

MINUTES OF THE JANUARY 30, 2017, MEETING OF THE BOARD OF REGENTS

ATTENDANCE

This scheduled meeting of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) was held on Monday, January 30, 2017. The Board conducted morning, afternoon, and executive sessions at the National Museum of the American Indian in Washington, D.C. Board Chair John W. McCarter, Jr., called the meeting to order at 8:35 a.m. Also present were Regents:

The Chief Justice ²	John Fahey
Senator John Boozman	Shirley Ann Jackson
Senator Patrick J. Leahy	Robert P. Kogod
Representative Sam Johnson ¹	Risa J. Lavizzo-Mourey
Representative Doris Matsui	Michael Lynton
Ambassador Barbara M. Barrett	David M. Rubenstein
Steve Case	

Robert MacDonald, Smithsonian National Board Chair
Alan G. Spoon, Advancement Committee Chair

The Vice President, Senator David Perdue, Representative Tom Cole, and Investment Committee Chair Tim O’Neill were unable to attend the meeting.

Also present by invitation of the Board were:

David J. Skorton, Secretary	Dr. Kirk Johnson, ¹ Sant Director, National Museum of Natural History
Patricia Bartlett, Acting Assistant Secretary Education & Access	Richard Kurin, Acting Provost/Under Secretary for Museums & Research
Samir Bitar, Project Manager, Office of Visitor Services	John K. Lapiana, Deputy Under Secretary for Finance & Administration and Acting Assistant Secretary Communications & External Affairs
Amy Chen, Chief Investment Officer	Judith Leonard, General Counsel
Virginia B. Clark, Assistant Secretary for Advancement	Era Marshall, Director for the Office of Equal Employment and Minority Affairs
Derrick Dickey, Chief of Staff to Senator Perdue	Kevin McDonald, Senior Adviser to Senator Leahy
Julie Eddy, Chief of Staff to Representative Matsui	Jeffrey P. Minear, Counselor to the Chief Justice
Jennifer Ehlinger, Office of the Regents Senior Researcher & Writer (recorder)	Julian Raby, ² Dame Jillian Sackler Director, Arthur M. Sackler Gallery & the Freer Gallery of Art
Amanda Hamilton, ¹ Deputy Chief of Staff to Representative Johnson	Maura Reidy, Acting Director of Government Relations
Cathy Helm, Inspector General	Sherri Wheeler, Director, Office of Visitor Services
Albert Horvath, Under Secretary for Finance & Administration/Chief Financial Officer	Porter N. Wilkinson, Chief of Staff to the Regents

¹ Participated in the morning session only.

² Participated in the afternoon session only.

³ Participated in the lunch discussion only.

MORNING SESSION

EXECUTIVE SESSION: REPORT OF THE COMPENSATION AND HUMAN RESOURCES COMMITTEE

2017 Senior Executive Compensation

The meeting of the Board of Regents began with an executive session. Compensation and Human Resources Committee Chair John Fahey led the Board's annual discussion of senior executive compensation decisions. The Board also reviewed the Secretary's annual performance appraisal for fiscal year 2016.

Upon two motions duly made and seconded, the Board approved the Compensation and Human Resources Committee's compensation recommendations for senior executive positions and the Secretary.

See attached Actions 2017.01.01 and 2017.01.02 (Minutes of the Board of Regents, Appendix A).

EXECUTIVE SESSION: REPORT OF THE GOVERNANCE AND NOMINATING COMMITTEE

New Regent Search

Governance and Nominating Committee Chair Steve Case led the Board's discussion on the search for two new Regents to fill Dr. Shirley Ann Jackson's and Robert Kogod's seats when each of their Regent terms expire in May 2017. Mr. Case noted that in accordance with the Charter, Mr. Kogod's seat must be filled by a D.C. resident, while Dr. Jackson's replacement can be from any state not already represented by a citizen Regent.

Mr. Case presented the two Regent candidates recommended by the Governance and Nominating Committee for nomination to the Board: Michael Govan is proposed as the priority candidate for the U.S., and Roger W. Ferguson is proposed as the priority candidate for D.C.

