

Newsletter

Spring 2023

[Pg. 2 - 3](#)

DCALTA General Session & Committee highlights

[Pg. 4](#)

New DCALTA members and Board of Directors

[Pg. 5](#)

Summary of the DCALTA General Session on Feb. 15th-16th in San Mateo, CA.

[Pg. 6](#)

Snapshot on DCALTA's liquidity paper

[Pg. 7 –8](#)

DCALTA Committee Meeting Dates

[Pg. 9](#)

DCALTA Members

New Board of Directors Elected—see page 4



DCALTA General Session at Franklin Templeton—Feb. 2023 with Hayden Gallary, Tripp Braillard, Jennifer Perkins and Paul Quinlan

2023 - Update

SNAPSHOT

DCALTA members, thanks for your continued support to help grow our powerful and collective voice on Alts in DC Plans. With much enthusiasm, we were hosted for our 1st General Session of 2023 on **Feb.15th—16th** by [Franklin Templeton](#). Thanks to [Drew Carrington](#) and the entire team at FT for providing a wonderful venue for DCALTA members.

Please mark your calendars for our **2nd General Session of 2023 in Boston on August 16th—17th**. We are kindly being hosted by [Natixis](#). Thanks to [Matt Garzone](#) (DCALTA Board Member) and [Liana Magner](#) for their support. Stay tuned for our agenda!

To summarize the important topics discussed at the last General Session meeting, we have included the agenda and instructions on how to access the members-only site to watch the meeting videos and view the presentations.



DCALTA General Session at Franklin Templeton—Feb. 2023 with Jonathan Epstein and Jon Caplis

Next General Session Meeting

NATIXIS

888 Boylston St., Boston, MA. 02199

August 16th— Early evening reception

August 17th— General Session (8:30am—2:30pm ET)

For note, we will hold three in-person events, as well as webinars throughout the year. If interested in hosting or suggesting topics for the webinars and/or meetings, please email [Michelle Rappa](mailto:Michelle.Rappa@nb.com) at Michelle.Rappa@nb.com.

Committee Highlights

Alts Implementation & Operations Committee

Meets via GoTo Meeting (link on page 8) :

- * February 2nd, 2023 at 2:00pm ET
- * May 4th, 2023 at 2:00pm ET
- * August 3rd, 2023 at 2:00pm ET
- * November 2nd, 2023 at 2:00pm ET

Committee Co-Chair— [Hayden Gallery \(Cambridge Associates\)](#)

Committee Co-Chair— [Stuart Odell](#)

Head of Research— [Sheridan Porter \(FEV Analytics\)](#)

- Educates/informs on operational considerations of incorporating alternatives in DC plans on a more frequently valued basis.
- Outlines the impact of the movement of cash flows and valuation at both the fund and participant level.
- Collects information on the vehicles and structures being implemented currently/under development.
- Discusses ERISA required reporting, operational compliance activities, and participant level communications requirements.

The Alts I/O Committee continues to work on white papers regarding the following topics:

- ⇒ Valuation (*released 2/23/2021*)
 - Q&A - <https://bit.ly/2ZK1Nia>
 - Exec Summary – <https://bit.ly/3dA1ezx>
 - Full Paper - <https://bit.ly/3qHZPuw>
- ⇒ Liquidity (*in-progress*)
- ⇒ Fees and Expenses (*to begin in 2023*)
- ⇒ Performance and risk measurement, attribution, and benchmarking
- ⇒ Legal and regulatory issues
- ⇒ Disclosures, education and communications

Research Committee

Meets as projects are coordinated via other committees

Committee Chair— [Hayden Gallary \(Cambridge Associates\)](#)

Head of Research— [Sheridan Porter \(FEV Analytics\)](#)

- Produces research on alternative investments and their impact on defined contribution retirement plans
- Seeks out potential partner firms, associations and institutes to collaborate on groundbreaking research
- Conducts research on feasibility of utilizing quality databases to support our research and other educational materials for the benefit of institutional investors, plan sponsors/ participants and DC stakeholders
- Develop constructive benchmarks to support our mission



