

Date: _____ Approved: _____

THE VIRGINIA MUSEUM OF FINE ARTS
Minutes of the Meeting of the Board of Trustees
Wednesday, 18 November 2009, 9:30 am
The Marble Hall

Presiding: Pamela Reynolds, President
Secretary: Ms. Suzanne Broyles

There were present:

Pamela Reynolds, President
Thurston R. Moore, Vice-President
Mrs. Suzanne T. Mastracco, Statewide Vice-President

Karen C. Abramson
Martin J. Barrington
Alfonso L. Carney, Jr.
James C. Cherry
Mrs. Whitt W. Clement
Mrs. Louise B. Cochrane
W. Birch Douglass III
Thomas F. Farrell II
Dr. Elizabeth A. Fisher
Susan S. Goode
Grant H. Griswold
Dr. Elizabeth F. Harris
Ms. Carolyn Hsu-Balcer
Ivan P. Jecklin
Steven A. Markel
Mrs. Barbara-lyn B. Morris
Mrs. Stanley F. Pauley
Agustin Rodriguez
Michael J. Schewel
Ranjit K. Sen
John R. Staelin
Dr. Shantaram K. Talegaonkar
Ms. Mary F. White

By Invitation:

Alex Nyerges, Director
Ms. Carol Amato
Stephen D. Bonadies
David B. Bradley
Ms. Suzanne Broyles
Dr. Lee Ann Chesterfield
Dr. Herbert A. Claiborne, Jr.
Herbert A. Claiborne III

Dr. Joseph M. Dye III
 Ms. Joan W. Murphy
 Robin Nicholson
 Ms. Nancy Parsons
 Ms. Sandra Rusak
 Ms. Tina Stoneburner
 Ms. Alexis Vaughn
 Richard B. Woodward

Absent:

Richard G. Tilghman, Vice-President
 John B. Adams, Jr.
 John R. Curtis, Jr.
 Cynthia Kerr Fralin
 Mrs. Jane Joel Knox
 Ms. Frances A. Lewis
 John A. Luke, Jr.
 James W. McGlothlin
 Dr. Alvin J. Schexnider

I. CALL TO ORDER

The President, Pamela Reynolds, called the meeting to order at 9:30 am and welcomed everyone. She called for a moment of silence in honor of Robert Spilman, husband of Jane Bassett Spilman, former Museum President. She thanked the staff for their hard work on the Lewis Gallery reinstallation and introduced new trustee, Steve Markel. Mrs. Reynolds referred to the new meeting listing in the folders showing new meetings scheduled for December 14th and the cancellation of the January 6th meetings.

II. MINUTES

Motion: proposed by Mrs. Reynolds, seconded by Mrs. Moore that the Minutes of the last meeting of the Full Board of Trustees held on the 17th of September 2009 be approved as distributed on the 30th of October 2009. Motion carried.

III. REPORT OF THE DIRECTOR – Alex Nyerges

Alex Nyerges reported that the Marketing Department has put together a tentative schedule for your feedback on the Opening Events. This shows how we will reintroduce ourselves to the community. He called on Alexis Vaughn, Deputy Director of Sales and Marketing, to give a PowerPoint presentation on the planned scope of events.

Alexis Vaughn distributed a listing of opening events and gave details on each including the Legislative Reception on February 1st, the April 14th Press Preview, the First, Second and Third Tier Donor events, Members' Day and finally the Public Opening slated for May 1st & 2nd, 2010.

The Director then introduced Nancy Parsons, Deputy Director of Development, to give a report on the Top Ten Campaign. Ms. Parsons noted that Pam Reynolds and John Luke are the campaign co-chairs for the total \$60 million needed (\$35 million building; \$25 million endowment.) Ms. Parsons reported that of the \$14.3 million raised since 2006, \$4.5 million (31%) has been received in calendar year 2009 to date. She noted the goals are to raise \$20 million by June 30, 2010, \$35 million by June 30, 2011 and \$60 million by June 30, 2012. Ms. Parsons then reviewed the Top Ten Campaign strategy with the group.

IV. REPORT OF THE CHIEF OPERATING OFFICER - Carol Amato

Carol Amato explained that the budget we are presenting today is revised to show the state reductions. She went on to review the changes in this revised budget from the budget approved in September. Ms. Amato asked the trustees to spend time with the distributed report from the Auditor of Public Accounts especially the section that mentions consolidating administrative services of state cultural institutions and locating this function in the office of the Secretary of Education. She announced that the state is revising the budget process and going to an automated system by August of 2010.

V. REPORT OF THE FOUNDATION – Herbert A. Claiborne III, President

President Claiborne noted that investment returns were improving and unrestricted endowment income was 1% over projection. He reported that in October, the Foundation Board elected four new members, Mona Albertine, Fred Tattersall, Andrew Lewis, and Freddie Gray. All officers will continue except the new Treasurer is S. Pierce Walmsley V.

President Claiborne said the VMFA Annual fund raised \$1,378,000 in FY 2008-2009. This year's goal is \$1.5 million and 100% participation by Directors and Trustees. To date \$300,000 has been raised. He listed the VMFA Fund leadership as Ben Rawles, Chair; Meg Clement for Trustees and Directors; Kelly and Tiff Armstrong and Birch and Ginny Douglass for Founders and Fabergé; Hugh and Susan Ewing and Freddie and Lawrence Gray for Director's Circle; Patsy and John Barr for Fellows; and John and Cabell West for Patrons and Curator's Circle. Direct Mail Company, Lukens Corporation, has been hired for Annual Fund and Membership mailings.

VI. COMMITTEE REPORTS

a. Resource Development Committee – W. Birch Douglass III, Chair

Birch Douglass remarked that yesterday the Resource Development Committee met and Alexis Vaughn gave a fantastic report on the Sales and Marketing Division's behind the scenes activities. Nancy Parsons updated the group on priority funding needs. Robin Nicholson revealed the new banner exhibitions and gave an overview of funding needs in a very interesting and comprehensive report. Mr. Douglass said that the Director will give a presentation on the new banner exhibitions later in this meeting.

b. Fiscal Oversight Committee – Thurston R. Moore, Chair

Thurston Moore reported that the Fiscal Oversight Committee met earlier today and approved a revised FY10 operating budget after the changes were explained in detail. He reviewed the revisions with the Board and the following motion was proposed.

Motion: proposed by Mr. Moore and seconded by Mr. Douglass that the board approve the 2010 revised budget as presented. Motion carried.

c. Government Affairs Committee – Susan S. Goode, Chair

Susan Goode remarked that yesterday's meeting included a briefing on the 2010 Government Affairs action plan. She announced that the House Appropriations Committee members were guests at last night's dinner and overall it was a productive evening although the financial realities of the discussions were sobering. February 1, 2010 will be VMFA Day when the General Assembly and the McDonnell Administration will be invited to a sneak peek of the new wing. Fellowship award winners and Statewide Partners will be invited as well.

d. Education and Statewide Partnerships Committee – Suzanne T. Mastracco, Co-chair

Suzanne Mastracco was delighted to report that on October 22, the museum's Education and Statewide Partnerships Trustee Committee was presented with a resolution of appreciation by Dr. Mark Emblidge, President of the Virginia Board of Education. She noted that a copy of the resolution is in the board folders for review. The staff reported on the year's accomplishments following the Board's adoption of the 2008 Statewide Task Force recommendations this time last year. Mrs. Mastracco was pleased to report that statewide services increased by 52%. The ESP Committee is also preparing to move forward with the Strategic Planning process; education and statewide services comprise a significant part of the strategic plan and will be critical to its successful implementation.

At 10:30 am the meeting went into closed session for the Art Acquisitions Committee and the Museum Expansion Committee reports.

Motion: proposed by Mr. Douglass, seconded by Mr. Cherry that the meeting to go into closed session under Section 2.2-3711(A) (6), (8), (9) and (30) of the Freedom of Information Act
to discuss the investing of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the Museum would be adversely affected, and
to discuss and consider matters relating to specific gifts, bequests, and fundraising activities, and grants and contracts for services to be performed, and for discussion of matters relating to specific gifts, bequests, and grants, and for discussion of the terms and scope of the contracts for the expansion, sculpture garden and parking deck where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Museum.
Motion carried.

At 10:40 am by motion proposed, seconded, and carried, the meeting resumed in open session.

Motion: proposed by Mr. Rodriguez and seconded by Mr. Barrington, that the Board certify that the closed session just held was conducted in compliance with Virginia State law, as set forth in the Certification Resolution distributed and appended to these minutes. Motion carried.

A roll call vote was taken by the Secretary, the results of which are outlined in the Certification Resolution.

