

Date: \_\_\_\_\_

Approved: \_\_\_\_\_

THE VIRGINIA MUSEUM OF FINE ARTS  
Minutes of the Strategic Planning Retreat  
Wednesday, 10 October 2012, 12:00 pm  
Pauley Center Parlor

Presiding: Thurston R. Moore  
Secretary: Ms. Suzanne Broyles

There were present:

Trustees

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

Karen C. Abramson  
Martin J. Barrington  
Mary Anne Carlson  
James C. Cherry  
Michael M. Connors  
W. Birch Douglass III  
Cynthia Kerr Fralin  
John H. Hager  
Terrell Luck Harrigan  
Dr. Elizabeth F. Harris  
Ivan P. Jecklin  
Mrs. Jane Joel Knox  
John A. Luke, Jr.  
Satya Rangarajan  
William A. Royall, Jr.  
Michael J. Schewel  
Charles H. Seilheimer, Jr.  
Dr. Lindley T. Smith  
Dr. Shantaram K. Talegaonkar

Foundation Directors

Mona D. Albertine  
Ms. Kelly B. Armstrong  
Mrs. Robert W. Cabaniss, Jr.  
Dr. Mary Ann Frable  
Nancy H. Gottwald  
Frederica P. Gray  
Ms. Eva Teig Hardy  
H. Hiter Harris III  
Dr. Monroe E. Harris, Jr.  
Keith R. Kissee  
James W. Klaus  
A. John Lucas  
Ms. Ellen Gray N. Maybank  
Charlotte M. Minor  
Marshall N. Morton  
Benjamin W. Rawles III  
Mark B. Sisisky  
Geoffrey P. Sisk  
Thomas H. Tullidge, Jr.  
Dr. Joseph R. Vilseck, Jr.  
L. Ray Ashworth

Dr. Herbert A. Claiborne, Jr.  
Mr. Charles L. Reed, Jr.

By Invitation:

Alex Nyerges, Director  
Stephen D. Bonadies  
David B. Bradley  
Ms. Suzanne Broyles  
Ms. Lucy Buchanan  
Dr. Lee Anne Chesterfield  
Ms. Katie Fessler  
Ms. Anne Kenny-Urban  
Ms. Linda Lipscomb  
Robin Nicholson  
Ms. Jayne Shaw  
Ms. Fern Spencer

Absent:

Mrs. Whitt W. Clement  
G. Moffett Cochran  
Mrs. Louise B. Cochrane  
Thomas F. Farrell II  
Richard B. Gilliam  
Susan S. Goode  
Margaret N. Gottwald  
H. Eugene Lockhart  
Marlene A. Malek  
Steven A. Markel  
James W. McGlothlin  
Deborah H. Quillen  
John R. Staelin

## I. INTRODUCTION AND STRATEGIC CONTEXT

Board of Trustees President, Thurston Moore called the retreat to order at 12:20 pm and welcomed both Boards. He stated that the retreat objective is to bring VMFA leadership onto the same page in embracing key strategic opportunities and challenges to achieve the organization's 2015 plans and long-term vision. Mr. Moore explained that Marty Barrington oversees our strategic plan implementation that is communicated to trustees quarterly through the strategic plan dashboard. He noted that we started years ago with a Strategic Planning Committee comprised of representatives from both boards and a Business Plan Task Force headed by John Staelin. A consultant worked with us to create the operational plan we use today. Next year we will start working on the 2015-2020 plan. Today we will highlight our accomplishments so far and answer any questions.

Director Alex Nyerges reviewed the agenda for today's retreat. He thanked Altria's Katie Fessler and Marty Barrington who helped with planning for this retreat. The Director shared the VMFA mission statement and vision along with the three goals: financial sustainability, audience growth, and highly valued destination. The five strategies were provided and discussed. A high level review of the plan followed.

The Director said that since the opening of the new wing on May 1, 2010 we have enhanced our scope and quality, tightened our belts and worked harder and smarter. He reported that

total on-site attendance since May 1, 2010 is 1,227,235 and Division Heads discussed accomplishments in their areas. Stephen Bonadies, Deputy Director for Collections and Facilities Management, said since 2010 seventy-two galleries have been reinstalled with 3,200 objects, 844 objects have been added to the collection 84 percent of which were gifts. He explained that it is important to build the collection and be reflective of the communities we serve. Robin Nicholson, Deputy Director for Art and Education, said the *Picasso* exhibition's total attendance was 230,373 and its economic impact in Virginia was nearly \$30 million. He called the show the greatest collection of one of the greatest artists ever, and an unqualified success that proved VMFA is the world class Museum we wanted it to be. Linda Lipscomb, Deputy Director for Advancement, gave a Top Ten campaign summary saying a total of \$48.8 million was raised, \$22 million for capital needs and \$26.8 million for endowment. The Director said in the future we will create a much larger, more focused campaign. He was pleased that we had two years in the black, allowing us to deliver more product and service than ever. He discussed our improved organizational alignment.

## II. STRATEGIC CHECK-IN: SITUATION 2012

Marty Barrington, Trustee and Strategic Planning Oversight Chair, moderated the panel discussions for situation 2012 dialogues on the three key challenge/opportunity areas. Stephen Bonadies, Satya Rangarajan, and Bill Royall discussed Information Technology highlighting needed technology to increase access to the collection as well as to enhance visitor and member engagement. The panel noted that working with VITA slows us down, and proposed ways we could use private money to outsource our technology needs. Mr. Barrington said the challenge is technology and resources and we need to get a better place in the queue with VITA.

