



Takeaways

2026 AICPA Conference on Banks & Savings Institutions

October 2026

Smart decisions. Lasting value.™

Contents

Conference overview	3
Economic and industry outlook	4
Updates from the federal banking agencies	9
FASB updates	12
SEC updates	14
Audit standards and oversight: The PCAOB and the AICPA Auditing Standards Board	17
CECL and the allowance for credit losses	19
Mergers and acquisitions	21
Digital assets and stablecoins	23
Regulatory capital and balance sheet management	25
Tax planning	27
The finance function: Data, controls, and transformation	28
Artificial intelligence	29
Fraud and cybersecurity	31
Questions for the board and audit committee	33
Learn more	34

Conference overview

The annual American Institute of Certified Public Accountants (AICPA) Conference on Banks & Savings Institutions took place Sept. 14 through 16, 2026, in Washington, D.C. Over three days, speakers examined the economic, regulatory, accounting, technological, and operational developments affecting financial institutions.

The conference covered a broad range of developments affecting banks, including supervision, accounting, capital, technology, and operations. Supervisory practices are being reconsidered, significant changes to regulatory capital remain under discussion, and financial reporting requirements continue to evolve. Speakers from the federal banking agencies described efforts to make examinations more transparent and better connected to the material financial risks presented by each institution. Financial Accounting Standards Board (FASB) representatives discussed a wide-ranging agenda that includes hedge accounting, cash equivalents, digital assets, and the board's post-implementation review of the current expected credit losses (CECL) standard. Representatives from the Securities and Exchange Commission (SEC) addressed possible changes to reporting frequency, filer classifications, capital-raising rules, and other aspects of the public-company reporting system.

Economic conditions provided important context for many of the discussions. Mark Zandi, chief economist at Moody's Analytics, and Douglas Duncan, founder of BizOutlook, each described an economy that continues to expand, although the sources of that growth have become less balanced. Investment associated with AI has helped support activity, while trade policy, immigration constraints, geopolitical conflict, persistent inflation, and higher long-term interest rates have created pressure elsewhere. Housing remains constrained by limited turnover, elevated mortgage rates, and a shortage of smaller, more affordable homes even as borrower credit performance remains generally stable.

Several sessions focused on how banks are adapting their balance sheets, operations, and risk management practices to current conditions. Regulatory capital proposals could produce materially different results depending on an institution's asset mix and treatment of accumulated other comprehensive income (AOCI). Merger discussions reflected a faster approval process but also underscored the amount of preparation required before closing. Sessions on the CECL standard, purchased seasoned loans, balance sheet management, and tax planning repeatedly returned to the importance of sound data, coordinated workstreams, and documentation that clearly supports management's decisions.

Speakers discussed digital assets less as a speculative investment category and more as part of the developing infrastructure for payments, settlement, custody, and collateral. Implementation of the Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act is occupying significant attention across the federal banking agencies, while accounting and regulatory questions remain regarding stablecoins, tokenized deposits, reserve assets, and other blockchain-based instruments.

A number of sessions addressed AI, both as a stand-alone topic and as part of broader conversations about operations, controls, and customer service. Institutions shared examples involving call transcription, document preparation, account servicing, and other defined activities. Those discussions placed particular emphasis on human review, data quality, vendor oversight, and clear accountability. A session on cybersecurity reinforced a related operational concern: Banks might devote substantial resources to preventing system intrusions even though some of their largest losses arise from fraud, unauthorized transfers, and compromised communications.

The pages that follow summarize the principal matters discussed during the conference and identify considerations for management, boards, and audit committees. The article concludes with questions that institutions might find useful as they plan for year-end reporting, upcoming audits, and 2027 priorities.

The 2027 conference will, for the first time, combine the banking and credit union conferences and take place Sept. 13 through 15, 2027, online and on-site, at the Gaylord National Resort & Convention Center in National Harbor, Maryland.

We hope you find this summary useful.

Economic and industry outlook

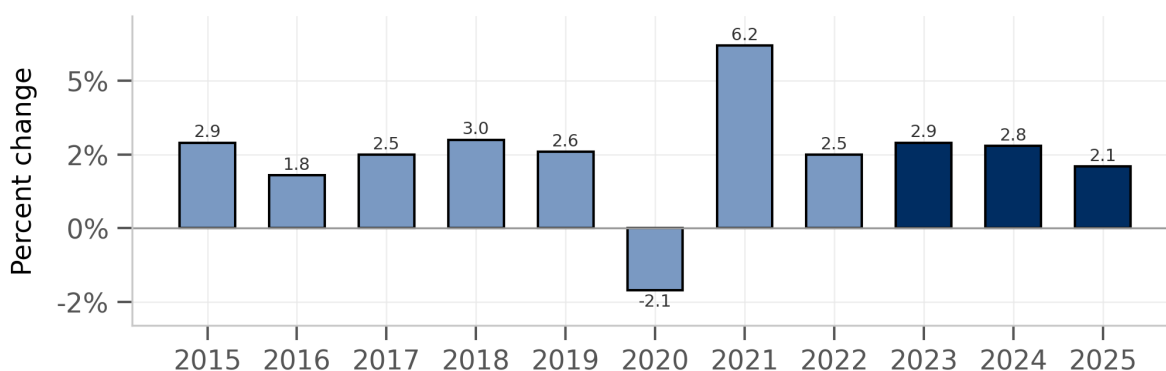
The economy and housing

Mark Zandi opened the conference with an assessment of growth, inflation, and interest rates, and Douglas Duncan followed with a session on the economy and the housing and mortgage markets. Both presented their own firm or personal views rather than consensus positions. Their assessments were broadly consistent: The economy is growing at roughly 2%, slower than headline conditions suggest and increasingly dependent on a single source of strength. AI investment is offsetting meaningful headwinds from trade policy, immigration restrictions, and geopolitical conflict. Long-term interest rates have risen sharply, inflation remains above the Federal Reserve's (Fed) target, and the housing market remains close to multidecade lows in transaction volume.

Adequate but narrowly based growth

Zandi described the Moody's Analytics July 2026 baseline that places real gross domestic product (GDP) growth, measured fourth quarter over fourth quarter, at 1.99% for 2025, 2.12% for 2026, and 1.90% for 2027. Duncan's measure of underlying domestic demand, real final sales to domestic purchasers, showed growth between 2% and 2.5%, which he characterized as reasonable given the supply, tariff, commodity, and conflict-related shocks the economy has absorbed.

Exhibit 1: Real gross domestic product, annual percent change, 2015 to 2025.¹

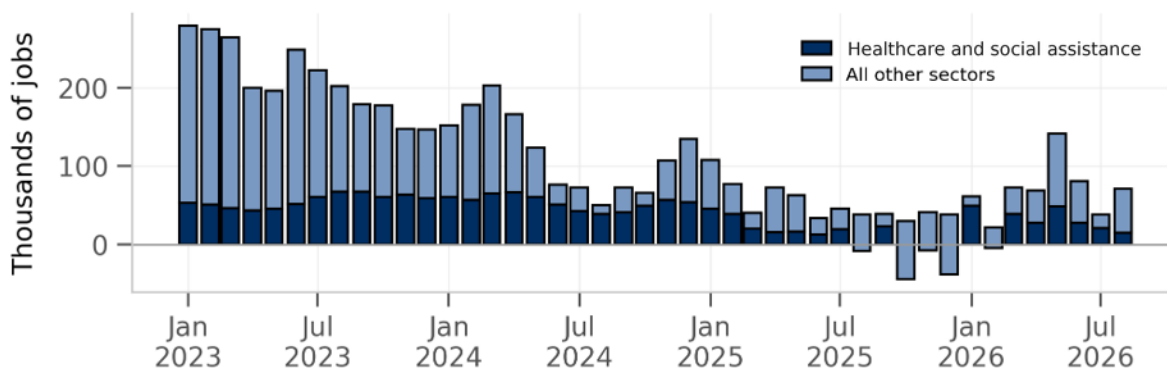


Source: Bureau of Economic Analysis via FRED (A191RL1A225NBEA)

The composition of the growth is the concern. Zandi reported average monthly job creation of approximately 50,000 over the past year, with roughly two-thirds of those positions in healthcare, describing a labor market in which employers are neither hiring nor laying off. While Duncan characterized the most recent payroll report as strong, with 162,000 payroll additions, he did indicate a similar concentration risk with 60,000 of those additions in eating and drinking establishments.

¹ Exhibits in this section were constructed by Crowe from publicly available data published by the Bureau of Economic Analysis, the Bureau of Labor Statistics, the Federal Reserve, Freddie Mac, the Census Bureau, and the Department of Housing and Urban Development, in each case retrieved through the Federal Reserve Bank of St. Louis FRED database. No exhibit reproduces a data point produced by a proprietary methodology presented by any speaker. Forecast figures are attributed to the speaker or firm indicated.

Exhibit 2: Monthly change in nonfarm payrolls, three-month moving average, showing healthcare separately



Source: Bureau of Labor Statistics via FRED (PAYEMS, CES6562000101)

In the Moody's Analytics decomposition of GDP, deglobalization – encompassing tariffs, trade restrictions, and restrictive immigration policy – subtracted roughly 0.98 percentage point from growth in 2025 and an estimated 0.57 point in 2026, with overseas conflict subtracting an additional 0.31 point in 2026. AI contributed an estimated 0.52 point in 2025 and 0.60 point in 2026, through capital investment and through the effect of higher equity wealth on consumer spending.

“Without that half a point of growth, we would have been growing closer to 1.5%, and 1.5% would feel very uncomfortable because at that point, we wouldn’t be creating any jobs.”

– Mark Zandi, chief economist, Moody's Analytics

Long-term rates and the September policy change

The most significant market development discussed was the increase in long-term yields. Zandi reported that the 10-year Treasury yield stood below 4%, at approximately 3.90% to 3.95%, in late February 2026, and since has risen to close to 5%. He attributed the increase to three components: inflation expectations, which have a negligible impact and remain well anchored; expectations for real short-term rates, which account for roughly half the increase; and the term premium, which accounts for most of the remainder. His baseline called for a return to approximately 4.5% over the coming year, a forecast he described as carrying substantial uncertainty.