Motion: proposed by Mr. Cherry and seconded by Mr. Douglass that the Board ratify the recommendation the Art Acquisitions Committee made in yesterday's meeting to approve the following purchase for the amount and using the special funds specified:

1. Fred Tomaselli (American, born 1956), Woodpecker, 2008, acrylic, gouache, photo collage and resin on wood panel, 72 x 72" for a price of \$380,000 (discounted from \$475,000) from funds provided by Pamela Kiecker and William A. Royall, Jr. (\$190,000) and the Lewis Endowment Fund (\$190,000); Vendor: White Cube, London, England

and acceptance with gratitude of the following gift consideration:

1. William Wiley (American, born 1957), #2001-113, Carrara, 2006, pigment print, 36 x 43", edition 1/15 Donor: Richard Press, Weston, Massachusetts
Credit: Gift of Jeanne and Richard S. Press

Motion carried

Motion: that the board ratify the recommendation of the Art Acquisitions Committee that the Director, and in his absence Dr. Joseph Dye, be authorized to accept gifts of art offered to the museum between November 19, 2009 and December 31, 2009. Motion carried.

- e. Strategic Planning Oversight – Martin J. Barrington, Chair

Mr. Barrington shared a proposed Dashboard for the VMFA Strategic Plan to assist the Trustees with oversight of the plan's three goals and corresponding metrics. He reviewed the Dashboard with the group and said this concept would be refined as the process is continued.

VII. ART MOMENT – Alex Nyerges

Mr. Nyerges gave a PowerPoint presentation on the new Banner Exhibitions for the Exhibition Portfolio: Fabergé Revealed, Mummy: Secrets of the Tomb, and Chihuly in Virginia.

VIII. OTHER BUSINESS/ADJOURNMENT

There being no further business brought before the board, President Reynolds adjourned the meeting at 11:05 am to attend the Philanthropy Luncheon honoring Tom Allen and Peg Freeman Howerton, two well deserving former Trustees

Suzanne Broyles, Secretary of the Museum

MOTION:	Mr. Douglass	MEETING:	Board of Trustees
SECOND:	Mr. Cherry	DATE:	18 November 2009

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Full Board of Trustees has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Full Board of Trustees hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Full Board of Trustees.

VOTE

AYES: Reynolds/Mastracco/Abramson/Barrington/Carney/Cherry/Clement
Cochrane/Douglass/Farrell/Fisher/Goode/Griswold/Harris/Hsu-Balcer/Jecklin
Markel/Morris/Pauley/Rodriguez/Schewel/Sen/Staelin/Talegaonkar/White

NAYS: None

[For each nay vote, the substance of the departure from the requirements of the Act should be described.]

ABSENT DURING VOTE: Moore

ABSENT DURING MEETING: Tilghman/Adams/Curtis/Fralin/Knox/Lewis/Luke
McGlothlin/Schexnider

Suzanne Broyles, Secretary of the Museum

Date: _____ Approved: _____

THE VIRGINIA MUSEUM OF FINE ARTS
Minutes of the Meeting of the Board of Trustees
Thursday, 17 September 2009, 12:30 pm
The Marble Hall

Presiding: Pamela Reynolds, President
Secretary: Ms. Suzanne Broyles

There were present:

Pamela Reynolds, President
Thurston R. Moore, Vice-President
Richard G. Tilghman, Vice-President

Karen C. Abramson
Martin J. Barrington
Alfonso L. Carney, Jr.
James C. Cherry
Mrs. Whitt W. Clement
Mrs. Louise B. Cochrane
John R. Curtis, Jr.
W. Birch Douglass III
Thomas F. Farrell II
Dr. Elizabeth A. Fisher
Cynthia Kerr Fralin
Grant H. Griswold
Dr. Elizabeth F. Harris
Ms. Carolyn Hsu-Balcer
Ivan P. Jecklin
Mrs. Jane Joel Knox
John A. Luke, Jr.
Mrs. Barbara-lyn B. Morris
Mrs. Stanley F. Pauley
Agustin Rodriguez
Michael J. Schewel
Ranjit K. Sen
John R. Staelin
Dr. Shantaram K. Talegaonkar
Fred T. Tattersall
Ms. Mary F. White

Lt. Gov. Dep. Chief of Staff Michael Hardy

By Invitation:

Alex Nyerges, Director
Ms. Carol Amato
Stephen D. Bonadies

David B. Bradley
 Ms. Suzanne Broyles
 Dr. Herbert A. Claiborne, Jr.
 Dr. Joseph M. Dye III
 Dr. Lee Ann Hurt
 Ms. Carol Moon
 Ms. Joan W. Murphy
 Robin Nicholson
 Ms. Nancy Parsons
 Ms. Nancy Raybin
 Ms. Tina Stoneburner
 Robert Tarren
 Ms. Alexis Vaughn
 Ms. Della Watkins
 Richard B. Woodward

Absent:

Mrs. Suzanne T. Mastracco, Statewide Vice-President
 John B. Adams, Jr.
 Susan S. Goode
 Ms. Frances A. Lewis
 James W. McGlothlin
 Dr. Alvin J. Schexnider

Foundation Directors:

Herbert A. Claiborne III
 Charlotte M. Minor
 L. Ray Ashworth
 Mrs. Robert W. Cabaniss, Jr.
 Dr. Mary Ann Frable
 Eva Teig Hardy
 H. Hiter Harris III
 Kenneth S. Johnson, Sr.
 Benjamin W. Rawles III
 Charles L. Reed, Jr.
 John M. R. Reed
 Henry F. Stern
 Dr. Joseph R. Vilseck, Jr.
 Ms. Marilyn S. Weinberg

I. CALL TO ORDER

The President, Pamela Reynolds, called the meeting to order at 12:06 pm and welcomed everyone to the 74th meeting of the Virginia Museum of Fine Arts Board of Trustees. She thanked Alex and Kathryn Nyerges for the lovely dinner last night at The Oaks. Mrs. Reynolds introduced our new Trustees appointed by the Governor: Karen Abramson, Marty Barrington, Ivan Jecklin, and Ranjit Sen. She said we are pleased that the Governor

reappointed Jim Cherry, Louise Cochrane, Jane Joel Knox and Thurston Moore. She then welcomed Tina Stoneburner, the new President of The Council.

Mrs. Reynolds noted that the November meetings will be held on Tuesday, November 17th and Wednesday, November 18th. Our Wednesday meeting will end at 11:15am so Trustees can attend the National Philanthropy Day Luncheon and she encouraged all to attend.

II. MINUTES

Motion: proposed by Mrs. Reynolds, seconded by Mrs. Pauley that the Minutes of the last meeting of the Full Board of Trustees held on the 21st of May 2009 be approved as distributed on the 5th of August 2009. Motion carried.

III. REPORT OF THE DIRECTOR – Alex Nyerges

Alex Nyerges reported that he had just returned from the Tiffany opening in Paris and the group was shown a video of the Director reporting on the event from Paris. He traveled there with Suzanne Hall, Robin Nicholson, and members of the media, two photographers and writers. The event was picked up by 100 different news outlets and he felt the exhibition was more beautiful than expected. Mr. Nyerges introduced Nancy Parsons, new Deputy Director of Development, and Bob Tarren, new head of Marketing. He announced that the catalogue for the exhibition, *Darkroom* is available for trustees to pick up at this meeting. This South African film and photography exhibition was organized by Tosha Grantham. He noted that the invitations for the September 29th Media Event with press briefing in New York have been mailed. The Director reviewed plans for the Grand Reopening including the November 17th Lewis Gallery Preview and Trustee Dinner, the 2010 February/March Legislators' Event, the April 23 Major Patrons Preview Dinner, and the May 1 Public Opening/Ribbon Cutting.

IV. REPORT OF THE CHIEF OPERATING OFFICER - Carol Amato

Carol Amato reviewed the process used to prepare the budget reduction plans at 5%, 10%, and 15%. VMFA prepared plans based on the targets established by the Department of Planning and Budget. Then VMFA prepared a base budget which was reviewed and approved by the Fiscal and Executive Committees at a joint meeting on August 19, 2009. This budget will be revised to accomplish the 10% reduction that the Governor mandated for the museum. Our plan has been approved by the Governor. This reduction of \$1,085,865 was accomplished by:

- Reducing contract security by one position
- Reducing discretionary costs by deferring or eliminating discretionary expenses (FY10 only)
- Reducing personnel costs through reorganization, reduced work schedules, and layoffs (FY10 and FY11 only). No reduced personnel costs for FY12 are planned at this time. These actions will result in the permanent loss of two positions.
- Paying estimated severance costs including accrued leave in FY10 only. Savings from FY10 will help cover severance costs in FY11 and FY12.
- Supplanting General Funds with Non-general Funds.

Ms Amato noted that state personnel rules mandate that P-14s are the first to be let go when layoffs are necessary. However, other staff can be “substitutes” if they are willing to step forward for layoff. Eight staff members stepped forward as substitutes to leave between January 1 and June 1 of 2010 which should cover those in P-14 positions so that they can remain in their positions. The director will review the staff members that have committed to leaving the museum and approve or disapprove their being laid off. Enhanced retirement benefit payouts to these eight staff will occur next year as part of a VRS change. The conservative estimates of earned revenue once the expanded museum is open and fully operational indicate VMFA will be in a more financially secure position.

