

## THE SMITHSONIAN INSTITUTION IN THE 21<sup>ST</sup> CENTURY

As the guardian of our nation's greatest historic, artistic, and scientific treasures, the Smithsonian takes its task of serving the American public very seriously. For more than 156 years, this Institution has worked hard to fulfill its mission, "the increase and diffusion of knowledge." Over the decades, commitment to that mission has raised new challenges. Today, chronic funding problems that have developed over many years and fallout from the aftereffects of September 11<sup>th</sup> have combined to create a severe financial situation at the Smithsonian that may require drastic actions, including substantial personnel reductions. Nonetheless, we are more determined than ever to meet these challenges and transform the Smithsonian into a modern 21<sup>st</sup>-century institution.

As the largest museum and research complex in the world, the Smithsonian's reputation rests on a strong foundation. Unfortunately, it is also an institution contending with a severely deteriorated infrastructure, outdated technology, many aged, outmoded exhibitions, and staffing levels that can barely meet the current workload. The July 2001 report from the National Academy of Public Administration documented that a total of \$1.5 billion would be required over the next ten years to bring the Institution's facilities up to an acceptable level. The tragedy of September 11<sup>th</sup> has led to a drop in visitors with a resulting loss in revenues needed to supplement federal funding. Moreover, the Institution must open two major museums approved by Congress, the National Air and Space Museum's Udvar-Hazy Center and the National Museum of the American Indian on the Mall. Today's challenge is to build on the Smithsonian's reputation, rebuild the physical plant, open the new museums, bring visitors back, and thereby expand the reach of a great and trusted institution.

The Institution is also determined to revitalize science at the Smithsonian with the help of *The Report of the Smithsonian Institution Science Commission* released in January 2003. The report, which has been endorsed by the Smithsonian Board of Regents, is the result of a 15-month study in which the Commission looked at all science activities at the Institution. Among other things, the report noted that science programs have eroded over time because of a long-term trend of declining support for mandatory annual salary increases. The report will be an invaluable guide in the months ahead.

The Smithsonian agenda is ambitious, but it must be as efficient as it is aggressive, as focused as it is far-reaching. Given budget realities, Smithsonian priorities fall into five categories: First, funding to keep Institution museums in operation, collections safe, and research programs intact—in other words, what can be referred to as mandatory costs. These include what is necessary to meet current requirements in staff salaries and benefits, legislated pay raises, utilities, postage, communications, and rent.

The Smithsonian's second priority is funding for security-related items. This includes all programs and activities to provide adequate security to the Institution's staff, visitors, collections, and facilities, and to protect against terrorist actions.

The Smithsonian's third priority is to secure funding increases for activities recommended by the National Academy of Public Administration (NAPA), such as addressing the Institution's crucial facilities revitalization and information technology needs. This budget includes the Institution's plans to continue to repair and renovate some of our oldest and most heavily visited museums and to begin to address the Institution's maintenance needs at levels recommended by NAPA. The Smithsonian is also continuing its information technology initiatives, including the Enterprise Resource Planning project and the infrastructure modernization effort, as well as addressing newly identified information technology security requirements.

The Institution's fourth priority is the financial resources needed to fulfill the Smithsonian's mandate to open and operate two new museums: the National Museum of the American Indian on the National Mall, and the National Air and Space Museum's new Steven F. Udvar-Hazy Center, adjacent to Dulles Airport in Northern Virginia.

Lastly, the request includes several initiatives to address priorities for scientific research, reaching new audiences, and improving our contracting efforts.

The Smithsonian plays a vital role in our country's civic and cultural life. Using art, artifacts, history, and science, the Smithsonian tells a comprehensive story—America's story, and the story of its relationship to the world. Now more than ever, this is an important service to maintain. To reach more Americans with such seminal stories, the Smithsonian needs to transform itself into a true 21<sup>st</sup>-century institution. It won't be easy. The Smithsonian Institution faces significant challenges if it is to continue to serve the public in an exemplary manner with both engaging, modern exhibitions backed by authoritative scholarship, and groundbreaking scientific research and exploration. What follows is our plan to meet these challenges head-on.