

MINUTES OF THE MARCH 19, 2009, EXECUTIVE COMMITTEE MEETING

The Executive Committee (“the Committee”) of the Board of Regents of the Smithsonian Institution held a meeting on March 19, 2009, beginning at noon at the Supreme Court in Washington, D.C., to discuss the agenda for the April 6, 2009, meeting of the Board of Regents. In attendance were Chancellor of the Board of Regents John G. Roberts Jr., Chief Justice of the United States; Board Chair Patricia Stonesifer; Vice Chair Alan G. Spoon, and Committee member Roger W. Sant. Also present by invitation of the Committee were Secretary G. Wayne Clough; Counselor to the Chief Justice Jeffrey P. Minear; Chief of Staff to the Regents John K. Lapiana; and Acting General Counsel Marsha S. Shaines.

Ms. Stonesifer called the meeting to order.

REVIEW OF AGENDA FOR BOARD OF REGENTS’ MEETING

Ms. Stonesifer noted that the timing of the meeting was “unusual,” in that the Committee’s agenda review was more than two weeks before the Board meeting. Because a number of committees were scheduled to meet during between this meeting and the meeting of the full Board, many of the agenda’s supporting materials were in draft form.

She then directed the Committee’s attention to the agenda for the April 6, 2009, Board of Regents’ meeting contained in the draft meeting book, previously distributed to the Committee on March 13, 2009.

Strategic Planning and Programs Committee

Ms. Stonesifer noted that the agenda for the business meeting in the morning was primarily devoted to advancing the Secretary’s strategic planning initiative by soliciting the Regents’ input. The proposed agenda set aside almost two hours for the Regents to participate in a scenario-planning workshop led by Peter Schwartz of Global Business Network. The session was designed to be an abbreviated version of the two-day workshops that Mr. Schwartz had already conducted with other key Smithsonian constituencies. Secretary Clough noted that the Board would be asked to respond to three different Smithsonian “futures” — one in which the external environment was very challenging, another in which the external environment was “middling” (i.e., neither better nor worse than the present), and, finally, a “brilliant” future.

Presentation by Smithsonian Enterprises

Ms. Stonesifer explained that following the strategic planning exercise, Tom Ott, the President of Smithsonian Enterprises (SE), and his senior staff would brief the Regents on SE’s lines of business and the state of those lines given the challenging

economy. The presentation, she said, would allow the Board to see SE's new leadership team "in action." Supporting that focus, she said that the lunch speaker, SE Retail Group Director Peter Gibbons would provide the Board with a preview of the new movie *Night at the Museum: Battle of the Smithsonian*. The movie was scheduled to open worldwide on May 22, 2009.

Report of the Chair of the Board and the Executive Committee

To accommodate the morning workshop, Ms. Stonesifer noted that the afternoon session will begin with the Report of the Chair, which has usually opened the morning session. Ms. Stonesifer said that she would discuss the results of the fall 2008 Regents' survey. Overall, the Regents' responses were positive, she explained, adding that Regents were particularly satisfied with the work of the committees and the structure of the Board. Improvements were needed, however, to ensure better engagement by the Regents in assisting the Secretary with making broad strategy decisions. Both Ms. Stonesifer and Secretary Clough predicted that the strategic planning initiative would prove to be a key vehicle to address those concerns. In addition, Ms. Stonesifer noted that the April 6 meeting agenda called for the Board to approve a calendar of critical strategic issues to be addressed during each of the next four meetings, including strategic planning, communications and government relations strategies, the national fund-raising campaign, and the promotion of interdisciplinary science. At each future meeting, a significant portion of the morning session would be devoted to addressing at least one of these topics.

Ms. Stonesifer also noted that the survey indicated that Regents would like to know more about fund-raising policies and practices at the Smithsonian, a concern that Committee members concluded should be resolved by the establishment of the new Advancement Committee.

The members and the Chancellor then discussed improving the Executive Committee's management of Board processes and oversight. Ms. Stonesifer explained that the Committee had agreed to conduct informal teleconferences in those months when there were no formal Committee meetings. The Chancellor supported the suggestion that a significant portion of time be allocated in at least two Executive Committee meeting annually to discuss topics of significant strategic importance to the Smithsonian.

Report of the Secretary

Secretary Clough then outlined his anticipated report to the Board, noting that the current economic climate and its impact on the Smithsonian's budget would be the main topic. He also advised the Committee on steps he was considering to conserve the Smithsonian's resources and praised "the heroic efforts of Smithsonian Enterprises" to meet targets despite the economic downturn.

Secretary Clough also directed the Committee's attention to the current organizational chart in the meeting book, which he intended to use to illustrate progress made on installing a new and permanent senior leadership team.

Governance and Nominating Committee

Turning to the committee reports section of the agenda, Ms. Stonesifer noted that the Governance and Nominating Committee will recommend to the Board two indemnification policies — one for staff and the other for Regents and advisory board members. She said that a discussion by the Board was expected on the scope of the policies' coverage. The Regents would also be asked to approve a slate of appointees to the advisory boards and amend the bylaws of the National Museum of African American History and Culture Advisory Council.

Recent Acquisitions and Discoveries

Ms. Stonesifer pointed out that the meeting book contained a new section, "Recent Acquisitions and Discoveries," that will be regularly included in future books. The paper will highlight new accessions into the Smithsonian's collections, as well as new discoveries and recently published research made by Smithsonian staff.

Legislative Report

Secretary Clough noted that the Legislative Report paper would be updated to include a number of recent visits from members of Congress to Smithsonian facilities. Ms. Stonesifer noted that no oral presentation was planned to accompany this report, but that Nell Payne, the Director of the Office of Government Relations, would be available to answer any questions.

Audit and Review Committee

The Committee briefly reviewed and discussed the fiscal year 2008 financial statement and the accompanying letter from the Smithsonian's independent auditors, KPMG.

Investment Committee

Mr. Sant noted that Eli Broad would be retiring from the Board after the April 6, 2009, meeting, and emphasized the "great role" he played on the Investment Committee.

Report of the General Counsel

Ms. Shaines provided a brief overview of significant litigation involving the Smithsonian. Secretary Clough also discussed the measures he instituted regarding alleged asbestos exposure at the National Air and Space Museum and the National Museum of American History.

Advancement Committee

Mr. Spoon briefly reviewed a proposed naming action and noted that the four non-Regent members appointed to the Advancement Committee in January 2009 were already contributing significantly to the Committee's deliberations.

Before adjourning, Secretary Clough informed the Committee that attendance at the Smithsonian was up 1.7 million since the beginning of 2009.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:20 p.m.

Respectfully submitted,

Patricia Stonesifer, Chair