V. REPORT OF THE FOUNDATION – Herbert A. Claiborne III, President

President Claiborne said the Foundation Board took the proactive step in July 2008 to reduce anticipated investment revenue by 7.5%, which helped cushion the Museum from last fall’s market volatility. At the same time unrestricted support to the Museum increased by \$50,000, office operating expenses were reduced by 11.2%, technology expenses previously paid by the Museum were absorbed, and \$75,000 was added to the emergency reserve. The 2010 budget is \$13.3 million or 24% higher than the prior year and that dramatic increase is all related to restricted gifts and grants earmarked for equipping the expansion and promoting its opening.

Mr. Claiborne explained that as one would expect, it was a tough year, but there are signs of optimism. For the year to date period ending July 31, we are up 14.8% against the benchmark of 14.4%. The 12 months trailing number is -13.0% vs. the benchmark of -15.2%.

The Foundation’s legal counsel and auditors briefed the Board on this legislation that gives fiduciaries more leeway in spending from endowments that have fallen below their historic dollar values. Since we have 14 recently established restricted endowments that are “underwater”, the Budget & Compensation Committee accepted a recommendation from management not to use these funds until the losses have been recovered.

Mr. Claiborne said that the giving results for the past fiscal year are in the meeting folders and given the economic circumstances and the change in development management, he felt the results are remarkable. He thanked the group for their responses over the past year and noted that the pace must be accelerated as we look toward next spring.

VI. COMMITTEE REPORTS

a. Resource Development Committee – W. Birch Douglass III, Chair

Birch Douglass remarked that yesterday was the first meeting of the Resource Development Committee created to oversee and monitor the Development strategies of Fundraising, Membership, Marketing, and Special Exhibitions. The committee discussed out-of-the-box ways to meet between quarterly meetings, such as by listserv e-mail. The goal of the committee is not to micro-manage, but to obtain information from staff in order to oversee the areas mentioned above and aid in increasing revenues.

b. Fiscal Oversight Committee – Thurston R. Moore, Chair

Thurston Moore reported that the Fiscal Oversight Committee met earlier today and Carol Amato discussed the Financial Summary for the FY ended on June 30, 2009, the status of the budget reductions and state funding and goals for future state support. The committee passed a motion to replace the emergency stairwell at the Grove Avenue loading dock. Mr. Moore then reviewed the operating budget distributed to the group and asked for questions. The following motion was proposed.

Motion: proposed by Mr. Moore and seconded by Mrs. Clement to approve the FY10 Operating Budget as distributed. Motion carried.

c. Government Affairs Committee – John R. Staelin, Acting Chair

John Staelin remarked that yesterday's meeting included a briefing on the Governor's 10% budget reduction target for the Museum. Also discussed was the "Decision Package" we have pending with the Governor's Office for an additional \$1 million for utilities. He said the trustee presence at the Bob McDonnell event was much appreciated and we look forward to having high attendance at the similar event for Creigh Deeds on September 22 at 11:15 am. Mr. Staelin reported that the House Appropriations Committee has accepted our invitation for dinner on November 17. This coincides with our Board meeting and the annual retreat of the Appropriations Committee.

d. Education and Statewide Partnerships Committee – Tom Farrell, Co-chair

Tom Farrell said the Education and Statewide Partnerships staff reported an increase in the number of people served both on-campus and throughout the Commonwealth this fiscal year: 389,729 as opposed to 269,037 in 2007-08. He noted that at yesterday's meeting Celeste Fetta, Manager of Adult and Higher Education Programs, gave a presentation on VMFA's adult education offerings such as College Nights, lectures, artist workshops, and even wine tastings. Mr. Farrell encouraged everyone to attend the October 22nd "Derby College Night" featuring the exhibition *Dominion Derby Girls* by Virginia photographer Glen McClure and a live roller derby match in the parking deck. The committee also toured the impressive facilities at the VMFA Studio School across the street and enjoyed the faculty exhibition there.

At 1:20 pm the meeting went into closed session for the Art Acquisitions Committee and the Museum Expansion Committee reports.

Motion: proposed by Mr. Curtis, seconded by Mrs. Clement that the meeting to go into closed session under Section 2.2-3711(A) (6), (8), (9) and (30) of the Freedom of Information Act
to discuss the investing of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the Museum would be adversely affected, and
to discuss and consider matters relating to specific gifts, bequests, and fundraising activities, and grants and contracts for services to be performed, and for discussion of matters relating to specific gifts, bequests, and grants, and

for discussion of the terms and scope of the contracts for the expansion, sculpture garden and parking deck where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Museum. Motion carried.

At 1:31 pm by motion proposed, seconded, and carried, the meeting resumed in open session. Mr. Curtis gave an update regarding the Bouguereau that the Board has already approved for acquisition. The Board initially approved the Glasgow Fund be used to purchase this painting and the museum has since decided to use the Williams Unreserved Fund instead given the current economic climate.

Motion: proposed by Mr. Curtis, seconded by Mrs. Pauley, that the Board certify that the closed session just held was conducted in compliance with Virginia State law, as set forth in the Certification Resolution distributed and appended to these minutes. Motion carried.

A roll call vote was taken by the Secretary, the results of which are outlined in the Certification Resolution.

Motion: proposed by Mr. Curtis and seconded by Mrs. Reynolds that the Board ratify the recommendation the Art Acquisitions Committee made in yesterday's meeting to approve the following purchases:

1. Edward Mitchell Bannister (American, 1828-1901), Moonlight Marine, 1885, oil on canvas, 22" x 30", for a price of \$125,000 (\$185,000 market price), from The J. Harwood and Louise B. Cochrane Fund for American Art, Vendor: Mark L. Brock, Concord, MA
2. John Quincy Adams Ward (American, 1830-1910), Head of a Black Man, ca. 1898, bronze, 4-7/8" x 3-5/8", for a price of \$7,500 from The A. Paul Funkhouser Endowment Fund, Vendor: Joseph Dasta, Rochester, NY

and acceptance with gratitude of the following gift considerations:

1. William Merritt Chase (American, 1849-1916), The Wounded Poacher (The Veteran), 1878, oil on canvas, 24" x 18-3/4", Donor: James W. and Frances G. McGlothlin
2. Dankmar Adler (1844-1900) and Louis Sullivan (1856-1924), fabricated by Northwestern Terra Cotta Co., Probably modeled by Kristian Schneider, Exterior ornaments from the James W. Scoville Building, Chicago, 1884-85, terracotta, 29" x 17 1/2" x 6" and 18 1/4" x 18 1/2" x 4", Donor: Metropolitan Museum, New York, NY
3. A Collection of Ancient Jewelry
Seven Gold Rings:
 Sassanian, ca. 5th century, with stylized bird in carved chalcedony intaglio;
 Roman: 2nd-3rd century, with a pale chalcedony intaglio of the head of a bearded man; 3rd century; 3rd-4th century with 2-color cameo of Medusa; 3rd-4th century, with a chalcedony "gryllos" joining a man's face with an ostrich; 2nd-3rd century, with garnet intaglio of a standing goddess; 1st-2nd century, garnet and cabochon

Nine Pairs of Gold Earrings:

Assyrian, 9th-7th century BC; 1-5/8" long; Roman, 2nd-3rd century, with amethyst, 2-1/4" long; Roman, 1st and 2nd century, with garnets, 1/2" wide; Roman, 2nd-3rd century, with emeralds, 2-1/4" long; Eastern Roman, 2nd-3rd century, 1-3/4" long; Hellenistic, 4th-3rd century BC, 7/8" wide; Parthian, 2nd-3rd century, 3/4" long; Parthian, 2nd-3rd century, 1" long, Pair of Earrings, Assyrian, 9th-7th BC

Fitting for a Horse's Harness, bronze with gold leaf (?), 3-5/8" long

Donor: Anonymous.

4. Antoine-Louis Barye (French, 1796-1875), Pheasant, ca. 1845, wax, plaster, 12 x 21.1 cm, Donor: Mrs. Nelson L. St. Clair, Williamsburg, VA
5. Twins Seven Seven (born 1944 in Nigeria; lives in Philadelphia), The Lost Seven Hunters in Semi-Circle Jungle, 1973, ink and wash or watercolor on linen, mounted on board, 38" x 63 5/8", Donor: Sandra Ferebee, Norfolk, VA
6. Anne C. Savedge (American, born 1947), Beach Dog, 2003, C-print, 28" x 38"
Donor: The artist, Richmond, VA

Motion carried with one opposed vote by Dr. Elizabeth A. Fisher who opposed acceptance of the gift of the Collection of Ancient Jewelry, item #3.

e. Strategic Planning Committee – Pamela Reynolds, Nancy Raybin and Alex Nyerges

Pamela Reynolds and Herbert A. Claiborne III gave introductory remarks and said the Strategic Planning Committee recommends that the Boards adopt the Strategic Plan as distributed. They noted that the plan has been over twelve months in the making and many people have participated in the process. Nancy Raybin gave an overview of the Strategic Plan Digest and asked for any comments or clarification. The Director reviewed the plan's key values and the goals and strategies of the plan were discussed.

