

**WASHINGTON STATE INVESTMENT BOARD**  
***Ad Hoc Committee Meeting Minutes***  
**June 2, 2009**

The *Ad Hoc* Committee met in open session at 2:41 p.m. on June 2, 2009, in the boardroom at 2100 Evergreen Park Drive SW, Olympia, Washington.

Committee Members Present: Steve Hill (via teleconference)  
George Masten  
David Nierenberg  
Mike Ragan  
Judy Schurke

Committee Members Absent: Glenn Gorton, Chair

Other Board Members Present: Patrick McElligott, Vice Chair (Acting Chair)  
Charlie Kaminski  
Treasurer Jim McIntire (via teleconference)  
Mason Petit

Also Present: John Lynch, Contracts Manager  
Kristi Haines, Executive Assistant

Brian Buchholz, Assistant Attorney General  
Audrey Ely, Department of Personnel

Acting Chair McElligott called the meeting to order.

**ADOPTION OF THE MAY 21, 2009, MINUTES**

Acting Chair McElligott called for a motion to adopt the May 21, 2009, minutes, revised to reflect that Audrey Ely, Department of Personnel, was also in attendance.

**Mr. Ragan moved to adopt the April 2, 2009, *Ad Hoc* Committee meeting minutes. Ms. Schurke seconded, and the motion carried unanimously.**

**REVIEW OF 2002 EXECUTIVE DIRECTOR RECRUITMENT ACTIVITIES  
TIMELINE AND 2002 POSITION DESCRIPTION**

Acting Chair McElligott said he spoke with Chair Gorton about moving forward on the Executive Director recruitment using the job announcement document from the 2002 search. Mr. Hill said he believed the search consultant would make a recommendation on the position description after discussing further with Board members. Mr. Nierenberg commented he would like to see changes to the position description. His concern is the job description fails to accurately convey what the Executive Director's role is *not*, that is, telling the investment staff how to allocate or invest. The role is to be a facilitator providing investment staff with the resources, systems, and infrastructure to do their job while protecting their time by being a liaison with the Legislature, Governor, press, beneficiaries, and public. Mr. Nierenberg does not believe this distinction is clear in the current description, and it is important to have that clarification in place once the Board is in contact with candidates for the position.

Mr. Hill said a key job of the search consultant will be to develop the position description with the Board and he does not want to short circuit that step. Mr. Lynch confirmed the Request for Proposal (RFP) solicits input from prospective search consultants on steps they would take to formulate the job description. Acting Chair McElligott believes the previous job announcement adequately describes the Executive Director position as the buffer between the Board and other entities, which allows the Chief Investment Officer to fulfill that separate and distinct role without interference.

Mr. Masten shared his concern with paying a search consultant to develop a job specification. He would rather see the consultant focus on conducting the recruitment.

Acting Chair McElligott complimented Mr. Nierenberg's suggested changes to Exhibit C of the RFP. He added that he agrees with Mr. Masten's comments. Acting Chair McElligott believes the former job announcement describes what the Board seeks in the Executive Director position sufficiently to move forward with it for the current recruitment.

### **REQUEST FOR PROPOSALS REVIEW AND APPROVAL TO ISSUE RFP**

In response to Mr. McElligott's questions, Mr. Lynch said the impending release of the RFP for an Executive Recruitment firm was advertised with *Pensions & Investments*. If approved by the Committee, the RFP document could be released on June 5. He said Board members had already forwarded names of firms to direct mail. Mr. Lynch welcomed further suggestions of firms with domain expertise, and he personally had initiated some external inquiries. Mr. Hill suggested that Mr. Lynch contact WSIB general pension consultants, JPMorgan, and/or general partners for recommended firms.

**Mr. Masten moved that the *Ad Hoc* Committee approve and direct staff to proceed with the RFP to seek a search firm. Mr. Ragan seconded, and the motion carried unanimously.**

Mr. Hill complimented Mr. Lynch's work on the RFP. Mr. Masten questioned if action should be taken on using the job specification from the last Executive Director recruitment. Mr. Lynch indicated he understood it would be used as an exhibit to the RFP.

[Ms. Schurke left the meeting at 2:58 p.m.]

**Mr. Masten moved that the announcement from the previous search be attached to the current RFP. Mr. Ragan seconded, and the motion carried unanimously.**

The Committee discussed next steps. Acting Chair McElligott said he would discuss the outcome of today's meeting with Chair Gorton, and provide further direction to Ms. Ely and Mr. Lynch.

There was no further business to come before the Committee, and the meeting adjourned at 3:00 p.m.