

MINUTES OF THE JANUARY 31, 2011, MEETING OF THE BOARD OF REGENTS

ATTENDANCE

This scheduled meeting of the Board of Regents was held on Monday, January 31, 2011, in the Regents' Room in the Smithsonian Castle Building. The Board conducted morning and afternoon sessions, each of which included executive sessions. Board Chair Patricia Q. Stonesifer called the meeting to order at 8:40 a.m. Also present were:

The Chief Justice ¹	Robert P. Kogod	John W. McCarter Jr.
Thad Cochran ²	Steven LaTourette ³	Jack Reed
France Córdova	Patrick J. Leahy	David M. Rubenstein
Sam Johnson		Alan G. Spoon

Paul Neely, Smithsonian National Board Chair
David Silfen, Investment Committee Chair

Former Regent Senator Christopher J. Dodd contributed to the opening remarks, at which time he introduced his successor on the Board, Senator Jack Reed. Also attending was Representative Doris O. Matsui, whose term on the Board had expired. Vice President Joseph R. Biden Jr., Dr. Shirley Ann Jackson, and Roger W. Sant were unable to attend the meeting. Representative Xavier Becerra, whose term also had expired, was unable to attend the meeting.

Also present were:

G. Wayne Clough, Secretary	Tom Ott, President of Smithsonian Enterprises
Patricia L. Bartlett, Chief of Staff to the Secretary	Nell Payne, Director of Government Relations
Claudine K. Brown, Assistant Secretary for Education and Access	Eva J. Pell, Under Secretary for Science
Amy Chen, Chief Investment Officer	A. Sprightley Ryan, Inspector General
Virginia B. Clark, Director of Advancement and Philanthropic Giving	Jeffrey P. Minear, Counselor to the Chief Justice
Bruce Dauer, Acting Chief Financial Officer	Danielle Borrin, Assistant to Vice President Biden
Barbara Feininger, Senior Writer-Editor, Office of the Regents	T. A. Hawks, Assistant to Senator Cochran
Richard Kurin, Under Secretary for History, Art, and Culture	Kevin McDonald, Assistant to Senator Leahy
John K. Lapiana, Chief of Staff to the Regents	Moira Lenehan-Razzuri, Assistant to Senator Reed
Judith Leonard, General Counsel	David Heil, Assistant to Congressman Johnson
Evelyn S. Lieberman, Director of Communications and External Affairs	Sarah Cannon, Assistant to Congressman LaTourette
Alison McNally, Under Secretary for Finance and Administration	Mary Ellen Muckerman, Wolff Olins Strategy Director ⁴
	John R. Dailey, National Air and Space Museum Director ⁵
	John Cash, Marts & Lundy Senior Consultant ⁶
	Lynne Heinrich, Marts & Lundy Senior Consultant ⁶
	Jenine S. Rabin, Campaign Director ⁶

¹ The Chancellor, Chief Justice John G. Roberts Jr., attended the afternoon session.

² Senator Cochran attended the morning session.

³ Representative LaTourette attended the afternoon session.

⁴ Ms. Muckerman participated in the presentation on the Smithsonian Branding Initiative.

⁵ General Dailey provided a presentation on the National Air and Space Museum.

⁶ Mr. Cash, Ms. Heinrich, and Ms. Rabin participated in the presentation on the National Campaign.

MORNING SESSION

REPORT OF THE BOARD AND EXECUTIVE COMMITTEE CHAIR

Opening Comments and Introduction of New Regents

Executive Committee and Board Chair Patricia Stonesifer welcomed the attendees, including former Congressional Regent Christopher J. Dodd, whose decision not to run for reelection resulted in his retirement from the Board of Regents. Senator Dodd thanked the Board for the opportunity to have served on the Board of Regents and pledged his ongoing support for the Smithsonian. He introduced his successor, Senator Jack Reed (D-RI), and noted the wealth of experience and guidance that Senator Reed will bring to the Board and to the Institution, particularly with regard to Federal funding for the Smithsonian. Senator Dodd said that Smithsonian's capacity to contribute to education and research initiatives aligns with the Administration's stated priorities and that the Institution will continue to be of significant importance to the nation and to the world. The Chair thanked Senator Dodd for his contributions to the Board, and thanked his Congressional assistant Colin McGinnis. The Board expressed its appreciation to both with a round of applause.

The Chair welcomed Senator Reed, who expressed his appreciation for the opportunity to serve on the Board. He introduced his assistant Moira Lenehan-Razzuri. The Chair then introduced Sarah Cannon, Assistant to Representative Steve LaTourette (R-OH), who also had been appointed to the Board but was unable to participate in the morning session. She noted that the decision to retain either Representative Becerra or Representative Matsui on the Board of Regents would be made in the coming weeks, and thanked Representative Matsui for attending this meeting.

Overview of Meeting Agenda

The agenda for the meeting was reviewed. The Chair said that several committee reports would rest on written materials alone to allow time for several significant presentations and discussions. She thanked Investment Committee Chair David Silfen for participating in this meeting, and noted the Endowment's top-quartile performance over the past quarter again crossed the \$1 billion threshold. She then said that, with the exception of a few senior staff and the meeting recorder, the next portion of the meeting would be conducted with only the Regents and Regent liaisons to allow for an open and frank Regents' discussion of the *Hide/Seek* exhibition controversy, which an would be followed by an executive session.

Regents' Self-Assessment

The Chair then commented on the results of the annual Regents' self-assessment. Twelve of 15 eligible Regents responded, and the Chair expressed her hope that the next survey would reflect the participation of all eligible members of the Board. The survey revealed that a number of Regents believe that the Board would benefit from a better understanding of the Smithsonian's fundraising practices. She noted that the afternoon discussion of a national campaign would help address this issue.

Actions Taken on Behalf of the Board

The Chair directed the Board's attention to a report on actions taken by the Executive Committee on behalf of the Board since its September 2010 meeting. The actions include a resolution to authorize the Secretary to exercise the option to purchase an

Approval of the
September 20, 2010,
Meeting Minutes

additional 20 percent equity interest in SI Networks, the Smithsonian's joint venture with Showtime Networks. The Smithsonian has achieved an equity ownership of 30 percent.

The Chair then asked the attendees to approve the minutes of the September 20, 2010, meeting of the Board of Regents.

See attached Resolution 2011.01.01 (*Minutes of the Board of Regents, Appendix A*).

HIDE/SEEK: A FORWARD-LOOKING REVIEW

Framing the Controversy,
Actions Taken, and the
Regents' Discussion

The Chair introduced the first major agenda item, a review and discussion of the decision to remove the 1987 video piece *A Fire in My Belly* by American artist David Wojnarowicz (1954–1992) from the National Portrait Gallery exhibition *Hide/Seek: Difference and Desire in American Portraiture*. She stated that the Regents' discussion would be held without the presence of most senior staff but that, unlike the Board's executive sessions, it would be documented for inclusion in the meeting minutes. The controversy raised big questions about the nature of the Smithsonian and the responsibilities of the Regents when, as has happened with this issue, the public trust has been shaken. The Chair provided a summary of the exhibition's history, the importance of its thesis, the controversy that arose over both the inclusion and the removal of *A Fire in My Belly*, and the Smithsonian's response.

The Chair discussed the art of portraiture, and the three-way conversation that exists among the artist, the sitter, and the viewer. Past and present cultural dialogues inform the artist's vision and the viewer's response. With regard to portraiture, the viewer might also consider questions about what appears to be revealed in a work of art, as well as an implicit invitation to consider what might not be revealed; the relationship between the artist and the subject also might be considered. She said that former National Portrait Gallery Director Marc Pachter's decision to support the development of the *Hide/Seek* exhibition was based on an understanding of the importance of considering the meaning and history of portraiture through the lens of same-sex love.

David Wojnarowicz was one of several artists whose work provides important commentary on the indifference of social, religious, medical, and political institutions to the AIDS epidemic in the mid-1980s. Through works that sometimes evoke poignant or repulsive responses, these artists used their art to draw attention to and invite discourse about the AIDS epidemic.

The public and political reactions to the installation and subsequent removal of *A Fire in My Belly* reflect, among other things, divided opinions about same-sex relationships; constitutional protections for freedom of expression; the separation of church and state; and the importance of the arts in civic discourse, including the role of Federal funding in the arts. The response of the GLBT (gay, lesbian, bisexual, transgender) community to the removal of the work reflects a strong concern that, as happened during the beginning of the AIDS epidemic, its members again are being marginalized.

**Introduction of the
Advisory Panel Report**

The Board's advance meeting materials included a paper with summaries of other historical exhibition controversies, including those hosted by the Smithsonian or other cultural organizations; Smithsonian Directive (SD) 603: Exhibition Planning; an outline of the planning and review process for the *Hide/Seek* exhibition; calls for both the removal and the reinstatement of *A Fire in My Belly*; and samples of comments from key stakeholder groups, including Smithsonian staff, members of the Smithsonian's advisory boards, the public, the U.S. Congress, and leaders in the arts and philanthropic communities. The paper also outlined the Smithsonian's response, including the Executive Committee's request to the Secretary in December 2010 to conduct an internal review of the exhibition's development and adherence to established procedures.

The paper noted that the Executive Committee also asked Mr. McCarter to chair a panel of outside experts to examine the Smithsonian's role in the controversy, assess its current exhibition planning policies and procedures, and provide recommendations about these programs and processes going forward. The advisory panel, which included David Gergen, Harvard professor, CNN analyst, and White House advisor to four Presidents, and Earl ("Rusty") A. Powell III, director of the National Gallery of Art, began its review in late December 2010 and subsequently drafted a report on its findings for the Board's review.

Mr. McCarter then presented the Report of the Regents' Advisory Panel, copies of which were provided to the Board during the meeting. He expressed his gratitude for the contributions of Messrs. Gergen and Powell, and noted that Mr. Minear also had provided significant support. In addition, Mr. McCarter thanked Mr. Lapiana and Ms. Leonard for their contributions to the review process.

