



CEM Survey Webinar 2023

March 14, 2023



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Introduction and general information

- The survey is already open.
- Login instructions sent out on February 13.
- Technical support:
subscriptions@cembenchmarking.com
- Survey due dates have moved up.
 - Due date for U.S. DC is April 7th. For all other clients it is April 28th.
 - No reason to wait!

[Notes on the CEM Survey – Common pitfalls](#)

[Introducing the CEM Portal](#)



Initiatives to make the survey easier to complete

- We are working with recordkeepers & custodians to pre-populate portions of the DC & DB survey. >30 of you have given us permission to access, or forwarded, the files needed. If you'd like to join contact adam@cembenchmarking.com
- Using fee and performance documents, or an abridged Excel survey, we can pull:
 - Option market values
 - Option costs
 - Achieved returns
 - Benchmark returns
 - A portion of your plan level costs (such as recordkeeping, loans)
- We can also use other source documents to help populate the survey for you. Whether from other DC recordkeepers or consultant reports that you use to complete the data. Excel is ideal but can work with other types of files too.



Contact information



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Introducing: CEM Portal

March 2023

[Introduction and general information](#)

[Notes on the CEM Survey – Common pitfalls](#)

CEM Portal benefits you in four ways:

1. A single password for all CEM services.
2. Better control of access.
3. Move collaborative.
4. Security focused.

1. You can have a single username and password for all your CEM subscriptions.
2. It is easier to authorize different internal users for different subscriptions.
 - i. Users can be allowed selective access to various services. In addition, it is easier to revoke access when people leave your organization.
3. You can grant access to third parties, such as consultants, to specific exhibits in a secure environment.
4. The Portal allows for better authentication, authorization, and accountability of your organization's users across all our subscriptions

What happened with my old logins, Dashboards, and surveys?

- All old logins have been de-activated.
- Dashboards, surveys, and posts on PIN are unaffected.
 - These can now be accessed with your email address (once registered) and a single password for all these services.

How do I set my password?

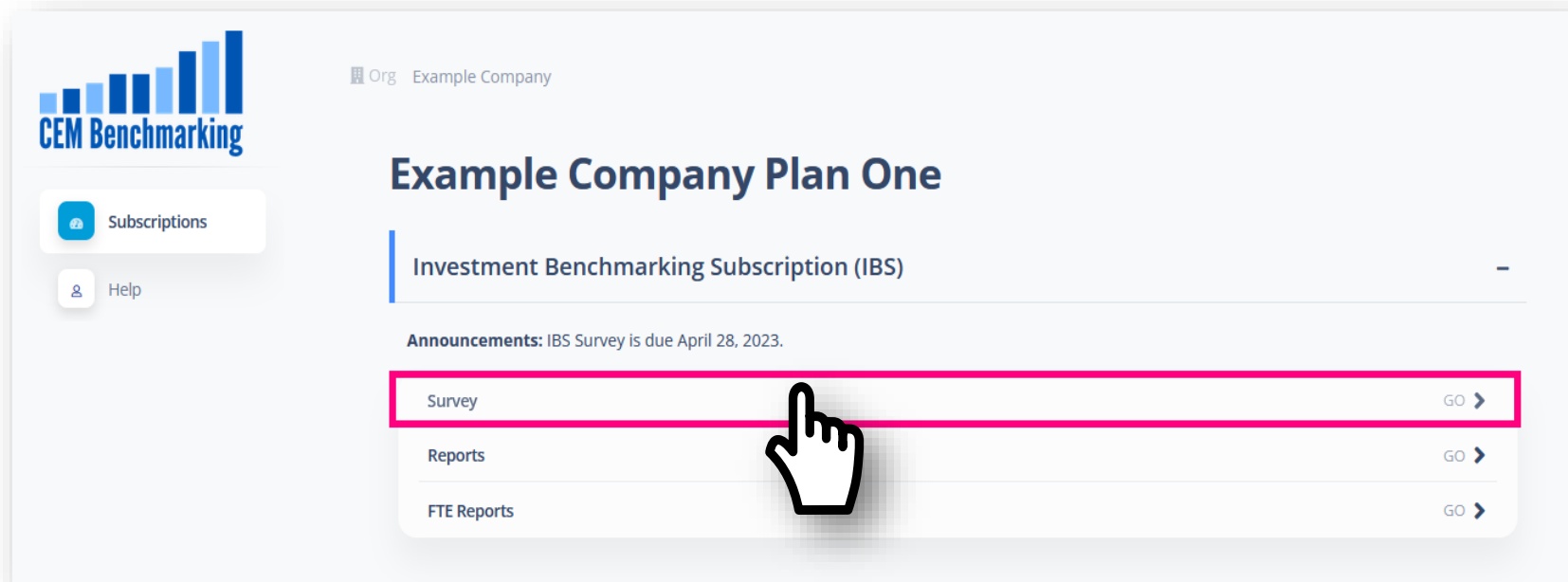
- Click “Forgot your password?” on the login page, and enter your email.
- Follow the instructions in the email.
- Enter your new password.
 - Passwords need to be at least 8 characters long and have a mix of upper- and lower-case letters.