Anne Kenny-Urban and John Luke discussed Exhibitions and the ideal grouping of exhibitions for VMFA given the range of factors like cost and marketing. Marketing is required to generate large numbers of visitors and to increase membership. We need to know the right ticket price to charge and we need potential funding sources. Prior to opening the wing we did not have a lot of reasonably reliable data about visitors but now we do. Trustees discussed lowered ticket pricing for members vs. members-free special exhibitions, which is a complicated question. Ms Kenny-Urban said better marketing and exhibition endowment to support the programs would help us. We need to examine real marketing data and an endowment would provide more freedom. Mr. Luke was impressed with staff's creativity, marketing, finance, and technology. He concluded that we have a great team that has come a long way.

Robin Nicholson, Suzanne Mastracco and Mike Connors addressed our statewide presence. Ms. Mastracco gave a summary of the Museum's outreach starting with the 1954 Artmobile through the present 200 partners across the state. In 2006 the partners we interviewed to assess their needs and the results were reported to the Statewide Task Force headed by Suzanne Mastracco. Having learned from the report, today we provide teacher workshops, major traveling exhibitions, and technical assistance to our partners. Robin Nicholson emphasized that showing great VMFA works of art in places like Radford had as much impact on that community as an exhibition like *Picasso* did in Richmond. Mike Connors noted that while living in Northern Virginia, he had never heard of VMFA and the group discussed possible reasons why. It was thought that there are so many other cultural

institutions in that area that perhaps VMFA should concentrate outreach on the Eastern Shore or Appalachia. Ms. Mastracco and Mr. Connors felt the next step should be to share our resources virtually, with technology and social media, vs. having a bricks and mortar presence at a remote location. Targeting specific constituencies in other localities such as teachers, legislators, and corporate directors of giving could be very helpful. It was the sense of the members that we can press on with Northern Virginia, but focus on different areas of the state each year. President Moore thanked the panelists. He agreed that we should still work on statewide outreach as it is part of our mission.

### III. ENDOWMENT AS A STRATEGY FOR LONG-TERM SUCCESS

Alex Nyerges and Linda Lipscomb discussed strategies for financial sustainability which is part of the current strategic plan. Mr. Nyerges explained that we are a state institution with significant private financial support and we are an asset to the state's economic development. Ms. Lipscomb noted that now our focus is on supporting the annual operating budget and building long-term endowment for new funding needs statewide. She said we need to grow our sustainable base, increase major gifts and identify next projects, expand and develop planned giving, invest in systems and research, engage leadership and volunteers, revitalize the Development Committee, and engage board members.

Alex Nyerges stated we are number five in acquisition funding of the top ten art museums and we should ask ourselves how large our acquisition endowment should grow and he feels we should expand our giving base beyond Virginia. The Director then introduced Lucy Buchanan who has many years of experience focused on advancement, fundraising, marketing, communications and external relations for nonprofit organizations. Ms. Buchanan facilitated a discussion to test participants' readiness to engage around an endowment initiative. She said we have been through a huge transformation from 1947 to the present and now have the opportunity to go where we want to in the future. She asked the group to imagine having \$200,000,000 of additional endowment and how we would use the money to uphold the mission of the Museum without worrying about the costs. To start a campaign, she said a clearly defined image of the Museum is needed with a strategic plan and a compelling case statement, engaged leadership from staff and the board of trustees is also ideal. Major donors should be ready and able to give substantial lead gifts. Defining and justifying the fundraising goal is necessary along with establishing gift levels, named giving opportunities, and a benefit structure. Thurston Moore thanked Ms. Buchanan for her presentation.

### IV. EXECUTIVE SESSION

The staff was dismissed and the following motion was passed at 4:05 pm.

**Motion:** proposed by Mr. Moore and seconded by Mr. Luke that the meeting go into closed session under the Virginia Freedom of Information Act, Section 2.2-3711 (A) subsection (1) of the Code of Virginia to discuss a personnel matter which is not public. Motion carried.

At 5:16 pm by motion proposed, seconded, and carried, the meeting resumed in open session.

**Motion:** proposed by Mr. Moore and seconded by Mr. Connors, 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, the results of which are outlined in the Certification Resolution below

## V. CONCLUSION

President Moore thanked the boards for attending today. He asked the group to meet in the Atrium for an art activity in the galleries followed by the cocktail reception and dinner in the Best Café. The meeting adjourned at 5:17 pm.

Suzanne Broyles  
Secretary of the Museum

MOTION:	Mr. Moore	MEETING:	Board of Trustees
SECOND:	Mr. Connors	DATE:	10 October 2012

### FIRST 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: Moore/Mastracco/Abramson/Carlson/Cochran/Connors/ Douglass  
Farrell/Fralin/Gilliam/Goode/Gottwald/Hager/Harrigan/Luke/Malek/Markel  
Rangarajan/Royall/Schewel/Seilheimer/Smith/Staelin/Talegaonkar

NAYS: None

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

ABSENT DURING VOTE:	Cherry/Cochrane/Harris/Knox/McGlothlin/Quillen
ABSENT DURING MEETING:	Barrington/Clement/Jecklin/Lockhart