Upon two motions duly made and seconded, the Board approved the Governance and Nominating Committee's recommendations and voted to nominate Michael Govan of California to succeed Dr. Shirley Ann Jackson as a Citizen Regent, and Roger W. Ferguson of the District of Columbia to succeed Robert P. Kogod as a Citizen Regent. The Board asked its congressional Regents to introduce and support legislation appointing the two newly nominated Regents.

See attached Actions 2017.01.03 and 2017.01.04 (Minutes of the Board of Regents, Appendix A).

The executive session adjourned at 9:10 a.m.

OPEN SESSION

Welcome and Introductions

Smithsonian and Regent staff members entered the room and the meeting reconvened. Mr. McCarter called the open session to order at 9:13 a.m., welcomed everyone, and called for introductions around the room.

REPORT OF THE BOARD AND EXECUTIVE COMMITTEE CHAIR

Transition of Congressional Regents

Mr. McCarter began his report by welcoming Representative Doris Matsui back as a member of the Board of Regents. Representative Matsui was appointed by the Speaker of the House to succeed Representative Xavier Becerra, following his appointment as Attorney General of California. Representative Matsui previously served as a Regent from 2007-2011, and remained involved with the Smithsonian even after she left the Board, serving on two unit Advisory Boards: the Advisory Board of American History and the Asian Pacific American Center.

OREG Personnel

Next, Mr. McCarter noted that Deputy Chief of Staff to the Regents Rachel Parker recently departed the Smithsonian to accept a position at the Department of Justice. He thanked Ms. Parker for her service to the Board and the Smithsonian and wished her the best in her new position. The search for a new deputy is currently underway.

Departure and Recognition of Assistant Secretary for Advancement

In November 2016, Assistant Secretary for Advancement Virginia Clark announced that she would depart the Smithsonian in late March 2017. Mr. McCarter and Advancement Committee Chair Alan Spoon highlighted the innumerable contributions made by Ms. Clark during her fourteen-year tenure, which have transformed advancement at the Smithsonian on a variety of levels. Under Ms. Clark's leadership, the Campaign surpassed its \$1.5 billion goal 16 months ahead of schedule, adding \$370 million to endowment; including 52 endowed positions, six new education centers, and new and improved Smithsonian facilities across the Institution. Mr. McCarter announced that a special Smithsonian flag is being flown over the Smithsonian Castle in Ms. Clark's honor as a symbol of the Board's grateful appreciation for all that she has done for the Smithsonian.

Important Upcoming Dates

Next, Mr. McCarter noted important upcoming dates, including the next full Board meeting, which will be the Regents' annual strategic meeting, scheduled to be held on Monday, April 3, 2017, at Microsoft's Innovation and Policy Center.

Renomination of a Citizen Regent

Mr. McCarter presented one item of business for full Board's consideration: the renomination of Citizen Regent Steve Case. Mr. Case recused himself and left the room for the discussion and vote. He reminded the Board that Citizen Regents are eligible to be appointed for two six-year terms and Mr. Case's first term would expire on April 25, 2017.

Upon motion duly made and seconded, the Board voted to nominate Steve Case to a second term as a Citizen Regent and asked the Congressional Regents to introduce legislation supporting his reappointment.

See attached Actions 2017.01.05 (*Minutes of the Board of Regents, Appendix A*).

APPROVAL OF THE CONSENT AGENDA

Adoption of the Consent Agenda

The Board reviewed the meeting's Consent Agenda ("Agenda"). Procedures of the Board's use of the Agenda mandate that an item will remain on the Agenda only by unanimous consent, and any Regent may ask the Office of the Regents to remove an item from the Agenda for discussion by providing three-days' notice in advance of the scheduled Board meeting.

Action items listed on the present meeting's Agenda include the draft minutes of the October 24, 2016, Board meeting; the appointment and reappointment of candidates to ten Smithsonian Advisory Boards; the proposed amendments to the Charters of the Facilities, Finance, and Strategy, Innovation, and Technology Committees; and proposed amendments to the bylaws of the Smithsonian Science Education Center. Also listed on the Agenda for approval is one proposed gift action and the proposed establishment of a quasi-endowment. After reviewing the Agenda, Mr. McCarter asked that Regents John Fahey and David Rubenstein recuse themselves from voting on the Agenda, as they were included on the proposed slate of candidates for reappointment to the Advisory Board of the National Museum of Natural History ("NMNH"). Upon motion duly made and seconded, the Board voted to adopt the Agenda, constituting the approval of all action items listed therein.

