

WASHINGTON STATE INVESTMENT BOARD
Board Meeting Minutes
January 26, 2009

The Washington State Investment Board met in open public session at 2:02 p.m. in the boardroom at 2100 Evergreen Park Drive SW, Olympia, Washington.

Present: Glenn Gorton, Chair
Sandy Matheson, Vice Chair
Senator Lisa Brown
Charlie Kaminski (via teleconference)
John Magnuson
Pat McElligott (via teleconference)
Treasurer Jim McIntire
Bob Nakahara (via teleconference)
Mike Ragan
Judy Schurke
Jeff Seely (via teleconference)
Representative Sharon Tomiko Santos (via teleconference)

Absent: George Masten
David Nierenberg
Mason Petit

Also Present: Joe Dear, Executive Director (via teleconference)
Gary Bruebaker, Chief Investment Officer
Theresa Whitmarsh, Chief Operating Officer
John Lynch, Contracts Manager
Shelley Hager, Recruitment Manager
Kristi Haines, Executive Assistant

Brian Buchholz, Assistant Attorney General
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.]

Chair Gorton called the meeting to order and roll call was taken.

EXECUTIVE DIRECTOR TRANSITION

Chair Gorton announced that the Board would go into executive session to review the performance and evaluate the qualifications of an applicant for public employment. He said the executive session was expected to last until about 2:30 p.m. at which time the Board would reconvene in open session.

[The Board convened in executive session at 2:03 p.m.]

[Representative Santos joined the meeting via teleconference at 2:05 p.m.]

[Vice Chair Matheson arrived at 2:07 p.m.]

[Representative Santos was no longer in attendance via teleconference at 2:36 p.m.]

[Mr. Seely joined the meeting via teleconference at 2:43 p.m.]

[The Board reconvened in open public session at 2:56 p.m.]

[Senator Brown left the meeting at 2:56 p.m.]

Chair Gorton said that materials distributed today would be made available to all members. He said Board policy is for the Administrative Committee to recommend the appointment of any human resource consultants hired to address matters involving the Executive Director. The Committee will discuss the matter further at its next meeting on February 19. While there appears to be consensus on a decision, Chair Gorton wants all members to have an opportunity to provide comment.

Mr. Kaminski suggested that, in the event of Request for Proposal is undertaken, staff may want to revisit the schedule of procurement activities since the start date would not be today's date. He said the time schedule seems to be unrealistically compressed. Treasurer McIntire concurred with Mr. Kaminski. He said during a similar experience a procurement that went out in February resulted in an appointment by October. The Board should be careful with its expectations, especially during summer months.

Mr. Ragan said that he sees a downside in not making a decision today. Mr. Seely questioned if the Board could expect 100 percent attendance in February. He expressed that it is in the Board's best interest to put a successor into place. Mr. Dear said he will be with the WSIB until February 27, and remains available and responsible until then. Chair Gorton said he expects to speak with the three members not in attendance today prior to the February meeting and get their views.

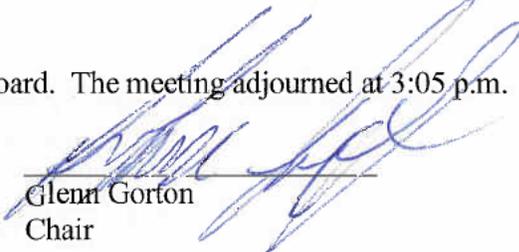
Treasurer McIntire suggested it might be useful for the Board to make a statement as to its confidence in the executive team leading the organization, express that no difficulties are anticipated with the transition after Mr. Dear leaves, and that he leaves the Board in good stead. Mr. Kaminski concurred with the suggestion.

Recruitment Process for New Executive Director

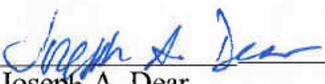
Ms. Whitmarsh clarified that the procurement schedule provided in the Board materials is the anticipated timeline for hiring a firm to conduct the recruitment, and not the time expected for the recruitment itself.

OTHER ITEMS

There was no further business to come before the Board. The meeting adjourned at 3:05 p.m.


Glenn Gorton
Chair

ATTEST


Joseph A. Dear
Executive Director