



GFOA

DATA STANDARDS & THE
FINANCIAL DATA
TRANSPARENCY ACT (FDTA)

JANUARY 2023

xBRL | US

Topics

- XBRL US – nonprofit standards organization
- Financial Data Transparency Act (FDTA) and impact on local governments
- Partnership with University of Michigan Center for Local State and Urban Policy (CLOSUP)
- Open data standards, the Annual Comprehensive Financial Reporting Taxonomy (ACFR) and how it will work for government entities

Financial Data Transparency Act (FDTA)

- Signed into law Dec 23, 2022, as part of H.R. 7776, the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023
- Calls for use of data standards by member agencies of the Financial Stability Oversight Council (FSOC): U.S. Treasury, the Securities and Exchange Commission (SEC), the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), the Bureau of Consumer Financial Protection (CFPB), the Federal Reserve System, the National Credit Union Administration (NCUA), and the Federal Housing Finance Agency (FHFA).
- Section 5823 calls for Data transparency relating to municipal securities, to be implemented by the SEC



Financial Data Transparency Act (FDTA)

Data standards are defined as:

- Including common identifiers
- Open and nonproprietary
- Able to render data searchable and machine-readable
- Financial reporting requirements documented in machine-readable taxonomies
- Incorporate standards developed and maintained by voluntary consensus standards bodies
- Consistent with applicable accounting and reporting principles

Timing

- 18 months after enactment, heads of covered agencies shall jointly issue proposed rules for public comment to establish data standards
- 2 years after enactment, jointly promulgate final rules for data standards
- Data standards established shall take effect not later than 2 years after which final rules are promulgated



Impact on local governments

- Governments that have outstanding municipal securities will need to comply with the FDTA
- Other local governments *may* be affected because of the GREAT (Grants Reporting Efficiency and Transparency) Act
- There is no change in what governments are required to disclose. Governments will not be required to submit data in a standard template
- There *will* be a change in how data reported to the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Markets Authority (EMMA) is formatted

Background on XBRL & Government Financial Data Standards

- 2018
 - Florida HB 1073 passed
 - XBRL US working group established
- 2018 – 2021
 - Developed three releases of Annual Comprehensive Financial Reporting (ACFR) Taxonomy with public reviews to gather more feedback

University of Michigan CLOSUP

Dec 2021 Partnership: expand the volunteer taxonomy to “commercial grade”, meet MI requirements, conduct Flint, MI pilot

Funding: Mott Foundation, UM Center for Academic Innovation

CLOSUP goals:

- Enhance the reliability, transparency, and ease of use of financial data
- Ease reporting burdens and improve reporting efficiency for local governments
- Improve understanding of local government finances and fiscal health for all stakeholders

July 2022 MI House Bill 5783 appropriates IT funds for machine-readable (XBRL) government data

NEWS

CLOSUP in consortium launching review of Flint government financial data standards

June 15, 2022



Credit: MML

Governments, standard setters, regulators and analysts encouraged to provide input

A pilot project involving the University of Michigan and others is exploring whether a new fiscal reporting mechanism for governmental entities can help create transparency—and prevent future financial crises.

The consortium, which includes the [Center for Local, State, and Urban Policy](#) (CLOSUP) at U-M's Ford School of Public Policy and [XBRL US](#), in partnership with the city of Flint, seeks input from the public and concerned entities about its initial digital financial data [standards](#) for local government reporting entities.

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[Center for Local, State, and Urban Policy](#)

RELATED POLICY TOPICS

[Domestic policy](#)
[Economics and finance](#)
[Public and nonprofit management](#)

ACFR Taxonomy development work

- Reviewed thousands of Michigan ACFR statements/engaged public sector SME
- Incorporated Michigan-specific reports, conducted public review

Financial statements:

- Government-wide
 - Statement of Net Position
 - Statement of Activities
- Governmental Funds
 - Balance Sheet
 - Revenues, Expenditures and Changes in Fund Balance
- Proprietary Funds
 - Statement of Net Position
 - Revenues, Expenses and Changes in Fund Net Position
 - Statement of Cash Flows

