

Solvast|ALLL+™ Technology that's more than a credit loss model

It's time to do things differently.

There is general agreement that implementing the Financial Accounting Standards Boards' (FASB) new Current Expected Credit Loss (CECL) standard will be challenging.

Since the financial downturn, regulatory and audit scrutiny of banks' and credit unions' allowance processes have increased. Complying with the new CECL standard is more complex due to the numerous interdependencies across governance, modeling, credit analysis, production and financial reporting.

The moving parts of CECL and the importance of the new allowance process in supporting business decisions are driving institutions of all sizes to consider replacing their traditional spreadsheets and legacy IT solutions with a more responsive, configurable product – one with enabling tools and credit model options to sustain a CECL framework.

That's where Solvas|ALLL+ can help.

Why Solvas|ALLL+?

Solvast|ALLL+ is more than just a credit loss model. It's a technology product that transforms how financial institutions think about their allowance process. Solvas|ALLL+ provides an end-to-end view of the allowance process that begins with data integration controls and continues through data analysis, credit modeling, accounting, and financial statement disclosure.

The scalability and flexibility of Solvas|ALLL+ helps banks and credit unions prepare for an efficient transition to the CECL standard.

The clock is ticking ...



CECL compliance effective dates are looming:

- **January 1, 2020** for public business entity SEC filers
- **January 1, 2021** for public business entity non-SEC filers*

The Office of the Controller (OCC) and regulators are asking financial institutions **now** if they are ready to conduct a pro-forma parallel run for CECL readiness by 2019.

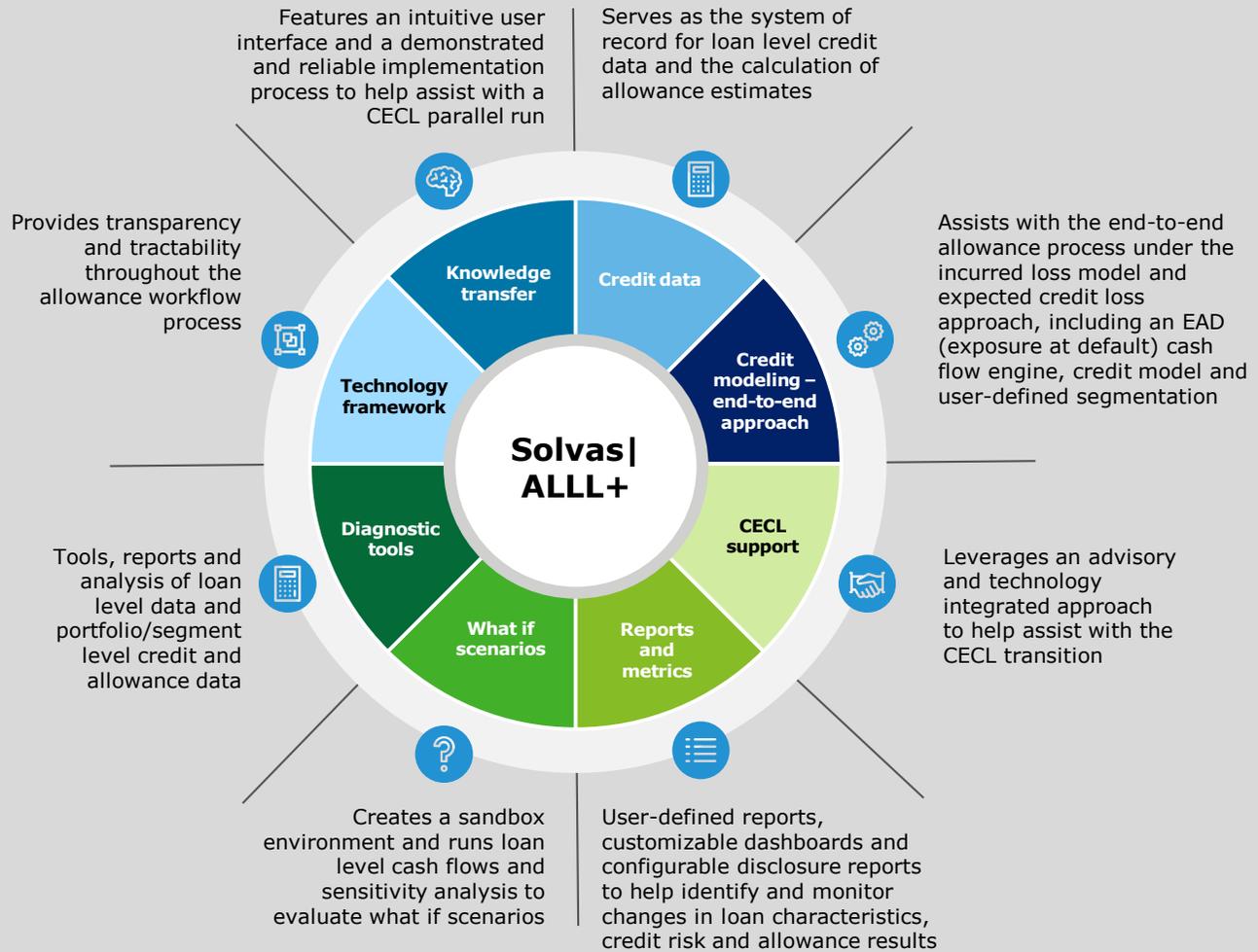
Five categories of work to consider in the parallel run process:

1. Resource planning
2. Technical functionality
3. Operational – start to finish
4. Allowance for credit losses approval processes
5. Reporting and messaging

Solvast|ALLL+ has the level of transparency in the modeling and workflow process, plus the efficiency in data management and integration, to help support the implementation and parallel run expected for the CECL transition.

**An extension of the effective date for non-public business entities (private entities) to January 1, 2022 is currently under consideration by FASB, which issued a related exposure draft on August 20, 2018.*

Solvus|ALLL+ enables the estimation of the allowance process while promoting integration across multiple business units and providing the scalability to help assist with an evolving portfolio structure. Components of the Solvus|ALLL+ experience include:



Contact us

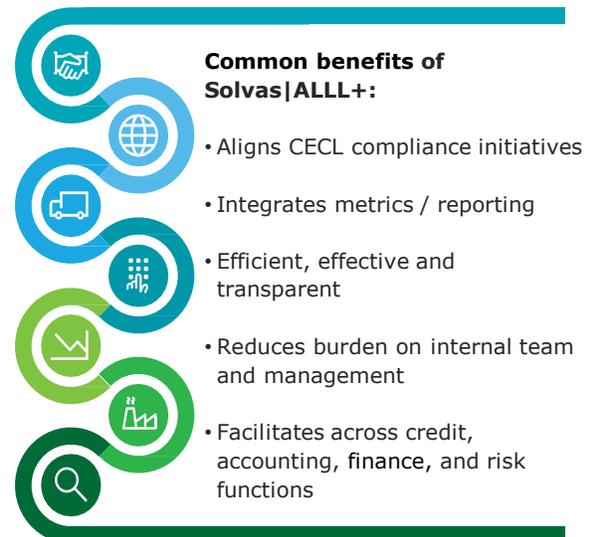
For more information on how Deloitte can help you get ahead of CECL compliance, contact:



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