



# GIPS® Compliance Self-Assessment

*Is your firm really compliant? – Answer the questions below to find out*

In 2009, the SEC conducted a “performance sweep.” They assessed the compliance of 100 firms and found that nearly all (99%) that claimed compliance, were not actually compliant. Their results mirror ours. In every case where we’ve taken over the role of verifier from a competitor, we’ve found issues with the firm’s claim of compliance. The last thing you want is to have the SEC visit your offices, and find out your claim of compliance is false. Use the questions below to determine if there are any major issues or “red flags” you need to address.

1. Have presentations been prepared for all composites, “marketed” and “non-marketed”? Do these presentations contain, at a minimum, all of the requirements found in sections 4 (Disclosures) and 5 (Presentation and Reporting) of the GIPS standards?	
2. Have all accounts, both active and terminated, been reviewed and either assigned to a composite or flagged as being either below the composite’s minimum or non-discretionary?	
3. Have policies and procedures been developed that address all of the critical aspects of compliance?	
4. Have accounts that have been kept out of composites been identified as to the reason(s) why, and do you have supporting documentation to justify their exclusion?	
5. Have new accounts been added in accordance with the firm’s policies and procedures?	
6. Have terminated accounts been removed in accordance with the firm’s policies and procedures?	
7. If an account directed a change in strategy, was it removed from its initial composite and placed into a new composite, if applicable, in accordance with the firm’s policies and procedures?	
8. If an account fell below the composite’s minimum during the time period covered in the presentation, was it removed in accordance with the firm’s policies?	
9. If an account rose above the composite’s minimum during the time period covered in the presentations, was it added in accordance with the firm’s policies?	
10. Have all composites been both described and defined? If two or more composites have identical descriptions, there’s a problem as they must have characteristics or attributes which distinguish them from other, though similar, composites.	

This sheet is not a replacement for a qualified verification firm. You may answer “yes” to all of the questions and still be out of compliance. Spaulding Verification Services is recognized globally for our expertise in performance and GIPS and for our thorough verifications. To learn more about our services or for a no-obligation proposal, please email Chris Spaulding or Steve Sobhi (CSpaulding@SpauldingGrp.com or SSobhi@SpauldingGrp.com).

**For a no-obligation proposal go to [www.GIPSVerifications.com](http://www.GIPSVerifications.com) and complete the brief questionnaire.**

[www.spauldinggrp.com](http://www.spauldinggrp.com)

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