Data Quality Committee
Webcall
February 13, 2019 3PM (ET)
Meeting Notes

Attendees

Committee Members

Pranav Ghai, Campbell Pryde, Lou Rohman, Chase Bongirno, Andreas Krohn, Charles Kessler, Amit Varshney, Mohini Singh

Absent

Adrian Cloutier, Craig Lewis, Emily Huang

Staff

Ami Beers, David Tauriello

Observers

Louis Matherne, Iza Ruta

Welcome

- Chair welcomed Committee. Steve Soter will rejoin the DQC.

Minutes Approval

- Motion to approve minutes from December 5, 2018 DQC meeting, by Chase Bongirno, seconded by Pranav Ghai.
- Vote (For 8, 0 Against)
- Motion passed. December 5, 2018 DQC meeting minutes approved.

Review and Approval of Release of DQC Rules

- Lou explained that the version 7 rules were updated. These updates do not need to be formally approved. Campbell provided details on updates of the following rules:
    - DQC_0067 updated to allow for exceptions for deferred revenue.
    - DQC_0070 updated to support disclosure of plan assets across separate roles.
    - DQC_0071 updated to ignore facts that use the InitialApplicationPeriodCumulativeEffectTransitionAxis.
    - DQC_0076 updated to only require alignment of the satisfaction Date axis with the obligation value. This value does not have to have matching dimensions between the values for RevenueRemainingPerformanceObligationExpectedTimingOfSatisfactionPeriod

and RevenueRemainingPerformanceObligation or RevenueRemainingPerformanceObligationPercentage. The rule was also updated for 2018 to not require period alignment. The satisfaction period context date no longer has to match the context date of the reported data.

- Campbell stated that the public comment period for Version 8 rules has completed. This set includes 2 rules.
    - o DQC_0079 – Extension Members rule identifies members for Countries, States or Provinces. Rule applies to both IFRS and US GAAP filings. SEC taxonomy had an incorrect label for Austria, SEC was notified to correct the taxonomy.
    - o DQC_0080 – Negative values for IFRS taxonomy.   One comment was received that stated that the spreadsheet for the rule had a typo and was missing certain attributes which was corrected. No new elements have been added. However, working group has reviewed new list of elements to be proposed for the next version (i.e., Version 9).
    - o There was a discussion on the effective date for these rules. The rules are available on the XBRL US website to be run. Vendors will need time to implement rules into software, many do not issue releases during 10K filing periods due to volume (after April 30th).
    - o There was a question as to whether rules should be implemented in coordination with releases of EFM (next update March 11, 2019). Some members stated that changes made for EFM updates are separate from DQC updates and would not want to tie DQC rules to that schedule.
    - o Campbell proposed that rules can be approved but effective at a later date, such as, making rules effective in time for next public review.

- Motion to approve Rule Set 8 DQC_0079 and DQC_0080 to become effective May 8, 2019 by Chase Bongirno, seconded by Campbell Pryde.
- Vote (For 8, 0 Against)
- Motion passed. Approved Rule Set 8 DQC_0079 and DQC_0080 to become effective May 8, 2019.

Impact of Rules
- Campbell presented graphs which are posted on XBRL US website.
- Some of the rules released later do not show much improvement. However, there are more vendors supporting rules today (e.g., Donnelly's software has just been certified), so it should help to improve error rates.
- XBRL US working on solutions to broaden market for more companies to run rules prior to filings
- Companies may not be aware of errors, need more communication to these companies.

Potential Publication of Errors by Company

- Lou explained that we could potentially post a list of errors by company, by type, on the XBRL US website. The objective is not to embarrass companies but rather to improve utility of XBRL filings.
- Campbell proposed that errors should be broken out by error and provide a list of companies that have each error. There is no intention to include filer service or software provider information.
- Other websites have this information, but these sites may not be up to date on the rules. Therefore, we would make sure that the rules are current.
- There was a question as to whether companies are aware of their errors and would it make sense to outreach to companies rather than post it publicly? Some companies may be aware; however, DQC does not have the resources needed to outreach to all companies and access the right people within those companies.
- The SEC staff had suggested to the DQC to post this information during our last meeting with them.
- This could be considered part of the transparent process of developing DQC rules, where summary results of the rules have been published on the website and now the detail of those graphs are being made available. If companies disagree with the rules they are encouraged to contact the DQC.

Action item: Campbell will develop a draft of the web page for the DQC to review and discuss further.

New Rules/Guidance
- Lou stated that rule set version 9 will be discussed during the Tuesday Working Group. The expected timing for the review of this set will be early April to be approved for public review at the next DQC meeting. Rules will cover the following topics:
  o Non-negative rules for IFRS taxonomy
  o Rules to be developed to cover FASB implementation guides
  o Dimensions for IFRS taxonomy
  o Variable Interest Entities
  o Guidance and rules for Stock Based Compensation
  o Updates for 2019 US GAAP taxonomy and 2019 IFRS taxonomy
  o Potentially address topics in which Charlie Hoffman has contacted service providers
- Lou stated that there was a suggestion that there should be a set schedule for rule releases. In the past, rules have not been issued on a schedule but rather as they are developed.
  o Campbell suggested that 3 releases per year issued at the end of a filing period.

- May comment period, June approval
- August comment period, September approval
- November comment period, December/January approval
  - It would be helpful for filers and agents to understand the schedule so they are prepared for the new rules.
  - Due to inline filings there will be a lot of work for filing agents and it would be good to have a set schedule.
  - We want to get as many IFRS rules approved as reasonably possible prior to the European Union's ESEF filings. The EU has required companies listed on an EU stock exchange to file in Inline XBRL starting with the 2020 annual financial statements.
  - Will discuss during next meeting.

    Action item - Any comments on the calendar/schedule for new rule releases, should be emailed to Lou, Campbell or Ami.

Future Meetings/Other Business

- Campbell explained that there is an initiative called Calc II which will update the calculation linkbase. Calc II allows filers to tie instance documents to calculation linkbase within each statement also allows calculations across dimensions. Requirements have been published for public review. The specification is being worked on and will have examples. There will be an implementation in Arelle. This will allow better control over calculations to be defined by filers and expected to improve data quality. We may want to discuss this at a later meeting and discuss with SEC.
- Next meeting will be held April 23, 2019 in person in Washington D.C. Morning session will be DQC meeting to be held at AICPA office. Afternoon will be in the SEC offices with the staff.
- In person meeting to be held October 1, 2019 in Washington D.C.

Meeting adjourned 4:20PM (ET).