
Agency Name

Washington State Investment Board (WSIB)
2100 Evergreen Park Drive SW, P O Box 40916
Olympia, WA 98504-0916, <http://www.sib.wa.gov/>

WSIB Contact:

Liz Mendizabal, lmendizabal@sib.wa.gov, 360-956-4616

Agency Responsibilities

- ❖ Manage investments for 14 separate retirement systems for public employees, teachers, school employees, firefighters, law enforcement officers, state patrol, and judges.
- ❖ Manage investments for the state's industrial insurance funds, 6 separate "Permanent Funds" to benefit Washington's schools, colleges, and universities, and 6 "Other Trust Funds" including the GET College Tuition Program and the Developmental Disabilities Endowment Fund.
- ❖ Oversee investment accounting and reporting services for assets under management.
- ❖ 15 Board members serve as fiduciaries responsible for maximizing investment returns at a prudent level of risk for the "exclusive benefit of fund beneficiaries."

Authorizing statutes:

- ❖ 43.33A.010-433A.230: Covers general powers and duties; trusteeship of funds; delegation of investment authority; investment policies, accounting, and management standards.
- ❖ RCW 43.84.150: Further defines WSIB's investment authority.
- ❖ RCW 42.18: WSIB members subject to Executive Conflict of Interest Act.
- ❖ RCW 43.84.160: Funding The State Investment Board
- ❖ RCW 39.58: Public fund deposits and investments

Organization Chart and Budget

58 FTEs		
Joe Dear	Executive Director	
Gary Bruebaker	Chief Investment Officer	
Theresa Whitmarsh	Deputy Director of Operations	
Beth Vandehey	Internal Auditor	
Liz Mendizabal	Public Affairs Director	
Bill Kennett	Fixed Income, SIO	
Steve Draper	Real Estate, SIO	
Tom Ruggels	Private Equity, SIO	
Nancy Calkins	Public Equity, SIO	
Teresa Eckstein	Human Resources	
Erwin Vidallon	Business and Office Services, Manager	
Jim Lee	Information Systems, Manager	
Alicia Markoff	Portfolio Administration	Compliance Monitoring
Steve Verschoor	Investment Accounting	Internal Controls Investment Reporting

03-05 Appropriation: \$13,348,300

Fund Source: 031 – State Investment Board Expense Account

The Washington State Investment Board (WSIB) receives no funding supported by general state tax revenues and reserves (General Fund-State). Pursuant to RCW 43.33A.160, the WSIB is funded from the earnings of the funds managed by the WSIB, proportional to the value of the assets of each fund, subject to legislative appropriation. The state treasurer transfers moneys from the various funds managed by the WSIB to the state investment board expense account (fund 031) in order to pay the operating expenses of the WSIB. The WSIB receives a biennial (2-year) appropriation from the Legislature, which covers normal agency operations, including staff, facilities, equipment, supplies, etc.

The WSIB also manages expenses classified as non-appropriated expenditures. These are fees and expenses associated with the management of investments, which typically include money manager, custodial bank, consultants, legal fees specifically related to an investment or group of investments, research, etc. Non-appropriated expenditures average \$200 million per year.

Organization Chart and Budget

Most Pressing Issues or Challenges

Meeting return expectations in a tough market environment. After the boom of the 1990s, lower equity returns can be expected. The prospect for fixed income investments is also challenging since interest rates are starting to rise from 30 year lows. The WSIB's strategy to earn higher returns through large commitments to private equity and real estate is good, so good that other large institutional investors are dramatically increasing their investments in these asset classes. Inevitably, increased investment flows into an asset class means downward pressure on returns.

It is critical for the WSIB to maintain its disciplined, long-term investment perspective and for policy makers to resist the temptation to push for investments that have non-investment related objectives. That means maintaining the WSIB's independence and its strict adherence to the highest standards of fiduciary duty. That way, the 8% return assumption that underlies the financial stability of the state's public retirement plans can be met. Contact: WSIB Executive Director Joe Dear, 360-956-4610, jdear@sib.wa.gov.



Board Member Listing by Board Position

INVESTMENT BOARD (GS080)

Agency 126 - State Investment Board	Senate Conf. Y	Positions: Maximum 014
Authority Governor(3), other authorities (11)	Public Disc. Y	Minimum 000
Authoriztn. RCW 43.33A.020	Term Length 036	Actual 014
Rem. Auth. GC	Meetings/Yr. 12	

Pos. #	Name and Address	Status	Race	Appointed	Expires
001	McElligot, Patrick 3313 North Villard Tacoma, WA 98407	A	C	01/08/2004	12/31/2006
		Terms Served	01		
		Position	a member		
		Comments	Member of Law Enforcement Firefighters Retirement System		

Pos. #	Name and Address	Status	Race	Appointed	Expires
002	Brookman, Debbie 1517 5th Avenue SE Olympia, WA 98501	A	C	08/15/2003	12/31/2005
		Terms Served	02		
		Position	a member		
		Comments	Member of Public Employee Retirement System		

Pos. #	Name and Address	Status	Race	Appointed	Expires
003	Masten, George (Mr.) 3425 Chapperel Drive S.W. Olympia, WA 98512	A	C	04/18/2002	12/31/2004
		Terms Served	04		
		Position	a member		
		Comments	Retired Member State Retirement System		