Mrs. Reynolds announced that to implement the Strategic Plan she has appointed new trustee, Marty Barrington as Strategic Planning Oversight Chair. Mr. Barrington commented that even great plans need to be executed and he will work with the staff members who will implement the plan. He will also meet with the committee chairs to seek the best way to guide the staff and management so that Trustees can be confident that VMFA will stay on track.

Motion: proposed by Mr. Claiborne III and seconded by Mr. Rawles that the VMFA Foundation Board approve the Strategic Plan as distributed. Motion carried.

Motion: proposed by Mrs. Reynolds and seconded by Mrs. White that the VMFA Board of Trustees approve the 2010-2015 Strategic Plan as distributed. Motion carried.

Mrs. Reynolds thanked everyone for endorsing the Plan enthusiastically and remarked that this was a very important moment for the institution. She concluded by saying that in November we will begin to roll out the magic. The approved Strategic Plan is attached to these minutes.

Date: _____ Approved: _____

THE VIRGINIA MUSEUM OF FINE ARTS
Minutes of the Annual Meeting of the Board of Trustees
Thursday, 21 May 2009, 12:00 pm
The Lewis Galleries

Presiding: Pamela Reynolds, President
Secretary: Ms. Suzanne Broyles

There were present:

Pamela Reynolds, President
Thurston R. Moore, Vice-President
Mrs. Suzanne T. Mastracco, Statewide Vice-President

James C. Cherry
Dr. Herbert A. Claiborne, Jr.
Mrs. Louise B. Cochrane
John R. Curtis, Jr.
W. Birch Douglass III
Dr. Elizabeth A. Fisher
Cynthia Kerr Fralin
Susan S. Goode
Grant H. Griswold
Dr. Elizabeth F. Harris
Ms. Carolyn Hsu-Balcer
Mrs. Barbara-lyn B. Morris
Mrs. Stanley F. Pauley
Agustin Rodriguez
Michael J. Schewel
Dr. Alvin J. Schexnider
John R. Staelin
Dr. Shantaram K. Talegaonkar
Ms. Mary F. White

Special Guests:

Ms. Kelly B. Armstrong, Foundation Director
L. Ray Ashworth, Honorary Foundation Director
Mrs. Philip J. Bagley III, Foundation Director
R. Brian Ball, Foundation Counsel
Mrs. Robert W. Cabaniss, Jr., Foundation Director
Herbert A. Claiborne III, Foundation President
Dr. Mary Ann Frable, Foundation Director
H. Hiter Harris III, Foundation Director
William F. Loving, Foundation Director
Marshall N. Morton, Foundation Director
Ms. Joan W. Murphy, Special Counsel and Assistant Attorney General
Benjamin W. Rawles III, Foundation Director
John M. R. Reed, Foundation Director
Henry C. Spalding, Jr., Foundation Director

By Invitation:

Alex Nyerges, Director
 Ms. Carol Amato, Chief Operating Officer
 David B. Bradley, Vice-President, Finance & Administration, VMFA Foundation
 Ms. Suzanne Broyles, Secretary of the Museum
 Ms. Marcia Collier, Foundation VMFA Fund Manager
 Ms. Suzanne Hall, Chief Communications Officer
 Dr. Lee Anne Hurt, Assistant to the Director, Curator, Pre-Columbian Art
 Ms. Elizabeth Lowsley-Williams, Foundation Corporate Relations Manager
 Mrs. William G. McClure, President, The Council
 Robin Nicholson, Deputy Director of Exhibitions
 Ms. Sandra Rusak, Deputy Director for Education & Statewide Partnerships
 Ms. Alexis Vaughn, Deputy Director for Sales and Marketing
 Richard B. Woodward, Senior Deputy Director, Architecture and Design

Absent:

Richard G. Tilghman, Vice-President
 John B. Adams, Jr.
 Alfonso L. Carney, Jr.
 Mrs. Whitt W. Clement
 Ms. Toy L. Cobbe
 Thomas F. Farrell II
 Peter Hunt
 Mrs. Jane Joel Knox
 Ms. Frances A. Lewis
 John A. Luke, Jr.
 James W. McGlothlin
 Fred T. Tattersall

I. CALL TO ORDER

The President, Pamela Reynolds, called the meeting to order at 12:30 pm and announced that this was the 73rd annual meeting of the Board of Trustees. She welcomed the Foundation directors who joined the Trustees as special guests and thanked them for coming.

II. MINUTES

Motion: proposed by Mr. Cherry, seconded by Mrs. Goode that the Minutes of the last meeting of the Full Board of Trustees held on the 19th of February 2009 be approved as distributed on the 27th of March 2009. Motion carried.

III. REPORT OF THE PRESIDENT

President Reynolds thanked Wyckie McClure, Freddie Gray, and Jack Shannon for their service as heads of The Council, Canvas, and the Friends of Art as their terms of presidency have ended. She announced that as of the 30th of June, Peter Hunt, Toy Cobbe and Dr. Herbert A. Claiborne, Jr. will have completed their terms of office and will retire from the

Board. Tributes to the outgoing trustees were given by Susan Goode, Betty Harris, and John Curtis.

Motion: proposed by Mrs. Reynolds and seconded by Mr. Cherry that the Board adopt the following three resolutions as distributed. Motion carried.

PETER HUNT
VMFA Trustee 2005-2009

WHEREAS, Peter Hunt was appointed to the Board of the Virginia Museum of Fine Arts in 2005 by Governor Mark R. Warner; and

WHEREAS, during his time in office Mr. Hunt ably served on the Artistic, Government Affairs, Art Acquisitions, and the Marketing & Branding Committees; and

WHEREAS, Peter Hunt throughout his tenure maintained a high level of both financial and moral support for the Museum through his giving including the creation of the Barbara Hunt Memorial Fund for the purchase of South Asian Art; and

WHEREAS, Mr. Hunt served with distinction as chair of the NEH Library Committee since 2006, and gave generously to the NEH Library Challenge Grant; and

WHEREAS, Mr. Hunt during his years of service has demonstrated his love of the arts by attending many Museum events showing his personal dedication to the Museum; and

WHEREAS, Peter Hunt served as an ambassador of goodwill for this institution in the Tidewater area of the Commonwealth; and

WHEREAS, Mr. Hunt announced that he can no longer continue on as a trustee at this time;
NOW THEREFORE BE IT

RESOLVED, that the Trustees of the Virginia Museum of Fine Arts, in the Annual Meeting on the 21st of May 2009, express to Peter Hunt their appreciation for his contributions to the Museum and to the Commonwealth; and be it

FURTHER RESOLVED, that this Resolution be spread upon the Minutes of this meeting, and a copy be sent to him.

TOY LACY COBBE
VMFA Trustee 2002-2009

WHEREAS, Toy L. Cobbe was appointed to the Board of the Virginia Museum of Fine Arts in 2002 to serve an unfulfilled term and reappointed in 2004, both times by Governor Mark R. Warner; and

WHEREAS, Ms. Cobbe first established her interest in this institution during her term as director of The Piedmont Arts Association, a VMFA Partner organization that made great use of our outreach exhibits and educational resources. Ms. Cobbe was an unfailing advocate of the statewide partnership program and always offered her valuable insight into the receiving end of the programs, thereby furthering our statewide mission; and

WHEREAS, during her terms of office Ms. Cobbe actively served as a member of the Collections, Legislative, Planning, Program Review, Finance, Buildings & Grounds, Education & Programs, Exhibitions, Communications & Marketing, Government Affairs, and Education & Statewide Partnerships Committees and served ably as Vice-Chairman of the Statewide Task Force and the Artistic Committee; and

WHEREAS, Ms. Cobbe was quick to offer her vast experience and did not hesitate to travel the distance from Martinsville to Richmond many times to serve on the Director Search Committee in 2006, resulting in the successful hiring of our wonderful Director Alex Nyerges; and

WHEREAS, this valued Trustee throughout her terms of office always provided wise and effective counsel to the Museum by offering her considerable advice and expertise in education and outreach and legislative matters when such were needed; and

WHEREAS, during her time on the board Ms. Cobbe has been a very generous contributor to the VMFA Capital Campaign and a regular contributor to the VMFA Fund; and

WHEREAS, Ms. Cobbe is a passionate supporter of the arts in Virginia and was a gracious hostess and a great representative of the Virginia Museum of Fine Arts in the Southwestern Virginia area, always bringing the Museum to the attention of new friends and potential supporters; and

WHEREAS, Toy Lacy Cobbe completes her term of office on the 30th of June 2009, NOW THEREFORE BE IT

RESOLVED, that the Trustees of the Virginia Museum of Fine Arts, in the Full Board Meeting on the 21st of May 2009, express to Toy Cobbe their sincere and heart-felt appreciation for seven years of service to the Museum and to the Commonwealth; and be it

FURTHER RESOLVED, that this Resolution be spread upon the Minutes of this meeting, and a copy be sent to her.