How do I access a subscription or service?

Once you are logged in, you will see all subscriptions that you currently have access to.

Clicking a service will take you there. You will not need to log in again.

If you do not see the subscription you're looking for, you may not have been given access. Click 'Learn More' or email us on Subscriptions@CEMBenchmarking.com. We will get back to you within two business days.



As an administrator, how do I add a user? (page 1/3)

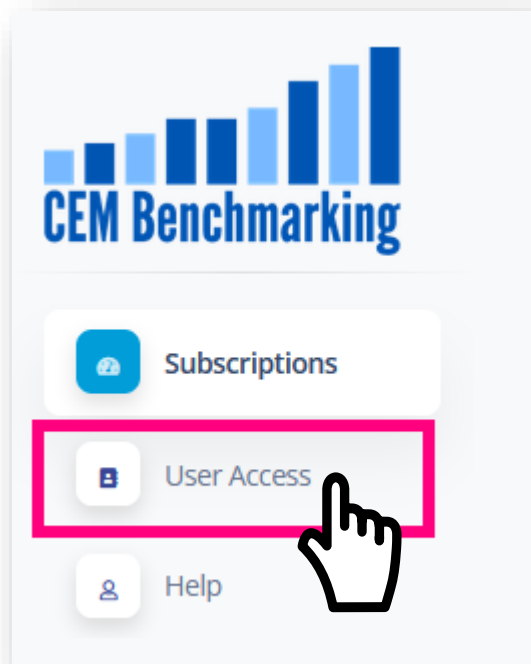
As an administrator you'll be able to invite others to access the CEM Portal.

This is a two-step process:

1. Invite the user to join the CEM Portal.
2. Grant the new user access to services.

Start by navigating to 'User Access' in the left-hand menu.

Note: If you do not see this menu-option, you are not an administrator for your organization. [Click here](#) to learn how to contact your administrator.



As an administrator, how do I add a user? (page 2/3)

Here, you get an overview of the current users in your organization, along with their subscriptions. In the example below, all have access to the 'IBS' subscription.

To add a new user, click 'Add user. A prompt will open.

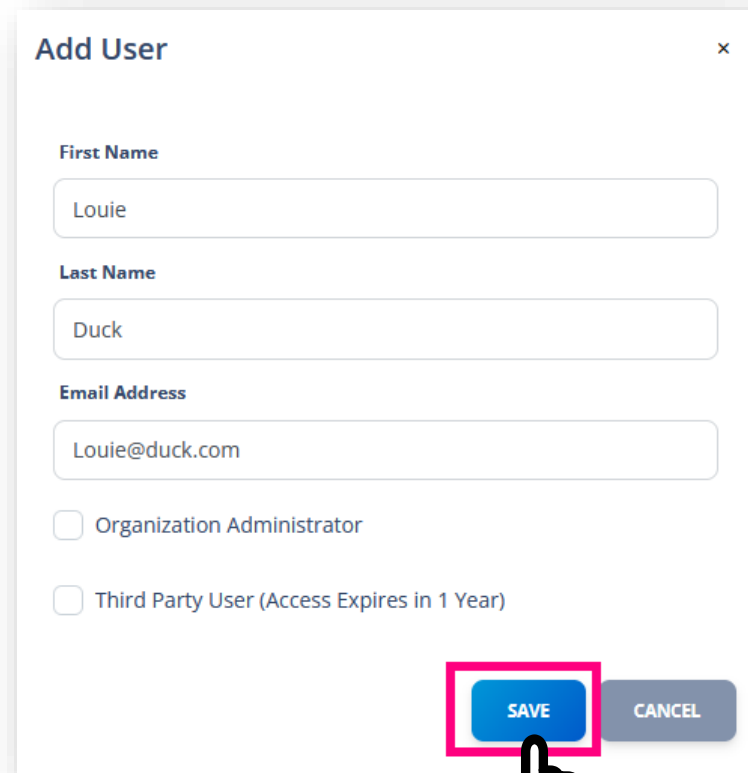
The screenshot shows the 'Example Company User Access' dashboard. On the left, there is a sidebar with the 'CEM Benchmarking' logo and navigation links for 'Subscriptions', 'User Access', and 'Help'. The main content area is titled 'Example Company User Access' and features a search bar and a table of users. The table has columns for 'USER', 'SUBSCRIPTIONS', 'ROLE', 'INVITED BY', and 'EDIT'. The 'ADD USER' button is highlighted with a red box and a hand cursor.

