

CFOs & COOs Forum

New York 2020

January 22-23 | Grand Hyatt New York

Agenda

Day one | January 22, 2020

7:45 **Registration - continental breakfast**

8:30 **PEI welcome & chair's introduction**

8:40 **Chair's welcome**

8:45 **Keynote interview**

9:30 **7th annual global CFO and COO benchmarking survey results**

In this session, we will review the results of the seventh annual survey of CFOs and COOs from across the globe. We've collected extensive data on people, processes, and planning for the future. The insight gained from the survey will provide the foundation for a robust discussion by an esteemed panel of CFOs and COOs representing a broad spectrum of private funds.

10:30 **Networking coffee break**

Taking a deep dive on fundraising strategies
(GPs only)

- Fundraising terms: is there room for creativity?
- Has intensity and level of operational due diligence been front and center in your fundraising process?
- Are you doing ILPA DDQs?
- Examining what's market and what isn't
- Length of fund extensions
- Prioritizing which investor goes where when a firm has multiple funds in the market at the same time
- LP expectations regarding co-investment
- How do emerging manager programs fit into fundraising?
- Importance of ESG to investors
- Pros and cons of utilizing placement agents
- Technological applications making fundraising more efficient

Cash management strategies and the use of LOCs

(GPs only)

- Assessing effective cash management strategies
- Use of lines of credit and its impact on performance
- Impact of interest rates on temporary cash investments
- What level of risk is acceptable?
- What are firms putting in LPA?

Attracting and retaining finance professionals

(GPs only)

- The challenge of attracting top talent
- Exploring terms of compensation
- Are recruitment challenges attributable to finding qualified candidates or dollars and cents?
- How and where firms are recruiting entry level staff? Are you hiring direct from university?
- Cost benefit of outsourcing as a way to leverage your staff
- Considering more functional / career operational candidates vs. just hiring generalists from public accounting
- Best practices for retaining talented professionals
- Does your firm ascribe to planned attrition?
- Compensating the back office: base, bonus and carry pool
- How do you keep employees happy?
- Understanding and working with millennials

CFO contribution to the strategic growth of the PE firm

(GPs only)

- How are CFOs involved in the decisions of the firm—levels of involvement?
- Interfacing with partners to strategize on growth initiatives
- Managing the firm's capital strategies
- CFO involvement in new fund initiatives
- Scaling the enterprise-methods to address growth, scaling up, etc.
- Identifying the right tech solutions to help your business grow

GP perspectives: ensuring third-party due diligence

(Service providers only)

- Determining what to outsource
- Establishing exactly what you need from a third-party provider
- Mitigating the risk associated with the use of third-party vendors
- Managing the responsibilities of the firm and deliverables of service providers
- Practical approaches to ensure your due diligence is memorialized

A | Staying ahead of investor reporting

- Role of GIPS reporting in PE
- Are firms planning to adopt GIPS 2020?
- ILPA standards
- Legislative perspective on reporting
- How to work within your investor base
- Reporting requirements that arise during the fundraising process
- Emerging portals for investor reporting
- Ensuring the security of data
- Are GPs getting ahead of the curve to follow GIPS and will there be a standard way of calculating performance?
- What percentage of GPs have claimed GIPS compliance in their disclosures?

B | Revamping ESG policies

- Why investors care about ESG so much
- Steps for putting an ESG policy in place
- An examination of the current level of ESG diligence
- Assessing ESG from an investor relations standpoint
- Foreign LP expectations for ESG
- Documenting your efforts and formally making ESG a part of the policy
- Compliance considerations for ESG
- Implementing more in-depth monitoring of portfolio companies
- How to approach and deal with the growth in ESG as sponsors continue to fundraise
- How do you implement ESG at the firm level and all portfolio companies?
- How do you track ESG policy and progress?
- Creating reporting metrics investors want to see regarding portfolio companies

C | PEI 300—views from the top

- Fundraising challenges, opportunities and future direction of the industry
- Demands from LPs: the latest requests becoming common practice
- Providing multiple strategies for diverse investment options
- Growing product offerings to meet evolving LP needs

D | COO role in building an investment process

- Key considerations for launching a fund
- Building out the process
- Creating an investment pipeline
- Required systems and controls
- Working with the investment team on compensation, direction of the firm and culture
- Spending more time on the front facing LP issues
- How to decide when to launch a new or shut down a fund

E | Technology Spotlight

- Discover new automated solutions firms are implementing to address challenges and the best technology to help with accounting, transparency, reporting and more.