Alts Technology & Innovation Committee

Meets via GoTo Meeting on:

- * **January 26th, 2023 at 2:00pm ET**
- * **April 27th, 2023 at 2:00pm ET**
- * **July 27th, 2023 at 2:00pm ET**
- * **October 26th, 2023 at 2:00pm ET**

Committee Co-Chair - [Tom Lauer \(Northern Trust\)](#)

Committee Co-Chair - [Scott Brooks \(Real Blocks\)](#)

The collective voice of this committee will drive a technology based and industry focused discussion, the goal of which is to apply appropriately designed modern technology to help eliminate the timing, liquidity and valuation process issues experienced in the alternative investment marketplace. Our initial meetings focused on the process, roles and provider responsibilities involved when incorporating different types of funds into a defined contribution plan. We will be looking at what sections of the workflow can be solved by technology to facilitate a more effective and timely process.

We are currently working on a **Modernizing Alts in DC Plans** paper with a release date expected in the 2nd quarter of 2023. To serve on the content group, please reach out to Jonathan Epstein at je1@dcalta.org.

Public Policy

Meets quarterly.

Committee Chair – [Bob Long \(StepStone Private Wealth\)](#)

- Educates regulators and legislators on the benefits of including alternative investments in defined contribution plans
- Communicates DICALTA's mission through in-person meetings and response letters to facilitate the inclusion of alternative investments in multi-asset DC portfolios
- Seeks alliances with other like-minded organizations to create a stronger voice

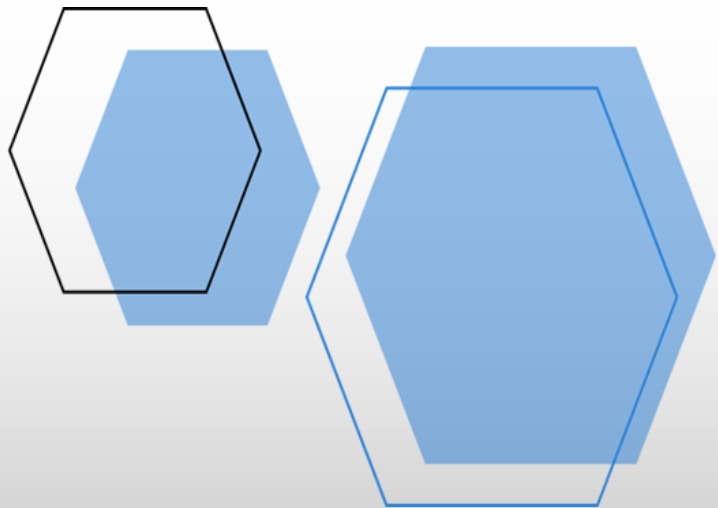
⇒ **January 26th, 2023 at 11:00am ET**

⇒ **April 27th, 2023 at 11:00am ET**

⇒ **July 27th, 2023 at 11:00am ET**

⇒ **October 26th, 2023 at 11:00am ET**

**DICALTA General Session at Franklin Templeton—Feb. 2023
with Bob Long, David Levine and Kevin Walsh**



DCALTA 2022 Projects

- DCALTA is interested in partnering with other firms and/or industry organizations to analyze public sector plans that have unitized or are in the process of unitizing their defined benefit plans for the investment benefit of their defined contribution plan participants. We seek data on volume, asset allocation and other plan-level data.
- DCALTA has released a series of hedge fund benchmarks in 2022 for plan sponsors and other DC stakeholders. We proudly partnered with Pivotal Path.
- DCALTA will also begin our Fees/Expenses paper justifying the value and impact of alts allocations.

Welcome 2023 DCALTA Members!

- ⇒ [Axxes Capital](#)
- ⇒ [Brookfield](#)
- ⇒ [FS Investments](#)
- ⇒ [M2M Capital](#)
- ⇒ [UMB Fund Services](#)

Webinar Spotlight!

PGIM DC Solutions—*The Importance of Alts in Target-Date Portfolios*

To view this webinar, please use [this link](#).

