

Virginia Museum of Fine Arts  
Transcription of the Quarterly Meeting of the Board of Trustees  
Thursday, September 17, 2020, Noon  
Video Conference

**Meeting called to order at 12:02pm.**

**Full attendance listed in the meeting minutes.**

Monroe Harris: We have a lot to cover, and so let's get started. If you don't mind, please mute yourself unless you're given discussion or we're voting and when you speak, please state your name. If you have any technical difficulties reach out to Kay Baker or Caprice so that they can help you work through it. Is there any public...response from the public today? Any comment? I don't think there is. Caprice, is there?

Caprice Bragg: No there aren't.

Monroe Harris: In accordance with the requirements of virtual meetings, we offered a public comment period. There were no requests for public comment, so we will proceed with the consent agenda. Everybody should've received and looked over the minutes. Are there any additions or corrections to the minutes? If there are none, may I have a motion to approve the minutes from June 17, 2020?

Tom Papa: Monroe, I'll move. This is Tom.

Monroe Harris: Second?

Lynette Allston: Second.

Monroe Harris: Thank you. All in favor?

Board Members: Aye.

Monroe Harris: Great fantastic. Again, these are just really unusual and unprecedented times that we're in, and many of us have faced the challenges of COVID-19 either directly or indirectly, and all the challenges that it has brought upon us. But I'm happy to say that there are some opportunities and one of those was our ability as a museum to reach out to the community and provide forty relief grants to professional artists, visual artists here in the Commonwealth of Virginia. It goes without saying that this is just a fantastic thing that we did. Each artist received \$5,000. There were over 450 applications for these grants, and I personally want to thank Michael, Jeffrey, Valerie and Natasha for helping to put this together, for making the selections. We had the presentation with the Governor and the First Lady back in July and some of the artists were there. They were very, very grateful and moved that we were able to do this. And so we just continue to do our mission to be an integral part of the community. And that's what we do and, so I'm so happy to be a part of that.

Thank you for also responding to the survey. For those of you who did. We received your feedback, and we will use that feedback going forward to enhance your understanding of programming and statewide exhibitions. And also to further engage you all and the community at large. We also had

several of you that said that you could do more so, we will definitely take you up on that. We appreciate it. We appreciate everything that you do. Next we'll have a report from our Foundation Co-President Jim Klaus. Jim?

Jim Klaus: Thanks, Monroe. As you are dealing with meeting remotely, the Foundation is as well. We have had board meetings, we've had committee meetings, and we're moving forward as well as can be expected. In addition we had a virtual meeting with Alex where we could get questions answered. So we're trying to be as creative as we can to keep our board motivated and keep our board engaged with the museum. We do have some good news. One of our primary roles is managing our endowment. We had a dip as most people would expect in the spring, but through August I would assume we are about where we were before the pandemic started so, in terms of budgeting and our support of the museum. It is as expected which is great. I think we have 3 pillars of our budget in general they are the Foundation's endowment, the state, and then the museum operations. And the good news is, although COVID is affecting the museum operations, our endowment and the endowments that we don't manage are all holding up, and in addition, it seems like the state support is holding up. So two of our pillars are there which will help us weather the storm. Our foundation budget was balanced as was the museum's for last fiscal year, and we also expect that our budget will be for fiscal year twenty one. So that is some good news. We are using this opportunity to manage the endowment a little more closely than we have in the past. We're always obviously very closely managing it, but we're meeting more often. We've been meeting monthly which will help us make some adjustments as we go through this difficult period. Another achievement of the summer is that we added four new board members. Starting in this upcoming September meeting. Their names are, and if you see them or talk to them welcome them, Farhad Aghdami, Brian Jackson, Agustin Rodriguez, and Mike Schewel, a name you'll recognize. All of them are lawyers and all of them are men. However, many of them check boxes to improve the diversity of our board, and I did check and to let people know we actually had more women on the board than we did men before this class, so this was an opportunity that was to continue to balance our board in terms of getting the most diversity we can. Which is always a goal of the Foundation Board. Finally what are our goals for the rest of the year? Really working with Tom's group in advancement. In addition to the endowment holding up I'm sure that you'll hear the report that our annual giving is holding up as well, and we're working closely with Tom to come up with creative ways to engage with our donors and keep our high level members giving at the level that they are or increasing that. I would like to finally acknowledge one of our board members. Carolyn Garner spearheaded a matching COVID Relief Fund in the spring which I think Tom will give the results of, but what resulted in an increase in individual giving, which helped us through partially dealing with this difficult time. So, that's one example of the creative thoughts that we're trying to work through to get us to the other side of this. So that being said, Monroe, thank you and look forward to working with you all in the future.

Monroe Harris: And so I want to thank you and Lilo for your leadership and help to make that happen. Really appreciate that. So, next item on the agenda...It is my pleasure to introduce our Council President, Cammy Carlton. Cammy?

Cammy Carleton: Thanks. It's a great honor to give you an update on Council activities for the year. This year, the Council celebrates its 65th anniversary. The Council year began in July 2019 with Fine Arts & Flowers in full swing. In September we had a fabulous program on Andy Warhol presented by Dr. Cecile Whiting, from the University of California, Irvine. We continued with Membership Enrichment Council trips to Washington DC and another wonderful Council Lecture in February