Mr. McCarter said that the panel used four questions to frame its deliberations, observations, and recommendations:

- What is the role of a national museum in stimulating dialogue on potentially sensitive and controversial cultural topics?
- What best practices are applicable for communicating with internal and external stakeholders about potentially sensitive and controversial exhibitions both during the planning stage and after opening in the case of controversy?
- What is the specific role of the Regents as both the responsible governing body and as a resource for Smithsonian management with regard to the planning and execution of potentially sensitive and controversial exhibitions?
- What core principles and practices should the Regents and management operate under when the inevitable controversies arise threatening some crucial aspect of the public trust?

A key point addressed in the report was how new modes of communication allowed the *Hide/Seek* controversy to quickly amplify and accelerate. The Smithsonian must demonstrate that it is a reflective institution; strengthen its ability to moderate the pace of such exchanges; and not act abruptly. Any modifications to the Smithsonian's exhibition planning policy must address the impact of new technologies and new communications.

The report found that, as a complex institution of both national and international importance, the Smithsonian should assume that such controversies will arise in the future. The Smithsonian is in fact obligated to produce thoughtful, scholarly exhibitions and programs that encourage civil dialogue on important and transitional issues facing the nation, including those that are potentially controversial. The Smithsonian's role as the nation's largest cultural organization would be diminished if it avoided the intrinsic risks associated with programs that consider sensitive issues and support freedom of expression. The Institution also recognizes that visits by families and school groups represent opportunities to engage the public in meaningful, educational exchanges.

The panel reviewed the issue of authority with regard to exhibition curators, museum directors, and the Secretary. The report noted that curatorial freedom of expression, expertise, and authority are critical to the welfare of a flourishing museum. Directors should expect that Smithsonian leadership supports their judgment and leadership. Primary responsibility for planning and implementing exhibitions should reside with Smithsonian curators and scholars; authority over outside expert curators should be established at the outset and exercised. Although the Secretary cannot be involved with most curatorial decisions, he should seek timely input from a range of informed advisors when controversies such as *Hide/Seek* arise. The report recommends:

In the absence of actual error, changes to exhibitions should not be made once an exhibition opens without meaningful consultation with the curator, director, Secretary, and the leadership of the Board of Regents.

The report noted the importance of anticipating possible areas of controversy and providing opportunities for public input at pre-decisional exhibition planning phases. The purpose of such discussions would not be to limit curatorial initiatives. Mr. McCarter repeated the expression "something done ahead of time is known as curatorship, but something done afterwards is called censorship." The National Museum of Natural History exhibition *Hall of Human Origins* was cited several times for curator Rick Potts's successful efforts to reach out in advance to diverse communities who might take issue with the exhibition's content. The rich curatorial content of the exhibit was maintained and its opening was well-received.

The panel proposed that the Smithsonian strengthen efforts to reach out to diverse communities. It agrees that the newly created Directors Advisory Group will provide much-needed support to the Secretary when timely input is needed. The panel advocates reaching out to colleagues throughout the broad museum community to establish bridges of understanding and develop natural alliances. An ombudsman-like position might support efforts to ensure that all perspectives are represented and available to the Secretary.

The Smithsonian could launch a summer executive education institute for curators and directors. The initiative would help develop strategies and best practices for crisis management; it also would strengthen relationships between curators and museum directors. Mr. McCarter noted that the former Smithsonian Council provided similar opportunities for professionals in the museum field.

The Smithsonian's engagement with members of Congress was reviewed. The panel

advocated increasing efforts to develop a “reservoir of good will” with members of the House and Senate. The panel believes that the congressional Regents should lead this initiative. Museum directors and curators also should regularly reach out to members of Congress. Mr. McCarter noted that engaging with congressional spouses and their children also offers opportunities to increase support for and trust in the Smithsonian.

The report noted the many resources of the Smithsonian’s advisory boards and the Smithsonian National Board. The Smithsonian should respect the guidance and support of these essential participants in the Smithsonian community. The panel recommended that museum boards be actively engaged in their museums and consulted whenever major challenges arise. Mr. McCarter suggested that every Regent attend two advisory board meetings each year.

The report stated that ultimate responsibility for the Smithsonian resides with the Board of Regents. Members of the Regents’ Strategic Planning and Programs Committee should review the three-year museum exhibition calendar to assess the proposed exhibition curriculum against the Grand Challenges, the nation’s agenda, and potential controversies. Presentations to the full Board should focus on major issues that impact strategy, budget, resources, and reputation.

Discussion

The Regents were asked to respond to the panel’s report. The Regents discussed the critical need for museum directors to have confidence in their ability to exercise professional judgment. With regard to exhibition agendas, Mr. McCarter noted that scholarship must always trump advocacy. The exhibition review process must allow more time for the evaluation of work that uses new media. The Smithsonian must take more time in its response to controversies.

The Smithsonian must reach out to the diverse communities it represents. The Secretary noted that Smithsonian must repair its relationships with all of the communities involved in the *Hide/Seek* controversy, including members of the GLBT community, religious groups, members of the art world, and members of Congress.

The Board agreed that “bullies” should not be allowed to shape the Smithsonian, and concern was expressed about the possibility of micromanaging exhibitions into homogenized presentations that reduce the Smithsonian’s stature and credibility. Mr. Spoon noted that micromanagement is not appropriate whereas advance awareness is. Noting that an “organized outrage is waiting for its moment on every major topic,” he said that the advance planning process for exhibitions should include a review of potential triggers that might be pulled. Citing a similar experience early in her tenure as Purdue University president, Dr. Córdova agreed that advance planning can ameliorate many potential problems and that the input of advisory boards is critical to that process.

Representative Matsui said that the Board must address the larger issue of censorship. The Chair noted that the Secretary and his team already are focused on the issue of censorship and its chilling effect.

Mr. Rubenstein noted that the outcome of this review should result in a clear roadmap that shows what the Smithsonian will do differently in the future in the management of

similar controversies. He also said that the Board should be clear that the proposed modifications in no way indicate anything less than full support for the Secretary's leadership.

Senator Reed agreed that the exhibition planning process would be strengthened with a review of potential flashpoints that might be triggered and, if found, the engagement of groups with diverse opinions for their input. He also noted that members of Congress should learn more about the scope of the Smithsonian's activities and be regularly informed about the programs and contributions of the Smithsonian in their home communities.

Dr. Córdova commented on her tour of the exhibition and the strong, engaging art she saw; she also viewed the Wojnarowicz video outside of the museum. Referring to his decision to remove *A Fire in My Belly* from the exhibition, the Secretary noted the environment that shaped his decision-making process. He commented on the pending Federal budget discussions, and his desire to keep those discussions on topic.

Mr. Silfen said that the mechanisms should be in place that allow staff and advisory board members to be aware of the overall health of the Institution. He noted the difference between thoughtful oversight and micromanagement. He also commented on New York City Mayor Michael Bloomberg's management of the controversy surrounding the proposed construction of a mosque near Ground Zero. The Mayor maintained a consistent, steady perspective while reaching out to groups with dissenting perspectives. Mr. Silfen noted that, although all parties were not happy with the final decision, both sides respected the Mayor's management of the controversy.

Mr. Neely said that the successful management of such controversies is about good judgment. He stated that he is skeptical of the ability of a single ombudsman-like figure to effectively represent multiple perspectives.

The Chair provided a recap of the Regents' discussion. The Board endorses the position that the Smithsonian's role as a national museum is to cover tough issues, and that the Institution should do so by supporting the principles of freedom and inquiry and expression while embracing its broad base of constituents. The Board also recognizes that controversies will continue to happen and that the Smithsonian must strengthen its prevention and recovery mechanisms. The Board affirms its support for the Smithsonian's experts, and suggests that the Smithsonian's circle of advisors include other viewpoints to ensure that scholarship is distinguished from advocacy. The Board of Regents recognizes the critical importance of building diverse networks and strengthening relationships with internal and external stakeholders. Trust must be reestablished with the Smithsonian's many friends.

The Board agreed to continue its discussion in executive session.

EXECUTIVE SESSION

Staff departed and the Regents continued their discussion of the *Hide/Seek* controversy, the report of the advisory panel, and proposed actions going forward. Mr.

Lapiana was asked to draft a proposed motion that reflects the Board’s opinion, and to present it for review and approval later in the meeting.

REPORT OF THE SECRETARY

The Secretary provided a report on Smithsonian activities during the first quarter of fiscal year 2011.

Combined Federal Campaign Results

Chaired by Chief Information Officer Ann Speyer, the Smithsonian’s participation in the Combined Federal Campaign achieved a new record of participation. The Institution also was recognized in 2009 as one of the top Federal agencies to contribute to the charitable giving campaign.

Visitation Summary

The Smithsonian experienced one of its highest levels of visitation in 2010, hosting over 30 million visits to its museums and research centers. Among all Smithsonian museums, the National Air and Space Museum recorded the largest number of visits. The Anacostia Community Museum quadrupled its attendance. Visitation also was notably strong at the Reynolds Center, which hosted two key exhibitions, *Telling Stories: Norman Rockwell from the Collections of George Lucas and Steven Spielberg* and *Hide/Seek: Difference and Desire in American Portraiture*.

Strategic Plan Update

The Smithsonian strategic plan is being implemented, with strong results. With support from the Gates Foundation, the four Grand Challenges consortia issued the first round of grants. Of the 79 proposals received, 29 were funded. The process generated enthusiasm among staff and the proposals addressed a wide range of exciting issues.

Redesign

Efforts on the Smithsonian Redesign continue. Assessments and recommendations to improve the Institution’s financial management systems have resulted in significant progress, particularly with regard to donor record-keeping.

Annual Goals Process

The Board will receive the Institution’s annual goals statement much earlier than in the past and, although 2011 is a transitional year, it will reflect an improved timeline. In 2012, the goals will be presented almost eight months earlier than in recent history.

Education

Under the leadership of Assistant Secretary for Education and Access Claudine Brown, Smithsonian education programs continue to expand. A series of gifts in support of Smithsonian education have been received and initiatives are under way to explain and provide greater access to the Smithsonian’s educational resources. The Secretary noted that the National Science Resources Center recently received a \$25.5 million grant from the U.S. Department of Education to support its work in transforming science education for grades one through eight. He also commented on “VANISHED,” an online/offline environmental disaster mystery game that is the result of a partnership between the Smithsonian and the Massachusetts Institute of Technology. Funded by a National Science Foundation Informal Science Education grant, the high-profile initiative will launch in April 2011.

