Meeting Between Staff of the Federal Reserve Board and Representatives of XBRL US September 23, 2024

Participants: Gillian Burgess, Nuha Elmaghrabi, Sumeet Shroff, Katherine Tom, William Treacy, and Edgar Wang (Federal Reserve Board)

Campbell Pryde, Michelle Savage, and David Tauriello (XBRL US)

Summary: Staff of the Federal Reserve Board met with representatives of XBRL US regarding the agencies' Financial Data Transparency Act Joint Data Standards proposal. XBRL US representatives expressed support for the establishment of the Legal Entity Identifier. As described in their attached presentation, XBRL US representatives expressed their concerns that the proposal's properties-based approach to the joint standard for data transmission and schema and taxonomy formats would not sufficiently promote data interoperability.

XBRL US Response to FDTA Proposed Rule

September 23, 2024



Properties-Based Approach

• Proposed:

- Select any format that has these criteria for a 'properties-based joint standard':
 - 1. Render data fully searchable and machine-readable;
 - 2. Enable high quality data through schemas, with accompanying metadata documented in machine-readable taxonomy or ontology models, which clearly define the semantic meaning of the data, as defined by the underlying regulatory information collection requirements, as appropriate;
 - 3. Ensure that a data element or data asset that exists to satisfy an underlying regulatory information collection requirement be consistently identified as such in associated machine-readable metadata; and
 - 4. Be nonproprietary or available under an open license.
- Objectives:
 - Give Agencies flexibility
 - Allow for new technologies to be introduced over time
- Offers options: CSV, XML, JSON, Inline XBRL, PDF/A
- Assumes "...data transmission or schema and taxonomy formats that have these properties are likely to be interoperable with each other".



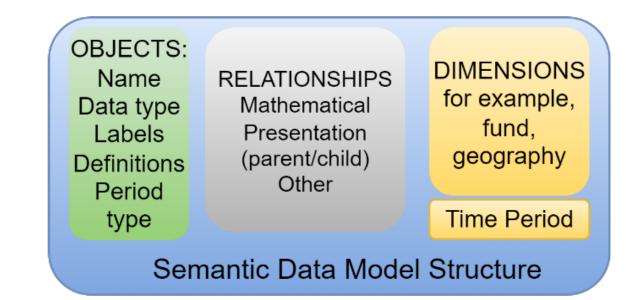
Concerns: Properties-based approach

- Will result in data that is not interoperable siloed, discrete datasets
- No economies of scale
- Custom tools needed to report, collect, extract and analyze

Assets Represented in Custom Schema for Regulation Crowdfunding Companies			
<totalassetmostrecentfiscalyear>184886.00</totalassetmostrecentfiscalyear>			
Assets Represented in Custom Schema for Regulation A Companies	This schema incorporates the time period of a reported value with the name of the fact, "assets"		
<totalassets>73765284.00</totalassets> This schema captures the value in the report		XBRL	US

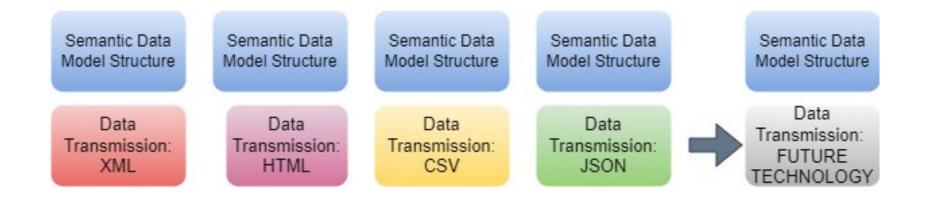
Recommendation: Semantic Data Model Structure

- Digital structure to express features (metadata) and relationships of the data
- Can represent many kinds of data from many kinds of entities, expressed in the same structure
- Data generated
 - Is machine-understandable
 - Can be shared, commingled, inventoried, databased



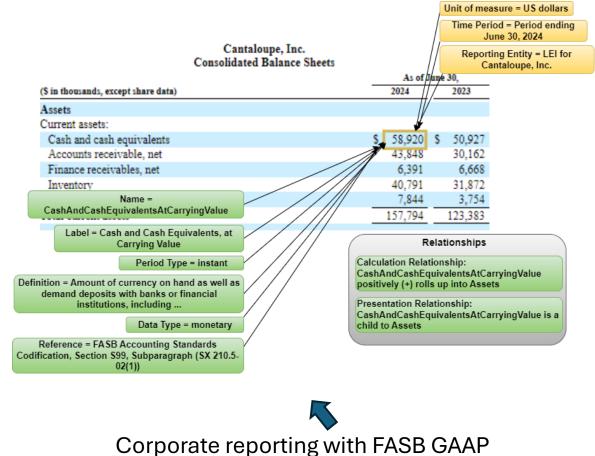


Agency flexibility to select data transmission format and plan for future





Recommendation: Semantic Data Model Structure



CITY OF SOLEDAD

STATEMENT OF NET POSITION			Unit	of measure :	= US dollars
UNE 30, 2023			Time	Period = Peri	iod ending June 30, 2023
	_		Repo	orting Entity =	LEI for the City of Soled
	Governmental	// /**	e	Total	
ASSETS	Activities	Activities		Total	•
Cash and investments	\$ 25,399,809	\$ 16,374,182		41 772 001	
	\$ 25,399,809			41,773,991	
Cash and investments with fiscal agent	- 12	451		457	
Accounts receivable, net	378,628	2,335,490)	2,714,118	
Internal balances	(174,769)	174,769)	-	
Due from other governments	/// 1,550,722			1,550,722	
Interest receivable	11,102	6,153	3	17,255	
Notes receivable	8,802,532	32,913	3	8,835,445	
Name =	/// -	2,109,968	3	2,109,968	
CashAndCashEquivalentsAndInvestments	///				
tor depresention	41,517,265	53,993,16	7	95,510,432	
Label = Cash and Cash Equivalents and // ///	77,485,289	75,027,099		152,512,388	
DEFERRED OUTFLC Period Type = instant > ///	3,736,651	593,179		4,329,830	
Definition = Cash and cash equivalents and	(Relationshi	os		
investments includes not only current	Presentation	Relationship:			
Data Type = monetary	CashAndCa a child to As	shEquivalentsA sets	ndlnv	vestments is	
Reference = GASB Accounting Standards Codification, Section I50, Paragraph 535	CashAndCa	Relationship: shEquivalents# ·) rolls up into #			

Government reporting with GASB GAAP

SAME STRUCTURE, DIFFERENT DATA, DIFFERENT ACCOUNTING STANDARDS = INTEROPERABLE DATA

Other issues

- Eliminate off-ramps that will dramatically limit the efficacy of the program, "to the extent practicable"
- Require a taxonomy/schema for every data collection that will be shared, inventoried, databased, even two facts in a form like name and address.
 - The proposal states, "Not all Agency collections of information have a schema and taxonomy associated with them, as a schema and taxonomy may not be appropriate."
- Re-use existing taxonomies where possible.
- Require the LEI as proposed.
- Establish a long-term governance structure to ensure Agencies work together going forward.
 - The proposal states that the Agencies "expect to work together on the adoption of the established joint standards in the Agency-specific rulemakings or other Agency actions" but nothing in rule suggests plan to do so