DR. HERBERT A. CLAIBORNE, JR.
VMFA Trustee 1999-2009

WHEREAS, Dr. Herbert A. Claiborne, Jr. was appointed to the Board of the Virginia Museum of Fine Arts by Governor James S. Gilmore III in 1999 and reappointed in 2004 by Governor Mark R. Warner and even before these terms of office, Dr. Claiborne served with distinction as a trustee from 1973-1983 and 1988-1998 making this his thirtieth year on the Board and he served as a most dedicated Board President 1992-1994 and Vice-President from 1994-1998; and

WHEREAS, during his terms of office Dr. Claiborne actively served on the Executive, Exhibitions, Nominating, Planning, Finance, Buildings & Grounds, Collections, Artistic Oversight, Fiscal Oversight, Government Affairs, Art Acquisitions, Restaurant Operations, and Strategic Planning Committees, chairing several of these committees during his tenure; and

WHEREAS, he again assumed a core leadership role at the Museum serving with distinction first, as Chairman of the Architect Search Committee in 2000-2001 then as indefatigable Chairman of the Museum Expansion and the Expansion Oversight Committees from 2001 to forthcoming project completion, clearly helping to define the Museum's future course by taking the institution through many important decision-making processes, resulting in the transforming McGlothlin Wing and Robins Sculpture Garden expansion project; and

WHEREAS, Dr. Claiborne over the years has been the Museum's representative on the Art and Architecture Review Board serving two four-year terms and served on the 2006 Directors Search Committee culminating in the selection of our wonderful Director Alex Nyerges; and

WHEREAS, Dr. Claiborne has served as a strong VMFA advocate with the Lettie Pate Whitehead Evans and Lettie Pate Whitehead Foundations; and

WHEREAS, he ably and consistently provided effective counsel to the Museum, assuring responsible long-range management of the institution by sharing his architectural expertise and guidance and has demonstrated extraordinary interest in and support of the VMFA; and

WHEREAS, Dr. Claiborne and his wife, Catherine, have been major benefactors of this institution as they made substantial financial contributions, pledged generously to the Capital Campaign, have been consistent donors to the Annual Fund for over thirty years and have given gifts of art to the collection; and

WHEREAS, the 30th of June 2009 marks not only the completion of Dr. Claiborne's most recent term as Trustee of this institution, to which he is not eligible for reappointment, but it also represents a thirty year milestone of stewardship and dedication that has been invaluable to the life of this institution;
NOW THEREFORE BE IT

RESOLVED, that the Trustees of the Virginia Museum of Fine Arts, in the Full Board Meeting on the 21st of May 2009, express to Dr. Herbert A. Claiborne, Jr. their lasting gratitude and appreciation for his immeasurable services to the Museum and to the Commonwealth; and be it

FURTHER RESOLVED, that this Resolution be spread upon the Minutes of this meeting, and a copy be sent to him.

The President thanked Candy Banks, Suzanne Broyles, Lee Anne Hurt, Alex Nyerges and Carol Amato and the rest of the amazing Staff for all of their hard work this year.

IV. REPORT OF THE DIRECTOR

Alex Nyerges announced that all should tentatively hold November 18th, the Wednesday of the Board meeting day, for a large dinner to celebrate the Lewis family preview of the Lewis Galleries. He said the gallery we are sitting in right now will be filled with contemporary and modern art. The rest of that week will be filled with member sneak previews so be sure to put that on your calendar. Mr. Nyerges said for the first time in its history, the museum received first place in the AAM award for Public Design Competition for our exquisite and outside the box, Guide to Impressionism. The Director said the high points of the Strategic Planning Retreat are compiled in a document in your folders and encouraged the group to review that. Later in the summer look for a mini retreat of both boards to review a draft of the Strategic Plan. Mr. Nyerges reported that we have two former curators to recommend to the Board of Trustees for emeritus status, Malcolm Cormack and Maggie Mayo.

Motion: proposed by Pam Reynolds and seconded by John Staelin that the Board approve the recommendation of Malcolm Cormack and Maggie Mayo for emeritus status. Motion carried.
The Director's annual report is appended to these minutes as Attachment I.

V. REPORT OF THE CHIEF OPERATING OFFICER

Carol Amato said there are 19 staff members affected by shuttering the galleries. These are positions in Food Service/Special Events, Museum Shop, and Visitor Services. They will be interviewed to determine where they can be reassigned within the museum. Salaried staff will be interviewed first and P-14 staff will be next. There are funds from the state for opening the museum, the staff action fund, and in some departmental budgets that can fund these reassignments. Ms. Amato asked that all departments share with her their staffing needs so that skills can be matched to needs. The reassigned staff can choose to remain in the reassigned position next year contingent on availability of funding or to return to his/her previous position.

VI. REPORTS

a. Virginia Museum of Fine Arts Foundation – Herbert A. Claiborne III

Herbert A. Claiborne III, Foundation President, reported that the Foundation is not immune to economic volatility. As reported at the Executive Committee meeting, for the quarter ended March 31, the portfolio returned -5.1% vs. the benchmark, which was down -8.2%. For the trailing 12 months, the portfolio was down -29.2% vs. the benchmark return of -33%. On a brighter note, preliminary results for April showed we were up 7.1% for the month and 1.7% year to date. Consequently, spending has been restrained in order to preserve cash.

Mr. Claiborne said the Governance Committee completed a best practice review of the Foundation's governance procedures. The Board subsequently adopted changes to the Foundation's Mission Statement, Conflict of Interest Statement, and Bylaws. Of particular interest is the revised Mission Statement, which more closely parallels the Museum's Mission Statement. To date, the Top Ten Fund has raised \$12,844,535. Of recent note is the \$1 million grant from the Lettie Pate Evans Foundation to match the National Endowment for the Humanities challenge grant for the Library Endowment. To date, we have met 70% of the annual Fund goal of \$1,380,000, while the Trustee/Foundation Director division has achieved 73% of its \$400,000 goal. Mr. Claiborne emphasized that it is vital that each of us supports this important source of general operating revenue. The annual report of the VMFA Foundation is appended to these minutes as Attachment II.

b. Artistic Committee – Robin Nicholson for Mrs. Whitt W. Clement, Chair

Robin Nicholson, Deputy Director of Exhibitions, announced that the Artistic Committee went on a hard hat tour of the exhibition galleries in the McGlothlin Wing which is beginning to take shape. He noted that the space will open with seventy-five works of the McGlothlin collection on May 1, 2010. On May 28, 2010 the Tiffany Exhibition will open in the larger galleries. He explained that he, Li Jian and Alex Nyerges recently traveled to China to examine exhibitions that could be brought to VMFA in 2013, 2014, and 2015. The Director and Mr. Nicholson also traveled to France for a FRAME workshop to discuss a couple of major exhibitions for perhaps five years from now. Alex Nyerges noted that three cities likely for the exhibitions were Richmond, San Francisco, and the Museum of Fine Arts in Lyon, the second largest collection in France after the Louvre. The annual report of the Artistic Committee is appended to these minutes as Attachment III.

c. Fiscal Oversight Committee – Thurston R. Moore, Chair

Thurston Moore reported that the annual report of the Fiscal Oversight Committee is in your folders and is appended to these minutes as Attachment IV. He said that at this morning's meeting the following items were discussed. The state is moving toward performance-based budgeting and these new measures will be part of future state funding decisions. The Governor indicated that agencies could carry forward any unspent funding, but VMFA will have expended all its General Fund money. In our Department of General Services Procurement Audit we earned a 97% compliance rating which was exceptional, particularly for a cultural institution. In our Department of Accounts audit of policies and procedures our report was extremely good. The Fiscal Oversight Committee concurred with the Expansion Committee's request to add \$2,550,000 in the Top Ten Campaign for Project Close Out to the Master Project Budget for the McGlothlin Wing for final project expenses and inspection fees and concurred with the transfer of \$450,000 from the Project Close Out allocation to the Top Ten Fund's Marketing allocation for the purpose of accomplishing a direct mail campaign for membership. The Committee recommended the following motion be approved by the full board.

Motion: proposed by Thurston Moore and seconded by Jim Cherry that the Full Board approve the Restaurant Operations Sub-Committee's recommendation that the museum continue to operate its restaurant and special event functions with in-house staff to achieve the earned revenue goals identified in the Business Plan adopted by the Board in 2007. Motion carried.

d. Government Affairs Committee – Susan S. Goode, Chair

Susan Goode stated that the Governor-approved budget contained the additional \$2 million in funds to open the Expansion in fiscal year 2010. The budget also continued the \$158,513 cap on the City service charge in lieu of taxes. She explained that while no funds were appropriated, 170 capital outlay projects were prioritized by the General Assembly in a six year plan and our Robinson House project was ranked as a number one priority. She said we have been very active with hard hat tours and now are working on plans to get the gubernatorial candidates here for hard hat tours and they seem enthusiastic. Bob McDonnell (Republican nominee) and Brian Moran (Democratic primary candidate) have toured the new wing and were impressed with the expansion. Efforts are underway to get the other candidates to visit. The Annual Report of the Government Affairs Committee is appended to these minutes as Attachment V.

e. Education and Statewide Partnerships Committee – Suzanne T. Mastracco, Co-Chair

Ms. Mastracco reported that the Education and Statewide Partnerships Committee opened its third meeting yesterday with a vote to approve the modified Educational Programs Policy and now she brings that recommendation to the full board.

