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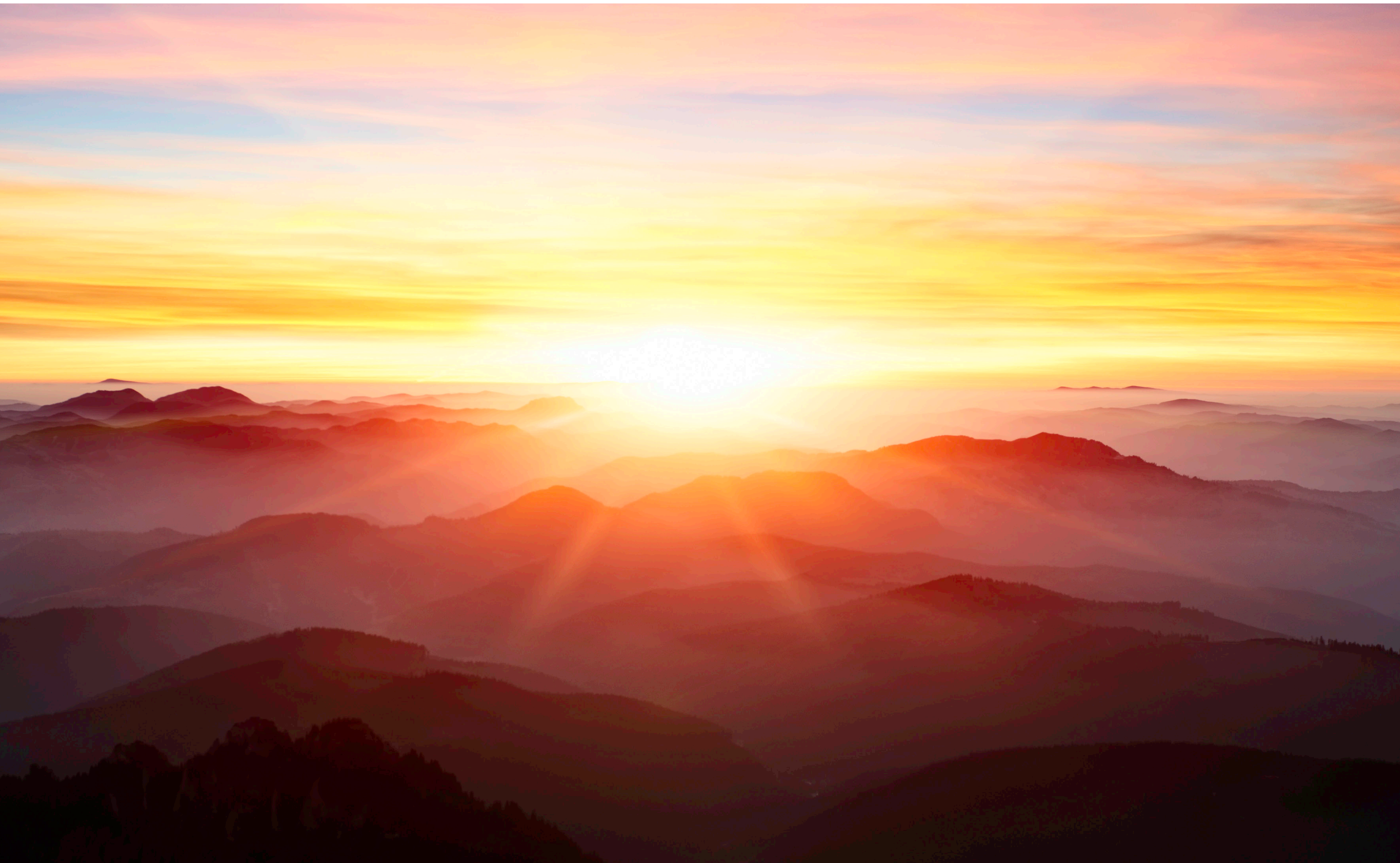
May 2020

Keeping You Informed

First quarter accounting and financial reporting developments



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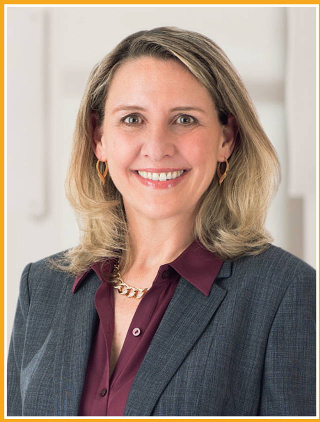
Special message from Sydney Garmong, Partner, National Office



Dear readers,

I sincerely hope this message finds you, your friends, your family, and your colleagues safe. In my career in public accounting, I have lived through many economic ups and downs. But nothing compares to the uncertainty we face with the coronavirus disease (COVID-19). As we know, this global pandemic affects us all and continues to be a fluid situation. We will find a way with what will be a new normal and strive to keep you updated as this unfolds.

See the Crowe COVID-19 impact and response webpage for additional insights.

First quarter highlights

During the first quarter of the 2020 calendar year, the Financial Accounting Standards Board (FASB) issued new accounting standards on the following topics:

- Reference rate reform
- Codification improvements to financial instruments
- Updates to codification for SEC guidance
- Clarifying interactions between accounting for equity securities, equity method investments, and certain derivative instruments

The FASB issued a proposal to delay the effective date of Topic 606, “Revenue From Contracts With Customers,” for franchisors that are not public business entities and will delay the effective date of Topic 842, “Leases,” for private companies and private not-for-profit (NFP) entities. In addition, the FASB also issued a proposal addressing NFP entities that receive contributed nonfinancial assets.

The Securities and Exchange Commission (SEC) released resources and guidance to address the impact of the coronavirus (COVID-19), issued a statement on the audit committee’s role in financial reporting, amended accelerated and large accelerated filer definitions, amended financial disclosure requirements related to debt offerings, proposed rules changes to the exempt offering framework, proposed changes to modernize securities market data infrastructure, provided guidance on key performance indicators, proposed changes to management’s discussion and analysis (MD&A) and other disclosures, shared cybersecurity and resiliency observations, and published its 2020 examination priorities.

The Public Company Accounting Oversight Board (PCAOB) posted information regarding how the board is addressing the impact of the coronavirus.

The AICPA established a coronavirus resource center page, released a special report on financial reporting considerations related to COVID-19, and published new technical question and answers on deferred taxes.

In addition to these highlights from the quarter, we have included recent developments from the Governmental Accounting Standards Board (GASB).

Checklists for the effective dates of FASB Accounting Standards Updates (ASUs) and GASB statements are provided in the appendix.

From the FASB

Final standards

Optional guidance on accounting for impacts of reference rate reform

On March 12, 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting." Regulators and market participants in various jurisdictions around the world have undertaken efforts, generally referred to as reference rate reform, to eliminate certain reference rates (such as the London Interbank Offered Rate or LIBOR) and introduce new reference rates that are based on larger and more liquid populations of observable transactions. This ASU provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. Optional expedients include:.

- Simplify accounting analysis under current GAAP for contract modifications if certain criteria are met.
- Allow hedging relationships to continue without dedesignation when certain changes in the critical terms of an existing hedging relationship due to reference rate reform occur.
- Allow a change in the systematic and rational method used to recognize in earnings the components excluded from the assessment of hedge effectiveness.
- Provide for fair value hedging relationships for which the derivative designated as the hedging instrument is affected by reference rate reform.
- Provide for cash flow hedging relationships affected by reference rate reform.
- Allow a one-time election to sell, transfer, or both sell and transfer debt securities classified as held to maturity that reference a rate affected by reference rate reform and that are classified as held to maturity before Jan. 1, 2020.

Effective dates

The amendments are effective for all entities from the beginning of an interim period that includes the issuance date of this ASU (March 12, 2020). An entity may elect to apply the amendments prospectively through Dec. 31, 2022.

Codification improvements to financial instruments

On March 9, 2020, the FASB issued ASU 2020-03, "Codification Improvements to Financial Instruments." This ASU was issued to clarify and improve various financial instruments topics. The amendments include the following improvements:

- **Issue 1 –** Clarifies that all entities, not just public business entities (PBEs), are required to provide fair value option disclosures.
- **Issue 2 –** Clarifies the applicability of the portfolio exception in measuring fair value for nonfinancial items accounted for as derivatives.
- **Issue 3 –** Clarifies that disclosure requirements in Topic 320 apply to disclosure requirements in Topic 942 for depository and lending institutions.
- **Issue 4 –** Adds cross-reference of line-of-credit or revolving-debt arrangements guidance to guidance in accounting for fees between debtor and creditor and third-party costs directly related to exchanges or modifications of debt instruments.
- **Issue 5 –** Clarifies that fair value measurement disclosure requirements do not apply to entities using the net asset value per share practical expedient.
- **Issue 6 –** Aligns the contractual term to measure expected credit losses for a net investment in a lease under the credit loss standard (Topic 326) with the lease term determined under the leases standard (Topic 842).
- **Issue 7 –** Clarifies that when an entity regains control of financial assets sold, an allowance for credit losses should be recorded in accordance with Topic 326.

Effective dates

For Issues 1, 2, 4, and 5, the amendments are effective for PBEs upon issuance of this update. For all other entities, the amendments are effective for fiscal years beginning after Dec. 15, 2019, and interim periods within those fiscal years beginning after Dec. 15, 2020. Early application is permitted.

