



GIPS® STANDARDS NEWSLETTER

January 2024 Edition

First Steps in Preparing for the SEC Private Fund Adviser Quarterly Statement Rule Webinar

We are thrilled to announce our new SEC Private Fund Adviser Rules Webinar Series, sponsored by K&L Gates. The first webinar will take place on 28 February 2024 at 12:00 PM ET/9:00 AM PT and will focus on how to start preparing for the SEC Private Fund Adviser Quarterly Statement Rule. While the compliance date of 14 March 2025 seems far away, and the Quarterly Statement requirements may appear straightforward, there are many open questions. Attorneys from K&L Gates will address the key topics being discussed and give you a solid start on what you should be considering now.

[Register Today](#)

First Steps in Preparing for the
SEC Private Fund Adviser Quarterly Statement Rule

Sponsored by

28 February 2024 | 12:00 PM ET · 9:00 AM PT

K&L GATES

[Register Now](#)

Save the Date: Annual GIPS® Standards Conference 17–18 September 2024

The [28th Annual GIPS® Standards Conference](#) is scheduled for 17–18 September 2024 in San Diego, California. Subject matter experts will share best practices and speak to the key issues and major developments in performance measurement, making this conference essential for any performance or compliance professional.

Registration opening will be announced in a future edition of the GIPS Standards Newsletter. Mark your calendar!

Guidance Statement on Firms Managing Only Broad Distribution Pooled Funds Released

The GIPS Standards Technical Committee has approved and issued the [Guidance Statement on Firms Managing Only Broad Distribution Pooled Funds](#). The Exposure Draft of this Guidance Statement was available for public comment from 22 June 2023 through 22 August 2023. A firm would adhere to this Guidance Statement when it manages only broad distribution pooled funds and elects not to create any GIPS Reports or GIPS Advertisements but wishes to claim compliance with the GIPS standards in consultant databases or when responding to Requests for Proposal (RFPs). This Guidance Statement has an effective date of 1 July 2024. The [Adopting Release](#) explains key changes made between the Exposure Draft and the final Guidance Statement.

100% of the Top 25 Asset Managers Globally Claim Compliance with the GIPS Standards

For several years, we have been reporting that 24 of the top 25 asset managers globally claim compliance with the GIPS standards for all or part of their assets. We are pleased to announce that the last of the top 25 firms has now achieved compliance, so 100% of the top 25 asset managers globally, as listed in Pensions & Investments “Special Report: Megamanagers” (23 October 2023), now claim compliance with the GIPS standards for all or part of their assets.

Annual GIPS® Compliance Notification Form Deadline Is 30 June 2024

Organizations that claim compliance with the GIPS standards are required to notify CFA Institute of their claim of compliance by submitting a GIPS Compliance Notification Form. Organizations that are newly claiming compliance with the GIPS standards must submit the GIPS Compliance Notification Form before publicly claiming compliance. Once an organization claims compliance, it must submit an updated GIPS Compliance Notification Form annually, between 1 January and 30 June of each year. Required information includes the name of the organization, contact details for a primary and secondary contact, and whether or not the organization has been verified within the past 24 months. Answers to other questions, including types of portfolios managed and total assets that are managed, are optional. All information provided must be as of the most recent 31 December.

Organizations submitting a GIPS Compliance Notification Form for the first time should use the [Initial Form link](#). Organizations submitting an annual update should use the [Update Form link](#).

To begin the annual update process, enter your organization’s name and one individual’s contact information from the prior form. A link to the prior form will be emailed to this contact, who can then update the form.

If you receive an error message, or both contacts from the prior form are no longer

with your organization, please email us at gipscompliance@cfainstitute.org, and we will assist you.

Annual Asset Manager Code™ Compliance Notification Form

Deadline Is 30 June 2024 Many organizations that claim compliance with the GIPS standards also claim compliance with the Asset Manager Code™ (AMC). Organizations that claim compliance with the AMC are also required to notify CFA Institute annually, similar to the GIPS standards annual notification process. Notification forms are due 30 June 2024. Firms and asset owners can find the AMC Compliance Notification Form on the [CFA Institute Research and Policy Center website](#).

Organizations submitting an AMC Compliance Notification Form for the first time should use the [Initial Form link](#). Organizations submitting an annual update should use the [Update Form link](#).

To begin the annual update process, enter your organization's name and one individual's contact information from the prior form. A link to the prior form will be emailed to this contact, who can then update the form.

If you receive an error message, or both contacts from the prior form are no longer with your organization, please email us at industrystandards@cfainstitute.org, and we will assist you.

Dear GIPS Standards Help Desk

This month's question asks whether a firm should use gross or net assets when calculating metrics such as total value to since-inception paid-in capital (TVPI) or residual value to since-inception paid-in capital (RVPI).

Question: When our firm is calculating ratios for the composite, such as total value to since-inception paid-in capital (investment multiple or TVPI) or residual value to since-inception paid-in capital (unrealized multiple or RVPI), should the residual value (which is basically NAV) used for making these calculations be the gross composite assets or the net composite assets?

Answer: The GIPS standards are not prescriptive as to whether a firm must present multiples that are based on gross or net assets. If the firm presents only gross or only net returns, then we believe the firm should present multiples that are aligned with those returns. For example, if the firm presents only gross returns, then the firm should present multiples that are calculated using gross assets. If the firm presents both gross and net returns, the firm should disclose whether multiples are calculated using gross or net assets.

Where do CFA Charterholders Work?

CFA Institute has created a [new webpage](#) that includes a comprehensive table of firms with 300 or more charterholders globally. It's not merely a list; it's a testament

to the immense value the CFA designation brings to the financial industry. A large percentage of these organizations claim compliance with the GIPS standards. Of those 48 firms that manage assets on a discretionary basis, 43 of them, or 90%, claim compliance with the GIPS standards.

Working with firms that wholeheartedly embrace CFA charterholders offers an unparalleled professional journey. These firms signify not only a commitment to excellence but also to upholding ethical standards while possessing a profound understanding of financial markets. We encourage you to explore this page, not just as an informative resource but as a source of inspiration. To be notified when the page updates, please go to the webpage and fill out the subscription form at the bottom. These updates, scheduled biannually, reflect the evolving landscape of CFA charterholders' presence across top firms.

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