**Data Quality Committee**

**In Person Meeting New York, NY**

**January 7, 2016**

**Meeting Notes**

**Attendees**

Committee Members

Mike Starr, Chase Bongirno, Emil Efthimides Pranav Ghai, Craig Lewis\*, Jeffery Naumann, Minu Palani\*, Campbell Pryde, [Lou](mailto:lou.rohman@merrillcorp.com) Rohman, Mohini Singh, Amit Varshney

Staff

Ami Beers, David Tauriello, Susan Yount

Observers

Glenn Doggett, Louis Matherne, Seung woo Lee\*

**\****participation by phone*

**Minutes Approval**

* Motion to approve minutes from November 18, 2015 DQC meeting by Lou Rohman, seconded by Campbell Pryde
* Vote (For 11, 0 Against)
* Motion passed. November 18, 2015 DQC meeting minutes approved.

**Attributes of Guidance**

The Chair reminded the Committee of the guiding principles to be considered in development of guidance.

* Usability – improve usability of XBRL data without additional burden on preparers.
* Simplification – ease of use to create and consume XBRL data.
* Comparability – ability to analyze data across companies.
* Consistency – consistent approach across years and companies.
* Materiality – use materiality thresholds in Reg S-X and/or FASB codification to select tags.

There was a question raised about whether principles should be considered in a certain order. The Committee agreed that usability is the most important principle, but all principles should be considered.

**SEC Comment Letter**

The Committee discussed comments on a draft letter to be sent to the SEC that requests that the SEC provide a comment period for all EDGAR updates and the implementation of inline XBRL.

* There was a concern raised that the request should be limited in scope to XBRL updates rather than to all EDGAR updates, the letter will be updated to reflect this change.
* There was a question as to whether a voluntary period where some filings would be submitted as inline and others as a separate exhibits would impact the users and make consumption more difficult. Some members on the Committee expect that the SEC will provide a tool to extract instance documents for users.

*Action item – Ami and Mike will update letter and distribute for fatal flaw comments to the Committee.*

**Dimensions**

* Campbell walked through an example of using dimensions. The example included separating beads into different categories and distinguishing these categories as axes in a “bead taxonomy”.
* The purpose of the demonstration was to provide a clear example for how to think about dimensions.
* The Committee agreed that clear guidance is necessary to specifically allow only certain members to be used on certain axes otherwise it causes problems for users (e.g., DQC\_0001 addresses this).

**Extensions Workstream**

Dimensions on the Income Statement

* The Committee reviewed a tagging example of revenue on the income statement broken out between related parties and nonrelated parties. Currently, the SEC staff guidance states that when a disclosure is a disaggregation of a standard element, filers should create extensions for the missing components.
* In an effort to minimize extensions, two options were presented for discussion:
  + Anchor - Create extension elements for each of the line items with a link back to a standard element through an anchor (this would be done through a technical solution not yet identified).
    - Pro – preserves calculation linkbase and amounts can be associated to standard elements.
    - Con - standard element does not contain enough information to explicitly identify these amounts as related party transactions, although it may be possible to get that information from the label or by parsing the element name, depending on what naming conventions a filer uses.
  + Dimensions – Use the standard line item plus members on the related party axis
    - Pro - amounts can be associated to standard elements, dimensions can be used to identify specific information about related parties.
    - Con – breaks the calculations on the income statement, does not explicitly show the full disaggregation of the revenue type.
* The members of the Committee agreed that the Dimensions approach was more favorable. The data aggregators on the Committee, stated that they do not rely on the calculation linkbase; however, they use it as a tool to help interpret extensions.
* Dimensions on the face statements should only be allowed in specific, prescribed cases.
* There could be an option to tag dimensionalized totals that are not included in the html file which would allow for calculations to work. However, this is not allowed under current guidance.
* The members of the Committee agreed, for related party transactions broken out on the face statements, filers should use the standard element and use related party axis to provide additional detail, recognizing that calculations will not work with this approach.
* There was a discussion of potential guidelines for deciding when to require dimensions on face statements, and when granularity of data should be shown as line items or as dimensions. Care should be given to retain consistency of modeling within the taxonomy and to establish a single model for tagging any given disclosure.
* Guidance will be very specific and provide constraints on where dimensions are appropriate for face statements.

*Action item - Create revised instance documents tagging revenue (disaggregated examples) using dimensions and provide to users on Committee to review revised results*

Combination Line items

* + Options:
    - Choose a standard element based on largest component, and the label will provide additional information for users
    - Use an “Other” element, and the label will provide additional information for users
    - Dimensionalize – (however will need to determine which standard line item)
  + Committee concluded to follow the materiality guidelines of Reg S-X for income statements. For example, if an immaterial class or classes of revenue are combined with a material class of revenue, use the material class of revenue to select a standard element. If a line item is an aggregation of immaterial amounts (no amount is more than 10% of total revenue) and no standard element exists for the line item then tag as “Other”.
  + Labels should match line item captions, which will provide more information about the components of the line item if users want that information.
    - FASB current guidance states that an “other” element should not be used unless the line item caption contains the text “other”. Consideration needs to be given as to how the discrepancy between the DQC conclusion and the FASB guidance is resolved.

