

MINUTES



MEMORANDUM

To: Board Members
From: FASB Staff
Subject: Minutes of March 9, 2016 Board Meeting
Date: March 29, 2016
cc: Stacey Sutay

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: Topic 606 Pre-Agenda Research

Basis for Discussion: FASB Memo 12: Revenue Recognition—
Disclosure of Remaining Performance
Obligations

Length of Discussion: 9:00 a.m. to 10:10 a.m. EST

Attendance:

Board members present: Golden, Kroeker, Siegel, Buck, Linsmeier,
Smith, and Schroeder

Board members absent: None

Staff in charge of topic: Drobac

Other staff at Board table: Cospers, Walsh, Mazzella, Kallner, and Holle

Outside participants: None

Type of Document:

The Board discussed certain aspects of the disclosure requirements for remaining performance obligations. The Board decided to add a practical expedient to the requirement to disclose remaining performance obligations for certain types of variable consideration. The Board also decided to improve the qualitative disclosure requirement for remaining performance obligations (in paragraph 606-10-50-15).

An entity applying the practical expedient would not need to include the following types of variable consideration in the disclosure of remaining performance obligations (606-10-50-13):

1. Sales-based or usage-based royalties promised in exchange for a license of intellectual property
2. Variable consideration that is allocated entirely to a wholly unsatisfied performance obligation or to a distinct good or service that forms part of a single performance obligation and meets the criteria in paragraph 606-10-32-40.

(Vote: 5 to 2)

Next Steps

The Board had previously directed the staff to draft a proposed Accounting Standards Update for vote by written ballot on technical corrections and improvements related to Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The Board instructed the staff to include these proposed amendments in that proposed Update.

(Vote: 5 to 2)

General Announcements:

None.