

MINUTES OF THE APRIL 18, 2013, ADVANCEMENT COMMITTEE MEETING

The Advancement Committee (“the Committee”) of the Board of Regents met on April 18, 2013. Participating were Committee Chair Alan G. Spoon and Committee members Barbara Barrett, France A. Córdova, Travis Engen, Paul Neely, and David Rubenstein. Committee members Sakurako Fisher and Adrienne Mars were unable to participate.

Staff present for all or part of the meeting were Smithsonian Secretary G. Wayne Clough; Chief of Staff to the Secretary Patricia Bartlett; Director of Advancement and Philanthropic Giving Virginia B. Clark; Deputy Director of Advancement Zully Dorr; Interim Campaign Director Phillippe Hills; Chief of Staff to the Regents John K. Lapiana; and General Counsel Judith Leonard.

CALL TO ORDER

Mr. Spoon welcomed members and called the meeting to order at approximately 3:05 p.m.

APPROVAL OF MINUTES

The draft minutes of the January 14, 2013, Committee meeting were approved without modification.

SECRETARY’S UPDATE

Atlanta Outreach. Dr. Clough provided an update on significant events impacting the Smithsonian since the Committee’s January 14 meeting. Dr. Clough began his report by noting that he was participating from Atlanta, Georgia, where he has been conducting outreach with advisory board members and potential donors and corporate sponsors. In addition, the Atlanta area is home to eight Smithsonian Affiliate museums.

Federal Budget. Dr. Clough explained that the President’s fiscal year 2014 Federal budget was recently submitted to Congress and contained funding requests to finish construction of the National Museum of African American History and Culture (NMAAHC) and \$20 million for that museum to “ramp up” for its opening in 2015. Additional funding is also requested for collections care and digitization. The request is “very positive for the Smithsonian,” Dr. Clough concluded, and “recognizes the good work that we have been doing.” The “surprise component” of the proposal, he added, was an additional \$25 million, which the Smithsonian did not request, to support the its leadership role in the consolidation of Federal outreach efforts for certain Science, Technology, Engineering, and Math (STEM) initiatives. Assistant Secretary for Education and Access Claudine Brown is coordinating the Smithsonian’s efforts in response to the President’s proposal with other affected agencies.

In contrast to the “good news” of the President’s proposed budget is the likely impact of sequestration, Dr. Clough explained. He said that the Smithsonian anticipated the likely cuts over this fiscal year, and cut back on hiring, travel, and training to “soften the impact.” He provided an overview of his recent congressional testimony with the director of the National Park Service and the Archivist of the United States before the House Subcommittee on Government and Oversight. If sequestration continues into fiscal year 2014, Dr. Clough anticipates a \$65 million cut to the Smithsonian’s Federal appropriations. Both Mr. Spoon and Dr. Clough emphasized that conversations with donors should acknowledge that that, even with these cuts, and with continued Federal and private support, “the Smithsonian will still be able to accomplish much.”

CAMPAIGN HIGHLIGHTS, ANALYSIS, CALENDAR

Campaign Overview. Ms. Clark then provided the regular progress review for the national campaign. She began by noting that the campaign has raised \$669 million to date, and approximately \$74 million has been raised toward the fiscal year 2013 “stretch” goal of \$220 million. She remains optimistic that the fiscal year 2013 goal will be achieved.

NMAAHC Fundraising. Ms. Clark briefly described the “pipeline” of gifts for the construction of the NMAAHC. Of the \$250 million privately funded share of that project, \$122 million has been raised to date. Ms. Clark outlined how the Smithsonian is refining its strategies and projections for securing private support for the museum to support its scheduled opening in late 2015.

Staffing. Ms. Clark described the status of the search for a new national campaign director.

Campaign Calendar. Ms. Clark directed the Committee to the campaign calendar in the meeting materials. She noted that the campaign is on track to launch its public phase in October 2014 and that planning and outreach work in target cities and regions is ahead of schedule.

CAMPAIGN TIMELINE AND MILESTONES

Ms. Clark reminded the Committee about the non-numerical goals of the campaign—to support Smithsonian efforts to spark discovery, tell America’s story, inspire lifelong learning, and reach people everywhere by funding its “people, places, programs, and treasures.”