USER	SUBSCRIPTIONS	ROLE	INVITED BY	EDIT
Donald Duck donald@duck.com	IBS +	User	Gladstone Gander gladstone@duck.com	ACTIONS -
Daisy Duck daisy@duck.com	IBS +	User	Donald Duck donald@duck.com	ACTIONS -
My Name me@duck.com	All Access	Administrator	Donald Duck donald@duck.com	ACTIONS -

As an administrator, how do I add a user? (3/3)

Provide the required details. If you would like to provide administrator rights to a user, you can do so by ticking the 'Organization Administrator' box.

By default, the newly added user does not have access to any of your subscriptions. **See the next steps to do so.**



Add User ×

First Name
Louie

Last Name
Duck

Email Address
Louie@duck.com

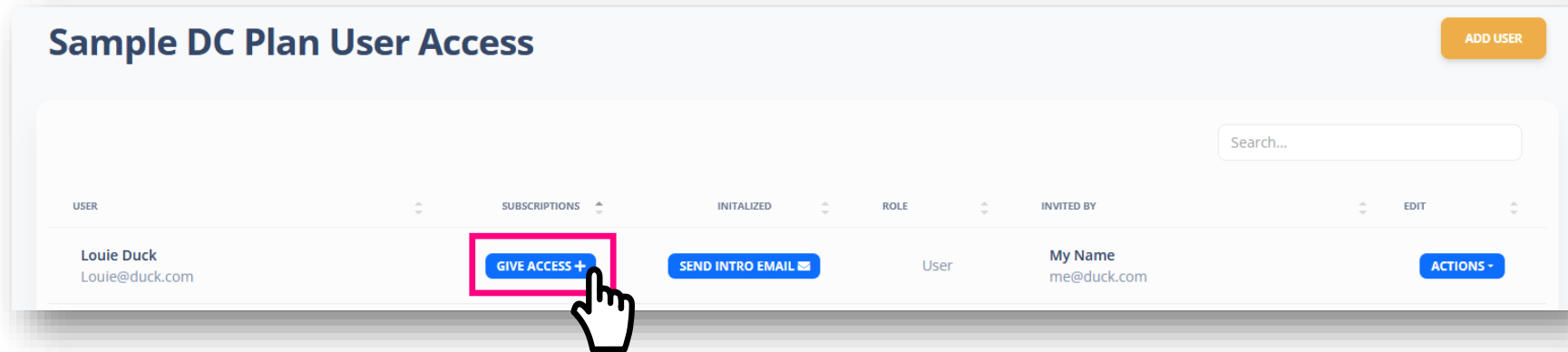
Organization Administrator

Third Party User (Access Expires in 1 Year)

