# Minutes of the GIPS Executive Committee
## Open Conference Call

**Date:** Tuesday 26 May 2015  
**Location:** Conference Call  
**Time:** 8:00 to 8:30 a.m. US ET

### Members Present:
- Trevor Persaud – EC Chair and At-Large Member  
- Jonathan Boersma, CFA – GIPS Executive Director  
- Andrew Bragg – Asia Pacific Region  
- Ann Putallaz, CIPM – Americas Region  
- Dimitri Senik, CFA – EMEA Region  
- Mohammad Shoaib, CFA – At-Large Member  
- Karyn Vincent, CFA, CIPM – GIPS Technical Committee Chair  
- Carl Bacon, CIPM – At-Large Member  
- Martin Schliemann – At-Large Member  

### Observers:
- Irina Almeida, CIPM – Portugal  
- Garvin Deokiesingh, CFA – Canada  
- Arnulfo de Pala, CFA – Philippines  
- Ambika D’Souza, CIPM – United States  
- Thomas Egger – Switzerland  
- Susanne Klemm – Switzerland  
- Justin Guthrie, CFA – United States  
- Maureen Hawker, CIPM – Canada  
- Todd Juillerat, CFA – United States  
- Abigail Kelley – United States  
- Yoh Kuwabara – Japan  
- Vita Laumeyer – United States  
- Karim Manaa – Canada  
- Beth McCale – United States  
- Jana Michalikova – Czech Republic  
- Sunette Mulder – South Africa  
- Darren Norwood – United States  
- Joe O’Donnell – Ireland  
- James O’Leary – United States  
- Thomas Peters, CIPM – United States  
- Hans Pieper – Germany  
- Paul Plandford – United Kingdom  
- Christine Szabo – United States  
- Adam Welch – United States  
- Billy Welsh, CIPM – United States

### Staff Present:
- Anju Grover, CIPM – GIPS Analyst  
- Polly Johnson – GIPS Project Coordinator  
- Beth Kaiser, CFA, CIPM – Director, Global Investment Performance Standards  
- Cindy Kent – Director, Global Investment Performance Standards  
- Annie Lo, CFA, CIPM – Director, Global Investment Performance Standards  
- Iain McAra – Director, Global Investment Performance Standards  
- Ken Robinson, CFA, CIPM – Director, Global Investment Performance Standards  
- Robin Willis – GIPS Program Coordinator

### Action Items
- Mr. Boersma will provide further updates on the GIPS EC Strategic Plan on the next GIPS EC conference call.  
- CFA Institute staff are developing GIPS topics and dates for future webinars.

The conference call operator announced that the GIPS Executive Committee Open Conference Call is being recorded and if anyone has any objection to the recording, please disconnect.
The GIPS Executive Committee Open Conference Calls are recorded and an audio recording along with the approved GIPS Executive Committee Open Minutes will be posted on the GIPS Standards website for public record.

Mr. Persaud welcomed everyone to an open GIPS Executive Committee conference call.

1. **GIPS Technical Committee Update**

Ms. Vincent reported that the GIPS Technical Committee (TC) held an in-person meeting on 12 March 2015 in Frankfurt, Germany. She provided the following brief update on the GIPS Technical Committee projects:

**USIPC**

A comprehensive Disclosure Guide Matrix has been created by the United States Investment Performance Committee (USIPC). The Matrix consolidates all the requirements for disclosure that exist in the GIPS standards as well as any required disclosures in Guidance Statements, Q&As, or interpretations of the GIPS standards. The Disclosure Guide Matrix is a checklist that will assist firms in making sure that they meet all required disclosures of the GIPS standards. It is anticipated that the Disclosure Guide Matrix will be posted for the public in the near future.

The USIPC has done extensive research and developed a case for expanding the use of IIR (Internal Rate of Return) within the GIPS standards. Currently in the GIPS standards Private Equity Composites are required to present IRR, as are Closed-End Real Estate Fund Composites. It was further explained that in the GIPS standards Closed-End Real Estate Fund Composites must also present a TWR (Time Weighted Returns). The USIPC’s goal is to expand the use of IRR in the GIPS standards. The USIPC presented a summary of their IRR project to the GIPS TC in March and based on feedback received is finalizing the scope of the IRR project for the GIPS TC to approve. A new working group will be formed when the final scope of the IRR project is approved.

**Interpretations Subcommittee**

The Interpretations Subcommittee performed a preliminary review of the existing Guidance Statement on the Use of Supplemental Information. The Subcommittee presented a summary of their findings and proposed approach in updating the Supplemental Information Guidance Statement to the GIPS TC in March. The GIPS TC reviewed the summary document, approved the proposed approach on updating the Guidance Statement, and provided feedback. The Interpretations Subcommittee will continue to work on updating the Guidance Statement on the Use of Supplemental Information based on feedback received from the GIPS TC.

The Interpretations Subcommittee completed their work and presented a revised draft of the Guidance Statement on Performance Record Portability to the GIPS Executive Committee (EC) in June 2014. With the feedback provided by the GIPS EC, CFA Institute staff and the chair of the Interpretations Subcommittee are finalizing edits to the revised draft Guidance Statement. It is anticipated that the final draft of the Guidance Statement on Performance Record Portability will be presented to the GIPS TC for approval in the near future. After approval by the GIPS TC, the final draft Guidance Statement on Performance Record Portability will be released for public comment.

