

MINUTES OF THE JANUARY 16, 2014, ADVANCEMENT COMMITTEE MEETING

The Advancement Committee (“the Committee”) of the Board of Regents met on January 16, 2014, at 3:00 p.m. Participating were Committee Chair Alan G. Spoon and Committee members Barbara Barrett*, Travis Engen, Sakurako Fisher*, Adrienne Mars, John McCarter, Paul Neely, and David Rubenstein.

Participating staff included Smithsonian Secretary G. Wayne Clough; Campaign Director Cynthia Brandt-Stover; Director of Advancement and Philanthropic Giving Virginia B. Clark; Deputy Director of Advancement Zully Dorr; Under Secretary for History, Art, and Culture Richard Kurin; Under Secretary for Science Eva Pell; Deputy General Counsel Marsha Shaines; and Chief of Staff to the Regents Porter N. Wilkinson.

CALL TO ORDER AND REVIEW OF MEETING AGENDA

Mr. Spoon called the meeting to order. He reviewed the meeting agenda and the proposed action items.

APPROVAL OF MINUTES

After consideration and upon motion duly made and seconded, the draft minutes of the October 15, 2013, Committee meeting were approved without modification.

SECRETARY’S UPDATE

Recognition. The Secretary recognized Barbara and Craig Barrett, Sakurako Fisher, Dennis Keller, John McCarter, and Alan Spoon for their contributions and outreach efforts on behalf of the Smithsonian; he also recognized the contributions of Under Secretary for Science Eva Pell, who has announced her plans to retire. He discussed recent meetings with donors.

Federal Budget Update. The House of Representatives passed the fiscal year 2014 Federal budget. When signed, the budget will allow the Smithsonian to avoid staff furloughs and layoffs. It also includes funding for the construction and staffing of the National Museum of African American History and Culture (NMAAHC). Federal appropriations for the Smithsonian’s facilities maintenance remain under funded.

Fiscal Year 2014 Fundraising Update. Progress against the fiscal year 2014 fundraising goal is strong: preliminary results reflect approximately \$40 million in funds raised to date. The fundraising efforts of NMAAHC Council Chair Kenneth Chenault were recognized. Fundraising for the Smithsonian Campaign’s working goal remains on track.

Smithsonian National Board. In fulfillment of the Smithsonian National Board (SNB) mission to understand and advocate for the Smithsonian, the SNB spring 2014 meeting will be held in

* participated by telephone

Hawaii, where members will tour the Smithsonian Astrophysical Observatory's Submillimeter Array atop Mauna Kea; visit the Pacific Aviation Museum, a Smithsonian Affiliate, and the Bishop Museum; meet with scientists and researchers; and see the scientific research conducted by Smithsonian staff. SNB members continue to be strong ambassadors for the Smithsonian, as well as provide significant financial support.

Government Relations. The Secretary reported on the January 14, 2014, well-attended hearing on Smithsonian science before the House Committee on Science, Space and Technology's Subcommittee on Research and Technology. The Secretary, Dr. Pell, and National Museum of Natural History (NMNH) Sant Director Kirk Johnson testified on behalf of the Smithsonian.

Other Progress. The NMNH science education center, *Q?rius*, opened in December 2013. The center was the venue for an event cohosted by the Smithsonian Science Education Center (SSEC) and JP Morgan, which recently announced its support for a Smithsonian workforce development initiative. The initiative will be implemented through SSEC.

The Secretary reported on the success of the Smithsonian's 3D program and the educational and programmatic opportunities it supports. A two-day Smithsonian X 3D Conference generated significant media attention.

CAMPAIGN UPDATE

Progress Review. The public launch of the Smithsonian Campaign will be in October 2014. Mr. Spoon reminded the Committee that it will be evaluating the campaign's progress, priorities, and capacity in advance of recommending a final campaign goal to the Board of Regents in June 2014. Three areas of focus include building staff and performance capacity; creating compelling case statements for support and identifying giving opportunities; and building fundraising capacity and securing early gifts. Campaign activities also will focus on expanding the engagement of advisory board volunteers and strengthening relationships with new and potential donors.

In calendar year 2013, the Endowment received \$34 million in gifts to the Campaign. Advances in fundraising activities between 2009 and 2013 resulted in, among other things, a 70 percent increase in solicitations and the addition of 53 new members to unit advisory boards.

The Committee discussed strengthening case statements, including for gifts in support of human capital; gift receipt patterns, which are historically strong at the Smithsonian; and the effectiveness and availability of naming opportunities in fundraising efforts. The Committee agreed that a comprehensive inventory of sufficient naming opportunities will strengthen the Campaign updates.