Notes

- Pension
- OPEB
- Capital Assets
- Long-term Debt

Michigan-specific Forms

- Form F65
- Form 5572

Validation rules

- Required elements
- Mathematical relationships



CITY OF FLINT, MICHIGAN

Statement of Net Position

June 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Totals	
Cash and investments	\$ 142,774,529	\$ 54,416,999	\$ 197,191,528	\$ 169,033,296
Receivables, net	28,888,693	136,545,900	165,434,593	79,212,224
Internal balances	(2,558,565)	2,558,565		
Other assets	1,191,959			
Restricted cash and investments		7,721,016		
Investment in joint venture				
Capital assets not being depreciated	23,213,807	49,973,118		
Capital assets being depreciated, net	70,893,109	163,671,460		
Net OPEB asset				
Total assets	264,403,532	414,887,058		
Deferred outflows of resources				
Deferred charge on refunding	94,497			
Deferred pension amounts	19,150,646	3,566,609		
Deferred OPEB amounts				
Total deferred outflows of resources	19,245,143	3,566,609		
Liabilities				
Accounts payable and accrued liabilities	18,291,636	18,238,006		
Unearned revenue	50,196,893			
Long-term debt:				
Due within one year	3,384,048	2,477,085		
Due in more than one year	26,767,178	103,038,801		
Net pension liability (due in more than one year)	329,910,486	61,442,404		
Net OPEB liability (due in more than one year)	129,182,182	66,815,666		

Attributes

Cash and Cash Equivalents and Investments

Tag acfr:CashAndCashEquivalentsAndInvestments

Fact 169,033,296

Period As of 06/30/2022

Axis ACFR Type Of Government Unit Axis

Member ACFR Component Unit Discretely Presented Member

Explicit Member acfr:ComponentUnitDiscretelyPresentedMember

Measure USD



What are Data Standards?

Standards improve efficiency of an existing process

Data standards improve the creation, reporting and use of data through automation

XBRL (eXtensible Business Reporting Language)

- Creates machine-readable:
 - Financial data (monetary, percent, integers)
 - Narrative (text and text block)
 - True/false statements
- Is open and nonproprietary (free)
- Developed and maintained by global nonprofit (XBRL International)



XBRL | US

What are Data Standards?

Data standards *are not* accounting standards (e.g., GASB, FASB, IFRS)

Data standards are *not* products or formats (like CSV, JSON, XML, HTML)

Data standards can be created to adapt to all different types of governments, e.g., general purpose or special district, allowing them to report *as they do today*

Open, nonproprietary data standards allow *many* options for report preparation because any accounting system or reporting software can be adapted to open (free) data standards



What are Data Standards?

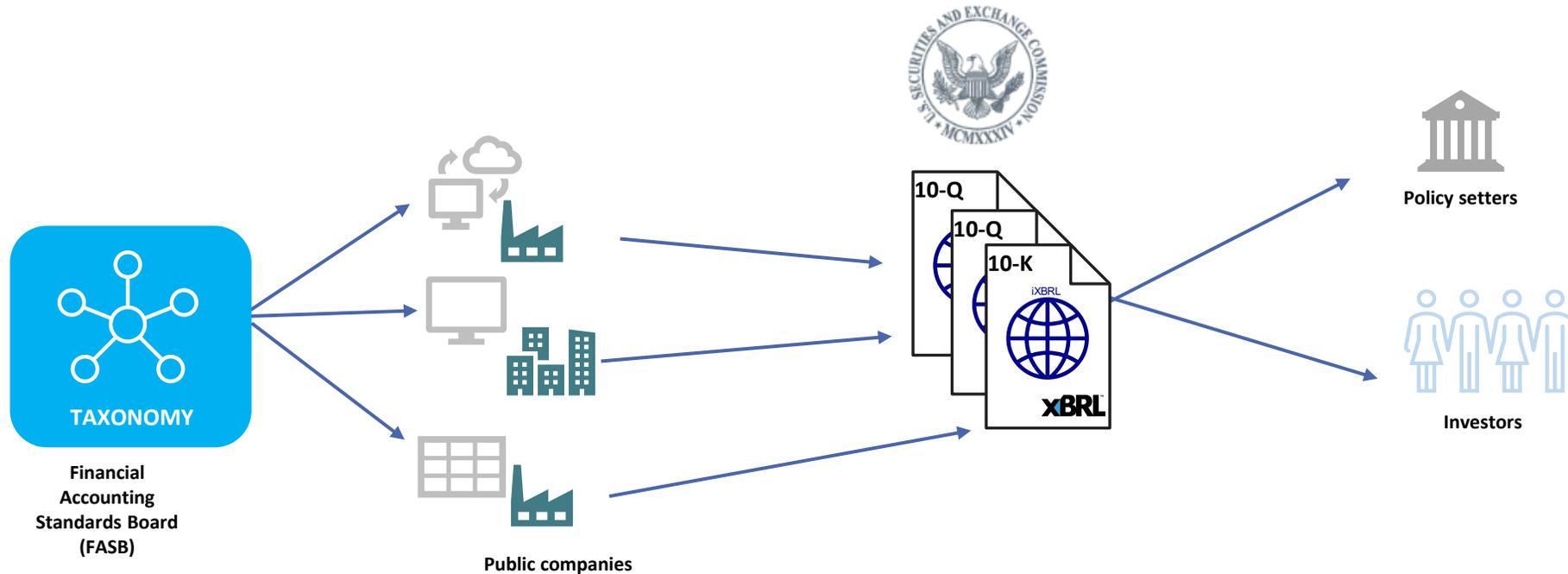
Standardized data is prepared and reported today by thousands of US entities (and over 210 programs worldwide):