with Susie Rawles, detailing “Founding Families of VMFA.” And then COVID-19 erupted. Mary Ann Peppiatt and Tina Stoneburner, Fine Arts & Flowers Co-Chairs along with VMFA’s Leadership Team made the difficult decision to postpone Fine Arts & Flowers until October, 2021. However, I am happy to report that before the Committee paused, we had a number of exciting developments. Strange’s Florist agreed to continue as our sponsor and official supplier of flowers and plant material for the 15th time - they have sponsored this event for 33 years. Flower Magazine is confirmed as the media sponsor. The Corporate Sponsorship Committee’s goal is \$125,000. To date, 35 commitments have been secured for over \$115,000, including the Francena T. Harrison Foundation returning as the \$25,000 Presenting Sponsor for the first time since 2016. Individual solicitations were paused however, the committee had already raised \$37,000 from donors. We are excited to celebrate the Reopening of the Mellon Galleries at the Fine Arts & Flowers Preview Gala on October 20, 2021. And we look forward to picking back up and building momentum to an exciting and rewarding Fine Arts & Flowers. We hope you will all join us next year. Fortunately, we held a Council member recruitment in March, before COVID hit. We brought in 60 new members, and I am always amazed by the talent and skills of our new members. These new members were oriented virtually, and many have been selected to join the Gallery Care Assistants team - formerly known as the “Clean Team.” Our Chair of that Volunteer team pointed out that when he told friends that his volunteer role at VMFA was on the Clean Team, he always got a quizzical look, as in - you clean for the VMFA? So the term Gallery Care Assistant was created, and is much better received. Our Gallery Care Assistants were offered, what they consider a very high honor, for the first time, they have been asked to care for a major exhibition, *Sunken Cities*. The team is thrilled to take on this new responsibility. Since the Museum was closed in May, we had to cancel our May Council Lecture Luncheon for the first time ever. However, even with the museum closed for four months, our volunteers recorded over 15,000 hours for the year ended June 30. This translates into over \$400,000 worth of volunteer time to the Museum. On July 1st, when the Museum reopened, our volunteers were ready to return to their work on Hirschler Flowers, the Sculpture Garden, Fleurs de Loo, and soon after as Ask Me Ambassadors and Museum Ambassadors. The Shop Volunteers return this month, and the School Group Greeters will return in January. While Fine Arts & Flowers is our largest and only Council fundraiser, we make annual gifts to the VMFA Library, Education Department, and Sculpture Garden from our annual \$30,000 budget. We also made gifts to the John Barton Payne Conservation Fund and VMFA COVID-19 Relief Fund, with total Council donations to VMFA for the year ended June 30 of \$15,000. As a reminder of Council’s gifts that keep on giving, our Council Exhibition Fund, Education Fund, and West Wing Gala Fund managed by the Foundation had a total value of over \$1.3 million as of June 30, 2020. Several of our Council members, have stepped up to donate and participate in the Capital Campaign, including Diana O’Connor who gave the first Million dollar gift to the Campaign and Birch Douglass who named a space in the expansion and renovation project and committed to a new endowment. The Council held its first ever virtual Council Lecture this week where we introduced a new website for The Council... [www.vmfacouncil.org](http://www.vmfacouncil.org). At that meeting, we were delighted to have Valerie Cassel Oliver lead the way with an outstanding presentation on her highly acclaimed exhibition “The Dirty South: Contemporary Art, Material Culture and the Sonic Impulse.” I cannot wait to see what the VMFA’s-commissioned SLAB looks like! Our 520 Council volunteers are dedicated, enthusiastic and committed to the Museum. During zoom meetings this summer, I heard over and over from both long time volunteers and brand new members how much they love the museum and how important it is to their quality of life, particularly during the time of COVID. It is always heart-warming to remember that the work being done by our volunteers, staff and you as Trustees, is so appreciated by so many. Thank you.

Monroe Harris: I am always impressed by the enthusiasm and generosity of the Council. Thank you so much. Alex, you're up next.

Alex Nyerges: Well, thank you, Monroe. Well, I'm going to begin by saying, thank you to Cammy and to all of our eight hundred or so members of the Council. I mean, first of all the decision to postpone the Fine Arts and Flowers which is every other year was a brave decision. It was the right one. Obviously for all the right reasons I think none of us at this point in time today can imagine a party for seven hundred people in person in the next thirty days. But when that decision was made almost half a year ago, it was much less certain. When we last met, we were closed, we were about to reopen and things have certainly improved for the better on many levels. So Cammy, thank you for all that you're doing, and we're looking forward to supporting everything you do as always. And y'all help and so many ways which is really important. Now, since reopening July 1, we've seen more than 50,000 visitors come through the front door of the museum. In fact, unlike many of our peer institutions, which have opened three days a week, five days a week with limited hours, no evenings. With the National Gallery, for example, only opened the lower level of the West Building, and nothing else has been opened. We decided that we would open everything and try to be as close to normal as possible. You know, we're obviously proud of being open 365 days a year with free general admission. And this was the closest thing we could get to that. Which is being open however many days just ignoring the fact that we were closed. But, you know, it's about holding true first of all to our mission and holding true to our strategic plan and how we best attract and keep audiences.

And we've expanded the programs that we've expanded online which many of them existed before. In the education committee meeting yesterday what Celeste provided in terms of background was nothing short of extraordinary. They just come up with so many things on every level, lectures and programs. A thousand people attending lectures online, and people that are finding new ways to engage with the museum, which we don't think are going to go away. Artmobile is back on the road. Our distance learning is not since the schools are largely still closed, and obviously no school tours are planned for the foreseeable future. Our staff, obviously our volunteers, have been back in force, but I will say that our staff many of them are concerned. Many of them are worried about their health. Even though our protocols have been fabulous. The Be Well committee that Kimberly put together, some forty people across every department in the museum preparing how best to be as safe as possible. And we've had just three staff people that were with the COVID Virus. And only one of which and that was six months ago that actually came down with more than symptoms. In fact more than diagnosis and was hospitalized in intensive care, but recovered and is doing well. Long back to work thank goodness. But the good news is that the cases that we have had in the couple of weeks have all been from outside the museum. They've not come from visitors. They have not come from other staff. They have not come from volunteers or anyone else. They've come from engagements of staff with roommates and things of that nature. So we've created a really solid, safe place to visit. And then on a fiscal level, when you look at our institution ending the year in the black. A year that already has gotten off to a good start. I have to say that when you compare us to the rest of our field, the other art museums across this country, particularly our peers in the largest tier of art museums across America. We are by far in the top echelon of the group. Houston would be the other institution like us that has come through this relatively...and I say that a fairly firmly relatively unscathed. We still have our challenges but not as many as what some of the institutions have. The Met with \$160-150 million dollar deficit looming. Just kind of unthinkable. Just to put it in perspective, we would have to have a \$15 million deficit for this fiscal year, on top of us, which would obviously crush us. Our peers are not so fortunate. Now on fiscal matters we....I'm going to call on a couple of people because we've had very good news. First of all on the Development side

we had projected for fiscal year ending June 30, a decline of revenues by 15% in terms of contributed income. And then also a 15% decline in fiscal twenty one. And I'd like Tom to talk about that, and then we'll come back to talk about the Capital Campaign in a minute too. Tom?