Motion: proposed by Ms. Goode and seconded by Mr. Curtis that the Full Board ratify the recommendation of the Education and Statewide Partnerships Committee to approve the Educational Programs Policy with the changes noted in the mailing.

Motion carried.

At yesterday's meeting Sandy Rusak informed the committee that her division is now working on a new Child Protection Policy for the Committee to review next fall and Della Watkins presented a lively Teen Programs snapshot with slides. The Committee toured the Education Center in the new wing led by Richard Woodward. Committee members were impressed with the added educational program space for future student visitors. Mrs. Mastracco noted that Committee member, Dr. Mark E. Emblidge, asked VMFA to update the State Board of Education on the educational program plans. The annual report of the Education and Statewide Programs Committee is appended as Attachment VI of these minutes.

At 1:17 pm the meeting went into closed session for the Art Acquisitions Committee (f.) and the Museum Expansion Committee (g.) reports.

Motion: proposed by Mr. Curtis, seconded by Mr. Cherry that the meeting to go into closed session under Section 2.2-3711(A) (6), (8), (9) and (30) of the Freedom of Information Act to discuss the investing of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the Museum would be adversely affected, and to discuss and consider matters relating to specific gifts, bequests, and fundraising activities, and grants and contracts for services to be performed, and for discussion of matters relating to specific gifts, bequests, and grants, and for discussion of the terms and scope of the contracts for the expansion, sculpture garden and parking deck where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Museum. Motion carried.

At 1:39 pm by motion proposed, seconded, and carried, the meeting resumed in open session.

Motion: proposed by Mr. Curtis, seconded by Mrs. Reynolds, that the Board certify that the closed session just held was conducted in compliance with Virginia State law, as set forth in the Certification Resolution distributed and appended to these minutes. Motion carried.

A roll call vote was taken by the Secretary, the results of which are outlined in the Certification Resolution.

Motion: proposed by Mr. Curtis and seconded by Mrs. Mastracco that the Board approve and adopt the recommendation of the Art Acquisitions Committee to make the following purchases considerations with special funds:

1. South India or Sri Lanka (Ceylon), Female Figure, ca. 18th – 19th century, ivory with traces of polychromy, semi-precious stones, and wire, 10 ¼”h, for a price of \$30,000, from funds provided by Friends of Indian Art (\$20,000) and Dr. Shantaram K. Talegaonkar (\$10,000), Vendor: Terence McInerney, New York

2. Théodore Géricault (French, 1791-1824)
Three Lithographs
Shipwreck of the Medusa (with Nicolas Toussaint Charlet), 1820, pen lithograph (D.79),
framed: 6 7/8”h x 9 3/4”w
for a price of \$1,200, Vendor: Susan Schulman, New York
An Arabian Horse, 1821 (D.37), sheet: 13”h x 18½ . . . €2,500 (@\$3,400)
Le Giaour (with Eugene Lami), 1823 (D.95 ii/iii), sheet: 9-5/8”h x 12-5/8”w
.....€350 (@\$475)
for a price of €2,850 total (@\$3,875), Vendor: Paul Prouté, Paris, from funds
provided by an anonymous donor

3. James Prosek (American, born 1975) Sailfish, 2005, watercolor, colored pencil and graphite
on paper, 60”h x 131”w, for a price of \$25,000 (includes frame), from funds provided by
Mary and Donald Shockey, Jr. (\$5,000), Edith Ferber (\$5,000), The Vilcek Foundation
(\$10,000), and the Samuels Fund (\$5,000)
Vendor: Waqas Wajahat, New York

and to approve the following gift considerations:

1. Maker unknown (American, 19th-20th century), Dressing Service, ca. 1900, nine pieces, silver
plate, mirrored glass; Donor: Dr. Karl & Gisela Kreuzer, Munich, Germany

2. Sallie Lee Blount Mahood (American, 1864-1953), Blue Ridge Mountains, ca. 1930s,
oil on paperboard, 8”h x 10”w; Donor: Helen McGehee Umaña, Lynchburg, VA

3. William Stanley Haseltine (American, 1835-1900) and unknown British artists
13 works on paper (watercolors and graphite drawings), ca. 1850s
Donor: Mr. and Mrs. Roy and Lora Anderson, Richmond, VA

4. A collection of 64 objects from east, west, and central Africa: 18 necklaces and 6 belts made
of beads, brass, silver, shells, and other natural substances; 7 metal and beaded bracelets; 5
ivory bracelets and a pair of ivory ear spools; 3 rings; 6 a mulets; and assorted other works;
Donor: Barbara Watson, Shepherdstown, West Virginia

5. Richard Carlyon (American, 1930-2006), Pelasgian Slate III (Pelagus), 1982, polymer
emulsion on canvas, 66”h x 75”w
Donor: Beverly and David Reynolds, Richmond, Virginia

and the deaccessioning of the African Hunter's Shirt from Abdoulaye Sylla,
Bamana culture, Mali, mid-20th century, (2008.53)

and acceptance of the title and absolute ownership of the Fischer
Collection of German expressionist art as set forth in the May 15,
1995 agreement with Anne Fischer and her heirs.
Motion carried.

Motion: proposed by Dr. Claiborne and seconded by Mr. Curtis to approve the recommendation of the Museum Expansion and Fiscal Oversight Committees to add \$2,550,000 identified in the Top Ten Campaign for Project Close Out to the Master Project Budget for the McGlothlin Wing for final project expenses and inspection related fees
and
to transfer \$450,000 of the funds identified in the Top Ten Campaign for Project Close Out to be added to the Marketing allocation in the Campaign for the purpose of accomplishing a direct mail campaign for membership.
Motion carried.

The annual reports of the Art Acquisitions Committee and the Museum Expansion Committee are appended to these minutes as Attachments VII and VIII.

h. Nominating & Governance Committee – Mrs. Mary F. White, Acting Chair

Mary White reported that the Committee met four times this year and reviewed and discussed a list of individuals whose qualifications met the guidelines for prospective trustees. Trustee Peter Hunt did not wish to finish his first term for personal reasons and Toy Cobbe did not wish to serve a second term as she now lives in North Carolina. The Nominating Committee selected names of capable individuals who could help move VMFA to a Top Ten Institution. The list was sent to the Governor and we look forward to hearing his decision. Mrs. White reviewed the bylaw change which would allow Dr. Claiborne to continue to serve as Chair of the Museum Expansion Committee as a non-trustee through the opening of the new wing for leadership continuity and made the following motions.

Motion: proposed by Mrs. White and seconded by Mr. Douglass that the full board approve the bylaw change as distributed in the mailing. Motion carried.

Motion: proposed by Mrs. White and seconded by Ms. Goode that Pamela Reynolds be elected as President of the Board of Trustees of the Virginia Museum of Fine Arts for the 2009-2010 Season. Motion carried.

VII. ART MOMENT

Alex Nyerges reported that the curators have been very busy this year and ran a slide show of the year's acquisitions. He then congratulated Dr. Joseph Dye and the Curatorial Staff for acquiring the wonderful art objects displayed in the PowerPoint presentation.

VIII. OTHER BUSINESS/ADJOURNMENT

There being no further business brought before the board, President Reynolds adjourned the meeting at 1:46 pm.

Suzanne Broyles
Secretary of the Museum

MOTION: Mr. Curtis
 SECOND: Mr. Cherry

MEETING: Board of Trustees
 DATE: 21 May 2009

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Full Board of Trustees has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Full Board of Trustees hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Full Board of Trustees.

VOTE

AYES: Reynolds/Moore/Mastracco/Cherry/Claiborne/Cochrane/Curtis/Douglass/Fisher
 Fralin/Goode/Griswold/Harris/Hsu-Balcer/Morris/Pauley/Rodriguez/Schewel
 Schexnider/Staelin/Talegaonkar/White

NAYS: None

[For each nay vote, the substance of the departure from the requirements of the Act should be described.]

