Date:	Approved:

# THE VIRGINIA MUSEUM OF FINE ARTS Minutes of the Meeting of the Board of Trustees Wednesday, 20 March 2013, 1:00 pm The Claiborne Robertson Room

Presiding:Thurston R. Moore, PresidentSecretary:Ms. Suzanne Broyles

There were present: Thurston R. Moore, President Mrs. Suzanne T. Mastracco, Statewide Vice-President

Karen C. Abramson Martin J. Barrington James C. Cherry Mrs. Whitt W. Clement Mrs. Louise B. Cochrane W. Birch Douglass III Susan S. Goode Ms. Margaret N. Gottwald John H. Hager Terrell Luck Harrigan Dr. Elizabeth F. Harris Ivan P. Jecklin Mrs. Jane Joel Knox John A. Luke, Jr. Marlene A. Malek Ms. Deborah H. Quillen Satya Rangarajan William A. Royall, Jr. Michael J. Schewel Charles H. Seilheimer, Jr. Dr. Lindley T. Smith John R. Staelin Dr. Shantaram K. Talegaonkar

By Invitation:

Alex Nyerges, Director Ms. Kelly B. Armstrong Stephen D. Bonadies Ms. Suzanne Broyles Dr. Lee Anne Chesterfield Ms. Celeste Fetta John Fuller Ms. Linda Lipscomb Robin Nicholson Cameron O'Brion John Ravenal Ms. Jayne Shaw Ms. Fern Spencer Ms. Emily Webb Ms. Sylvia Yount

Absent:

Mary Anne Carlson G. Moffett Cochran Michael M. Connors Thomas F. Farrell II Cynthia Kerr Fralin Richard B. Gilliam H. Eugene Lockhart, Jr. Steven A. Markel James W. McGlothlin

### I. CALL TO ORDER

The President, Thurston R. Moore, called the meeting to order at 1:12 pm and said he appreciated everyone coming today. He welcomed guest Emily Webb, Special Assistant and Policy Liaison, in the office of the Secretary of Education. President Moore announced that the next quarterly meeting, our annual meeting, will be held on June 14<sup>th</sup> with the Trustee/Former Trustee Dinner the night before, June 13. He asked the group to please note next year's dates on the blue listing in the board folders.

### II. MINUTES

**Motion:** proposed by Mr. Moore, seconded by Mrs. Knox that the Minutes of the last meeting of the Full Board of Trustees held on the 13th of December 2012 be approved as distributed on the 7th of March 2013. Motion carried.

### III. REPORT OF THE DIRECTOR – Alex Nyerges

Alex Nyerges announced that we are arranging a trip to MFA Boston and the Peabody Essex Museum (PEM) in June for both VMFA Boards. PEM will be hosting our Fabergé exhibition at that time and more information on this optional trip will be sent to you soon. Having the Board travel to other museums was a suggestion by new trustee Terrell Harrigan, Governance Task Force member. The Director introduced Celeste Fetta, Interim Chief Educator, who demonstrated the new Mellon App, *Wild@Art* for the trustees.

#### IV. REPORT OF THE FOUNDATION – Kelly B. Armstrong

Kelly Armstrong reported that the Foundation investment portfolio was up 2.41% from last quarter and total assets were \$230 million. She congratulated Hiter Harris for doing a great job. The Foundation Board approved changes to the Foundation 401(k) plan making it more closely aligned with the State benefits. The Board approved the 2012 audit, which was clean. Ms. Armstrong said the Advancement Committee Director's luncheons and other events have proved to be very successful and she encouraged all to come and bring others to get involved with the museum. She reported that the Foundation Board Nominating Committee elected one

new director to fill a two year term, Mary Shockey from Winchester and the Foundation Board approved the sale of The Oaks.

## V. REPORT OF DEVELOPMENT – Linda Lipscomb, Deputy Director for Advancement

Linda Lipscomb, Deputy Director for Advancement, discussed the fiscal year 2013 year to date performance saying that through March 15, year to date revenue, including membership, was \$3.64 million, 77% of the year end goal of \$4.7 million. She said revenues continue to track above fiscal year 2012 and are on track to meet the year end contributed revenue goal of \$4.6 million. Ms. Lipscomb reported the average unrestricted gift as \$1,112 which is an increase of 8% over fiscal year end 2012. She gave a membership update of general memberships from \$10 - \$150 explaining that memberships were outperforming expectations with \$1.6 million in year to date revenue as of March 15 which was due to the positive *Chihuly* effect. The forecast for the end of the year is \$1.85 million vs. the original projection of \$1.75 million. We have 38,602 members as of March 1. She reported on the performance of the new membership structure that was introduced in August of 2012. Number of members at the \$50 level participating in the new program has increased from 900 to over 1,200 since August. Ms. Lipscomb reported on Leadership Giving at the \$1,000 - \$25,000 level from August 1 through March 1. She said most loyal and generous supporters had renewal rates of 85% plus, and the branding of leadership societies is underway.