**Contributed Rules Workstream**

* DQC\_0015 –additional elements added to NonNegative rule
  + Motion to approve rule DQC\_0015 for coding by Chase Bongirno, seconded by Lou Rohman.
  + Vote (For 11, 0 Against)
  + Motion passed. DQC\_0015 approved for coding.
* DQC\_0041 Axis with a Default Member that Differs from the US GAAP Taxonomy - rule is important because it enforces SEC rule that defaults should not be changed.
  + Motion to approve rule DQC\_0041 for coding by Chase Bongirno, seconded by Mohini Singh
  + Vote (For 11, 0 Against)
  + Motion passed. DQC\_0041 approved for coding.
* DQC\_0001 Axis with Inappropriate Members – certain axes should only be used with certain members. Rule provides members that should be used with each Axis and whether extensions are allowed.
  + DQC\_0001.51 FairValuebyFairValue Hiearchy Level Axis – extensions are limited to those listed in Appendix 1 of rule.
    - Motion to approve DQC\_0001.51 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.51 will be included in rule for coding.
  + DQC\_0001.52 ReclassificationOutOfAccumulatedOtherComprehensiveIncomeAxis – no extensions, only use members on this axis.
    - Motion to approve DQC\_0001.52 to be included in rule for coding by Chase Bongirno, seconded by Mohini Singh.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.52 will be included in rule for coding.
  + DQC\_0001.53 OtherOwnershipByNameAxis – only extensions allowed.
    - Motion to approve DQC\_0001.53 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.53 will be included in rule for coding.
  + DQC\_0001.54 LegalEntityAxis – typically only expect to see extensions, however the rule lists members from US GAAP taxonomy that are allowed and will be excluded. More clarification is needed, FASB has an open project.
    - Motion to approve DQC\_0001.54 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.54 will be included in rule for coding.
  + DQC\_0001.56 NoncashOrPartNoncashDivestituresByUniqueNameAxis- only extensions allowed.
    - Motion to approve DQC\_0001.56 to be included in rule for coding by Chase Bongirno, seconded by Lou Rohman.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.56 will be included in rule for coding.
  + DQC\_0001.57 ScheduleOfEquityMethodInvestmentEquityMethodInvesteeNameAxis - only extensions allowed
    - Motion to approve DQC\_0001.57 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.57 will be included in rule for coding.
  + DQC\_0001.58 CounterpartyNameAxis– Appendix 2 provides a list of counterparties that are allowed on axis.
    - Motion to approve DQC\_0001.58 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.58 will be included in rule for coding.
  + DQC\_0001.59 PlanNameAxis - use extension only
    - Motion to approve DQC\_0001.59 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.59 will be included in rule for coding.
  + DQC\_0001.60 DefinedContributionPlanNameAxis - use extension only
    - Motion to approve DQC\_0001.60 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.60 will be included in rule for coding.
  + DQC\_0001.61 RangeAxis – members on axis include Maximum, Minimum and weighted average, no other members or extensions allowed.
    - Motion to approve DQC\_0001.61 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.61 will be included in rule for coding.
  + DQC\_0001.62-65 CurrencyAxis, PositionAxis, FairValueByMeasurementFrequencyAxis, FairValueByMeasurementBasisAxis
    - Motion to approve DQC\_0001.62, DQC\_0001.63, DQC\_0001.64, DQC\_0001.65 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.62, DQC\_0001.63, DQC\_0001.64, DQC\_0001.65 will be included in rule for coding.
  + DQC\_0001.66 HedgingDesignationAxis- FASB guidance allows an extension member

*Action item – Add NotDesignatedasHedgingInstrumentManagementHedgesMember to rule.*

* + DQC\_0001.69 ProductorServiceAxis - should only include extensions and also allow members listed in Appendix 4
    - Motion to approve DQC\_0001.69 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.69 will be included in rule for coding.
  + DQC\_0001.70 ConsolidationItemsAxis – no extensions allowed, need to provide a list of items often combined.
    - Motion to approve DQC\_0001.70 to be included in rule for coding by Lou Rohman, seconded by Chase Bongirno.
    - Vote (For 11, 0 Against).
    - Motion passed. DQC\_0001.70 will be included in rule for coding.

*Action item - need to provide a list of items often combined for ConsolidationItemsAxis..*

The Chair stated that more work will be needed on those rules that have already been released by the Committee as the rules will continue to be refined. A statement should be clearly communicated that rules are being refined and will be updated as needed.

*Action item - Need to determine how we communicate this****.***

**Wrap up**

The Chair communicated that the next meeting will be a call held on February 17, 2016. The April 6, 2016 call may change to an in person meeting depending on what is needed by the Committee. The meeting with the SEC staff will be held in May 2016.

The Chair thanked all members and observers.

Meeting adjourned 3:00pm.