

The 2020 GIPS Standards: Update and Discussion

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Performance Measurement Forum

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Highlights from the 2020 GIPS standards

- Ability to allocate cash for carve-outs
- Expanded use of money-weighted returns
- Estimated transaction costs
- Portability, softening of the language from “must” to “may” link performance from old firm to new
- Pooled funds guidance
- More Do’s and Don’ts – updated disclosures, policies and procedures

What We've Seen So Far

- To date, no clients have implemented:
 - Carve-outs (and probably won't)
 - Estimated transaction costs
 - Expanded the use of money-weighted returns
- Most impact from changes:
 - Pooled funds
 - Updates to GIPS reports
 - Updates to P&P manual
 - Softening of portability requirements to link prior results

Forum Member Discussion

- If compliant, has your firm implemented any of the new options?
- If compliant, biggest challenge(s) so far?
- If not compliant, does the 2020 version of the GIPS standards have any impact on the decision whether or not to comply?
- Anything else?

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