

MINUTES OF THE MAY 7, 2020, VIDEOCONFERENCE MEETING OF THE COMPENSATION AND HUMAN RESOURCES COMMITTEE

The Compensation and Human Resources Committee (“Committee”) of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) held a videoconference meeting on May 7, 2020. Participating were Committee Chair John Fahey and Committee members Senator John Boozman, Steve Case, Michael Govan, and Denise M. O’Leary.

Also present by invitation of the Committee were Secretary Lonnie Bunch, Associate Director of the Office of Human Resources Angela Ameen, Chief of Staff to the Secretary Greg Bettwy, Associate General Counsel Farleigh Earhart, Deputy Chief of Staff to the Regents Kate Forester, Special Assistant to the Regents Mallory Gianola (recorder), Inspector General Cathy Helm, General Counsel Judith Leonard, Human Resources Specialist Suleyka Lozins, Director of the Office of Equal Employment and Minority Affairs Era Marshall, Under Secretary for Administration Mike McCarthy, Deputy Secretary and Chief Operating Office Meroë Park, and Chief of Staff to the Regents Porter Wilkinson.

CALL TO ORDER AND AGENDA REVIEW

Committee Chair John Fahey called the meeting to order at 10:00 a.m. and reviewed the agenda. Mr. Fahey introduced newly appointed Regent Denise M. O’Leary and welcomed her to her first Compensation and Human Resources Committee Meeting.

COMMITTEE DASHBOARD

To begin, the Committee reviewed its annual processes and activities as compared to the duties and responsibilities outlined in the Committee charter. It was concluded that all Committee tasks align with the annual cycle. The Committee will continue to review the dashboard on a regular basis.

APPROVAL OF MINUTES

Upon motion duly made and seconded, the draft minutes of the January 27, 2020, Committee meeting were approved without modification.

UPDATE ON INSTITUTIONAL IMPACT OF COVID-19 (CORONAVIRUS)

Under Secretary for Administration Mike McCarthy briefed the Committee on the Smithsonian’s response to the COVID-19 (Coronavirus) pandemic. As a public health precaution, all Smithsonian museums in Washington, D.C. and New York City, including the National Zoo, were closed to the public on March 14. Mr. McCarthy outlined the immediate mitigation efforts taken by the Institution, including a mandatory 10 percent one-year pay reduction for senior level Trust employees, elimination of year-end pay increases and cash awards for senior

level Trust employees, a 10 percent reduction in central discretionary costs, and a hiring freeze for Trust positions. The Committee also discussed potential actions under review to further mitigate the financial impact of COVID-19 depending on the extent of the closures.

SMITHSONIAN ORGANIZATIONAL STRUCTURE

Deputy Secretary and Chief Operating Officer Meroë Park announced that Congress approved the Smithsonian's proposed new organizational structure. The new structure identifies four Under Secretary positions reporting to the Deputy Secretary and Chief Operating Officer. Three Smithsonian team members have stepped into acting roles: Acting Under Secretary for Museums and Culture Kevin Gover, Acting Under Secretary for Education Ruki Neuhold-Ravikumar, and Acting Under Secretary for Science and Research Roger Brissenden. Mike McCarthy has been appointed Under Secretary for Administration. Ms. Park shared that the new structure will increase capacity to focus on mission-driven priorities, leverage communication chains, and more fully integrate the One Smithsonian guiding principle across units and functions. The Committee discussed the team's work on pan-institutional initiatives and strategic priorities, as well as the timeline and process for permanently filling the three Under Secretary positions.

Chief of Staff to the Secretary Greg Bettwy then briefed the Committee on the progress of searches for six vacant director positions: Archives of American Art; Cooper Hewitt, Smithsonian Design Museum; National Museum of African American History and Culture; National Museum of African Art; Smithsonian Institution Libraries and Archives; and Smithsonian Tropical Research Institute.

ALTERNATIVE EXECUTIVE COMPENSATION PAY BAND APPROACH

Mr. Fahey also updated the Committee on the work of Compensation Consultant, Pearl Meyer, and the continued development of the pay band approach for Trust market-based positions. Pearl Meyer is in the process of developing pay ranges for senior-level Trust positions and pay management guidelines to assist with the management of pay within the appropriate pay range. The Committee will review the final recommendations and update the Board once the enhanced approach to benchmarking executive compensation is developed.

FAIR LABOR STANDARDS ACT

To conclude the open session, the Committee received an update on the settlement between the Smithsonian and the American Federation of Government Employees regarding the re-classification of certain employees from exempt to non-exempt under the Fair Labor Standards Act.

EXECUTIVE SESSION

The Committee moved into an Executive Session at approximately 11:08 a.m. to discuss personnel matters.

ADJOURNMENT

With no further business to consider, the meeting was adjourned at approximately 11:20 p.m.

Respectfully submitted,

John Fahey
Chair