

# MINUTES OF THE OCTOBER 20, 2014, MEETING OF THE BOARD OF REGENTS

## ATTENDANCE

This scheduled meeting of the Board of Regents was held on Monday, October 20, 2014. The Board conducted morning, afternoon, and executive sessions in the Regents' Room in the Smithsonian Castle Building. Board Chair John W. McCarter, Jr., called the meeting to order at 8:30 a.m. Also present were:

The Chief Justice <sup>1</sup>	Shirley Ann Jackson	Risa J. Lavizzo-Mourey
Barbara M. Barrett	Sam Johnson	Patrick J. Leahy
Steve Case	Robert P. Kogod	Michael M. Lynton
John Fahey		David M. Rubenstein

Sakurako Fisher, Smithsonian National Board Chair  
Alan G. Spoon, Regent Emeritus and Advancement Committee Chair

Vice President Joseph R. Biden, Jr., Senator Thad Cochran, Representative Xavier Becerra, Representative Tom Cole, and Senator Jack Reed were unable to attend the meeting.

Also present were:

G. Wayne Clough, Secretary	Nell Payne, Director of Government Relations
Patricia L. Bartlett, Chief of Staff to the Secretary	Porter N. Wilkinson, Chief of Staff to the Regents
Claudine K. Brown, Assistant Secretary for Education and Access (ASEA)	Jeffrey P. Minear, Counselor to the Chief Justice
Amy Chen, Chief Investment Officer	T.A. Hawks, Assistant to Senator Cochran
Virginia B. Clark, Director of Advancement and Philanthropic Giving	Kevin McDonald, Assistant to Senator Leahy
Barbara Feininger, Senior Writer-Editor for the Office of the Regents (recorder)	Moira Lenehan-Razzuri, Assistant to Senator Reed
Cathy Helm, Inspector General	Grisella Martinez, Assistant to Representative Becerra
Albert Horvath, Under Secretary for Finance and Administration/Chief Financial Officer	Sean Murphy, Assistant to Representative Cole
John Kress, Interim Under Secretary for Science	David Heil, Assistant to Representative Johnson
Richard Kurin, Under Secretary for History, Art, and Culture	Greg Bettwy, Associate Director of the Office of Human Resources <sup>2</sup>
Judith Leonard, General Counsel	Simar Bitar, Office of Visitor Services Director <sup>3</sup>
Evelyn S. Lieberman, Director of Communications and External Affairs	Johnnetta Cole, Director of the National Museum of African Art <sup>4</sup>
Christopher Liedel, President of Smithsonian Enterprises	Erika Ferrin, Office of Communications and External Affairs (OCEA) Brand Marketing Manager <sup>3</sup>
Rachel Parker, Deputy Chief of Staff to the Regents	John Gray, Director of the National Museum of American History <sup>4</sup>
	Kirk Johnson, Director of the National Museum of Natural History <sup>4</sup>
	Sarah Sulick, OCEA Social Media Manager <sup>3</sup>

<sup>1</sup> The Chancellor, Chief Justice John G. Roberts, Jr., participated in the afternoon session.

<sup>2</sup> Mr. Bettwy participated in the report of the Compensation and Human Resources Committee.

<sup>3</sup> Mr. Bitar, Ms. Ferrin, and Ms. Sulick participated in a luncheon presentation to the Board.

<sup>4</sup> Dr. Cole, Mr. Gray, and Dr. Johnson participated in the Sixth Annual Public Forum with the Board of Regents

## MORNING SESSION

### EXECUTIVE SESSION:

#### TRANSITION AND BOARD LEADERSHIP ELECTIONS

The meeting of the Board of Regents began with an executive session. Board Chair John W. McCarter, Jr., welcomed new Citizen Regent Michael Lynton to his first Board meeting.

The Board discussed the pending leadership transition between the December 2014 retirement of Secretary G. Wayne Clough and the July 2015 installation of Secretary-elect David Skorton. Upon two motions duly made and seconded, the Regents agreed to recommend that the Chancellor appoint an Acting Secretary and approved a compensation recommendation for the proposed executive.

*See attached Actions 2014.10.01–2014.10.02 (Minutes of the Board of Regents, Appendix A).*

The Regents discussed the current spousal travel policy. The Board then reviewed the Governance and Nominating Committee's recommendation to reappoint Board Chair John McCarter, Vice Chair Shirley Ann Jackson, and Executive Committee member David Rubenstein to serve as the 2015 Board leadership team. Mr. McCarter, Dr. Jackson, and Mr. Rubenstein recused themselves from the discussion. Upon motion duly made and seconded, the reelections were approved en banc.

*See attached Actions 2014.10.03–2014.10.05 (Minutes of the Board of Regents, Appendix A).*

The executive session was adjourned at 8:55 a.m.