See attached Actions 2017.01.06 (*Minutes of the Board of Regents, Appendix A*).

QUESTIONS ON WRITTEN COMMITTEE REPORTS

Questions on Written Committee Reports

Mr. McCarter reminded the Board of the procedural meeting modifications, which were adopted in June 2015 and have been in use since the October 2015 meeting. The adjustments allow for more time to be dedicated toward strategic discussions and include comprehensive written committee reports and modified oral reports. In line with these modifications, Regent Committees having no action or discussion items prepare written reports that were distributed in advance of the meeting. Regent committee chairs and senior Smithsonian staff were present to answer questions from the Board about the written reports.

Written Report of the Smithsonian National Board

SNB Update

The Smithsonian National Board ("SNB") held its fall meeting from October 20 – 22, 2016, in Washington, D.C. During the fall meeting, SNB members discussed the visitor experience in museums across the Smithsonian. Members received an overview of the recently completed Smithsonian-wide visitor study and learned

about innovative practices in visitor engagement at the Broad Museum in Los Angeles. The fall meeting also focused on the National Museum of African American History and Culture (“NMAAHC”). SNB members learned how museums across the Smithsonian are recognizing the opening of the new museum and were given an opportunity to spend time at NMAAHC during dinner on Friday, October 21, 2016. The SNB also welcomed seven new members during its fall meeting.

The SNB will reconvene in Panama from January 22 – 26, 2017, to visit the Smithsonian Tropical Research Institute (“STRI”). Members will learn about STRI’s work and current priorities through presentations and demonstrations from STRI scientists; visits to STRI’s headquarters in Panama City, Barro Colorado Island, Gamboa; and other field research sites.

Written Report from the Office of Government Relations

OGR Update

The Office of Government Relations (“OGR”) has continued congressional and White House engagement, hosting and participating in a number of programs and events. On November 14, the Smithsonian hosted a congressional open house at the National Museum of African American History and Culture (“NMAAHC”), during which approximately 2,000 congressional members and staff were in attendance. On January 7, 2017, Secretary Skorton participated in the Legislative Issues and Procedures Seminar, hosted by the Congressional Research Service for all new members of Congress. The bipartisan retreat in Williamsburg, Virginia occurs at the start of each new Congress in order to educate new members on a wide variety of issues. This is the first time the Smithsonian has participated in the seminar.

On Monday December 12, 2016, OGR and the Office of Planning, Management, and Budget (“OPMB”); the Office of the Under Secretary for Finance and Administration’s Real Estate Division; and the Director’s Office of the National Zoological Park (“NZIP”) hosted staff from the Committee on House Administration, House Committee on Transportation and Infrastructure, Public Buildings Subcommittee, and the Senate Rules Committee for a briefing on the proposed Central Parking Facility at NZIP. Attendees were able to tour the proposed site and learn about the financing mechanisms under consideration for the project.

Budget

OGR has continued to monitor the federal budget. On December 8, 2016, the House and Senate passed a continuing resolution (“CR”). The new CR provides funding through April 28, 2017, at an annualized level of \$1.06 billion, which meets the discretionary spending limit for fiscal year 2017.

Inauguration

In its written update, OGR also reported on plans for the January 20, 2017, Presidential Inauguration (“Inauguration”), and its impact on the Smithsonian. A cross-functional Smithsonian Inauguration Planning Team is in place, with representatives from nearly every unit across the Institution, in order to effectively prepare for and communicate plans surrounding the Inauguration.

The Inauguration has been designated a National Special Security Event. Therefore, the Smithsonian is working together with local and federal law enforcement agencies that are involved with the event.

Written Report of The Advancement Committee

Update from the Advancement Committee

The Advancement Committee held a teleconference meeting on January 5, 2017. During the meeting, the Committee discussed the progress of the Smithsonian Campaign, overall fundraising efforts, and online philanthropy programs. As of December 31, 2016, the Smithsonian had raised \$1.6 billion for the Campaign, \$55 million towards the fiscal year 2017 goal of \$200 million, and eleven units had exceeded their Campaign goals.