For Issue 3, the amendments to ASU 2016-01 are effective for fiscal years beginning after Dec. 15, 2019, including interim periods within those fiscal years.

For Issues 6 and 7, the amendments to ASU 2016-13 are effective for PBEs that meet the definition of an SEC filer, excluding entities eligible to be smaller reporting companies (SRCs) as defined by the SEC, for fiscal years beginning after Dec. 15, 2019, including interim periods within those fiscal years. ASU 2016-13 is effective for all other entities for fiscal years beginning after Dec. 15, 2022, including interim periods within those fiscal years. Early application is permitted. For entities that have not yet adopted ASU 2016-13, the effective dates and transition requirements for these amendments are the same as the effective date and transition requirements of ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments are effective for fiscal years beginning after Dec. 15, 2019, including interim periods within those fiscal years.

Codification updates to reflect SEC rules

On Feb. 6, 2020, the FASB issued ASU 2020-02, "Financial Instruments – Credit Losses (Topic 326) and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 119 and Update to SEC Section on Effective Date Related to Accounting Standards Update No. 2016-02, Leases (Topic 842)." This ASU modified the FASB Accounting Standards Codification (ASC) to reflect previously issued SEC interpretations on accounting for loan losses by registrants engaged in lending activities subject to Topic 326. The ASU also modified the ASC to include the SEC staff announcement within Topic 842 that the SEC staff would not object to a public business entity that otherwise would not meet the definition of a PBE except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC adopting Topic 842 for fiscal years beginning after Dec. 15, 2020, and interim periods within fiscal years beginning after Dec. 15, 2021.

Effective date

This ASU was effective upon issuance.

Interactions between accounting for equity securities, equity method investments, and certain derivative instruments

On Jan. 16, 2020, the FASB issued ASU 2020-01, "Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815): Clarifying the Interactions Between Topic 321, Topic 323, and Topic 815." This ASU was issued to clarify the interaction of accounting for equity securities under Topic 321, investments accounted for under the equity method of accounting in Topic 323, and the accounting for certain forward contract and purchased options accounted for under Topic 815.

The ASU improves accounting for certain equity securities upon the application of discontinuation of the equity method of accounting. The amendments clarify that an entity should consider observable transactions that require it to either apply or discontinue the equity method of accounting for purposes of applying the measurement alternative in accordance with Topic 321 immediately before applying or upon discontinuing the equity method.

The ASU also clarifies that when determining the accounting for certain forward contracts and purchased options, an entity should not consider whether, upon settlement of the forward contract or exercise of the purchased option, individually or with existing investments, the underlying securities would be accounted for under the equity method in Topic 323 or the fair value option in accordance with the financial instruments guidance in Topic 825.

Effective date

For PBEs, the amendments are effective for fiscal years beginning after Dec. 15, 2020, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after Dec. 15, 2021, and interim periods within those fiscal years. Early adoption is permitted. The amendments should be applied prospectively.

Proposals

Delay of revenue recognition and leases for certain entities

At its April 8, 2020, board meeting, the FASB decided to propose amendments to the effective dates, for certain entities, of two of its major standards: revenue recognition and leases. On April 21, the FASB issued a proposed ASU, "Revenue From Contracts With Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities," for comment.

For franchisors that are not PBEs, the board is proposing to delay the effective date of Topic 606 to annual reporting periods beginning after Dec. 15, 2019, and interim reporting periods within annual reporting periods beginning after Dec. 15, 2020. The delay would be optional.

For private companies and private NFP entities, the board is proposing to delay the effective date of Topic 842 to annual reporting periods beginning after Dec. 15, 2021, and to interim periods within fiscal years beginning after Dec. 15, 2022.

For NFPs that have issued or are conduit bond obligors for securities that are traded, listed, or quoted on an exchange or an over-the-counter market (public NFPs), which have not yet issued financial statements, the board is proposing to delay the effective date to be fiscal years beginning after Dec. 15, 2019, including interim periods within those fiscal years. Early adoption will continue to be permitted.

The comment period closed May 5, 2020.

Contributed nonfinancial assets

On Feb. 10, 2020, the FASB issued a proposed ASU, "Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets," to improve transparency on how not-for-profit organizations present and disclose contributed nonfinancial assets.

The amendments specifically address the valuation of contributed nonfinancial assets received and the amount of those contributions used in a not-for-profit organization's programs and activities. Contributed nonfinancial assets are commonly referred to as gifts-in-kind and may include fixed assets; the use of fixed assets; supplies such as food, clothing, or pharmaceuticals; and contributed services.

The proposed ASU would require not-for-profit organizations to present contributed nonfinancial assets as a separate line in the statement of activities. The proposed ASU also would require disclosures of contributed nonfinancial assets received disaggregated by category and type. Additional disclosures for each category of contributed nonfinancial assets would be required including: a) whether the assets were or are intended to be monetized or utilized during the reporting and future periods; b) if the assets are utilized, a description of the programs or activities for which those assets were or are intended to be utilized; c) a description of any donor restrictions associated with the assets; and d) the valuation techniques and inputs used to arrive at the fair value measure, including the principal or most advantageous market.

The proposed amendments in this update would be applied on a retrospective basis to the first set of financial statements following the effective date. The effective date will be determined after the FASB considers respondents' feedback. Comments were due April 10, 2020.

Technical inquiries

Cash flow hedge accounting

On April 28, 2020, the FASB issued a staff Q&A, "Topic 815, Cash Flow Hedge Accounting Affected by the COVID-19 Pandemic," in response to stakeholder questions regarding the postponement or cancellation of forecasted transactions related to the effects of the COVID-19 pandemic when applying cash flow hedge accounting under Topic 815, "Derivatives and Hedging."

Leases and interest income recognition for payment deferrals

At its April 8, 2020, board meeting, the FASB discussed concerns related to effects of COVID-19. Two modification topics included leases, specifically concessions, and interest income recognition.

Related to leases, the board recognizes that lessors might be issuing broad-based and sweeping concessions, which create operational difficulties when applying the modification guidance in ASC 842/840. The FASB received a question whether any concessions related to COVID-19 must be accounted for under the ASC 842/840 modification guidance, citing the operational difficulties and complexities of assessing such concessions on a contract-by-contract basis. The FASB staff notes that ASC 842/840 did not contemplate the current scope of broad and sweeping modifications and concessions given by lessors. For concessions granted that are specifically related to COVID-19, the FASB staff indicates an entity could elect not to apply modification guidance, provided the cash flows in the modified lease are the same as or less than the original contract. The FASB staff also acknowledges judgment will need to be applied. On April 10, the FASB issued a FASB staff Q&A, "Topic 842 and Topic 840: Accounting for Lease Concessions Related to the Effects of the COVID-19 Pandemic."

For institutions aiding borrowers affected by COVID-19, the FASB staff answered a question about interest income recognition for a fact pattern than involves providing a loan payment holiday where no contractual interest would accrue during the payment holiday. The fact pattern includes that the loan payment holiday is not a troubled debt restructuring (TDR) and the loan payment holiday would not be accounted for as a continuation of the old loan (that is, extinguishment accounting is not applicable). The FASB staff heard two views – in view one, the new effective interest rate of the loan would be applied prospectively from the date of the modification resulting in interest income being recognized during the holiday. In view two, interest income would be recognized using the contractual terms; thus, no interest would accrue during the payment holiday. The FASB staff believes both views are acceptable under GAAP. The tentative conclusions from the April 8 meeting include interest income.

The FASB staff acknowledges diversity might exist for both the leasing question and the loan modification question, and it believes disclosure of an entity's policies for such transactions are key.

From the SEC

Response to the CARES Act for loan modifications and option to delay current expected credit losses (CECL)

Option to delay GAAP provisions

On April 3, 2020, the chief accountant of the SEC issued a statement noting the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) provides the option to temporarily defer or suspend the application of two provisions of GAAP and would be in accordance with GAAP. The two provisions of the act are Section 4013, "Temporary Relief From Troubled Debt Restructurings (TDRs)," and Section 4014, "Optional Temporary Relief From Current Expected Credit Losses."

As such, eligible registrants can elect to take the delay. Registrants must make the election for the first quarter. During the delay, a registrant would continue to use the incurred loss model for the allowance for loan and lease losses (ALLL) for each quarter. The delay ends the earlier of the termination of the national emergency or Dec. 31, 2020.

Based on consultation with the SEC staff, the following illustrates when the delay ends and how transition occurs:

- If the national emergency terminates on June 5, 2020, adopt CECL that quarter (June 30, 2020), retrospective to Jan. 1, 2020.
- If the national emergency terminates on Nov. 1, 2020, adopt CECL that quarter (Dec. 31, 2020), retrospective to Jan. 1, 2020.
- If the national emergency does not terminate by Dec. 31, 2020, adopt CECL as of Dec. 31, 2020, retrospective to Jan. 1, 2020.

The result is all calendar year registrants will reflect CECL in their 2020 Form 10-K.

COVID-19 resources and guidance

Coronavirus response

The SEC has established a COVID-19 response page that describes how the SEC is addressing the impact of COVID-19 through maintaining SEC operations continuity; monitoring markets and engaging with market participants; providing guidance and targeted regulatory assistance and relief, enforcement, examinations, and investor education; and extending comment periods for certain pending actions and rules. The page includes links to all of the current resources and guidance available from the SEC.