#### REPORT OF THE BOARD AND EXECUTIVE COMMITTEE CHAIR

Board Chair John W. McCarter, Jr., called the open session to order at 9:00 a.m. Director of Advancement and Philanthropic Giving Virginia Clark was applauded for the success of the Smithsonian Campaign Launch held on October 17–19, 2014.

#### Recognition of Secretary G. Wayne Clough

Mr. McCarter noted that this was Secretary Clough's last Regents' meeting. He commented on the Secretary's many accomplishments during his tenure, including his ability to provide sound leadership and stability; spearhead the Smithsonian's exploration and utilization of 21st-century technology and resources; expand the reach of the Smithsonian and the public's access to its resources; develop the strategic plan and Grand Challenges Consortia; oversee over \$1 billion in new

building construction; support the opening of over 600 exhibitions; and launch the Smithsonian Campaign. The Secretary, whose term will end on December 31, 2014, was recognized with a standing round of applause.

Staff were introduced to Mr. Lynton, after which Mr. McCarter updated the Regents on efforts to identify candidates for several Smithsonian advisory boards.

**Actions Between Meetings** Mr. McCarter reported that, on behalf of the Board, the Executive Committee approved the Smithsonian's fiscal year 2016 Federal budget request for submission to the Office of Management and Budget (OMB). Appointments to the advisory boards of the National Air and Space Museum (NASM) and the National Museum of American History (NMAH) also were approved on behalf of the Board.

**Regents' Self-Assessment** The Regents' annual self-assessment will be distributed to the full Board in November 2014.

**Appreciation of Howard Baker** Upon motion duly made and seconded, the Board approved a motion to recognize the contributions and dedication of the late Senator Howard Baker. A former Citizen Regent, Senator Baker will be remembered for his invaluable support for the nation and the Smithsonian.

*See attached Action 2014.10.06 (Minutes of the Board of Regents, Appendix A).*

**Minutes of the June 23, 2014, Board Meeting** Upon motion duly made and seconded, the draft minutes of the June 23, 2014, Board meeting were approved.

*See attached Action 2014.10.07 (Minutes of the Board of Regents, Appendix A).*

## REPORT OF THE SECRETARY

Secretary Clough updated the Board on the state of the Smithsonian and reviewed many of the strategic initiatives launched during his tenure as the 12th Secretary of the Smithsonian Institution.

**Smithsonian Campaign Launch** Secretary Clough thanked the many Regents and staff who contributed to the successful activities held during the Smithsonian Campaign Launch weekend. The Chief Justice hosted a donor lunch at the Supreme Court of the United States and Regent Bob Kogod hosted a donor dinner at his home.

The Campaign is the most ambitious campaign in history for any cultural organization, and funds raised during its quiet phase total more than \$1 billion. Over 1,800 major gifts have been received from donors, of which over 700 are new to the Smithsonian and 132 are continuing their support. Twelve of the museums and research centers have received the largest gifts in their histories, and nearly \$300 million has been raised to support permanent endowments.

**Annual Fundraising** Fiscal year 2014 annual giving to the Smithsonian totaled \$222 million. The Smithsonian raised more than \$220 million in gifts for three consecutive years, and

achieved the distinction of being the top grossing institution philanthropically for any cultural institution in the United States. Secretary Clough noted that annual giving in fiscal year 2009 totaled \$126 million. In contrast, Federal support for the Smithsonian over the last six years has decreased from approximately 70 percent of the Institution's annual budget to about 60 percent.

#### Strategic Initiatives

The Secretary reviewed strategic initiatives that have supported, among other things, the launch of the Smithsonian Campaign. During his tenure, the strategic plan, which served as a template for Campaign case statements, and a resourcing framework were developed; the branding campaign was launched; and the Grand Challenge Consortia were formed. New pan-institutional efforts, such as the digitization initiative and cross-disciplinary research and education activities, strengthened the Smithsonian's ability to expand access and outreach.

A 2010 grant from the Bill & Melinda Gates Foundation provided funding for the Grand Challenge Consortia's cross-disciplinary work. To date, more than \$6.45 million in awards have funded 132 research projects and generated \$34.45 million in external awards. Signature programs have developed from these projects, including BioGenomics, Our American Journey, Living in the Anthropocene, Life in the Cosmos, and Marine and Forest Global Earth Observatories (GEO). IndigenousGEO, which involves forest observatories on tribal lands, recently launched. The Grand Challenges' October 9, 2014, symposium "Living in the Anthropocene: Prospects for Climate, Economics, Health, and Security" was attended by nearly 400 representatives from the Smithsonian, universities, foundations, Federal agencies, policy development groups, and other organizations of influence.

