

MINUTES



MEMORANDUM

**To:** Board Members  
**From:** Agenda Prioritization (Alqamoussi x263)  
**Subject:** November 5, 2014, Board Meeting—  
Agenda Prioritization  
**Date:** November 17, 2014

*The Board meeting minutes are provided for the information and convenience of constituents who want to follow the Board's deliberations. All of the conclusions reported are tentative and may be changed at future Board meetings. Decisions become final only after a formal written ballot to issue an Accounting Standards Update or a Statement of Financial Accounting Concepts.*

Topic: Agenda Prioritization

Basis for Discussion: **Cover Memo**  
**Memo 1**—Recognition of Breakage for No-Cash Prepaid Cards  
**Memo 1**—Application of the Normal Purchases and Normal Sales Scope Exception to Certain Electricity Contracts within Nodal Energy Markets  
**Memo 1**—Employee Benefit Plans

Length of Discussion: 10:00am EDT to 10:40am EDT and 3:00pm EDT to 3:40 EDT

Attendance:

Board members present: Buck, Linsmeier, Kroeker, Golden, Siegel, Smith  
Board members absent: Schroeder (present for employee benefit plans)  
Staff in charge of topic: Walsh  
Other staff at Board table: Barton, Pollock, Hillenmeyer, Muehlbauer, Tibbetts, Proestakes  
Outside participants: None

**Type of Document and Timing Based on the Technical Plan:**

The Board met to discuss issues relating to Agenda Prioritization.

**Tentative Board Decisions:**

The Board discussed the results of staff research and added the following three projects to the Emerging Issues Task Force's agenda:

1. Recognition of breakage in prepaid cards that may be redeemed only for goods and services—This issue addresses whether and when an entity should derecognize a prepaid card liability that exists before redemption of the card at a third-party merchant. This issue applies to prepaid cards that may be redeemed only for goods and services at a third-party merchant. This issue does not apply to arrangements in which a prepaid card issuer directly provides goods or services to a card holder or prepaid cards that are refundable or redeemable for cash.

(Vote to add topic to technical agenda: unanimous, 1 absentee)

(Vote to add topic to EITF's agenda: 4 to 2, 1 absentee)

2. Application of the normal purchases and normal sales (NPNS) scope exception to certain electricity contracts within nodal energy markets— This issue addresses whether a contract for the physical delivery of electricity on a forward basis within a nodal energy market in which one of the counterparties incurs locational marginal pricing charges (or credits) payable to the independent system operator meets the physical delivery criterion of the NPNS scope exception.

(Vote to add topic to technical agenda: unanimous, 1 absentee)

(Vote to add topic to EITF's agenda: 5 to 1, 1 absentee)

3. Employee benefit plans, specifically related to:
  - a. Fair value hierarchy—This issue addresses differences between Topic 820, Fair Value Measurement, and Topic 960, Plan Accounting—Defined Benefit Pension Plans, Topic 962, Plan Accounting—Defined Contribution Pension Plans, and Topic 965, Plan Accounting—Health and Welfare Benefit Plans, with respect to the amount of detail to be disclosed. Specifically, the Board will consider the extent of aggregation or disaggregation required for (i) participant-directed investments and (ii) disclosures about appreciation/depreciation in the value of significant types of investments.

- b. Classes of assets—This issue addresses conflicting disclosure requirements within GAAP for disaggregation of assets. Topic 820 requires that assets be disaggregated based on their nature, characteristics, and risks, while Topics 960, 962, and 965 require disaggregation based on general asset type.
- c. Fully benefit-responsive investment contracts—This issue considers whether fully benefit-responsive investment contracts should be measured at contract value rather than at fair value, with an adjustment to arrive at contract value, as is currently required.

(Vote to add topic to technical agenda: unanimous)

(Vote to add topic to EITF's agenda 6 to 1)

**General Announcements:** None.