Extension of conditional reporting deadline relief for public companies

On March 25, 2020, the SEC issued an order, which supersedes its March 4 order, giving registrants affected by COVID-19 temporary relief from certain filing and regulatory requirements. The order provides an additional 45 days to make required *Exchange Act* filings that would have been due between March 1 and July 1, 2020, if a registrant is unable to meet a deadline because of circumstances related to COVID-19.

The order specifies that a Form 8-K must be filed by the later of March 16, 2020, or the original report deadline, and the Form 8-K should include:

- A statement that the registrant is relying on the order
- A brief description of why the registrant could not file on time
- The estimated date by which the registrant expects to file the report or form
- If appropriate and material, an explanation of the risk factor of COVID-19 on the registrant's business
- If the reason the report could not be filed on time relates to the inability of any person, other than the registrant, to furnish any required opinion, report, or certification, an exhibit statement signed by such person stating the specific reasons why he or she could not furnish such items

A Form 12b-25 does not need to be filed if the report is filed within 45 days of the original filing deadline, and registrants can rely on Rule 12b-25 if they are unable to file the required reports on or before the extended due date.

Additionally, the SEC clarified that, for purposes of the eligibility to use Form S-3 or Form S-8 and to meet the current public information eligibility requirements of Rule 144(c), a company relying on this temporary relief order will be considered current in its filing requirements under the *Exchange Act* if it was current as of March 1, 2020, and it files any report due during the relief period within 45 days of the original filing deadline.

The order also provides certain relief for delivery of proxy or information statements to security holders under the *Exchange Act* when mail delivery is not possible.

SEC statement on importance of disclosures

On April 8, 2020, SEC Chairman Jay Clayton and Director of the SEC's Division of Corporation Finance (Corp Fin) William Hinman jointly issued a public statement providing observations addressing the importance of disclosure in this time of uncertainty and requesting actions. The statement includes a call to action "that companies provide as much information as is practicable regarding their current status and plans for addressing the effects of COVID-19." In addressing this call to action the SEC recognizes "that producing forward-looking disclosure can be challenging and believe that taking on that challenge is appropriate" and that "robust, forward-looking disclosures will benefit investors, companies and, more generally, our fight against COVID-19. Such disclosures will facilitate communication and coordination among the public and private sectors."

Related to developing robust disclosures as the country's response to COVID-19 has significantly affected the economy and markets, the statement highlights the following:

"Disclosures should reflect this state of affairs and outlook and, in particular, respond to investor interest in: (1) where the company stands today, operationally and financially, (2) how the company's COVID-19 response, including its efforts to protect the health and well-being of its workforce and its customers, is progressing, and (3) how its operations and financial condition may change as all our efforts to fight COVID-19 progress. Historical information may be relatively less significant."

Coronavirus disclosure guidance

Also on March 25, 2020, Corp Fin staff issued "CF Disclosure Guidance: Topic No. 9 – Coronavirus (COVID-19)," which summarizes the staff's views on disclosure and other securities law obligations that companies should consider with respect to COVID-19 impacts and disruptions. The staff acknowledges the difficulty in precisely assessing or predicting the company-specific COVID-19 impacts because the actual impacts depend on factors beyond a company's control. However, the staff also points out that company-specific COVID-19 disclosure (for example, the effects of COVID-19 on the company, management's expectation of future impacts, and management's response to current events and plans for related uncertainties) might be material to investment and voting decisions.

The guidance reminds registrants of the need for disclosures related to COVID-19 within the context of the principles-based disclosure system of the federal securities laws and the SEC's focus on registrant disclosure of new and evolving risks, and then delves deeper on specific disclosure topics including:

- Assessing and disclosing the impact of COVID-19. The guidance provides a list of questions for registrants to ask with respect to their present and future operations and reminds registrants of the availability of safe harbors for forward-looking statements in Section 27A of the *Securities Act* and Section 21E of the *Exchange Act*.
- The need to refrain from trading prior to the disclosure of material nonpublic information. The guidance reminds registrants of their obligations to monitor their market activities, refrain from selective disclosures, and update disclosures when necessary.
- Reporting earnings and financial results. The staff encourages effective project management steps to address unique and complex accounting issues (for example, early engagement of third-party experts for goodwill impairment assessment) and provides thoughts on non-GAAP measures.

Registrants requiring additional guidance are encouraged to contact the staff directly.

Manual signature guidance

On March 24, 2020, Corp Fin staff (in conjunction with the Division of Investment Management and the Division of Trading and Markets) released a statement regarding the manual signature requirements for certain documents filed electronically with the SEC under Rule 302(b) of Regulation S-T. While the staff continues to expect compliance with the rule, the staff recognizes the health, transportation, and logistical difficulties resulting from COVID-19. The statement indicates that, due to these difficulties, the staff will not recommend enforcement action with respect to Rule 302(b) if the filer meets certain specific procedural requirements, as outlined in the statement.

Guidance to promote continued shareholder engagement

The SEC issued guidance on March 13, 2020, aimed at assisting public companies, investment companies, shareholders, and other market participants affected by COVID-19 with their upcoming annual shareholder meetings. The guidance provides information regarding changing the date, time, or location of an annual meeting including using technology and holding virtual shareholder meetings. It also addresses presentation of shareholder proposals including providing alternatives.

In the press release, the SEC reiterates that it will continue to closely monitor the impact of COVID-19 on investors and the capital markets. It also encourages companies, shareholders, and other market participants to contact the SEC staff with any questions and concerns.

Joint statement on financial reporting considerations for the coronavirus

On Feb. 19, 2020, the SEC and PCAOB issued a joint statement covering, among other items, the effects of the coronavirus on financial reporting including the issuer's disclosures and the audit firm's audit quality. The statement acknowledges that the effects of the coronavirus on any particular industry or issuer might not be known. However, users might need disclosure of how issuers plan for and respond to coronavirus events. The statement reminds companies to work with their audit committees and auditors to "ensure that their financial reporting, auditing and review processes are as robust as practicable in light of the circumstances in meeting the applicable requirements."

Public statements and announcements

Postponed compliance outreach seminar

The SEC has postponed its national compliance outreach seminar scheduled for April 21, 2020, at its headquarters in Washington, D.C., and will reschedule it for later this year if appropriate. It would be the SEC's 10th seminar covering regulations, compliance, and investor protection topics for senior personnel of investment companies and investment advisory firms.

Audit committee's role in financial reporting

On Dec. 30, 2019, SEC Chairman Jay Clayton, Chief Accountant Sagar Teotia, and Corporation Finance Director William Hinman issued "Statement on Role of Audit Committees in Financial Reporting and Key Reminders Regarding Oversight Responsibilities."

The statement acknowledges the vital role of audit committees in financial reporting and oversight in the preparation and review of financial information for investors and markets. It addresses potential focus areas for audit committees for the 2019 calendar year-end financial reporting process. The statement's observations are intended to help audit committees carry out their year-end work, including promoting constructive dialogue among audit committees, management, and independent auditors. Financial reporting and auditing topics highlighted in the statement include the audit committee's role in setting the tone at the top, responsibility for auditor independence, implementation of new significant accounting standards, and communications with the audit committee.

Additionally, the statement provides more specific observations on the audit committee's responsibilities related to non-GAAP measures, reference rate reform, and critical audit matters.

Rules and guidance

Amendments to accelerated and large accelerated filer definitions

On March 12, 2020, the SEC adopted amendments to the accelerated filer and large accelerated filer definitions, which will result in fewer registrants being required to obtain an auditor attestation on the effectiveness of internal control over financial reporting (ICFR). According to the final rule, an issuer that qualifies as an SRC and has annual revenues of less than $100 million also qualifies as a nonaccelerated filer and, therefore, is not required to obtain an auditor's attestation on ICFR and is not subject to any accelerated filing requirements.

The table summarizes the new definitions with regards to public float and revenue classification thresholds for each potential category of issuer:

Thresholds and resulting filing status		
Public float	**Annual revenues**	**Filing status**
Less than $75 million	N/A	SRC and nonaccelerated filer (ICFR attestation not required)
$75 million to less than $700 million	Less than $100 million	
$75 million to less than $250 million	$100 million or more	SRC and accelerated filer
$250 million to less than $700 million	$100 million or more	Accelerated filer (not SRC)
$700 million or more	N/A	Large accelerated filer

The amendments have no impact on the statutory exemption from Section 404(b) afforded to an issuer that qualifies as an emerging growth company. The amendments also do not change the requirement that companies establish, maintain, and provide management's assessment on the effectiveness of ICFR.

Additionally, the amendments increase the public float transition threshold for an accelerated filer or large accelerated filer to become a nonaccelerated filer to $60 million from $50 million, and for a large accelerated filer to become an accelerated filer to $560 million from $500 million. Also, a revenue test was included in the transition thresholds for exiting both accelerated and large accelerated filer status.

The amendments became effective April 27, 2020, and apply to an annual report filing due on or after the effective date

Financial disclosure requirements related to debt offerings

The SEC adopted, on March 2, 2020, amendments to the financial disclosure requirements for registered debt offerings that include credit enhancements, such as subsidiary guarantees, or affiliates whose securities are pledged as collateral. The requirement changes are designed to improve the quality of disclosure and increase the likelihood that issuers will complete registered debt offerings.