Exhibit 3: 10-year Treasury constant maturity yield, daily, 2026



Source: U.S. Treasury via FRED (DGS10)

On Sept. 16, 2026, the final day of the conference, the Federal Open Market Committee (FOMC) raised the target range for the federal funds rate by a quarter point to 3.75% to 4.00%, the first increase since July 2023, on a unanimous 12 to 0 vote. The committee stated that economic activity is expanding at a solid pace, that domestic spending has been resilient, that job gains have kept pace with the workforce, and that inflation remains elevated, adding that the action would support a timelier return to its 2% goal.

Exhibit 4: Effective federal funds rate, 2015 to present



Source: Federal Reserve H.15 via FRED (DFF); Sept. 17, 2026, value from FRBNY

More consequential than the quarter point was the signal accompanying it. The [Summary of Economic Projections](#) showed a median expectation of one additional quarter-point increase before year-end, with 16 of 18 participants projecting a further increase and Fed board Chair Kevin Warsh declining to submit a projection. The median longer-run federal funds rate estimate rose, indicating that participants now view the neutral rate as higher than previously assessed, and participants do not expect inflation to return to the 2% objective until later in the decade.

Conference observation: Every forecast presented at the conference was prepared before the FOMC acted. A higher assessed neutral rate implies that less of the increase in long-term yields will reverse, which strengthens the case for a persistently wide term premium and weakens the baseline expectation that the 10-year yield returns to approximately 4.5%.

Crowe takeaway: Management teams should refresh rate-sensitive assumptions rather than carrying the conference baselines forward. Asset-liability modeling, allowance scenario selection, and 2027 budgeting should reflect the possibility of an additional increase and a higher neutral rate. Institutions carrying unrealized securities losses should evaluate the capital and liquidity implications of yields remaining near current levels, and consumer portfolio monitoring should be segmented by income band, since aggregate delinquency trends might mask deterioration concentrated among lower-income borrowers.

U.S. fiscal position

Zandi identified federal debt as a central medium-term risk. Federal debt held by the public now approximates 100% of GDP, and Congressional Budget Office projections under current law reach approximately 125% within 10 years and approximately 170% within 30 years. He cited a deficit of approximately 6% of GDP and a primary deficit, which excludes interest, of approximately 3% of GDP, describing the latter as particularly concerning in a full-employment economy, and said that across 36 years as a professional economist he has not previously seen all three measures signaling the same concern simultaneously. Both speakers referenced near-term fiscal deadlines including the Social Security trust fund shortfall, which Zandi placed in 2032.

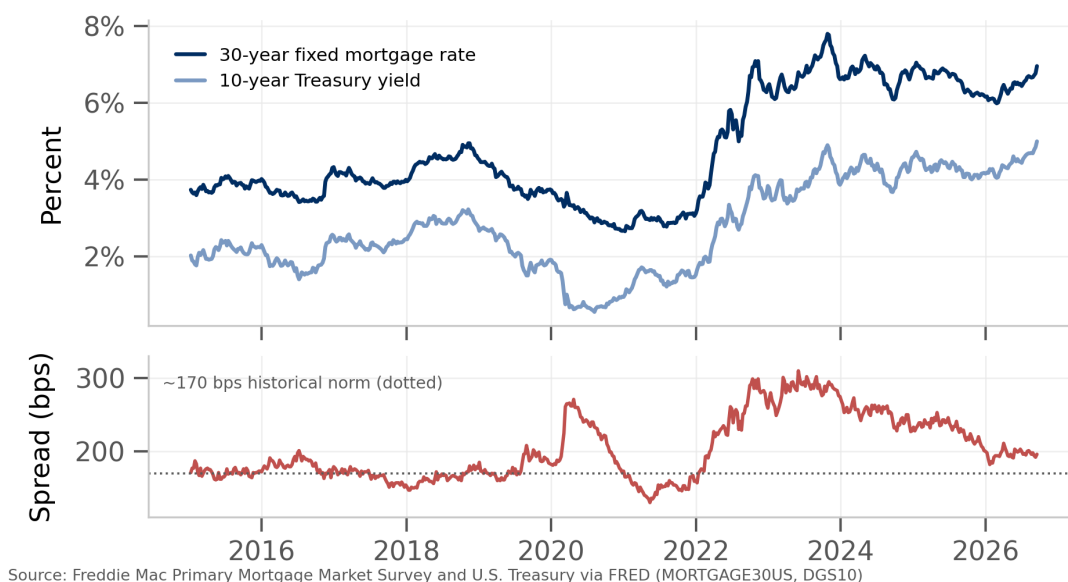
“I think there is no ... way other than a spike in interest rates, a financial event, or a crisis to generate the political will that’s necessary to make the changes that we’re going to need to make.”

– Mark Zandi, chief economist, Moody’s Analytics

Housing: Low turnover, constrained supply, stable credit

Duncan described a housing market defined by the rate lock-in effect. Roughly two-thirds of borrowers carry rates below 5%, while approximately 20% hold rates at 6% or above, and that segment represents most of the refinancing sensitivity in the market. He attributed the wide spread between the 10-year Treasury and the 30-year fixed mortgage rate – approximately 230 basis points (bps) against a more typical level near 170 bps – in part to a premium investors demand against that refinancing risk.

Exhibit 5: 30-year fixed mortgage rate and 10-year Treasury yield, with the spread beneath



The consequence is historically low transaction volume. Duncan reported existing home turnover of approximately 3.6%, near a multidecade low and the fourth consecutive year at that level, and existing home sales of approximately 4 million annually, comparable to 1995 despite a population roughly 90 million larger. Inventory stands at approximately 4.5 months, and he cautioned that the ratio has risen more because the pace of sales has slowed than because supply has increased, meaning the market could become supply constrained quickly if rates decline. He also identified structural constraints on entry-level supply: Thirty years ago the average starter home measured approximately 1,400 square feet, while last year only approximately 7% of new construction was that size or smaller.

Credit quality remains sound. Duncan reported a serious delinquency rate, defined as past due 90 days or more, of approximately 2% nationally, close to the level attributable to ordinary life events, while noting wide geographic variation, with Mississippi and Louisiana between approximately 6% and 7%. He considers a repeat of the 2007 to 2008 experience unlikely given the equity position of existing borrowers and their incentive to preserve below-market financing. His published outlook, reflecting his firm view as of August 2026, projects no recession in 2026 with slower growth in 2027, unemployment ending 2026 at 4.3% and 2027 at 4.5%, inflation ending 2026 at 3.1% and 2027 at 2.2%, home sales flat in 2026 and rising 3% in 2027, and mortgage rates ending 2026 at approximately 6.5% and 2027 at 6.3%, reflecting an upward revision during the session.

Industry conditions and the policy agenda

American Bankers Association (ABA) President and CEO Rob Nichols characterized the banking industry as strong on capital, liquidity, and profitability, while cautioning that a favorable overall condition does not eliminate the need to monitor individual risk areas, particularly commercial real estate, consumer credit, interest rate risk, and fraud and cybersecurity concerns. He described a more constructive supervisory environment, with banks reporting a positive change in the tone and focus of examinations, and said the objective is not lighter supervision but supervision concentrated on material financial risks rather than procedural matters with limited connection to safety and soundness.

The ABA refers to this agenda as regulatory rightsizing rather than deregulation. Under that approach, requirements should reflect an institution's size, business model, activities, complexity, and risk profile, and a requirement appropriate for a large, complex banking organization might not be appropriate for a smaller community bank. Nichols cited progress involving the small-business lending data rule, community bank capital requirements, and the regulatory treatment of fees, and he identified deposit insurance modernization as an area in which work remains, including support among some banks for increased coverage of selected business or payroll accounts. He also noted Treasury Department work involving Bank Secrecy Act and anti-money laundering reform as well as continued ABA support for federal legislation providing a safe harbor for institutions serving state-authorized cannabis businesses.

On competition, Nichols advocated for a principle of similar regulation for similar activities: Companies engaged in payments, lending, or deposit-like activity should be subject to a supervisory framework commensurate with those risks, and new entrants should be regulated according to business model, activities, and risks rather than receiving an inherently lighter framework. He also identified the federal government's long-term debt burden as a macroeconomic issue warranting consideration in long-range planning. The ABA's concerns regarding stablecoin yield are addressed in the digital assets section.

Crowe takeaway: The current environment is an opportunity to strengthen risk governance rather than relax it. Boards should focus internal monitoring on the specific risks most relevant to their institutions, prepare for competition from nonbank providers of deposit-like products, and maintain strategic flexibility around capital, reporting, succession, and growth.

Updates from the federal banking agencies

Representatives from the Fed, Office of the Comptroller of the Currency (OCC), and Federal Deposit Insurance Corp. (FDIC) provided attendees with a broad update on supervisory priorities, regulatory modernization efforts, emerging policy initiatives, and other matters affecting financial institutions. Unlike in recent years, the discussion focused less on accounting developments and more on regulatory reform, burden reduction, stablecoins, supervisory transparency, and efforts to tailor expectations to the size and complexity of supervised institutions. Panelists repeatedly emphasized that banking agencies are reevaluating supervisory and regulatory frameworks to ensure that requirements remain focused on material financial risks while improving transparency and reducing unnecessary burden.

Regulatory modernization and supervisory reform

Agency representatives spent significant time discussing ongoing efforts to revise supervisory and regulatory processes, describing ongoing efforts to align supervisory expectations more closely with the risks presented by individual institutions and to improve transparency.

Panelists from the Fed highlighted Vice Chair for Supervision Michelle Bowman's focus on modernizing supervision through increasing transparency, better tailoring regulations to the risks present for financial institutions, and directing supervisory focus toward material financial risks. As part of this effort, the Fed recently updated its supervisory operating principles and has begun reviewing existing supervisory findings to ensure they meet newly established standards. The agency indicated that supervisory findings should be tied to material financial risk and communicated in clear, understandable language.