Major Construction Updates

The Legacy Funds were released to benefit the Arts and Industries Building. The Secretary thanked Mr. Kogod, whose major gift in support of the historic building

prompted Senator Dianne Feinstein (D-CA) to allow the release of the funds. The monies will fund the rest of the stabilization project, including the installation of a new roof, structural support, and windows. The Board recognized the contributions of Mr. Kogod with a round of applause.

Asia Trails II opened at the National Zoological Park. The new facility supports the enhanced care of the Zoo's elephant population, as well as education programs. The National Air and Space Museum's Udvar-Hazy Center Phase II also was completed. The Secretary noted that the project was achieved without the use of any Federal monies. The Regents' dinner on April 10, 2011, will be held in the new facility.

Federal Budget Update

The Smithsonian is operating under a Continuing Resolution (CR) until March 4, 2011, and the Federal government could operate under a CR through the remainder of the fiscal year. To deal with the CR, and the cuts it might entail, the Smithsonian has instituted a hiring freeze and a discretionary spending freeze.

The Secretary said that that the fiscal year 2012 Federal budget will likely reflect further reductions that could possibly total over \$1 million. He has assigned a team to consider how the Institution might handle deeper cuts in Federal funding; the directors' advisory group also has discussed the Federal funding crisis and options to address it.

The Endowment

The Endowment, now totaling over \$1 billion, supports the Smithsonian's efforts to become less reliant on Federal funding. The Secretary thanked Investment Committee Chair David Silfen and Chief Investment Officer Amy Chen for their management of the Endowment. The significant efforts and accomplishments of Smithsonian Enterprises also has strengthened the Trust budget and helped offset possible funding cuts.

Philanthropy

The Smithsonian achieved over \$158 million in private support in 2010, and December 2010 marked the strongest month in the Smithsonian's fundraising history. The Secretary noted that many donors are making early gifts to the campaign and that the National Museum of African American History and Culture also is cultivating significant support.

Grant and Contract Activities

The Institution's grant and contract activities are excelling at an unanticipated rate. Indirect cost controls and cost recovery systems continue to improve.

Personnel

The Secretary reported that the Smithsonian has selected a highly regarded search firm to assist in the selection and hiring of the next Chief Financial Officer. Roger Sant is chair of the search committee. It is anticipated that a candidate will be selected in late spring 2011.

Haiti Relief Effort

The Smithsonian has received \$2 million from the Haiti Relief Bill to support its successful efforts to restore and preserve Haitian cultural artifacts damaged by last year's earthquake. Smithsonian staff trained some 50 Haitian curators in conservation tools and techniques.

Communications

The first free app for Smithsonian visitors is about to debut. Led by Director of Communications and External Affairs Director Evelyn Lieberman, the program is

designed to help visitors better understand the Smithsonian, develop and enhance their visits, encourage the Institution's dialogue with these key stakeholders, and provide feedback on their experiences. The Secretary also noted that Ms. Lieberman is leading the Smithsonian Branding Initiative, which would be the subject of the next presentation.

Discussion

Mr. Kogod thanked the Secretary for his leadership and the many initiatives and accomplishments he has overseen since his arrival in 2008. He noted that, while many of these efforts are creating long-term institutional strength, building staff morale also is an important priority for the Secretary. Senator Leahy concurred, saying that he is often told about the Secretary's commitment to staff by the staff and volunteers he meets during congressional visits. The Board expressed its support for the Secretary with a round of applause.

SMITHSONIAN BRANDING INITIATIVE

Introduction

Secretary Clough introduced the presentation on the Smithsonian branding initiative. The Smithsonian needs to tell its story and tell it better, presenting the Institution in a broader context and in a more succinct way. By providing a consistent and compelling voice for the Smithsonian, the branding of the Institution will be the capstone of the strategic plan, redesign, and national campaign activities. Public and private support for the Smithsonian will increase as more people learn about the depth and breadth of the Institution and its resources.

Director of Communications and External Affairs Evelyn Lieberman is leading the branding effort with support from Wolff Olins, an international branding consulting firm selected from a pool of competitors. The Secretary said that Wolff Olins Strategy Director Mary Ellen Muckerman would present two possible branding strategies for the full Board's consideration and response. He added that the Executive Committee provided feedback on the strategies during its meeting the previous week, and asked Ms. Lieberman to speak.

Ms. Lieberman prefaced her introduction to the branding presentation by reporting that staff had asked her to convey their support for the Secretary and their appreciation for the Regents' support of the Secretary. She then said that the goal of the branding initiative is to tell the story of the Smithsonian and to expand its reach throughout the country and the world. She also noted the challenge of sharing the richness of the entire Institution while highlighting the uniqueness of each unit.

The Board's comments about the two strategies will guide further efforts to develop a final branding strategy, which will likely be presented during the April 2011 Regents' meeting. Ms. Lieberman then introduced Mary Ellen Muckerman, who, on behalf of Wolff Olins, thanked the Board for the opportunity to work on this important initiative.

Ms. Muckerman explained the efforts of Wolff Olins to "get under the skin" of the Smithsonian and determine its essence. She said that the two branding strategies reflect five months of intensive internal and external research by Wolff Olins. The firm

considered the macro trends that are shaping the world, as well as the experiences and needs of the people living in it. It reviewed the strengths and ambitions of the Smithsonian, as well as the obstacles it must overcome to achieve its goals. Wolff Olins analyzed its findings to determine what it proposes the Smithsonian could be, what its brand opportunities are, and what would be the implications of those brands.

Ms. Muckerman noted the Institution's mission to support the increase and diffusion of knowledge but posed the rhetorical question ". . . but to what end?" The branding effort will help clarify the purpose and the role of the Smithsonian in the world, determine which ideas and actions will further the Institution's goals and ambitions, and identify areas in need of strengthening. The outcome of the branding effort will reflect the mission and vision of the Institution and provide a framework for everything the Smithsonian does. In addition to providing a diagram for the external interactions of an organization, a successful brand supports the internal culture and capabilities of that organization.

Two Branding Strategies

Two branding strategies were outlined in the materials provided in advance of the meeting. Ms. Muckerman said that the interpretation and application of each strategy would be framed by a brand quadrant that considered:

- Offer: What you do and provide to the world
- Capabilities: How you do what you do and what you need to do it
- Communications: What you say and how you look in the world
- People: Who you are and how you behave

She said that two brief videos would be viewed to establish an emotional, illustrative connection to each branding strategy. Each strategy also would include a purpose statement that establishes the role and purpose of the Smithsonian; an "elevator speech," or succinctly compelling statement about the Institution; and the anticipated implications and key messages if that strategy were implemented.

Ms. Muckerman noted that the Executive Committee's review of the strategies resulted in a refinement not included in the advance materials. Wolff Olins determined that the Smithsonian brand should note the Institution's "boundaryless platform of shareable knowledge" and reflect the international scope of the aspirations found in three of the four grand challenges of the Smithsonian strategic plan.

The Regents were asked to consider two key questions as they reviewed both strategies:

- Is this brand rooted in who the Smithsonian is today—is it *achievable*?
- Will this brand help the Smithsonian become what it wants to be tomorrow—is it *aspirational*?

Wonder Unleashed

The first branding strategy—Wonder Unleashed—was presented. The strategy's brand principles reflect the Smithsonian's unique ability to provide "unexpected connections" that support discovery, curiosity, inspiration, imagination, and creativity. Because of the breadth and depth of its knowledge and resources, the Smithsonian can uncover great wonders, fuel curiosity, and inspire people to learn about their world and find their role in it, fulfill personal potential, and become better world citizens.

The supporting video illustrated the Smithsonian’s capacity for moving people with the power of wonder; inspiring curiosity and channeling it towards the public good; supporting lives that are intensified, not curtailed; and transforming people’s ability to question, seek, learn, understand, and establish their full potential for the benefit of themselves and for the world. Ms. Muckerman presented models for the manifestation of the strategy, including new approaches for employee orientation programs; public Web sites; and exhibition venues and installations.

Noting that the branding of the Smithsonian begins with new hires, Ms. Muckerman said that the Smithsonian should embrace its unique culture of “geek chic”; encourage a beta mentality that emphasizes the whole of the Institution, not individual units; and develop a proprietary language that communicates to internal and external audiences the Smithsonian’s role in the world. Using this language, research is recognized as discoveries, and exhibits as productions. New employee orientations could include the opportunity to be a Smithsonian visitor for a week. A redesigned Web site could make the Smithsonian experience a personal one by supporting user uploads and linkages. Using this branding model, unexpected connections are revealed that elicit wonder and encourage creativity.

The Wonder Unleashed brand would expand the Smithsonian’s reach beyond recognized venues and into unexpected places and spaces. Smithsonian Institution Traveling Exhibition Service (SITES) exhibits and programs could tour new types of venues, such as college campuses, that offer strategically important opportunities to share the Smithsonian’s resources and cultivate new support for the Institution. Immersive experiences, such as the National Air and Space Museum’s simulation pod, could be encouraged.

To “unleash wonder,” the Smithsonian must be the best storyteller in the world. To better engage its audiences, the Smithsonian must provide the tools for personalized learning journeys and support the ability of visitors to experience the Smithsonian on their own terms, not those prescribed by the Smithsonian. New approaches to exhibitions could include exhibition labels with images and voices of Smithsonian staff who explain the significance of the object and why it engages them.

Ms. Muckerman then reviewed the strategy’s key messages from three perspectives: staff, donors, and the general public. With respect to employees, and in particular new hires, the Wonder Unleashed strategy will invite staff to see their employment as an opportunity to explore, expand, enrich, enable, and inspire. By connecting donors with their ambitions, the strategy will encourage donors to support wonder, provide inspiration, and make connections. The strategy will invite the general public to engage with the world’s greatest source of wonder, make new discoveries, experience new resources, and make unexpected connections.

