

MINUTES OF THE SEPTEMBER 23, 2020, INVESTMENT COMMITTEE MEETING

The Investment Committee (“Committee”) of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) conducted a videoconference meeting on Wednesday, September 23, 2020. Participating were Committee Chair Kathryn (“Katie”) Hall, Committee Vice Chair Roger Ferguson, and Committee members Steve Case, Henry Ellenbogen, Alice Handy, J. Tomilson (“Tom”) Hill, David M. Rubenstein, and Michael Tennenbaum.

Participating Smithsonian staff included Chief of Staff to the Secretary Greg Bettwy; Chief Investment Officer Amy Chen; Investment Officer Ryan Dotson; Assistant General Counsel Danielle Fisher; Deputy Chief of Staff to the Regents Kate Forester; Investment Officer Michael Giovenco; Inspector General Cathy Helm; Under Secretary for Finance and Administration Mike McCarthy; Deputy Secretary and Chief Operating Officer Meroë Park; Investment Officer Jeff Smith; Assistant Secretary for Advancement Robert Spiller; and Chief of Staff to the Regents Porter Wilkinson.

CALL TO ORDER / REPORT OF THE CHAIR

Committee Chair Katie Hall called the meeting to order at 12:00 p.m. She welcomed everyone and began by asking Deputy Secretary Meroë Park to provide the status of the Smithsonian Institution’s museum openings. Assistant General Counsel Danielle Fisher also provided an update on visitor procedures.

APPROVAL OF THE COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the draft minutes of the June 9, 2020, Committee meeting were approved with no changes.

PORTFOLIO REVIEW

Investment Officer Michael Giovenco reported that the Endowment ended with assets of \$1,735.4 million. The Endowment’s preliminary one-year return as of June 30, 2020, was 5.7% versus -0.4% for the policy benchmark.

Against the Cambridge Associates all peer universe of endowments and foundations, the Smithsonian ranks in the top 1% for the trailing three- and five- year periods and top 3% for the trailing one- and ten-year periods.

DIVERSITY REVIEW

Investment Officer Ryan Dotson and Senior Investment Analyst Jinwen Chen developed the “Diversity, Equity and Inclusion in the Smithsonian Endowment” report reviewing the historical and current efforts to invest in firms with 50% equity owned by women and people of color.

PORTFOLIO IMPLEMENTATION

Investment Officer Jeffrey Smith presented the Proforma Cash Flow Analysis which indicates that by year-end Smithsonian will reduce excess cash and fixed income to its long-term policy of 7%.

OPERATIONS REVIEW

Ms. Chen recognized Michael Giovenco for his 15 years of service, and Jeff Smith for his 10 years’ service and congratulated him for hiring the highest number of diverse managers.

ADJOURNMENT

The meeting was adjourned at approximately 2:00 p.m. and an executive session was held.