Similarly, the OCC and FDIC discussed multiple initiatives intended to reduce supervisory burden while maintaining focus on safety and soundness. Both agencies emphasized that examination activities, matters requiring attention (MRAs), and supervisory findings should be grounded in objective evidence and linked to meaningful financial risk or the FDIC's Deposit Insurance Fund. Panelists noted that the goal is not to reduce oversight but rather to focus supervisory attention on matters that have a demonstrable impact on capital, liquidity, asset quality, earnings, or other key risk indicators.

Conference observation: Representatives from the Fed, OCC, and FDIC each discussed initiatives intended to tie supervisory findings more directly to material financial risk. Recent regulatory and supervisory reforms consistently emphasize material financial risk, transparency, and tailoring rather than expanding examination procedures or compliance requirements.

Leadership changes across the agencies

Panelists noted significant organizational and leadership changes within each agency over the past year. The Fed highlighted the appointment of a new chair and the completion of a broad reorganization within the Division of Supervision and Regulation. The FDIC described leadership changes within its Division of Risk Management Supervision, and the OCC discussed recent additions to its senior leadership team and efforts to supplement agency expertise with both internal and external hires.

Agency representatives described these changes as part of a broader effort to position supervisory organizations for future regulatory priorities, including innovation, stablecoins, chartering activity, and modernization of supervisory processes.

Stablecoins, the GENIUS Act, and innovation

Stablecoins and implementation of the GENIUS Act received considerable attention during the session. Panelists described stablecoin-related rulemaking and reporting initiatives as one of the most active regulatory efforts currently underway.

The FDIC addressed proposed reporting requirements for permitted payment stablecoin issuers, including confidential weekly reporting and quarterly public reporting. Proposed reports would include reserve asset information, issuance and redemption activity, and financial condition information designed to provide regulators with ongoing visibility into stablecoin operations.

The OCC discussed extensive implementation efforts associated with the GENIUS Act, with a final rule targeted for November 2026. Speakers noted that stablecoin-related charter applications have increased significantly and indicated that many recent charter requests include activities related to stablecoins or digital assets. The OCC expects stablecoin implementation efforts to remain a major priority over the coming year.

Panelists also highlighted accounting topics related to stablecoins and digital assets, including:

- Whether stablecoin reserve assets should be recorded on or off the balance sheet
- Accounting distinctions between stablecoins and other digital assets
- Regulatory capital treatment of tokenized securities
- Accounting and reporting implications of blockchain transaction fees and related crypto assets

Conference observation: Regulators increasingly view stablecoins and tokenized financial instruments as permanent elements of the financial ecosystem. The discussion was less focused on whether institutions should participate and more focused on establishing supervisory, accounting, reporting, and risk-management frameworks that permit participation in a safe and sound manner.

Community bank burden-reduction initiatives

Panelists highlighted multiple initiatives aimed at reducing burden for smaller institutions. These include:

- Expanding eligibility for the 18-month examination cycle by increasing the asset threshold from \$3 billion to \$6 billion for qualifying institutions
- Revising the community bank leverage ratio (CBLR) framework by lowering the required ratio from 9% to 8%
- Extending the CBLR grace period, a period of time in which a participating bank may continue using the CBLR framework while failing to meet one or more CBLR eligibility criteria but keeping its leverage ratio above 7%, from two quarters to four quarters
- Raising various supervisory asset thresholds to reflect growth and inflation
- Streamlining supervisory activities and reducing examination requirements not mandated by statute

The FDIC also addressed revisions to Part 363 audit requirements, which increased the threshold for annual audit requirements from \$500 million to \$1 billion and increased the threshold for internal control over financial reporting audits from \$1 billion to \$5 billion.

Call report modernization and regulatory reporting

Agency representatives described ongoing efforts to modernize call report requirements and reduce reporting burden. The agencies continue to evaluate comments received through call report streamlining initiatives, the Economic Growth and Regulatory Paperwork Reduction Act review process, and other outreach efforts.

Areas currently under review include:

- Call report instruction modernization
- Reporting thresholds
- Streamlining specific schedules and line items
- Clarification of reporting requirements
- Regulatory reporting related to nondepository financial institutions (NDFIs)

Panelists also discussed growing supervisory interest in bank exposures to NDFIs, noting significant growth in lending and other exposures to nonbank financial institutions. Recent call report and FR Y-9C reporting form changes provide supervisors with more granular visibility into these exposures.

Looking ahead

Looking forward, panelists highlighted several priorities expected to remain active over the next year:

- GENIUS Act implementation
- Stablecoin reporting and supervisory frameworks
- Regulatory capital modernization proposals
- CECL post-implementation review (PIR) result analysis
- Continued burden-reduction efforts
- Call report requirement modernization
- Increased use of artificial intelligence by both agencies and supervised institutions

While accounting-related developments were less prominent than in prior years, the session demonstrated that regulators remain highly active in reshaping supervisory and regulatory frameworks. Representatives from all three agencies described efforts to improve transparency and better align supervisory activities with material financial risks.

Crowe takeaway: The most significant developments discussed by regulators this year were not accounting-related but supervisory in nature. Institutions should monitor regulatory modernization efforts, stablecoin implementation activities, call report reforms, and revisions to supervisory processes, as these initiatives are likely to shape examination expectations, reporting requirements, and risk-management practices for years to come.

FASB updates

FASB board member Fred Cannon, Deputy Technical Director Rosemarie Sangiuolo, and Supervising Project Manager Erin Cahill provided an update on FASB activities most relevant to financial institutions. They described an agenda of 21 technical projects, seven research topics, and certain exposure drafts issued or expected around the fourth quarter of 2026. Many are narrow or codification-maintenance initiatives that will not affect every entity, and the FASB is sequencing exposure drafts, comment periods, and effective dates with the goal of progressing its work without overwhelming stakeholders. Several projects discussed during the session originated from issues raised during the 2025 agenda consultation process, including projects on risk management and hedge accounting, commodity inventory accounting, goodwill impairment testing, the equity method, the definition of cash equivalents, and troubled debt restructurings by borrowers.

Hedge accounting: Three concurrent workstreams

The FASB is pursuing hedge accounting changes through three workstreams operating on different timelines, each focused on different facets of hedge accounting.

Targeted improvements (*Status: Proposed, FASB redeliberations expected fourth quarter 2026, final standard anticipated 2027*). The targeted improvements project addresses three issues the FASB believes can be resolved without changing the core pillars of hedge accounting: permitting hedge accounting for the interest rate risk of held-to-maturity debt securities, recognizing that those securities remain exposed to interest rate risk even when an entity intends to hold them to maturity; permitting any tenor of the Secured Overnight Financing Rate to be designated in eligible fair value hedges and forecasted purchases or issuances of debt securities; and permitting certain float-to-float cross-currency swaps to qualify in net investment hedges when the legs reset on different dates or frequencies, provided the reset periods are within six months. The comment period closed in August 2026 with 27 comment letters received. In the comment letters, accounting policy leaders from the largest banks noted that the ability to hedge held-to-maturity securities could affect portfolio design, tenor, and fixed-versus-floating composition.

Portfolio layer method for liabilities (*Status: FASB deliberations ongoing*). The medium-term project would extend the portfolio layer method from fixed-rate assets to qualifying liabilities, allowing entities to convert a portion of a fixed-rate liability portfolio expected to remain outstanding into a floating benchmark-rate profile. No final decisions have been made regarding eligible liabilities. The FASB is considering a relatively broad scope for financial liabilities but is not expected to address open pools in this project. Panelists noted that hedging demand and savings deposits would require open-pool mechanics, which would require a substantial redesign of the current hedging model.

Long-term research (*Status: Staff research ongoing*). The research project considers whether hedge accounting can be aligned more closely with the economics of risk management while reducing operability burdens and improving investor information. Areas under study include a single model for derivatives used to manage interest rate, commodity, foreign exchange, and credit risk; designations that better reflect entity-wide or net risk management; and disclosures that explain an entity's risk exposure and the effects of hedging. Speakers commented that the model in use today was developed in the 1990s, when derivatives were expected to be used on a limited basis, and that current disclosures can be both voluminous for preparers and difficult for investors to use.

Crowe takeaway: As the FASB considers how to modify hedge accounting to both better reflect underlying economics and reduce operational burden for preparers, treasury management and accounting teams should identify risk management strategies that currently do not qualify for hedge accounting and understand the reasons why. This analysis identifies opportunities under current guidance and allows preparers to engage with the FASB on standard-setting initiatives.

Other projects relevant to financial institutions

Cash equivalents and certain digital assets (*Status: Proposed, comments due mid-November 2026*). The proposal responds to questions about whether certain digital assets, particularly stablecoins, can qualify as cash equivalents, and it includes examples illustrating the attributes a digital asset would need to meet the definition of cash equivalents. It also would require an entity that treats noncash assets as cash equivalents to disclose annually the significant components and related amounts, a disclosure that would apply even if the entity does not hold stablecoins. The board is seeking feedback on whether that broader disclosure provides useful transparency at reasonable cost.

Statement of cash flows (*Status: Staff research ongoing*). After the FASB removed a narrower financial institution project from the technical agenda, FASB staff are researching disclosures that could replace the statement of cash flows for certain financial institutions, as well as other potential improvements to the statement of cash flows.

Current trends and emerging issues. FASB staff is gathering stakeholder input on nontraditional lending, data infrastructure investments, and semiannual reporting. The staff expects future FASB discussions on all three items. For semiannual reporting, the FASB is monitoring feedback provided to the SEC and evaluating whether changes to the codification are necessary, recognizing that much of U.S. GAAP is framed around interim rather than specifically quarterly reporting.

Crowe takeaway: FASB speakers encouraged preparers to provide feedback on exposure drafts, research projects, and implementation challenges. With multiple bank-relevant proposals approaching exposure or redeliberation, institutions should assess operational effects early and provide fact-based feedback on decision-usefulness, implementation cost, and unintended consequences.

SEC updates

SEC chief accountant

One year into his role as SEC chief accountant, Kurt Hohl and Deputy Chief Accountant Sheri York discussed the SEC Office of the Chief Accountant (OCA) priorities, including financial reporting modernization, accounting standard-setting activities, PCAOB oversight, AI, and private credit. Although the session was presented at the AICPA banking conference, several topics were relevant to public-company issuers more broadly.