- Banks reporting to the FDIC
- Utilities reporting to the FERC
- Public companies and investment management companies reporting to the SEC

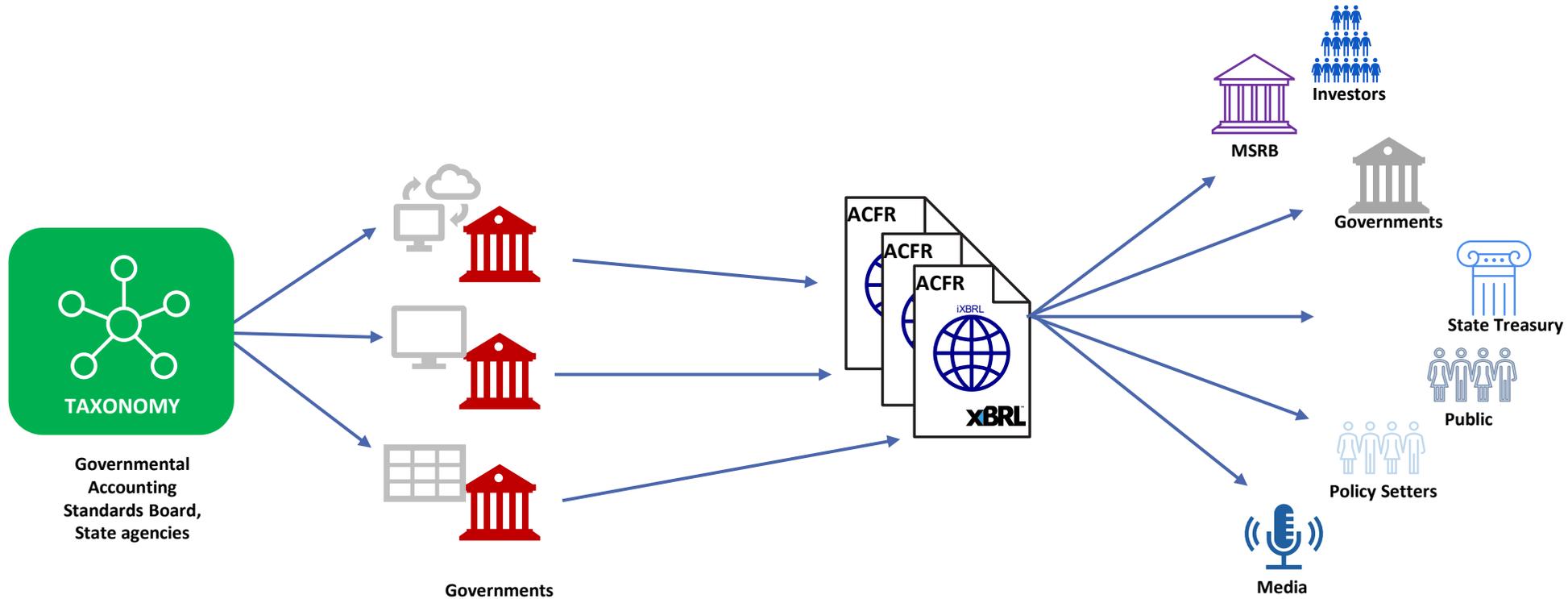
Examples of applications (organizations) that generate machine-readable XBRL financials:

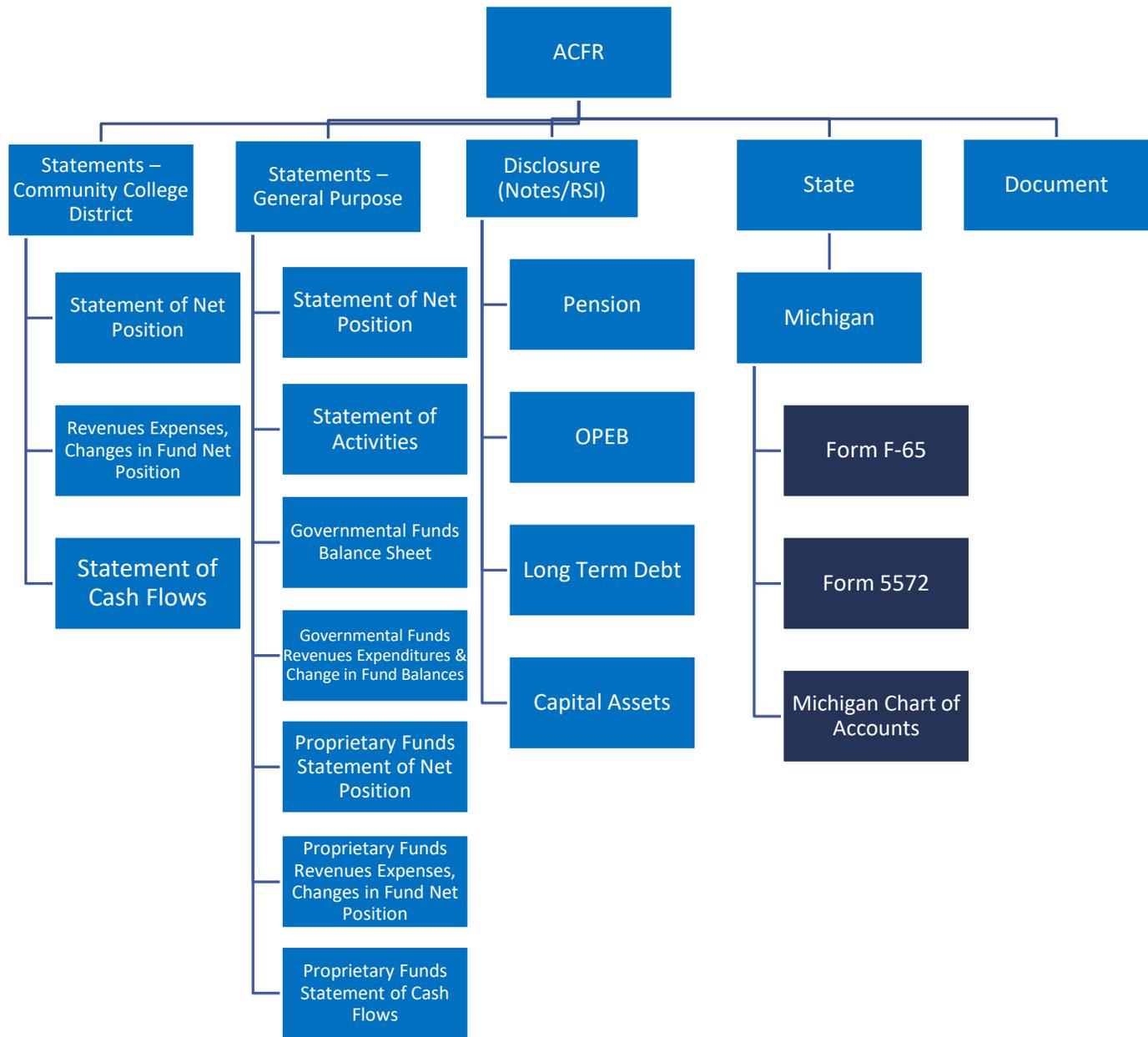
Advanced Computer Solutions; Broadridge Financial Solutions; CaseWare/Lance, Soll & Lunghard, LLP; Certent; CompSci; CoreFiling Seahorse; DataTracks; Donnelley Financial Solutions (DFIN); EDGAR Agents; EZ-XBRL; HData; IRIS Business Services; M2 Compliance; Novaworks; RDG Filings; Semansys Technologies; Systrends; Toppan Merrill; Visma Connect; Workiva