#### Noted

The Secretary also commented on the following:

##### Events

- The 2014 *Smithsonian* Magazine Ingenuity Awards
- The September 2014 ribbon-cutting ceremony for the Smithsonian Environmental Research Center's Mathias Laboratory
- The beam-signing ceremony at the National Museum of African American History and Culture (NMAAHC) construction site

##### Facilities

- The December 2014 scheduled reopening of Cooper Hewitt, Smithsonian Design Museum
- The spring 2015 scheduled opening of the Smithsonian Tropical Research Institute's Gamboa Science Laboratory
- The July 2015, scheduled reopening of the newly renovated first floor of the NMAH west wing
- The South Campus Master Plan, the first-ever Smithsonian master plan, which will be presented to the public in November 2014

##### Partnerships

- A new Memorandum of Agreement with the U.S. Patent and Trademark Office

- A Memorandum of Understanding with the University of Tennessee-Batelle to formalize a high-performance computing collaboration with the Oak Ridge National Laboratory
- The increased number of Smithsonian Affiliate museums (which have grown from 160 in 2008 to, currently, 196 in 44 states, Puerto Rico, and Panama) and the development of Lemelson Center–sponsored Spark!Lab discovery centers in several Affiliate museums

#### Digital Action Agenda

- The Rapid Capture Digitization Pilot Program, which is moving into full-scale production, and 3D digitization activities
- The 3,900 volunteer transcribers from across the globe who support the work of the Smithsonian Transcription Center
- The October 2014 launch of the Smithsonian’s first Massive Open Online Course (MOOC)

#### Education

- The Youth Access Grants program, which has provided 68 grant awards totaling over \$5 million and generated matching funds
- The opening of new education centers in multiple Smithsonian museums

#### Collections Care

- The Collections Space Framework Plan, and efforts to focus on collections preservation, storage, access, and digitization

#### Ongoing Challenges

Secretary Clough reviewed ongoing issues facing the Smithsonian. Fundraising for the Giant Magellan Telescope continues to be a challenge; efforts are under way to secure both Federal and private funding. Federal funding for the Smithsonian’s basic infrastructure remains insufficient. It is hoped that the South Campus Master Plan will support private fundraising efforts. The stabilization of the Arts and Industries Building has resulted in a structure that could potentially support special events until its final purpose is determined. The facility, however, will need additional monies to become fully operational. Strengthening the Smithsonian’s collections and intellectual vitality remains a critical priority.

## REPORT OF THE STRATEGIC PLANNING AND PROGRAMS COMMITTEE

#### Creation of a Subcommittee

Strategic Planning and Programs Committee Chair Shirley Ann Jackson provided the committee’s report. On behalf of the committee, she proposed the creation of a subcommittee of the Strategic Planning and Programs and Finance committees to oversee Smithsonian Enterprises (SE) during the transition period to the new Secretary. Upon motion duly made and seconded, the Board approved a motion to create the subcommittee and appoint Regents Steve Case, Shirley Ann Jackson, Michael Lynton, and David Rubenstein as members.

***See attached Action 2014.10.08 (Minutes of the Board of Regents, Appendix A).***

#### Smithsonian Collections Space Framework Plan

The Regents reviewed the draft report of the Smithsonian Collections Space Framework Plan, which supports the strategic plan’s long-term pan-institutional

collections stewardship initiative. The report includes condition analyses of and recommendations for the Smithsonian's 2.1 million square feet of collections space, which is housed in more than 35 properties and 90 buildings. The report is informing capital planning efforts and budget requests, and will support briefings with members of Congress, the Office of Management and Budget, and private donors, among others. The next collections stewardship update will include an update on the collections digitization initiative.

## FISCAL YEAR 2014 FINANCIAL BUDGET

Under Secretary for Finance and Administration and Chief Financial Officer Albert Horvath reported on the fiscal year 2014 budget. Staff are in the process of completing the Federal year-end financial report that will be submitted to the U.S. Treasury on November 15, 2014. Preliminary numbers indicate that budget targets were achieved for most revenue categories. Approximately 95 percent of \$805 million in Federal appropriations were expended by the end of the fiscal year. The remainder will be expended in fiscal year 2015.

Fiscal year 2014 fundraising will likely surpass target. Approximately two-thirds of the working goal for the Smithsonian Campaign has been raised. SE revenues will likely fall just below budget because of the October 2013 Federal shutdown, weather-related facility closures, and the soft print advertising market. The SE net gain budget, however, will exceed budget.

Government grants and contract awards totaled \$105 million, versus the fiscal year target of \$125 million. Increased privately sponsored activities, which are reported in gift agreements, allowed the Smithsonian to achieve its overall goal of \$150 million in new awards from public and private sources.