Included among the disclosure requirement changes, the SEC reduced the circumstances that require separate audited financial statements of subsidiary issuers and guarantors. In place of separate statements, the SEC simplified the required alternative disclosures. Regarding separate financial statements of affiliates whose securities are pledged as collateral for registered securities, the SEC revised the required disclosure to be similar to those for subsidiary issuers and guarantors.

The amendments will be effective Jan. 4, 2021, but early voluntary compliance is permitted.

Proposed rule changes to the exempt offering framework

To promote capital formation and increase investment opportunities while still protecting investors, the SEC proposed changes to the framework for securities offerings that are exempt from registration. The amendments, as proposed on March 4, 2020, are aimed at simplifying and improving the exempt offering framework, which currently includes 10 different exemptions and complex rules covering issuers with multiple securities transactions.

Incorporating feedback received on the SEC's concept release in June 2019, the proposal would, among other changes, create an integration principle to help determine whether multiple securities transactions by an issuer should be considered part of the same offering, provide certain safe harbors, increase certain types of offering and investment limits, expand the availability of certain "test-the-waters" communications for exempt securities, and simplify certain disclosure and eligibility requirements and disqualification provisions to decrease differences among the multiple exemptions.

Comments are due June 1, 2020.

Proposal to modernize key market infrastructure for securities market data

The SEC released, on Feb. 14, 2020, a proposal to modernize the infrastructure for market data collection, consolidation, and dissemination for exchange-listed national market system (NMS) stocks. The proposal would "update and expand the content of NMS market data to better meet the diverse needs of investors in today's equity markets. The Commission has not significantly updated the rules that govern the content and dissemination of NMS market data since their initial implementation in the late 1970s." As part of the proposal, competitive forces would be included in the national market system, which would increase the NMS market data and potentially benefit all market participants.

This proposal is the latest initiative in the SEC's efforts to modernize the national market system to better fit the needs of investors and other market participants.

Comments on the proposal are due May 26, 2020.

Interpretive guidance on key performance indicators

On Feb. 25, 2020, the SEC published interpretive guidance on the use of key performance indicators (KPIs). KPIs can include measures defined in GAAP, a non-GAAP measure, or a different measure. GAAP and non-GAAP measures differ from other KPIs in that specific frameworks exist for their use (for example, non-GAAP measures are defined in Item 10(e) of Regulation S-K, and specific rules and requirements exist for the use of non-GAAP measures in SEC filings). KPIs other than GAAP or non-GAAP measures are not directly addressed in SEC rules or regulations.

The interpretive guidance provides guidance on the types of disclosures the SEC would expect with respect to KPIs, including when the entity changes the calculation or method used to compare the KPIs from one period to another. It also reminds registrants of the need to consider disclosure controls and procedures when disclosing a KPI.

Proposed changes to MD&A and other disclosures

On Jan. 30, 2020, the SEC announced that it is proposing amendments to modify certain Regulation S-K financial disclosure requirements and is issuing guidance on KPIs and metrics in management's discussion and analysis (MD&A).

The proposed amendments would eliminate duplicative disclosures including item 301 (selected financial data) and item 302 (supplementary financial data). They also would amend item 303 (MD&A).

Proposed changes to MD&A requirements include:

- Adding a new item 303(a) to state the principal objectives of MD&A
- Replacing item 303(a)(4), off balance sheet arrangements, with a principles-based instruction to guide registrants to discuss off balance sheet arrangements in the broader context of MD&A
- Removing item 303(a)(5), tabular disclosure of contractual obligations
- Including a new item 303 disclosure requirement for critical accounting estimates
- Changing the item 303(b) interim MD&A requirement to provide flexibility by allowing companies to compare their most recently completed quarter to either the corresponding quarter of the prior year (as is currently required) or to the immediately preceding quarter

The guidance on KPIs and metrics provides that, where companies disclose metrics, the SEC would expect to see additional disclosures such as:

- Definition of the metric and how it is calculated, including estimates and assumptions
- Reasons why the metric provides useful information to investors
- Description of how management uses the metric in managing or monitoring the performance of the business
- Description of changes in the method for calculating metrics and reasons for the changes, if applicable

The guidance also reminds companies of the requirements in *Securities Exchange Act* rules 13a-15 and 15d-15 to maintain disclosure controls and procedures and notes that companies should consider these requirements when disclosing metrics.

Comments were due April 28, 2020.

Cybersecurity and resiliency observations

On Jan. 27, 2020, the SEC's Office of Compliance Inspections and Examinations shared cybersecurity and operational resiliency examination observations in a report highlighting approaches taken by market participants in the following areas:

- Governance and risk management
- Access rights and controls
- Data loss prevention
- Mobile security
- Incident response and resiliency
- Vendor management
- Training and awareness

The publication notes that not all of the practices described are suitable for all organizations, but the SEC is providing these observations, including example practices and controls to safeguard against threats and respond to incidents, to help market participants as they consider ways to improve cybersecurity preparedness and operational resiliency.

Guidance on Regulation S-K interpretation

On Jan. 24, 2020, the Corp Fin updated its Compliance and Disclosure Interpretations (C&DI) of Regulation S-K. New questions 110.02, 110.03, and 110.04 provide guidance on preparing item 303, MD&A of financial condition and results of operations.

Proposal to update auditor independence framework

The SEC announced, on Dec. 30, 2019, a proposal to codify certain staff consultations and update parts of its auditor independence framework. Since the rules were most recently revised in 2003, capital markets and market participants have changed significantly. The proposed amendments would let audit committees and SEC staff focus more on relationships and services that might pose threats to an auditor's objectivity and impartiality and less on those that might trigger nonsubstantive rule breaches or time-consuming audit committee review of nonsubstantive matters.

Comments were due March 16, 2020.

Disclosure guidance for international intellectual property and technology risks

On Dec. 19, 2019, the Corp Fin staff issued "CF Disclosure Guidance: Topic No. 8 – Intellectual Property and Technology Risks Associated With International Business Operations." The guidance presents Corp Fin's views of disclosures that companies should consider for intellectual property and technology risks that might arise during the companies' participation in international operations.

Guidance on confidential treatment applications

Corp Fin, on Dec. 19, 2019, issued "CF Disclosure Guidance: Topic No. 7 – Confidential Treatment Applications Submitted Pursuant to Rules 406 and 24b-2," detailing how and what companies should submit when filing an application objecting to public release of information that otherwise is required to be filed under the *Securities Act* and the *Securities Exchange Act*. This guidance replaces and supersedes the guidance provided in Staff Legal Bulletins 1 and 1A.

Examination priorities

The SEC's Office of Compliance Inspections and Examinations (OCIE) revealed, on Jan. 7, 2020, its 2020 examination priorities. Annually, the OCIE publishes its examination priorities to provide transparency into its examination program and insights into its risk-based approach, including the areas that might present risks to investors and U.S. capital market integrity.

The OCIE's 2020 examination priorities are categorized as follows:

- Protection of retail investors, including seniors and those saving for retirement
- Market infrastructure with specific focus on the security and resiliency of entities' systems
- Information security
- Focus areas related to investment advisers, investment companies, broker-dealers, and municipal advisers
- Anti-money laundering programs
- Financial technology and innovation, including digital assets and electronic investment advice
- Financial Industry Regulatory Authority and Municipal Securities Rulemaking Board operations

In the release, the SEC says that the "published priorities for FY 2020 are not exhaustive and will not be the only areas OCIE focuses on in its examinations, risk alerts, and investor and industry outreach."

Staffing updates

On March 12, 2020, the SEC announced that after nearly 20 years of public service Kyle Moffatt, chief accountant and disclosure program director of Corp Fin, would leave the SEC later that month. Upon Moffatt's departure, Lindsay McCord and Patrick Gilmore, deputy chief accountants in Corp Fin, will become acting chief accountant and acting disclosure review program director, respectively.

On Feb. 13, 2020, the SEC announced that Nancy Sumption will serve as Chairman Clayton's senior adviser for cybersecurity policy. The responsibilities of this role include addressing coordination efforts on cybersecurity policy throughout the SEC, connecting with external stakeholders on cybersecurity matters, and improving the SEC's processes for assessing and responding to cyberrelated risks. Sumption has nearly three decades of legal, policy, operations, and executive risk management experience working in both the national security and corporate sectors.

From the PCAOB

Addressing the coronavirus

The PCAOB posted on March 18, 2019, an update on its operations in light of the coronavirus (COVID-19). The release describes the activities of the PCAOB and the current impact that the coronavirus is having on operations. Among other actions and impacts, the PCAOB highlighted the following:

- Domestic firm inspections will be conducted remotely to the maximum extent possible.
- Enforcement and investigative efforts are continuing to the maximum extent possible.
- Comments submitted within a reasonable timeframe will still be accepted on the quality controls standards concept release.
- Registration activities will continue.
- The board will continue to meet virtually and vote on pending items.
- In-person events, roundtables, meetings, and visits are cancelled, but online webinars and/or other virtual meetings will still take place.
- Coordination efforts with the SEC and other regulators and governmental entities will continue.

