

XBRL <<<<<<<

By Kristine Brands, CMA, CPA, and Brad Monterio

IMA Shines at XBRL23

Eight members of IMA's XBRL Standing Committee made excellent presentations at the 23rd XBRL International Conference in Montreal, Canada, in October. They are Kim Wallin, David Colgren, Brad Monterio, Liv Watson, Michal Piechocki, Mike Willis, Kristine Brands, and Ariel Markelevich. IMA® was also an association partner for the conference.

The three-day event brought together global thought leaders to explore the theme of "Enhancing Business Performance." Though regulatory and government mandates have dominated XBRL applications, the conference stressed the true potential of XBRL by focusing on practical implementations that add value to organizations. For example, more than 250 attendees learned how XBRL is revolutionizing financial reporting. Let's look at highlights from the XBRL Standing Committee's presentations.

Kim Wallin, controller of the state of Nevada and a member of the Federal State Advisory Committee on Flexibility, was a keynote speaker on how Nevada is using XBRL at the state government level for grant reporting and debt collections. She urged the audience to work to break down the silos caused by propri-

etary information systems by moving to the transparency, accessibility, and reusability of XBRL-sourced information. Once that happens, federal, state, and local reporting costs will drop significantly, and taxpayers will benefit from better information. She called on business users, not the information technology department, to drive the solutions. Wallin's leadership in XBRL government applications is widely recognized. As one attendee tweeted: "Met my idol, Kim Wallin, Controller, Nevada."

David Colgren, chair of the Standing Committee's advocacy and outreach task force, joined Wallin on a keynote panel discussing new and anticipated U.S. XBRL regulatory standards. They discussed two major pieces of legislation proposed by the U.S. Congress since June 2011: H.R. 2146, the proposed Digital Accountability and Transparency Act (DATA Act), and H.R. 2833, the Children and Family Services Innovation and Improvement Act, recently signed by President Obama. Both push for transparency in U.S. government social program reporting and, potentially, performance management that requires using a nonproprietary data standard like

XBRL as the basis of reporting. As Wallin said, the resulting information transparency provided by this legislation will "help us identify who is being covered by the government and who is falling through the cracks."

Brad Monterio, chair of IMA's XBRL Standing Committee, and Liv Watson addressed a hot topic in XBRL reporting: "The Evolution to Integrated Reporting—Missing Links and Opportunities." This globally driven movement believes that financial reports are no longer adequate indicators of an organization's performance. Additional non-financial measures addressing environmental, social, and governance (ESG) practices must be added to traditional financial performance measures. To do so requires identifying linkages to integrated reporting, such as establishing a global reporting framework and standard based on XBRL, that will meet broader stakeholder reporting needs such as assurance and audit of investor relations information.

In his presentation on "Linking Data for Integrated Reporting," Michal Piechocki addressed issues related to workflow management, audit trails,

multiuser access, and data source connections from the perspective of the creation of coherent reporting systems for financial reporting, including the IFRS Taxonomy. Mike Willis also spoke about integrated reporting, discussing the “Benefits of Comprehensive Integrated Reporting.” He said that “Companies are providing integrated reports as a means to seek new business opportunities, safeguard reputation, maximize competitive advantage, and mitigate operations risk” because integrated reporting redefines and expands the scope of information available to corporate decision makers.

Willis also moderated a panel on “Who Is Using XBRL, Anyway?” that included Emily Huang, founder of Rivet Software; Ed McDonnell, executive vice president of worldwide sales and field delivery, EDGAR® Online; and Mike Starr of the Securities & Exchange Commission (SEC). They discussed filers’ experiences with the 2009 SEC Filing Mandate and predicted widespread adoption of XBRL for internal financial reporting. The panel addressed the increasing use of XBRL as an analytical tool—for example, using the SEC’s XBRL data to benchmark

a company to its peers.

In addition, Ariel Markelevich, conference co-chair for the Introduction to Hot Topics Track, and Kristine Brands presented for the academic track. Brands’s presentation marked the first time that XBRL curriculum development was presented at the conference. As XBRL continues to grow, incorporating the topic

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into higher education is important. Her presentation, “A Course Model: Financial Applications for XBRL and Interactive Data” showed how Rivet Software’s Crossfire Software can be used as the basis of an XBRL course to teach students how to meet the SEC Reporting Mandate of 2009 and how to develop internal XBRL financial applications. Markelevich discussed alternatives a country or regulatory body can use for XBRL adoption, such as central conversion, individual company conversion, and disallowing individual extensions. He also cited other

factors that influence this decision, such as cost, future uses of XBRL, global factors, and autonomy of the state. He focused on different choices regulators have when adopting XBRL, including the decision on who is making the conversion to XBRL (regulator or company or both) and whether extensions are allowed. Several regulators at the conference expressed interest in continuing the conversation about his research.

Let’s have a virtual round of applause for IMA’s XBRL Standing Committee, who made an impressive contribution to XBRL23. Mark your calendars for XBRL24. It will be held March 20–22, 2012, in Abu Dhabi, UAE, at the Yas Hotel on Yas Island. **SF**

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