Knowledge Can Do

The Smithsonian possesses a wealth of interdisciplinary knowledge that spans generations, creates connections, and supports collaborations. The second strategy, Knowledge Can Do, affirms the power of knowledge-inspired actions. It reflects the scope of the Smithsonian’s knowledge and expertise and, just as importantly, demonstrates how the Institution brings knowledge to life through experiences. From this perspective, the Smithsonian brand represents a catalyst for action, not just a

convener of people; an engine for progress in the world; and a spirit of inventiveness and innovation. The strategy demonstrates the brand principles of amplification and activation.

The Knowledge Can Do brand also recognizes the responsibility of the Smithsonian to inspire people to learn and change the world in ways that are personally relevant. The brand acknowledges that information alone is not enough, and that knowledge loses its potential if it isn't activated.

The supporting video highlighted the Smithsonian's ability to stimulate, activate, and inspire knowledge; multiply, magnify, and amplify knowledge; and solve problems and change the world using that knowledge. Ms. Muckerman outlined several vehicles through which the strategy could be manifested, such as the application of Facebook and other online networking tools that track connections both within and outside the Institution. Internal collaborations, accomplishments, and actions, particularly those related to the four grand challenges, could be supported and tracked using internal online tools that acknowledge a shared focus and commitment to institutional priorities.

Supporting the concept that the Smithsonian belongs to everyone, new online sites could allow donors to consider gifts of time, money, and skills; provide links to grant opportunities that support the grand challenges; and connect with donors who share similar interests and convictions. Communications such as redesigned museum signage could reflect interdisciplinary collaborations, and take the grand challenges out to the world in the form of questions that resonate with the public. The Smithsonian could invite the public to participate in empowering conversations about the grand challenges, providing "do-bates" instead of debates. Via this branding strategy, the Smithsonian would provide a forum for action, and focus on results and impact. *Smithsonian* magazine could present what the Institution is doing, the research and educational breakthroughs it has made, and the next initiatives it will undertake.

New employee orientations will focus on making knowledge work. Donors will be invited to invest time, expertise, and/or funding in support of knowledge-based action. General audiences will learn about the creation and use of knowledge to understand, to connect, and to effectively engage in the world.

Discussion

The Board was asked to comment on the two branding strategies. Dr. Córdova noted her impression that one of the strategies could be characterized as being about "thinking" and the other is about "doing." She said that the inspirational tone of the first branding strategy resonated with her and that, although she agreed that "doing" is a manifestation of learning, the Smithsonian must avoid the impression that it has an action agenda that precludes self-determination by its stakeholders. She said that the goal of Purdue University's branding initiative is to differentiate the school from other institutions.

Mr. Silfen noted that the complexity of the organization demands that the brand provide a better explanation of the Smithsonian to the masses, including a strong "elevator speech." Mr. Spoon favored the "wonderment" aspect of the first branding

strategy, and noted that the overarching brand position must be consistent with the Smithsonian's areas of specialty, such as research, and also expressed concern about appearing to set an agenda for action. Senator Cochran also expressed support for a clear branding strategy that acknowledges the wealth of the Smithsonian's resources without overwhelming audiences with too much information. He said that the goal of the branding initiative should be clear.

Mr. Rubenstein said that it would be helpful to learn more about what focus group participants said about the Smithsonian. He said that the Smithsonian would benefit from a brand that combines aspects of both strategies. Senator Reed inquired about the underlying goal of the branding initiative, such as increasing visitorship or supporting fundraising efforts.

The Chair said that the "wonder" brand supports the many dimensions of the Smithsonian, adding that it distinguishes the Institution's ability to provide and support meaningful initiatives and experiences that reach beyond mere entertainment. Mr. Neely noted that today's public contemporary society often expects to be entertained, and that the "wonderment" strategy emphasizes the Smithsonian's ability to capture visitors' attention and provide more substantive experiences. He noted that the redesigned exhibition signage, or didactics, would allow visitors to become part of the museum experience.

Mr. McCarter commented on the 1952 marketing of Neutrogena soap by Lloyd Cotsen, whose decision to differentiate the product's health and beauty applications was the basis of a successful marketing campaign. Mr. McCarter said that the Smithsonian would benefit from an action-based brand that clearly differentiates the Institution from prior characterizations as the "nation's attic."

Representative Matsui cautioned against moving too far away from an action-based brand. Noting that the world is changing and that younger generations expect action-based experiences, she said that the "Knowledge Can Do" brand offers the opportunity to take people beyond wonderment and show the dynamism and power of knowledge in action.

Mr. Kogod asked if the branding initiative was targeting a specific demographic or age group; he also asked if the Smithsonian's educational initiative is informing the branding effort. He agreed that each branding strategy has compelling aspects and that the two should not be mutually exclusive. He said that the brand should present a simplified message that offers a call to action, adding that a game-like strategy would be especially compelling.

Senator Leahy agreed that the Smithsonian must distance itself from the idea that it is "the nation's attic." The Institution possesses a unique ability to provide excitement and wonderment for both visitors and employees. He also said that the Institution must do a better job of explaining its position as a world-class science institution. Mr. Rubenstein said that the brand must convey that the Smithsonian is good for society. People who take advantage of the Smithsonian's resources become more knowledgeable citizens, which is good for both the nation and the world.

The Chair asked Ms. Muckerman to discuss the goal of the branding initiative, as well as to explain what a great brand would be for the Smithsonian. Ms. Muckerman said that the specific goals of the branding initiative are based on the strategic plan. The successful branding of the Institution will enhance the accessibility of the Smithsonian by increasing and diversifying its user base and bringing key points of the strategic plan to life. The brand will contemporize the Institution, reestablish its relevance, and make it an indispensable part of people's lives. The brand also will be measurable and tracked.

The Chair said that the Executive Committee's prior review of the two strategies included an in-depth review of the research conducted by Wolff Olins; she added that the findings could be shared with the rest of the Board. The Chair noted that the most disturbing part of the data showed that, although the Smithsonian possesses enormous brand recognition with most Americans, it does not possess that power with young people and, in particular, young people of color. She said that Hispanic youth have almost no recognition of or experience with the Smithsonian and that the Institution's position will not be sustainable in 10 years if it doesn't strengthen its engagement with this key demographic group.

Ms. Muckerman affirmed the Chair's statements. Some 90 percent of Americans know of the Smithsonian, a figure that drops to 70 percent among America's youth, and then 50 percent among younger Hispanics. She added that some groups have never been exposed to the Institution. The Smithsonian's brand must respond to the changing demographics of the nation.

Ms. Lieberman presented a *Washington Post* article for children that identified the Smithsonian as the "nation's attic." She said that the Smithsonian's 92 percent brand recognition in the country is by accident and not by design. The Institution must reach out to unengaged populations and provide more access to its resources, including science- and education-based programs. Secretary Clough concurred that the Smithsonian must find ways of reaching those who don't even think about the Institution.

Noting that the goal of the presentation was to get a sense of direction from the Regents, the Chair said that a brand proposal will be presented to the Board for its approval during the April 2011 Regents' meeting. The approved brand will be implemented by the Secretary and involve the Smithsonian's directors and curators. Mr. Spoon added that the national campaign will combine what the Smithsonian says with what it does.

REPORT OF THE FINANCE COMMITTEE

Committee Member David Rubenstein provided an abbreviated report on behalf of Finance Committee Chair Roger Sant.

The Finance Committee met in December 2010. It reviewed the possibility of acquiring an additional 20 percent equity interest in SI Networks, the Smithsonian's joint venture

**Fiscal Year 2011 and the
Fiscal Year 2012 Federal
Budget Request**

with Showtime Networks, and agreed to recommend that the Executive Committee pursue that contractual call option. The committee also reviewed a proposed funding mechanism from the Endowment to support the national campaign.

Mr. Rubenstein commented on the fiscal year 2011 Federal budget and the fiscal year 2012 Federal budget request. He reminded the Board that the Institution is operating under a Continuing Resolution, which is \$37 million below the fiscal year 2011 budget approved by the Office of Management and Budget (OMB).

Discussing the fiscal year 2012 Federal budget request, Mr. Rubenstein said that, at \$861.5 million, the Smithsonian received an essentially favorable recommendation from OMB. Under OMB's recommendation, the remaining \$250 million in Federal funding for the National Museum of African American History and Culture will be split into two appropriations, with \$125 million included in the Smithsonian's fiscal year 2012 Federal budget, if approved by the Congress.

A motion was then presented that the Board authorize the Secretary to submit to Congress the fiscal year 2012 Federal budget, as negotiated with OMB. The motion was approved.

See attached Resolution 2011.01.02 (Minutes of the Board of Regents, Appendix A).

REPORT OF THE INVESTMENT COMMITTEE

The Chair said that the report of the Investment Committee would stand on its written report and asked for questions. There were none. The Chair again commented on the Endowment's top quartile performance and thanked Mr. Silfen, the chair of the Investment Committee, for his leadership.

REPORT OF THE FACILITIES COMMITTEE

There was no discussion of the report of the Facilities Committee, which rested on the materials in the meeting books.

REPORT OF THE GOVERNANCE AND NOMINATING COMMITTEE

Dr. France Córdova provided the Governance and Nominating Committee report on behalf of Committee Chair Shirley Ann Jackson. She noted that the committee had held four meetings from December 2010 to mid-January 2011 to evaluate potential candidates to fill the vacancy created by the resignation of Citizen Regent Phillip Frost. She said that the results of those efforts would be discussed during the afternoon executive session.

**Regents' Committee
Memberships for 2011**

Dr. Córdova, reminding the Board that the Governance and Nominating Committee presents proposed committee assignments to the Board each January, said that the

proposed committee assignments for 2011 were developed with the support of the Chair and the committee chairs.

Six of the nine Regents' committee will remain unchanged in 2011. Filling the vacancy left by Dr. Frost, Roger Sant will assume the chairmanship of the Compensation and Human Resources Committee. David Rubenstein will become chair of the Finance Committee, with former Finance Committee Chair Roger Sant moving to the position of committee member. John McCarter will become a new member of the Strategic Planning and Programs Committee.

