**DQC Rules Acceptance Program**

The purpose of this document is to detail the procedures taken by FASB Taxonomy Staff for determining the inclusion of Data Quality Committee (DQC) rules in the Data Quality Committee Rules Taxonomy (DQCRT).

These procedures are designed to ensure that the rules included in the DQCRT are in compliance with the appropriate due process, as defined by the *DQC Rules Creation Process*. The acceptance program is also to ensure the rules are stable and have market acceptance that the rule is addressing an issue in the data.

Procedures to be performed for each DQC rule considered for inclusion in the DQCRT:

1. Document the purpose of the rule.

Purpose: Ensure there is proper understanding of what the rule is intended to achieve.

Activity: FASB Taxonomy Staff will read the DQC rule and then provide a brief write-up of what the rule is intended to achieve. The write-up should also include an assessment of the benefits of including the rule in the DQCRT.

1. Review the DQC process for designing, exposing, testing, and addressing feedback for the rule.

Purpose: Ensure the DQC process is designed to identify rules that will improve usability and effectiveness of XBRL data; that feedback received by the DQC on the rule has been addressed; and that the rule is working as intended and stable. A rule must have been published as final by the DQC for at least a year (one Taxonomy cycle) before it is considered eligible for inclusion in the DQCRT.

Activity: FASB Taxonomy Staff to make a determination that the DQC rule development process includes reasonable development steps and solicitation of input from stakeholders. To determine that the DQC has employed a reasonable development process, FASB Taxonomy Staff will ensure that the DQC has followed the steps outlined in the *DQC Rules Creation Process* document. DQC is to provide the FASB Taxonomy staff with the feedback they have received on the rule from service providers, filers and others, and evidence that the feedback has been addressed.

1. Identify the risks of including the DQC rule in the DQCRT

Purpose: Ensure the risks are understood and steps are taken to mitigate impact.

Activity: FASB Taxonomy Staff to identify and document the risks of including the rule into the DQCRT and procedures that we will take to mitigate these risks.

Examples of risks to consider include false positives; not properly identifying exceptions to the rule; not yet stable or subject to frequent change.

1. Independent verification

Purpose: To independently verify the exceptions identified by XBRL US DQC.

Activity: FASB Taxonomy Staff perform an independent data query to pull the data from a recent calendar quarter, that is compared to the results provided by XBRL US’s DQC API plug-in, and error chart (if available), to ensure the data sets are consistent. Any differences in the data sets are reconciled to an immaterial difference.

FASB Taxonomy Staff to ensure that the data is not impacted by the calendar quarter that was selected to query. For example, if a disclosure is only expected to be made annually, FASB Taxonomy Staff will consider the calendar quarter selected is a representative set of data and similar in count of exceptions identified in previous or subsequent calendar quarters.

1. Identify anomalies in the exceptions that warrant further investigation.

Purpose: Identify potential issues in implementing the DQC rule in the DQCRT. This procedure should also assist in identifying the service providers for procedure 7.

Activity: FASB Taxonomy Staff will attempt to identify any patterns or concentrations of service providers or filer category that have results anomalous to the general population. Quantify which elements have the highest error rate and provide examination as deemed necessary.

1. Provide results to U. S. Securities and Exchange Commission (SEC) staff for their review.

Purpose: Identify any issues in including the DQC rule in the DQCRT from the SEC’s perspective.

Activity: FASB Taxonomy Staff to provide the information to the SEC to ensure they do not see any issues in including the rule in the DQCRT. If the SEC identifies issues with including the rule, FASB Taxonomy staff and the SEC will discuss next steps with the DQC. If these issues cannot be resolved, FASB Taxonomy Staff will reconsider the inclusion of the rule in the DQCRT.

1. Provide results to a sampling of service providers on the exceptions by their clients.

Purpose: Verify rule exceptions with the service providers to ensure results are consistent with their expectations. Service providers could be negatively impacted by including a DQC rule in the DQCRT that does not perform as expected.

Activity: FASB Taxonomy Staff to provide client filtered lists of exceptions to high impacted service providers for their feedback on the validity of those exceptions. If the exceptions identified by the rule are not valid exceptions (i.e., errors), FASB Taxonomy Staff and the service providers will discuss mitigating steps with the DQC. If these exceptions cannot be resolved, FASB Staff will reconsider the rules inclusion in the DQCRT.

1. Substantive testing

Purpose: Provide alternative means of accepting the rules for inclusion in the DQCRT.

Activity: In the event procedures 3, 4, or 6 above cannot be sufficiently performed, FASB Taxonomy Staff will perform substantive testing on a sample of DQC rule exceptions to ensure that they are valid exceptions identified by the rule. The sample size will depend on the number of exceptions identified by the rule. If the exceptions identified by the rule are not in fact errors (invalid exceptions), FASB Taxonomy Staff will discuss next steps with the DQC. If these invalid exceptions cannot be resolved, FASB Taxonomy Staff will reconsider the rules inclusion in the DQCRT.

1. Reviewing updates of DQC rules and maintain versioning changes

Purpose: Ensure validity of the rule over time.

Activity: On an annual basis the rule will be reviewed for any changes by the FASB Taxonomy Staff. If the rule has changed, acceptance procedures 3-7 will be performed. If the rule has not changed, then procedures 3 and 4 will be performed. Based upon procedures performed and their results, a decision will be made as to additional procedures that may need to be performed. The additional procedures would be a combination of procedures 5-8, as determined by FASB Taxonomy Staff.

1. Annual exposure

Purpose: Provide feedback mechanism for public comments.

Activity: FASB Taxonomy Staff to expose proposed DQCRT for thirty-day comment period. The exposure will include all previously included DQC rules that have been updated since the previous version of the DQCRT and all proposed additions to the DQCRT.

FASB Taxonomy Staff to consider the input received and adjust the proposed DQCRT as necessary.

1. Something
2. something

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| 0015 Non-negative Test |  |  |
| Exception (negative fact) | Valid exception (tagging error) | Invalid exception (false positive) |
| Assessment | fact should not be negative | Okay that fact is negative |
| Rule Validation | Good | Bad |

As an example, the non-negative test (DQC rule 0015) has identified a negative value in a filing. That would be an exception to the rule. That exception is either a valid exception or invalid exception. A valid exception, or error, represents a fact that should not have been reported as a negative value, which is good because it demonstrates the rule is working as intended. An invalid exception, or false positive, represents a fact that should have been reported as a negative value, which is not good because it demonstrates the rule is not working as intended.

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Terms:

Exception: a fact/taxonomy modeling relationship identified as not in compliance with the rule. For example, a fact identified as a negative value for DQC Rule 0015.

Valid exception (error): a fact/taxonomy modeling relationship that is identified as incorrect by the rule and is deemed to be incorrect. For example, a fact identified as a negative value for DQC Rule 0015 that should be reported as a positive value.

Invalid exception: a fact/taxonomy modeling relationship that is identified as incorrect by the rule and is deemed to be correct. For example, a fact identified as a negative value for DQC Rule 0015 that should be reported as a negative value.

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