

MINUTES OF THE NOVEMBER 5, 2008, ADVANCEMENT COMMITTEE MEETING

A regularly scheduled meeting of the Advancement Committee (“the Committee”) of the Board of Regents was held on November 5, 2008, in the Regents’ Room of the Smithsonian Institution Building. Committee Chair Alan G. Spoon and Committee members L. Hardwick Caldwell and Phillip Frost participated by teleconference. Committee member Robert Kogod was present, along with ex officio member Roger Sant. Staff present at the meeting were Secretary G. Wayne Clough, Director of External Affairs Virginia B. Clark, Director of Development Services Zully Dorr, Chief of Staff to the Regents John K. Lapiana, and Assistant General Counsel Jason Balesta. The Chair called the meeting to order at 1:03 p.m.

The agenda consisted of approval of the minutes of the Advancement Committee meeting of September 12, 2008; a report on fiscal year 2008 fund raising; an update on preparations for the national fund-raising campaign; a report on according recognition on Web sites; a review of pending gifts and other actions; and recommendation of items for consideration at the November 17, 2008, meeting of the full Board of Regents.

Approval of Minutes

The minutes of the September 12, 2008, Advancement Committee meeting were reviewed. Mr. Caldwell moved that they be approved without changes. Mr. Spoon seconded the motion, and the minutes were approved as presented by unanimous vote.

Fund-raising Update

Ms. Clark reported on fiscal year 2008 fund-raising results. Ms. Clark first addressed highlights. The Institution raised \$135.6 million, 36% ahead of its fiscal year 2008 goal. Thirteen units reached or exceeded their goals. The National Museum of African American History and Culture raised \$12.7 million, the most successful fund-raising year to date for the new museum.

Smithsonian efforts to raise funds for the Legacy Fund yielded \$305,000. An online appeal was sent by e-mail and banner ads were placed on the Smithsonian home page, as well as many other Smithsonian Web sites. Banners were also placed on Google, Yahoo, and Facebook. Through these efforts, more than a million persons saw the online Legacy Fund appeal. In addition, Roger Sant sent a letter asking for Legacy Fund support to members of all Smithsonian advisory boards. Dr. Clough commented that a letter with the details of the results had been sent to Senator Feinstein as she had requested and that a meeting with her was pending.

Ms. Clark proposed a fund-raising goal for fiscal year 2009 of \$120 million, a figure developed in discussion with the units and the Secretary. The plan incorporates conservative assumptions and considers the current economic climate. Ms. Clark said that the choice of the firm to serve as campaign counsel is in the final stages of the selection process. The Committee discussed campaign costs, setting campaign goals, and counting campaign gifts.

At Mr. Spoon’s request, Dr. Clough commented on progress on the Institution’s Strategic Planning process. The process will be inclusive and finished in a year. The consultants have started this work with sessions held with the Smithsonian National Board on October 23 and 24, 2008. A Strategic Planning Steering Committee will hold its first meeting November 3, 2008, and Dr. Clough will announce the Committee and discuss the process at an all-staff meeting on November 6, 2008.

The Board of Regents will discuss the Strategic Planning process at its November 17, 2008, public session.

Director of Development Services Zully Dorr made a report, requested by the Committee at its last meeting, on Smithsonian Web-site policy and logo usage. She presented an analysis based on 14 comparable organizations. Among these organizations, the Smithsonian's policy for the use of a sponsor's logo is in the top quartile of the most restricted. The Committee concurred that the Smithsonian's practice is sound and appropriate, and Mr. Spoon stated that he would like to have a recommendation from Ms. Clark as to whether the policy is good as it is or should be refined. Ms. Clark suggested that this be made part of an overall policy review that will be undertaken in preparation of the campaign. Mr. Spoon agreed to this approach.

Mr. Spoon asked Ms. Clark to review the five pending action items. The first action was a request for the Committee's approval to evaluate establishing a tax-exempt entity for the Smithsonian in the United Kingdom, as some other U.S. non-profit organizations have done. After discussion, the Committee determined that it would approve the initiation of this process. The Committee also recommended that, when the process reaches the appropriate point, the matter be referred to and reviewed by the Finance Committee. After that review, the matter would be recommended for approval to the Board of Regents.

The remaining actions were related to gift agreements. The Committee reviewed the gifts and the proposed actions relating to them and determined that each is consistent with Smithsonian policy. It voted to recommend the actions to the Board of Regents for action at the November 17, 2008, meeting. Mr. Kogod recused himself from the decision related to the gift from Robert and Clarice Smith.

There being no further business, the meeting of the Advancement Committee was adjourned at 2:41 p.m.