Meet our newest DCALTA Board of Directors!



[Drew Carington](#)



[James Hannigan](#)



[Avi Turetsky](#)

Thank you to our departing Board of Directors!

We would like to thank [Bob Long](#), [Gary Fencik](#) and [Jeffrey Hall](#) for their tremendous contributions to DCALTA! All of them are founding board members and we look forward to their continued involvement in general sessions, committee meetings and all things DCALTA related. For note, transitions will begin July 1, 2023.

DCALTA Members Site

DCALTA Members have access to past presentations and webinars via our members-only website section. Please use the following instructions to gain access. Visit [Member Instructions](#) .

- ⇒ Click on **Member Log-in** (top right)
- ⇒ Click on **Sign Up** (next to *New to this site?*)
- ⇒ Enter your **Email** and **Custom Password**
- ⇒ Upon approval, click on **Log-in** (next to *Already a member?*)
- ⇒ Click on the **drop-down arrow** next to your Member Name/ID (top right)
- ⇒ Click on **My Account**
- ⇒ Click on **DCALTA Meeting Materials** (bottom left)

DCALTA General Session Summary—Feb. 15th—16th, 2023

Paving the DC Path for Alternative Investments

To kick-off 2023, DCALTA approached eight years in existence with a general session in San Mateo, CA. and hosted by [Franklin Templeton](#). DCALTA members and invited guests convened in beautiful California to learn from speakers representing different asset management firms, plan sponsors, indices firms and organizations on the growing interest of including private market assets in U.S. defined contribution savings plans. We also heard an inspiring presentation by [Jenny Johnson](#), CEO of Franklin Templeton Investments, on how alternative investments are a core strategy for the firm, coming from the top down. We also discussed the rapidly evolving legislative and policy landscape, emerging technologies and dynamic industry trends.

This high-level summary of essential themes seeks to stimulate further inquiry and conversation. For more detail on the proceedings, DCALTA members may access the actual video of the sessions via the DCALTA Members-only site (see page 4 for instructions). Thank you to all of our presenters!

Agenda Day #1:

DCALTA Research Update

[Sheridan Porter](#) — FEV Analytics

Real Estate Liquidity: Separating the Headlines from Reality

[Hayden Gallary](#) — Cambridge Associates (Moderator)

[Paul Quinlan](#) — Blackstone

[Jennifer Perkins](#) — LaSalle Investment Management

[Tripp Brailard](#) — Clarion

An Update from Washington, D.C.

[David Levine](#) — Groom Law Group

[Kevin Walsh](#) — Groom Law Group

[Bob Long](#) — StepStone Private Wealth

The Importance of Alternative Investments in Portfolios

[Roger Bayston](#) — Franklin Templeton (Moderator)

[Jennifer M. Johnson](#) — CEO at Franklin Templeton Investments

[Dave Donahoo](#) — Franklin Templeton

Agenda Day #2:

Indexing different types of Alternative Investments

[Stuart Odell](#) — Moderator

[Frédéric Blanc-Brude, Ph.D.](#) — EDHECinfra

[Sanjay Arya](#) — Morningstar Indexes

[Ryan Lange](#) — S&P Global Indices

[Jon Caplis](#) — Pivotal Path

Alts Investing in DC Plans: Consultant Community

[Drew Carrington](#) — Franklin Templeton (Moderator)

[Hayden Gallary](#) — Cambridge Associates

[David O'Meara](#) — WillisTowersWatson

[Greg Ungerman](#) — Callan

[Katie Hockenmaier](#) — Mercer

Crypto in DC plans

[David Ramirez](#) — ForUsAll

DCALTA General Session—Research Paper (June, 2023)

Paving the DC Path for Alternative Investments

DCALTA Research – Liquidity Dynamics of Alternative Assets in DC Plans

For the past year, DCALTA has been developing a new white paper on the liquidity dynamics of alternative assets in DC plans, drafted by experts and content providers representing different professional disciplines. Publication is anticipated by our August, 2023 general session meeting. The paper will examine liquidity dynamics and different types of market stresses that would affect illiquid investments in long term portfolios. Of particular focus are actions that could help alleviate some of the liquidity issues raised by a multi asset type framework, particularly those embedded within a defined contribution investment structure.