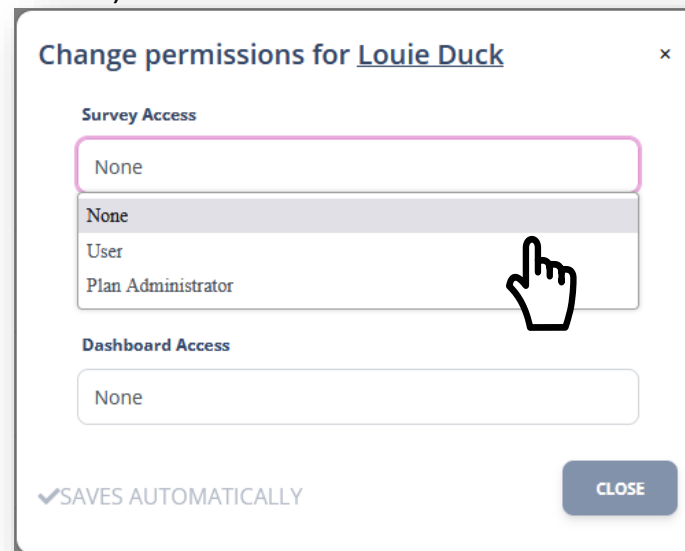
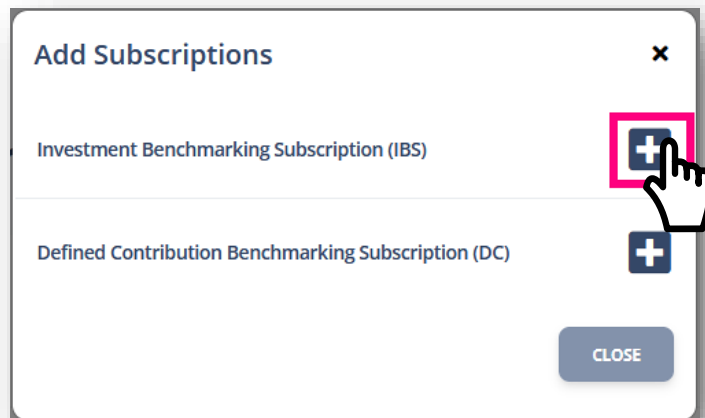
SAVE **CANCEL**

Granting access to users: Permissions

By default, a newly added user does not have access to any of your subscriptions. To manage access rights, click 'Give Access' on the 'User Access' panel.



For each subscription, you can grant access by clicking the '+' icon. Then, for each service, you can select the level of access for this user (User, Administrator, or No access)



Notify the newly created user

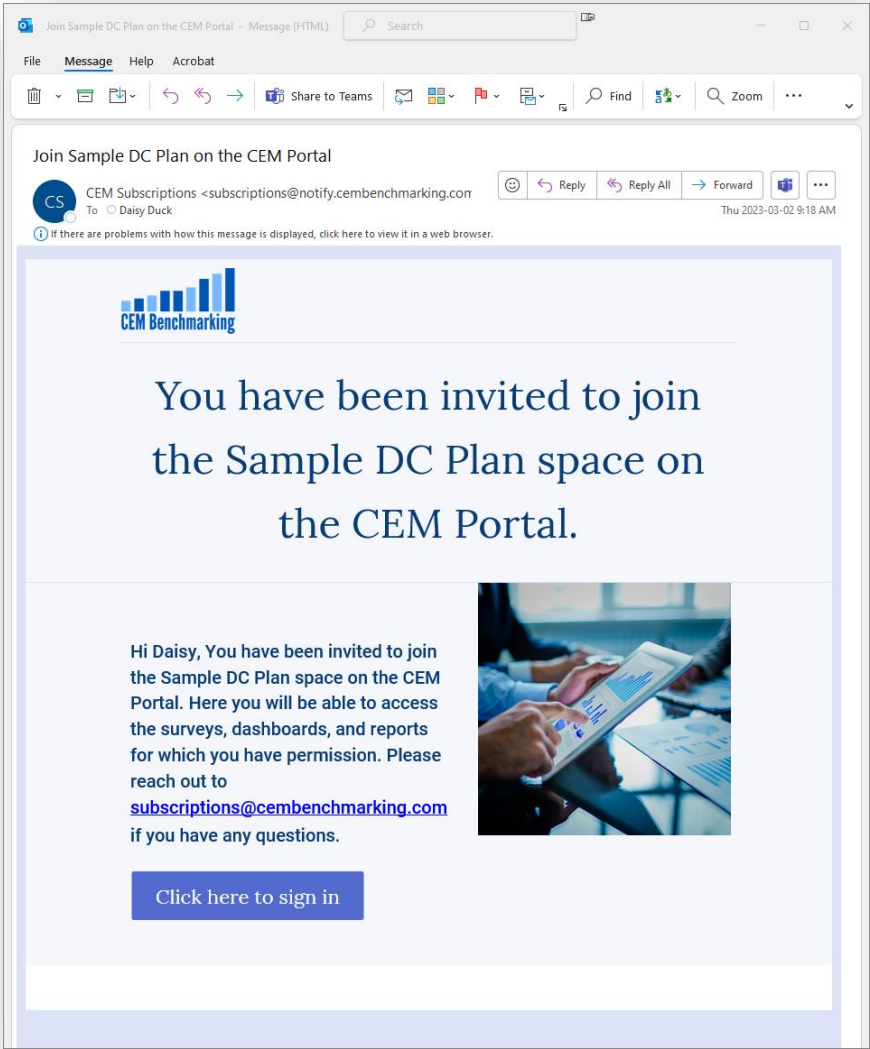
As a final step, notify the newly added user that they have access to the CEM Portal. Simply click 'Send Intro Email' and an invitation will be sent to their e-mail address.