ABSENT DURING VOTE: None

ABSENT DURING MEETING: Tilghman/Adams/Carney/Clement/Cobbe/Farrell/Hunt
 Knox/Lewis/Luke/McGlothlin/Tattersall

Suzanne Broyles
 Secretary of the Museum

Date: _____ Approved: _____

THE VIRGINIA MUSEUM OF FINE ARTS
Minutes of the Meeting of the Board of Trustees
Thursday, 19 February 2009, 12:00 pm
The Lewis Galleries

Presiding: Pamela Reynolds, President
Secretary: Ms. Suzanne Broyles

There were present:

Pamela Reynolds, President
Thurston R. Moore, Vice-President
Mrs. Suzanne T. Mastracco, Statewide Vice-President

Alfonso L. Carney, Jr.
James C. Cherry
Mrs. Whitt W. Clement
Ms. Toy L. Cobbe
John R. Curtis, Jr.
W. Birch Douglass III
Thomas F. Farrell II
Dr. Elizabeth A. Fisher
Susan S. Goode
Grant H. Griswold
Dr. Elizabeth F. Harris
Mrs. Jane Joel Knox
Mrs. Stanley F. Pauley
Agustin Rodriguez
Michael J. Schewel
John R. Staelin
Dr. Shantaram K. Talegaonkar
Ms. Mary F. White

Mayor Dwight C. Jones
Zane Robinson, Mayor's Staff
Mrs. William G. McClure, President, The Council
Ms. Melissa F. Canaday, Multicultural Advisory Council
Mrs. Lawrence I. Gray, Chairman, Canvas

By Invitation:

Alex Nyerges, Director
Ms. Carol Amato
Stephen D. Bonadies
Ms. Suzanne Broyles
Herbert A. Claiborne III

Dr. Joseph M. Dye III
 Dr. Lee Anne Hurt
 Ms. Joan W. Murphy
 Robin Nicholson
 Ms. Sandra Rusak
 Ms. Alexis Vaughn
 Richard B. Woodward

Absent:

Richard G. Tilghman, Vice-President
 John B. Adams, Jr.
 Dr. Herbert A. Claiborne, Jr.
 Mrs. Louise B. Cochran
 Cynthia Kerr Fralin
 Ms. Carolyn Hsu-Balcer
 Peter Hunt
 Ms. Frances A. Lewis
 John A. Luke, Jr.
 James W. McGlothlin
 Mrs. Barbara-lyn B. Morris
 Dr. Alvin J. Schexnider
 Fred T. Tattersall

I. CALL TO ORDER

The President, Pamela Reynolds called the meeting to order at 12:12 pm and welcomed the Trustees.

II. MINUTES

Motion: proposed by Mrs. Pauley, seconded by Mr. Douglass that the Minutes of the last meeting of the Full Board of Trustees held on the 20th of November 2008 be approved as distributed on the 31st of December 2008. Motion carried.

III. REPORT OF THE PRESIDENT

President Reynolds thanked those who contributed to the Employee Action Fund which she said is a great way to honor Director, Alex Nyerges, and all he has done and to recognize the staff. She noted that the fund is up to \$40,000 of contributions from Trustees and Foundation Directors. Mrs. Reynolds reported that the next Trustee meetings will be held on May 20th and 21st.

The President reported on the Top Ten Campaign as John Luke had to be out of town, saying that some people think we should wait for better economic times to raise money, but she said the building is growing and funds are needed now. She told the group they would see the changes in the new wing during their tour this afternoon.

Mrs. Reynolds reported that our campaign total to date is \$11.8 million. Recent contributions include generous gifts from Jane Joel Knox, The Jeffress Foundation, Birch Douglass and a \$120,000 gift from the Korea Foundation for the creation of a new Korean Art Gallery.

She explained that we all know that these are difficult times, but times were tougher in 1932 when the Honorable John Barton Payne proposed a \$100,000 challenge grant to build a museum for the Commonwealth's newly acquired art collection. Responding to the challenge, in 1934 Virginia's General Assembly approved legislation authorizing the museum to be built. And finally, in the midst of the Great Depression, on January 16th, 1936, Virginia's political and business leaders bravely demonstrated their faith in the future and their belief in the value of art by opening the Virginia Museum of Fine Arts. She brought attention to the first VMFA membership brochure in the Trustee folders.

President Reynolds indicated that the letter she and Alex sent got it exactly right that VMFA trustees are among Virginia's finest citizens, and the museum's well-being depends on you. You are helping to make VMFA one of the nation's finest art museums. She said we must express our faith in the future and our belief in the value of art as our predecessors did seventy-three years ago. We must also demonstrate our leadership by continuing to fundraise, by engaging potential donors, and by giving to the very best of our abilities. In summary, the museum's expansion is nearly complete which means more galleries, more collections, more exhibitions, and more programs are right around the corner. We have a great opportunity to make cultural history and together we can do it.

IV. REMARKS BY THE DIRECTOR

Alex Nyerges introduced new Chief Conservator and Deputy Director for Collections Management, Stephen Bonadies, who will start working with us on March 1. Stephen has served in the museum field for 27 years now in such capacities as paintings conservator, chief conservator, deputy director, and interim co-director and is coming to us from the Cincinnati Art Museum. During his tenure at Cincinnati, Stephen was involved in two equally important reinstallations and expansions, experience that will prove invaluable as we prepare for the opening of the McGlothlin Wing in 2010. He spent time at the Philadelphia Museum of Art, Cividale del Friuli, Italy, and received his master's degree in Art Conservation from the Cooperstown Graduate Program of SUNY Oneonta. The Director noted that Stephen will bring the four parts of his division together, Conservation, Registration, Photography and Photo Resources.

Mr. Nyerges brought attention to the list of 33 VMFA Fellowship Award winners from all over the state. This annual competition was established through a generous endowment from the late John Lee Pratt, later supplemented by the Lettie Pate Whitehead Foundation and other funds managed by the VMFA Foundation, and since that time more than \$4 million dollars have been awarded to 1,069 Virginians since 1940. The Director noted that VMFA is committed to supporting Virginia's professional artists and art students who demonstrate exceptional creative ability by assisting them with financial aid to further develop their careers and education.

The Director reported that the Strategic Planning team has been extremely busy handling 50 individual interviews, holding staff workshops, and looking at four focus groups to determine ways to expand our audience. He said he has been meeting individually with the members of the Task Force on Organizational Excellence. He announced that the Strategic Planning Retreat will be held on April 30 from 11:30am – 6:00pm at Altria Headquarters to look at the challenging opportunities ahead of us and ways to build endowment.

Mr. Nyerges said the Annual Report CD is in your trustee folders. This format has been used as the state has a ban on printing to save money. He asked those present to read the Economic Impact article in their folders and look at the new VMFA magazine myVMFA which will replace the calendars.

V. MAYOR'S REMARKS

Mayor Dwight C. Jones thanked President Reynolds and the Director saying he is delighted to be here and excited to be Mayor of Richmond which he described as a great city and a diamond that needs to be polished. The Mayor remarked that he was happy to hear that as Mayor, he was an ex-officio Trustee of VMFA. He wants Richmond to be a tier one, first class city and his desire is to take it to the next level with strong emphasis on culture, education and museums. He feels that Richmond's museums and tourism need to be better publicized and said he is open to working with VMFA and excited about the new expansion.

VI. REPORT OF THE FOUNDATION

Herbert A. Claiborne III, Foundation President, reported that the Foundation's Board of Directors and Investment Committee held their quarterly meetings on February 3. Newly elected Foundation Directors were introduced, including Hiter Harris, Ben Rawles, Marilyn Weinberg and Charlie Reed as an Honorary Director. Ivan P. Jecklin, Executive Vice President and General Counsel of Weinstein Properties was also elected to the Board of Directors.

Mr. Claiborne explained that the investment market turbulence consumed much of the discussion at the meetings. For the calendar year 2008, the investments directly under the Foundation's control were down 30%, which he said seems to be generally in the same range as many other endowments. However, when the Williams, Glasgow, and Evans Trusts, managed by others, are factored in, the Museum's overall endowment was down approximately 21%. The special circumstances of the Evans Trust paying out a 9% increase helped to mitigate the overall endowment decline.

President Claiborne reported that on December 23, 2008, the Foundation formally purchased the Fischer Collection of German Expressionist Art. At the February 3 meeting the Board voted to transfer ownership to the Museum subject to your acceptance. He said it was necessary to borrow \$3 million from "ourselves" to complete the purchase and we

will pay this back over a five year period at an interest rate that was prevailing in the commercial marketplace on December 16.

Mr. Claiborne indicated that in terms of the operating budget for the first six months of the fiscal year, our revenues were at 45% of projection and our expenditures were at only 26%. He said part of this is simply timing, but there are also defensive actions being taken by the staff to trim expenditures and conserve cash.

VII. REPORT OF THE CHIEF OPERATING OFFICER

Carol Amato reported that the mid-year budget was approved by the Fiscal Oversight Committee and we will finish the year within budget. She reminded the group that we have used our reserve funds to open the new building. Ms. Amato announced that we will hold a Finance Workshop soon. She added that the Foundation President just mentioned the reduction in the value of our endowment and we will need to talk about that, as this reduction will impact us even more as time goes on.