Tom Gutenberger: Thanks, Alex. As Alex mentioned, we thought we would have 15% decline in fundraising that was based on conversations we had with other museums and our consultant. Everybody was predicting a 10-20% decline in fiscal year twenty after COVID hit us. As Alex mentioned, we actually didn't see that. We saw an overall increase in our fundraising last year. Forty percent exhibition. Fundraising was up 69%. Unrestricted giving was up 9% which is as you know very important to feeding the budget, and actually membership was up 2% overall to almost 37,000. And then another thing that was just really great for us and I need to thank Carolyn and Tom Garner. They created a challenge grant for \$100,000 for a COVID Relief Fund. And so what we did when we built our entire annual fund effort in the spring around it. And we typically raise about \$225,000 for our annual fund. And with the COVID Relief Fund with their challenge grant, we raised almost \$850,000. And so many of you on the call have contributed to that. So that was just incredible and thank you very much to everybody who participated. And as you said, we're seeing still an uptick this year. So knock on wood. I can give a Campaign quick update now, Alex or would you want me to wait? Whatever is better.

Alex Nyerges: While we were closed the development operation has worked extra hard. In fact, I'll give you one example. In the month of July, our gift officers, Tom, Caprice, but then all of the folks that were in Tom's division. They did 600 calls to donors, and if you think we don't have a large staff that is a lot of calls to a lot of people. Stewarding our donors. Moving things along and probably the best indication of what Tom just gave in terms of the, the operating side is with the Capital Campaign. The Capital Campaign, many institutions have stalled or postponed their campaigns or had to put them into suspended animation. We proceeded along on the basis that we can still do cultivation and stewardship even if it's with the phone or online. And we've now begun to go back to having lunches. Tom, and I, and several donors had lunch with proper physical distancing in my office, which has been cleared out of all its furniture. We now have four six foot tables. We had five people in there, so Tom give us all the good news about the, the Capital Campaign.

Tom Gutenberger: Great. Thanks, Alex. First I want to say thanks to Jill and Monroe Harris and Elizabeth Locke and John Staelin for being the co-chairs of the Campaign and taking us through these tough times and also our honorary co-chairs who are Susan and David Goode, Frances Lewis, Fran and Jim McGlothlin, and Pam and Bill Royall. So thank you. We have forty campaign committee members. A number of you are on the call today, so again thanks to all of you. Which is quickly on the campaign is a reminder. It's a seven year campaign. Three silent or leadership years and then four public. We're entering the second, silent or leadership year. We started the year last year at \$21 million, which was gifts to the change capital and some gifts that supported the early strategic planning. So, we started the year \$21 million, and we ended June 30, with \$42 million, so we doubled the Campaign during that period, and actually, as of today, the Campaign, it's slightly over \$50 million. So thank you so much. Just a couple of quick data points. We had twenty nine gifts of a \$100,000 or more last year, and also just a couple of notable gifts particularly to the expansion campaign. The Birch Douglass private dining room, the Mary Anne Frable Works on Paper gallery, the Monroe Harris, Jr. and Jill Bussey Harris Family Gallery, the Jil, Hiter, and Tyler Harris 21<sup>st</sup> Century Gallery Bridge, the Klaus Family main entry, and O'Connor Gallery and as Cammy said they created the first gift to the expansion. And then we had great gifts to endowment. Anne and

Gus Edwards to education and Birch Douglass for exhibitions. So, as you can see, we're getting support across all the Campaign priorities. And so we're in good shape. And as Alex mentioned, we had in the month of June 600 contacts. And then since we closed March 16, we had our gift officers did over 1,400 contacts. So that was a big thing. But really our volunteers and our front line staff have just done a great job. So thanks to all of you who helped us, and we've got our Campaign Committee meeting coming up September 29, and it'll be sort of like this, you know, a bit complicated but thanks for all your help. And that's where we are in the Campaign.

Alex Nyerges: Great, Tom. In addition to what our development operations have been doing, we have good news from downtown and Katie has been working extra special hard on two fronts. One, obviously the operating side from the Commonwealth. We fully expected to see a budget cut of some fairly significant proportion. And then also we've been watching very closely with the capital side because we have both the regular capital improvements that we had in the hopper but then the biggest which we had held off moving forward on, the hundred and \$25 million appropriation for our expansion. Katie actually has good news on both accounts. Obviously the General Assembly is still in session and so there is always the possibility of change. So I knock on wood that we continue to have good news, but all of the indications are for such. So, Katie, if you could give us a sense of where we are on all three, the operating, the smaller capital project appropriations which should come through and then, of course, the large capital appropriation.

Katie Payne: Sure. So when we came out of our regular session in the spring, we were successful in getting a bump to our operating budget of \$400,000. That was to be used for IT upgrades and leasing art storage space until the expansion has been completed. That new money, operational money was frozen at the end of the session because of the pandemic, which had just started days before the end of the session. And then subsequently has been proposed to be taken away from every entity that had new operational discretionary spending. So, we were well forewarned that was likely to happen, but we also expected to see pretty significant operational cuts on top of the reduction of that new money. So we've been very pleased to see that so far...and we're on week four of the ongoing special session that the budget cuts have not been asked of us thus far, which is great news. Also in the spring you'll remember we had the expansion project fully funded in the budget and a new capital project to repair the sculpture garden, and neither of those were changed as a result of the pandemic which was great news. The money for the sculpture garden actually has already been received. And the expansion project is still ongoing on its regular time schedule, so we're very pleased about that. Other new capital projects were eliminated entirely, so we are very fortunate that we were not in that bucket and then additionally as we're working through these last, I hope last few weeks of this special session, we have had an opportunity to submit additional requests for CARES funding from the state. The state gave out a good portion of CARES funding in the spring that has held the reserve back that they're now trying to figure out how to spend. And so thanks to Hossein and the rest of the team for helping to come up with a good list of requests that might help offset some of those operational monies that we did have frozen earlier this year. So that's the update unless anyone has questions.