Sample DC Plan User Access ADD USER

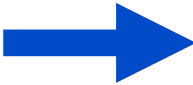
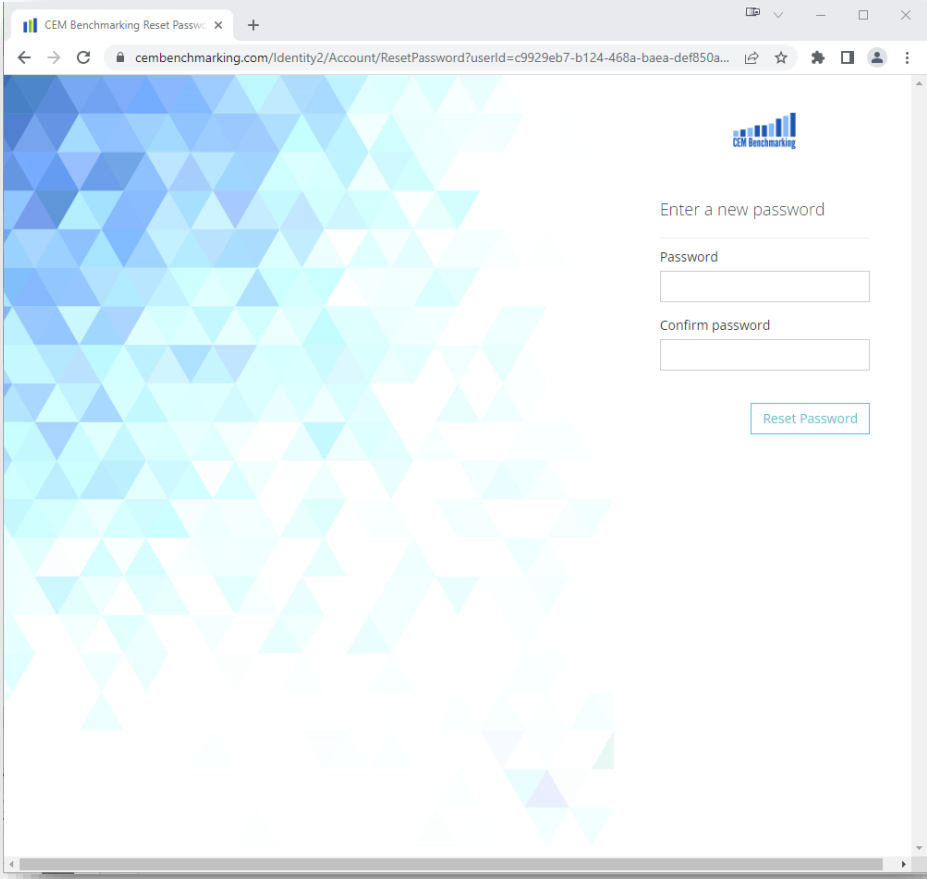
Search...

USER	SUBSCRIPTIONS	INITIALIZED	ROLE	INVITED BY	EDIT
Louie Duck Louie@duck.com	IBS DC	SEND INTRO EMAIL	User	My Name me@duck.com	ACTIONS