A | Exploring opportunities in a maturing secondary market

- Factors driving growth in fund restructuring
- Taking the firm and fund through the secondary process
- Making the process more streamlined - lessons learned
- Addressing conflicts
- LP appetite for making commitments in secondary funds
- Dollars raised in 2018 vs 2019 and expectations for 2020
- Secondary market valuations
- Identifying pain points in the secondary process

B | Embarking on diversity and inclusion across the spectrum

- Identifying shortcomings in the organization on the diversity and inclusion front
- Do you have a diverse management team?
- Have you implemented processes to increase the number of women and minorities at your firm?
- Common questions LPs ask when completing DDQs
- What information are LPs demanding about diversity at the firm?
- Practical strategies to improve diversity
- Exploring the option of hiring junior talent to address diversity challenges
- One year later: what have you done within your firm?

C | Examining the macro tax environment

- Impact of tax regulations on PE
- Are there structures that enable partners to take carry within the first 3 years of the company?
- How is tax reporting different from GAAP reporting?
- Ensuring the waterfall takes into account
- New partnership audit rules
- Questions you should be asking your tax advisor
- Pitfalls you may encounter and ways to avoid them
- Legislative updates
- When do you use estimates?
- Taking a deep dive on new regulations: management fee and carried interest waivers
- Tax compliance best practices

D | COO toolkit for operational efficiency

- Providing investors with the amount of transparency and custom reporting they seek
- Strategies to meet goals faster, cheaper and more efficiently
- Time management training for employees
- Providing investors with access to information earlier
- Ensuring your infrastructure and technology is set up for efficiency
- Is outsourcing the answer?
- Can fund administrators build the systems you need?
- Responding to the push on how you service your investors
- Best practices to set expectations with investors

E | Technology Spotlight

- Discover new automated solutions firms are implementing to address challenges and the best technology to help with accounting, transparency, reporting and more.

3:45 **The 2020 rundown: an interactive analysis of hot topics in private equity**

- Technology innovation and data analytics
- Operational due diligence and best practices to meet investor demands
- Implementing cybersecurity measures to protect investor information
- ILPA guidelines and reporting

4:35 **Keynote interview**

5:20 **Cocktail reception and end of day one**

Day two | January 23, 2020

7:45 **Think tanks** *(invite only)*

CFOs and COOs Think Tank

CCOs Think Tank

Senior Finance Executive Think Tank

8:15 **Continental breakfast**

9:10 **Chair's opening remarks**

9:15 **Keynote interview**

10:00 **LP perspectives: driving value for investors**

- What do LPs look for when evaluating fund managers and the typical timetable needed?
- How LPs are investing capital
- What type of performance are LPs seeking?
- What do LPs do with all the data received from GPs?
- What practices are LPs using to harness data and analytics?
- Assessing the technology LPs use to analyze GPs
- What GPs should be doing to create value for LPs
- LP viewpoint on lines of credit and the impact on IRRs

11:00 **Networking coffee break**

11:30 **Breakout sessions**

A | Reexamining data management strategy and implementation

- More than just monitoring: are you doing more with data?
- Using data analytics to drive investment decisions
- Benchmarking across portfolios via diligence and useful tools
- Does data management reside with the CFO, COO or Operating Partner group?
- How to gather, validate and archive data over time
- Developing a long-term data management strategy
- Leveraging data for improving decision making
- Pain points of PE industry maturation and data management

B | Global PE: operating issues and management implications

- Examining the globalization of PE and expansion of management companies
- Trends in international fundraising—the do's & don'ts
- Conducting an AIFMD compliance review
- How firms are contending with GDPR, CCPA, compiling and managing customer data
- How the BEPS rules and action plan are impacting funds
- Global trends in outsourcing
- Does the consolidation of the global fund administration industry benefit managers?

C | The future firm—founder carry, retirement and succession planning

- How are firms handling succession? At smaller firms?
- Outlining the succession process of the firm
- Creating a more democratic process as you grow your number of funds
- Future forward: bringing the junior partners and principals into the conversation
- Succession planning when partners have been at the firm since its inception
- What do you do when the existing leadership wants to retain control?
- Importance of having a more collaborative role
- Preparing to turn over more decision-making
- LP expectations for the next generation
- Evolution of the firm: building the infrastructure to run the management company as a more professional business

D | Adopting a compliance culture across the firm

- Best practices and practical approaches for balancing business needs with compliance obligations
- Implementing strategies to fix processes you've been doing incorrectly for years
- SEC 2020 priorities and focus areas
- What your compliance team needs to know and implement in your program
- Conflicts of interest

Roundups run concurrently

PEI 100 roundup

Designed for PEI 100 CFOs and COOs, the PEI 100 Roundup will engage leading finance and operations executives in an interactive dialogue on the issues specifically affecting the largest PE firms.

- Expanding into new product lines
- Launching a new fund strategy
- Is expansion-through-acquisition on your firm's horizon?
- Achieving stable AUM growth
- Publicly-traded GPs - the benefits and disadvantages

Controller roundup

Developed for PE Controllers, the Controller Roundup will advance strategic discussion and provide financial tools and insight beneficial for the next generation of CFOs.

