Identify functional areas of your credit union that will play a role in implementing CECL.

Gather your CECL team to establish next steps and implementation timeline.

PLANNING

2020

EDUCATION

☐ Familiarize yourself with the new accounting standards (CECL).
☐ Familiarize yourself with the Joint Statement on the New Accounting Standard.

DATA INVENTORY & ANALYSIS

☐ Collect and retain data used in the current ALLL calculation.
☐ Decide how to segment loans.

METHODOLOGY SELECTION & TESTING

☐ Select a methodology based on data available.
☐ Perform an impact analysis.
☐ Validate the methodology, process, and impact analysis with your CECL team.

2021

FINALIZATION & IMPLEMENTATION

☐ Make final adjustments to methodology.
☐ Finalize methodology assumptions and data inputs.
☐ Determine the impact of CECL on capital.
☐ Update policies to reflect new operating procedures and responsibilities.
☐ Implement new policies and issue financial reports under new standard.

By December 2022