Total fiscal year 2014 Federal and Trust expenses were below budget versus plan. Major capital projects are proceeding on time and within budget. The Endowment's value on September 30, 2014, was just under \$1.3 billion. Moody's reaffirmed the Smithsonian's AAA credit rating in September 2014 and moved the Institution's outlook from negative to stable because of management's response to sequestration and the shutdown uncertainty, stable financial results, and progress towards the National Museum of African American History and Culture (NMAAHC) fundraising goal.

## REPORT OF THE FINANCE COMMITTEE

Finance Committee Chair David Rubenstein reviewed the status of the fiscal year 2015 Federal appropriation and highlights of the fiscal year 2015 Trust budget. The Board was asked to approve the budget of appropriated and Trust funds for fiscal year 2015, and to authorize expenditures by the Secretary in accordance therewith. Upon motion duly made and seconded, the motion was approved.

*See attached Action 2014.10.09 (Minutes of the Board of Regents, Appendix A).*

**Fiscal Year 2016 Federal  
Budget Request to OMB**

Mr. Rubenstein reported on the fiscal year 2016 Federal budget request to OMB, the September 2014 submission of which was approved by the Executive Committee on behalf of the full Board . Per guidance from OMB, three scenario-based budget requests were submitted: a “full requirements” request (\$960.2 million, including \$760.2 million for Salaries and Expenses and \$200.0 million for Facilities Capital) that reflects the full needs of the Smithsonian and the priorities of the strategic plan; an “increase guidance” request (\$892.5 million); and a “decrease guidance” request (\$850.0 million). The Board discussed the Smithsonian’s facilities capital and maintenance requirements, and ongoing discussions with OMB and Congressional staff.

## REPORT OF THE INVESTMENT COMMITTEE

Investment Committee Vice Chair Steve Case presented the committee’s report. On June 30, 2014, the Endowment’s assets stood at \$1.29 billion. The annual review of its performance was not final at the time of this meeting but the one-year return is anticipated to be greater than 15 percent. The Endowment has nearly doubled in value in the past 10 years and provided \$500 million to Smithsonian programs and operations.

## REPORT OF THE AUDIT AND REVIEW COMMITTEE

**IRS Forms 990 and 990-T  
and Conflict of Interest  
Filing**

Audit and Review Committee Chair Robert Kogod reported that the committee conducted final reviews of the Smithsonian’s IRS Forms 990 and 990-T at its meeting on July 28, 2014. No major changes were made from the prior year and no unusual disclosures were noted. He reminded the Regents that the draft Form 990 was previously made available for their review and that no changes were recommended. The returns were filed prior to the August 15, 2014, deadline. The committee also was briefed on the conflict of interest filing process by General Counsel Judith Leonard. Ms. Leonard reported that there was full compliance by all Regents and senior administrators, and no major conflicts were identified.

**Audits and Integrated Risk  
Management**

At its meeting on October 1, 2014, the committee was briefed by KPMG, the Smithsonian’s external auditors, on the results of the fiscal year 2013 A-133 audit. A clean opinion was issued. KPMG also discussed the audit plan for fiscal year 2014. Mr. Horvath updated the committee on the Integrated Risk Management Initiative, and new Inspector General Cathy Helm provided a briefing on current and planned projects of the Office of the Inspector General.

Mr. McCarter commended Mr. Kogod on his leadership of the committee and oversight of successful efforts to improve the Smithsonian’s internal controls.

## REPORT OF THE ADVANCEMENT COMMITTEE

### Smithsonian Campaign Update

Advancement Committee Chair and Regent Emeritus Alan Spoon provided the committee's report. Mr. Spoon thanked his fellow Campaign cochairs, the Secretary, and staff for the success of the October 17–19, 2014, Smithsonian Campaign kickoff. At least 500 donors were hosted at kickoff events. Over two-thirds of the Campaign goal was raised during its quiet phase, and over 60,000 Americans have contributed to date. The campaign goal of \$1.5 million will be announced at the Regents' public forum scheduled to occur after this meeting.

Mr. Spoon commented on several significant gifts to endow Smithsonian positions and programs. To date, 42 new endowed positions have been funded. Gifts of at least \$1 million have been made by 183 donors, of which 34 were first-time donors to the Smithsonian and 67 made their first-ever gift at this level. Three Advancement Committee members were noted for their generous support of the Smithsonian's intellectual leadership, and the contributions of retiring Advancement Committee member Travis Engen were noted.

### Gift Actions

Director of Advancement and Philanthropic Giving Ginny Clark presented five proposed gift agreements and three administrative actions for the full Board's review. Ms. Clark noted that two gifts — one to Cooper Hewitt, Smithsonian Design Museum and the second to the Renwick Gallery — conform to preapproved gift policy exceptions for gifts in support of the museums' renovations. One administrative paper provided notification of a grant organization's conflict of interest certification requirement. Upon motion duly made and seconded, the agreements were approved en banc.