The goal of her presentation, Ms. Clark explained, was to educate the Committee on the campaign milestones that will be met over the next eight to 18 months in anticipation of an October 2014 public launch of the campaign. Initially, staff will review the work that was done to support the campaign’s quiet phase and reassess staffing and gift opportunities as appropriate. She noted that since the January 2011, five new unit directors have joined the Smithsonian. These new directors must review their unit’s campaign priorities and establish what they want their gift opportunities to be. At the same time, staffing must be reviewed, the

budget for the campaign kickoff weekend must be developed, and potential funders must be identified.

Mr. Engen noted that a public launch earlier than October 2014 could be useful in light of the publicity surrounding sequestration and its impact on the Smithsonian. Ms. Barrett suggested that consideration be given to launching something less than the full campaign earlier. Mr. Spoon added that the Secretary could consider “declarations” or other precursors to the launch, which would help build momentum and then be repeated at the launch. Ms. Clark agreed that staff would follow up on these ideas and create a series of scenarios contemplating either an earlier launch or shaping new messages in light of the Federal budget environment.

Ms. Clark provided the Committee with an overview of current milestones toward the development and approval of the campaign’s public goal and the schedule for the campaign’s planned kickoff weekend on October 17–19, 2014. She noted that the plans contemplate that the Regents’ annual review of campaign progress will be moved from January to June 2014, and that the Advancement Committee will consider the calendar over its next few meetings. Ms. Clark also encouraged the Committee to consider and comment on the current working theme—“Innovation and Ingenuity”—for the launch weekend. The Committee recommended that Ms. Clark and her team also consider capitalizing on the Smithsonian’s unique position as an American institution and a source of national pride as a theme for the campaign launch.

Mr. Rubenstein suggested that the Committee and key campaign leadership conduct a daylong focused retreat to go through all the campaign issues in detail. Mr. Spoon asked Ms. Clark to identify dates when such a focused retreat would have greatest positive impact on campaign planning.

REVIEW OF PENDING GIFTS AND CORPORATE SPONSORSHIPS

Ms. Clark then presented four proposed actions for the Committee’s consideration. Following brief discussion, the following motions were approved:

VOTED that the Advancement Committee recommends the recognition by the Board of Regents of the generosity of the Wallace H. Coulter Foundation to the National Museum of American History and its *American Enterprise* exhibition and names the first-floor public space adjacent to the exhibition the Wallace H. Coulter Performance Plaza for a period of no less than 20 years from the date the exhibition opens; names, subsequent to the fulfillment of a challenge grant, the interactive activity space within the exhibition the Wallace H. Coulter Exchange for a period of no less than 20 years from the date the exhibition opens; and names a program series in honor of Wallace H. Coulter for a period of five years from the date the exhibition opens.

VOTED that the Advancement Committee recommends the recognition by the Board of Regents of the generosity of the Lemberg Foundation to Cooper-Hewitt, National Design

Museum, and names the former breakfast room in the museum's Carnegie Mansion the Usdan Family Gallery for 40 years.

VOTED that the Advancement Committee recommends the recognition by the Board of Regents of the generosity of Nancy Marks to Cooper-Hewitt, National Design Museum, and names the former bedroom of Mrs. Andrew Carnegie in the museum's Carnegie Mansion the Marks Family Gallery for 40 years.

VOTED that the Advancement Committee recommends the creation by the Board of Regents of a quasi-endowment to be utilized at the discretion of the Director of the Freer Gallery of Art and Arthur M. Sackler Gallery for purposes including, but not limited to, acquisition, conservation, exhibitions and research in the field of Chinese art. Further, the Board authorizes the transfer of funds identified for this purpose.

Ms. Clark briefly highlighted some recent notable gifts that did not require the Committee's review or Regent approval. She noted that these gifts were subject to, and made consistent with, the Smithsonian's gift policy.

ADJOURNMENT

There being no further discussion or a request for executive session, Mr. Spoon adjourned the meeting at approximately 4:00 p.m.

Respectfully submitted,

Alan G. Spoon
Chair