

May 5, 2020

Technical Director
FASB
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Via Email to: director@fasb.org

Re: File Reference No. 2020-300

I appreciate the opportunity to comment on the proposed Accounting Standards Update to defer the effective dates of two updates to provide immediate, near-term relief for certain entities impacted by the COVID-19 pandemic.

I am the Director of Quality Control with SVA Certified Public Accountants, S.C. (SVA). I am responding based on the impact of the pandemic on SVA's client base. SVA's assurance practice consists of small to medium sized privately owned businesses, health care providers, single purpose real estate entities, employee benefit plans, local governmental entities, and nonprofit organizations. SVA does not provide assurance services to public companies.

Comments on Overall Exposure Draft

Given the unprecedented, sudden negative impact the pandemic is having on most businesses, it is prudent and necessary to offer relief through deferral of the effective dates of these two standards.

I urge the Board to consider providing additional relief to all private companies who have not yet issued their first annual financial statements for annual periods beginning after December 15, 2018 by deferring the Revenue standard. Deferral should still be optional. Many private businesses (including the majority of SVA's clients) are located in states that have been under stay-at-home orders since March 2020. Even as these restrictions are lifted, businesses will not be able to resume normal operations and will need to reallocate their resources accordingly.

Businesses deemed non-essential have been forced to furlough or lay off employees or virtually cease all operations. Other businesses deemed essential have had to adjust to a remote work force; redefine supply chains; manage the loss of customers; and focus on implementing new controls and procedures to effectively continue operations.

Given the additional costs associated with implementing the new Revenue standard, many businesses do not have the resources (time and staff) available as a result of the pandemic.

Questions for Respondents

Specific responses to selected questions in the proposed update are as follows:

Question 1: Yes

Question 2: Yes

Question 3: Yes, implementation of Leases will add additional cost for many private companies and private NFP entities. Given the current and anticipated economic conditions created by the pandemic, companies need to be supported in whatever manner possible to alleviate their cost burdens and allow them to direct their resources to critical needs.

Question 4: Yes, they should be provided that option although many calendar year-end entities will likely have already issued their financial statements. The impact of the pandemic on most NFP entities will be severe and they should be provided relief by deferring Leases.

I appreciate this opportunity to provide comments on the proposed update and would be pleased to respond to any questions about them.

Sincerely,



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