Online Fundraising

The Smithsonian has started to engage in a number of creative fundraising opportunities, including the use of social media through online philanthropy. Two of these successful initiatives were Kickstarter campaigns, “Reboot the Suit” and “#KeepThemRuby.” Through “Reboot the Suit,” the Smithsonian raised \$720,000 from 9,500 donors to enable the National Air and Space Museum “NASM” to conserve, digitize, and display the spacesuit worn by Neil Armstrong in 1969 for the moon landing of Apollo 11, and the spacesuit worn by Alan Shepard for the first American manned spaceflight in 1961. On October 17, 2016, the Smithsonian and the NMAH launched another major Kickstarter effort, announcing the “#KeepThemRuby” campaign to fund the conservation and display of Dorothy’s Ruby Slippers, made famous in 1939 by the landmark MGM musical, the *Wizard of Oz*. The campaign reached its Kickstarter goal of \$300,000 on October 23, 2016, ahead of schedule, thanks to the contributions of more than 5,300 supporters in 41 countries across the world.

REPORT OF THE AUDIT AND REVIEW COMMITTEE

Report of the Audit and Review Committee

Chair of the Audit and Review Committee Ambassador Barbara Barrett presented the report of the Committee and briefed the Board on the results of the audit of the fiscal year 2016 financial statements and federal closing package ending on September 30, 2016.

Audit Results

The Smithsonian’s external auditor, KPMG, did not identify any significant changes in the disclosures contained in the audit report or any material weaknesses in internal controls. KPMG also issued an unmodified opinion on the Smithsonian’s federal financial reporting package, which was submitted to the Treasury Department on November 16, 2016, in accordance with the mandated filing date.

Ambassador Barrett also noted other Committee activities during its January 26, 2017, including a report from the Inspector General and approval of Smithsonian management’s request to retain KPMG to perform non-audit services related to the preparation and filing of the annual IRS forms 990 and 990-T.

REPORT OF THE INVESTMENT COMMITTEE

Report of the Investment Committee

Committee member David Rubenstein presented the report of the Investment Committee. As of September 30, 2016, the Endowment stood at \$1.35 billion, an increase of \$66.2 million since October 1, 2015. The change reflects a total return to the Endowment of \$87.7 million, new contributions of \$48.1 million, payout of \$68.0 million, and \$1.6 million for investment expenses.

ESG Criteria and Investment Process

Mr. Rubenstein noted the Committee's discussions on sustainable investing that recognized the relevance of environmental, social, and governance ("ESG") factors when making investment decisions. The Committee agreed to incorporate ESG criteria into the investment process.

REPORT OF THE GOVERNANCE AND NOMINATING COMMITTEE (CONTINUED)

Continued report of the Governance and Nominating Committee

Governance and Nominating Committee Chair Steve Case continued the report of the Committee slated for open session. Mr. Case presented one action item for the Board's consideration: proposed Regent committee assignments and chairmanships for 2017.

2017 Committee Assignments and Chairmanships

The Board was presented with a proposed Regent committee membership roster and matrix. By tradition, Citizen Regents typically serve on three Regent committees and chair at least one committee, and Congressional Regents are assigned to two committees. Upon motion duly made and seconded, the Board voted to approve the proposed committee assignments and chairmanships and recommended that the Chancellor make the necessary appointments.

See attached Actions 2017.01.07 (*Minutes of the Board of Regents, Appendix A*).

Regents' 2016 Annual Self-Assessment

Next, Mr. Case briefed the Board on the Committee's discussions regarding the Regents' annual self-assessment. As part of the governance reforms instituted in 2008, the Regents conduct an annual self-assessment. From 2007-2014, the Board used the same survey. Last year, the Board used a new tool, designed to help nonprofit boards assess their performance and identify priorities. Following extensive consideration of the pros and cons of each format, the Committee agreed to revise the original self-assessment tool and include additional space for comments. Mr. Case noted that the Office of the Regents will distribute the fiscal year 2016 self-assessment in the coming weeks and encouraged all Regents to participate in the self-assessment, as it is a vital and productive exercise to measure the Board's performance.