*See attached Actions 2014.10.10–2014.10.16 (Minutes of the Board of Regents, Appendix A).*

## REPORT OF THE FACILITIES COMMITTEE

### Facilities Capital and Maintenance Requirements and Appropriations

Facilities Committee Chair Robert Kogod reviewed the Smithsonian's facilities capital and maintenance requirements for fiscal years 2014–2020. He also discussed the history of Federal appropriations beginning in fiscal year 2008 and anticipated Federal budget requests up to fiscal year 2018.

Federal appropriations for the Smithsonian's facilities continue to fall short of funding necessary to support industry guidelines and practices. On an annual basis, current facilities capital requirements total \$150 million and facilities maintenance requirements total \$100 million, whereas fiscal year 2014 Federal appropriations totaled, respectively, \$103 million and \$69 million. The fiscal year 2015 Federal request includes \$126.1 million for facilities capital and \$75.2 million for facilities maintenance. The fiscal year 2016 Federal budget request to OMB reflects the unanticipated need to replace the facade of NASM. The Facilities Committee previously asked senior management to develop a strategic position statement



regarding the Federal government's responsibility for the maintenance of Smithsonian facilities. A final draft will be presented to the full Board for its endorsement in January 2015.

**Update on Leased Space**

All of the Smithsonian's leased spaces have termination dates in 2021. Mr. Kogod asked Mr. Horvath to update the Board on senior management's development of a long-term leasing strategy for administrative space. Mr. Kogod, who has a financial interest in a public real estate and investment trust that includes space leased by the Smithsonian, then recused himself from the discussion.

The Smithsonian currently spends nearly \$23.6 million each year on leases for 0.5 million square feet of administrative space, and it is anticipated that rent expenses will increase to \$28.31 million in 2021. Approximately 80 percent of the leased space is funded through Federal appropriations. The long-term leasing strategy is designed to achieve cost savings, improve administrative efficiencies, and support collaboration while enabling the Smithsonian to address such facilities revitalization projects as the renovation of the Smithsonian Castle Building.

Several options have been explored, including extending expiring leases; consolidating leased spaces; acquiring or constructing a facility; or securing third-party lease/leaseback with reversion agreements. Extending expiring leases would be the most costly option and significant lead time is necessary to pursue any other option. The Smithsonian will soon issue a non-binding request for proposal (RFP) to third parties to gauge external interest in other options and to inform the Smithsonian's cost estimates. The Facilities Committee will be briefed on the RFP results in February 2015, and the full Board will be updated at its April 2015 meeting.

**South Campus Master Plan**

A press event on the South Mall Campus Plan will be held on November 13, 2014. The Smithsonian will meet with National Capital Planning Commission on November 19, 2013.

## REPORT OF THE COMPENSATION AND HUMAN RESOURCES COMMITTEE

Compensation and Human Resources Committee Chair Ambassador Barbara Barrett presented the committee's report. The Board was briefed on the processes that will support its January 2015 compensation decisions. Market positions are being benchmarked and key process details are being finalized. Ms. Barrett reported that approximately 15 compensation decisions will be brought to the full Board for its review. Twenty compensation decisions will be made by the committee.

**Smithsonian Enterprises Incentive Program**

The Board reviewed a series of recommendations for the SE incentive plan. Developed by PricewaterhouseCoopers and refined by the committee, the proposed plan incorporates best practices, ensures that both short-term gain and long-term growth are incentivized, and recognizes market data while supporting

the Smithsonian's role as a public trust. Associate Director of the Office of Human Resources Greg Bettwy outlined proposed modifications to the SE short-term plan, which include normalizing SE manager participation, recalibrating target values, and replacing net gain metrics with revenue and cost-ratio metrics.

Upon motion duly made and seconded, the Regents approved en banc the adoption of the modified short-term incentive plan and the proposed long-term incentive plan, both effective fiscal year 2015. The long-term plan will be evaluated at the conclusion of the initial plan year to ensure that the metrics are appropriately incentivizing organizational behavior that promotes long-term growth and contributions of unrestricted revenue to the Institution.

***See attached Actions 2014.10.17–2014.10.18 (Minutes of the Board of Regents, Appendix A).***

## REPORT OF THE GOVERNANCE AND NOMINATING COMMITTEE

### Advisory Board Appointments

Governance and Nominating Committee Chair Steve Case presented the committee's report. Upon motion duly made and seconded, proposed appointments and reappointments to 13 Smithsonian advisory boards were approved en banc.

***See attached Actions 2014.10.19–2014.10.31 (Minutes of the Board of Regents, Appendix A).***

### Bylaw Amendments

Proposed amendments to the bylaws of the Smithsonian National Latino Board were presented. The amendments largely reflect the intention to standardize the bylaws to better align with those of other Smithsonian advisory boards. Mr. Case also directed the Regents' attention to a continuity resolution that, if approved, will provide for the extension of members' terms until their successors are appointed and noted precedence for such action.

