

MINUTES OF THE FEBRUARY 22, 2011, EXECUTIVE COMMITTEE MEETING

The Executive Committee (“the Committee”) of the Board of Regents of the Smithsonian Institution met by teleconference on February 22, 2011, beginning at 11:00 a.m. Participating were Board Chair Patricia Q. Stonesifer, Board Vice Chair Alan G. Spoon, and Committee member Robert P. Kogod. Also participating by invitation of the Committee were Counselor to the Chief Justice Jeffrey P. Minear; Chief of Staff to the Secretary Patricia Bartlett; Deputy Director of the Office of Planning, Management and Budget Ken Johnson; Under Secretary for History, Art, and Culture Richard Kurin; Chief of Staff to the Regents John K. Lapiana; General Counsel Judith Leonard; and Under Secretary for Finance and Administration Alison McNally.

Ms. Stonesifer called the meeting to order.

Approval of the Minutes of the December 13, 2010, and January 13, 2011, Meetings

The draft minutes of the Committee’s two previous meetings on December 13, 2010, and January 13, 2011, were approved by the Committee without modification.

National Campaign Bridge Funding

Ms. McNally explained that on September 21, 2009, the Regents authorized a pay-out from the Endowment of up to \$2.5 million to fund certain start-up costs for the national fundraising campaign. The approved resolution limited funding to “fiscal year 2010 expenses” (emphasis added).

Ms. McNally explained that staff originally anticipated that approval to begin the campaign would have been secured in early fiscal year 2010. However, planning issues delayed the approval process until January 2011 and “expenses” expected to be incurred in fiscal year 2010 would consequently not be incurred until fiscal year 2011. Ms. McNally said funding beyond the original \$2.5 million was not being sought, but only authorization to use that money to pay for start-up costs beyond fiscal year 2010. Ms. Stonesifer expressed the members’ appreciation to staff for bringing the clarification to the Committee’s attention.

Accordingly, the following motion was approved:

VOTED that, pursuant to section 3.01 of the Bylaws, the Executive Committee, on behalf of the Board of Regents, modifies Regents Resolution 2009.09.05, to permit funding of fiscal year 2011 National Campaign expenses and other related development funding requirements by the special payout from the Endowment. The Secretary may request authority from the Executive Committee to permit funding such costs in future fiscal years as appropriate.

Federal Budget Outlook

Ms. McNally began the discussion with a brief overview of the Smithsonian’s recent annual

Federal appropriations. She noted that some members of Congress were suggesting that the Federal fiscal year 2011 budget be cut to fiscal year 2006, fiscal year 2008, or fiscal year 2010 levels and explained the possible impacts of applying those years' appropriations on the Smithsonian.

In reviewing those impacts, Ms. McNally explained that any necessary reductions would be decided by the following budget principles:

1. Fund non-discretionary costs
2. Advance the strategic plan
3. Fund construction for the National Museum of African American History and Culture
4. Honor commitments to donors
5. Sustain facilities

Mr. Kogod suggested that the principles also explicitly highlight the Smithsonian's commitment to education through the strategic plan and reinforce the articulation of the Smithsonian's mission.

Ms. McNally then updated the Committee on preparations in case of a government-wide shutdown. Staff reviewed the responses to previous shutdowns and solicited guidance from the Office of Management and Budget (OMB). In addition, staff "benchmarked" the Smithsonian's plans against those of similarly situated Federal agencies. Mr. Spoon suggested that, in the event of a shutdown, the Smithsonian devote available resources to protecting collections and the progress made on any continuing research. Ms. McNally agreed, noting that that was the "direction our thinking has been going."

Castle Revitalization

Ms. Bartlett updated the Committee on the current status of the Castle revitalization process. She noted that planning for the building is being done in conjunction with that for the Arts and Industries Building and the Quad. A more immediate issue, Ms. Bartlett said, was whether to take advantage of market opportunities and move staff out of the Castle in fiscal year 2013. She added that Mr. Kogod, as chair of the Facilities Committee, would be briefed on the matter the following week.

Search Update

Ms. Bartlett highlighted the "ambitious schedule" governing the Under Secretary for Finance and Administration/Chief Financial Officer search process, which anticipates a selection by June 2011. The Office of Government Relations is clearing the merger of the two positions with the Smithsonian's congressional oversight staff and OMB. Ms. Stonesifer noted that Roger Sant is serving as the Regents' representative on the search committee.

Hide/Seek Review Panel Report

Ms. Bartlett outlined the Secretary's response to the report of the Regents' exhibition policy review panel that was established after the *Hide/Seek* controversy. A draft management response to the report is being circulated for comment and will be shared with Ms. Stonesifer on February 28, 2011. Ms. Bartlett highlighted some of the other actions taken in response to the panel's work, including a discussion by the Directors Advisory Group; a mid-March 2011 directors and chief curators retreat to examine more deeply the implications of the panel's recommendations; and a public forum on key aspects of the controversy in April 2011. In addition, the director of the Freer and Sackler Galleries, Julian Raby, will serve as the art advisor to the Under Secretary for History, Art, and Culture.

She said that Secretary has asked the Office of Communications and External Affairs to develop a "refreshed and detailed communications plan" to address specific panel recommendations.

National Museum for the American Latino Update

Dr. Kurin briefed the Committee on a recent request for information by the President's Commission for the National Museum of the American Latino, including proposed legislation that would establish the museum within the Smithsonian Institution.

Dr. Kurin reminded the Committee that the Smithsonian's position regarding the museum has been one of cooperation and would not object to the museum being made part of the Smithsonian governance structure if authorized and funded by Congress.

The Committee agreed with Dr. Kurin's observation that the success of a new museum relied on a strong public/private partnership with regard to funding and that the Regents would expect that the new museum would be similarly funded. The Committee encouraged Dr. Kurin to share with the Commission the "blueprints for Smithsonian success" used by the Smithsonian's National Museum of the American Indian and the National Museum of African American History and Culture.

Executive Session

The Committee went into executive session to discuss leadership succession management at a Smithsonian advisory board.

The meeting was adjourned at 12:05 p.m.

Respectfully submitted,

Patricia Q. Stonesifer
Chair