Alex Nyerges: Thanks to Katie and Caprice and Hossein for working with our General Assembly and the administration and all the things they've done. The appropriation by the way for the sculpture garden is about \$2.5 million, so it's not chicken feed and then the way the capital appropriations for the expansion is budgeted \$112 million now. Thirteen will come when we get the building built for fixtures, furniture and equipment, so and that is a two to one match. Two public dollars to every state dollar. So I'd say we are very close to a point of being able to celebrate. That

would be a \$125 million on top of the \$50 million already that Tom just mentioned, and then we have another \$100 million plus in asks that have already been made so we're in pretty darn good shape with respect to the Capital Campaign. Changing gears, the social justice movement as everybody knows we've been a subject of attack on Instagram, Twitter, and a bunch of other things. Cindy Norwood our senior assistant attorney general or general counsel has written to Instagram and asked them to take down the inflammatory violent oriented and theft oriented things that have gone on from the VMFA Reform group. We've also gotten the Virginia State Police investigative arm involved. They are actually conducting an investigation. They've assigned two senior investigators to this case, because they see it as a real problem. So we're not taking these matters lightly. Now on that note we're doing two other things that were certainly already in the works in terms of, and I wish Kimberly was with us. She's on a much needed vacation. Thank goodness, taking time off to disconnect, and we've all been good not sending her emails or making phone calls. But Kimberly has worked with Bill Cooper a consultant to work on building our diversity, equity, and inclusion training. We already have a good basis so we're going to be ramping that up what we have. We will also be doing that for the Board of Trustees and offering programs in the new calendar year. And then on the other side of the equation we realized that from a public relations standpoint, we've been doing so many of the things that people were accusing us of on the positive side, not the negative. And so Jan who's done an extraordinary job on the media side and in a very difficult time. Tell us about the engagement of Moses Foster and his group.

Jan Hatchett: Absolutely, so one of the things that we've learned just from reading sort of the comments that have fizzled up on Instagram from the VMFA Reform Group, you know, when going through all of that we take as Alex said, we take all of it very seriously and spent a fair amount listening and have also had some meetings with staff where we just listened and heard kind of from them. And just sort of assessed the situation, and a lot of the comments just are not factual. So what we can do about that and what we have complete control over is how do we communicate that message out. So we are going to be working with the West Cary Group on a communication strategy and development of a platform where we can deliver out all of the great stories, and let people know about all the good work that we're doing from an equity situation. Let people know about what we're doing. Things like the artist fellowships that we recently did. So it's really about telling the stories, and we have so many great things that we are doing as a museum. We just need to communicate them out more. And we will be working with West Cary Group to figure out what's the best way to push this information out to constituencies across the board, so really excited about that. You all know we have great stories to tell. So we will be planning to do more and more of that.

Alex Nyerges: Thank you. Jan. Mind you, when we read protests and demands, we take all of that seriously, but we also analyze it to see what's real and what's not. The majority of things they're not only not real, but they're not factual. I mean, one great example is, "we don't pay our black housekeepers as much as we pay our white housekeepers." Well the problem with that is, I think that may have said before, but it bears repeating. A. We don't have any white housekeepers, so that couldn't be possible. Second, we pay our housekeepers ten, twenty percent better than any other state agency and in addition to that this summer because of the hard work they did while we were closed and working under rather challenging conditions, Kimberly granted all of our housekeepers bonuses. Performance bonuses that started at \$750 for the lowest tier of housekeepers going out and up considerably from there just to say, thank you and here's a little something extra for all of your all of your hard work under obviously challenging conditions. I'm going to close on a couple of final positive notes. One, I want to think Caprice and her staff, Stephanie, Kay, and others have been...Candy, of course, is always there helping any way she can...for all the hard work they've

done on a wholly different way of managing everything for all of you as Trustees, obviously also for our Foundation Board. So much of this of the technology side and the information and juggling of so many things is even more challenging than ever before, but they've done an extraordinary job on the planning. And at the same time Caprice has been working as you'll see in a moment on everything around the strategic plan, which is proceeding apace. So, thanks to Caprice and everybody else for all of your hard work and then on a final note, Stephen Bonadies with his videographers and photographers and Michael and others within the museum...Jan, have all been helping as we participated in a global program with the National Museum of China. Even though we can't fly anywhere and haven't been on a plane going to Europe or to China or anywhere else, we were asked to participate by the National Museum of China in what was called a global relay, and we participated with sixteen national museums from across the world; the National Museums of Korea and Japan, Kazakhstan, Oman, and put together a program that we then culminated in an effort that was just this past Monday where we were on a global broadcast. In the two weeks that they launched this to the public and this is a number of people not impressions, but a number of people...they had 200 million people view the website, which includes a feature about the museum videos about...I had to pick five of the most outstanding works in our collection and then other information about The Virginia Museum of Fine Arts. So we're not standing still despite the pandemic and everything else, but also living up to that strategic plan goal of getting national, and in this case international recognition. So thanks to everybody for making that happen. And that's it Mr. President.

Monroe Harris: Alex, does anyone have any questions for Alex at this point? If there are none? Thanks, Alex and we look forward to hearing more from our diversity consultant, Bill Cooper as well. And I would like to say that and Ken, thank you for your leadership on your committee. Alex basically just gave your report. So we appreciate that. Also, Jill, we appreciate your leadership on the Education Committee as well. And I thank you all for allowing us to differ your oral presentation during this meeting, so that we will have more time for the other committees, which we will go into presently. I might add and I am just really, really impressed by our committee chairs, sitting in and listening to all of the committees over the past couple of days. I'm just impressed by your how thorough and efficient you all carry those meetings and really just getting the business of the museum done. And so I really want to thank you for that. Next up is Tom and the Building Committee.