The new white paper will be a companion piece to an earlier DCALTA paper, the “[Daily Valuation of Alternative Assets in DC Plans](#),” which offers a procedural, quality management and governance framework. That earlier paper states that daily valuation and pricing can be achieved using existing approaches and in accordance with accounting and legal requirements. It also states that technical issues such as reporting lag, valuation accuracy and dilutive effects can be handled systematically and fairly and that existing audit pathways remain intact. Valuation remains tethered to the net asset value (NAV) reported by the direct manager.

A third DCALTA paper will focus on fees and expenses. Following papers will address performance and benchmarking attribution, communications and disclosures to both sponsors and participants, and associated legal and regulatory issues.

DCALTA is open and supportive of many efforts and believe that plan sponsors should be educated on all of these approaches



DCALTA General Session—Feb. 2023 with Jennifer Johnson, Roger Bayston and Dave Donahoo

Thanks to Franklin Templeton for having us!

DCALTA Events and Meetings—2023

DCALTA General Session Meetings (in-person)

- ⇒ February 15th—16th at Franklin Templeton in San Mateo, CA.
- ⇒ August 16th—17th at NATIXIS in Boston, MA.
- ⇒ Fall Meeting—TBD

DCALTA Alts Implementation & Operations Committee ([Hayden Gallery](#) and [Stuart Odell](#))

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/123432093>

You can also dial in using your phone.

United States: [+1 \(646\) 749-3122](#)

Access Code: 123-432-093

- ⇒ February 2nd, 2023 at 2:00pm ET
- ⇒ May 4th, 2023 at 2:00pm ET
- ⇒ August 3rd, 2023 at 2:00pm ET
- ⇒ November 2nd, 2023 at 2:00pm ET

DCALTA Alts Technology & Innovations Committee ([Tom Lauer](#) and [Scott Brooks](#))

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/372704109>

You can also dial in using your phone.

United States: [+1 \(669\) 224-3412](#)

Access Code: 372-704-109

- ⇒ January 26th, 2023 at 2:00pm ET
- ⇒ April 27th, 2023 at 2:00pm ET
- ⇒ July 27th, 2023 at 2:00pm ET
- ⇒ October 26th, 2023 at 2:00pm ET

DCALTA Public Policy Committee ([Bob Long](#), [Kevin Walsh](#) and [David Levine](#))

- ⇒ January 26th, 2023 at 11:00am ET
- ⇒ April 27th, 2023 at 11:00am ET
- ⇒ July 27th, 2023 at 11:00am ET
- ⇒ October 26th, 2023 at 11:00am ET

DCALTA Executive Committee/ Board Meetings - 2023

DCALTA Executive Committee ([Serge Boccassini](#), [Michelle Rappa](#), [Kathy Wanner](#) and [Alain Michnick](#))

- ⇒ January 18th at 11:00am ET
- ⇒ April 19th at 11:00am ET
- ⇒ July 19th at 11:00 am ET
- ⇒ October 18th at 11:00am ET

DCALTA Board of Directors ([Serge Boccassini](#), [Michelle Rappa](#), [Kathy Wanner](#), [Alain Michnick](#), [Bob Long](#), [Christa-ble Yau](#), [Jeffrey Hall](#), [Hayden Gallary](#), [Charlie Nelson](#), [Matt Garzone](#), [Gary Fencik](#), [David Levine](#), and [Kevin Walsh](#))

- ⇒ January 25th at 11:00am ET
- ⇒ April 26th at 11:00am ET
- ⇒ June 4th—Strategy Session (Sea Island, GA.)
- ⇒ July 26th at 11:00am ET
- ⇒ October 25th at 11:00am ET



DCALTA General Session at Franklin Templeton Feb 2023.
Jonathan Epstein and Gary Fencik

