XBRL US Tooling Webinar Questions:

Disclaimer: The Securities and Exchange Commission, as a matter of policy, disclaims responsibility for any private publication or statement by any of its employees. The views expressed below are those of the staff participating in the webinar, and do not necessarily reflect the views of the Commission or the other members of the staff of the Commission. This disclaimer is relevant to those responses below referenced 'Mike Willis'.

Disclaimer: The views expressed below by Financial Accounting Standards Board (FASB) staff are those of the staff participating in the webinar. Official positions of the FASB are reached only after extensive due process and deliberations. This disclaimer is relevant to those responses below referenced 'Louis Matherne'.

Webinar panelists were Louis Matherne, FASB; Campbell Pryde, XBRL US; and Mike Willis, SEC.

Respondents to each question are noted below.

1. **What are you doing to resolve the information quality issues?**
   Mike Willis: As was discussed during the webinar, the primary responsibility for the content and structuring of reported disclosures lies with the registrants. To assist registrants meet their obligations, the SEC:
   - issues guidance and interpretations on common data quality error types;
   - provides information on trends for some common data quality topics such as company specific extensions;
   - issues publicly available letters with respect to specific errors (e.g. missing calculation linkbases);
   - discusses observed data quality errors with specific vendors and registrants responsible for the structured submissions;
   - addresses a wide range of data quality inquiries from vendors and registrants via the structureddata@sec.gov help desk;
   - participates as an observer at the FASB Taxonomy Advisory Group Meetings;
   - collaborates with the FASB staff on the US GAAP public comment period;
   - reviews the public feedback on the US GAAP Taxonomy during the public review periods and collaborates with the FASB Staff on taxonomy updates;
   - reviews periodic updates to the US GAAP Taxonomy with respect to Accounting Standards Updates;
   - reviews the FASB Staff updates to the US GAAP Taxonomy references to both the FASB Codification and SEC regulations;
   - reviews the sample instance document for each annual taxonomy update to assess coverage;
   - reviews the FASB taxonomy release notes, implementation guidance and other artifacts relevant to the use of the taxonomy by market participants;

- publishes and implements the EDGAR validation rules which are freely and publicly available for use by registrants and vendors;
- periodically assesses registrant filings for specific data quality error types and incorporates findings within the filing review cycle for registrant submissions; and
- performs other ad hoc analysis of specific reporting error types and scenarios.

Louis Matherne: The FASB is focused on the taxonomies providing appropriate element selection to meet GAAP reporting requirements that is efficient and effective for preparers and users. If it isn't efficient and effective for preparers, it likely won't be efficient and effective for users and that can result in poor data quality. With this as our primary focus, we work closely with the FASB accounting standards project teams to assure that our taxonomy modeling choices achieve the GAAP reporting requirements from a machine-readable perspective. Moreover, we do this during the new accounting standards drafting and deliberation stage, and expose the corresponding taxonomy improvements concurrent with the proposed accounting standards. This allows everyone that is involved, including our constituents, to be informed more timely and engaged in the resulting taxonomy improvements. We actively solicit feedback from our constituency including through the Taxonomy Advisory Group, Industry Resource Groups, and other interested parties. We place a special emphasis on the users of the data to make sure our modeling choices will meet their needs.

As discussed during the webinar, the FASB publishes several levels and forms of guidance including Taxonomy implementation Guides (TIG) focused on specific new accounting standards and special topics of interest; FAQs; and other guidance to help preparers and service providers with their understanding and implementation of the taxonomy. In addition to the usual documentation labels, we also provide additional guidance in the taxonomy in the form of Change Notes and Taxonomy Implementation Notes (TIN). In many cases the TINs link back to the TIGs.

FASB also provides element listing in the Accounting Standards Codification for reporting requirements to help improve element selection both for consistency and applicability.

With the 2020 Taxonomy Update, we are including XBRL US DQC Rules with the taxonomy. The DQC Rules have made a measurable difference in data quality and we believe including them with the GAAP taxonomy will improves their visibility in the market as well as make them more widely available for use. While we have started small, we will include more with subsequent taxonomy releases.

While "anchoring" is a provision for FPI also subject to ESMA requirements, the FASB is looking at mechanisms to more effectively include in the GAAP taxonomy such as domain hierarchies that provide "anchor" points for extension members in a given domain. We are also looking at how we can address anchoring for line items. This guidance would most likely be published in our TIGs or FAQs.