Dr. Córdova noted that the proposed committee memberships assume that both Representatives Becerra and Matsui remain on the Board and do not acknowledge the recent appointments of Senator Reed or Representative LaTourette, or the remaining Citizen Regent vacancy. The Governance and Nominating Committee will review the committee memberships shortly after the remaining Citizen Regent vacancy is filled.

Dr. Córdova explained that, as per the Board's bylaws, two motions were being presented for the Board's approval: one to recommend the appointment of the proposed slate of candidates to the Regents' committees and a second to elect Mr. Kogod to the Executive Committee. The motions were approved en bloc.

See attached Resolutions 2011.01.03–2011.01.04 (Minutes of the Board of Regents, Appendix A).

Creation of Two Advisory Boards and Approval of Appointments to Existing Advisory Boards

Dr. Córdova then presented the proposed creation of two advisory boards. She explained that the creation of advisory boards for the Smithsonian Tropical Research Institute and the Smithsonian Astrophysical Observatory will provide unit directors with engaged supporters who can provide financial support and strategic advice. She noted that this initiative will also support the launch of the national campaign. There were no questions regarding the two proposed motions. As there were also no questions about the proposed appointment or reappointment of members to existing Smithsonian advisory boards, the Board was asked to consider those proposed motions. Accordingly, the Board approved en bloc the creation of two advisory boards and the appointment or reappointment of members to 12 advisory boards.

See attached Resolutions 2011.01.05–2011.01.18 (Minutes of the Board of Regents, Appendix A).

Approval of the Advisory Panel Report

Prior to adjourning for lunch, the Board returned to the discussion of the *Hide/Seek* controversy and considered a revised motion to accept the report of the advisory panel on exhibition planning. With Dr. Córdova abstaining, the motion was approved.

See attached Resolution 2011.01.19 (Minutes of the Board of Regents, Appendix A).

DIRECTOR'S REPORT: THE NATIONAL AIR AND SPACE MUSEUM

The Secretary introduced General Jack Dailey, director of the National Air and Space Museum (NASM), as the luncheon speaker. He said that General Dailey is a "man of

many talents” who served as a marine corps general, fought in active combat, and continues to fly today. Prior to his appointment to NASM in 2000, General Dailey served with distinction as an administrator for the National Aeronautics and Space Administration (NASA). Secretary Clough noted that General Dailey’s contributions have been essential to the opening of the Stephen F. Udvar-Hazy Center, NASM’s companion facility located in Dulles, Virginia.

NASM is one of the world’s most popular museums. Its two public facilities provide an array of opportunities to learn about and experience the wonders of the universe. Noting that he last spoke to the Board of Regents in 2000, General Dailey said that many notable events have occurred at the museum since that time. Phase I of the Hazy Center, which opened in 2003, now hosts approximately 1.2 million visits each year.

NASM is actively participating in the Grand Challenges outlined in the Smithsonian strategic plan and supporting the Institution’s ability to achieve its goals. The museum’s strategic plan is based on the Institution’s, and the performance plans of NASM staff include elements of the strategic plan. Every NASM staff member is aware of the individual and collective responsibility to contribute to the overall performance of the Institution. The museum’s 700 volunteers and 370 docents also support the mission of the museum and the Institution.

General Dailey displayed an image of the Udvar-Hazy Phase I groundbreaking in 2000. Phase I construction is now 100 percent complete. The enormous facility will allow NASM to put more of its collections on display; about 135 more airplanes will soon be installed in the space. The museum is also working to put more of its artifacts on display through loans to other facilities. The total cost of the Hazy Center is \$339 million, much of which has been paid for by generous gifts to the museum. The museum has been recognized for its fundraising abilities; it also receives support from its for-profit activities, such as the Hazy parking center fees and flight simulators. Payment on the \$33 million of remaining debt for the facility is five years ahead of schedule. Phase II construction was completed in December 2010, and move-in and start-up activities will be subject to the receipt of Federal funding.

General Dailey spoke of NASM’s focus on programs for families and learning-based activities. The museum’s Air and Scare Halloween program attracted 19,000 participants in 2010. Other popular events include Heritage Family Day and Become a Pilot Day. The Hazy Center coordinates its programming schedule with regional events. The center, for example, sponsors “fly-in” antique aircraft events in conjunction with a nationally recognized, locally based antique car exhibition. It also hosts film screenings that attract local audiences and cultivate the facility as a family destination.

All of NASM’s events, including developing and improving exhibits throughout the museum, are sponsored with outside, not Federal, monies. The museum is currently honoring naval flight pioneers in a series of centennial celebrations that recognize the contributions of the first naval aviators.

The General discussed digital outreach initiatives launched by NASM. The Fairfax County, Virginia, public school system network is linked to programming provided by the Hazy Center, and the Loudon County, Virginia, public school system has indicated

its interest in participating in this popular program. The museum is linked to the NASA television network. Interactive programs represent the strongest level of growth. NASM's interactive programs are very popular, and knowledge-based competitions also represent strong opportunities for increased visitor engagement. The General emphasized, however, that a virtual experience cannot compare to an opportunity to witness firsthand the enormous size and potential of the Smithsonian's air and space collections.

The General noted that one of the best-kept Smithsonian secrets is NASM's Center for Earth and Planetary Studies. He explained that the focus of the center's eight scientists is on Mars, Mercury, and the Earth's Moon has supported astounding research. In addition, the group's efforts provide for 50 percent of its operating costs, as well as allow it to compete for significant funding that could benefit the entire Institution.

Popular NASM exhibits include the Mall museum's Barron Hilton Pioneers of Flight Gallery, an endowed gallery with an educational focus on the people of the 1920s and 1930s and their relationship with the development of aviation. The Mall museum's public observatory on Independence Avenue attracted about 50,000 visitors in 2010, many of them students who were shown, for the first time, how to find and identify stars. Popular objects in the NASM collections include the 1903 *Wright Flyer*; Charles Lindbergh's *Spirit of St. Louis*; the Bell X-1 rocket plane (in which pilot Chuck Yeager broke the sound barrier), the North American X-15 rocket-powered research aircraft (the fastest aircraft ever flown); the television hook-up cable from the Apollo-Soyuz Test Project (which supported the live television broadcast of the first docking of American and Soviet spacecraft linking aircraft); and the *Hubble* Test Telescope.

General Dailey expressed the museum's strong interest in acquiring artifacts from the soon-to-be-retired space shuttle *Discovery*. NASM is one of nine applicants who have expressed interest in acquiring the retired shuttle. As one of the most-visited air and space museums in the world, NASM would provide a logical home for the shuttle. At this time, however, the museum does not possess the funds necessary to acquire the vehicle.

Looking forward, the General said that the museum's goals are to support memories of past aeronautic achievements while inspiring visions for the future. He acknowledged that the primary concern of the museum is budgetary, as the museum's Federal budget provides for 94–96 percent of staff salaries. Cuts in Federal appropriations would result in staff reductions. When asked about the museum's ability to handle two public venues, General Dailey said that a shuttle bus initially ran between the National Mall museum and the Udvar-Hazy Center. The service had been subsidized by the Commonwealth of Virginia but was determined to be financially unviable after that support was terminated. A shuttle now runs between Dulles International Airport and the Center. General Dailey noted that visitation will likely increase with the opening of a Washington Metro stop at Dulles Airport.

AFTERNOON SESSION

The Chancellor called the afternoon session to order at 1:10 p.m. He welcomed Representative LaTourette to the Board of Regents.

NATIONAL CAMPAIGN

Introductory Comments

Advancement Committee Chair Alan Spoon introduced the presentation on the national campaign. The Advancement Committee met on January 25, 2011, and agreed to recommend that the Board of Regents approves the initial campaign plan. He noted that that the recommendation follows two years of reviews, questions, benchmarking, and discussions of such topics as campaigns needs, staffing, budgets, funding, and policies. Secretary Clough noted that much of this work was conducted by staff, unit teams, and consultants, and benefited from the participation of Smithsonian friends in surveys and personal interviews. The Secretary also expressed his appreciation for Mr. Spoon's leadership and the contributions of the Regents' Advancement Committee (including its two non-Regent members, Travis Engen and Sakurako Fisher), the Smithsonian National Board (SNB), and SNB Chair Paul Neely.

Mr. Spoon said that the strategic plan unites the Smithsonian community around the major themes and asset needs of the Institution, including its platform opportunities and broad institutional ambitions, and said that the ability to realize those ambitions require funds. Although the Smithsonian's Endowment is sizeable, it represents a small (less than 5 percent) but reliable contribution to the Institution's operating budget. The Smithsonian must fortify its fundraising capabilities and expand its Endowment to support its needs for the next decade and the decades to come.

Overview of Campaign Discussion

Mr. Spoon said that this session would review

- the role of fundraising at the Smithsonian, which was identified in the Regents' self-assessment as an area in need of further discussion;
- the manifestation of the Smithsonian's mission through exemplary, highly representative core initiatives that are directly based on the strategic plan and will need funding from a campaign;
- the incomplete but persuasive evidence and logic for a campaign goal;
- a multipart plan to fund the fundraising costs, including where to source funding for large fundraising initiatives; and
- the clarified fundraising policies for identifying and naming giving opportunities, including the roles and responsibilities of staff and the Board.

Although the Advancement Committee had expected to establish and present a campaign goal to the Board during this meeting, it decided to postpone that decision because of increasing uncertainty about Federal support levels. Mr. Spoon emphasized that the Federal partnership is essential to donor perceptions, as the base resources and activities of the Smithsonian are critical to determining what a campaign can expect to fund and build on. Donors may not be compelled to support the Smithsonian if Federal support for the Smithsonian is severely reduced. Mr. Spoon said that resolving or gaining more information about the fiscal years 2011 and 2012 Federal

budgets, as well as developing a better sense of future Federal support, will inform the final campaign target. Outside donor input also will be solicited. He said that the purpose of this presentation was to inform the Board about the campaign plan and ask that it approve the resources necessary to proceed with the initial steps of the campaign. The campaign goal will be presented for the Board's approval no later than January 2012, and further resource commitments will be subject to that goal. Mr. Spoon then asked the Secretary to discuss the underlying reasons to have a campaign.