In the press release, the PCAOB said, "As we navigate these uncharted waters, we remain operational and focused on our mandate to protect investors and the public interest by promoting informative, accurate, and independent audit reports. We will, however, adjust our regulatory and operational activities as necessary. While the COVID-19 situation continues to present a unique set of challenges, we are grateful to our staff for their flexibility and dedication as we continue to carry out our core oversight functions and other important work to support the PCAOB's mission, vision, and values."

Staffing updates

On Jan. 31, 2020, the PCAOB announced that after eight years of service with the PCAOB, Chief of Staff Francis "Abe" Dymond would leave the PCAOB in March 2020. Dymond became chief of staff in January 2018, a role that includes advising the board on all matters that come before the PCAOB, working directly with board members and staff, and assisting Chairman William Duhnke in his management and administration of the PCAOB.

From the AICPA

Resource site for addressing coronavirus matters

The AICPA has created a coronavirus resource center webpage presenting resources that the AICPA has developed and gathered to help the accounting profession stay up to date on matters affected by coronavirus. The site offers information on:

- CARES Act news and resources
- COVID-19 resources addressing audit and assurance, accounting and reporting, technology, and tax, among other topics
- Advocacy and tax relief matters
- Virtual and other learning opportunities
- News and other resources

FAQ document on COVID-19 auditing and financial reporting issues

On April 3, 2020, the AICPA released "FAQs – Audit Matters and Auditor Reporting Issues Related to COVID-19," which is intended to help both auditors of financial statements and preparers by providing answers to frequently asked questions and guidance on several financial reporting topics. The report answers questions on various auditing areas and provides information addressing the financial reporting considerations for risks and uncertainties, subsequent events and going concern, fair value measurements, asset impairments, unusual or frequent events, and deferred tax assets.

COVID-19 financial reporting considerations

On March 18, 2020, the AICPA issued a special report addressing the financial reporting implications and challenges created by the coronavirus. The report provides, among other topics, reminders of areas to consider including subsequent events, accounting estimates, asset impairment, loss contingencies, the ability to continue as a going concern, leases, variable consideration, risks and uncertainties disclosures, and hedging relationships. It also provides examples of disclosures from 10-K forms.

New TQAs on deferred taxes

In December 2019, the AICPA issued Technical Questions and Answers (TQAs) under Section 3300, "Deferred Taxes." The new TQA section provides guidance relating to the limitation on interest deductibility for certain companies adopted under Section 163(j) of the Internal Revenue Code, as amended by the *Tax Cuts and Jobs Act of 2017*, which in general limits deductions of net interest expense to 30% of adjusted taxable income. Section 163(j) was effective for tax years beginning after 2017. The TQAs also describe how an entity should assess realizability of its existing deferred tax assets related to disallowed interest deductions when there are 1) reversing deferred tax liabilities, and 2) an expectation of future interest expense that also will be limited under Section 163(j).

From the GASB

Final standards

Omnibus 2020

On Feb. 5, 2020, the GASB issued Statement No. 92, "Omnibus 2020," which addresses various accounting and financial reporting practice issues identified during the implementation and application of certain GASB statements.

The statement covers the following issues:

- Modifying the effective date of Statement 87, "Leases," and associated implementation guidance, to fiscal years beginning after Dec. 15, 2019, to address concerns about interim financial reports
- Reporting intra-entity asset transfers between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- Applying Statement 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68," as amended, and Statement 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans," as amended, to reporting assets accumulated for pensions and OPEB
- Applying certain requirements of Statement 84, "Fiduciary Activities," to pension and OPEB arrangements
- Measuring liabilities and assets, if any, related to asset retirement obligations in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Referencing nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Using updated terminology when referring to derivative instruments

Effective date

- Requirements of the statement that relate to the effective date of Statement 87 and its associated implementation guidance are effective upon issuance.
- Provisions related to the application of Statement 84 are effective for periods beginning after June 15, 2020.

- Provisions related to intra-entity transfers of assets and applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020.
- The remaining requirements related to asset retirement obligations are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020.

Earlier application is encouraged and is permitted by topic.

Replacement of interbank offered rates

On April 2, 2020, the GASB issued Statement 93, "Replacement of Interbank Offered Rates," which addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

The statement addresses the following issues:

- "Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- "Clariifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- "Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- "Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- "Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- "Clarifying the definition of reference rate, as it is used in Statement 53 ["Accounting and Financial Reporting for Derivative Instruments"], as amended
- "Providing an exception to the lease modifications guidance in Statement 87 ["Leases"], as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend."

Effective date

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after Dec. 31, 2021. All other requirements of this statement are effective for reporting periods beginning after June 15, 2020. Early application is encouraged.

Public-private and public-public partnerships and availability payment arrangements

On April 20, 2020, the GASB issued Statement 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements," to provide guidance to improve accounting and financial reporting for public-private and public-public partnership arrangements (both referred to as PPPs) and availability payment arrangements (APAs).

The statement applies to PPPs that are outside of the scope of the GASB's existing literature for these types of transactions, specifically Statement 60, "Accounting and Financial Reporting for Service Concession Arrangements," and Statement 87, "Leases." The statement makes certain improvements to the guidance currently included in Statement 60 and provides accounting and financial reporting guidance for APAs.

PPPs

The statement defines a PPP as an arrangement in which a government transferor contracts with a governmental or nongovernmental operator to provide public services by conveying control of the right to operate or use an infrastructure or other nonfinancial asset, the underlying PPP asset, for a period of time in an exchange or exchangelike transaction. Some PPPs meet the definition of a service concession arrangement (SCA). The statement carries forward the definition and financial reporting requirements for SCAs that currently are included in Statement 60.

Statement 94 includes the following financial reporting requirements:

- PPPs that meet the definition of an SCA should apply the financial reporting requirements of Statement 60.
- PPPs that meet the definition of a lease, but not the definition of an SCA, should apply the financial reporting requirements of Statement 87.
- For all other PPPs that are not SCAs and are not leases, a transferor generally should recognize an asset for the underlying PPP asset and a deferred inflow of resources for consideration received or to be received as part of the PPP.
- A governmental operator should report an intangible right-to-use asset related to the underlying PPP asset that either is owned by the transferor or is the underlying asset of an SCA.

APAs

The statement defines an APA as an arrangement in which a government compensates an operator for services that might include designing, constructing, financing, maintaining, or operating an underlying infrastructure or other nonfinancial asset for a period of time in an exchange or exchangelike transaction.

The statement includes the following financial reporting requirements:

- An APA related to activities previously defined and in which ownership of the asset transfers by the end of the contract should be accounted for as a financed purchase of the underlying infrastructure or other nonfinancial asset.
- An APA that is related to operating or maintaining a nonfinancial asset should be accounted for as an outflow of resources in the period to which payments relate.

Effective date

The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

Proposals

Financial statement disclosures criteria concepts statement

On Feb. 21, 2020, the GASB issued an exposure draft of a proposed concepts statement, "Communication Methods in General Purpose External Financial Reports That Contain Basic Financial Statements: Notes to Financial Statements." The statement would provide enhanced guidance when the GASB establishes note disclosure requirements for state and local governments and would establish new criteria for state and local governments to follow in developing their disclosures for notes to financial statements.

The exposure draft describes the purpose of notes to financial statements and the intended users of notes. It addresses the types of information that are appropriate or not appropriate for note disclosures. In addition, the proposal addresses the degree of importance that information disclosed in the notes should possess and the characteristics that distinguish information that is considered essential to users in making economic, social, or political decisions or assessing accountability. Information is considered essential if it is distinguished by either of the following characteristics:

- The information currently is being used in users' analyses for making decisions or assessing accountability.
- The information would be used if it became available.

Preparers and auditors could use these concepts when applying the GAAP hierarchy in assessing potential disclosure information in certain circumstances for which the GASB does not provide authoritative guidance. These concepts also might help stakeholders to better understand the fundamental concepts underlying future GASB standards.

Comments originally were due to the GASB by April 17, 2020; however, the comment deadline has been extended to June 30, 2020.

Certain component unit criteria and reporting for IRC Section 457 plans

On March 9, 2020, the GASB issued an exposure draft, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," that would increase consistency and comparability related to the reporting of fiduciary component units and IRC Section 457 deferred compensation plans.

The exposure draft is designed to mitigate costs of financial reporting associated with certain defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans when an organization does not have a governing board and the primary government performs the duties that a governing board typically performs.

The proposed statement also would enhance the relevance, consistency, and comparability of accounting and financial reporting for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans. In addition, for all Section 457 plans, it would supersede the remaining provisions of Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," as amended.

Proposed changes include:

- Considering the absence of a governing board the same as appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically performs, except in situations related to defined contribution pension and OPEB plans or Section 457 plans to which only employees contribute
- Clarifying the financial burden criterion applies to only defined benefit pension and OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of GASB Statements 67 and 74, respectively
- Requiring all accounting and financial reporting requirements relevant to pension plans and related benefits be applied to Section 457 plans and related benefits that meet the definition of a pension plan

Comments were due to the GASB by April 10, 2020.

Statement and implementation guide effective dates

On April 15, 2020, the GASB issued an exposure draft, "Postponement of the Effective Dates of Certain Authoritative Guidance," that would postpone the effective dates of provisions in almost all standards and implementation guides due to be implemented for fiscal years 2019 and later.