### VI. COMMITTEE REPORTS

a. <u>Art and Audience Committee</u> – Robin Nicholson, Deputy Director for Art & Education

Robin Nicholson explained that Jeffrey Allison, Interim Manager of Statewide Partnerships, reported that the partnership fee has not changed since 1961 and we are proposing changes in the structure based on site visits and organizations' input over the last year. Mr. Nicholson reviewed the four levels of the new structure. Level One is available to all K-12 public and private and home school organizations and allows access to partner website pages including SOL resources and images from the permanent collection. Level Two is available to non-profit community based organizations, libraries, and retirement communities, and adds artist and educator workshops and speakers on the arts to the benefits of Level One. Level Three is for art centers, galleries and Level Two organizations, and adds VMFA library resources, opportunities to share exhibitions from other partners, and a full range of technical assistance, myVMFA, and Level One and Two benefits. Level Four is available only to museum level organizations that have met VMFA-compliant environmental and security controls. It offers access to the VMFA permanent collection including opportunities to curate from the collection and to accept VMFA traveling permanent collection exhibitions and all Level One through Three benefits.

**Motion:** proposed by Mr. Seilheimer and seconded by Mr. Luke that the Full Board approve the formal implementation of the new partnership structure in FY14 as recommended by the Art and Audience Committee. Motion carried.

b. <u>Fiscal Oversight Committee</u> – John A. Luke, Jr., Chair and Fern Spencer, Chief Financial Officer

Chair, John Luke, reported that at today's Fiscal Oversight Committee meeting an overall recap on the *Chihuly* exhibition was given along with a general financial review. Stephen Bonadies reported on maintenance reserve and capital projects, and Cathy Turner reported on Enterprise activities. Fern Spencer provided the favorable *Chihuly* exhibition results which exceeded our forecast in ticket revenue, attendance, and per capita. Membership on-site sales were 11,423 or \$549,784 and she explained that *Chihuly* also gave a significant boost to the Enterprises giving them their highest grossing months ever. Ms. Spencer gave an update on budget projections and reviewed financial adjustments made after legislative actions.

c. <u>Governance Task Force</u> – John A. Luke, Jr., Chair

Thurston Moore explained that he added this Governance Task Force last fall with the goal of determining how to better engage trustees and find prospective trustees for openings on the board. John Luke was appointed Chair of the Task Force and he addressed the group. Mr. Luke listed the Task Force members, Kelly Armstrong, Terrell Harrigan, Ben Rawles, and Mike Schewel and said they have met twice to study the committee structure, board succession, and development, enhancing trustee engagement, and improving the orientation process. He mentioned that the Executive Committee has been considering board succession and would like to continue the policy started three years ago of electing a President-elect. Mr. Luke spoke as a representative of the Executive Committee saying he was pleased to bring to the Board a recommendation for the office of President-elect, the name of William A. Royall, Jr.

**Motion:** proposed by Mr. Luke and seconded by Mr. Barrington that William A. Royall, Jr. be elected as President-elect of the Board of Trustees of the Virginia Museum of Fine Arts. The motion carried unanimously.

Mr. Royall remarked that he was extremely honored to join the VMFA leadership team and he appreciated the Board's confidence. He looks forward to working with everyone on this Board and the Foundation Board to build on what we have. President Moore noted that we are fortunate to have many talented individuals on the Board and he wants all of them to become more engaged at this great time in the museum's history. He explained that he is not going anywhere as he has another year on his term as a trustee, but he has served as President for three years and is glad to hand the baton to Bill Royall.

At 2:00 pm the meeting went into closed session with the following motion.

Motion: proposed by Mr. Moore, seconded by Mr. Cherry that the meeting to go into closed session under Section 2.2-3711(A) (6) (8) and (9) of the Freedom of Information Act 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 to discuss and consider matters relating to specific **gifts**, **bequests**, **and fundraising activities**, and **grants and contracts for services to be performed**, and to discuss and consider matters relating to specific **gifts**, **bequests**, **and grants**. Motion carried.

At 2:16 pm by motion proposed, seconded, and carried, the meeting resumed in open session.

**Motion:** proposed by Mr. Moore and seconded by Mrs. Goode, 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 First Certification Resolution below.