The Need for a National Campaign

Secretary Clough began by recognizing the many contributions that have been made in support of the campaign's development, noting that these collaborative efforts resulted in an excellent teambuilding exercise. In addition to the efforts of senior management, over 200 staff participated in the campaign's development and the National Board and the Advancement Committee reviewed ideas and provided counsel. He especially thanked Alan Spoon, the founding chair of the Advancement Committee, and the non-Regent members of the Advancement Committee for their contributions.

The Smithsonian strategic plan outlines goals, ideas, and projects (including fundraising for identified projects) that will support the Institution's future; it also provides a foundation for the national campaign's development. The national campaign will realize the objectives of the strategic plan and transform the Institution by attracting the next generation of leaders and donors; building a base for increased future gifts and support; increasing development expectations; focusing philanthropy to achieve strategic plan priorities; and engaging in meaningful, two-way conversations about the Smithsonian's future.

The funding of projects identified in the strategic plan will largely depend upon the success of the national campaign. In addition to monies from the campaign, the Smithsonian will depend upon three other sources of funding: Federal appropriations (approximately 65 percent of the Smithsonian's operating budget); new revenue (generated primarily by Smithsonian Enterprises); and government grants and contracts (awarded through competitive processes and therefore can not be considered dependable funding sources).

The Secretary explained the significance of contributions and private grants to the Institution's operating budget. In fiscal year 2010, these monies provided for 11 percent of the Smithsonian's overall budget and were the second-highest source of revenue. Half of these gifts were directed towards exhibitions, education, and public programs; endowment gifts are also included in these categories. Support from foundations, in particular the Bill & Melinda Gates Foundation, accounted for 40 percent of gifts in fiscal year 2010. In a typical year, individual giving provides approximately half of all gift support. Over the past five years, the annual average of such gifts has totaled \$143 million; the 10-year average is closer to \$120 million. Many recent gifts track the strategic plan, have been made in support of the campaign, and account for the five-year average increase in giving.

Campaign Feasibility Study

The planning of the national campaign has been a team effort guided by the overarching umbrella of the strategic plan. The campaign recognizes that individual units raise funds for unit agendas. With the support of the campaign and guided by the

strategic plan, however, units will be able to better support the efforts and progress of all units. The campaign will provide a unifying voice for the Smithsonian.

The Secretary noted that the Smithsonian's higher-end prospect base currently totals approximately 3,000, whereas the typical prospect base for many universities is about 100,000. He said that the purpose of the campaign will be to transform the Institution's donor base for all time and triple the number of high-end donors.

The development of the campaign included an in-depth analysis of how funds are typically raised at the Smithsonian. With the support of outside consultant Marts & Lundy, a screening project was conducted to determine which donors had the greatest potential to make gifts. By reviewing over 1 million Smithsonian donor records, the study found that more than 87,000 supporters could potentially make gifts of \$25,000 or more. When matched with interest and inclination factors, this number was reduced to 37,000. A capacity analysis further reduced prospects to around 15,000. Marts & Lundy then conducted a feasibility study, during which 75 donors and potential donors were interviewed and more than 300 supporters were surveyed. The study solicited input on the working goal and initial campaign ideas.

The results of the feasibility study demonstrate that the public supports the Smithsonian's leadership and the launch of a campaign. The study found that some believe that Federal support for the Smithsonian hinders the Institution's ability to raise funds and that the Smithsonian must strengthen its communications about Federal support and the role of private philanthropy, and refine its case for a national campaign. The study also noted that stronger engagement is needed with the Smithsonian's volunteers.

Discussion

The Board discussed the Smithsonian's unique status as a public/private partnership, the challenge of facing possible cuts in Federal funding, and the negative impact such cuts could have on donor giving. Information derived from the branding initiative and the campaign survey show that current and potential donors need to be better informed about the Smithsonian and its funding sources, and that this knowledge will engender stronger support for the Smithsonian and its campaign. The Chair said that recent conversations with colleagues in the philanthropic sector reflect increasingly higher levels of concern about the national deficit, as well as about the interlocking nature of Federal and philanthropic support for the Smithsonian. The Secretary and Dr. Córdova agreed that clearly explaining the Smithsonian's public/private partnership is similar to efforts required of public universities, which also depend heavily on private support.

The Secretary noted that members of Congress have expressed both explicit concern about reductions in Federal funding for the Institution and their interest in preventing any negative impact on the Smithsonian's campaign. Mr. Spoon noted that the support of the congressional Regents is especially important at this time.

Representative LaTourette asked if fundraising would be conducted by internal or external parties, expressing his opinion that an external fundraiser might be more motivated than someone on staff. The Secretary explained that the campaign will rely

upon both external consultants and internal fundraisers, and that staff will be expected to produce quantifiable results. Senator Reed asked if the Smithsonian has a foundation or association similar to alumni groups that solicit funds. Although there is not a Smithsonian foundation, the Smithsonian has a 501(c)(3) status. Mr. Dauer explained that Federal support (approximately 65 percent of the Institution's operating budget) funds facilities, infrastructure support, and staff, whereas Trust monies often are directed towards exhibitions, facility additions, and research. The Chair noted the challenge of explaining the Federal and Trust mix. Citing a museum exhibition as an example, she said that the construction of an exhibition might be supported with Trust funds whereas the staff, or brain trust, that created it might be federally supported. She emphasized that the Smithsonian must clearly distinguish where funds are directed in the Smithsonian. Mr. Rubenstein noted that this will be the largest campaign to date for any cultural organization that receives support from the Federal government, and agreed that it will be critical to explain the Smithsonian's funding mix to its donors.

Campaign Mission and Working Goal

Mr. Spoon then discussed the relationship between the national campaign and the Smithsonian's mission and strategic plan. The development of the campaign has led to the identification of institutional needs and priorities, and the creation of a campaign vision that includes big, overarching ideas. The case statement for the campaign must relate to the strategic plan and the goal of the campaign will be to support the realization of the strategic plan, including the increase and diffusion of knowledge. Mr. Spoon said that the campaign offers the opportunity to add texture to the Smithsonian's mission and to distinguish the Institution as a "worthy, natural, and distinguished" leader. He said that the campaign will strengthen the Smithsonian's ability to

- responsibly and effectively mirror changes in society,
- choose the science methodologies and platforms that the Institution can and should exploit in the future, and
- define a new paradigm for museums and museum education in a digital world.

The Secretary reviewed the development of the needs, mission, and working goal of the campaign. Over a period of six months, the Smithsonian gathered and reviewed project needs from the units. The funding requirements for the initial round of submissions totaled over \$3 billion. The needs, recast as ideas, were then refined into a list of ideas that could not be addressed with Federal funding and would be appealing to donors. Over 85 percent of the ideas are for unit-based projects and a very high percentage are associated with the grand challenge "understanding the American experience." Education also has been identified as one of the campaign's big ideas.

The Secretary noted that the summary of needs was a potential working goal that has been analyzed from a variety of perspectives. The Advancement Committee affirmed the working goal, noting that it is reasonable in the current environment, and acknowledges such externalities as the new congressional fiscal agenda and the National Portrait Gallery controversy. During the quiet phase of the campaign, campaign staff will be augmented, ideas will be tested with donors, and donor support will be quietly cultivated. The Secretary said gifts totaling \$260 million already have been received in support of the campaign, and 34 percent of those gifts are directed to endowments and track the strategic plan. The fiscal year 2011 goal for

campaign-directed gifts is \$350 million. The Smithsonian wants to secure approximately \$750 million in gifts prior to launching the public phase of the campaign, which will likely happen at the close of fiscal year 2013.

The Chair noted that the launch of the strategic plan, the development of the branding initiative, and preparations for a national campaign provide an important opportunity to have a national dialogue about the Smithsonian and reenergize its forces. Mr. Spoon added that the campaign will support each unit while providing a common, overarching voice for the Smithsonian.

**Campaign Infrastructure:
Staffing**

The campaign's staffing needs were reviewed. Proper staffing with sufficient support for all levels of giving is essential to the success of the campaign. Historically, the Smithsonian has been marginally successful at mid-level fundraising. The campaign will demand that staff successfully, and systematically, engage donors at the top and the bottom of the fundraising pyramid. Volunteer fundraising support will need to be quickly recruited to support both unit and overarching needs. Fundraising costs and development spending will be closely linked and monitored; metrics will be defined and developed to do so. Regardless of the campaign, the Smithsonian must invest in a strong information technology (IT) platform. Mr. Spoon noted that funding has not yet been identified for the necessary IT support that the advancement division will need.

Ms. Clark discussed the efforts to determine the appropriate infrastructure to support a national campaign. Reflecting the Institution's investment in the campaign, fundraising staff will increase by 55 percent, or 67 people, over the next two-and-a-half years. Seventy percent of those staff will be in the units and 30 percent will be in the central administration. Many of the fundraising staff will specialize in specific types of fundraising, such as planned giving or major gifts.

**Campaign Infrastructure:
Funding Requirements**

Ms. McNally reviewed the funding requirements and sources for a seven-year campaign. The estimates were determined through extensive benchmarking efforts. Salaries, benefits, and programmatic costs are estimated to total \$225.1 million over seven years, or about \$32.2 million per year. Funding will come from the continuation of institutional support for fundraising initiatives (which averages \$17.8 million per year, or \$124.6 million over seven years), augmented by fees on gifts with certain restrictions, an increase in the Endowment payout for the term of the campaign, indirect cost recovery tools, and donor gifts in support of the campaign's infrastructure. The financial administration of the campaign will be open and transparent, and donors will be fully informed about how contributions are managed. Showing projections for fiscal years 2011 and 2012, Ms. McNally noted that campaign costs and funding will fluctuate, and therefore will be monitored closely and reviewed by the Advancement Committee on a regular basis.

The Smithsonian currently spends \$.148 for each dollar it raises; the campaign anticipates spending \$.15 for each dollar raised. Ms. Clark explained that the projected costs have been benchmarked against comparable cultural and educational institutions and are within fundraising norms. The costs also reflect the fact that this is the first Smithsonian national campaign. Fundraising costs will be reduced as the Smithsonian's campaign becomes more seasoned and efficient.

