data, but the data were not sent to the Federal Reserve due to technical problems. When this occurs, the BHC will receive a pop-up window stating that there were technical errors. The BHC should try resubmitting the report at a later time. If, on subsequent attempts, the BHC is unable to submit the data, the BHC should contact a Report Analyst.

*While using the File Transfer process, a BHC uploaded a report and saved it, but when the BHC went back to edit it later, the edit explanations were missing.*

When a BHC uploads a report using the File Transfer process, the edit explanations are not saved until the BHC displays the edit explanation entry screen, even if they were submitted with the original file. To avoid needing to re-upload the file, save the data while on the edit entry screen.