

MINUTES OF THE SEPTEMBER 16, 2015, INVESTMENT COMMITTEE MEETING

The Investment Committee (“Committee”) of the Board of Regents of the Smithsonian Institution (“Smithsonian”), conducted a meeting on Wednesday, September 16, 2015, in the Committee Chair David Silfen’s office in New York City. Participating were Committee Chair David Silfen, Vice Chair Steve Case*, and Committee members Afsaneh Beschloss, Kathryn (“Katie”) Hall, Tim O’Neill, Roger Sant*, and Michael Tennenbaum*. Board and Executive Committee Chair John W. McCarter, Jr. also participated. Committee members J. Tomilson (“Tom”) Hill, David Rubenstein and Alan Spoon were unable to participate.

Participating Smithsonian staff included Secretary David Skorton, Director of Investment Operations Genta Arovas*, Acting Chief of Staff Greg Bettwy*, Chief Investment Officer Amy Chen, Investment Officer Ryan Dotson*, Investment Officer Michael Giovenco, Inspector General Cathy Helm*, Under Secretary for Finance and Administration and Chief Financial Officer Albert Horvath, General Counsel Judith Leonard*, Investment Officer Jeff Smith*, and Chief of Staff to the Regents Porter Wilkinson*.

CALL TO ORDER

Chair David Silfen called the meeting to order.

APPROVAL OF THE JUNE 2, 2015, COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the minutes of the June 2, 2015, Committee meeting were approved without modification.

REPORT OF THE CHAIR

Mr. Silfen welcomed the Committee members and introduced the Institution’s new Secretary, Dr. David Skorton.

PORTFOLIO REVIEW

Chief Investment Officer Amy Chen reported the Smithsonian Endowment’s preliminary one-year rate of return as of June 30, 2015, was 6.1% versus the policy benchmark of 0.2%. The portfolio continues to outperform the policy benchmark on a trailing one, three, five, and ten-year basis. Ms. Chen also reviewed the Integrated Risk Framework and the overall liquidity of the Endowment’s portfolio.

* *participated by telephone*

PORTFOLIO IMPLEMENTATION

Investment Officer Jeff Smith provided an executive summary of an approach to increase liquidity within the portfolio. Ms. Chen reviewed the watch list and forward calendar.

OPERATIONS REVIEW

Ms. Chen provided updates on the interim audit and the summer internship program.

ADJOURNMENT

The meeting was adjourned at 2:53 p.m. and an executive session was held.