# WASHINGTON STATE INVESTMENT BOARD

## Administrative Committee Meeting Minutes
## June 19, 2003

The Administrative Committee met in open session at 8:03 a.m. at the Washington State Investment Board (WSIB) office at 2100 Evergreen Park Dr S.W., Olympia, Washington.

| | |
|---|---|
| Committee members present: | John Charles, Chair<br>Charlie Kaminski<br>George Masten<br>Mike Colleran |
| Others Present: | Joe Dear, Executive Director<br>Sue Hedrick, Executive Assistant<br>Les Brodie, Acting Deputy Director for Operations<br>Melanie Watness, Human Resources Coordinator<br>Liz Mendizabal, Communications and Legislative Coordinator<br>Patricia Sheridan, Office Manager<br>Tish Day, Office Assistant Senior<br><br>Paul Silver, Assistant Attorney General |

Chair Charles called the Committee meeting to order at 8:03 a.m. The Committee went immediately into executive session.

**EXECUTIVE DIRECTOR PERFORMANCE REVIEW**
Chair Charles said the purpose of the executive session was to discuss personnel issues. The executive session was expected to last about 30 minutes and, at the end of the executive session, the Committee would return to open session to take up additional items on the agenda.

[The executive session concluded at 8:37 a.m. and the open public session reconvened immediately thereafter.]

Chair Charles identified the members in attendance.

**ADOPTION OF MINUTES – MAY 15, 2003**

**Mr. Masten moved to adopt the minutes of May 15, 2003. Chair Charles seconded the motion.**

**The motion to approve the minutes carried unanimously.**

## ADMINISTRATIVE REVIEW REPORT

Steve Miller of Miller & Miller, P.S. presented a summary of findings in his firm's report. Upon completing the administrative review, he determined that policy and procedures have been consistently followed in satisfying public disclosure requests, and controls in the process are effective in addressing responses to requests.

Mr. Miller recommended the WSIB consider making procedural control changes within the context of a Board policy on public disclosure. He also recommended the Board structure requests for information that would aid the public disclosure process, pre-identify exempt material whenever possible, perform a risk assessment on the nature of the information and then use a three-track process to manage public disclosure requests, use records management practices to track sensitive material, and consistently document decisions and approvals. Mr. Miller listed the objectives in his report and explained the process he used in meeting with WSIB staff.

Mr. Miller then responded to questions presented by committee members.

Mr. Dear responded that the report is useful and that staff will implement the recommendations, perhaps with some modification.

Chair Charles stated that Mr. Miller had requested that the fourth deliverable – assessing whether staff is working at the highest level of professional conduct – be removed from the contract because there are no specific criteria available for assessing this.

> **Mr. Masten moved that the deliverable be removed from the contract. Chair Charles seconded.**
>
> **The motion carried unanimously.**

The Committee members agreed to remove the draft status from the report and present it in final form to the Board.

## ADMINISTRATIVE STAFF SALARY SCHEDULES

Mr. Dear presented a report on administrative staff salary schedules. He indicated there are four compensation systems – classified, exempt, Washington Management Service (WMS) and Exempt Management Service (EMS). A Job Value Assessment Score (JVAC) is assigned to the positions when they are created, and then a pay band is assigned to them. He described his authority over the WMS and EMS positions, and the restrictions on them. The last internal WMS study was conducted between January and April 2001, and was done to determine if the JVAC scores were still valid for the position responsibilities, the salaries were fair and competitive, and the internal alignment of positions was still valid.

A discussion ensued about whether Mr. Dear had reviewed the study and the JVAC scores, how the data was validated, and whether the Board might be at potential risk in not comparing to other state positions. Mr. Dear said he felt the scores are appropriate. Although the JVAC scores were internally determined, the pay ranges were supplied by the Department of Personnel.

Mr. Dear then described the EMS study, which was conducted between January and March 2002. Mr. Dear noted that, although this was also an internal study, salary survey data from Independent Fiduciary Services (IFS) was used in addition to information from the Department of Personnel.

In response to a question from Mr. Kaminski, Mr. Dear replied that, although he does feel the range for the deputy director is high, given the duties, responsibilities, and the comparability with other public pension funds, he thinks it's appropriate. He noted that, in conducting interviews for the position, candidates from other states balked at the salary level, feeling it was not high enough.

There being no further business to come before the Committee, the meeting adjourned at 9:26 a.m.