- **Motion:** proposed by Mr. Moore and seconded by Mrs. Abramson that the Board ratify the recommendation the Art Acquisitions Sub-Committee made in today's meeting to accept the following purchase considerations for the amounts and from the funds specified:
- Kara Walker (American, born 1969), Untitled, 1996, ink, paper, graphite, 85<sup>1</sup>/<sub>4</sub> x 72<sup>1</sup>/<sub>4</sub>" for a price of \$150,000 (reduced from \$175,000; includes framing and glazing) from funds donated by Pam and Bill Royall Jr., Mary and Don Shockey, Jr., Marion Boulton Stroud, and the Lewis Endowment Fund (\$37,500); Vendor: Sikkema Jenkins & Co., New York, NY
- Trenton Doyle Hancock (American, born 1974), *The Former and the Ladder or Ascension and a Cinchin'*, 2012, acrylic and mixed media on canvas, 84 x 132 x 3" for a price of \$75,000 (reduced from \$85,000) from the Pamela K. and William A. Royall Jr. Fund for 21st-Century Art; Vendor: James Cohan Gallery, NY
- Derrick Adams (American, born 1970), *Head #2 (Floor Plan)* from the *Deconstruction Worker series*, 2011, mixed media collage, 36 x 35-7/s"w, for a price of \$6,000 (reduced from \$7,500) from the Pamela K. and William A. Royall Jr. Fund for 21<sup>st</sup>-Century Art, Vendor: Tilton Gallery, New York
- 4. Richard Roth (American, born 1946), *Untitled (Yellow Corner),* 1971,enamel paint, glass, 72 x 72" for a price of \$11,200 (reduced from \$14,000) from the Sydney and Frances Lewis Endowment Fund, Vendor: Reynolds Gallery, Richmond
- 5. Eugène Grasset (French, 1845-1917), Design for a Brooch, 1900, gouache and watercolor over pencil on buff paper, image: 4 x 5½", sheet: 125/8 x 9½" for a price of £2,400, from the Maria and John Shugars Fund, Vendor: Stephen Ongpin Fine Art/Guy Peppiatt Fine Art, London
- 6. Pierre Legrain (French, 1888-1929), *Design for a Birdcage*, about 1922-23, pencil, ink, and gouache on paper, 17<sup>7</sup>/<sub>8</sub> x 11<sup>7</sup>/<sub>8</sub>" for a price of \$4,000 (reduced from \$5,000) from the John and Maria Shugars Fund, Vendor: Kristin Gary Fine Arts, New York
- Photographer unknown, 17 Black and White Vintage Photographs of Interiors Designed by Pierre Legrain (French, 1888-1929) for Jacques Doucet (French, 1853-1929), ca. 1928-1929, each: 9 x 6-<sup>3</sup>/<sub>4</sub>" for a price of \$25,000 total from the Lewis Endowment Fund, Vendor: Daniel Wolf, New York
- Wenceslaus Hollar (Bohemian, 1607-1677), *Elephant and Flowers* (from the *Animalium...*), 1662, etching w/thread margins, 6<sup>3</sup>/<sub>4</sub> x 10<sup>5</sup>/<sub>8</sub>", Pennington 2066 (I/III), Watermark: Foolscap(?) for a price of \$1030, (includes shipping) from Funds provided by Frank Raysor; Vendor: Hawley Field Fine Art, Charlottesville
- Balthasar Korab (Hungarian, 1926-2013), *TWA Study 1*, silver gelatin photograph, 13-15/16 x 10<sup>3</sup>/<sub>4</sub>" for a price of \$1,500 André Kertész (Hungarian, 1894-1985): *Chairs, Paris*, 1926, (printed later) silver gelatin photograph 10 x 8" for a price of \$9,500 *Williamsburg, VA*, 1948, gelatin silver print, 9-15/16 x 8" for a price of \$11,000 Total Price: \$22,000 from the Aldine S. Hartman Endowment Fund, Vendor:

Wendy Halsted Gallery

and the following gift/purchase considerations:

- 1. Chinese Calligraphies and Paintings from the Y. T. Bay Collection:
  - 64 Calligraphies by fifty artists, 18th—mid-20th century, Hanging scrolls, folding fans; ink and color on paper or on silk, various sizes for a price of \$463,900
  - 51 Paintings by forty-eight artists 18th-mid-20th century, Hanging scrolls, folding
  - fans; ink and color on paper or on silk, various sizes for a price of \$570,300
  - Cost and Source:

Glasgow Art Purchase Endowment (60%) \$620,520

- Vendor contribution (40%) \$413,680
- Appraised value: \$1,034,200

Vendor/Donor: Dr. David Pui, Minneapolis; Credit: Margaret and Arthur Glasgow Art Purchase Endowment and partial gift of the Y. T. Bay Collection.