Example of invitation email sent to new users

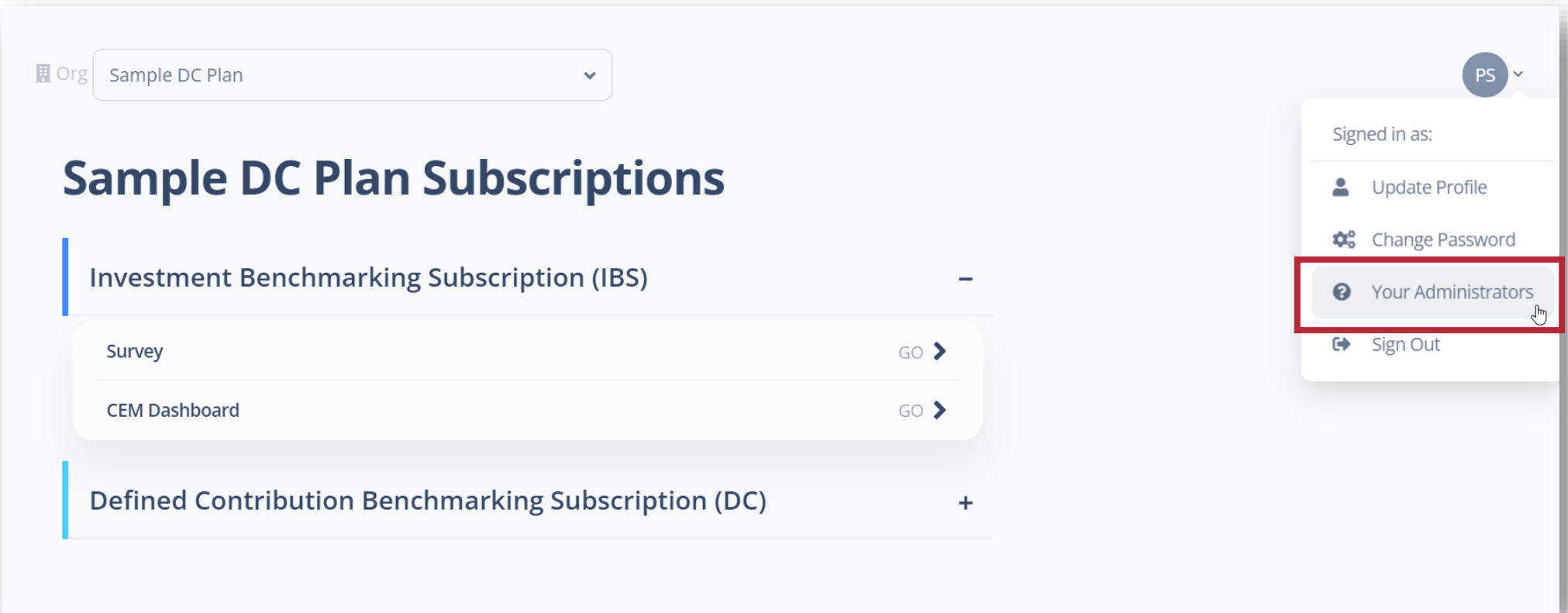


The newly added user will be asked to set their password as their first step



How to find your organization's administrators?

If you do not see the User Access tab, you are not an administrator for your organization. You can contact your organization's administrators by clicking on your profile on the top right and choosing 'Your Administrators'. It will pop up the list of emails of your administrators.



Notes on the CEM survey

Tab-by-tab walkthrough of the survey, with the most common pitfalls

[Introduction and general information](#)

[Introducing the CEM Portal](#)






Assets (DB/IBS) – You can provide data at the mandate level, or at the asset class level

- You can customize whether you provide asset class data, mandate data or a mix in the pop-up box below.

Holdings, Returns & Costs by Mandates

Do you have staff or consulting costs dedicated to selecting and monitoring external managers in a single asset category (i.e., private assets, equities, etc.)? No

To add a new mandate, click the 'Add New Mandate' button. To edit or remove a mandate, use the  at the end of the row.

Add New Mandate All Search Show Defaults  

Customize your table

Choose your reporting basis

I want to provide data by mandates. (recommended)
I want to provide mandate-level data for all asset classes.

I want to provide data by asset class and mandates.
I want to provide data partially by aggregates for some asset classes and partially by mandates for other asset classes.
Or/and
I want the ability to overwrite the asset class returns estimated from mandates by a number that matches our internal calculation.

Choose your NAV basis

I want to provide average net asset values (NAVs).
We only accept average holdings on this reporting basis. If you want to provide year-end holdings, please report by asset classes.

Cancel Done

Assets, by individual manager mandate (DB/IBS)

You can provide data on the mandate level to avoid asset class aggregations and make your life easier. It will provide an additional level of insight for those using the CEM Dashboard.