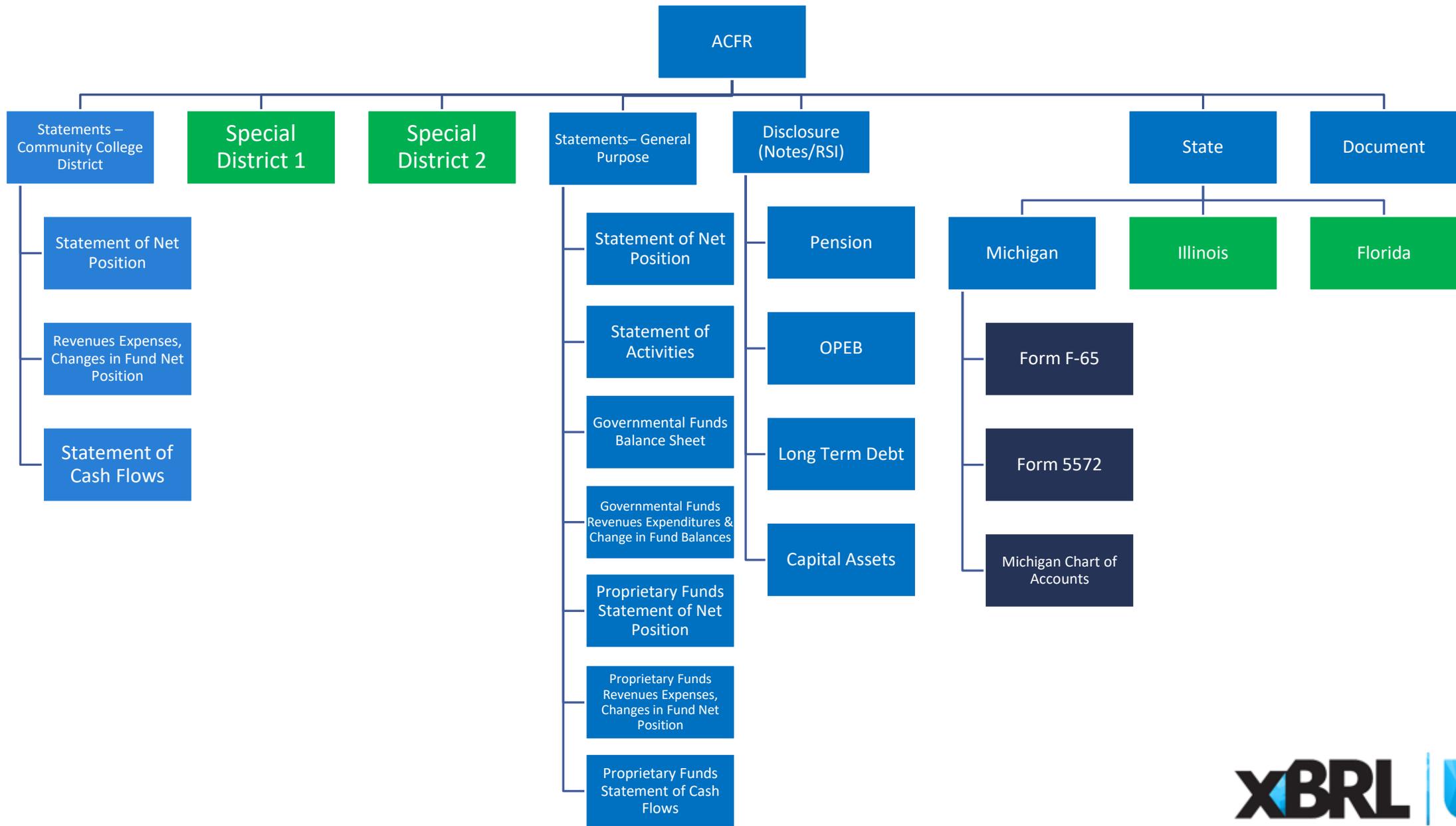
How do public companies prepare machine-readable financials for the SEC



How will governments prepare & use machine-readable financials?