Upon motion duly made and seconded, the proposed amendments were approved.

***See attached Action 2014.10.32 (Minutes of the Board of Regents, Appendix A).***

### Advancement Committee Appointment

Mr. Case presented the Governance and Nominating Committee's recommendation to appoint Christine Udvar-Hazy to the Regents' Advancement Committee. Upon motion duly made and seconded, the Board approved the proposed nomination and requested that the Chancellor make the necessary appointment.

***See attached Action 2014.10.33 (Minutes of the Board of Regents, Appendix A).***

### Renomination of David Rubenstein

Citizen Regent David Rubenstein's first term will expire on May 7, 2014. Upon motion duly made and seconded, the Board renominated Mr. Rubenstein for a second term on the Board and requested that the Congressional Regents introduce and support legislation leading to his reappointment.

***See attached Action 2014.10.34 (Minutes of the Board of Regents, Appendix A).***

**Regent Committee Term Limits**

Mr. Case noted that most of the Regent committee charters state that Regents or non-Regents may serve on a committee for up to six years and that Regents Emeriti may serve up to three years. Because many of the charters were last updated in 2008, as many as 25 committee members could be impacted in 2015 if term limits were to be enforced.

The Governance and Nominating Committee recommends extending the committee terms of Regents to 12 years, while maintaining current limits on the committee membership of non-Regents and Regents Emeriti. To provide for a mechanism that ensures new perspectives are brought to the committees, no waivers would be permitted for non-Regents and Regents Emeriti. In addition, the committee proposes grandfathered terms for all existing committee members. Current Advancement Committee member terms would be grandfathered until 2017 (the length of the Smithsonian Campaign) and all other committee member terms would be grandfathered until 2016. The committee also recommended that each Regent committee revise its respective charter before January 2015 to reflect these changes.

Following discussion, the Board concurred with the committee's proposals.

**Committee Charter Amendments**

At its June 2014 meeting, the Board of Regents expressed support for changing the name of the Strategic Planning and Programs Committee to the Strategy, Innovation, and Technology Committee. Changing the name and amending the committee's charter will better reflect the committee's commitment to the oversight of the Smithsonian's innovation and technology initiatives, as well as oversight of strategic investments, partnerships and collaborations, and SE. Mr. Case presented a proposed motion to rename the committee and amend its charter. The motion was seconded and approved.

***See attached Action 2014.10.35 (Minutes of the Board of Regents, Appendix A).***

Proposed amendments to the charter of the Compensation and Human Resources Committee were presented for the Board's consideration. The recommended changes reflect compensation best practices and the positions reviewed annually by the committee. Upon motion duly made and seconded, the amendments were approved.

***See attached Action 2014.10.36 (Minutes of the Board of Regents, Appendix A).***

**Board Bylaw Amendments**

The Regents reviewed proposed amendments to the Board Bylaws that reflect changes to the Strategic Planning and Program Committee's name and charter. As amendments to the Bylaws require 30-days' notice, an email ballot will be sent to the Regents in late November 2014.

## REPORT FROM THE OFFICE OF GOVERNMENT RELATIONS

Office of Government Relations Nell Payne updated the Board on recent congressional engagement and legislative activities. The House and Senate Oversight and Appropriations committees were briefed on the overall facilities plan and the South Mall Campus Master Plan. The annual Congressional Night, which was held at the National Museum of the American Indian and again sponsored by Nissan North America, attracted more than a dozen members of Congress and more than 2,600 congressional staff and their families. A hearing on the proposed National Museum of the American Latino was postponed and may be held in the lame duck session. A hearing on the Smithsonian's facilities may be held in early 2015. A bill to discuss the feasibility of a national women's museum, including its possible inclusion in the Smithsonian, has passed the House and is pending in the Senate.

## LUNCHEON PRESENTATION

Office of Communications and External Affairs (OCEA) Director Evelyn S. Lieberman introduced a luncheon presentation on the Smithsonian's new communications initiatives and strategies, many of which target millennial and digital audiences. OCEA Brand Marketing Manager Erika Ferrin discussed the Smithsonian's brand market research and highlighted new tools employed to measure marketing audiences. To date, the brand marketing campaign has generated at least 350 million impressions across multiple digital platforms. OCEA Social Media Manager Sarah Sulick spoke of the social media platforms currently used by the Smithsonian to engage and educate audiences, as well as explorations of emerging platforms that will reach new audiences. Office of Visitor Services Director Simar Bitar discussed five new visitor services that are strengthening the Smithsonian's ability to better serve its visitors. He also discussed his team's use of research and analytics to inform visitor services strategies.

