

September 5, 2019

Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: Proposed Accounting Standards Update-Financial Instruments-Credit Losses (Topic 326) File Reference No. 2019-750

To Whom It May Concern:

L.E.O. Credit Union, appreciates the opportunity to submit feedback to the Financial Accounting Standards Board (FASB) regarding the current expected credit loss (CECL) standard and the delay of its effective date. L.E.O. Credit Union is located in Painesville, Ohio and its membership base consists of the Lubrizol Corporation employees, retirees, contractors, their family members. Since the Lubrizol Corporation is a global company, we serve members all around the world! L.E.O. CU has close to 2000 members and has \$14,000,00.00 in assets.

In 2016, FASB issued new accounting standards, which included CECL. CECL accounting is premised on both historical and current loss and loss that is expected to occur in the future over the entire lifetime of a loan.

L.E.O. CU, has submitted feedback to the agency regarding challenges with CECL implementation and compliance. Last year, FASB extended the effective date to January 2020. Since then, I've tried to prepare for CECL implementation. Determining the appropriate model is confusing.

I have attended several seminars, webinars and classes, regarding the preparation, accounting, and reporting of CECL. During an educational training session, it's a little easier understanding how or what to do regarding CECL calculations. But when I get back to the office...it becomes difficult again recalling how CECL is supposed to "work." CECL IS CONFUSING! The data collecting, accounting methods and reporting is daunting. I'm having a hard time calculating future loan losses.

I've spoken to and asked auditors and examiners about CECL. They, too are confused about its' method of recognized loan loss calculations. Perhaps, FASB could come up with an easier method of calculating CECL loan losses.

L.E.O. CU supports delaying the effective date for all other public business entities, including credit unions, until January 2023. Additionally, our comment in full support of the delay in no way represents concurrence with the notion that the new CECL standard is necessary and beneficial (we do not agree that it is) or that it should apply to financial cooperatives (we do not agree that it should).

Thank for you the opportunity to respond to this proposed accounting standards update.

Respectfully,

Beth Patla
CEO
L.E.O. Credit Union