Lastly, Mr. Case briefed the Board on current plans for the regents' annual strategic meeting, which is scheduled for April 3, 2017. At its meeting in June 2015, the Board agreed to convene one strategic meeting each year at a facility other than the Castle. The first strategic meeting, held in April 2016, took place at the National Museum of American History ("NMAH").

April Strategic Meeting Planning

The plan for the April 2017 meeting is to host a technology demonstration, which will provide Regents and Smithsonian leadership with an opportunity to learn about new technologies that are relevant to the museum experience. In October 2016, the Board agreed with the Committee’s recommendation to hold the meeting off-site, recognizing that the Smithsonian does not have a facility with the necessary space and infrastructure to support an event of this nature. The meeting will take place at the Microsoft Innovation and Policy Center in Washington, D.C., where several companies will demonstrate technological devices and discuss how these technology can enhance the visitor experience and increase access to the Smithsonian’s research and collections.

REPORT OF THE FINANCE COMMITTEE

Report of the Finance Committee

Chair of the Finance Committee David Rubenstein presented the Committee’s report and addressed questions from the Board. Due to the Presidential Administration transition, the budget process for fiscal year 2018, which was supposed to begin on October 1, 2017, has been significantly delayed. The Smithsonian has not received guidance from OMB on the submission of the fiscal year 2018 budget. The major funding challenge in fiscal year 2018 will be the first installment of capital funds for the NASM revitalization. While awaiting guidance from OMB, the Smithsonian is currently reviewing different budget scenarios to prepare for the potential impact on the Smithsonian if fiscal year 2018 funding levels were 2% and 5% below the fiscal year 2016 enacted level.

FY 2018 Budget Delay

FY 2017 Budget

Federal funding for fiscal year 2017 is currently being provided through a CR that runs through April 28, 2017. The funding level is equal to the appropriations provided in the prior year (\$840.2 million). The Smithsonian had requested a special increase for building operations, maintenance, and security at NMAAHC, but that funding request was denied. The Smithsonian, however, was provided with the authority to spend beyond the continuing resolution level, if deemed necessary.

REPORT OF THE FACILITIES COMMITTEE

Report of the Facilities Committee

Chair of the Facilities Robert Kogod presented the report of the Committee. Mr. Kogod presented one action item for the Board’s consideration: the Secretary’s request to seek congressional authorization to construct a new Central Parking Facility at the NZP. The new facility would accommodate approximately 1,100 to 1,400 parking spaces at NZP and would be located along Rock Creek in D.C. Construction of the new facility is expected to be designed, constructed, financed, operated, and maintained for up to 40 years, without federal funds. Upon motion duly made and seconded, the Board voted to approve the Secretary’s request to seek congressional authorization to construct the new parking facility at NZP.

Parking Facility at NZP

See attached Actions 2017.01.08 (*Minutes of the Board of Regents, Appendix A*).

Update on NASM Revitalization

Mr. Kogod also provided a brief update on the NASM revitalization, which will be the Smithsonian's next major capital project. The revitalization is slated to begin in 2018, with projected costs estimated at \$675 million. The Smithsonian anticipates requesting federal funding to cover the cost of the comprehensive revitalization over fiscal years 2018 through fiscal year 2022, which would enable work to begin in early fiscal year 2018 (fall 2017).

Construction will be phased so that a portion of the museum will be open during the entire six-year project. The revitalization will be the first major overhaul of the building's infrastructure in over 40 years. The project will upgrade heating, air conditioning, lighting efficiency, electrical systems and sprinklers, and provide seismic upgrades. The building's stone exterior, which is Tennessee Pink Marble, will also need to be replaced as it is beginning to show signs of failure. The detailed design of the renovation by architect Quinn Evans is approximately 50 percent complete. Before the renovation can begin, additional storage space for artifacts must be constructed at the Museum's Udvar-Hazy Center near the Dulles Airport in Virginia. The storage module is slated for completion in 2018.

During the revitalization, the museum will simultaneously move forward with a complete refresh of the exhibits and galleries inside of the building. Director General Jack Dailey is leading the effort to raise \$250 million in private funds to support the re-design of the interior.