Manager / Fund name	Net asset value £ mils avg ⁱ	Annual return ⁱ	Gross or net return? ⁱ	Manager base fees £000s ⁱ	Manager perf. fees £000s ⁱ	Underlying base fees £000s ⁱ	Underlying perf. fees £000s ⁱ	Internal & other costs £000s	Total cost £000s	Fee basis £ mils avg ⁱ	Mandate status ⁱ	Report inclusion
Equities												
Manager 14261 - Fund 1	£344.1 M	6.9%	Net of all external ...	£2,555.4 K		N/A	N/A		£2,555.4 K	N/A	New	All
Manager 14262 - Fund 1	£857.2 M	(13.9%)	Net of all external ...	£2,827.1 K	£0.0 K	N/A	N/A		£2,827.1 K	N/A		All
Manager 14263 - Fund 1	£690.9 M	16.7%	Net of all external ...	£2,500.4 K	£0.0 K	N/A	N/A		£2,500.4 K	N/A		All
Manager 14264 - Fund 1	£650.9 M	14.6%	Net of all external ...	£2,958.4 K	£0.0 K	N/A	N/A		£2,958.4 K	N/A		All
Manager 14265 - Fund 1	£367.6 M	11.9%	Net of all external ...	£1,680.0 K		N/A	N/A		£1,680.0 K	N/A		All
Manager 14286 - Fund 1	£2,566.0 M	9.6%	Gross of reported c...	£814.8 K	N/A	N/A	N/A		£814.8 K	N/A		All
Bonds												
Manager 14267 - Fund 1	£426.5 M	(1.5%)	Net of all external ...	£1,463.6 K		N/A	N/A		£1,463.6 K	N/A		All
Manager 14290 - Fund 1	£237.6 M	4.9%	Net of all external ...	£19.6 K	N/A	N/A	N/A		£19.6 K	N/A		All
Manager 14266 - Fund 1	£486.9 M	0.1%	Net of all external ...	£1,855.2 K	£0.0 K	N/A	N/A		£1,855.2 K	N/A	Termina...	All
Manager 14292 - Fund 1	£318.7 M	0.1%	Net of all external ...	£973.1 K	£0.0 K	N/A	N/A		£973.1 K	N/A	New	All

Assets, by asset class – DB/IBS

- The ‘traditional’ way of reporting is by asset class.

Holdings, Returns & Costs by Asset Classes

Asset class ⓘ	Net asset value \$ mils	Annual return ⓘ	Gross or net return? ⓘ	Manager base fees \$000s ⓘ	Manager perf. fees \$000s ⓘ	Underlying base fees \$000s ⓘ	Underlying perf. fees \$000s ⓘ	Internal & other costs \$000s	Total cost \$000s	Fee basis \$ mils ⓘ
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- Tab is pre-populated with the asset classes and implementation styles from the previous year.
- Confirm the type of asset class returns, e.g. net of all external costs, gross of reported costs, etc.

Most common cost defaults:

- Underlying fees for fund of fund investments
- Performance fees for private market asset classes that either:
 - Could be not provided, or,
 - Are only for a partial year or for partial assets (we can provide a workaround option for “partial assets”. Reporting by mandates also tackles the issue of partial performance fees where we can apply defaults for the managers missing fees).
- Unusually low fees for limited partnership investments without supplemental documentation (i.e. Limited Partnerships data is not provided and a reasonable explanation is absent for the low fees). CEM accepts gross fees.

Benchmarks – DB/IBS

Benchmarks, Policy Weights, Managers

Total fund Benchmark Return (including overlays) for the year ended
12/31/2022 ⓘ

2.3%

Asset class ⓘ	Policy weight % ⓘ	Benchmark description ⓘ	Benchmark return % ⓘ	# of External active mandates ⓘ
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- Benchmark description has been pre-populated from the prior year and where possible, the returns are pre-populated as well. The most common benchmarks should autofill, e.g. S&P500, Russell series, MSCI ACWI and World indices.
- A couple of issues we see occasionally on this tab:
 - Entering actuary's assumed rate of return rather than the total plan policy benchmark.
 - Entering the total plan actual return rather than total plan benchmark return.

Liabilities – DB/IBS

LDI Management

Do you separate your assets into liability-hedging and return-seeking portfolios?

Yes

Does your liability-hedging portfolio include assets that are not core bonds, such as high yield bonds, or private credit?

Yes

If yes, identify your liability-hedging assets in the final column on the 'Benchmarks' tab.

If available provide the net return for the year ended 12/31/2022 for your:

Return-seeking portfolio

(9.0%)

Liability-hedging portfolio

12.0%

If available, provide the PV01 and IE01 of your:

PV01 (\$ millions) ⓘ

IE01 (\$ millions) ⓘ

Assets

\$ millions

\$ millions

Liabilities

\$ millions

\$ millions

New questions introduced in 2022 for plans with a 'two-portfolio' approach.

