



Real Estate Information Standards (REIS)

REIS NEWS
February, 2009

Highlights

- REIS Council approves guidance for determining discretion for real estate
- Plan sponsor community expresses interest in REIS Checklist
- Special Council meeting scheduled for March 18 to review proposed adopting release for Accounting Chapter and other REIS initiatives.

Guidance for Determining Real Estate Discretion

After receiving input from the CFA Institute, the REIS Council approved the guidance document for determining discretion for real estate. An account is considered non-discretionary if client imposed restrictions hinder the firm's ability to implement the intended strategy. Within real estate, it is sometimes challenging to determine if the manager retains discretion because frequently, clients retain some element of approval or control. The document provides some examples of situations where the manager retains discretion. In addition, the document includes a checklist which can be used to determine discretion. The document has been submitted to the REIS Board for approval during its March meeting.

REIS Checklist

Doug Poutasse, REIS Board Chair, presented the Checklist during the plan sponsor session at the IREI VIP meeting. About 50 plan sponsors were present at the meeting. Doug observed that interest in the REIS standards and the checklist was high but overall understanding of the REIS Standards within the plan sponsor community is limited. In addition to the discussion at the IREI VIP meeting, the task force received limited feedback from its distribution of the draft Checklist to plan sponsor members. The task force will consider the comments received, update the Checklist and present it to the Council for its approval in March with REIS Board approval to follow. We hope the plan sponsor community will find this tool helpful.

Special Council Meeting on March 18 at Noon Eastern

The REIS Council will hold a special meeting at noon Eastern on March 18. (Call in: 888-245-8770; room: 344572.) The principal focus of the discussion will be the Adopting Release for the Accounting Standards chapter and the Fair Value Accounting Policy guidance manual. At that time the Council will also discuss the feedback received from NCREIF conference participants on the proposed guidance on the implementation of FASB 157, *Fair Value Measurements* for debt. The Council will also review the prospectus for the response to the CFA Institute on the exposure draft for GIPS 2010.

REIS News provides a status report of significant developments within REIS and the foundational standards' bodies on which it depends (USPAP, U.S. Fair Value GAAP, and GIPS). More detailed information about the REIS Board and Council (including meeting minutes) are available on the [REIS page of the NCREIF web site](#).

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