ACFR Taxonomy - Flexibility

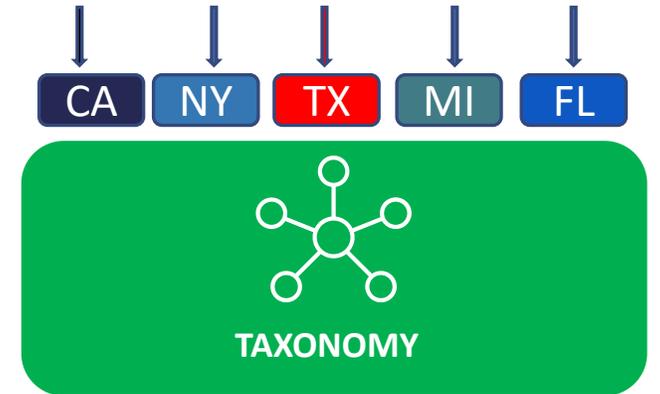
Supports different state requirements: state-specific references (Chart of Accounts) and concepts can be layered on top of GASB-specific line items. NOTE: states that do not follow GASB can have their own state-defined taxonomy concepts.

Supports different types of governments: general purpose, special district, etc.

Allows for unique line items: government entities can add custom line items that are not already in the taxonomy that roll up to parent concepts, e.g., Current Assets, Expenditures.

Contains validation (business) rules to improve data quality

Based on open, nonproprietary, widely used (XBRL) standard can be freely adopted.



Network Browser

Network: Lang:

- 100000 - Statement - Net Position
- 100100 - Statement - Net Position - Other Current Assets (Details) 
- 100400 - Statement - Net Position - Other Noncurrent Assets (Details)
- 100500 - Statement - Net Position - Other Restricted Assets (Details)
- 100525 - Statement - Net Position - Other Capital Assets Not Being Depreciated (Details)
- 100550 - Statement - Net Position - Other Capital Assets Being Depreciated, Net (Details)
- 100600 - Statement - Net Position - Other Deferred Outflows (Details)
- 100700 - Statement - Net Position - Other Current Liabilities (Details)
- 100800 - Statement - Net Position - Other Noncurrent Liabilities (Details)
- 100900 - Statement - Net Position - Payable from Restricted Assets (Details)
- 101000 - Statement - Net Position - Other Deferred Inflows (Details)
- 101100 - Statement - Net Position - Other Restricted Components of Net Position (Details)
- 200000 - Statement - Activities - Expenses and Revenues for Programs
- 200040 - Statement - Activities - Other Expenses (Details)
- 200050 - Statement - Activities - Other Program Revenues (Details) 
- 200060 - Statement - Activities - Other Net (Expense) Revenue (Details)
- 200070 - Statement - Activities, Component Unit - Expenses and Revenues for Programs
- 200080 - Statement - Activities, Component Unit - Other Expenses (Details)
- 200090 - Statement - Activities, Component Unit - Other Program Revenues (Details)
- 200095 - Statement - Activities, Component Unit - Other Net (Expense) Revenue (Details)
- 200110 - Statement - Activities - General Revenues and Changes in Net Position
- 200300 - Statement - Activities - Other General Revenues (Details)
- 200400 - Statement - Activities - Adjustments for Transfers (Details)

- 100100 - Statement - Net Position - Other Current Assets (Details)
 - Statement of Net Position [Abstract]
 - Statement of Net Position [Table]
 - Type of Government Unit [Axis]
 - Consolidated Activities [Domain]
 - Primary Government Activities [Member]
 - Governmental Activities [Member]
 - Business Type Activities [Member]
 - Component Unit Discretely Presented [Member]
- Disaggregation Line Item [Axis]
- Statement of Net Position [Line Items]
 - Other Current Assets, Description
 - Current Assets, Custom
- 200050 - Statement - Activities - Other Program Revenues (Details)
 - Statement of Activities [Abstract]
 - Statement of Activities [Table]
 - Type of Government Unit [Axis]
 - Consolidated Activities [Domain]
 - Primary Government Activities [Member]
 - Governmental Activities [Member]
 - Business Type Activities [Member]
 - Component Unit Discretely Presented [Member]
- Type of Program Revenues [Axis]
 - Type of Program Revenues [Domain]
 - Program Revenues from Charges for Services and Sales [Member]
 - Program Revenues from Operating Grants and Contributions [Member]
 - Program Revenues from Capital Grants and Contributions [Member]
- Disaggregation Line Item [Axis]
- Statement of Activities [Line Items]
 - Program Using Revenues, Description
 - Revenue for Other Programs, Custom

Implication of open data standards for government reporting entities

Open data standards mean any software application can freely adapt to the standard which leads to competition in reporting tools

What applications will governments be able to use?