Tom Papa: Hello everybody. I want to start out this meeting by first of all echoing some of the things that Alex...I know I'm driving Caprice crazy, but she has been awesome. She has absolutely helped keep everything on track and thank you Caprice and everybody else at the museum. Good news, we have released the RFP for selection of an architect. I think as most of you know, we had sort of been dragging our feet a little bit because we were not sure what if the state was going to call us up and ask us to send some money back. We got the good news from Alex and from Katie, so we felt comfortable enough as a committee to authorize our consultants to make some finishing touches to the RFP, and it should be going out shortly. There were some really good conversations at our meeting yesterday. We have some recognition that we have a special responsibility in how we award the contract to the architect, and I guess how we get this building built. So we had some wonderful comments. I think that gave us some good direction; Charlie Whitaker, David Goode, Marland Buckner, Jeff Humber, and Monroe. I really feel as though after the meeting, we all had a better sense of what it was that we needed to do, and things that we needed to work on. So having said that, I think where we are now is we are working out some of our schedule and we are working out some of the criteria for awarding this contract. But the good news is, we're moving forward, and we're all very excited to have a great addition to this museum. That is my report.



Monroe Harris: Any questions for Tom? If there are none Tom, I'll leave it to you again for Art Acquisitions.

Tom Papa: Alright. Thank you. Switching hats. I will take us into closed session for this part of the meeting. I propose that the Board of Trustees go into closed session to discuss the proposed art purchases, gifts, deaccessions, and loans irrelevant exemption in section 2.2-3711 (A)(6 and 10) of the Code of Virginia, and I'd asked for a second?

Charlie Whitaker: Second.

Tom Papa: I would ask everybody in favor.

Committee: Aye.

Tom Papa: Anybody opposed? The motion has carried.

**At 12:29pm the meeting went into closed session.**

**At 12:40pm, by motion proposed, seconded, and carried, the meeting resumed in open session.**

Tom Papa: We are out of closed session. The recommendations of the Art Acquisitions Sub-Committee made in the September 12, 2020 meeting to approve the gifts, purchases, loans, and deaccessioning considerations as full described in the meeting packets was offered as a motion, seconded, and approved.

So we have one more matter that we usually take up at the end of the year and it has to do with the gifts that come to the museum sometime between December 1 and December 31. There's special tax issues and other things where people focus on this at this time of the year. And we every year ask that Alex and Michael be given authority to accept gifts on behalf of the museum. Motion offered to authorize Alex Nyerges and Michael Taylor to accept gifts of art offered to the Virginia Museum of Fine Art between December 1 and December 31, 2020. The motion was seconded and approved.

Monroe Harris: Tom, thank you so much for your time and expertise. Next, we will hear from the Fiscal Oversight Committee, David?

David Goode: Yes, thank you, Monroe. The committee met this morning and we concentrated principally on two things. One was a review of the fiscal year just completed which may add some adjustments yet, but essentially, we reviewed the report with Hossein and Alex and other members of staff. The good news is, we were, as we've mentioned earlier in the meeting able to complete the fiscal year in the black. We did that by reflecting about a \$4.6 million reduction in the revenues for the year. And we were able to through the very devoted and skillful work of the staff and some help from the state and from the PPP Funds which came to the Foundation which moved into the revenues section. We were able to reduce expenditures by \$4.6 million as well, and therefore balance our fiscal report for the completed fiscal year. And that I will editorially say reflects real credit to the staff and the personnel of this museum and the leadership of our senior officers to do that. That's something that not every...that most I would say major museums in this country are not able to do.

We were happy to review that report. The second thing the committee did was look ahead to the coming fiscal year, which naturally had some questions that will linger about that. We reviewed the work that's been done to adjust the budget for the necessary changes that COVID has brought to us. And the short report on that is that we have been able to present that budget in such a way that we are within about \$1.1 million of being able to balance the budget. We have the deficit still to complete. My sainted mother from Bedford County will stir a little in heaven when she hears me say that \$1.1 million is a manageable deficit given that we're working with about a forty million dollar budget. We are not comfortable, but we see the way that we'll be able to close that. We hope that when the committee meets next time, which we expect to do in about six weeks that we will have a manageable budget to present to you, but it does appear that with the adjustments that have been made by Alex and Hossein and others in the staff we'll be in a position to move forward without having to do any drastic measures or to lean on endowments or reserves too heavily. So that is good news, but it is good news we should hold our breath for because it is as we all know a very fluid situation and will continue. I will say that we have adopted the practice of doing a meeting with members of the Foundation, so that we are in a position to stay on the same page because of the very interlaced way that the museum and the Foundation's budgets work together. So, we're staying close on that and the committee will continue to work very carefully with Alex and Hossein to make sure that continues. We also took a look just to continue to remind ourselves that in future years, we have the continued challenge of funding the strategic initiatives. That is very much on the minds of the Capital Campaign as we go forward. The Fiscal Oversight Committee looks at that regularly to make sure we keep that on the agenda. Although we do think that that too is a workable situation particularly considering some the good results that you have heard previously. So, we reviewed all of these and the committee expects that we will need to have at least one, and maybe more meetings as we continue to review this with management and staff to make sure that the fiscal situation at the museum continues to be good throughout. I do say once again, we should appreciate the work that the entire management and staff do to keep us in the good position that we are. Alex, unless you or Hossein want to add to that, I think that would conclude my report unless there are questions. Monroe Harris: Great. Thank you, David. Are there any questions for David? All right, very good. Thank you, very much. Last item on the agenda is a report on our strategic plan. Caprice, are you there?