Financial reporting modernization. At the 2025 conference, Hohl had only recently assumed the chief accountant role and spent much of the discussion outlining broad objectives for the SEC. During this year's conference, Hohl highlighted tangible progress on those objectives, including financial reporting modernization proposals. The SEC is evaluating whether long-standing reporting requirements remain fit for purpose. One of the most discussed initiatives is the proposal to permit optional semiannual reporting in certain circumstances, with the SEC receiving more than 280,000 comments. SEC leadership emphasized that the objective is not to reduce transparency but to evaluate whether a one-size-fits-all approach continues to make sense for all issuers.

FASB agenda and emerging accounting issues. The SEC continues to monitor FASB activities closely, with particular interest in digital assets, stablecoins, private credit, nontraditional lending arrangements, data infrastructure investments, valuation questions, and post-implementation reviews of major standards. The staff encouraged preparers to participate earlier in the standard-setting process and provide meaningful feedback on implementation cost and operational complexity. Specifically, York commented that the SEC views the FASB's ongoing CECL PIR as an important opportunity to evaluate investor benefits, preparer costs, and feedback from the federal banking regulators.

PCAOB transformation. Hohl commented on the important role the PCAOB holds in oversight of auditors. The SEC highlighted significant PCAOB efforts involving inspection modernization, quality control standards, transparency, and stakeholder outreach.

The SEC, along with the PCAOB, remains highly engaged with international accounting and auditing standard-setters, and Hohl stressed the importance of globally consistent, high quality standards that support capital market confidence and comparability for investors.

Artificial intelligence. The SEC is encouraging thoughtful experimentation with AI while emphasizing that management remains responsible for filings accuracy and control effectiveness. As organizations increase their use of AI in accounting, finance, operational, and reporting processes, management and audit committees should focus on governance, documentation, controls, monitoring, and oversight.

"At the end of the day, management's ultimately responsible for the information they file with the SEC."

– Kurt Hohl, SEC chief accountant

Private equity and auditor independence. The SEC continues to evaluate auditor independence questions resulting from private-equity ownership of accounting firms and complex investment structures. The staff expects firms to assess and mitigate quality and independence risks associated with evolving ownership structures.

Crowe takeaway: The SEC continues to focus on fit-for-purpose reporting. Issuers should periodically reassess whether disclosures, governance processes, controls, and reporting practices continue to meet investor needs in an increasingly digital and data-driven environment.

Office of the Chief Accountant (OCA)

The OCA highlighted the availability of the staff's consultation process for complex or novel accounting matters and described several accounting consultations recently received. York described an increase in highly structured transactions designed with a particular accounting outcome in mind, including inventory arrangements and data infrastructure structures involving joint ventures or special-purpose vehicles. She explained that the OCA considers the accounting literature, contractual terms, the substance of an arrangement, public-company filings, accounting firm guidance, and potential diversity in practice. For CECL questions involving banks, the OCA also coordinates with the federal banking agencies, as appropriate. Rachel Mincin, associate chief accountant in the OCA, discussed three recent bank-related accounting consultations. In one matter, the staff did not object to treating instruments issued by a bank to a collateralized loan obligation special-purpose vehicle (SPV) as loans under Accounting Standards Codification (ASC) Topic 310 rather than debt securities under ASC Topic 320 despite the loans having the same cash flow creditor rights as the highest rated notes issued by the SPV. The conclusion was based on the transaction-specific facts and circumstances, including substantive differences in transferability between the loans and the notes issued by the SPV. Mincin cautioned that a structure allowing a loan to be converted into a note would present a significantly different fact pattern and could warrant a separate consultation.

A second consultation arose after a filing review identified an inconsistency in the cash flow presentation of principal collections on loans originated for sale and later transferred to held for investment. The OCA considered the accounting literature, its basis for conclusions, published guidance, FASB staff views, and prior staff decisions. The staff did not object to the registrant's presentation because the guidance permitted more than one reasonable interpretation. In the same consultation, the staff addressed a materiality question, and the OCA did not object to the registrant's materiality conclusion. Mincin reminded attendees that materiality is not solely quantitative and said the staff continues to rely on the Supreme Court definition, which considers "the total mix of information a reasonable investor would use."

The third consultation involved a credit enhancement entered into between a lender and a highly rated third-party guarantor in connection with a specific loan. The guarantee would transfer with the loan, the lender could not cancel it after inception, and the guarantor had only limited protective cancellation rights. Based on the submitted facts, the staff did not object to the conclusion that the guarantee was not freestanding for purposes of ASC Topic 326, and the lender could reflect the credit enhancement in its estimate of expected credit losses. Mincin emphasized that different contractual terms or other facts could lead to a different conclusion. Panelists noted these consultations illustrate how fact-specific the conclusions are and encouraged preparers to reach out.

"If you've got something that's different, come in and talk to us. Make sure you get it right on the front end."

– Kurt Hohl, SEC chief accountant

Division of Corporation Finance (CorpFin)

Amit Pande, accounting branch chief in CorpFin, and Stephanie Sullivan, associate chief accountant in CorpFin, discussed filing-review observations and proposed rulemaking. Their remarks focused on transparent discussion of material changes and risks, improvements in credit-related disclosures, and proposals that could change periodic reporting, filer status, and registered offerings.

Pande said recent bank filings generally included improved disclosure of loan-portfolio credit quality, including positive and negative developments and their effects on credit metrics. Staff comments during the past year were limited and specific to individual facts, but they included requests for clearer explanations of material period-to-period changes in credit metrics, funding mix and liquidity, and the financial statement effects of complex transactions, new business lines, and third-party arrangements. He also referenced comments seeking enhanced management's discussion and analysis (MD&A) disclosure about material changes in brokered or reciprocal deposits and the related effects on funding costs, net interest margin, and liquidity.

CorpFin also identified private credit as an area where enhanced disclosures might be appropriate. Private credit generally refers to nonbank lending, often to middle-market companies through privately negotiated transactions, but the term encompasses a range of structures whose credit quality can depend on the underlying business, capital structure, leverage, and liquidity. Pande clarified that “the staff’s concern in this space is not with private credit itself but with disclosure, to the extent material, to public investors.” Registrants with material exposure were encouraged to reassess whether MD&A and other disclosures provide sufficient visibility into the exposure and related risk management.

Sullivan described several SEC proposals that remained under consideration at the time of the conference. The optional semiannual reporting proposal would permit reporting companies to file a new Form 10-S covering a six-month period instead of quarterly reports on Form 10-Q. The proposed Form 10-S would continue to include GAAP financial statements, an interim review and MD&A. Filing deadlines would continue to depend on filer status, and an issuer electing semiannual reporting would remain on that cadence for the rest of the fiscal year. The proposal would not change voluntary earnings-release or earnings-guidance practices. The comment period closed July 6, 2026, and the SEC is reviewing the comments. Because the proposal is not final, companies should continue to comply with current quarterly reporting requirements.

Sullivan also described the proposed filer-status framework that, if adopted as proposed, would eliminate the accelerated filer category, increase the large accelerated filer public-float threshold from \$700 million to \$2 billion, calculate public float using a 10-day trading period, and generally require 60 months of seasoning before a registrant could become a large accelerated filer. A registrant would remain a nonaccelerated filer until it satisfied both the seasoning requirement and a public float above \$2 billion for the current and prior years. Proposed accommodations for nonaccelerated filers would include exemption from auditor attestation under Section 404(b) of the Sarbanes-Oxley Act, scaled executive-compensation and financial disclosures, no performance graph or market-risk disclosures, and a five-year ability to use later private-company adoption dates for new FASB standards. A proposed subcategory for registrants with total assets of \$35 million or less would receive five additional days for interim reports and 30 additional days for annual reports. The comment period closed July 20, 2026, and the SEC is reviewing the comments. Because the proposal was not final, companies should continue to comply with current quarterly reporting requirements.

The registered offering reform proposal would expand Form S-3 eligibility, extend certain well-known seasoned issuer benefits, permit greater incorporation by reference on Form S-1, and preempt state registration requirements for registered offerings. Sullivan said the proposed amendments could increase by more than 60% the number of companies eligible to use Form S-3. Issuers would continue to be required to be current and timely in their Exchange Act reporting, and certain ineligible issuers would remain disqualified. The comment period closed July 27, 2026, and the staff is reviewing more than 125 unique comment letters. Because the proposal is not final, companies should continue to comply with current quarterly reporting requirements.

Other rulemaking discussed included the May 2026 proposal to rescind the climate-related disclosure rules, whose comment period closed Aug. 3, 2026, and proposed Regulation Crypto Assets, for which comments are due Oct. 20, 2026. The presenters identified potential future work including executive-compensation disclosure reform, proxy solicitation modernization, Regulation S-K reform, exempt offering pathways, and foreign private issuer eligibility. These initiatives were described as proposed or potential rulemaking and should not be treated as final requirements.

Conference observation: The SEC agenda is extensive. Reporting cadence, filer classification, disclosure accommodations, and capital-raising proposals are all open at the same time. Each remains a proposal and could change before finalization.

Audit standards and oversight: The PCAOB and the AICPA Auditing Standards Board

Two sessions addressed auditing standards and oversight. PCAOB staff provided an update on strategic priorities, quality control standards, and inspection activities, and the AICPA Auditing Standards Board (ASB) described new and proposed standards affecting audits of institutions that are not SEC issuers. Although both sessions focused on auditors, several topics have implications for management and audit committees because they affect audit procedures and evidence requirements.

Where banking inspection findings remain concentrated

The PCAOB reported that banking inspection deficiencies continue to be concentrated in the allowance for credit losses, fair value measurements, investment securities, and other estimates. Inspectors have observed insufficient testing of significant inputs and assumptions, inadequate evaluation of evidence that contradicts management's position, and insufficient work to identify which assumptions are significant and how management evaluated sensitivity. Other observations include insufficient testing of information produced by service organizations and substantive procedures over deposit liabilities that do not extend beyond reconciling a subledger to the general ledger. With respect to inspections of an auditor's testing of internal control over financial reporting, recurring findings involve management review controls, the completeness and accuracy of issuer-prepared reports and data, and the evaluation of identified control deficiencies.