**Campaign Infrastructure:
Policies and Procedures**

Ms. Clark also summarized the policies and procedures that will guide the campaign. New, benchmarked policies have been thoughtfully established with regard to namings, approvals, and prospect management; all are based on fundamental principles that include full transparency, are donor-centric, and demand due diligence. The new policies follow best practices and create consistency, clarity, and efficiency. Based on demonstrated interest, donor prospects will be assigned to units. A pan-institutional inventory of naming opportunities will be reviewed by the Board, which also will review the naming of facilities and gifts over \$5 million.

**Campaign Risks and Risk
Mitigation**

Risks and risk mitigation efforts were then reviewed. Noting that any new initiative of this scope will have risk, Mr. Spoon said that areas of risk can be categorized with regard to public controversies and congressional relations; the campaign goal; and the campaign's infrastructure. The Secretary said that broad mitigation strategies include the use of effective communication, transparency, management review and reporting, accountability, and skilled staff. He commented on the Board of Regents' role in mitigation efforts, and emphasized the importance of the Board's steadying influence on the Institution.

The Smithsonian will closely monitor staff performance, budgets, and funding plans, and adjust plans as necessary. A uniform approach to gift assessments will be applied across the Institution. A member of the Office of Human Resources will be dedicated to the efficient development and retention of skilled campaign staff. A leader in IT conversion systems has been hired to facilitate the implementation of a new advancement information system. Contingency plans have been developed to support the Smithsonian's response to potential scheduling delays, cost overruns, IT implementation delays, shortfalls in funds raised, and disagreements over gift assessments.

**Discussion of Risks and
Risk Mitigation**

Mr. McCarter noted that the market has largely recovered and that hedge funds are doing well, but also noted the possible effects on the market from the current unrest in the Middle East. He commented on the possible impact of The Giving Pledge, Warren Buffett and Bill Gates's joint initiative to invite wealthy individuals to donate 50 percent or more of their wealth to charity. Mr. McCarter then asked Marts & Lundy senior consultants John Cash and Lynne Heinrich for their perspectives on current market conditions and, in particular, the launch of a campaign at this time.

Mr. Cash said that although there was prior concern about the market's stability, it is doing well at this time. Marts & Lundy has done five campaign feasibility studies in the past 13 months and the number of institutions moving forward with campaigns is greater than ever. He noted that the Smithsonian's depth of donor prospects is huge. Many are already members or annual donors who have given annually, sometimes for decades, but have yet to be cultivated for campaign giving. Mr. Cash said that, although Marts & Lundy does not have a crystal ball, it "feels bullish" about the Smithsonian's national campaign.

Ms. Heinrich commented on the feedback received from the campaign feasibility studies. She noted that although major philanthropists across the country are wary of the market's fluctuations, they deeply care about the Smithsonian and want to support

initiatives that offer significant potential to make high-impact contributions to the world.

Representative Matsui asked how many other institutions were considering campaigns of this size and if those institutions were primarily educational. Mr. Cash reported there are currently 29 publically announced campaigns with campaign goals of over \$1 billion, and at least 10 other institutions are in the quiet phase of a campaign. All of these institutions are educational organizations.

Ms. Heinrich reported that at least six cultural institutions, including the Metropolitan Museum of Art, are considering (but have not announced) campaigns with goals over \$1 billion. Dr. Córdova noted that current demographics favor the Smithsonian, as the national pool of donor prospects includes an exceptionally philanthropic generation.

Next Steps

The Secretary then outlined the next steps in the development of the campaign. He said that elements of the campaign still needed shaping. To become operational, new people must be hired who are well-versed in the policies and procedures that will guide the campaign. The funding model must be tested (and, if necessary, refined) and tracked.

Ten new employees will be hired to support the campaign in fiscal year 2011; 31 in fiscal year 2012; and the balance in fiscal year 2013. A staff member will be added to the Office of Advancement specifically to manage its human resource needs. The Secretary noted that the market for persons with desirable campaign skills is very competitive.

Secretary Clough said that the last meeting with the directors' advisory group revealed that the units are eager to proceed with the campaign. He also noted that numerous meetings have been held with the Smithsonian's advisory boards. Mr. Spoon said that the Secretary's comment is but a small indication of the work and the progress that have been made in the development of the campaign, stating that it is an enormous accomplishment to have developed a collaborative spirit and working trust between the units and the central administration.

Motion to Approve the Campaign's Core Components

A motion was made and seconded to approve the core components of the national fundraising campaign. In light of the importance of the vote, the Chancellor read the full motion aloud. Dr. Córdova asked if the approval of the core components of the campaign included approval of a specific change in the Endowment payout rate. The Board agreed that the Institution must exercise due caution and bring requests for any significant changes in the Endowment's payout rate to the Board for its approval. The motion also notes that the Regents will conduct an annual, in-depth review of the campaign's progress, and that the Advancement Committee will continue to monitor campaign details on an ongoing basis.

With Dr. Córdova abstaining, the motion was approved by hand vote.

See attached Resolution 2011.01.20 (Minutes of the Board of Regents, Appendix A).

REPORT OF THE ADVANCEMENT COMMITTEE

Mr. Spoon asked Ms. Clark to discuss 13 gift proposals that were being presented for the Board's approval, as well as comment on some of the notable gifts that recently had been received by the Institution.

Ms. Clark said that the gifts range in size from \$8 million to \$50,000 and support nine different Smithsonian units. Four provide full or partial support for endowments, nine support capital projects, two provide for fellowships, and two support sponsorships. Ms. Clark noted that each gift represents support from donors who have previously given to the Smithsonian. It is anticipated that the national campaign will bring in new donors.

Ms. Clark then commented on one of the notable gifts described in the meeting materials. Barbara Littman, a volunteer and former employee who worked for more than 30 years in the National Museum of Natural History's Department of Invertebrate Zoology, provided \$100,000 to that museum to enable the *Written in Bone* Forensic Anthropology Lab to remain open for the exhibition's duration.

The gift proposals were the presented for the Board's approval. The proposed motions were approved en bloc.

See attached Resolutions 2011.01.21–2011.01.33 (Minutes of the Board of Regents, Appendix A).

RECENT SMITHSONIAN RESEARCH

Under Secretary for Science Eva Pell commented on two of the science submissions included in the report on recent Smithsonian research. She first spoke of the use of a Smithsonian Astrophysical Observatory instrument designed to image the sun at a variety of wavelengths. Carried on the Solar Dynamics Observatory satellite, the instrument allowed astronomers in August 2010 to witness the surface of the sun as it blasted billions of tons of plasma into interplanetary space. These types of events, called coronal mass ejections, can interact with the Earth's magnetic field and cause the spectacular light shows known as aurorae.

Dr. Pell also reported on the Smithsonian Environmental Research Center's (SERC) invasive species program and the June 2010 discovery by a SERC senior scientist of the invasive tunicate *Didemnum vexillum* in the waters off Sitka, Alaska. Dr. Pell explained that scientist Greg Ruiz had predicted the northward migration of the prolific, fouling organism along the West Coast. Because this invasive marine species can cause economic and ecological damage, its early detection allows responses to mitigate problems associated with the organism. Dr. Pell also noted that the Smithsonian is the lead partner in the BioBlitz species inventory initiative.

Under Secretary for History, Art, and Culture Richard Kurin then spoke of the collaborative efforts of the National Museum of Natural History, the National Museum

of the American Indian, Alaska Native communities, and the Anchorage Museum to work with native Alaskans to better understand the art and design traditions of 20 groups of Alaska Native Peoples. He reported on the efforts of Center for Folklife and Cultural Heritage staff to study the relationship between five Colombian ecosystems and the distinctive cultural arts and traditions that have evolved in response to these different geographic regions.

Dr. Kurin also commented on *The Freedoms We Lost: Consent and Resistance in Revolutionary America*, a new book by National Museum of American History Curator of Political History Barbara Clark Smith that offers a new interpretation of how democratic ideas arose and spread during America's eighteenth-century movement for independence. He noted that the National Museum of African American History and Culture is developing its inaugural exhibitions, including one that examines the American story through the experience of African Americans in Lyles Station, Indiana, an African American farming community that dates back to the mid-nineteenth century.

Dr. Kurin reported that the Hirshhorn Museum and Sculpture Garden's exhibition of *Yves Klein: With the Void, Full Powers*, which was co-organized with the Walker Art Center in Minneapolis, drew record crowds. He also commented on the current political unrest in the Middle East, the protection of archeological and cultural artifacts, and the Museum Conservation Institute's collaboration with the U.S. Department of State's Cultural Heritage Center and Department of Homeland Security's Immigration and Customs Enforcement (ICE) to provide training for ICE agents tasked with investigating and preventing the illicit trade of art and antiquities.

REPORT OF THE SMITHSONIAN NATIONAL BOARD

Smithsonian National Board Chair Paul Neely reported that the National Board met in Boston, Massachusetts, on January 20–22, 2011. Regent Alan Spoon and his wife, Terri Spoon, welcomed National Board members into their home for dinner on the evening of Thursday, January 20. Members toured the Smithsonian Astrophysical Observatory the next day and on Saturday, January 22, were given an overview of the campaign by Mr. Spoon. Mr. Neely noted that National Board members are very enthusiastic about the campaign.

REPORT OF THE OFFICE OF GOVERNMENT RELATIONS

Director of Government Relations Nell Payne said there were no updates to the report provided in the Regents' meeting materials.

EXECUTIVE SESSION

During its executive session, the Board considered a recommendation from the Governance and Nominating Committee to nominate Stephen Case of McLean, Virginia,

to succeed Dr. Phillip Frost as a Citizen Regent. The Board approved the nomination of Mr. Case and asked that the congressional Regents introduce and support legislation in support of his appointment.

See attached Resolution 2011.01.34 (Minutes of the Board of Regents, Appendix A).

The Regents reviewed the report of the Compensation and Human Resources Committee, and considered proposed motions regarding the Secretary's compensation recommendations for senior executive positions in 2011 and the committee's compensation recommendation for Secretary Clough. The proposed motions were approved.

See attached Resolutions 2011.01.35–2011.01.36 (Minutes of the Board of Regents, Appendix A).