Caprice Bragg: Yes I am. Thank you so much. Good afternoon again everyone. When you last met in June, I shared a brief update on behalf of the chair of the Strategic Planning committee, Andy Lewis, and at that time, we reported to you that we had engaged TDC. We had developed a hypothesis, and that we had conducted a, TDC and myself working with our staff, a series of conversations about that hypothesis. In advance of this meeting we shared with you an updated, revised hypothesis, and we wanted to take the opportunity to engage some of your feedback. I'm delighted that I can welcome and introduce some of you and reintroduce to others of you, Rachel Crocker Ford from TDC. She has joined us today and will lead this part of the conversation. Rachel?

Rachel Crocker Ford: Sorry, amateur hour. I was muted. I wanted to take a couple of minutes to walk and just frame some process items and remind us about the methodology of the hypothesis and I'd like to use the remaining time that we have as much of the time as possible to really get into feedback in discussion. So, Stephanie, if you could move this forward. Just very briefly, how are we thinking about moving through the process of developing a strategic plan amidst COVID and everything else that's going on? As Caprice mentioned we started off having had the opportunity to really extend this thinking of the last plan into something as robust as an initial set of thinking, developing a pretty detailed hypothesis. We then moved into current state analysis where we

engaged stakeholders for their reactions to that hypothesis, and we are now at the point where we're really digging into the data that we need to understand where we sit today relative to the aspirations that are indicated in that hypothesis, the next stage will really be to do two things: set an overarching framework around vision and values for the institution to provide a frame and check against the plan as we continue to develop it and resolve these things that we need to land. There will be a stage where we'll put together a plan narrative. Every stakeholder group that was engaged to respond to the hypothesis will have an opportunity to respond to that draft. We will bring that information back to the committees, both senior management team, and the committee that involves members of this board to discuss that feedback and on the other side of that, while it will have financial implications we will dig more deeply into what a business plan could look like. Starting to drill down really into some sequencing and scenarios given the... I think as someone just said in the last report fluid situation. We imagine the business plan is going to be something that involves some scenarios and some iterative work sets. Generally speaking those are the stages that we're moving through and where we are. Stephanie, next slide. Just want to remind folks... or if you don't know who's doing what... how does this process working? The senior leadership team is really driving it from a generative perspective. Have been positing what should go into that hypothesis making meaning out of the feedback we're getting, looking at the data. The strategic planning committee of the Board is getting the opportunity to provide input against the work that the senior leadership team is generating. We've engaged managers and staff to provide input at the hypothesis stage as we do planning, we'll ask them about how to resolve open questions based on their expertise. They will get a chance to look at the draft. We have also engaged various other stakeholders that are critical and hearing their perspectives on the museum. And are talking currently about ways to get their impact, to get their response to the draft plan, once we have that. I Rachel Crocker Ford from TDC am the lead consultant on the project in terms of facilitating and moving forward. I am joined by Sam Linden, who is a project manager at TDC who is also, I think on this call. Susan Nelson, our executive vice president who was instrumental in the last plan, is also on our team. She's not with us today. And Caprice is doing the incredible work of stewarding everything at all levels of the organization on the VMFA side, coordinating the committee, coordinating the leadership team, getting out there and doing the focus groups, do it at all. So that's the team and then the last thing I wanted to go over... Stephanie, next slide. Just to remind folks what is a hypothesis. So a hypothesis, the document that you got the opportunity to look at before this, it is not a set of agreements yet. It is an agreed upon theory based on where we are and what we know. This is what we have come to consensus around the strategic plan could look like but we're continuing to do the work, to detail that, to validate that, to create priorities to move that forward. So it's a living document. It is not a set of conclusions at this stage. It is a theory. Then the other side, what specific things to understand about how we went about the hypothesis for the VMFA is that the overarching idea is that you had a plan, that plan was successful, that plan is a trajectory that you wanted to continue on. This is about the next steps on that trajectory. As such it looks at, it identifies goals and familiar buckets. It starts to say, "Here's the core topics underneath each of these goals, where we think we need to push, what we think if we push in that direction will be meaningful for us in terms of finance and organization." It has not yet gone all the way to positing strategies. So, that's where we are and what the hypothesis is. So, I will just pause there and ask if there are any clarifying questions before we move to discussion about net process or methodology. Okay, so Stephanie, if we you can move to the discussion slide. I want us all to see each other so I'm going to go over the things I want us to have some conversation about and then I'm going to have Stephanie take down the slides. So what we were looking to discuss today, understanding that we have a range of experience with the process so far in this group. Some of you are on the Committee, some of you had an interview where you looked at an initial draft of the hypothesis, some of you are coming to this fairly new and just having

received the updates in the board meeting. So we want to hear broadly where people are right now. Having looked at the materials, how are you responding? You feel like we're pushing in the right direction as a Senior Leadership Team and a Committee? And even if you do feel like we're pushing in the right direction, are there things that are very top of mind for you that need clarification, that are missing in the documents? I'm going to spend the first part of our conversation asking people to respond to this idea. And then the second half of what I'm going to ask you to talk about is, having done the hypothesis, shown it to everyone and getting their thoughts, we really identified the soft spots, the things we really need to drill into in planning in order to make this plan something that's going to be a roadmap that's going to guide you in the right direction. And that was in the first or second page of the hypothesis you've seen, here's our kind of working agenda of conversations we need to have. I wanted to ask people's opinions about that. Have we missed anything? Are there things that you think that is not a priority? Or you need to say something different about the way you would ask that question. So those are the kind of two discussion topics I want to dig into with our remaining time. Let me ask you, Caprice, do I need to manage the 12 minutes? Cause I can.

Caprice Bragg: Let us see how the conversation goes and then we'll defer to Monroe.

Rachel Crocker Ford: Okay, great, excellent. Stephanie, if you could just take the slides down so that we can, great, so we can see everyone or a good chunk of most people anyway. So I'm going to start with this idea about the hypothesis. What is your response right now? Do you feel like we're on track? What are the things you might want to call to look at more closely or clarify? I'll open the floor and I'll wait.

Kay Baker: This is Kay. I just wanted to remind folks that if you have comments just to remember to unmute your phones. Thank you.

