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From: Bucher, Jerry [JBucher@ohiosavings.com]
Sent: Wednesday, May 21, 2003 8:33 AM
To: 'infocollection.comments@ots.treas.gov'
Subject: Revised: Proposed Agency Information Collection Activities; Comment Request - Thrift Financial Report: Schedule CMR (1550-0023) - 60-day notice

Four new comments have been added -- this is the end of our comments on this new proposal. Please see my other e-mail sent this morning regarding disregarding separate comments from Carl Wirtz of Ohio Savings Bank inadvertently sent yesterday. It had been our intention to send all our comments under one cover. Thank you.

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> Proposed Agency Information Collection Activities; Comment Request - Thrift Financial Report: Schedule CMR (1550-0023) - 60-day notice

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> General Comment

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> From an overall standpoint, this is a somewhat surprising development -- the change in data collection requirements to more granular data. I say surprising because now you are going deeper into institutional data and reporting, rather than pulling away. I understand from reading the Notice and Request For Comment why you want to continue to do require this information, but I would have thought you would go in the opposite direction, especially for larger institutions. The OTS recommended several years ago that our institution develop its own interest rate risk function with our own internal model in order to compute and understand our institution specific interest rate risk position. We have done exactly that and have come a long way in setting up systems, procedures, and the human resources in this vein. It was my understanding that the OTS wanted to move away from the risk consulting business. Similarly, commercial banks ARE on their own in using internal models!

to compute and understand their own risk position. A peer I know in an institution who works for a thrift-turned-commercial bank indicated that working with the FDIC in the area of interest rate risk modeling is much more efficient - no coinciding IRR computing being performed by the regulator. The Bank is responsible for setting up and proving to the examiners why they are doing what they are doing in their model. If you are truly interested in cutting down the reporting burden on us, why aren't you moving in the direction of the FDIC?

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> Specific Comments

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> Surprised you aren't asking us to separate out subprime loans. Subprime loans are lumped in with prime quality in RED and could skew the results in certain buckets. Seems it would be worthwhile that if you are asking to set things out differently and want the credit data, make this change now rather than later.

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> Curious why you are not asking for current WACs on non-teaser ARMs. Are you deriving them from the information supplied? Why would you want to do this - why not just have us give it to you while we are accumulating the information?

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> You indicated in the Notice and Request For Comment that you are contemplating enabling firms to give you detailed account level files. This sound like a good idea; this likely would save us much in the way of programming - and preparation time on a quarter to quarter basis.

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> Our institution has a financial data warehouse, where legacy system account level information is downloaded on a monthly basis for end users. Have you considered writing a query mechanism in something like Microsoft Access and other db tools that would allow the reporting firms

to put on top a database and simply specify db tables and field names for the data you require? You could save us all alot of time by giving us a tool to be able to extract the data as you need it.

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> If we or our mortgage servicer are going to spend the effort in setting up new data aggregation processes, why have any data requirements be optional? Optional requirements will invite thrifts to take the path of least resistance and simply postpone the provision for optional data. At some point the OTS will then make them mandatory, as was the case with deposit data (early withdrawals and new accounts). Either the data is meaningful, or it isn't. Also, if everyone isn't reporting the optional data, how can you compare the output on an 'apples to apples' basis.>

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> Can we dispense with all the name change definitions of new deposit accounts and use a more retail-based definition? It would seem no one except the OTS uses such a legalistic definition. Alternatively, can we at least move to a tax-payer ID definition? A more retail based definition of new accounts would lend itself to the use of this information for internal reporting purposes and cut down on the maintenance of two separate reporting requirements. This is consistent with the spirit of converting to RED reporting.

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> Cash, Overnight FF, Repos, etc. had not been valued by the OTS NPV model in the past, as is the case of Office, Premises, Equipment, Repo assets, R/E HFI, and Miscellaneous I. Should there not be a section for reporting assets and a section for liabilities that are not valued by the model wherein only the book balance is required?

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> We obtain a valuation of our mortgages serviced for others from an outside source. Can provision be made to provide for self-valuation of loans serviced for others?

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