In light of the COVID-19 pandemic, the exposure draft is intended to provide relief to governments by postponing by one year the effective dates of provisions in the following pronouncements:

- Statement 83, "Certain Asset Retirement Obligations"
- Statement 84, "Fiduciary Activities"
- Statement 87, "Leases"
- Statement 88, "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements"
- Statement 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period"
- Statement 90, "Majority Equity Interests"
- Statement 91, "Conduit Debt Obligations"
- Statement 92, "Omnibus 2020," paragraphs 6-10 and 12
- Statement 93, "Replacement of Interbank Offered Rates," paragraphs 13 and 14
- Implementation Guide 2017-3, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)," questions 4.85, 4.103, 4.108, 4.109, 4.225, 4.239, 4.244, 4.245, 4.484, 4.491, and 5.1-5.4
- Implementation Guide 2018-1, "Implementation Guidance Update – 2018"
- Implementation Guide 2019-1, "Implementation Guidance Update – 2019"
- Implementation Guide 2019-2, "Fiduciary Activities"
- Implementation Guide 2019-3, "Leases"

Comments were due to the GASB by April 30, 2020. The GASB is working under an expedited schedule to issue this guidance as quickly as practicable. The board is scheduled to review stakeholder feedback and consider a final statement for issuance on May 8.

Accounting Standards Updates (ASU) effective dates

Checklist A

ASU effective dates for public business entities (PBEs)

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end PBEs	Early adoption
Leases **(ASU 2016-02)** Revises recognition and measurement for lease contracts by lessors and lessees; operating leases are recorded on the balance sheet for lessees. Replaces Topic 840 with Topic 842. Clarifying standards: **ASU 2018-01** – Provides a practical expedient in transition to not evaluate existing or expired land easements under Topic 842 that were not previously accounted for as leases under Topic 840. **ASU 2018-10** – Provides 16 improvements and clarifications to the guidance in Topic 842. **ASU 2018-11** – Provides an optional transition method for adopting Topic 842 that will eliminate comparative period reporting under the new guidance in the adoption year. Provides a practical expedient for lessors to not separate nonlease components from the associated lease component in specified circumstances. **ASU 2018-20** – Provides improvements specific to lessors for evaluating sales taxes, recording reimbursed costs, and allocating variable payments to lease and nonlease components. **ASU 2019-01** – Provides improvements in determining fair value of underlying assets by lessors that are not manufacturers or dealers, presentation of the statement of cash flows for sales-type and direct financing leases, and transition disclosures.	**March 31, 2019[1]** **For ASU 2019-01, March 31, 2020, except for transition disclosure amendments which are consistent with ASU 2016-02**	**Permitted**
Goodwill Impairment Testing **(ASU 2017-04)** Removes step two – the requirement to perform a hypothetical purchase price allocation when the carrying value of a reporting unit exceeds its fair value – of the goodwill impairment test. **ASU 2019-10** – Deferral of effective dates.	**For SEC filers, excluding smaller reporting companies, tests performed on or after Jan. 1, 2020** **For all other PBEs, including smaller reporting companies, tests performed on or after Jan. 1, 2023**	**Permitted for interim or annual goodwill impairment tests performed on testing dates on or after Jan. 1, 2017**

[1] Codified in ASU 2020-02, an SEC staff announcement at the December 2019 AICPA National Conference on Current SEC and PCAOB Developments specifically related to PBEs that qualify as a PBE solely due to the requirement to include or the inclusion of its financial statements or financial information in another entity's SEC filing ("certain PBEs") states that the SEC will not object to it adopting Topic 842 for fiscal years beginning after Dec. 15, 2020, and interim period within fiscal years beginning after Dec. 15, 2021, in accordance with ASU 2019-10.

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end PBEs	Early adoption
Codification Updates to SEC Sections (ASU 2020-02) Modifies FASB codification to reflect previously issued SEC interpretations (SAB 119) on accounting for loan losses by registrants engaged in lending activities subject to Topic 326. Modifies FASB codification to include SEC staff announcement within Topic 842 that SEC staff would not object to a PBE that otherwise would not meet the definition of a PBE except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC from adopting Topic 842 for fiscal year Dec. 31, 2021, annual financial statement for calendar year-end entities in accordance with ASU 2019-10.	**Upon issuance, January 2020**	**Not applicable**
Codification Improvements to Financial Instruments (ASU 2020-03) Clarifies and improves various financial instruments topics including: applicability of portfolio exception in measuring fair value for nonfinancial items accounted for as derivatives; disclosure requirements in Topic 320 apply to disclosure requirements in Topic 942 for depository and lending institutions; adds cross-reference to line-of-credit or revolving-debt arrangements guidance to guidance in accounting for fees between debtor and creditor and third-party costs directly related to exchanges or modifications of debt instruments in Subtopic 470-50; and fair value measurement disclosure requirements do not apply to entities using the net asset value per share practical expedient. (Also contains clarification and improvements to ASU 2016-13, which is included as clarifying standard.)	**March 31, 2020**	**Permitted**
Optional Guidance in Accounting for Impacts of Reference Rate Reform (ASU 2020-04) Provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The optional guidance does not apply to contract modifications made and hedging relationships entered into or evaluated after Dec. 31, 2022, except for hedging relationships existing as of Dec. 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship.	**March 31, 2020**	**Not applicable**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end PBEs	Early adoption
Credit Losses (ASU 2016-13) Replaces the incurred loss model with the current expected credit loss (CECL) model for financial assets, including trade receivables, debt securities, and loan receivables. Clarifying standards: **ASU 2018-19** – Clarifies that impairment of operating lease receivables is in the scope of ASC Topic 842, "Leases," and not the CECL model. **ASU 2019-04** – Provides specific improvements and clarifications to the guidance in Topic 326. Addresses accrued interest, transfers between classifications or categories for loans and debt securities, recoveries, vintage disclosures, and contractual extensions and renewal options. **ASU 2019-05** – Targeted transition relief provides an option to irrevocably elect the fair value option, on an instrument-by-instrument basis, for certain financial assets (excluding held-to-maturity debt securities) previously measured at amortized cost. **ASU 2019-10** – Deferral of effective dates. **ASU 2019-11** – Provides specific improvements and clarifications to the guidance in Topic 326. Addresses expected recoveries for purchased financial assets with credit deterioration, transition relief for troubled debt restructurings, disclosures related to accrued interest receivables, financial assets secured by collateral maintenance provisions, and conforming cross-references to Subtopic 805-20. **ASU 2020-03** – Aligns contractual term to measure expected credit losses for a net investment in a lease to be consistent with the lease term determined under Topic 842. Clarifies that when an entity regains control of financial assets sold, an allowance for credit losses should be recorded.	**For SEC filers, excluding smaller reporting companies, March 31, 2020** **For all other PBEs, including smaller reporting companies, March 31, 2023** **For ASU 2019-04, ASU 2019-05, ASU 2019-11, and ASU 2020-03, March 31, 2020, for entities that have adopted ASU 2016-13; otherwise effective dates the same as ASU 2016-13**	**Permitted as of the fiscal years beginning after Dec. 15, 2018, including interim periods within**
Fair Value Measurement Disclosure (ASU 2018-13) Removes, modifies, or adds certain fair value measurement disclosures related to financial instrument transfers and Level 3 instruments, among others.	**March 31, 2020**	**Permitted**
Implementation Costs for Cloud Computing Arrangements (CCAs) (ASU 2018-15) Aligns accounting for implementation costs of CCAs with or without a license (that is, regardless of whether the CCA is a service contract) by capitalizing implementation costs during the application development stage and amortizing the costs over the term of the arrangement.	**March 31, 2020**	**Permitted, including in an interim period**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end PBEs	Early adoption
Variable Interest Entity (VIE) Model – Targeted Improvements for Related Parties (ASU 2018-17) Revises the analysis for determining whether a decision-making fee paid by a VIE is a variable interest such that indirect interests in a VIE held through related parties in common control arrangements would be considered on a proportional basis (instead of as the equivalent to a direct interest).	**March 31, 2020**	**Permitted, including in an interim period**
Collaborative Arrangements (Topic 808) (ASU 2018-18) Requires that Topic 606 be applied to collaborative arrangements when the arrangement participant is a customer and aligns the unit-of-account guidance in Topic 808 with Topic 606. Revenue in the scope of Topic 606 should be presented separately from revenue outside its scope.	**March 31, 2020**	**Permitted, including in an interim period**
Certain Costs in Media and Entertainment Industry (ASU 2019-02) Applies to broadcasters and entities that produce and distribute films and episodic television series. Aligns the accounting of episodic television series with films, and provides more relevant financial reporting information to users of financial statements.	**March 31, 2019**	**Permitted, including in an interim period**
Improvements to Recognition and Measurement of Financial Instruments and Accounting for Hedging Activities (ASU 2019-04) Contains various improvements to ASU 2016-01, including scope, fair value measurement alternative, held-to-maturity debt securities fair value disclosures, and remeasurement of equity securities at historical exchange rates. Provides specific improvements and clarifications to ASU 2017-12. Among other areas, addresses partial-term fair value hedges of interest-rate risk, amortization and disclosure of fair value hedge basis adjustments, and consideration of hedged contractually specified interest rate under the hypothetical derivative method. (Also contains clarification and improvements to ASU 2016-13, which is included as a clarifying standard.)	**March 31, 2020**	**Permitted, including in an interim period**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end PBEs	Early adoption
Share-Based Consideration Payable to a Customer (ASU 2019-08) Requires that an entity apply the guidance in Topic 718 to measure and classify share-based payment awards granted to a customer. The amount recorded as a reduction in the transaction price, and therefore revenue, should be based on the grant-date fair value of the share-based payment award.	**March 31, 2020**	**Permitted, including in an interim period, but no earlier than the adoption of ASU 2018-17**
Defined Benefit Plan Disclosure for Sponsors (ASU 2018-14) Removes and clarifies certain disclosures for sponsors of defined benefit plans. Adds disclosure for weighted-average interest credit rates for certain plans, and the reasons for significant gains and losses in the benefit obligation.	**Dec. 31, 2020**	**Permitted**
Updating the Definition of Collections (ASU 2019-03) Improves the definition of collections. Requires additional disclosure. Although the ASU primarily affects not-for-profits, it applies to all entities that maintain collections.	**Dec. 31, 2020**	**Permitted including in an interim period**
Simplifying Accounting for Income Taxes (ASU 2019-12) Simplifies the accounting for income taxes by removing certain exceptions in Topic 740. Improves consistent application of other areas of guidance within Topic 740 by clarifying and amending existing guidance.	**March 31, 2021**	**Permitted, including in an interim period**
Interaction Between Accounting for Equity Securities, Equity Method Investments, and Certain Derivative Instruments (ASU 2020-01) Clarifies the interaction of the accounting for equity securities under Topic 321 and investments accounted for under the equity method of accounting in Topic 323 and the accounting for certain forward contract and purchased options accounted for under Topic 815.	**March 31, 2021**	**Permitted, including in an interim period**
Long-Duration Insurance Contracts (ASU 2018-12) Revises the accounting for life insurance and annuity contracts by eliminating the method of locking in liability assumptions and the premium deficiency test for traditional and limited-payment contracts, among other methodology changes. Requires additional disclosure. Clarifying standards: **ASU 2019-09** – Deferral of effective dates.	**For SEC filers, excluding smaller reporting companies, March 31, 2022** **For all other PBEs, including smaller reporting companies, Dec. 31, 2024**	**Permitted**

