

AN INSIDE LOOK

Trends for Banks and Credit Unions

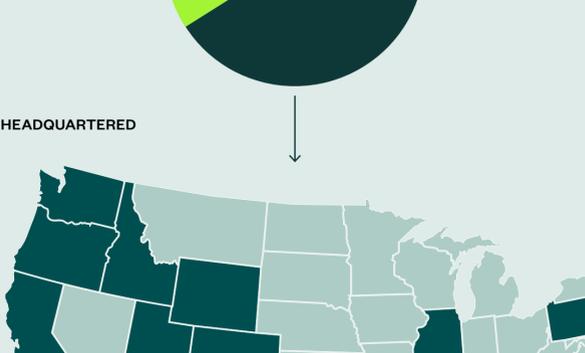
The Financial Accounting Standards Board (FASB) current expected credit loss (CECL) standard significantly impacts financial institutions, requiring robust implementation efforts.

To help you benchmark your organization's transition to the standard, our report offers feedback and trends gathered from banks and credit unions across the nation.

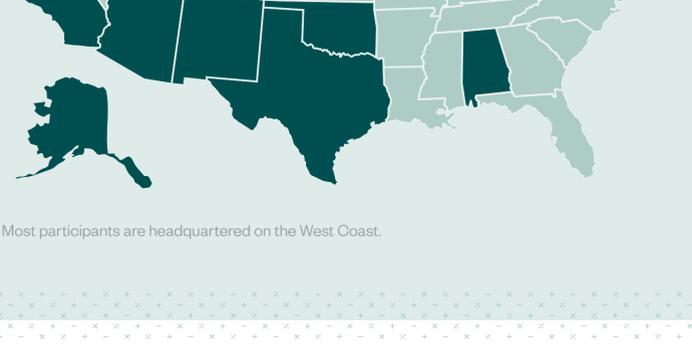
The complete survey findings are included in this report. For highlights and key takeaways, [view our executive summary](#).

PARTICIPANTS

TYPE



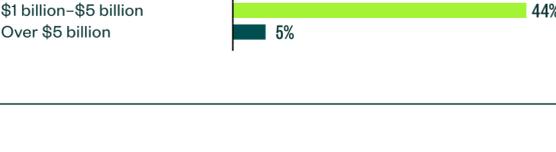
HEADQUARTERED



Most participants are headquartered on the West Coast.

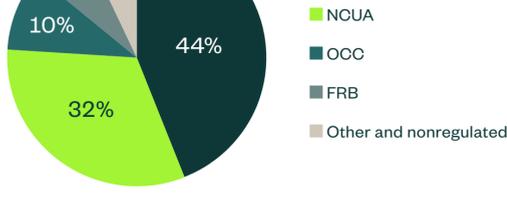
DEMOGRAPHIC

WHAT IS YOUR INSTITUTION'S ASSET SIZE?

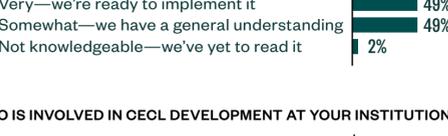


BACKGROUND

WHO IS YOUR PRIMARY REGULATOR?



HOW KNOWLEDGEABLE ABOUT THE CECL STANDARD IS YOUR INSTITUTION?



WHO IS INVOLVED IN CECL DEVELOPMENT AT YOUR INSTITUTION? SELECT ALL THAT APPLY.



IN WHAT CECL DEVELOPMENT STAGE IS YOUR INSTITUTION?



WHICH ASPECT OF CECL DO YOU ANTICIPATE WILL BE THE MOST DIFFICULT?

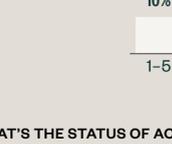


HOW MUCH ASSISTANCE DO YOU EXPECT FOR IMPLEMENTATION EFFORTS?



ASSET CLASS EVALUATION AND DISCOVERY

HOW DO YOU FORESEE YOUR LOAN SEGMENTS CHANGING UNDER CECL?



HOW MANY LOAN SEGMENTS DO YOU EXPECT UNDER CECL?

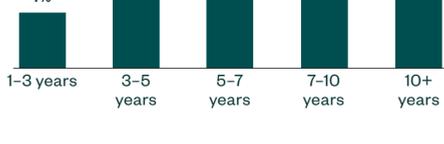


WHAT'S THE STATUS OF ACCESSING AND ACCUMULATING THE REQUIRED LOAN-LOSS DATA?



METHODOLOGY AND MODEL SELECTION

HOW FAR DO YOU PLAN TO LOOK BACK TO OBTAIN HISTORICAL LOSS INFORMATION?



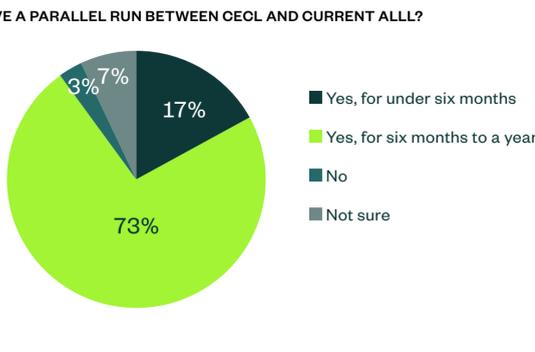
WHAT IS THE EXPECTED CHANGE IN YOUR ALLOWANCE FOR CREDIT LOSSES?



WHICH CECL MODEL(S) DO YOU EXPECT TO IMPLEMENT? SELECT ALL THAT APPLY.



DO YOU PLAN TO HAVE A PARALLEL RUN BETWEEN CECL AND CURRENT ALL?

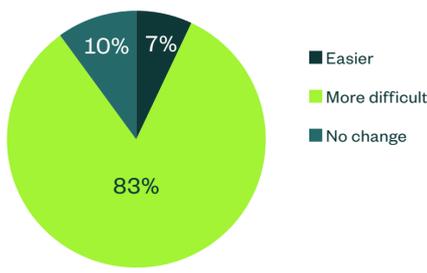


WHICH STAKEHOLDER IS MOST INFLUENTIAL ON YOUR INTERPRETING CECL?



MODEL DEVELOPMENT AND IMPLEMENTATION

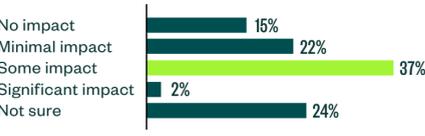
DO YOU THINK CECL WILL BE EASIER OR MORE DIFFICULT TO DOCUMENT AND SUPPORT?



BEYOND CECL, WHAT DO YOU HOPE TO GAIN FROM HAVING MORE AND BETTER QUALITY DATA?



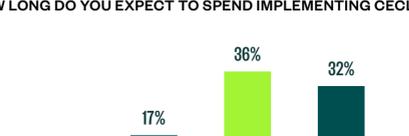
HOW MUCH IMPACT WILL CECL HAVE ON PRICING OF LOAN PRODUCTS?



WHICH OF THE FOLLOWING WILL BE CHALLENGING TO IMPLEMENT? SELECT ALL THAT APPLY.



HOW MUCH DO YOU EXPECT TO SPEND TO IMPLEMENT CECL?



HOW LONG DO YOU EXPECT TO SPEND IMPLEMENTING CECL METHODOLOGY AND PROGRAM?



HAVE YOU CONSIDERED OBTAINING AN INDEPENDENT VALIDATION OF YOUR CECL MODELS?



CONTACT US

If you have questions about the survey results or methodology, please email fi@mossadams.com.