UPDATE ON THE SMITHSONIAN'S NEW STRATEGIC PLAN

New Strategic Plan

The Board was briefed on the continued work of the Strategic Planning Committee, which was formed by the Secretary in September 2016 and charged with leading the effort to formulate and draft the Smithsonian's next strategic plan. Since September, the Strategic Planning Committee, Co-Chaired by Regent Vice Chair Dr. Shirley Ann Jackson and National Museum of Natural History Sant Director Kirk Johnson, has solicited valuable feedback from staff, volunteers, and other stakeholders from across the Smithsonian in order to identify unit and Institutional priorities for the next five years. The Committee is working with an aggressive schedule to gather and analyze the data and to draft a plan. Prior to being presented to the Regents, the draft plan will be socialized across the Smithsonian.

Dr. Jackson also previewed the draft of the Smithsonian's new vision statement. The Regents agreed that the vision statement is essential and, therefore, must effectively and accurately convey the Smithsonian's goals, mission, and future strategic direction.

Further, the Board provided perspectives on the Smithsonian's role as a convener, as well as its perceived strengths, weaknesses, opportunities, and threats. The Board agreed that once the new plan and vision statement have been approved, a strong communication and implementation plan will be essential to successful execution.

The Strategic Planning Committee’s goal is to present a draft of the strategic plan to the Regents for consideration at the Regents’ April 3, 2017, strategic meeting. With the Regents’ endorsement, the plan will be socialized with key external stakeholders.

REPORT OF THE SECRETARY

Secretary Skorton updated the Board on the state of the Smithsonian.

Presidential Inauguration

The Secretary first turned to Under Secretary for Finance & Administration/Chief Financial Officer Albert Horvath to provide a brief overview of the Smithsonian’s role in the events and security surrounding the 2017 Presidential Inauguration. Mr. Horvath noted that it was a collaborative effort between the Smithsonian, and federal and local government agencies to deliver a safe and secure environment on the National Mall for the Inauguration. Mr. Horvath noted one matter related to a book sold in the National Museum of American History that was found to have been of questionable quality and contained some factual inaccuracies. The book was immediately removed from the gift shop as soon as its validity was called into question. There are thousands of items sold in Smithsonian gift shops and each one is reviewed before going up for sale, however, Smithsonian Enterprises will take a closer look at certain types of proposed materials, such as the book sold during Inauguration, and evaluate whether these types of materials in general should be included in Smithsonian stores.

Executive Order

Next, the Secretary updated the Board on the status of the President’s recent executive order on federal hiring, as it relates to the Smithsonian. On January 22, 2017, the President issued the executive order enacting a federal civilian hiring freeze for the executive branch. Although the order does not apply to the Smithsonian by its terms, the Institution has chosen to voluntarily comply, with respect to its federal employees. The Secretary noted that there are a large number of openings in senior-level positions, and confirmed that these senior-level positions are funded through the Smithsonian’s trust funds and are therefore unaffected by the freeze.

Pending Legislation

Next, the Secretary turned to Acting Assistant Secretary for Communications and External Affairs and Deputy Under Secretary for Finance & Administration John Lapiana for an update on pending legislation. Delegate Eleanor Holmes Norton (D-DC) introduced a bill called the *Open and Transparent Smithsonian Act of 2015* (H.R. 3387), on July 29, 2015. As introduced, the bill would subject the Smithsonian to the requirements of the Freedom of Information Act (“FOIA”), the Sunshine Act, the Privacy Act, and the Federal Advisory Committee Act (“FACA”). Although these Acts do not apply by their terms to the Smithsonian because it is not an executive branch agency, the Smithsonian has adopted policies and practices consistent with the principles animating these laws, while recognizing the Smithsonian’s unique status. Wholesale application of the laws to the Smithsonian would be detrimental because the Acts do not contemplate many of

the Smithsonian's business, fundraising, and investment activities that do not have analogs in the federal sphere. The restrictions and requirements in these laws would hamper the Smithsonian's ability to compete on a level playing field with other non-profits and cultural institutions. The bill was referred to the House Oversight and Government Reform Committee, which considered and marked up the bill on November 16, 2016. It was not considered by the full House of Representatives prior to the adjournment of the 114th Congress; however, OGR and the Secretary suspect that it will be introduced as part of the 115th Congress.