**Investment Manager Subcommittee**

The Investment Manager Subcommittee is currently scoping out a new project regarding benchmarks. The goals is to address a variety of questions on benchmarks and their use as currently outlined in the GIPS standards. The GIPS TC provided feedback on the current proposed scope of the benchmark project. The Investment Manager Subcommittee will use the feedback from the GIPS TC to finalize the scope of the benchmark project, and a new working group will be formed.
Risk Working Group
After several years, the development of a Guidance Statement on Risk is still ongoing. The guidance on risk has been growing over time and the feedback that was given by the GIPS EC is to begin with the proposed draft Guidance Statement on Risk and bifurcate it into two pieces 1) as a white paper, and 2) an official GIPS standards Guidance Statement. This project is currently underway and the work is primarily being performed by CFA Institute staff.

GIPS Q&A Database
The GIPS Q&A Database update has been completed by CFA Institute staff. The Database is easier to use, has new formatting, and includes the source of each Q&A. Executive Committee members were encouraged to review the new GIPS Q&A Database located on the GIPS Standards website through the following link http://www.gipsstandards.org/standards/faqs/Pages/index.aspx.

Overlay Working Group
A preliminary draft of a new Guidance Statement on Overlay Strategies was presented and reviewed by the GIPS TC in March. The Overlay Working Group will continue to revise the draft guidance utilizing the feedback received from the GIPS TC. It is anticipated a final draft Guidance Statement on Overlay Strategies will be developed to go out for public comment once approved by the GIPS TC.

Pooled Fund Working Group
After receiving input from the GIPS EC last June, the Pooled Fund Working Group spent time revising the scope of the project and met with additional regulators. In March 2015, the Pooled Fund Working Group presented a Summary of the Key Decisions and Concepts they would like to incorporate into the Pooled Funds Guidance to the GIPS TC. The GIPS TC reviewed the Pooled Funds summary document and provided their feedback. The Working Group is continuing to work on applying the GIPS standards to retail products and pooled funds based on feedback from the GIPS TC.

Ms. Vincent mentioned that the next two projects that are likely to be presented to the GIPS Technical Committee in the near future are the Portability Guidance Statement and the Overlay Strategies Guidance Statement.

2. GIPS Executive Director Update
Firm Notification Requirement
Mr. Boersma reported that the Firm Compliance Form went live several months ago on the GIPS Standards website and the form can be found through the following link http://www.gipsstandards.org/compliance/Pages/compliance.aspx. He mentioned that over 700 firms have registered their compliance with the GIPS standards so far. It is anticipated that during the next month there will be a strong increase in the number of firms completing the GIPS Compliance Form to comply with this new requirement ahead of the deadline of 30 June. Mr. Boersma mentioned that the list of firms registering their compliance are updated on the GIPS Standards website on a weekly basis.

GIPS Webinars
CFA Institute staff members have been conducting webinars on various topics related to the GIPS standards. Mr. Boersma mentioned that the webinars are a good vehicle for CFA Institute staff to communicate and interact with members of the industry. He encouraged everyone to participate in the upcoming GIPS webinars. Mr. Boersma reported that for each of the GIPS webinars 500 participants registered for each session and approximately 350 individuals participated.
GIPS Executive Committee Strategic Plan
The GIPS Executive Committee Strategic Plan is currently being revised. CFA Institute Marketing staff conducted interviews with each member of the GIPS EC. The topics included:

- what should our success metric look like;
- if the GIPS EC had to choose, should they focus on developed markets versus developing markets; and
- other similar questions.

The GIPS EC responses are being compiled and straw man positions are being developed on the issues that were discussed to determine resource allocations essential to advance the GIPS EC mission. Conversations on the Strategic Plan are ongoing. Mr. Boersma will provide further updates on the GIPS EC Strategic Plan on the next GIPS EC conference call.

Mr. Boersma stated that the current strategic focus is on asset owners. Even with the recently released Asset Owner Guidance Statement, there remains a need to educate asset owners to ask investment managers if they comply with the GIPS standards when hiring asset/external managers.

GIPS Country Sponsor Update
Mr. Boersma stated that currently 27 GIPS Country Sponsors have joined the new GIPS organizational framework. He pointed out that a couple of the 27 GIPS Country Sponsors are from new countries. Mr. Boersma mentioned that there are a few GIPS Country Sponsors Applications scheduled to be reviewed on the GIPS Executive Committee Closed conference call immediately after this Open call.

Other Business
Assistance to Firms Considering Compliance
Mr. McAra reported on the Assistance to Firms Considering Compliance paper originally drafted by the Investment Manager Subcommittee. He mentioned that the paper provides examples, practical applications, and ideas to help firms that are considering coming into compliance with the GIPS standards. It will provide practical guidelines to firms in terms of back history, etc. The GIPS TC provided feedback on the Assistance to Firms Considering Compliance paper in March. The final review will be done by individuals who have expressed interest in reviewing the final draft before it is presented to the GIPS TC for their approval. It is anticipated that the Assistance to Firms Considering Compliance paper will be released in July 2015.

It was mentioned that a GIPS webinar will be presented on 27 May 2015 that will highlight the Assistance to Firms Considering Compliance paper.

CFA Institute staff are developing GIPS topics and dates for future webinars.

Observer Questions
There were no questions from Observers attending the open GIPS Executive Committee conference call.

Meeting adjourned at 8:20 a.m.