

MINUTES OF THE OCTOBER 9, 2014, EXECUTIVE COMMITTEE MORNING MEETING

The Executive Committee (“the Committee”) of the Board of Regents of the Smithsonian Institution met on October 9, 2014, at the Supreme Court of the United States in Washington, D.C. Participating were Chancellor John G. Roberts, Jr.; Executive Committee and Board Chair John W. McCarter, Jr. Board Vice Chair Shirley Ann Jackson and Executive Committee member David Rubenstein were unable to participate.

Also present by invitation of the committee were Counselor to the Chief Justice Jeffrey Minear; Chief of Staff to the Secretary Patricia Bartlett; Under Secretary for Finance and Administration Albert Horvath; General Counsel Judith Leonard; Deputy Chief of Staff to the Regents Rachel Parker; and Chief of Staff to the Regents Porter Wilkinson.

AGENDA REVIEW:

Mr. McCarter thanked the Chancellor for hosting the meeting and outlined the agenda for the morning, which consisted primarily of a review of the proposed topics for the October 20, 2014, Regents’ meeting agenda.

Regents’ Dinner: On Sunday, October 19, 2014, the Regents’ will host a dinner at the National Postal Museum. The Regents will be honoring five former Regents: Senator Chris Dodd and Congresswoman Doris Matsui will be recognized as Regents Emeriti, and Roger Sant, Alan Spoon, and Patricia Stonesifer will be awarded the Regents’ Gold Medal for Exceptional Service.

Morning Executive Session: The first item on the meeting agenda will be an executive session, during which the Regents will discuss the appointment and compensation of an Acting Secretary, the spousal travel policy for the Smithsonian Secretary, Board leadership elections, and other topics of interest. The Board will also welcome its new citizen Regent, Michael Lynton.

Report of the Board and Executive Committee Chair: Following the executive session, Mr. McCarter will deliver the report of the Chair of the Board and Executive Committee, which will include an update on the actions taken by the Executive Committee on behalf of the Board since the June 2014 Regents’ meeting. Most significantly, the Executive Committee approved the Smithsonian’s fiscal year 2016 Federal budget request that was submitted to the Office of Management and Budget (OMB). The Regents will be asked to approve a motion expressing the Board’s appreciation of Howard Baker, a former Regent.

Report of the Secretary of the Smithsonian: Secretary Clough will follow Mr. McCarter’s presentation with an update on the state of the Smithsonian.

Strategic Planning and Programs Committee Report: Dr. Jackson will present the report of the Strategic Planning and Programs Committee. The Regents will discuss a proposal to establish a

temporary Smithsonian Enterprises oversight subcommittee. Dr. Jackson and Mr. Rubenstein are currently recruiting members from the Strategic Planning and Programs and Finance committees, and will ask the full Board to appoint the proposed slate of members at its October 20 meeting.

Financial Dashboard and Outlook: Al Horvath, the Under Secretary for Finance and Administration and Chief Financial Officer, will present a report on the final fiscal year 2014 financial budget.

Finance Committee Report: Committee Chair David Rubenstein will update the Board on the fiscal year 2015 integrated budget and on the fiscal year 2016 Federal budget request that was submitted to OMB.

Investment Committee Report: Committee Chair David Silfen is expected to present the Investment Committee report and Endowment update. The annual portfolio review will summarize the Endowment's performance and significant portfolio changes through June 30, 2014.

Audit and Review Committee Report: Committee Chair Robert Kogod will present the Report of the Audit and Review Committee.

Advancement Committee Report: Committee Chair Alan Spoon will present the Advancement Committee Report. Mr. Spoon will report on several notable gifts and grants made to the Smithsonian. Additionally, the Advancement Committee will ask the Regents to approve a number of gift actions. The Regents have received advanced notification of the Chatterjee Charitable Foundation's gift to Cooper Hewitt, Smithsonian Design Museum, which does not comply with the current naming policy but is consistent with a preexisting naming exception policy for gifts in support of Cooper Hewitt's RE:DESIGN Capital Campaign.

Report of the Facilities Committee: Next, Committee Chair Robert Kogod will present the Report of the Facilities Committee. The report will include a briefing on administrative leased space and possible options to explore when the current leases expire.

Compensation and Human Resources Committee: Committee Chair Barbara Barrett will present the report of the Compensation and Human Resources Committee. The report will include an overview of short- and long-term incentive compensation plans for Smithsonian Enterprises.

Governance and Nominating Report: Committee Chair Steve Case will present the Governance and Nominating report. The Board will be asked to review appointments and reappointments to 13 Smithsonian advisory boards and amendments to the bylaws of the Smithsonian National Latino Board. The Board also will be asked to vote on the nomination of Christine Udvar-Hazy to the Advancement Committee and the re-nomination of David Rubenstein for a second term as a Citizen Regent. In addition, Mr. Case will

brief the Board on the Governance and Nominating Committee's recommendations regarding committee term limits and amendments to two committee charters and the Board Bylaws.

Report of the Office of Government Relations: Following the Governance and Nominating Committee report, Director of Government Relations Nell Payne will entertain questions on the Government Relations Report.

Lunch: During lunch, the Regents will be updated on new communications initiatives and strategies aimed at millennial and digital audiences.

Executive Session: After lunch, there will be an executive session to discuss a possible Smithsonian presence in London. The meeting will conclude with an executive session for the "gatekeepers" (Inspector General, Under Secretary for Finance and Administration, Secretary, and General Counsel) to raise issues they consider appropriate for Regent discussion or information.

With no other business to consider, the meeting was adjourned at approximately 12:30 p.m.

Respectfully submitted,

John W. McCarter, Jr.
Chair