ADJOURNMENT

The meeting was adjourned at 2:25 p.m.

Respectfully Submitted,

G. Wayne Clough
Secretary

**APPENDIX A: APPROVED RESOLUTIONS OF THE
JANUARY 31, 2011, MEETING OF THE BOARD OF REGENTS**

VOTED that the Board of Regents approves the minutes of the September 20, 2010, meeting of the Board of Regents. [2011.01.02]

VOTED that the Board of Regents authorizes the Secretary to submit to Congress a Federal budget request for appropriated funds for fiscal year 2012 as part of the President's budget in the amount negotiated with OMB, and authorizes the Secretary to inform OMB and Congress fully about the implications of the President's budget for the mission and priorities of the Smithsonian. [2011.01.03]

VOTED that the Board of Regents approves the proposed committee chairmanships and member assignments for 2011 and requests that the Chancellor make the necessary appointments. [2011.01.04]

VOTED that the Board of Regents elects Robert P. Kogod as a member of the Executive Committee effective January 31, 2011. [2011.01.05]

VOTED that the Board of Regents approves the establishment of an advisory board for the Smithsonian Tropical Research Institute and the proposed bylaws. [2011.01.06]

VOTED that the Board of Regents approves the establishment of an advisory board for the Smithsonian Astrophysical Observatory and the proposed bylaws. [2011.01.07]

VOTED that the Board of Regents appoints Helen W. Drutt English and Eli Wilner to the Board of Trustees of the Archives of American Art for three-year terms effective immediately. [2011.01.08]

VOTED that the Board of Regents appoints William Ivey, Enrique Lamadrid, Ann Sheffer, and Deborah Wong and reappoints Libby O'Connell to the Advisory Council of the Center for Folklife and Cultural Heritage for three-year terms effective immediately. [2011.01.09]

VOTED that the Board of Regents reappoints Elizabeth Ainslie, Kurt Andersen, Michael R. Francis, Alice Gottesman, Paul K. Herzan, John Maeda, and Enid W. Morse to the Board of Trustees of Cooper-Hewitt, National Design Museum for three-year terms effective immediately. [2011.01.10]

VOTED that the Board of Regents appoints David L. Joyce to the Board of the National Air and Space Museum for a three-year term effective immediately. [2011.01.11]

VOTED that the Board of Regents appoints Tamsanqa Maxwell Maisela to the Board of the National Museum of African Art for a three-year term effective immediately. [2011.01.12]

VOTED that the Board of Regents appoints Scott Edwards, Lisbet Rausing, and Jorge Soberón and reappoints Peter Buck, Michael Collins, and Rita Colwell to the Advisory Board of the National Museum of Natural History for three-year terms effective immediately. [2011.01.13]

VOTED that the Board of Regents appoints Daniel Brewster, Amy Meadows, and Pam Scott and reappoints Jack H. Watson Jr. to the Commission of the National Portrait Gallery for four-year terms effective immediately. [2011.01.14]

VOTED that the Board of Regents appoints Karen Bertha, David L. Herendeen, and Patricia Kaufmann to the Council of Philatelists of the National Postal Museum for three-year terms effective immediately. [2011.01.15]

VOTED that the Board of Regents appoints James Dinegar to the National Advisory Board of the National Zoological Park for a three-year term effective immediately. [2011.01.16]

VOTED that the Board of Regents appoints Harold E. Chappellear, Kyle B. Lukins, and Suzanne H. Woolsey and reappoints Francis H. Chaney, Thomas E. Lindley, Midgett S. Parker, and Terence F. Smith to the Advisory Board of the Smithsonian Environmental Research Center for three-year terms effective immediately. [2011.01.17]

VOTED that the Board of Regents appoints Linda Gooden and Keith Simmons to the Advisory Board of the Smithsonian Institution Libraries for three-year terms effective immediately. [2011.01.18]

VOTED that the Board of Regents appoints Valerie E. Anders, Max N. Berry, Jamie Doggett, Shelby M. Gans, Patrick R. Gaston, Edward K. Gaylord II, Roxanna E. Lawer, Long Nguyen, Libby Haight O'Connell, Gloria C. Rodríguez, James G. Vella, and Gay F. Wray to the Advisory Board of the Smithsonian Institution Traveling Exhibitions Services for three-year terms effective immediately. [2011.01.19]

VOTED that the Board of Regents accepts the report of the advisory panel on exhibition planning and expresses its appreciation to panel chair John McCarter and members David Gergen and Rusty Powell, and requests that the Secretary address the panel's observations and recommendations and present an action plan to the Board.

In accepting the panel's report, the Board recognizes that, as a national museum and public trust, the Smithsonian Institution must address important cultural, scientific, and social issues in an open and honest manner.

The Smithsonian's exhibitions, even when potentially controversial, must reflect the principles of freedom of inquiry and expression, while taking into account the broad and diverse range of beliefs and perspectives of the American people.

The Board supports the efforts of the Secretary, the unit directors, and the expert staff in working cooperatively to address the difficult issues that arise in presenting controversial topics. [2011.01.20]

VOTED that the Board of Regents approves the core components of the national fundraising campaign as presented by the Secretary and recommended by the Advancement Committee. The Regents request that the Secretary present a campaign goal for approval by the Board no later than the January 2012 Board meeting. The Board further directs the Advancement Committee to conduct an annual assessment of the progress of the campaign at the close of each fiscal year and report its findings to the Board the following January. The Board shall also consider the sufficiency of the budget and funding for the campaign through its annual review of the Smithsonian Trust budget and Endowment payout rate. Any materials changes to the core components of the national campaign shall be made only with the approval of the Board of Regents or its Executive Committee, either of which may, in doing so, seek the guidance of the Advancement Committee. [2011.01.21]

VOTED that the Board of Regents recognizes the generosity of the Whitney and Elizabeth MacMillan Foundation to the Smithsonian American Art Museum and approves naming the MacMillan Education Center and creating and naming the MacMillan Education Endowment. The endowment will be used for programmatic purposes, as described. [2011.01.22]

VOTED that the Board of Regents recognizes the generosity of Target Corporation to the National Museum of African American History and Culture and accepts the terms of the gift agreement. In addition, the Board approves the naming of a space within the museum building for a period of 25 years from the date of the public opening of the building. The name of the space will be consistent with the policies and guidelines of the Smithsonian and the museum. [2011.01.23]

VOTED that the Board of Regents recognizes the generosity of Wal-Mart Stores, Inc. to the National Museum of African American History and Culture and approves the naming of a space within the museum building for a period of 25 years from the date of the public opening of the building. The name of the space will be consistent with the policies and guidelines of the Smithsonian and the museum. [2011.01.24]

VOTED that the Board of Regents recognizes the generosity of Airbus to the Smithsonian and the National Air and Space Museum and approves continuing the naming of the Airbus IMAX Theater at the Steven F. Udvar-Hazy Center until 2023 for a total of 15 years. [2011.01.25]

VOTED that the Board of Regents recognizes the generosity of Bloomberg L.P. to the Hirshhorn Museum and Sculpture Garden and approves naming the seasonal inflatable structure after the company. A name, such as the Bloomberg Inflatable Structure, will be mutually agreed upon by both parties and will be consistent with the policies and guidelines of the Smithsonian. The naming shall be for the term of the sponsorship agreement, which is from December 16, 2010, until May 31, 2014, after which the donor will have the right of first refusal to renew the agreement for an additional two years. In addition, Board accepts the other terms of the sponsorship agreement. [2011.01.26]

VOTED that the Board of Regents recognizes the generosity of Time Warner Inc. to the National Museum of African American History and Culture and approves the naming of a space within the museum building for a period of 25 years from the date of the public opening of the building. The name of the space will be consistent with the policies and guidelines of the Smithsonian and the museum. [2011.01.27]

VOTED that the Board of Regents recognizes the generosity of Goldman Sachs Gives to the National Museum of American History and names the Goldman Sachs Fellows Program for a period of three years, or until all program funds are expended. [2011.01.28]

VOTED that the Board of Regents recognizes the generosity of the Terra Foundation for American Art to the Smithsonian American Art Museum and names The Terra Foundation Fellowships in American Art for a period of five years; The Terra Symposia on American Art in a Global Context until the symposia conclude in 2015; and The Terra Foundation for American Art International Essay Prize for three years, from 2009 to 2011. [2011.01.29]

VOTED that the Board of Regents recognizes the generosity of the Friends of the National Zoo Board of Directors to the National Zoological Park and its Elephant Trails project and names The Jim Schroeder Elephant Overlook in honor of the former deputy director of the Friends of the National Zoo. The overlook will be so-named until a major renovation of the facility in which it is located, the Clint Fields Conservation Plaza. [2011.01.30]

VOTED that the Board of Regents recognizes the generosity of Northrop Grumman Corporation to the National Air and Space Museum and accepts the terms of the agreement. [2011.01.31]

VOTED that the Board of Regents recognizes the generosity of Van Cleef & Arpels to Cooper-Hewitt, National Design Museum, and accepts the terms of the sponsorship agreement. [2011.01.32]

VOTED that the Board of Regents recognizes the generosity of Victor and Takako Hauge and Michael de Havenon to the Freer Gallery of Art and the Arthur M. Sackler Gallery, and creates an endowment to support Southeast Asian art and culture, with funding priority given to the support of a curator in this field. For administrative purposes, this endowment is to carry the title of the Southeast Asian Area Program Endowment. [2011.01.33]

VOTED that the Board of Regents creates the Coral Endowment Fund to support the study of corals at the National Museum of Natural History. [2011.01.34]

VOTED that the Board of Regents nominates Stephen M. Case of McLean, Virginia, to succeed Phillip Frost as a Citizen Regent on the Board of Regents and serve a statutory term of six years, effective immediately. Furthermore, the Board asks its Congressional members to introduce and support legislation to this effect as soon as possible. [2011.01.35]

VOTED that the Board of Regents approves the Secretary's compensation recommendations for senior executive positions. [2011.01.36]

VOTED that the Board of Regents approves the Compensation and Human Resources Committee's compensation recommendation for the Secretary. [2011.01.37]