Rachel Crocker Ford: Okay. I had two things that I wanted to drill down into slightly if we didn't have a top line response. The specific thing I'm interested in testing is thinking about the environment now with COVID, likely economic downturn or ongoing economic downturn, rising concerns about social justice. I think we've worked to reflect that environment and the things we're thinking about in the plan. Were there things that, as you read these materials, you thought we have to really work harder at responding to the impact of the environmental changes in some aspect or overarching within the materials that you saw, the hypothesis?

Unidentified: I'll go.

Rachel Crocker Ford: Thank you.

Carol Ann Bischoff: So I reviewed the strategic hypothesis this morning and I thought it was very, very well done, very tightly written. Obviously it has had a lot of consideration by many people already. I'm on the Education Committee so I was particularly happy to see the second plank of the hypothesis. I thought that the education program had everything in it that I would want to see as goals over the next five years. I think that the Education Committee's efforts, and I said this in the External Affairs Committee meeting earlier today, can go a long way. If there's anything that we might need to do it's to get our message out more. But the fact that there are plans to hire someone, an educator in African American art, I think the fact that we have one of the largest African American art collections, we have Valerie. There's so much potential for programming that could be done and teachers prefer something that's pre-recorded, that could be used not only throughout the

Commonwealth in our urban and rural areas but nationwide. I could see a lesson and I could see kids seeing themselves and being interested because you can lose kids really quickly, especially if you take them in a museum, and I shop around kids. I think what Celeste and her team are doing is just only going to get better. So that was my reaction.

Rachel Crocker Ford: Thank you. Appreciate that and you thinking about the national opportunity around what kind of landing that content is something to put into the hopper as we continue to refine this. Other thoughts about the hypothesis?

Charlie Whitaker: This is Charlie Whitaker. I just had a question. A lot of what's in here, which is very good, is carrying forward things that were started in the 2016 Strategic Plan. Do we have some sort of situation analysis or scorecard of where we are against the 2016 plan? So of all the initiatives in that plan, which ones we've met, which ones we've exceeded, which ones we've fallen short of? Because as I was struggling in thinking sort of where do we go, its's kind of where are we first.

Rachel Crocker Ford: Yes, yeah, so I'll answer that and then I'll ask Caprice if she has anything to add. So, the next phase that we're doing is drilling down really into the data underneath the current state and through testing, what we posit, where we want to move. Sort of where are we, what is it going to take to get from here to there in the really critical areas that we've identified. We're either going to sustain, we're going to emphasize newly in the plan. So that is a piece of what we need to do in order to figure out, specifically posit specific strategy, is we got to figure that out, kind of where we sit. So that's the next half of the current state and I'd ask you Caprice, do you have anything to add about how you been tracking that and what other information has been available over the over the last [indecipherable].

Caprice Bragg: I would just say that we have, Charlie, been tracking. We have not reported that out recently as a part of this process though we certainly plan to do so. We reported broadly out about six to eight months ago, and it may be actually a little longer, where we were at a point where we felt like we hit most of the goals. There are some others yet to achieve. But as you pointed out, as a part of closing out the plan, we plan to report out where we are and what's [indecipherable]. Thank you for making point.

Alex Nyerges: Charlie, I'll add to that. When you look at the 2015-2020 plan, everything we said we were going to do, looking across that list, we're at 90+% having achieved, or we changed direction on several items as we looked at what they were. But I have to say, it's a very, very successful plan which has been the reason we've been able to launch this Capital Campaign, which was the preparation in the plan of 2015-2020, and is allowing us to do what we're doing. So one has logically led to the other one.

Unidentified: I have one concept I'd like to talk about which is I think our country, our world is undergoing a seismic change in terms of people thinking you no longer have to be physically present. I was very, very pleased to hear about the attendance we've had on Cocktails with Curators, the number of hits we're getting on our newsletters, et cetera, and that we, in this plan, can bring a lot more people into the museum that don't have to be physically be present there. We think about growing on what we've learned in the last six months.

Alex Nyerges: Absolutely. The good news is all the programs we've had online that have been there before but nobody participated. Now they know they're there and they participate. We expect that

to be a growth area because of that very reason. So, for us, it's about the marriage of the two. We're not giving up on, obviously, on onsite attendance. We think that once the coronavirus issue is handled and solved for the most part, we will get back to what we think of as normal. But the great news is that the online experience is not going to go away.

Rachel Crocker Ford: ...programs that have been more successful and what it looks like to sustain those, both with that emphasis, and the appropriate technology. The technology, I think, is going to be a real conversation to make sure that you have the infrastructure to continue to do those things and potentially grow them to do more of those things. Okay. So, in the last couple minutes, I wanted to turn to a related, but slightly different question which is covered in the hypothesis. We showed you where we think the plan really needs to dig in, this kind of list of topics, what do we really need to resolve in order to take it from a hypothesis to something that feels like it has really pushed all the soft spots and put out a strategic direction. Did anyone have anything they wanted to add about those questions? Do those feel like the right topics? Do some of them feel more or less important? Is there something you would add? Okay. Going to just remind us what they are. The basic list was on the visitor engagement front, really defining clearly this idea of curator led and visitor centric that is kind of the grounding idea about how we're going to approach visitor engagement, organize ourselves internally, thinking about brand as far as what we want to be known for amongst folks who engage with us as visitors and students, being very specific about what we want to be known for in the field, landing what diversity equity inclusion means across many aspects of this institution and having a plan for that, digging into technology which was one of the number one things that people told us really needed to be top of mind in this plan, being clear around our financial priority, if we can't do everything all at the same time, what is the sequencing and where do we go first, and to the point that was made earlier, where are we improving data and metrics and how they're used in this organization, how we can capture them, use them, and report out on them more so that we are more regularly aware of exactly where we are on the aspirations and the plan. So those were the buckets that we identified, really needed detailed work and some of the things that we're looking into as we dive into data to try to understand where we are right now. Those are reminders so any reactions to that list, to something that sticks out for you as something particularly important or missing?

