

Industry input is advancing the development of GIPS® 2020, including changes to the Guidance Statement on Broadly Distributed Pooled Funds, and progress on other technical guidance. As we work to ensure the value and relevance of the GIPS standards, we look forward to your continuous feedback.

### **Guidance Statement on Broadly Distributed Pooled Funds**

While incorporating the Guidance Statement on Broadly Distributed Pooled Funds into GIPS 2020, we came to realize the difficulties of implementing this guidance across markets with different regulatory structures and products. Based on input from GIPS volunteers and leading managers of broadly distributed pooled funds, we are adjusting our approach to broadly distributed pooled funds:

- We will issue a Q&A explicitly stating that prospective investors in broadly distributed pooled funds are not required to receive a compliant presentation.
- We will recast the requirements in the Guidance Statement on Broadly Distributed Pooled Funds (currently scheduled to go into effect 1 January 2020) as voluntary Advertising Guidelines, similar to the current Advertising Guidelines for composites.
- We will include the Broadly Distributed Pooled Funds Advertising Guidelines in the GIPS 2020 Exposure Draft to provide the public with the opportunity to comment on the approach.

We are sharing these developments prior to issuing the GIPS 2020 Exposure Draft to acknowledge and inform those firms that have adopted or are in the process of adopting the Guidance Statement on Broadly Distributed Pooled Funds.

### **Status of Pending GIPS Guidance Statements**

The GIPS Executive Committee, in consultation with GIPS volunteers and CFA Institute staff, made several key decisions regarding guidance statements that were in various stages of development when work began on GIPS 2020. We greatly appreciate the time, effort, and feedback on the recent Exposure Drafts provided by GIPS volunteers, committee members, and local sponsors, and by investment firms and industry members. The GIPS 2020 Exposure Draft incorporates key concepts received during the public comment process from each of the following Guidance Statements:

- Benchmarks
- Overlay Strategies
- Risk
- Supplemental Information
- Verifier Independence

The final version of these Guidance Statements will be released after GIPS 2020. In the interim, to assist firms waiting for the Guidance Statement on Supplemental Information, we will issue a Q&A clarifying that supplemental information is only information that is included within a compliant presentation.

### **GIPS 2020 Development Timeline**

The 2020 edition of the GIPS standards will ensure the continued value and relevance of the GIPS standards among managers already claiming compliance and encourage greater adoption among asset owners, alternative investment and pooled fund managers. Development is on schedule to meet the timetable below:

**31 August 2018** GIPS 2020 Exposure Draft released for public comment

**31 October 2018** GIPS Verification 2020 Exposure Draft released for public comment

**31 December 2018** Close of comment period for GIPS 2020 and Verification Exposure Drafts

**30 June 2019** Final GIPS 2020 edition released

**1 January 2020** GIPS 2020 effective date

Because verification depends on the underlying GIPS standards, the GIPS Verification Guidance schedule differs slightly from that of the GIPS standards.

### **Contact Us**

CFA Institute thanks the many industry members and volunteers for the critical input they are providing in the lead-up to GIPS 2020 and for their ongoing support of the GIPS standards. If you have any questions, contact the [GIPS standards helpdesk](#).

### **Recruiting Volunteers for GIPS Committee Deadline 25 April**

CFA Institute is actively recruiting for volunteers to serve on the United States Investment Performance Committee (USIPC) as well as for a new chairperson. To apply, log in to (or register with) the CFA Institute [Volunteer Management system](#) and go to “Open Opportunities” to select the role in which you are interested. The deadline to submit your application is **17:00 EDT on 25 April 2018**.

The USIPC is the GIPS sponsor in the United States and provides a forum for GIPS standards stakeholders. The committee promotes the adoption, implementation, and development of the GIPS standards as industry best practice for calculating and presenting investment performance. In addition, the committee discusses pertinent issues faced by investment industry professionals in the US market and develops resources, provides feedback on GIPS technical guidance, and promotes the GIPS standards through outreach activities. If you have any questions, contact [volunteers@cfainstitute.org](mailto:volunteers@cfainstitute.org).

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