2. Thirteen gelatin silver prints by Louis Draper (American, 1935-2002)

Purchase Consideration:

Untitled ( <i>Revolt Now</i> ), 1960s, 6-15/16 x 8-5/8"\$4000
Untitled (Noisy Panthers Disrupt Trial), 1960s, 5-13/16"x 8-9/16" \$3500
Untitled (MLK Poster in Window), 1960s, 11 x 137/8" \$2000
Malcolm X, 369th Armory, Harlem, 1964, 9¼ x 12-5/8"\$3500
Untitled (Garment Worker), 1960s, 6-15/16 x 9 <sup>1</sup> /2"\$3000
John Henry, 1960s , 10-¾ x 10 1/8" \$3000
Fannie Lou Hamer, Mississippi, 1971, 9 x 6 <sup>1</sup> /s"\$3500
Untitled (Santos) from Playground Series, 1968, 8-15/16" x 5-7/8 \$3500
Untitled (Haircut, Dakar Senegal, West Africa), 1978, 6 <sup>1</sup> / <sub>4</sub> x 9 <sup>1</sup> / <sub>2</sub> " \$3000
Gift Consideration:
Untitled (Susan B. Anthony), Bronx 1975, 6-7/8" x 6-5/8"
Untitled (Plaid Youth), date unknown, 99/16" x 63/16"
Untitled (Youth with Beret), Bronx 1975, print: 6-9/16 x 63/4", mounted: 14" x 11"
Untitled (Black Muslim), 1960s, 8-7/16 x 9-7/16"
Price: \$29,000 total; Gift Value \$11,000

Vendor/Donor: The Louis Draper Estate, represented by Candela Books + Gallery, Richmond, from the NEA Fund for American Art

and the following gift considerations:

- 1. Sue Williams (American, born 1954), Unsupervised Shoes, 1999, oil on canvas, 98 x 104"; Donor: Mary and Donald Shockey, Jr., Berryville
- 2. Edwin Henry Landseer, RA 1802-1873, Untitled (Study of a Recumbant Stag), 1819 chalk and pencil on laid paper, 7 x 9 <sup>1</sup>/<sub>2</sub>"; Donor: Calder Loth, Richmond
- A group of Bloomsbury paintings; Donor: Alice and James Heard-Williams, Lynchburg Duncan Grant (British, 1885-1978): *A Street in Lewes, Sussex,* ca. 1939, oil on canvas, 26<sup>1</sup>/<sub>4</sub> x 20" *Tilton from the Lane to Charleston,* 1921, oil on canvas 13<sup>3</sup>/<sub>4</sub> x 21-<sup>5</sup>/<sub>8</sub>" *Still Life after Chardin,* 1967, black chalk and watercolor, 13<sup>3</sup>/<sub>4</sub> x 16<sup>3</sup>/<sub>4</sub> *Portrait of Amaryllis,* Late 1950s, oil on canvas, 24 x 20" Roger Fry (British, 1866-1934), *La Cardiagre,* oil on panel, 13 x 16"

Vanessa Bell (British, 1879-1961), *Beddingham, o*il on canvas, 24 x 20" Edward Le Bas (British, 1904-1966), *A Lady Reading, o*il on canvas, 21 x 25<sup>1</sup>/<sub>2</sub>"

 Bruce Onobrakpeya (Nigerian, b. 1932), Urhobo culture, *Fura de Nono* plastograph relief, 1971, epoxy resin on metal plate; 18<sup>1</sup>/<sub>4</sub> x 24<sup>3</sup>/<sub>8</sub>" Donor: Sandra W. Ferebee and Erik van Strien, Norfolk

# VII. STRATEGIC PLAN OVERSIGHT UPDATE – Alex Nyerges and Division Heads

Alex Nyerges introduced Stephen Bonadies, Deputy Director for Collections and Facilities Management, who gave a 2013 Technology Outlook update. He reported on activities and technology improvements planned for the next six to twelve months. Mr. Bonadies said we are moving forward with WIFI and spoke about our Collections Management/Digital Asset Management progress. He noted that regarding membership marketing, we are good at accumulating data but lack the tools to analyze it over time. The content management software that drives our website needs to be upgraded from the currently used Ektron to Wordpress. This will result in a responsive web design technique that will provide optimized user experiences for visitors and members. A VMFA Mobile App is the first step to take us to the next level and this is planned for early 2014. Going forward he said our key to success is to continue our relationship with RTS Labs. Alex Nyerges thanked trustees Satya Rangarajan and Bill Royall for their help on the Technology Task Force which he said is moving ahead at lightning speed.

