

MINUTES OF THE JULY 12, 2016, INVESTMENT COMMITTEE MEETING

The Investment Committee (“Committee”) of the Board of Regents of the Smithsonian Institution (“Smithsonian”) conducted a meeting on Tuesday, July 12, 2016, in Committee Chair Tim O’Neill’s office in New York City. Participating were Committee Chair Tim O’Neill and Committee members Kathryn (“Katie”) Hall, J. Tomilson (“Tom”) Hill, David Rubenstein*, and Michael Tennenbaum*. Board and Executive Committee Chair John W. McCarter, Jr.* also participated. Committee Vice Chair Steve Case and member Roger Sant were unable to participate in the meeting.

Also present by invitation of the Committee were Secretary 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 Investment Officer Jeff Smith.

CALL TO ORDER / REPORT OF THE CHAIR

Committee Chair Tim O’Neill called the meeting to order at 12:10 p.m. He congratulated the Committee and Smithsonian staff for winning the Institutional Investor’s 2016 *Foundation of the Year Award*, which recognizes performance, innovation, achievements, and contributions over the past year.

APPROVAL OF THE MARCH 8, 2016 AND JUNE 27, 2016, COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the minutes of the March 8, 2016, Committee meeting and the June 27, 2016, interim teleconference Committee meeting were approved without modification.

PORTFOLIO REVIEW

Investment Officer Ryan Dotson reported on the Smithsonian Endowment’s performance of -2.0% against the policy benchmark of -3.4% for the one-year period ending March 31, 2016. He reviewed the Integrated Risk Framework and the portfolio’s asset allocations.

PORTFOLIO IMPLEMENTATION

Chief Investment Officer Amy Chen reviewed the evolution of the long-term target policy allocations and ranges. She sought the Committee’s approval for revisions to the Investment Guidelines

Investment Officer Jeff Smith also sought the Committee’s approval for Staff’s proposed additional commitment levels for 2016.

* *participated by telephone*

OPERATIONS REVIEW

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

ADJOURNMENT

The meeting was adjourned at 1:30 p.m. and an executive session was held.