

REIS Board Meeting Minutes
March 27, 2008
Boston, Massachusetts

Attendance:

Board Members Present: Rick Carlson; Blake Eagle; Michael Giliberto; Susan Hudson-Wilson; Joe Pagliari; George Philip; Doug Poutasse (chair); Lynn Thurber; and Chuck Tschampion. Kenny Smith (REIS Council Chair) and Marybeth Kronenwetter (REIS Council Administrator) also participated. The meeting began at 1 PM Eastern and adjourned at 3:45 PM Eastern.

REIS Council Update – Kenny Smith

- Board will receive notification of monthly Council meetings and call in number
- Board will have opportunity to address Council at any meeting (particularly those in person)
- Council needs Board input to establish Council's future agenda
- Council major accomplishments in 2008:
 - Letter to FASB for proposed FSP 157(c), liability valuation
 - Exposure Draft for Fund Reporting Standards
 - Reminder notice encouraging response and reiterating need to establish standards and best practices to be sent in early April to all NCREIF and PREA membership and those that responded to the first exposure draft
 - Chapter 3, Performance - Adopting Release (see below)
 - Proposed Prospectus for additional performance measures (see below)

Chapter 3 Adopting Release – Marybeth Kronenwetter

- Two changes to be made to Adopting Release:
 - Firms need to define what discretion means for their firm
 - Stipulate that only reason firm cannot be GIPS compliant is for lack of discretion on all portfolios
- Next update of chapter 3 needs to provide guidance to resolve discretion issue (see below)
- Unanimously approved subject to changes noted above

Prospectus for Additional Performance Measures – Marybeth Kronenwetter

- Add discretion guidance as a task to be performed by this task force
- Ensure participation from Portfolio Management Committee
- Board requires periodic updates as project progresses
- Prospectus timetable to be adjusted to reflect Board approvals at its regularly scheduled meetings
- Unanimously approved subject to changes noted above

Board Operating Procedures – Doug Poutasse

- Board to meet approximately every 6 weeks (8 per year). 2008 Dates established:
 - 4/29 – 9:00 AM Eastern
 - 6/19- 1:00 PM Eastern
 - 8/26 – 9:00 AM Eastern
 - 10/3 – Noon Central

- 11/14 – 10:00 AM Eastern
- Board meetings will be closed sessions – outsiders may be invited to participate at Board's discretion. Minutes will be made available. Marybeth will be charged with taking minutes.

REIS Council Restructuring – Doug Poutasse and Kenny Smith

- General support for notion of restructuring as presented
- Policy matters to be separated from governance (constitution) – Doug will modify constitution and draft policy for review by next Board meeting.
- Nominations to be received at June NCREIF meeting; new Council members approved by Board in August; new Council members in place on November 1, 2008.

Setting Priorities for Changes in REIS – Doug Poutasse

- Board is charged to set Council agenda
- Open forum between selected Board members, plan sponsors and consultants to be held at NCREIF June Washington DC conference
 - Assess wants, needs, and challenges
 - Board needs to be proactive in establishing agenda for the forum – target specific questions which need to be addressed
 - Plan sponsor representation to include CIO's, managers and technicians
- Need to determine ways to attract opportunity funds into REIS process
- REIS compliance and verifiability needs to be given priority within the Board

Other Items –Doug Poutasse

- Response to FASB re: 157(c)
 - Board will require three business days to comment on letters which express opinions of the REIS Council and Board

Minutes submitted by Marybeth Kronenwetter, REIS Council Administrator