



Embracing Business Standards

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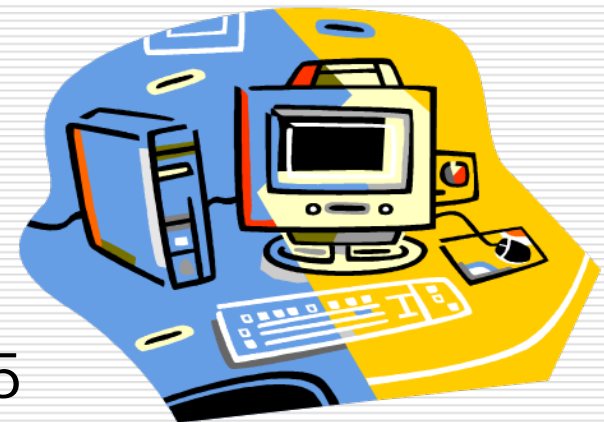
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Embracing Business Standards

- ❑ XBRL Application—CDR
- ❑ XBRL Benefits
 - ❑ Quality Standards *and*
 - ❑ Business and Performance Metrics
- ❑ Lessons Learned

XBRL Application—CDR

- ❑ Three banking agencies developed the **Central Data Repository (CDR)**
 - ❑ Used XBRL to define and transport data
 - ❑ Data receipt
 - ❑ Data validation
 - ❑ Storage
 - ❑ Distribution
- ❑ CDR launched on October 1, 2005
- ❑ Key policy change ~ pre-validation using XBRL
- ❑ Very Successful implementation



Call Reporting Before XBRL

- ❑ Validation routines and formulas stored in and processed by two systems (FRB, FDIC)
- ❑ Banks submit data after some minimal checks in their software - inconsistencies between preparation software packages
- ❑ Software vendors receive Call Report metadata from Excel, PDF, and Word documents – cut and paste into their software
- ❑ Agency analysts would check data quality once files had been submitted and contact bankers with any questions – often 1-3 weeks after initial submission

Call Reporting After XBRL

- ❑ FFIEC developed the XBRL-based CDR with Unisys Corporation as systems integrator
- ❑ Metadata stored in XBRL taxonomy files now available to anyone
- ❑ The same taxonomy files that contain validation criteria the agencies use in the CDR are used in Call Report software vendor packages
- ❑ Banks are required to check the quality of their data before submitting
- ❑ Agencies do not accept data with quality problems
- ❑ Quality assurance work is done by reporters up front, when it is more efficient
- ❑ Agencies receive high quality data sooner—lower cost

Benefits

XBRL is Expressive

- ❑ A standard for publishing rules:
 - ❑ the data to be exchanged
 - ❑ the instructions for providing the data
 - ❑ an interface or form or presentation
 - ❑ the validation criteria for checking the quality of the data
- ❑ Results:
 - ❑ more effective means to communicate
 - ❑ increased transparency

Quality Standards

What are they?

- ❑ Formulas that are expressed in XBRL and shared with stakeholders
- ❑ Evaluate to either 'true' or 'false'
- ❑ Check a relationship that either ***must*** be true
 - or –
 - that, if true, point to an anomaly to be researched

Business and Performance Metrics

Results—Everyone Sees the Same Data!

- ❑ Taxonomy = authoritative source, used by all
 - ❑ Rules for what data to report
 - ❑ Data quality standards
- ❑ Communication between all parties improved
 - ❑ Banking agencies
 - ❑ Call Report Software Vendors
 - ❑ Financial institutions
- ❑ Increased Data Transparency

Lessons Learned

- ❑ Business initiative...not technology
- ❑ XBRL is an enabler...end users do not need to know how XBRL works!
- ❑ People are reluctant to change an existing process...need to communicate new business vision
- ❑ Leverage existing standards
- ❑ Get involved and participate

Questions - Comments?

