

MINUTES



MEMORANDUM

**To:** Board Members  
**From:** FASB Staff  
**Subject:** Minutes of May 8, 2019 Board Meeting—Agenda Prioritization  
**Date:** May 15, 2019  
**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. 1 – Financial Instruments—  
Clarifying the Interactions between Topic 321  
and Topic 323  
Memo No. 1 – Subsequent Accounting for  
IPR&D Assets and Contingent Consideration  
Obligations Recognized upon Initial  
Consolidation of a VIE That Is Not a Business  
Memo No. 1 – Revenue Recognition: Contract  
Modifications of Licenses of Intellectual  
Property  
Memo No. 1 – Collective Defined Contribution  
Plans and the Definition of a Defined  
Contribution Plan  
Memo No. 1 – Share Repurchase  
Disclosures—Price and Earnings Per Share  
Effects  
Memo No. 1 – Accounting for Emissions  
Trading and Other Environmental Market  
Transactions

Length of Discussion: 9:00 to 9:55 a.m. (EDT)

Attendance:

Board members present: Golden, Kroeker, Botosan, Buesser, Cospers, Hunt, Schroeder

Board members absent: None

Staff in charge of topic: Proestakes (by phone), Cryderman, Romano, Mazzella, Gwinn, Yepes, Bond

Other staff at Board table: Kuhaneck, Posta, Jepsen, Lazzara, Padgett

Outside participants: None

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

The Board met to discuss issues relating to Agenda Prioritization. Please see the current technical plan for information about project timelines.

**Tentative Board Decisions:**

The Board discussed the results of staff research on six potential projects related to eight recent agenda requests and a technical inquiry.

The Board decided to add the following two projects, which include the specific issues also listed, to the EITF agenda:

1. Financial Instruments—Clarifying the Interactions between Topic 321, Investments—Equity Securities, and Topic 323, Investments—Equity Method and Joint Ventures
  - a. Issue 1: Accounting for equity securities under the measurement alternative upon the application and discontinuation of the equity method of accounting
  - b. Issue 2: Recognizing investee losses when an investor has other equity investments in the investee
  - c. Issue 3: Scope considerations for certain forward contracts and purchased call options on equity securities

[Vote 6-1 to add a project to the agenda; Vote 6-1 to add to the EITF's agenda]

2. Revenue Recognition—Contract Modifications of Licenses of Intellectual Property

- a. Issue 1: Accounting for additional rights that are granted to the licensee
- b. Issue 2: Accounting for the revocation of licensing rights (including conversion of term software licenses to software as a service arrangement).

[Vote 6-1 to add a project to the agenda; Vote 5-2 to add to the EITF's agenda]

The Board also decided to expand the scope of its project, Improving the Accounting for Asset Acquisitions and Business Combinations, to include the accounting for in-process research and development and contingent consideration obligations recognized upon the initial consolidation of a variable interest entity that is not a business.

[Vote 7-0 to expand the scope of its project, Improving the Accounting for Asset Acquisitions and Business Combinations, to include this issue]

The Board decided not to add the following potential projects to its agenda:

1. Collective Defined Contribution Plans and the Definition of a Defined Contribution Plan

[Vote: 7-0 not to add a project to the Board's Agenda]

2. Share Repurchase Disclosures—Price and Earnings Per Share Effects

[Vote: 7-0 not to add a project to the Board's Agenda]

3. Accounting for Emissions Trading and Other Environmental Market Transactions.

[Vote: 7-0 not to add a project to the Board's Agenda]

**General Announcements:** The Board also decided to remove the project, Measurement Alternative and Observable Transactions Identified after the Reporting Date, from its research agenda.