## AFTERNOON SESSION

### EXECUTIVE SESSION

The Chancellor called the afternoon session to order at about 1:10 p.m. The Board held an executive session to discuss an opportunity for the Smithsonian to have a presence in London. It also conducted an executive session with the General Counsel.

The executive session adjourned at about 2:30 p.m., after which Mrs. Lieberman provided a briefing for public forum participants.

### SIXTH ANNUAL PUBLIC FORUM WITH THE BOARD OF REGENTS

The Regents' sixth annual public forum was held in the Ring Auditorium of the Hirshhorn Museum and Sculpture Garden. Mr. McCarter and Dr. Jackson reviewed the Regents' business meeting and noted the Board's appreciation for the service of Secretary Wayne Clough, who reported on the state of the Smithsonian.

Smithsonian Campaign Cochair David Rubenstein then moderated a conversation about the Smithsonian Campaign with Ms. Barrett, Mr. Spoon, National Museum of African Art Director Johnnetta Cole, NMAH John Gray, and National Museum of Natural History Director Kirk Johnson. The campaign video *Today. Tomorrow. Forever.* was screened and a question and answer session was held.

### ADJOURNMENT

The public forum was adjourned at 4:00 p.m.

Respectfully submitted,

G. Wayne Clough  
Secretary

## APPENDIX A: ACTIONS OF THE OCTOBER 20, 2014, MEETING OF THE BOARD OF REGENTS

**VOTED** that the Board of Regents recommends to the Chancellor the appointment of an Acting Secretary of the Smithsonian Institution until June 30, 2015, or until Secretary-elect Skorton arrives. [2014.10.01]

**VOTED** that the Board of Regents approves the proposed salary recommendation for the Acting Salary appointed by the Chancellor pursuant to 20 U.S.C. § 47. [2014.10.02]

**VOTED** that the Board of Regents reelects John W. McCarter, Jr., as Chair of the Smithsonian Institution's Board of Regents for a one- year term effective January 27, 2015. [2014.10.03]

**VOTED** that the Board of Regents reelects Shirley Ann Jackson as Vice Chair of the Smithsonian Board of Regents for a one-year term effective January 27, 2015. [2014.10.04]

**VOTED** that the Board of Regents reelects David M. Rubenstein as member of the Smithsonian Board of Regents' Executive Committee for a one-year term effective January 27, 2015. [2014.10.05]

**VOTED** that the Board of Regents expresses its profound appreciation to the memory of the Honorable Howard H. Baker, Jr., former Regent, esteemed statesman, and friend of the Smithsonian Institution, and extends its heartfelt sympathies to his wife, the Honorable Nancy L. Kassebaum Baker, and family. [2014.10.06]

**VOTED** that the Board of Regents approves the minutes of the June 23, 2014, meeting of the Board of Regents. [2014.10.07]

**VOTED** that the Board of Regents creates a temporary Regents' subcommittee to oversee Smithsonian Enterprises and appoints Steve Case, Shirley Ann Jackson, Michael Lynton, and David Rubenstein to serve on the subcommittee. [2014.10.08]

**VOTED** that the Board of Regents approves the budget of appropriated funds for fiscal year 2015 when signed into law by the President, the institutional budget for Trust funds for fiscal year 2015 reflected in this report, and authorizes expenditures by the Secretary in accordance therewith. Any material changes in program plans incorporated into this budget shall be made only with the approval of the Board of Regents or its Executive committee. [2014.10.09]

**VOTED** that the Board of Regents recognizes the generosity of the Chatterjee Charitable Foundation to Cooper Hewitt, Smithsonian Design Museum, and names the Amita and Purnendu Chatterjee Gallery for 40 years. [2014.10.10]

**VOTED** that the Board of Regents approves the relocation of the naming of Cooper Hewitt, Smithsonian Design Museum's Lisa Roberts and David Seltzer Room, the museum shop, to its new location in the former Carnegie Picture Gallery. [2014.10.11]

**VOTED** that the Board of Regents creates and names the Fund for the Arabian Peninsula, a quasi-endowment for the benefit of the Freer Gallery of Art and Arthur M. Sackler Gallery to support initiatives that shed light on the art, culture, and history of the Arabian Peninsula. Further, the Board authorizes the transfer of the funds identified for this purpose. [2014.10.12]

**VOTED** that the Board of Regents recognizes the generosity of A&E Television Networks, LLC, to the National Museum of American History and accepts the terms of the gift agreement. [2014.10.13]

**VOTED** that the Board of Regents recognizes the generosity of Friends of the National Zoo to the National Zoological Park and names the FONZ Discovery Classroom for 20 years or until the next comprehensive renovation of the space, whichever occurs last. [2014.10.14]