"Give the auditor a road map. What is the process? What does it look like? What are the specific steps that a control owner is performing over the data, over the inputs, over the assumptions?"

– Brian Boisvert, regional associate director, PCAOB

The current inspection cycle is focused primarily on 2025 year-end audits, and topics consist of the auditor's evaluation of persistent high interest rates, tightening credit availability, inflation, fraud risk, complex estimates, and rapidly changing technology. The PCAOB also is considering audit firm staffing in its reviews. The PCAOB intentionally selected more audits of regional public banks and in those audits is evaluating the auditor's response to the following risks: commercial real estate, private credit, M&A, cybersecurity incidents, digital asset activity, initial audits, and other emerging risks. Bank-specific focus areas include significant assumptions used in the allowance, valuation of commercial mortgage-backed and other difficult-to-value securities, liquidity assessments supporting held-to-maturity classification, the quality and valuation of real estate collateral, refinancing and reset risks, deposit stability, critical audit matters, and the effect of technology and AI on both the issuer and the audit.

Crowe takeaway: Banks should document significant estimates as a decision process rather than as a result. The package should let an experienced auditor follow the evidence from source data through the recorded amount, helping the auditor understand how the control owner identified and considered significant assumptions, data sources, validation, sensitivity, contradictory evidence, follow-up items, and the basis for management's conclusion. Institutions with material commercial real estate, private credit, difficult-to-value investments, recent acquisitions, or new technology should expect additional auditor attention and should align documentation before year-end fieldwork begins.

QC 1000 and the shift toward firm-level oversight

PCAOB staff indicated that future inspections are expected to focus more on the firm's system of quality control, as QC1000 becomes effective, and then determine the appropriate depth of engagement-level review, though the precise model is still developing. Potential near-term changes include returning to sampling rather than reviewing all selected compliance procedures, issuing inspection comment forms more quickly, building structured feedback loops across the inspection process, and elevating discussions with audit committee chairs concerning fraud, cybersecurity, AI, and other risks. The PCAOB also established a consultation process in June 2026 permitting registered firms to submit questions to the Office of the Chief Auditor. The ASB highlighted parallel implementation of its own quality management standards, under which firms must maintain, monitor, and evaluate formal systems of quality management.

Three ASB standards that change what auditors ask for

Group audits. Statement on Auditing Standards (SAS) 149 becomes effective for audits of periods ending on or after Dec. 15, 2026. It applies whenever financial statements include more than one entity or business unit through a consolidation process, including consolidated financial statements, combined financial statements, and equity method investments. For many banking organizations this means the standard applies even when a holding company and its subsidiary bank are audited by the same team. For organizations with multiple subsidiaries, trust companies, broker-dealers, or significant equity method investments, auditors will place increased emphasis on the flow of information across entities, consolidation controls, component-level risks, and the completeness of consolidation adjustments.

External confirmations. SAS 150 was finalized in May 2026 and becomes effective for audits of periods ending on or after Dec. 15, 2028. It adds a requirement for auditors to confirm cash and cash equivalents when responding to assessed risks of material misstatement, and it notes that stablecoins may qualify as cash equivalents under U.S. GAAP and therefore could be included in confirmation procedures. The standard also addresses electronic confirmation platforms, introduces guidance for direct-access procedures, clarifies conditions for use of negative confirmations, and requires auditors to assess controls surrounding third-party confirmation intermediaries.

Fraud. SAS 151 was finalized in August 2026 and becomes effective for audits of periods ending on or after Dec. 15, 2028. Management's responsibility for preventing and detecting fraud is unchanged, but the standard significantly expands auditors' fraud-focused risk assessment procedures and reinforces professional skepticism throughout the audit. Additionally, the standard emphasizes fraud-related communications with management and the board. The standard also establishes a more structured framework for evaluating identified or suspected fraud, including evaluation of management investigations and remediation.

Crowe takeaway: Banks should understand the auditor's requirements under SAS 151 and expect more extensive inquiries about fraud risk management, whistleblower activity, internal investigations, management override of controls, and remediation of identified deficiencies. Fraud governance processes should be documented and operating before fieldwork, not described during it.

CECL and the allowance for credit losses

As in prior years, CECL was discussed in more sessions than any other accounting topic. However, as compared with prior years, the discussion focused less on implementation and more on the costs, benefits, and operation of the standard. Many of the discussions centered on whether the information produced under CECL justifies the cost and effort required to maintain it, and that question is part of the FASB's PIR process. Standard-setters, regulators, preparers, auditors, and the SEC all addressed the PIR, and while their emphases differed, none proposed a full return to the incurred loss methodology, though the Fed's vice chair has advocated that the FASB permit certain community banks to return to the incurred loss methodology.

The post-implementation review

A summary of PIR research and reporting is expected in the fourth quarter of 2026.

The FASB characterized the PIR as a quality control process intended to assess whether the standard meets its objectives, provides relevant information at a cost that is justified, and offers lessons for future standard-setting. During the PIR, the FASB is surveying implementation and ongoing costs, has held public roundtables (the most recent in May 2026), and obtained perspectives from banks, investors, auditors, banking regulators, the SEC, and the PCAOB.

Speakers frequently referenced the original objective of CECL: earlier recognition of expected credit losses. Cannon observed that delayed recognition had real consequences during the financial crisis, including institutions continuing to pay dividends late into the credit cycle, which later had to be offset with capital raises. At the same time, stakeholders have raised significant concerns about implementation and ongoing costs, particularly for community banks, and about the precision sometimes expected when forecasting inherently uncertain future conditions. Cannon also questioned whether simpler modeling approaches could retain a forward-looking estimate while relying more heavily on factors relevant to a bank's local markets and portfolios. However, Cannon acknowledged a need to focus on how the burden can be eased – whether through better application, improved oversight, or targeted standard-setting improvements.

Fed representatives highlighted Bowman's concerns about disproportionate costs for community banks, continued dependence on management judgment, and potentially procyclical effects, noting that a forward-looking methodology could require institutions to build reserves during periods of stress, potentially limiting lending when credit is most needed. Notably, Bowman has publicly advocated for a repeal, exemption, or practical expedient of the CECL standard for certain community banks. FDIC representatives emphasized that CECL remains GAAP and continues to govern regulatory reporting. The ABA supports efforts to materially improve the model, particularly for community banks, while acknowledging that full repeal would be difficult.

"But we also have to ask the question, is this a standard-setting issue, or is this an application issue, or is this an oversight issue?"

– Fred Cannon, FASB board member

Conference observation: Standard-setters, regulators, and trade associations acknowledged that certain stakeholders have raised concern over the operational costs of complying with the CECL methodology.

Crowe takeaway: Banks should continue applying CECL under existing GAAP and should monitor the PIR process and review the final PIR report; however, they should not wait for the conclusion of the PIR to reassess their own processes. The rigor the standard requires should be separated from the process that has accumulated around it.

Methodology, qualitative factors, and segmentation

Panelists and regulators were consistent in their comments that no single methodology is appropriate for every institution. Current GAAP does not prescribe one expected credit loss methodology, and community institutions may use lower-complexity approaches, including loss-rate, weighted-average remaining maturity, the Fed's Scaled CECL Allowance for Losses Estimator tool, or other methods, when appropriate to the portfolio and supported by reliable data. A simpler quantitative model, however, might increase the role of qualitative adjustments, because management must address limitations in the underlying calculation, proxy data, portfolio composition, and current conditions.

Documentation of qualitative factors continues to be a pressure point. Panelists across multiple sessions discussed the risk of duplicating the same condition in more than one adjustment and the importance of clearly identifying what the quantitative model does not capture. Back-testing remains relevant even when charge-offs are limited: Rather than comparing only actual losses with a prior estimate, management can test forecast assumptions, risk migration, collateral values, prepayments, economic variables, and the reasons actual outcomes differed from expectations. The purpose is to identify bias or process weakness, not to expect a forecast to match actual results mechanically. Speakers also encouraged institutions to use the allowance process to understand emerging portfolio risks rather than treating it as an accounting-only exercise.

Private credit and NDFI exposures were identified as areas requiring tailored risk assessment. Although such loans may be classified as commercial credit, their performance can depend on consumer assets, investor redemptions, leverage, collateral pools, and the specific type of NDFI. Commercial real estate also requires consideration of deeper segmentation, as performance varies significantly across factors such as geography, property class, tenancy, and use. The allowance also remains the most frequently cited area in PCAOB inspection findings for banking.

Crowe takeaway: Banks should continue to evaluate allowance segmentation and monitor for emerging or internally diverse portfolios. They should avoid broad labels such as commercial real estate, private credit, or commercial when subsectors have meaningfully different loss drivers, to the extent datasets allow for meaningful segmentation. Underwriting, credit monitoring, CECL segmentation, qualitative factors, and disclosures should be aligned to the same underlying view of risk.

Mergers and acquisitions

Merger and acquisition activity received sustained attention across three sessions: a business combinations panel, a legal session, and a technical accounting session on purchased seasoned loans featuring Patrick Vernon of Crowe.

A consistent picture emerged. The regulatory approval environment has improved markedly, and the time between deal announcement and regulatory approval has compressed, but the volume of work required between announcement and closing has not. New accounting guidance for purchased loans has removed a long-criticized accounting difficulty within acquisitions of the day two “double-count.” And across sessions, speakers identified data quality, preparation, and detailed documentation as the differences between a manageable transaction and a difficult one.

A faster approval process, not a lighter one

Succession planning, scale, liquidity, and balance sheet strategy were frequently cited as reasons banks are pursuing acquisitions. Nichols noted that the number of U.S. banks has declined from roughly 6,100 a decade ago to 4,238 today, and he described combinations involving complementary markets, customer bases, and cultures as a natural part of industry evolution. He contrasted those transactions with mergers driven primarily by supervisory concerns or the absence of a viable succession plan. One speaker observed that the continued decline in the number of banks between approximately \$500 million and \$2 billion in assets has narrowed the pool of potential acquirers for many smaller institutions.