Fern Spencer, Chief Financial Officer, provided a Human Resources update showing the twelve state positions currently under different stages of recruitment. She added that we are grateful to have had success with approval for the Director of Audience Development position and three others. Ms. Spencer provided a slide listing the eight Staffing Vacancies as of March 14, 2013 and indicated that the list continues to grow. She identified a new and significant concern related to our wage employees. In response to the Affordable Healthcare Act, the Governor and General Assembly revised the Manpower Control Act to prohibit wage employees from working more than 29 hours per week, on average, during a twelve month period. As a significant number of employees fall into this category, this has had a sobering effect on museum operations. Ms. Spencer also mentioned that the General Assembly has approved a 2% salary increase effective July 25, 2013 and a compression adjustment of \$65 per year of continuous service with five years of service that is capped at 30 years. This will require our Human Resources department to review and adjust their salary survey results adding more time to the overall project.

Alex Nyerges gave a brief update on the 2020 Strategic Plan timeline. Moving forward it was thought that creating a Strategic Planning task force and a committee would be helpful. He has talked to museums across the country about which strategic planning consultants would be good for us to use. We are interested in two firms with great track records. At the annual Full Board meeting in June a full report will be provided. The next step is bringing the firms here for interviews. Trustee Marty Barrington, Strategic Planning Oversight Chair, said getting trustees involved in this process is key. He encouraged those present to respond affirmatively if they are asked to serve on the Strategic Planning committee. Mr. Barrington indicated that there is a lot

of work to do and we welcome everyone's involvement. He added that the plan will not be a consultant's plan, but our plan and we will control it.

VIII. ART MOMENT – John Ravenal, Sydney and Frances Lewis Family Curator of Modern and Contemporary Art

John Ravenal, Sydney and Frances Lewis Family Curator of Modern and Contemporary Art, gave an overview on the upcoming installation of *Pop Art and Beyond: Tom Wesselmann*. Mr. Ravenal explained that this is Wesselmann's first major retrospective in North America and the only East Coast venue for folks to view this survey of the artist's oeuvre. The exhibition is comprised of more than 150 major works, including paintings, as well as preliminary drawings, and maquettes and archival documents and was made possible by the Sydney and Frances Lewis Endowment Fund.

# IX. EXECUTIVE CLOSED SESSION

President Moore dismissed VMFA staff and made the following motion at 2:47 pm.

Motion: proposed by Mr. Moore and seconded by Mrs. Mastracco 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 2:55 pm by motion proposed, seconded, and carried, the meeting resumed in open session.

**Motion:** proposed by Mr. Moore and seconded by Mr. Seilheimer, 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 Second Certification Resolution below.

X. OTHER BUSINESS/ADJOURNMENT

There being no further business, the meeting was adjourned at 2:57 pm.

Suzanne Broyles Secretary of the Museum

MOTION:Mr. MooreMEETING:Board of TrusteesSECOND:Mrs. GoodeDATE:20 March 2013FIRST 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. <u>VOTE</u>

 AYES:
 Moore/Mastracco/Abramson/Barrington/Cherry/Clement/Douglass

 Goode/Gottwald/Hager/Harrigan/Harris/Knox/Luke/Malek

 Quillen/Rangarajan/Royall/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:
 Cochrane/Jecklin/Schewel

 ABSENT DURING MEETING:
 Carlson/Cochran/Connors/Farrell/Fralin/Gilliam/Lockhart

 Markel/McGlothlin
 Markel/McGlothlin

MOTION: SECOND:	Mr. Seilheimer	 Board of Trustees 20 March 2013
oldor (b)		

SECOND CERTIFICATION OF CLOSED MEETING **TAS** the Full Board of Trustees has convened a closed meeting on this date p

**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. <u>VOTE</u>

 AYES:
 Moore/Mastracco/Abramson/Barrington/Cherry/Clement/Douglass

 Goode/Gottwald/Hager/Harrigan/Harris/Knox/Luke/Quillen

 Rangarajan/Royall/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:Cochrane/Jecklin/Malek/SchewelABSENT DURING MEETING:Carlson/Cochran/Connors/Farrell/Fralin/Gilliam/LockhartMarkel/McGlothlinMarkel/McGlothlin

Suzanne Broyles Secretary of the Museum