Campbell Pryde: the XBRL US Data Quality Committee (DQC) makes freely available validation rules available to all SEC filers on its web site which can be used by US GAAP and IFRS filers. These rules,

developed by representatives from the data user, preparer and filer communities, are designed to improve the consistency and usability of reported data.

2. **Has the SEC ever imposed fines or rejected a filing due to XBRL errors or omissions? If so, where can we go to view those SEC actions?**
   Mike Willis: The SEC has not imposed fines due to XBRL errors or omissions. That said, the EDGAR validation rules identify XBRL errors and omissions providing both error and warning messages to filers. Error messages result in rejection of the filer submission while warning messages are intended to highlight reporting matters for filer attention and correction. The EDGAR validation rules are freely accessible and available for review here: https://www.sec.gov/structureddata/edgarvalidationerrors. The results of individual EDGAR validation assessments are available only to that individual filer and are not available to the public.

3. **Different people are reporting different sets/types of quality errors in reports. What is the best way to be sure you get your report correct?**
   Mike Willis: The short answer: Use of data quality rules to check for potential errors prior to submitting your reports, careful attention to detail, and sound professional judgment. The longer answer is to focus on the different types of discrepancies in the report.

   One type of discrepancy is relatively objective and observable via assessment of the alignment of the structured disclosures with those disclosures contained within the 'original' html. Either the disclosure agrees or disagrees with the 'original' html disclosure. Sign errors would fall into this type of discrepancy.

   Another type of objective discrepancy would include tagging of the disclosures that are internally inconsistent, taken on their own with no reference to the 'original' html. This type of discrepancy includes cases where the math doesn't work, or there are different elements for the same disclosure concept in different places in the document.

   The objective discrepancies often include those clearly formed and identifiable ('correct/incorrect' or 'yes/no' or 'present/absent') via machine rule-based assessments. If there are truly differences in the handling these types of objective discrepancies then it may be an appropriate area for the focus of market resources for reconciling them.

   On the other end of the error curve are subjective discrepancies that often include those differences that are within the clear domain of professional judgment. Examples include: creation of company-specific disclosures; modeling of segment disclosures using the FASB-provided template or a company-unique approach; the application of the appropriate taxonomy element to a specific disclosure; etc. These discrepancies may or may not reflect the application of professional judgement; but when these type of errors appear in company reports it may often be the result of the lack of filer awareness and/or professional judgment.

That said, information standardization provides an opportunity to improve the relevance and quality of disclosures. The type of supply chain standardization reflected in the XBRL US Data Quality Committee [("DQC")] data quality rules is a useful example of supply chain collaboration that aggregates consumer, filer, analyst, distributor and vendor data quality interests and priorities. The DQC data quality rules offer a freely available resource for filers to use in enhancing their data report quality.

Further, and as discussed during the webinar, not all data quality errors can currently be automatically detected. For example, only the reporting professional can determine the appropriateness of a company specific extension.

So while the tools and guidance and rules include very useful features and capabilities for identifying potential data quality error types, they do not replace the sound judgment of the reporting professional, but used appropriately they may supplement professional judgment in a positive and efficient manner.

4. **When will anchoring be mandatory for SEC filings, particularly with respect to the primary financial statements?**
   Mike Willis: EDGAR now accepts filings with anchors to accommodate European Union filers reporting under the European Securities and Markets Authority (ESMA) European Single Electronic Filing (ESEF) program. I can't comment on / address what the Commission may or may not do in the future.

5. **The EDGAR Filer Manual requires that element relationships be specified. In 2014, the SEC sent a letter to all filers reminding them that omitting these calculation arcs represents non-compliance. Since then, there has been no material improvement on this issue. Why?**

   Mike Willis: Thank you for the feedback. In the past few years, we have focused in our staff FAQs / data quality letters on errors that inhibit the use of data, such as missing XBRL data or footnotes that are not tagged.

   As noted during the webinar, any specific examples of data quality errors, including those with element relationships, can be emailed to StructuredData@sec.gov with a subject header, "Data Quality."

