

MINUTES



MEMORANDUM

To: Board Members
From: FASB Staff
Subject: Minutes of November 16, 2016
Board Meeting—Agenda Prioritization
Date: November 18, 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: Agenda Prioritization

Basis for Discussion: Cover Memo
Memo No. 3—Collaborative Arrangements
Memo No. 1—Customer's Accounting for Implementation, Setup and Other Upfront Costs (Implementation Costs) Incurred in a Cloud Computing Arrangement That Is Considered a Service Contract
Memo No. 1—Foreign Currency
Memo No. 1A—Foreign Currency

Length of Discussion: 9:05 a.m to 10:35 a.m. (EST)

Attendance:

Board members present: Golden, Kroeker, Botosan, Buck, Schroeder, Siegel, and L. Smith
Board members absent: None
Staff in charge of topics: Drobac, Dordik, and Zeyher
Other staff at Board table: Walsh, Moynihan, Park, Dart, Jones, and Miklin
Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to Agenda Prioritization.

Please refer to the current technical plan for information about project timelines.

Tentative Board Decisions:

The Board discussed the results of staff research on the following three potential projects:

1. Collaborative Arrangements
2. Customer's Accounting for Implementation, Setup and Other Upfront Costs (Implementation Costs) Incurred in a Cloud Computing Arrangement That Is Considered a Service Contract
3. Foreign Currency.

Collaborative Arrangements

The Board decided to add a project to its agenda to clarify when transactions between participants in a collaborative arrangement (that is, within the scope of Topic 808, Collaborative Arrangements) should be accounted for as revenue transactions in accordance with Topic 606, Revenue from Contracts with Customers.

[Vote: 4–3 to add to the agenda; 6–1 not to send to the Emerging Issues Task Force]

Customer's Accounting for Implementation, Setup and Other Upfront Costs (Implementation Costs) Incurred in a Cloud Computing Arrangement That Is Considered a Service Contract

The Board asked the Emerging Issues Task Force Chairman to assemble a working group of preparers, auditors, and investors who regularly encounter implementation fees in cloud computing arrangements. The objective of the working group is to provide the FASB with more information on the types of implementation costs incurred. That information will enable the FASB to better assess the scope of a potential project on the accounting for implementation fees in a cloud computing arrangement.

[Vote: no vote]

Foreign Currency

The Board decided not to add a project on foreign currency to its agenda. The Board decided that foreign currency disclosures could be a future topic to consider as part of the Board's current disclosure framework project.

[Vote: 7–0 not to add to agenda]

General Announcements: None.