The regulatory environment also has become more favorable for transactions. An OCC rule finalized in March 2026 expanded access to streamlined application procedures for qualifying community banks under \$30 billion in assets. Speakers reported that approval timelines have shortened significantly as a result. Transactions that once required more than a year for regulatory approval now often receive approval in a matter of months, with several panelists citing time frames of approximately 80 to 120 days. Based on current conditions, one speaker described the environment for bank M&A as the most favorable he has seen in many years.

Crowe takeaway: Banks contemplating an acquisition should plan on the same volume of integration, valuation, and reporting work compressed into a materially shorter window. Work that historically was performed after signing should be moved into due diligence. As a best practice, acquirers should align regulatory, credit due diligence, valuation, accounting, data conversion, and personnel workstreams well before closing.

Purchased seasoned loans under ASU 2025-08

The purchased loans ASU is effective for fiscal years beginning after Dec. 15, 2026. Prospective application is required. Early adoption is permitted in any interim or annual period prior to the effective date.

ASU 2025-08 changes the accounting for many loans acquired in a business combination. Under the previous model, acquired loans that were not purchased credit deteriorated (PCD) were recorded at fair value, which included any credit-related discount. After closing, the acquirer then established a CECL allowance on those same loans through earnings. Many viewed the result as a form of “double counting” because credit risk was reflected both in the acquisition accounting and in the post-acquisition allowance. The new guidance in ASU 2025-08 eliminates that outcome for purchased seasoned loans (PSL). Instead, expected credit losses are recognized as part of the acquisition accounting through a gross-up approach similar to the model already used for PCD loans. The allowance is recorded as part of the acquired loan’s amortized cost basis, with the remaining difference between par value and fair value reflected as a premium or discount. As a result, institutions generally will not record a day two provision expense simply because the loans were acquired.

Vernon noted that the accounting change can have a meaningful effect on transaction economics. Because the allowance is established at acquisition rather than through a subsequent provision, tangible equity at closing is generally higher. At the same time, less discount is available to accrete into income over future periods, which can affect projected earnings and transaction earn-back calculations. While PSLs and PCD loans now follow a similar gross-up model, the distinction between the two categories remains important. PCD loans are identified based on evidence of credit deterioration since origination and continue to be subject to separate disclosure and accounting requirements. The guidance applies to loans and revolving credit arrangements but does not extend to credit cards, debt securities, or unfunded commitments.

Reconciling valuation with CECL – and the data problem

One topic that generated considerable discussion was the relationship among credit due diligence, purchase accounting, and CECL. One panelist referred to these three workstreams as a “credit triangle”: the credit analysis performed during diligence, the credit assumptions embedded in the day one fair value mark, and the allowance established under CECL after acquisition. While all three are evaluating credit risk, they serve different purposes and often are performed by different groups using different loan pools, assumptions, and methodologies. The credit mark included as a component of fair value and the CECL allowance are not intended to produce the same result. Fair value reflects assumptions that a market participant would make, while CECL reflects the acquiring institution’s own estimate of expected credit losses. Differences between the two are therefore expected. However, panelists noted that significant differences often attract additional scrutiny from auditors, regulators, and other stakeholders and should be well understood and supported.

The session also highlighted the importance of understanding how key assumptions affect acquisition accounting outcomes. One speaker noted that assumptions related to credit performance, expected life, and interest rates often have a significant effect on valuation results and future earnings patterns. Another added that institutions can encounter problems when valuation and CECL analyses are performed independently and reconciled only after closing, particularly when earnings expectations already have been communicated internally or externally.

Data quality was another recurring theme. Panelists encouraged institutions to validate loan-level data early in the transaction process and maintain consistency across diligence, valuation, accounting, and CECL workstreams. Several speakers noted that resolving data issues before closing is significantly easier than trying to reconcile conflicting information after transaction accounting has begun.

Crowe takeaway: Banks should determine how best to identify and track purchased seasoned loans at the loan level after closing, as both disclosures and regulatory capital calculations depend on it. They also should document the accounting policy election for measuring the allowance for each acquisition. Banks should connect credit diligence, valuation, and CECL work streams to a single loan population and consistent pooling before closing, document the reasons for differences between the credit mark and the allowance, and prepare to evidence their own challenges of third-party valuation work rather than the credentials of the provider.

Digital assets and stablecoins

Ron Quaranta, founder and chair of the Wall Street Blockchain Alliance, delivered a general session on the state of digital assets, supported by two sessions on foundational concepts and policy developments. His remarks focused primarily on payments, settlement, custody, and collateral rather than on digital asset investing. Quaranta argued that the market has passed through a speculative retail phase from roughly 2017 through 2020 and an institutional access phase from approximately 2021 through 2024, into a current phase in which the relevant questions concern payment rails, settlement, custody, and collateral. For banks, the strategic question is no longer whether to participate in digital asset markets but where digital asset activity intersects with existing customer relationships, deposit franchises, and payment economics.

Terminology that carries regulatory consequences

Quaranta emphasized that digital assets are not a single category and that conflating them creates real regulatory compliance exposure. The distinction he treated as most consequential is between a payment stablecoin and a tokenized deposit. A payment stablecoin is a claim on a permitted bank or nonbank issuer, backed by identifiable reserve assets, subject to an explicit redemption framework under the GENIUS Act, and not automatically covered by federal deposit insurance. A tokenized deposit is a deposit liability of an insured depository institution that happens to be recorded using distributed ledger technology, and deposit law, capital requirements, and liquidity rules continue to apply unchanged. He also distinguished native crypto assets, tokenized securities, decentralized finance protocols, and central bank digital assets. Materials from the supporting policy session noted that interpretive guidance issued jointly by the SEC and the Commodity Futures Trading Commission on March 17, 2026, established a five-category token taxonomy and addressed when common digital asset activities might constitute securities transactions. These activities include creating new tokens through network validation, earning rewards for committing tokens to a blockchain network, receiving tokens through promotional distributions, and converting tokens into representations that can be used on another blockchain.

The accounting for these assets follows the same logic. Certain stablecoins might fall outside the crypto asset guidance because the holder has an enforceable claim on underlying cash or other assets, and cash equivalent classification depends on the specific contractual rights and liquidity, including whether the holder can redeem directly with the issuer. Therefore, the same token can produce a different conclusion for holders with different redemption rights. The FASB's proposal on cash equivalents, covered in the FASB updates section, addresses this directly.

Crowe takeaway: Management and the board should understand whether an instrument is a deposit liability, a claim on a third-party issuer, or a security, as this determines the capital, liquidity, insurance, and disclosure treatment. Management teams should understand and document the holder's legal and redemption rights, reserve structure, issuer relationship, liquidity, transferability, and applicable regulatory framework before any offering is contemplated.

Scale, the deposit question, and a normalized regulatory posture

Nichols said the ABA supports payment stablecoin innovation but is concerned that stablecoins could become deposit-like products without equivalent supervision, consumer protection, or insurance, focusing particularly on whether affiliates or exchanges should be permitted to provide yield, interest, or rewards when an issuer is prohibited from doing so. He argued that funds held as bank deposits support lending to businesses, farmers, and consumers, while funds shifted into stablecoins might not be recycled into the community in the same manner.

He characterized the change in supervisory posture as structural rather than a shift in tone, describing a move from exceptional processes applied to digital asset activity toward technology-neutral supervision that pulls such activity into familiar frameworks covering anti-money laundering compliance, capital, and third-party risk management. He cited the OCC's reaffirmation of crypto custody and stablecoin reserve activity as permissible banking functions, the Fed's withdrawal of advance notification requirements, and OCC clarification permitting execution at customer direction and the outsourcing of custody capability. On regulatory capital, he noted that eligible tokenized securities generally receive the same treatment as their nontokenized equivalents, and he said that whether a network is permissioned or permissionless does not itself determine capital treatment because the legal nature of the claim governs. He was careful to qualify what that means, noting that technology neutral does not mean risk neutral.

Conference observation: The supervisory conversation has shifted from whether institutions may participate to how that participation is governed. Speakers were nonetheless careful to note that most of the framework remains proposed.

"The winners will not be the institutions that move first. They will be the institutions that understand where the technology creates better financial services and, I think, at least as importantly, where it doesn't."

– Ron Quaranta, founder and chair, Wall Street Blockchain Alliance

Regulatory capital and balance sheet management

Two sessions addressed how institutions position the balance sheet. Speakers described their own experience and views rather than the formal positions of their organizations.

Although the sessions addressed different topics, both focused on positioning the balance sheet in the current rate environment. Margins are at or near multidecade highs, which is precisely when institutions should be buying protection against the conditions that would end that. At the same time, a pair of proposals would materially change how regulatory capital is calculated and, for banks electing the expanded risk-based approach (ERBA), would pull AOCI into regulatory capital. That change alone would force a different approach to managing the available-for-sale portfolio, which is where derivatives re-enter the discussion.

Two capital proposals, not one

Ryan Henley, a financial analyst who focuses on balance sheet and investment strategy as well as the interpretation of shifting regulatory and accounting environments, addressed two regulatory capital rules proposed by the federal banking regulators. One proposal would revise the standardized approach that applies to most banks, and the other would revise the framework that previously applied only to the largest institutions, now referred to as the enhanced risk-based approach, or ERBA.² The proposed rules would permit ERBA to be used by any bank as an opt-in alternative rather than being restricted by asset size, and the “internal models method” previously required under that framework would be eliminated and replaced with prescribed risk weights that are materially lower than the standardized risk weightings, either those used currently or as proposed. Of note, ERBA requires AOCI to be included as a component of regulatory capital, but it can be phased in over a five-year period as currently proposed.

Henley presented an analysis of more than 90 institutions, prepared by his firm using call report data as of Dec. 31, 2025. On average, risk-weighted assets declined approximately 6.1% under the revised standardized approach and approximately 12.5% under ERBA. The average common equity tier one (CET-1) ratio was approximately 82 bps higher under the revised standardized approach and approximately 114 bps higher under ERBA with AOCI fully included in regulatory capital. Henley emphasized that the analysis presented was not performed by the federal banking regulators, that it was performed on a subset of banks, and that results vary considerably by institution.