If you have a dedicated LDI portfolio which you view separately from the return-seeking portfolio, please fill out this section.

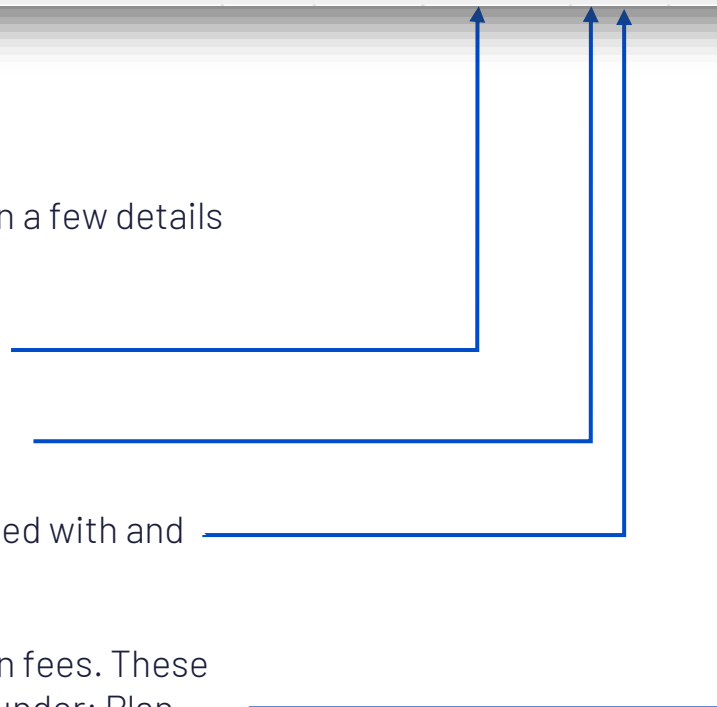
CEM Dashboard provides additional insights for this data including cost and performance benchmarking for the two portfolios separately and additional risk metrics.

Options tab – U.S. DC

Provider name ⓘ	Option name ⓘ	Asset category ⓘ	Ticker ⓘ	Share class ⓘ	Benchmark description ⓘ	Expense Ratio (bps)				Total	Passive mgmt % ⓘ	Mandate style ⓘ
						Benchmark return	Market value (\$mils)	Annual return % ⓘ	Investment mgmt ⓘ			

A few things to note on this tab:

- Options from the previous year will be pre-populated so just need to fill in a few details for those.
- If only partial year returns are available, leave "Annual Return" blank.
- Investment Manager fees should be the net fee paid by the participant.
- Administration or operating expenses within the option should be included with and reported under Investment Manager fees.
- Recordkeeping and Other should only be plan-level recordkeeping/admin fees. These expenses should also appear in the first column on the Admin costs tab under: Plan Expenses (paid from the expense ratio of investment options).



TD & Balanced tab – U.S. DC

Asset Mix % of Target Date and Balanced Funds

Option name	Stocks				Fixed Income					Alternative Assets				Other	Total
	U.S. Broad or large cap	U.S. Mid or small cap	Non-U.S.	Emerging	Core bonds	TIPS	Stable value	Cash	Other Fixed income	Commo-dities	REITs	Real estate	Private equity	Risk Parity	

- We collect the asset mix and percent passive for these options.
- Many off-the-shelf funds are pre-populated such as, Vanguard, BlackRock, SSgA, Fidelity.
- If you prefer, you can send an Excel sheet with the asset mix for your target date family and we will input it in the system.

Admin costs tab – U.S. DC

Plan expenses	Paid from the expense ratio of investment options in \$000s ⓘ	Costs charged to individuals or to participant accounts in \$000s ⓘ	Costs paid by the plan in \$000s ⓘ
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Paid from expense ratios of options:

- Revenue sharing is a common way of paying administration expenses from the expense ratio of investment options. Revenue sharing is the practice of rebating a portion of an investment option's expense ratio to the recordkeeper in order to offset administrative expenses.
- Include these administration costs twice. Once here and once on the Options tab. They will not be double counted in your report.

Paid by participants:

- Include all administrative expenses that are charged directly to participants or to participant accounts. Charges could be any combination of a flat fee per account, pro rata based on assets, per use charges, and transaction-based charges.

Paid by plan sponsor:

- Include all administrative expenses paid by the plan sponsor that were not reimbursed by revenue sharing or charged to participant accounts.



Questions?
subscriptions@cembenchmarking.com