DCALTA

Adams Street Partners
Apollo
Ares
Alliance Bernstein
Axxes Capital
Benefit Trust
Benetic
BlackRock
Blackstone
Bow River Capital
Broadridge
Brookfield
Cambridge Associates
CEM Benchmarking
CBRE Investment Management
CNL Financial Group
Coinbase
DTCC

Eli Lilly
Fairway Capital Management
FEV Analytics
Franklin Templeton
FS Investments
FTSE Russell
ForUsAll
Global Trust Company
Groom Law Group
iCapital
ICMA-RC
Institute for Portfolio Alternatives
Institute for Private Capital
Inveniam
Invesco
JM3 Projects
Johnson & Johnson
JP Morgan Asset Management

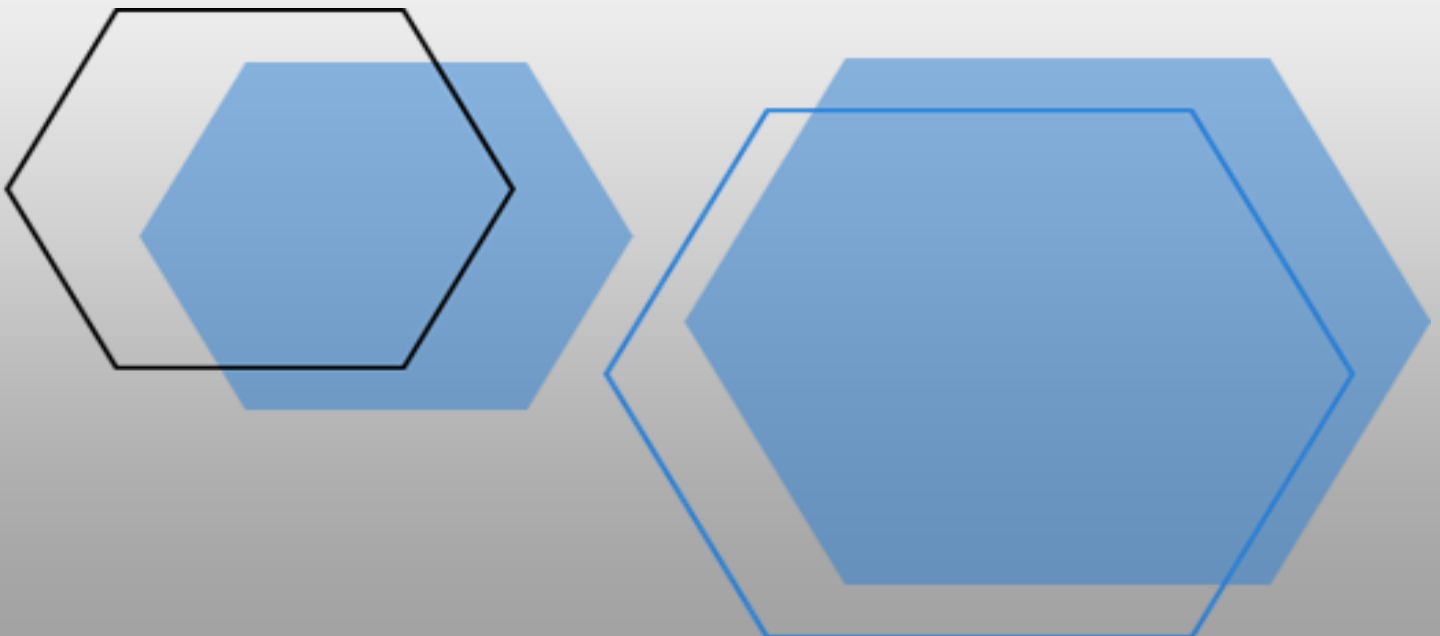
LaSalle Inv. Management
M2M Capital
Mars Corporation
Montgomery CTY Employees
Ret System
Morningstar Indexes
Mission Square
Nasdaq
Natixis
Neuberger Berman
Nokia
Northern Trust
Nuveen
PGIM
PivotalPath
Principal Real Estate Investors
RealBlocks
Rocket Dollar

Ruffer
Spark Institute
S&P Global indices
StepStone Group
Textron
UMB Fund Services
Univ. of CA Regents
Voya Financial

GROW OUR COLLECTIVE VOICE

- ⇒ We want to meet prospective firms who share our mission. For an introduction, please contact Jonathan Epstein at je1@dcalta.org
- ⇒ If you are involved with other organizations that would help with our mission of expanding the use of different types of alternative investments in DC plans, we kindly ask you introduce us.
- ⇒ If there are platforms that help facilitate the expansion of alternative investments, please introduce us.