NMAAHC's Coverage of Justice Thomas

The Secretary then asked Mr. Lapiana to brief the Board on NMAAHC's coverage of Justice Clarence Thomas. In September 2016, following the opening of the museum, several members of Congress expressed disappointment that Justice Thomas was not included as a part of NMAAHC's telling of African American history and culture, except in relation to Anita Hill's accusations of sexual harassment. The Smithsonian has provided tours of NMAAHC, and arranged for congressional members and staff to talk with curators regarding the planning and execution of exhibits. Senior Smithsonian staff have met with individual members of Congress to keep them informed and further address concerns.

New Museums

Lastly, the Secretary addressed the Smithsonian's stance with regard to constructing and funding new museums. He explained that given the recent opening of NMAAHC, revitalization of NASM, and deferred-maintenance backlog for a number of Smithsonian buildings on the National Mall, the construction and opening of an entirely new museum run by the Smithsonian is not a practical undertaking in the near-term. He asserted that the Smithsonian remains committed to celebrating American history and culture in all its dimensions and will continue to work to ensure that all Americans' contributions are aptly represented across the Institution's already established museums.

EXECUTIVE SESSION

The Board then conducted an executive session with Secretary Skorton.

AFTERNOON SESSION

Mr. McCarter called the afternoon session to order at approximately 1:00 p.m., and Regents and Smithsonian staff reconvened to participate in a working lunch.

WORKING LUNCH: VISITOR SURVEY RESULTS

Visitor Survey Results

During lunch, the Board heard a presentation from Mr. Lapiana; Project Manager in the Office of Visitor Services Samir Bitar; and Director for the Office of Visitor Services Sherri Wheeler on the results of the visitors' survey commissioned by the Smithsonian. The Office of Visitor Services team has worked across the Smithsonian to restructure how the Smithsonian listens and responds to visitor

needs in a contemporary museum environment. The Smithsonian is learning from visitors themselves about what they enjoyed and benefitted from during their experience, and exploring ways to better engage visitors with new planning tools. Following the presentation, Regents engaged in a discussion about the impact of the in-person visitor experience at the Smithsonian and opportunities to incorporate the use of digital tools in order to enhance the in-person visit.

LONDON OPPORTUNITY

Mr. Horvath and the Dame Jillian Sackler Director, Arthur M. Sackler Gallery & Freer Gallery of Art Julian Raby presented the Regents with an update and a draft “Heads of Terms” on the proposed collaboration with the Victorian and Albert Museum (“V&A”) in East London.

London Collaboration

On May 1, 2016, the Board held a special teleconference and voted to approve the Secretary’s request to engage in a long-term collaboration with the V&A to develop a jointly organized, permanent gallery space. Subsequently, in June 2016, plans were formally announced to pursue an international collaboration as part of the redevelopment of the Queen Elizabeth Olympic Park in London, which would include a space for exhibitions jointly curated by a team of V&A and Smithsonian scholars as well as a temporary gallery space that would serve to periodically house Smithsonian exhibitions. Other partner institutions at the Olympic Park include Sadlers Wells Dance Theater, University of the Arts London, and University College London.

Approval of Draft “Heads of Terms”

Since then, teams from each organization have worked together to develop the programmatic strategies, business model, and terms of a formal agreement. The Board was presented with a non-binding “Heads of Terms,” which will form the basis for a formal, binding agreement. The “Heads of Terms” authorizes the Secretary and Smithsonian leadership to continue working with the V&A on developing a formal contract, which will ultimately outline the specific terms for the collaboration.

Upon motion duly made and seconded, the Board voted to endorse and authorize the Secretary and his designees to execute the “Heads of Terms” between the V&A and the Smithsonian to develop co-curated space in a new V&A facility at Queen Elizabeth Olympic Park in East London, United Kingdom.

See attached Actions 2017.10.08 (*Minutes of the Board of Regents, Appendix A*).