**VOTED** that the Board of Regents recognizes the generosity of the Walter and Lucille Rubin Foundation to the Smithsonian American Art Museum and names each of two adjoining galleries the Walter and Lucille Rubin Gallery in the Smithsonian American Art Museum for a period of 20 years or until the next major renovation, which occurs last. [2014.10.15]

**VOTED** that the Board of Regents recognizes the generosity of the James Renwick Alliance to the Renwick Gallery of the Smithsonian American Art Museum and names the James Renwick Alliance Gallery until the next comprehensive renovation of the Renwick Gallery. [2014.10.16]

**VOTED** that the Board of Regents approves PwC's proposed modifications to the short-term incentive plan for Smithsonian Enterprises beginning in fiscal year 2015. [2014.10.17]

**VOTED** that the Board of Regents approves the proposed long-term incentive plan for Smithsonian Enterprises beginning in fiscal year 2015 and that an evaluation be conducted at the conclusion of the initial plan year to ensure that the metrics are appropriately incentivizing organizational behavior that promotes long-term growth and contributions of unrestricted revenue to the Institution. [2014.10.18]

**VOTED** that the Board of Regents appoints Alma R. Candelaria to the Advisory Board of the Anacostia Community Museum for a three-year term effective immediately. [2014.10.19]

**VOTED** that the Board of Regents appoints Gautam Chandra to the Advisory Board of the Asian Pacific American Center for a three-year term effective immediately. [2014.10.20]

**VOTED** that the Board of Regents reappoints Amita Chatterjee to the Board of Trustees of Cooper Hewitt, Smithsonian Design Museum for a three-year term effective immediately. [2014.10.21]

**VOTED** that the Board of Regents appoints Orlando P. Carvalho to the Board of the National Air and Space Museum for a three-year term effective immediately. [2014.10.22]

**VOTED** that the Board of Regents appoints George Levert to the Advisory Board of the National Museum of African Art for a three-year term effective immediately. [2014.10.23]

**VOTED** that the Board of Regents appoints Kim Baird, danah boyd, Kristopher Easton, Sven Haakanson , Richard Luarkie, Loretta Tuell, and Deacon Turner and reappoints Andrew Lee to the Board of Trustees of the National Museum of the American Indian for three-year terms effective January 1, 2015. [2014.10.24]

**VOTED** that the Board of Regents appoints Tommie Pegues to the Board of Commissioners of the National Portrait Gallery for a four-year term effective immediately. [2014.10.25]

**VOTED** that the Board of Regents appoints Michelle Smith to the Commission of the Smithsonian American Art Museum for a four-year term effective January 1, 2015. [2014.10.26]

**VOTED** that the Board of Regents reappoints Myra Hart and Colin Masson to the Advisory Board of the Smithsonian Astrophysical Observatory for three-year terms effective January 28, 2015. [2014.10.27]

**VOTED** that Board of Regents reappoints Kevin Compton and Jeanne Grasso to the Advisory Board of the Smithsonian Environmental Research Center for three-year terms effective immediately. [2014.10.28]

**VOTED** that the Board of Regents appoints Maureen Conners, Stephen Koval, Dennis Manning, and David Bruce Smith, and reappoints Roland DeSilva, Nancy Eaton, Barbara Joynt, Bruce Lisman, and Lowell Robinson to the Advisory Board of the Smithsonian Institution Libraries for three-year terms effective January 1, 2015. [2014.10.29]

**VOTED** that Board of Regents appoints Thomas E. Chávez and Yolanda Rodriguez Stemer to the Smithsonian National Latino Board of the Smithsonian Latino Center for three-year terms effective immediately. [2014.10.30]

**VOTED** that the Board of Regents appoints Simone Acha, Morad Fareed, Jeffrey Martin, Michelle Moore, Fredericka Stevenson, and Peter Vesterbacka to the National Advisory Board of the Smithsonian Science Education Center for three-year terms effective immediately. [2014.10.31]

**VOTED** that the Board of Regents approves the proposed amendments to the bylaws of the Smithsonian National Latino Board of the Smithsonian Latino Center. [2014.10.32]

**VOTED** that the Board of Regents approves the proposed nomination of Christine Udvar-Hazy to the Regents' Advancement Committee and requests that the Chancellor make the necessary appointment. [2014.10.33]



**VOTED** that the Board of Regents renominates David M. Rubenstein for a second term as a Citizen Regent on the Board of Regents. The Congressional Regents are asked to introduce and support legislation leading to his reappointment. [2014.10.34]

**VOTED** that the Board of Regents approves the renaming of the Strategic Planning and Programs Committee to the Strategy, Innovation, and Technology Committee, as well as approves the proposed amendments to the committee charter. [2014.10.35]

**VOTED** that the Board of Regents approves the proposed amendments to the charter of the Compensation and Human Resources Committee. [2014.10.36]