For more information about any of the above committees, please email admin@dcalta.org. Thanks to all our members for your continued support.



Spring of 2023

Alternative investments can provide diversification, potential alpha and insulation benefits for investment portfolios. Here are some links from DCALTA members to help navigate market conditions being affected by interest rates, capital market volatility and effects of the current banking environment.

Apollo

1. How alternatives can address your 60/40 portfolio blues [Apollo-Alternatives-White-Paper \(1\).pdf](#)
2. Opportunities in US Real Estate: Three Ideas for 2023 and Beyond [Opportunities in US Real Estate: Three Ideas for 2023 and Beyond – Apollo Academy](#)
3. Infrastructure Investing: Embrace Complexity in 2023 [Infrastructure Investing: Embracing Complexity in Times of Structural Change – Apollo Academy](#)

Ares

1. [Public vs. Private Real Estate](#)
2. [How floating rate loans have thrived in periods of rising rates](#)
3. [Infrastructure-Inflation-White-Paper-October-2022_1.pdf \(aresmgmt.com\)](#)

BlackRock

1. Private Markets outlook: <https://www.blackrock.com/institutions/en-us/insights/private-markets-outlook>
2. <https://www.blackrock.com/institutions/en-us/literature/investor-guide/2023-private-markets-outlook.pdf> (full report pdf link)
3. Credit outlook: <https://www.blackrock.com/institutions/en-us/insights/credit-outlook>
4. <https://www.blackrock.com/institutions/en-us/literature/investment-guide/credit-outlook-q1-2023.pdf> (full report pdf link)

FTSE Russell

1. Asset Allocation Insights- register here: [SUBSCRIBE NOW >>](#)

JP Morgan

1. Nine Key principles to alternative investing:
<https://am.jpmorgan.com/us/en/asset-management/adv/insights/market-insights/guide-to-alternatives/principles-for-alternatives/>
2. Improving DC outcomes with Core private real estate:
<https://am.jpmorgan.com/us/en/asset-management/institutional/insights/portfolio-insights/alternatives/improving-dc-outcomes-with-private-core-real-estate/>
3. [Guide to Alternatives](#)

Neuberger Berman

1. [State of the Private Equity Market: Creating Value in a New Era of Uncertainty](#)

Nuveen

1. <https://www.nuveen.com/en-us/insights/investment-outlook/2023-2q-outlook>
2. <https://documents.nuveen.com/Documents/Nuveen/Viewer.aspx?uniqueId=5309d6ea-dd7a-4d74-b337-ded2e30eef81>
3. <https://www.nuveen.com/en-us/insights/alternatives/a-good-time-for-private-debt>
4. <https://www.nuveen.com/en-us/insights/investment-outlook/looking-ahead-opportunity-in-middle-market-private-equity>

Pivotal Path

1. Analysis on the recent surge in Treasury volatility and the implications for hedge funds [here](#)

Principal Real Estate Investors

1. <https://brandassets.principal.com/m/63f72c4e54bccc89/original/U-S-regional-banks-Crisis-averted-but-commercial-real-estate-likely-to-face-more-scrutiny.pdf>

Other Relevant Articles

1. [Where Will SVB's Assets End Up? \(Pitchbook\)](#)
2. The banking crisis is threatening to have long-term implications for PE, which is facing a [stricter lending environment](#) (Pitchbook)
3. [Global Banking Annual Review \(McKinsey & Company\)](#)
4. [Webinar: Why Digital Assets Are Here To Stay \(State Street\)](#)
5. [How Hedge Funds Can Improve Portfolio Diversification \(Morgan Stanley IM\)](#)