

**WASHINGTON STATE INVESTMENT BOARD**  
**Administrative Committee Meeting Minutes**  
**September 17, 2009**

The Administrative Committee met in open session at 8:15 a.m. on September 17, 2009, in the boardroom at 2100 Evergreen Park Drive SW, Olympia, Washington.

Committee Members Present: Patrick McElligott, Acting Chair  
George Masten  
Mason Petit  
Mike Ragan

Other Members Present: Treasurer Jim McIntire  
Bob Nakahara  
David Nierenberg

Also Present: Theresa Whitmarsh, Acting Executive Director  
Gary Bruebaker, Chief Investment Officer  
Kristi Haines, Executive Assistant

Steve Dietrich, Assistant Attorney General

[Names of other individuals attending the meeting are not included in the minutes, but are listed in the permanent record.]

Acting Chair McElligott called the meeting to order.

**ADOPTION OF THE JUNE 18, 2009, MINUTES**

**Mr. Ragan moved to adopt the June 18, 2009, Administrative Committee meeting minutes. Mr. Masten seconded, and the motion carried unanimously.**

***AD HOC* COMMITTEE REPORT**

Acting Chair McElligott reported the Board previously delegated to the *Ad Hoc* Committee the authority to work with the Department of Personnel to issue a Request for Proposals for an executive search consultant to proceed with the recruitment of Executive Director candidates.

At its July 15 meeting, the *Ad Hoc* Committee determined it is in the best interest of the Board to instead report back to the Administrative Committee with a recommendation the Board appoint Theresa Whitmarsh as the permanent Executive Director. The Committee believes the Board already has the correct person in place to lead the WSIB based on her experience, abilities, and expertise.

The *Ad Hoc* Committee is referring the matter to the Administrative Committee as it is responsible for recommending to the Board the appointment and compensation of the Executive Director.

## **EXECUTIVE DIRECTOR CANDIDATE NOMINATION**

**Mr. Ragan moved the Administrative Committee recommend to the full Board the appointment of Theresa Whitmarsh as Executive Director. Mr. Masten seconded, and the motion carried unanimously.**

Acting Chair McElligott announced the Committee would go into executive session to evaluate the qualifications of an applicant for public employment. He said the executive session was expected to last until 8:30 a.m., at which time the Committee would reconvene in open session.

[The Committee went into executive session at 8:18 a.m. and reconvened in open session at 8:32 a.m.]

[Treasurer McIntire arrived at 8:21 a.m.]

**Mr. Masten moved the Administrative Committee recommend the full Board appoint Ms. Whitmarsh at an annual salary level of \$256,000, effective October 1, 2009, and do a review for progress in six months. Mr. Ragan seconded the motion.**

Acting Chair McElligott clarified the six-month review would be a performance review.

**The above motion carried unanimously.**

## **WSIB OPERATING BUDGET REPORTING**

Ms. Whitmarsh reported the Audit Committee received a Board policy compliance review presentation from Ms. Vandehey at its September meeting. The review found the Administrative Committee had not monitored compliance with the operating budget as required by Charter. The Audit Committee referred the matter to the Administrative Committee to determine a reporting process. Ms. Whitmarsh noted the high level budget summary sample report contained in the Committee packet. Additional budget details were distributed in a handout. She said staff seeks feedback from the Committee on the amount and frequency of budget detail it would like reported.

The Committee discussed the sample report. They asked that staff bring it back to the Committee on a quarterly basis, and include variances, a column for actual expenses, and to footnote any non-appropriated data where a reduction in assets resulted in lower than anticipated management fees, in order to avoid a false sense of performance.

[Mr. Nierenberg arrived at 8:49 a.m.]

## **2010 MEETING SCHEDULE**

Acting Chair McElligott noted the proposed Committee schedule in the packet materials.

**Mr. Petit moved the Administrative Committee accept the 2010 meeting schedule as outlined in the packet materials. Mr. Ragan seconded, and the motion carried unanimously.**

**ASSISTANT ATTORNEY GENERAL'S REPORT**

Mr. Dietrich had nothing to report.

**OTHER ITEMS**

There was no further business to come before the Committee, and the meeting adjourned at 8:56 a.m.