- Full-service preparation and reporting applications
- Machine-readable data generation integrated into existing accounting system
- Spreadsheet-based applications that generate machine-readable data

There will be a range of costs to prepare financials in machine-readable format:

- Corporates with revenues <\$250 million average annual spend for 4 filings to the SEC was \$5,500
- Cost to governments could range from as low as \$500 to much more depending on service and features
- Will not require a change in existing accounting systems
- Can be prepared in CSV format with add-in



Set Scale-Unit
 By Label
 By Value
 Add Custom Unit
 Add Custom Scale
 XBRL Settings

Reference Taxonomies
 Company Taxonomy
 Reference Document
 Specific Tagging
 Replace tag
 Manual Tagging

Actuals
 US dollar
 YTD (07-01-2020 to 06-30-...)
 Set (-) As
 Zero
 Nil
 Reverse sign
 XBRL Attributes

Footnote Tagging
 Clear All Selections
 Remove Tagging
 Tag

Spot XBRL Checks
 Duplicate
 Calculate
 Basic
 Review

XBRL Review
 Select Mark Fact
 Generate output

STATEMENT I
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
STATEMENT OF NET POSITION
June 30, 2021

	2,021	2020	2019
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 28,283,505	\$ 15,508,326	\$ 14,714,425
Restricted cash		1,183,523	47,143,128
Investments	284,224,238	294,484,174	296,967,289
Total cash, cash equivalents and investments	312,504,743	311,176,023	358,824,842
Receivables			
Property taxes receivable (net of allowances of \$627,238)	53,151,019	48,880,131	51,856,028
Tuition and fees receivable (net of allowances of \$4,215,232)	5,967,532	6,483,063	6,038,507
Government claims receivable	23,577,159	6,338,749	2,191,447
Interest receivable	637,532	1,100,800	1,373,005
Other accounts receivable	2,015,291	1,668,200	1,672,391
Total receivables	85,348,533	64,470,943	63,131,378
Inventory	160,566	205,578	171,190
Prepaid expenses	770,327	789,688	948,439
Other assets		-	5,776
Total Current Assets	398,784,169	376,642,232	423,081,625
Non-Current Assets			
Capital assets not being depreciated	7,492,279	8,075,938	11,885,558
Capital assets being depreciated	726,015,247	720,745,253	723,098,846
Less allowance for depreciation	-336,608,786	(307,677,087)	(294,794,295)
Total Non-Current Assets	396,898,740	421,144,104	440,190,109
Total Assets	795,682,909	797,786,336	863,271,734
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge SURS Contributions	156,055	191,735	120,667
OPEB - Employer contributions subsequent to measurement date	1,079,666	2,485,860	1,106,117
OPEB - Changes in proportion and differences between employer contributions and share of contributions	3,240,064	3,381,823	4,457,234
OPEB - Difference between expected and actual experience	767,418	1,014,184	1,285,525
Deferred amount on refunding	105,767	118,988	254,573
Total Deferred Outflows of Resources	6,577,666	7,192,590	7,224,116
Subtotal, Assets and Deferred Outflows of Resources	802,260,575	804,978,926	870,495,850
LIABILITIES			
Current Liabilities			
Accounts payable	7,390,434	7,737,766	8,830,945

Reference Taxonomy

GRIP All

Search

GRIP All

- Presentation
- Calculation
- Definition

- Proprietary Funds, Statement of Net Position [Abstract]
- Proprietary Funds Type of Activities [Abstract]
- Proprietary Funds, Statement of Net Position [Table]
- Type of Activities Proprietary Funds [Axis]
- Proprietary Funds [Domain]
- Proprietary Funds [Member]
- Business Type Activities Enterprise Funds [Member]
- Internal Service Funds [Member]
- Proprietary Funds, Statement of Net Position [Line Items]
- Assets [Abstract]
- Current Assets [Abstract]
- Cash and Cash Equivalents and Investments [Abstract]
- Cash and Cash Equivalents [Abstract]
- Cash [Abstract]
- Cash Segregated for Capital Reserves
- Cash on Hand
- Cash in Bank [Abstract]
- Cash, Checking
- Cash, Savings
- Cash, Payroll Bank Account
- Cash in Bank
- Cash
- Cash Equivalent [Abstract]
- Certificates of Deposit
- Cash Equivalents
- Cash and Cash Equivalents with Others [Abstract]
- Cash and Cash Equivalents with Fiscal and Escrow and Other Agents
- Cash and Cash Equivalents with Treasurer
- Cash and Cash Equivalents with Trustee
- Cash and Cash Equivalents, Others
- Cash and Cash Equivalents

ACFR-City-of-Flint-June-2021

- General and Basic Financial Statements
- Economic Factors...
- Long-Term Financial...
- Requests for Information...
- Basic Financial State...
 - Hidden DEI facts
 - Government-wide...
 - Statement of ...**
 - Statement of ...
 - Fund Financial St...
 - Balance Shee...
 - Hidden fa...
 - Reconciliatio... 1
 - Statement of ... 1
 - Reconciliatio... 1
 - Statement of ...