VIII. COMMITTEE REPORTS

a. Fiscal Oversight Committee – Thurston R. Moore, Chair

Thurston Moore said that his Committee adopted the mid-year budget with the 15 percent reduction by the state which has not helped us. The Committee was joined by Walter Kucharski, Auditor of Public Accounts who explained a new audit emphasis on risk management. Mr. Moore said we will include risk management in our continuing Strategic Planning.

b. Education and Statewide Partnerships Committee – Suzanne T. Mastracco, Co-Chair

Ms. Mastracco reported that the Education and Statewide Partnerships Committee opened its second meeting yesterday with a review of VMFA's Public Programs Policy written and adopted in 2004 and modified its title to "Educational Programs Policy." The Committee next examined VMFA's educational programs for pre-school through elementary students by touring the Educational Resource Room and the Pauley Center studios to hear about our many initiatives. She said that the Committee learned that the Young@Art Program helps pre-school youngsters prepare for kindergarten and the Art and Action grant funded program has served 108,000 Richmond metropolitan school children since 1991. During Construction the program Art on the Spot has brought art experiences to elementary school children right in their classrooms and has become so successful it is now being offered statewide and has a waiting list. Mrs. Mastracco added that the Committee then discussed how these programs could grow in the future and continue to engage our youngest visitors in art education.

c. Artistic Committee – Mrs. Whitt W. Clement, Chair

Mrs. Clement reported that this committee has changed its focus to exhibitions, publications, conservation, and those issues related to the display of the permanent collection. Mrs. Clement said that at yesterday's meeting John Ravenal gave an overview of the plans for the

sculpture garden. One option would be to include a major display by the contemporary artist Jun Kaneko, most recently recognized for his display of oversized ceramic heads in New York City along Park Avenue. Statewide exhibitions were discussed including the recent Matisse, Picasso and Modern Art in Paris, the T. Catesby Jones collection, which opened at UVA with a record setting 600 students attending largely due to getting the word out through social networks.

Mrs. Clement then introduced Robin Nicholson who offered a presentation on new technology and social media showing how the public interacts with and to art with virtual museums and galleries, social networks, and how artists use the web. He summarized the findings of the recent Smithsonian 2.0 conference in Washington DC. He explained that millions of people are sharing art experiences through, blogging, YouTube, Facebook, MySpace, Flickr and virtual worlds. He said some sites are open to visitor participation by allowing people to curate the on-line exhibitions. Virtual museums are also on-line which means you don't have to physically travel to the museum to visit. He highlighted the example of the Dresden Art Museum on Second Life and the Prado on Google Earth. Mr. Nicholson said this overview gives the board just a sample of the interesting developments available with today's technology.

d. Government Affairs Committee – Susan S. Goode, Chair

Susan Goode said the news from The Capitol is most encouraging; buoyed by the recently passed Federal stimulus package, it appears there will be no further cuts in the State budget. The House has passed its version of the budget and the Senate Finance Committee has sent its version to the floor for adoption, although it has yet to be acted on. She said both versions contain the \$2 million to open the Expansion. Final action is expected by February 28. Mrs. Goode said we have gotten to this point through a well prepared proposal to the Governor's Office, cultivation of the Kaine Administration and General Assembly leadership, and not calling too much attention to ourselves in front of those not really involved in the budget process. This stealth strategy has been working in our favor. She thanked the staff and our advisors who worked so hard to make sure we were in the Governor's budget which was crucial. President Reynolds noted that this success was a result of the hard work of the Trustees and Directors lobbying the legislators and the Governor and she thanked Alex Nyerges, David Bradley, Carol Amato and Dave Barbour for their hard work.

Mrs. Goode said the State's Six Year Capital Outlay Plan is nearing adoption by the Assembly. It is a blueprint for prioritizing the State's multiple construction and renovation projects. Our own Robinson House has been given a priority #1 ranking. The staff also reported it is exploring funding opportunities in the federal stimulus package. It is a massive document, but we believe there may be funds for energy conservation, historic preservation, and support to arts organizations to keep people employed. Being a State agency, the Museum is expected to work with the Department of Planning & Budget as to what might be available.

e. Advancement Committee – Alex Nyerges, Director

Alex Nyerges reported for Advancement Committee co-chair, Barbara-lyn Morris, who could not attend today. He explained that the Advancement Committee is made up of both Foundation Directors and Trustees to work with VMFA support groups such as Canvas, The Council, and the Docents. The first meeting was held this month and the goal of

the Committee is to have better coordination and interface with each group which will help the institution overall.

At 1:00 pm the meeting went into closed session for the Art Acquisitions Committee and the Museum Expansion Committee reports.

Motion: proposed by Mr. Curtis, seconded by Mr. Carney that the meeting to go into closed session under Section 2.2-3711(A) (6), (8), (9) and (30) of the Freedom of Information Act to discuss the investing of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the Museum would be adversely affected, and to discuss and consider matters relating to specific gifts, bequests, and fundraising activities, and grants and contracts for services to be performed, and for discussion of matters relating to specific gifts, bequests, and grants, and for discussion of the terms and scope of the contracts for the expansion, sculpture garden and parking deck where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Museum. Motion carried.

At 1:40 pm by motion proposed, seconded, and carried, the meeting resumed in open session.

Motion: proposed by Mr. Curtis, seconded by Mr. Douglass, that the Board certify that the closed session just held was conducted in compliance with Virginia State law, as set forth in the Certification Resolution distributed and appended to these minutes. Motion carried.

A roll call vote was taken by the Secretary, the results of which are outlined in the Certification Resolution.

Motion: proposed by Mr. Curtis and seconded by Mr. Cherry that the Board approve and adopt the recommendation of the Art Acquisitions Committee to make the following purchases for the amounts and from the funds specified:

1. India, Andhra Pradesh, Picture Scroll Depicting Events from the Legendary History of the Gauda Caste, 18th-early 19th century, opaque watercolor and gold on cotton, 26" x 584" for a price of \$375,000, from The Revolving Art Purchase Fund to be repaid by the Fisher Fund (\$187,500) and Samuels Fund (\$187,500) in December 2010
Vendor: Terence McInerney Fine Arts Ltd, New York
2. Arthur Osborne, design attributed (British, 1855-1942) for J. and J. G. Low Art Tile Works (Chelsea, Mass., active 1877-1902), Tile Andirons, 1884, glazed ceramic tiles, inset in ferrous metal, 18½"h x 10"w x 22"d.; 18? "h x 10-3/16"w x 22"d. for a price of \$25,000 from The J. Harwood and Louise B. Cochrane Fund for American Art
Vendor: Martin Cohen, New York

and the following gift/purchase consideration:

1. Cecilia Beaux (American, 1855-1942), Alexander Harrison, 1888, oil on canvas, 26”h x 19¾”w, Value: \$220,000, Vendor/Donor: Juliana Terian Gilbert, c/o David Nisinson, New York, from the Juliana Terian Gilbert donation (\$60,000) and The J. Harwood and Louise B. Cochrane Fund for American Art (\$160,000)

Alexander Jackson Davis, design attributed (American, 1803-1892), Alexander Roux, manufacture attributed (French born, 1813-1895) Hexagonal Center Table, ca. 1845-50, rosewood, with white marble top and brass castors, 30¾”h x 41¼”d, Value: \$300,000, Vendor/Donor: Juliana Terian Gilbert, c/o David Nisinson, New York, from the Juliana Terian Gilbert donation (\$110,000) and The J. Harwood and Louise B. Cochrane Fund for American Art (\$190,000)

Total Price: \$350,000 from The J. Harwood and Louise B. Cochrane Fund for American Art

Motion carried.

Motion: proposed by Mrs. Reynolds and seconded by Mr. Curtis to approve the recommendation of the Museum Expansion Committee that following the museum’s acceptance of a peer reviewed design for correcting the deficiencies related to the window identified as W401 that the staff be authorized to transfer funds from the “Other Activities” portion of the Master Project Budget on a temporary basis and to issue a change order to Whiting-Turner to accomplish the reinstallation of the window. The “Other Activities” budget is to be reimbursed for the expense from funds collected following claims that the museum will make related to the original failure of the window or from other funds identified for this purpose pending the museum’s claims.

Motion carried.

IX. OTHER BUSINESS/ADJOURNMENT

Mrs. Reynolds thanked Suzanne Broyles for all her hard work on the meetings. There being no further business brought before the board, President Reynolds adjourned the meeting at 1:43 pm. Following the meeting Board members went on a Hard Hat Tour of the expansion.

Suzanne Broyles
Secretary of the Museum

MOTION: Mr. Curtis
 SECOND: Mr. Douglass

MEETING: Board of Trustees
 DATE: 19 February 2009

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Full Board of Trustees has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Full Board of Trustees hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Full Board of Trustees.

VOTE

AYES: Reynolds/Moore/Mastracco/Carney/Cherry/Clement/Cobbe/Curtis
 Douglass/Farrell/Fisher/Goode/Griswold/Harris/Knox/Pauley
 Rodriguez/Schewel/Staelin/Talegaonkar/White

NAYS: None

[For each nay vote, the substance of the departure from the requirements of the Act should be described.]

ABSENT DURING VOTE: None

ABSENT DURING MEETING: Tilghman/Adams/Claiborne/Cochrane/Fralin/Hsu-Balcer
 Hunt/Lewis/Luke/McGlothlin/Morris/Schexnider/Tattersall

Suzanne Broyles
 Secretary of the Museum