Checklist B

ASU effective dates for nonpublic business entities (non-PBEs)

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end non-PBEs	Early adoption
Codification Improvements (ASU 2018-09) Contains 30 improvements in all, including income taxes for certain quasi reorganizations, fair value option debt extinguishments, financial instruments, excess tax benefits, tax allocation methods, offsetting derivative assets and liabilities, transfer restrictions for fair value measurement, balance sheet offsetting for broker-dealers, and valuation for a stable value common collective trust fund.	**Varies by issue (see pages 8 and 9 of the ASU)** **Upon issuance, July 16, 2018** **Dec. 31, 2019** **Dec. 31, 2020**	**Permitted, including in an interim period**
Codification Improvements to Financial Instruments (ASU 2020-03) Clarifies and improves various financial instruments topics including: all entities (not just PBEs) are required to provide fair value option disclosures; applicability of portfolio exception in measuring fair value for nonfinancial items accounted for as derivatives; disclosure requirements in Topic 320 apply to disclosure requirements in Topic 942 for depository and lending institutions; adds cross-reference to line-of-credit or revolving-debt arrangements guidance to guidance in accounting for fees between debtor and creditor and third-party costs directly related to exchanges or modifications of debt instruments in Subtopic 470-50; and fair value measurement disclosure requirements do not apply to entities using the net asset value per share practical expedient. (Also contains clarification and improvements to ASU 2016-13, which is included as clarifying standard.)	**March 31, 2020 (regarding alignment of disclosure requirements for depository and lending institutions)** **Dec. 31, 2020 (other improvements)**	**Permitted, including in an interim period**
Optional Guidance in Accounting for Impacts of Reference Rate Reform (ASU 2020-04) Provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The optional guidance does not apply to contract modifications made and hedging relationships entered into or evaluated after Dec. 31, 2022, except for hedging relationships existing as of Dec. 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship.	**March 31, 2020**	**Not applicable**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end non-PBEs	Early adoption
Improvements to Recognition and Measurement of Financial Instruments (ASU 2019-04) Contains various improvements to ASU 2016-01, including scope, fair value measurement alternative, held-to-maturity debt securities fair value disclosures, and remeasurement of equity securities at historical exchange rates. (Also contains clarification and improvements to ASU 2016-13 and ASU 2017-12, which are included as clarifying standards.)	**Dec. 31, 2020**	**Permitted, including in an interim period**
Contributions Received and Made for Not-for-Profit Entities (ASU 2018-08) Improves the guidance on contributions and exchange transactions. Although the ASU primarily affects not-for-profit entities, it applies to all entities, including business entities, that receive or make contributions of cash and other assets.	**For contributions received, Dec. 31, 2019** **For contributions made, Dec. 31, 2020**	**Permitted**
Share-Based Consideration Payable to a Customer (ASU 2019-08) Requires that an entity apply the guidance in Topic 718 to measure and classify share-based payment awards granted to a customer. The amount recorded as a reduction in the transaction price, and therefore revenue, should be based on the grant-date fair value of the share-based payment award.	**March 31, 2020 (if ASU 2018-17 has been adopted)** **Dec. 31, 2020 (if ASU 2018-17 has not been adopted)**	**Permitted, including in an interim period, but no earlier than the adoption of ASU 2018-17**
Premium Amortization on Purchased Callable Debt (ASU 2017-08) Shortens the amortization period for premiums on purchased callable debt securities to the earliest call date, instead of to the maturity date.	**Dec. 31, 2020**	**Permitted, including in an interim period**
Financial Instruments With Down-Round Features (Part I) and Scope Exception for Certain Mandatorily Redeemable Financial Instruments (Part II) (ASU 2017-11) **Part I** – Simplifies the accounting for certain financial instruments with down-round features by eliminating the requirement to consider the down-round feature in the liability or equity classification determination. For entities that present earnings per share (EPS), requires the effect of the down-round feature in a warrant or other freestanding equity-classified instrument to be presented as a dividend and an adjustment to EPS when it is triggered. Regardless of whether the entity presents EPS, requires the effect of the down-round feature in a convertible instrument such as debt or preferred stock to follow existing guidance for contingent beneficial conversion features and be presented as a discount to the convertible instrument with an offsetting credit to paid-in capital when it is triggered. **Part II** – Changes the indefinite deferral available to private companies with mandatorily redeemable financial instruments and certain noncontrolling interests to a scope exception, which does not have an accounting effect.	**Dec. 31, 2020**	**Permitted, including in an interim period**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end non-PBEs	Early adoption
Additional Benchmark Interest Rate for Hedging (ASU 2018-16) Expands the number of benchmark interest rates that can be used in accounting hedge designations to include the Overnight Index Swap (OIS) rate based on the Secured Overnight Financing Rate (SOFR) and stems from concerns about the sustainability of the London Interbank Offered Rate (LIBOR).	**Dec. 31, 2020 (consistent with ASU 2017-12)** **March 31, 2020, if ASU 2017-12 was early adopted**	**Permitted, including in an interim period, if ASU 2017-12 was early adopted**
Nonemployee Stock Compensation Simplifications (ASU 2018-07) Aligns the accounting guidance for nonemployee stock payments with the guidance for employee stock compensation in ASC Topic 718.	**Dec. 31, 2020**	**Permitted, including in an interim period, but no earlier than the adoption of Topic 606**
Fair Value Measurement Disclosure (ASU 2018-13) Removes, modifies, or adds certain fair value measurement disclosures related to financial instrument transfers and Level 3 instruments, among others.	**Dec. 31, 2020**	**Permitted**
Updating the Definition of Collections (ASU 2019-03) Improves the definition of collections. Requires additional disclosure. Although the ASU primarily affects not-for-profits, it applies to all entities that maintain collections.	**Dec. 31, 2020**	**Permitted, including in an interim period**
Leases (ASU 2016-02) Revises recognition and measurement for lease contracts by lessors and lessees; operating leases are recorded on the balance sheet for lessees. Replaces Topic 840 with Topic 842. Clarifying standards: **ASU 2018-01** – Provides a practical expedient in transition to not evaluate existing or expired land easements under Topic 842 that were not previously accounted for as leases under Topic 840. **ASU 2018-10** – Provides 16 improvements and clarifications to the guidance in Topic 842. **ASU 2018-11** – Provides an optional transition method for adopting Topic 842 that will eliminate comparative period reporting under the new guidance in the adoption year. Provides a practical expedient for lessors to not separate nonlease components from the associated lease component in specified circumstances. **ASU 2018-20** – Provides improvements specific to lessors for evaluating sales taxes, recording reimbursed costs, and allocating variable payments to lease and nonlease components. **ASU 2019-01** – Provides improvements in determining fair value of underlying assets by lessors that are not manufacturers or dealers, presentation of the statement of cash flows for sales-type and direct financing leases, and transition disclosures. **ASU 2019-10** – Deferral of effective dates	**Dec. 31, 2021**	**Permitted**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end non-PBEs	Early adoption
Hedging Activities **(ASU 2017-12)** Expands the nonfinancial and financial risk components that can qualify for hedge accounting and simplifies financial reporting for hedging activities. Clarifying standards: **ASU 2019-04** – Provides specific improvements and clarifications to the guidance in Topic 815. Among other areas, addresses partial-term fair value hedges of interest-rate risk, amortization and disclosure of fair value hedge basis adjustments, and consideration of hedged contractually specified interest rate under the hypothetical derivative method. **ASU 2019-10** – Deferral of effective dates.	**Dec. 31, 2021**	**Permitted, including in an interim period**
Certain Costs in Media and Entertainment Industry **(ASU 2019-02)** Applies to broadcasters and entities that produce and distribute films and episodic television series. Aligns the accounting of episodic television series with films, and provides more relevant financial reporting information to users of financial statements.	**Dec. 31, 2021**	**Permitted, including in an interim period**
Defined Benefit Plan Disclosure for Sponsors **(ASU 2018-14)** Removes and clarifies certain disclosures for sponsors of defined benefit plans. Adds disclosure for weighted-average interest credit rates for certain plans, and the reasons for significant gains and losses in the benefit obligation.	**Dec. 31, 2021**	**Permitted**
Implementation Costs for Cloud Computing Arrangements (CCAs) **(ASU 2018-15)** Aligns accounting for implementation costs of CCAs with or without a license (that is, regardless of whether the CCA is a service contract) by capitalizing implementation costs during the application development stage and amortizing the costs over the term of the arrangement.	**Dec. 31, 2021**	**Permitted, including in an interim period**
Variable Interest Entity (VIE) Model – Targeted Improvements for Related Parties **(ASU 2018-17)** Provides a private company accounting alternative not to apply VIE consolidation guidance to any arrangement with legal entities that are under common control if neither the parent nor the legal entity is a PBE (thus expanding the alternative for common control leasing arrangements to all common control arrangements). Also, revises the analysis for determining whether a decision-making fee paid by a VIE is a variable interest such that indirect interests in a VIE held through related parties in common control arrangements would be considered on a proportional basis (instead of as the equivalent to a direct interest).	**Dec. 31, 2021**	**Permitted, including in an interim period**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end non-PBEs	Early adoption
Collaborative Arrangements (Topic 808) (ASU 2018-18) Requires that Topic 606 be applied to collaborative arrangements when the arrangement participant is a customer and aligns the unit-of-account guidance in Topic 808 with Topic 606. Revenue in the scope of Topic 606 should be presented separately from revenue outside its scope.	**Dec. 31, 2021**	**Permitted, including in an interim period**
Simplifying Accounting for Income Taxes (ASU 2019-12) Simplifies the accounting for income taxes by removing certain exceptions in Topic 740. Improves consistent application of other areas of guidance within Topic 740 by clarifying and amending existing guidance.	**Dec. 31, 2022**	**Permitted, including in an interim period**
Interaction Between Accounting for Equity Securities, Equity Method Investments, and Certain Derivative Instruments (ASU 2020-01) Clarifies the interaction of the accounting for equity securities under Topic 321 and investments accounted for under the equity method of accounting in Topic 323 and the accounting for certain forward contract and purchased options accounted for under Topic 815.	**Dec. 31, 2022**	**Permitted, including in an interim period**
Goodwill Impairment Testing (ASU 2017-04) Removes step two – the requirement to perform a hypothetical purchase price allocation when the carrying value of a reporting unit exceeds its fair value – of the goodwill impairment test. Clarifying standards: **ASU 2019-10** – Deferral of effective dates.	**Tests performed on or after Jan. 1, 2023**	**Permitted for interim or annual goodwill impairment tests performed on testing dates on or after Jan. 1, 2017**

