

MINUTES OF THE NOVEMBER 17, 2015, INVESTMENT COMMITTEE MEETING

The Investment Committee (“Committee”) of the Board of Regents of the Smithsonian Institution (“Smithsonian”), conducted a meeting on Tuesday, November 17, 2015, at 1:30 p.m. in the Regents’ Room at the Smithsonian Castle in Washington, D.C. Participating were Committee Acting Chair Afsaneh Beschloss and Committee members Kathryn (“Katie”) Hall*, Tim O’Neill*, David Rubenstein*, Roger Sant*, Alan Spoon*, and Michael Tennenbaum*. Board and Executive Committee Chair John W. McCarter, Jr.* also participated. Committee Chair David Silfen, Vice Chair Steve Case and member J. Tomilson (“Tom”) Hill were unable to participate.

Participating Smithsonian staff included Secretary Dr. David Skorton, Director of Investment Operations Genta Arovas, Acting Chief of Staff to the Secretary Greg Bettwy, Chief Investment Officer Amy Chen, Director of Advancement Virginia Clark, 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, and Deputy Chief of Staff to the Board of Regents Rachel Parker.

CALL TO ORDER

Acting Chair Afsaneh Beschloss called the meeting to order at 1:31 p.m.

APPROVAL OF THE SEPTEMBER 16, 2015, COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the minutes of the September 16, 2015, Committee meeting were approved without modification.

REPORT OF THE CHAIR

Ms. Beschloss welcomed everyone. She congratulated the Committee and the Office of Investments staff for the performance of the Endowment for the June 2015 fiscal year.

PORTFOLIO REVIEW

Chief Investment Officer Amy Chen reported on the Smithsonian Endowment’s final performance of 6.0% against the policy benchmark of 0.2% for the period ending June 30, 2015 based on final private investment returns. Ms. Chen also reviewed the Endowment’s *preliminary* performance of 1.3% against the policy benchmark of -4.3% for the period ending September 30, 2015.

* *participated by telephone*

INVESTMENT GUIDELINES

Ms. Chen sought input from Committee members regarding proposed changes to the Investment Guidelines. The Committee was in favor of the changes and recommended Staff to seek approval via email vote.

PORTFOLIO IMPLEMENTATION

Ms. Chen reviewed the Pro-Forma Cash Flow report and overall liquidity of the Endowment's portfolio. Ms. Chen referenced the watch list and forward calendar of high-conviction managers.

OPERATIONS REVIEW

Director of Investment Operations Genta Arovas provided an update on technology efforts.

ADJOURNMENT

Staff was dismissed at 3:05 p.m. and an executive session was held.