The proposed regulatory capital rules have not yet been finalized, and the federal banking agencies have not indicated when these rules will become effective. Under the proposed rule, electing ERBA over the standardized approach does not have to be permanent. As proposed, an institution could elect to change approaches at any quarter-end subject to a delay of 12 months before a subsequent change takes effect. Henley said he believes that ERBA is considerably more advantageous for commercial-heavy institutions with higher loan-to-deposit ratios than for residential-mortgage-concentrated institutions, which creates a competitive consideration: Two institutions pricing the same commercial credit through similar return-on-equity models using different risk weights will not produce the same coupon rate. Furthermore, an institution must defend the investment-grade determination for corporate exposures under ERBA, which would require an internal credit risk rating system evaluated at least annually, supported by default data covering at least five years including one period of stress, and benchmarked against an external reference. Henley expressed the view that most institutions’ internal loss experience should compare favorably against such benchmarks.

² Separately, the federal banking agencies issued a final rule amending the requirements to the CBLR on July 1, 2026.

Crowe takeaway: Banks might want to model both proposals against their own asset mix and unrealized securities position rather than peer averages. Banks interested in ERBA with meaningful corporate exposure should assess whether internal credit risk rating data and default history would support the investment-grade determination.

The case for buying protection now

Henley framed the current environment as unusually favorable and used that as the argument for hedging rather than against it, presenting net interest margin data showing banks between \$250 million and \$10 billion in assets at margins not seen since 2019. His argument was that institutions generally perform well when the federal funds rate sits between approximately 2.5% and 5% and that both tails are painful: Above that range, funding competition compresses margin, and below it, borrowers refinance away. Institutions have effectively sold options to their customers on both sides of the balance sheet, since depositors can leave when rates rise quickly and borrowers can refinance when rates fall.

The pricing argument rests on implied volatility, which Henley reported at approximately five-year lows despite recent geopolitical and monetary policy uncertainty. Because options pricing reflects both the shape of the curve and implied volatility, low volatility makes caps and floors comparatively inexpensive. He cited a three-year floor at an approximately 2.97% strike costing approximately 18 bps per year on an adjusted basis, against approximately 40 bps in February. Because the curve has steepened, protection against higher rates has become relatively more expensive than protection against lower rates.

Governance and where hedging programs go wrong

The other balance sheet management session was a derivatives panel, and speakers were consistent on how hedging programs fail. One speaker described trades executed without notice to accounting, producing late designation or an off-market derivative at designation, and hedges that did not qualify in the first place but were examined only once the instrument developed a significant fair value. Another panelist identified over-hedging in cash flow hedge relationships as a specific risk, since a failed forecasted transaction moves deferred amounts from other comprehensive income into earnings. All three panelists recommended engaging auditors early rather than presenting completed conclusions, and starting with a small, well-understood portfolio before expanding. Asked about the most common misconception, one speaker said derivatives do not create risk but provide predictability; another said the assumption that every derivative is highly complex is misplaced, since plain vanilla instruments have few valuation inputs. The FASB's hedge accounting projects are described in the FASB updates section.

Crowe takeaway: Asset and liability committees should evaluate net interest margin protection through derivative transactions while margins are wide and option premiums are low rather than after conditions deteriorate, assessing pricing on an annual amortized basis so the cost can be compared against current margin. They should establish the risk management objective and confirm the accounting treatment before executing a transaction and obtain board approval of the governing policy before the first trade rather than alongside it.

Tax planning

Tax specialists including Corey Pfeifer of Crowe Advisory LLC discussed current opportunities, planning risks, and transaction considerations. A consistent theme connected the topics: Potential tax benefits depend on early coordination, reliable data, and documentation that supports both the technical tax position and the related accounting.

Transferable tax credits. These remain a significant planning opportunity for institutions with predictable taxable income and federal tax liability. Instead of making a full cash tax payment, an institution may purchase a transferable tax credit at a negotiated discount and apply it against its federal income tax liability, an arrangement the speakers described as primarily a cash management opportunity. The purchase structure can be operationally simpler than a traditional tax credit equity partnership investment, but simplicity of structure does not eliminate technical risk, and Pfeifer observed that “the devil is in the due diligence.” Depending on the credit and project, diligence might address prevailing wage and apprenticeship requirements, project basis, production data, placed-in-service timing, registration, transfer documentation, indemnification, and insurance. Because transferable credits are general business credits and cannot eliminate an institution’s entire tax liability, the session emphasized modeling current-year capacity, carryback capacity, carryforward considerations, and refund timing. Buying credits beyond usable capacity could create a deferred tax asset subject to regulatory capital considerations and reduce the expected economic return.

Rural and agricultural real estate loans. Section 139L of the Internal Revenue Code (IRC) provides a 25% exclusion for qualifying interest income on certain loans secured by rural or agricultural real property made after July 4, 2025. The panel described the exclusion as a potential operational challenge because qualification depends on the original loan date, collateral, agricultural use, refinancing or modification history, and lender status, and the related tax-exempt income affects the interest expense disallowance calculation. Proposed IRS guidance³ leaves some fact patterns unresolved, including certain loans refinanced with a different lender.

M&A tax matters. IRC Section 382 can limit acquired net operating losses and credit carryforwards, but it also extends to net unrealized built-in losses (NUBIL). For banks, unrealized losses embedded in available-for-sale and held-to-maturity securities might become particularly important if the portfolio is sold shortly after closing, thus a post-close strategy intended to reposition the balance sheet can trigger tax losses subject to a long utilization limitation. An institution might believe it is triggering a useful loss while in fact subjecting it to a very long period of limitation. Management must prepare a NUBIL analysis to understand if additional limitations will apply. IRC Section 280G remains another significant due diligence area in potential merger transactions, as older executive agreements and change-in-control provisions can create large payments, employee excise taxes, and corporate deduction disallowances.

³ IRS Notice 2025-71.

The finance function: Data, controls, and transformation

Chief accounting officers, chief financial officers, and accounting policy leaders from institutions of varying size described how the accounting function itself is changing. Across the panels, speakers noted the function is moving from implementation-heavy technical changes for new accounting standards toward execution discipline. Speakers repeatedly returned to three topics: Data is the real control infrastructure, control frameworks have accumulated activity that does not reduce risk, and technology investment fails when it is treated as a purchase rather than an operating model change.

Data was described as the central dependency for acquisitions, regulatory reporting, regulatory capital calculations, credit risk analyses, profitability, system implementations, and accounting automation. As an institution grows, the volume, speed, and scrutiny of reporting generally increases and frequently exposes attributes that smaller acquired institutions were not required to maintain. Finance leaders repeatedly called for accounting and reporting teams to be involved earlier, since business units need to understand which data attributes are required, why the information affects pricing or financial reporting, and what controls are necessary at origination. Different users might need different attributes, but ownership and definitions should be understood across all bank functions, and system conversions should include finance-led testing of the information needed for regulatory and financial reporting.

Regarding controls, finance leaders described opportunities to eliminate activities that document a process without preventing or detecting a meaningful risk. Annual walkthroughs, system changes, and control reviews can be used to challenge whether an activity is actually a control, whether it addresses a relevant risk, and whether automation has changed the control design. Maker-checker controls received particular attention: The existence of a preparer and reviewer is not sufficient if neither party understands the underlying activity or evidence, so control design should address competence, review precision, investigation thresholds, and documentation of the reviewer's conclusion. The increase in the FDIC Part 363 internal control reporting thresholds creates an opportunity for qualifying institutions to reconsider the scope of testing, though panelists cautioned that changing management's testing program can affect the auditor's control reliance strategy, sample sizes, and substantive procedures.

On transformation, accounting leaders described technology implementation as an operating model challenge rather than a software purchase, noting that institutions can spend heavily and still automate broken workflows, use only a small portion of a platform, or carry duplicate tools. Panels also emphasized rotational programs, succession planning, and accountability mechanisms including quarterly attestations, policy owner certifications, and governance over known departures from GAAP.

Crowe takeaway: Banks should consider threshold relief, if applicable, as an opportunity to optimize the control environment, not to dismantle it, and rationalize controls based on risk and process design rather than on control counts. For each transformation initiative, they should determine the business decision it improves or the risk it mitigates, the manual work it replaces, the data and controls it depends on, the owner after implementation, and the measurable benefit.

Artificial intelligence

AI was referenced broadly in the majority of sessions but addressed directly during three sessions: a practical use case panel, a panel on responsible use and governance, and a closing keynote addressing longer-term opportunities and risks by Jason Schenker, chair of The Futurist Institute and president of Prestige Economics. Speakers described their institutions' experiences and their personal views rather than the formal positions of their organizations. Across the sessions, speakers addressed production use cases, governance challenges, and workforce readiness.

Adoption and the successful use cases

Most examples involved repetitive internal processes such as call transcription, disclosure preparation, document compilation, and quality control reviews. One speaker described automated transcription of member service calls, which produced roughly a two-to-one return in cost avoidance and allowed the call center to grow without adding staff. Another described using AI to compile financial statement disclosures such as the loan footnote, reducing preparation and review time by approximately 50%, with similar applications in loan boarding and loan sale document compilation. One panelist described an internally built agent that validates member statement samples, where the prior manual process reviewed roughly 100 statements at a cost of about \$3,000 and the agent now validates about 1,000 for approximately \$200. Another panelist cited one large regional bank's comparison of roughly \$9 per human-handled call against about 25 cents for an AI-automated interaction.

Whether the control environment changed, and documenting the answer

The panelists said that AI has not altered internal control over financial reporting at their institutions. One described the tool as performing staff-level preparation rather than review, with a human preparer supplying inputs and a human reviewer evaluating output, and described requiring the tool to document its own logic, such as a separate spreadsheet tab explaining each formula, so the business rationale can be reviewed and traced. The panelist added that where a process changes in a way that alters a control, that is the point at which management should pause and reassess, and noted that external auditors generally have been receptive where management is transparent about what changed, what did not, and where the human remains in the process. Accounting teams generally were not using AI to generate reported financial information directly, preserving established sources for amounts reported to management, boards, regulators, and investors. The SEC made a similar point, emphasizing that management remains responsible for the accuracy of filings and that AI may not create an evidentiary gap for auditors.