Accounting Standards Update (ASU)	Effective dates for Dec. 31 year-end non-PBEs	Early adoption
Credit Losses **(ASU 2016-13)** Replaces the incurred loss model with the CECL model for financial assets, including trade receivables, debt securities, and loan receivables. Clarifying standards: **ASU 2018-19** – Clarifies the effective date for non-PBEs and that impairment of operating lease receivables is in the scope of ASC Topic 842, "Leases," and not the CECL model. **ASU 2019-04** – Provides specific improvements and clarifications to the guidance in Topic 326. Addresses accrued interest, transfers between classifications or categories for loans and debt securities, recoveries, vintage disclosures, and contractual extensions and renewal options. **ASU 2019-05** – Targeted transition relief provides an option to irrevocably elect the fair value option, on an instrument-by-instrument basis, for certain financial assets (excluding held-to-maturity debt securities) previously measured at amortized cost. **ASU 2019-10** – Deferral of effective dates. **ASU 2019-11** – Provides specific improvements and clarifications to the guidance in Topic 326. Addresses expected recoveries for purchased financial assets with credit deterioration, transition relief for troubled debt restructurings, disclosures related to accrued interest receivables, financial assets secured by collateral maintenance provisions, and conforming cross-references to Subtopic 805-20. **ASU 2020-03** – Aligns contractual term to measure expected credit losses for a net investment in a lease to be consistent with the lease term determined under Topic 842. Clarifies that when an entity regains control of financial assets sold, an allowance for credit losses should be recorded.	**Dec. 31, 2023** **For ASU 2019-04, ASU 2019-05, ASU 2019-11, and ASU 2020-03, March 31, 2020, for entities that have adopted ASU 2016-13; otherwise, effective dates the same as ASU 2016-13**	**Permitted as of the fiscal years beginning after Dec. 15, 2018, including interim periods within**
Long-Duration Insurance Contracts **(ASU 2018-12)** Revises the accounting for life insurance and annuity contracts by eliminating the method of locking in liability assumptions and the premium deficiency test for traditional and limited-payment contracts, among other methodology changes. Requires additional disclosure. Clarifying standards: **ASU 2019-09** – Deferral of effective dates.	**Dec. 31, 2024**	**Permitted**

Governmental Accounting Standards Board (GASB) statement effective dates

Checklist C

Effective dates for all GASB statements[1]

GASB statement	Effective dates – reporting periods beginning after	Early adoption
Certain Asset Retirement Obligations (GASB Statement 83) Applies when a government has legal obligations to perform future asset retirement activities related to its tangible capital assets. Under this statement, the government is required to recognize a liability and a corresponding deferred outflow of resources related to such obligations. This guidance also identifies the circumstances that trigger recognition of these transactions.	**June 15, 2018**	**Permitted**
Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements (GASB Statement 88) Clarifies which liabilities governments should include in their note disclosures related to debt and requires that all debt disclosures present direct borrowings and direct placements of debt separately from other types of debt.	**June 15, 2018**	**Permitted**
Fiduciary Activities (GASB Statement 84) Improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Establishes criteria for identifying fiduciary activities of all state and local governments focused on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.	**Dec. 15, 2018**	**Permitted**
Majority Equity Interests (GASB Statement 90) Revises and clarifies the guidance for reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units.	**Dec. 15, 2018**	**Permitted**

[1] The dates presented do not contemplate any postponement associated with GASB's exposure draft "Postponement of the Effective Dates of Certain Authoritative Guidance."

GASB statement	Effective dates – reporting periods beginning after	Early adoption
Leases **(GASB Statement 87)** Revises recognition and measurement for lease contracts by lessors and lessees by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. Establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.	**Dec. 15, 2019**	**Permitted**
Accounting for Interest Cost Incurred Before the End of a Construction Period **(GASB Statement 89)** Supersedes guidance set forth in Statement 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements," which generally required capitalization of interest cost incurred before the end of a construction period. Statement 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus and not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.	**Dec. 15, 2019**	**Permitted**
Omnibus 2020 **(GASB Statement 92)** Addresses a variety of topics including the effective date of Statement 87 and Implementation Guide No. 2019-3 for interim financial reports; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; the applicability of Statements 73 and 74 to reporting assets accumulated for postemployment benefits (PEBs); the applicability of certain requirements of Statement 84 to postemployment benefit arrangements; measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and terminology used to refer to derivative instruments.	**Varies by issue (see pages 5 and 6 of the statement)** **Upon issuance, Feb. 5, 2020** **June 15, 2020**	**Permitted by topic**

GASB statement	Effective dates – reporting periods beginning after	Early adoption
Replacement of Interbank Offered Rates (GASB Statement 93) Addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR), most notably the London Interbank Offered Rate (LIBOR), which is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments tied to LIBOR.	**June 15, 2020**	**Permitted**
Conduit Debt Obligations (GASB Statement 91) Clarifies the definition of a conduit obligation and stipulates that a conduit debt obligation is a liability of the third-party obligor, not the issuer, thus eliminating the option for government issuers to recognize a conduit debt obligation as a liability. Establishes standards for accounting and financial reporting of additional commitments extended by issuers and arrangements associated with conduit debt obligations and improves required note disclosures.	**Dec. 15, 2020**	**Permitted**
Public-Private and Public-Public Partnerships and Availability Payment Arrangements (GASB Statement 94) Provides guidance for public-private and public-public partnership arrangements (PPPs), including those that are outside of the scope of the GASB's existing guidance for those transactions – namely Statement 60, "Accounting and Financial Reporting for Service Concession Arrangements," and Statement 87, "Leases." The statement also makes certain improvements to the guidance previously included in Statement 60 and provides accounting and financial reporting guidance for availability payment arrangements (APAs).	**June 15, 2022**	**Permitted**

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AUDIT2005-011A