Wrap Fee/SMA Guidance and Provisions of the GIPS standards

The CFA Centre for Financial Market Integrity and the Investment Performance Council announced the addition of new provisions and guidance for the Global Investment Performance Standards (GIPS®) that establish an industry wide approach for how firms should calculate and report investment performance results to prospective investors in Separately Managed Accounts, also called “wrap fee” portfolios.

Provisions and guidance for wrap fee/SMA products are already in place for firms in the United States and Canada under the AIMR Performance Presentation Standards (AIMR-PPS®). Because the new GIPS enhancements will replace the existing AIMR-PPS provisions and guidance, firms that manage these products and comply with the AIMR-PPS standards should only have a few changes as a result of the transition.

The effective date for the new provisions and guidance is 1 January 2006 and requires only prospective application (i.e., retroactive application of the provisions is not required). To view the guidance and provisions, please visit our website.

AIMR-PPS converges with the GIPS standards on 1/1/2006 - Will You Be Up To Speed?

9TH ANNUAL AIMR-PPS® CONFERENCE: TRANSITIONING TO THE GIPS® STANDARDS

26 - 27 October 2005, Philadelphia, PA

The Ninth Annual AIMR-PPS Standards Conference focuses on how firms can prepare for the 1 January 2006 convergence of the AIMR-PPS and GIPS standards. Industry experts will offer advice on incorporating the changes and outline current best practices in investment performance reporting.

Topics will include:

- The changes firms need to make as a result of convergence
- Verification—Should It Be Mandatory?
- The Biggest Pitfalls—Where Do Most Firms Struggle with Compliance?
- AIMR-PPS and GIPS Standards in the Regulatory Environment
- Overview of New Separately Managed Account Guidance Statement
- Overview of Private Equity and Real Estate Guidance and Provisions
- Update on GIPS Standards and Advertising Guidelines

For more information on the conference and to register, visit our website.
AIMR-PPS and GIPS standards Interactive Workshops

AIMR-PPS and GIPS workshops use a classroom approach with individual attention to help performance and compliance professionals master the Standards. CFA Institute has partnered with experts from Deloitte, Ernst & Young, The Spaulding Group, and Vincent Performance Services LLC to facilitate a series of workshops that will provide practical insights on implementation and compliance issues and feature discussion of the future direction of the GIPS and AIMR-PPS standards.

With the impending convergence of the AIMR-PPS to the GIPS standards, these workshops will provide essential information that firms need to know in order to continue to claim compliance. Space is limited to allow for personal interaction and discussion. More information on the workshops is available online.

Mark Your Calendar Now:

- 20 September 2005, San Francisco, CA
- 25 October 2005, Philadelphia* (in conjunction with the Annual conference)
- 3 November 2005, New York
- 30 November 2005, Boston
- 24 February 2006, New York
- 5 April 2006, Los Angeles

New GIPS Certification Program Announced

CFA Institute has announced the Certificate in Global Investment Performance Standards (CGIPS) Program for investment performance practitioners. The CGIPS curriculum and examination cover professional ethics, the GIPS® standards, and performance measurement, analysis, and evaluation.

This specialized, practice-oriented program is designed for those employed by investment management organizations, firms engaged in verifying claims of compliance with the GIPS standards, investment consulting firms and third-party performance providers such as custodial banks. It also will be attractive to professional staff members of regulatory agencies, plan sponsors and performance measurement software developers.

CFA Institute anticipates offering the first examinations in 2006. For more information, please visit our website.

Service Providers

As a service for those who are looking for assistance with AIMR-PPS and GIPS implementation and verification, there is a list of providers available at our website.
The services listed are provided by the advertisers and are not endorsed or recommended by CFA Institute. To add your firm to this list of service providers, please contact jenine.kaznowski@cfainstitute.org.