Crowe takeaway: It is likely that AI soon will become embedded in the ways banks do business – just as personal computers and spreadsheets became embedded over time. Banks should document, before the deployment of AI or AI-assisted workflows, any changes in controls, who owns the output, and how the tool's logic is evidenced. They should maintain an inventory of accounting AI applications covering approved source materials, data restrictions, validation procedures, output retention, and the accountable human decision-maker, and they should expect audit committees and auditors to ask for it. Clear, measurable performance metrics should be established for each AI initiative so realized benefits can be evaluated and reported clearly for the board.

Governance and third-party oversight

Both governance panelists described AI oversight as sitting on top of frameworks never designed for it. One reported that AI use cases intersect nine existing life cycles, including third-party risk management, data, and technology governance, and described a journey map with more than 40 steps, seven approval groups, and seven systems. He noted that AI adoption tends to expose preexisting weaknesses in those frameworks, citing identity and entitlement management as an example.

Third-party risk drew the most concern. A panelist explained that vendor assessments happen at a point in time and often on an annual basis, while vendors add AI functionality continually, frequently without triggering a contract amendment or a billing change, and noted that standard due diligence questionnaires historically contained few AI-specific items and typically are administered by generalists. In response, organizations might adopt continuous monitoring tools, elevate the seniority of third-party ownership, and be more selective about vendors. Additional risks identified include unresolved questions around ownership of solutions and code if an institution leaves a platform, and around vendors' own use of downstream AI providers. Panelists reported moving their review cadence toward monthly or closer to real time. The ABA's Nichols raised a related systemic concern, describing work with government and critical financial infrastructure providers to assess vulnerabilities associated with a malicious or uncontrolled AI event affecting core processors, payment networks, and other shared providers.

Conference observation: Multiple speakers identified governance and vendor oversight as the primary challenges to broader AI adoption.

Crowe takeaway: Banks should map AI use cases to tailored third-party, data, model, and technology governance, and they should assign an accountable owner to each. Vendor due diligence should address notification of new AI functionality, data use and training restrictions, hosting location, explainability, and ownership of work product on exit. Boards should understand critical third-party dependencies, incident response, and recovery strategies, not only the employee use policy.

Fraud and cybersecurity

A closing session included Emily Odom, cyber assistant special agent in charge at the FBI's Washington field office. A significant portion of the discussion focused on whether institutions are allocating resources to the areas generating the largest losses.

Where the money is actually lost

Odom identified a persistent mismatch between where institutions concentrate spending and where losses occur. Budgets, teams, and controls are calibrated toward preventing intrusion and ransomware, while the largest dollar losses at banks come from unauthorized wire transfers and business email compromise. She noted that institutions typically separate the cybersecurity function from the fraud investigation function and that the FBI faces the same structural problem, while the criminal groups behind both do not operate along those lines.

"We can throw a ton of money at cybersecurity, but your organization's probably losing more money to fraud."

– Emily Odom, cyber assistant special agent in charge, FBI Washington field office

She characterized unauthorized transfer activity as primarily a human problem with some technical components rather than a technical problem itself. Another speaker made a related organizational point, arguing that institutions should stop treating information technology and information security as cost centers and should recognize them as protecting revenue. Fraud also was identified by Nichols as one of the most pressing strategic issues for the coming year. Check washing, phishing, text message scams, bank impersonation, and fraud enhanced by AI continue to affect customers and institutions, and the ABA is pursuing a combination of consumer education, industry coordination, and legislation intended to address fraud earlier in the ecosystem. Nichols described legislative efforts that would require social media platforms and telecommunications providers to take greater responsibility for known scam advertising and fraudulent communications and noted collaboration with the Federal Communications Commission on bank impersonation scams. Speakers noted that banks often encounter fraud only after a transaction has entered the payment system and argued that broader industry participation is necessary to reduce losses.

Crowe takeaway: Banks should examine whether the cybersecurity and fraud functions share threat intelligence, escalation paths, and loss data, because the same actors often drive both. Boards should ask how security investment is allocated relative to where the institution is incurring losses.

Threat trends and engaging law enforcement

Speakers emphasized that relationships should be established with a local FBI office and agent before an incident occurs. Odom said the single most valuable near-term action is to review the bank's incident response plan and make the law enforcement contact specific.

"It shouldn't say call the FBI. It should say call this person at this phone number."

– Emily Odom, cyber assistant special agent in charge, FBI Washington field office

She recommended that institutions determine in advance, with legal counsel, what information can be shared and what approvals are required. On substance, she said speed matters and identified specific gaps. In ransomware matters, the FBI maintains decryption keys that might apply to a particular variant of ransomware. In unauthorized transfer matters, the FBI operates a financial fraud kill chain and a recovery asset team that can attempt to stop the movement of funds, but institutions frequently omit the originating and receiving routing numbers, which are required before funds can be held; she described a recent matter in which that information arrived late through counsel, delaying the response. Information sharing also runs in both directions, since an institution providing a single indicator of compromise might receive additional indicators in return. Speakers directed the audience to the [Internet Crime Complaint Center](#) and identified underreporting as a significant gap. One speaker recommended [InfraGard](#), the FBI public-private partnership program, noting that every field office maintains a chapter and membership is free. The session closed on the human element, noting that security awareness training delivered once annually is insufficient and that institutions have a control for nearly everything other than the behavior of their own people.

Crowe takeaway: Banks should know who to call, know what it is permitted to disclose, and capture the right information at the moment of discovery. They should confirm that wire fraud escalation procedures capture originating and receiving routing numbers at the point of first report, as recovery depends on it.

Questions for the board and audit committee

The following questions are drawn from the matters addressed at the conference. They are intended as a starting point for board and audit committee agendas over the next two quarters.

Capital and the balance sheet

- Have we modeled both capital proposals against our own balance sheet, and do we understand what electing ERBA would do to capital once accumulated other comprehensive income is included over a proposed five-year phase-in?
- Would our internal credit risk rating system and default history support the investment-grade determination?
- Are the capital election, the available-for-sale portfolio, and the hedging strategy being evaluated together or separately?
- What net interest margin protection have we considered while margins are wide and option premiums are low, and what did we decide?

Credit and the allowance

- Can management explain why our allowance methodology is appropriate for our portfolio and what elements of the process exist because it improves the estimate rather than because it accumulated over time?
- Does our segmentation reflect the actual loss drivers in commercial real estate, private credit, and nondepository financial institution exposures, or only the broad categories?
- How is the allowance process used by credit and business leadership, not only by accounting?

Technology, data, and third parties

- For each AI application in a reporting or control process, who owns the inputs and outputs, has a control changed, and how is the tool's logic evidenced?
- How quickly would we learn that a vendor had added AI functionality to a product we already use?
- Does staff in accounting, financial reporting, or risk perform core analytical reviews to appropriately challenge the output from AI?

Fraud, cybersecurity, and resilience

- Does our incident response plan name individuals and direct telephone numbers, and has counsel pre-cleared what we may share in the event of a breach?
- Do our wire fraud procedures capture originating and receiving routing numbers at the point of first report?

Reporting, audit, and transactions

- How would we be classified under the proposed SEC filer status framework, and what specifically would change?
- Does management proactively monitor activities that might affect management's documentation or disclosures?
- If a definitive acquisition or sale agreement were signed, could we mobilize the workstreams needed to prepare for closing and integration within 90 days?
- Have we assessed material tax opportunities and exposures – including transferable tax credits, the Section 139L exclusion for qualifying rural and agricultural real estate loans, and executive compensation matters such as Sections 280G and 162(m) – and established the data, diligence, and monitoring needed to support them?

Learn more

JP Shelly

Partner, Audit & Assurance,
Crowe LLP

Partner, Crowe Advisory LLC
+1 202 509 8154

jp.shelly@crowe.com

Ryan Peebles

Audit & Assurance, Crowe LLP
+1 617 226 0867

ryan.peebles@crowe.com

Sally Tonini

Audit & Assurance, Crowe LLP
+1 502 420 4598

sally.tonini@crowe.com

Megan Rangen and Sarah Paxton also contributed to this article.

Portions of AICPA materials reprinted with permission. Copyright 2026 by AICPA.

FASB materials reprinted with permission. Copyright 2026 by Financial Accounting Foundation, Norwalk, Connecticut. Copyright 1974-1980 by American Institute of Certified Public Accountants.

"Crowe" is the brand name under which Crowe LLP, Crowe Advisory LLC, and their respective subsidiary entities provide professional services. Crowe LLP and Crowe Advisory LLC (and their respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards.

Crowe LLP is a licensed independent CPA firm that provides attest services to its clients. Crowe Advisory LLC and its subsidiary entities provide tax, advisory, consulting, and other nonattest services to their clients. Crowe Advisory LLC and its subsidiary entities are not licensed CPA firms. Crowe LLP and Crowe Advisory LLC are independent members of the Crowe Global network. Crowe Global and its member firms, including Crowe LLP and Crowe Advisory LLC, are not a worldwide partnership. Crowe Global and each member firm are separate legal entities. Services are delivered by the member firms; Crowe Global is a Swiss organization and does not render professional services to clients and does not have an ownership interest in Crowe LLP, Crowe Advisory LLC, or any other member firm. Crowe Global and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

The information contained in this document is not intended to constitute audit, tax, accounting, advisory, consulting, business, financial, investment, legal, or other professional advice and should not be relied upon as such. Some services may not be available to attest clients. The information is general in nature, based on authorities that are subject to change, and is not a substitute for professional advice or services. Before making any decision or taking any action that may affect your business, you should consult a qualified professional adviser. Crowe is not responsible for any loss incurred by any person who relies on the information contained in this document.

For additional information about Crowe LLP, Crowe Advisory LLC, their subsidiary entities, and Crowe Global, please visit <https://www.crowe.com/disclosure>. © 2026 Crowe Advisory LLC. All rights reserved. The Crowe name and logo are trademarks used under license from Crowe Global.

TACT3368453