- What is today's definition and role of the controller?
- Adroitly running your payment operation system
- Updating systems, processes and the general ledger
- Employing effective tactics for data manipulation
- How do you keep a controller engaged?
- State of the industry: is it static and impacting the amount of job turn over?
- Opportunities for advancement when the CFO isn't planning to leave in the near future
- Process for reviewing and revising budgets throughout the year
- Employing benchmarks or external metrics
- What is the best way to maintain records for SEC/auditors/tax team?



A | Technology integration of the front, middle and back office

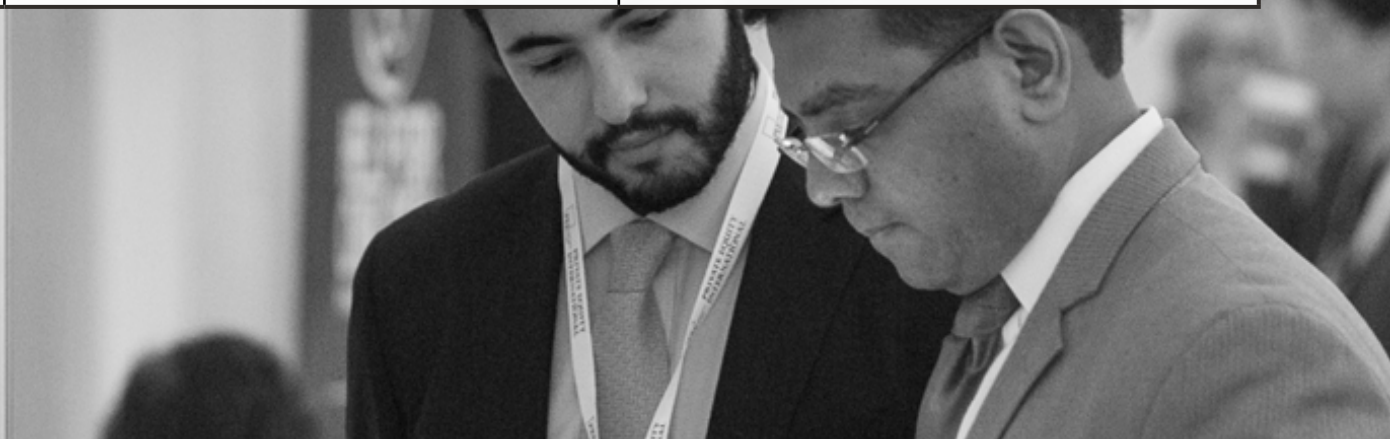
- Where are the most important areas to ensure you have integration?
- Is there technology to accommodate the integration of investor communication, performance reporting, managing LP relationships and data management
- Bringing your back office into the future
- Assessing what investments have been made in the front, mid and back office
- How are you tracking your interaction?
- Identifying and managing risk
- Best practices for gaining more access to data
- A closer look at what's available in advanced technology: treasury management, software robotics, data warehousing and dashboard reporting
- What technology has achieved in the management reporting and trend management of workflow

B | Valuation strategy and guidelines

- Valuation metrics
- Ensuring you have real time data to calculate valuation and satisfy auditors
- How reliant have firms been on valuation software?
- Growing demand for third-party valuations
- Alternative approaches for GPs not using a third-party
- Are you providing LPs with the opportunity to request an independent check?
- Takeaways from AICPA's Valuation of Portfolio Company Investments of Venture Capital and Private Equity Funds and Other Investment Companies
- The broad picture: surveying the different valuation methods
- Garnering perspective from the LP
- How much do LPs care about interim values vs exit values?
- Do LPs think GPs are being overly conservative concerning write-downs and markups on expected sales?
- Adopting software for valuation

C | Waterfall calculations and carried interest allocations

- Can the waterfall be built in anything other than Excel?
- Best practices for waterfall processing
- Waterfall solutions used by third-party administrators and GPs
- Creative carried interest solutions in the LPA and within the firm
- Carried interest and compensation: finding the ideal balance
- Examining advancements in the types of carry being used across funds
- Structure of carry vehicles, allocation programs and different ways firms do it
- What standards are you seeing in vesting periods of carry?
- Are firms giving carry on co-invests?
- Which members of the finance team participate in carry?
- Technology solutions



11:10 **Networking luncheon**

2:10 **How the CFO and COO functions are moving the firm forward**

- Changing role of the CFO/COO function
- Effectively managing dual-hatted roles
- Methods CFOs have employed to scale the enterprise
- What are the systems you have in place to grow operations?
- How does a firm with a successful fundraising trajectory keep up with growth for new funds?

3:00 **Election year impact on PE**

- Staying on top of key changes coming for PE
- Examining potential tax changes under different administrations
- What are the impacts of the current trade war with China and Mexico on portfolios?
- Reviewing your firm's political contributions policy
- SEC stance on contributions and penalties against firms

3:50 **Keynote fireside chat**

4:30 **End of conference**

PEI

For more information, visit: privateequityinternational.com/cfo-coo

**Agenda is subject to change by the event organizer*