		Primary Government			Compo
		Governmental Activities	Business-type Activities	Totals	Compo
5	Cash and investments	\$ 142,774,529	\$ 54,416,999	\$ 197,191,528	\$ 169,...
6	Receivables, net	28,888,693	136,545,900	165,434,593	79,...
7	Internal balances	(2,558,565)	2,558,565	—	—
8	Other assets	1,191,959	—	1,191,959	10,...
9	Restricted cash and investments	—	7,721,016	7,721,016	172,...
10	Investment in joint venture	—	—	—	6,...
11	Capital assets not being depreciated	23,213,807	49,973,118	73,186,925	18,...
12	Capital assets being depreciated, net	70,893,109	163,671,460	234,564,569	108,...
13	Net OPEB asset	—	—	—	11,...
15	Total assets	264,403,532	414,887,058	679,290,590	576,...
17	Deferred outflows of resources				
18	Deferred charge on refunding	94,497	—	94,497	—
19	Deferred pension amounts	19,150,646	3,566,609	22,717,255	40,...
20	Deferred OPEB amounts	—	—	—	—
22	Total deferred outflows of resources	19,245,143	3,566,609	22,811,752	41,...
24	Liabilities				
25	Accounts payable and accrued liabilities	18,291,636	18,238,006	36,529,642	110,...
26	Unearned revenue	50,196,893	—	50,196,893	33,...
27	Long-term debt:	—	—	—	—
28	Due within one year	3,384,048	2,477,085	5,861,133	3,...
29	Due in more than one year	26,767,178	103,038,801	129,805,979	93,...
30	Net pension liability (due in more than one year)	329,910,486	61,442,404	391,352,890	196,...
31	Net OPEB liability (due in more than one year)	129,182,182	66,815,666	195,997,848	—
33	Total liabilities	557,732,423	252,011,962	809,744,385	436,...

Fact Details

Concept *

- Deferred Outflows of Resources, Pens...

Dimensions

- Type of Government Unit [Axis]
- Primary Government Activities [Me...]

Manage Dimensions

Fiscal Date * 6/30/2022

Source Value 22717255

Fact Value 22717255

Accuracy 0 (Ones)

Units * US Dollar

XBRL Footnotes

Apply New

9

10 **Statement of Net Position**

19 Edit Type of Government Unit

	Governmental Activities	Business Type Activities	Primary Government Activities	Component Unit Discretely Presented
	07/01/2021 - 06/30/2022	07/01/2021 - 06/30/2022	07/01/2021 - 06/30/2022	07/01/2021 - 06/30/2022

379	Deferred Outflows of Resources, Debt Items	426,246	0	426,246	
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380	Deferred Outflows of Resources, OPEB Items	13,221	0	13,221	91,653
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381	Deferred Outflows of Resources, OPEB Items, Changes in Assumptions				
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382	Deferred Outflows of Resources, OPEB Items, Contributions Made After Measurement Date				
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383	Deferred Outflows of Resources, OPEB Items, Difference between Expected and Actual Experience				
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384	Deferred Outflows of Resources, OPEB Items, Net Difference Projected and Actual Earnings on Pension Plan Investments				
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385	Deferred Outflows of Resources, OPEB, Changes in Proportion and Differences Between Employer Contributions and Share of Contributions				
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386	Deferred Outflows of Resources, Other Items				
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387	Deferred Outflows of Resources, Pension Items	1,190,118	69,266	1,259,384	1,400,717
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388	Deferred Outflows of Resources, Pension Items, Changes in Assumptions				
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	Deferred Outflows of Resources, Pension Items, Contributions Made After				
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Links to other information

Example of XBRL report for [City of Flint, Michigan](#)

Webinar recording on [Government Financial Reporting and the FDTA](#)

[Taxonomy for Annual Comprehensive Financial Reporting and more sample XBRL reports](#)

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