

**VII. STANDING COMMITTEES****B. Finance, Audit & Facilities Committee****Amendment to University of Washington Advisory Committee on Real Estate Statement of Principles****RECOMMENDED ACTION:**

It is the recommendation of the Finance, Audit and Facilities Committee that the Board of Regents adopt an amendment to the Statement of Principles for the UW Advisory Committee on Real Estate, providing for up to eight members to be appointed by the Board of Regents and providing that the Chair of the Board of Regents and the University President are to serve ex officio.

**BACKGROUND:**

The University of Washington Advisory Committee on Real Estate (“ACRE”) was established in September 2009 as an advisory committee to the Board of Regents (and/or its appropriate committee) and the President (and/or his designee) on matters relating to the management of the University’s commercial income producing properties and other significant real estate investments. A set of guidelines was established to address the administrative functioning of the Committee, called the Statement of Principles (Attachment 1).

The Statement of Principles is amended to provide that ACRE shall be comprised of up to eight members appointed by the Board of Regents plus the Chair of the Board of Regents and President of the University, both of whom are to serve ex officio.

*Attachment*

Amended University of Washington Advisory Committee on Real Estate Statement of Principles

## Attachment 1

# University of Washington Advisory Committee on Real Estate Statement of Principles

Approved by Board of Regents September 17, 2009

Amended November 19, 2009

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the real properties of the University, including its Metropolitan Tract located in downtown Seattle. The Board approved the establishment of an Advisory Committee on Real Estate at its meeting on September 17, 2009, and adopted the following Statement of Principles:

1. **Membership and Terms:** The UW Advisory Committee on Real Estate ("ACRE") shall consist of no more than eight (8) members to be appointed by the Board of Regents, plus the President of the University and the Chair of the Board of Regents, both of whom shall serve *ex officio*. These appointments shall be based on recommendations submitted by the Chair of the Board of Regents after consultation with the Chair of ACRE, the President of the University and his or her designee(s).

One or two of the appointed members shall be selected from the Board of Regents. ~~The President of the University shall also be a member of ACRE.~~ The remaining appointed members shall be experienced professionals of varying backgrounds.

There shall be a three year term limitation for Regent and non-Regent members of ACRE, renewable by the Board of Regents. Members will be asked to make a minimum commitment of three consecutive years, and shall serve at the pleasure of the Board of Regents.

2. **Functions:** ACRE shall advise the Board of Regents (and/or its appropriate committee) and the President (and/or his designee) on matters relating to the management of the University's commercial income producing properties and other significant real estate investments.
3. **Meetings:** ACRE shall establish a regular meeting schedule. Other meetings may be called by the Chair at any time. The Chair of ACRE may invite experts who are not members of the ACRE to attend specific meetings to provide additional guidance, advice and information.
4. **Indemnification and Compensation:** The University shall indemnify members of ACRE to the fullest extent permitted by law and the standing orders of the Board of Regents. ACRE members will not be paid for service on the committee.

5. **Conflict of Interest:** Regental members of ACRE are governed by conflict of interest rules applicable to Regents. Non-Regent members shall comply with the following conflict of interest provisions:
  - A. When a member of ACRE knows that the University is considering a transaction in which he or she has or may have a beneficial interest, the member shall (1) alert the Senior Vice President (“SVP”) (or successor official) of the University of his or her potential beneficial interest and (2) not participate in the formulation or rendering of advice with respect to the transaction.
  - B. Committee members shall not participate in the formulation or rendering of advice by ACRE where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he/she should consult the Chair of ACRE and the SVP, who may seek the advice of the Attorney General’s Office as appropriate.
  - C. Committee members may engage in transactions with the University if the Chair of ACRE and the SVP (who may consult with the Attorney General’s Office as she/he deems appropriate) determine that the member has not participated in the formulation or rendering of advice by ACRE to the University regarding the transaction.
6. **Chair and Vice Chair; Administrative Support:** The Chair of ACRE shall be designated by the Chair of the Board of Regents. The Chair of ACRE shall designate a Vice Chair from the committee membership. During the absence of the Chair or while he/she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The SVP shall ensure that ACRE has appropriate administrative support services, including secretarial assistance and record keeping.
7. **Communication:** The Chair of ACRE shall provide quarterly reports to the Board of Regents (and/or its designated committee).
8. **Amendments:** This Statement of Principles shall be reviewed annually and updated as needed. Amendments, additions, deletions or replacements may be recommended by ACRE. Such changes shall be subject to the approval of the President of the University and the Board of Regents.

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Amended November 19, 2009

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