Once the formal contract is complete, the binding agreement will be presented to the Board of Regents or its Executive Committee for final review.

EXECUTIVE SESSION: “GATEKEEPER” REPORTS

The Board then conducted an executive session with the Smithsonian’s Gatekeepers, including the Secretary, General Counsel, and Chief Financial Officer.

BOARD LEADERSHIP TRANSITION

Chair and Vice Chair Transition

Following the Gatekeeper reports, the Chancellor thanked Mr. McCarter and Dr. Jackson for their service and leadership as Board Chair and Vice Chair, respectively. The Chancellor then presented Chair-elect David Rubenstein with the gavel. He and Vice Chair-elect Steve Case will assume their positions on January 31, 2017.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at approximately 2:10 p.m., after which Mr. McCarter, Mr. Rubenstein, and the Secretary moved to separate room on the fourth floor of NMAI to address questions from the media.

Respectfully submitted,

David J. Skorton
Secretary

APPENDIX A: ACTIONS OF THE JANUARY 30, 2017, MEETING OF THE BOARD OF REGENTS

VOTED that the Board of Regents approves the Compensation and Humans Resources Committee's compensation recommendations for senior executive positions. [2017.01.01]

VOTED that the Board of Regents approves the Compensation and Human Resources Committee's compensation recommendation for the Secretary. [2017.01.02]

VOTED that the Board of Regents nominates Michael Govan of California to succeed Dr. Shirley Ann Jackson as a Citizen Regent on the Board of Regents and to serve a statutory term of six years. Furthermore, the Board asks its congressional members to introduce and support legislation to this effect. [2017.01.03]

VOTED that the Board of Regents nominates Roger W. Ferguson of the District of Columbia to succeed Robert P. Kogod as a Citizen Regent on the Board of Regents and to serve a statutory term of six years. Furthermore, the Board asks its congressional members to introduce and support legislation to this effect. [2017.01.04]

VOTED that the Board of Regents renominates Steve Case 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. [2017.01.05]

VOTED that the Board of Regents adopts the Consent Agenda, which constitutes the approval of all action items listed therein. [2017.01.06]

VOTED that the Board of Regents approves the minutes of the October 24, 2016, Meeting of the Board of Regents.

VOTED that the Board of Regents approves the proposed amendments to the Facilities Committee Charter.

VOTED that the Board of Regents approves the proposed amendments to the Finance Committee Charter.

VOTED the Board of Regents approves the proposed amendments to the Strategy, Innovation, and Technology Committee Charter.

VOTED that the Board of Regents approves the proposed slate of candidates for appointment or reappointment to ten Smithsonian advisory boards.

VOTED that the Board of Regents approves the proposed amendments to the bylaws of the Smithsonian Science Education Center National Advisory Board.

VOTED that the Board of Regents recognizes the generosity of the Wallace H. Coulter Foundation to the National Museum of American History and names the Wallace H. Coulter Unity Square for a period of 20 years from the date the space is opened to the public, or until the next major renovation, whichever occurs later.

VOTED that the Board of Regents creates a quasi-endowment for the benefit of the National Museum of the American Indian to support the activities of the museum's archives department. Further, the Advancement Committee recommends that the Board of Regents authorizes the transfer of the funds identified for this purpose.

VOTED that the Board of Regents approves the proposed committee chairmanship and member assignments for 2017 and requests that the Chancellor make the necessary appointments. [2017.01.07]

VOTED the Board of Regents approves the Secretary's request to seek Congressional authorization to construct a new Central Parking Facility at the National Zoological Park in Washington, DC. [2017.01.08]

VOTED that the Board of Regents endorses and authorizes the Secretary and his designees to execute a Heads of Terms (non-binding) between the Victoria and Albert Museum (V&A) and the Smithsonian Institution to develop co-curated space in a new V&A facility at Queen Elizabeth Olympic Park in East London, United Kingdom. The Smithsonian will also be provided regular opportunities to present its own exhibitions in the temporary gallery of the new V&A facility. The Secretary and his designees will work with their counterparts at the V&A to develop a collaboration agreement (binding) from the Heads Of Terms to be reviewed with the either the Board or its Executive Committee prior to final execution. [2017.01.09]