Monroe Harris: I think the list is comprehensive and almost to the point where we're going to have, that each Trustee will have to really think about each of these, even away from this meeting. How are we able to communicate our thoughts going forward to you all because I really believe that in order to really digest this and to be able to really give you the responses that you need, it's going to take a little bit more time. So how can we do that? How can we get back with you?

Rachel Crocker Ford: Caprice and I [indescribable] can be contacted directly. So you have contact information, we can set up a call, or we can do that through emailing us notes. We also had discussed, Caprice, the possibility of having another dedicated session for folks who want to join to more of a conversation where we can dive in and maybe it's an [indescribable] a little bit more to the things that folks have thoughts on and even want to have some exchange around. Those are the two ideas that need we've come up with, this was a little bit of a taste, but giving more time and space for folks to share their thoughts.

David Goode: Monroe, this is David. I guess this a maybe an add-on to the comment you just made. I look at the documents and see them is good documents. I guess my general concern, this is very general, is my general concern is we're looking at basic documents that were done essentially before

the world changed. And I find myself sitting here, remotely from the meeting feeling that we are, continue to be in the midst of a very serious sea change in the whole world. In many ways, Virginia and Richmond are really in a center of many of the currents that are working. Caprice, I guess the question I have for you is are you comfortable that we have the process so that as a board and staff we can think our way through what whether we're still comfortable with what the future strategic plan is given all of the things that are continuing to happen? In other words, we're in the middle of a planning process, it's very hard for us to get together and think these things through. My question for you and Rachel and really Monroe, for you and Alex, are we comfortable that we have the mechanism for becoming completely comfortable in this plan, in terms of the changes. Maybe I'm just one voice in this [indescribable]. I feel a little discomfort with coming out of this process with where we really need to go in the future.

Monroe Harris: I appreciate that. I think that we have to as a board decide first of all, given as you say, all the changes that we've experienced over the past six months, does this document address that? Does it address it in a way that we feel comfortable, as you say, to move forward with it? I think that the themes would be the same. I think that how we attack it may change somewhat. But I think themes are good, personally. So the question is at this point, and I really believe that we as a group really need to be able to address it, and do it in a manner that will move us forward. I think that there's so much here for me to, and I know this is just the beginning, that we're just trying to get the conversation started, but I really want to make sure that everyone has a chance to digest this and to respond to it in a way that they feel comfortable. If we do that, I think we can move it along.

Lilo Ukrop: Can I make a suggestion, Monroe? Could we use the opportunity, I think we learn so much from each other, and to do some sort of called meeting, or extra meeting, or voluntary meeting where we go into small groups through Zoom and do breakout rooms and let five or six people take each one of the pillars and kind of dive into and dissect it and try to see what it means, what it might look like post-COVID, post-social unrest. Do breakout rooms like we would do if we were in person to kind of feed energy off of each other. It's easy to do with four or five people on a Zoom call than 38 or 40.

Monroe Harris: That's a good idea. Yeah, I like that.

Betty Crutcher: In addition to that, this is Betty, could we maybe give ourselves some time, just a little time, to get out of the zone that we're in and sort of follow where the state is? And then have more information for what we might consider as zones. We can't do anything about those things that are out of our control and the things that we can control, based on the team, the VMFA team, and what they feel are the strengths and weaknesses now given the pandemic.

Monroe Harris: Okay, Caprice?

Caprice Bragg: I just want to thank everyone for your comments and David to respond just a little bit to your question. We endeavor to take this planning process knowing that there are a lot of factors that are changing. We started at a time before COVID but certainly have continued to plan with COVID and with social unrest and economic downturn in mind, and that did influence what you saw but I think in terms of the planning process, that's also why we felt so appreciative that this board approved an extension of the current plan through the end of the year. We knew that we need to have additional data about how the world is changing and how our circumstances are changing in

it. We certainly can establish some additional time to pull the board together to have a much deeper conversation. I think that our expectation was, from the standpoint of developing a business plan, that we would develop that in early next year when we had more data. We do need to know where we land with the state and whether there are some additional, if any, additional cuts to our budget. We had hoped that the special session would've concluded by now, but it hasn't. We also know that there's some additional information about visitor behavior and how do people want to react, whether they are going to visit exhibitions. And how is our enterprise circumstance going to turn around? But that said, we felt that the hypothesis was anchored on the primary points of the mission, the current mission, and that it reflects and builds on the trajectory of success that we have. And we thought that we might be prioritizing how we achieve goals, ultimately, given our new financial circumstances, our new reality, but that this hypothesis at least captured some of the high elements of that. Some of the, if you will, some of the overlay where we'd like to go. We will certainly, building on the points and suggestions that are made, we will have a specific time set aside for the board to come together, allow folks to [indecipherable] the sole topic. But we didn't want to have this meeting without bringing it forward to you to begin to move the process along. So thank you for the feedback. We'll definitely get with Andy, Rachel, Monroe and Alex and leadership and kind of figure out where to go from here.

Monroe Harris: The work that's been done is exceptional, particularly in this situation that we're in, I commend everybody for all that you've done. Let's take a little bit more time and make sure that we get it right. Are there any other questions? Any comments? Listen, thank you. It is very difficult to sit through these meetings for an hour and a half so I really appreciate you all taking the time to do it. Before we adjourn, there's a couple of things that I wanted to just talk about. I wanted to make sure that we welcomed again our new Trustees, Ashlin, Hubert, and Michelle. Thank you all for being here. We look forward to your input. On a happy note, it's my pleasure to let you know that our very own Alex Nyerges will be the recipient of the Department of Tourism's Tourism Impact Award on September 25th. This award is very prestigious and it is a testament to you, Alex, and to your leadership staff in the whole museum, trustees and foundation board. So we thank you and we congratulate you for your honor.

Alex Nyerges: Thanks, thank you.

Monroe Harris: And with that, thank you again. We are adjourned.

**Meeting adjourned at 1:39pm.**

Transcribed by: Stephanie Cooperstein  
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