6. **A report was issued recently showing that data quality for iXBRL filers has not shown significant improvement compared with pre iXBRL quality. What specific data can you point to that shows improved data quality?**

   Mike Willis: Thank you for the report and assessment of data quality. The Q4 2019 individual error types noted in the report (with the exception of the Qscore, primary and sum errors) all appear to reflect fewer errors under Inline XBRL than XBRL. More generally, the implications for enhancing data quality could depend on whether the filer tool set has incorporated the Inline XBRL Viewer (or

something similar to it) into their report assembly and review processes and controls. If filers are unaware of common data quality errors then the likelihood that they will correct them is low. Inspecting the rendered view in a side-by-side comparison remains a sensible way to spot scaling and sign errors; this is why EFM rules such as 6.7.12 continue to apply to Inline XBRL submissions.

As Campbell shared during the webinar, ongoing enhancements in report quality for specific data quality errors are available on the XBRL US DQC's data quality aggregated real-time filing errors pages here: https://xbrl.us/data-quality/filing-results/dqc-results/ Further, the graphs on this page reflect the data quality results for all registrants (over 7,000).

Also, as noted during the webinar, the Inline Viewer helps to quickly identify company extensions; however, it will not conclude that an extension element for 'Accounts Receivable' is inappropriate. Judgment in reporting remains a critical responsibility for reporting professionals.

Campbell Pryde: As noted during the webinar, we have seen a decline in errors over the past few years which can be seen in the charts provided on our web site. These improvements are likely a result of several programs including use of the DQC rules, and the transition to Inline XBRL because filers are no longer required to prepare two separate sets of financials.

7. **Why doesn't the SEC require the XBRL-based information to be audited? The ESMA does, as I understand it.**

Mike Willis: The SEC staff met with members of the then AICPA XBRL Committee prior to implementing the 2009 Interactive Data Program to discuss XBRL reporting processes, costs, and tools, including third party assurance processes and related costs. At that time, the accounting and auditing profession was unable to provide cost estimates with respect to third party assurance for XBRL-formatted company reports. Further, third party assurance standards are not currently available for XBRL- and/or Inline XBRL-formatted company reports.

Similar to the supply chain collaboration discussed above related to the XBRL US DQC data quality rules, in my view, it may be useful to consider a similar supply chain collaboration effort with respect to third party assurance on XBRL- and/or Inline XBRL-formatted company reports.

As a matter of potential XBRL trivia – readers may be interested in this question: "How many auditor reports are there on structured XBRL financial statements in EDGAR?"

The answer is three:
UTX 8-K Dec 22, 2005
https://www.sec.gov/Archives/edgar/data/101829/000119312505247623/0001193125-05-247623-index.htm;
UTX 8-K Dec 6, 2006
https://www.sec.gov/Archives/edgar/data/101829/000119312506247769/0001193125-06-247769-index.htm; and
WR Grace 10-K Nov 30, 2007
https://www.sec.gov/Archives/edgar/data/1045309/000110465907086296/0001104659-07-086296-index.htm

These were all filed during the Commission's Interactive Data voluntary program prior to the Commission's Interactive Data rulemaking in 2009.

8. **It is easy to identify fact errors in a filing, such as sign errors, weight errors, precision errors and missing values. These errors are not uncommon. Why doesn't the SEC identify these errors and require corrections.**
   Mike Willis: As stated on the webinar, filers are responsible for the content and quality of their report submissions. The SEC and FASB provide rule guidance, interpretations, implementation guides, templates and other resources to assist filers. Commission staff continue to monitor data quality errors and contact filers to address the errors. For example, the Division of Corporation Finance staff sent a comment letter, based on DERA staff's observation, to certain filers who did not tag footnotes. Further, at the 2019 SEC Speaks conference, Division of Corporation Finance staff discussed filings with inconsistent fiscal year-ends and encouraged filers to review their filings before submitting to the Commission.

9. **The use of dimensions by filers is often inconsistent and doesn't lend itself to easy ingestion by users. Is the SEC aware of this problem? Are there plans to provide more concise guidance on when and how dimensions should be used?**
   Mike Willis: Disclosures that are unique to an individual filer may dictate structuring that is likewise unique. The standardization enabled by an applied format, whether Inline XBRL or MP4, does not dictate consistent content as that is the filer or producer's responsibility. It is the as-reported content that investors and audiences use and assess to form their own judgments. In the case of dimensions, investors can assess if the report's use of dimensions is truly unique or is the filer attempting to obfuscate or create undue opacity with respect to the disclosure.

   In closing, it may be useful to consider how the transparency of data quality errors, inappropriate use of dimensions, incorrect tag selection and other data quality issues might be addressed if the individual filers were more aware of them.