Honorary Committee and Campaign Kickoff. Ms. Brandt-Stover is managing the development of an honorary campaign committee of 20–30 renowned members who collectively reflect the achievements and aspirations of the nation, the Smithsonian, and the campaign. Many have

prior relationships with the Smithsonian. The Campaign co-chairs and an outside consultant are supporting the effort, and Smithsonian staff have contributed names to the list of proposed members. Ms. Brandt-Stover and Ms. Wilkinson will coordinate the engagement of the honorary committee with the Board of Regents. It is anticipated that formal invitations for honorary committee membership will be extended in early spring 2014. The Committee requested copies of the list of potential members.

The October 2014 Smithsonian Campaign kickoff will be a weekend series of educational and inspiring events that recognize donors and catalyze new support. An outside creative firm is assisting in the development of kickoff activities, and senior staff and advisory board leadership from across the Smithsonian are contributing ideas. The Committee discussed potential locations and funding for the kick-off events; private support for the kickoff activities is desirable. The Committee agreed that “save the date” invitations should be extended as soon as possible.

Preliminary Campaign Goal Analysis. Ms. Clark reviewed the collective and individual Campaign fundraising projections and performance to date for the six Smithsonian museums with the largest campaign goals: the National Air and Space Museum, the NMAAHC, the National Museum of American History, the National Museum of the American Indian, the NMNH, and the National Zoological Park. The funding priorities, volunteer and advisory board engagement, fundraising strategy, and fundraising goal of each museum also were reviewed. The impact of the economy on some museums’ traditional sources of donor support was noted. Campaign fundraising for the construction of the NMAAHC and the anticipated costs for its operations after opening also were discussed.

The Committee discussed the working Campaign goal. A proposed total Campaign goal will be determined at the campaign steering committee’s May 2014 retreat. The recommended goal will be presented to the Board of Regents for approval at the June 2014 Regents’ meeting.

REVIEW OF PENDING GIFTS

Ms. Clark presented five proposed gift actions for the Committee’s consideration for recommendation to the Board of Regents. Three were associated with the naming of facilities, one was a corporate sponsorship, and one was a request to establish a quasi-endowment. At the request of the Morton and Barbara Mandel Foundation and Cooper Hewitt, Smithsonian Design Museum, that proposed action will be treated as confidential until publicly announced. Ms. Clark noted that the Mandel Foundation gift would be the largest gift received to date by the museum. After consideration and upon motion duly made and seconded, the following proposed actions were approved en banc for recommendation to the Board of Regents:

VOTED that the Advancement Committee recommends the recognition by the Board of Regents of the generosity of the Morton and Barbara Mandel Foundation to Cooper Hewitt, Smithsonian Design Museum, and names the Carnegie Mansion’s third-floor gallery the Barbara and Morton Mandel Design Gallery in perpetuity, and approves the

creation of an endowment to support the gallery and its future maintenance and renovation.

VOTED that the Advancement Committee recommends the recognition by the Board of Regents of the generosity of A&E Television Networks to the National Museum of American History and accepts the terms of the sponsorship agreement.

VOTED that the Advancement Committee recommends the recognition by the Board of Regents of the generosity of Arrow Electronics, Inc., to the National Museum of American History, accepts the terms of the sponsorship agreement, and names the Arrow Electronics Spark!Lab for 20 years from the date the Spark!Lab opens to the public.

VOTED that the Advancement Committee recommends the recognition by the Board of Regents of the generosity of the Patrick F. Taylor Foundation to the National Museum of American History and names the Patrick F. Taylor Foundation Object Project for 20 years or until the next major renovation of the space, whichever occurs last.

VOTED that the Advancement Committee recommends the creation by the Board of Regents of a quasi-endowment for the benefit of the Smithsonian American Art Museum to support the preservation of Nam June Paik's *Megatron Matrix* and other works by the artist in the museum's collection and archives. Further, the Board authorizes the transfer of the funds identified for this purpose.

WRAP UP

Dr. Pell commented on the Smithsonian Astrophysical Observatory's (SAO) fundraising efforts for the Giant Magellan Telescope (GMT). The Smithsonian must raise sufficient funding to maintain its participation in the international collaborative initiative.

ADJOURNMENT

There being no further discussion, Mr. Spoon adjourned the meeting at approximately 5:20 p.m.

Respectfully submitted,

Alan G. Spoon
Chair