

Virginia Museum of Fine Arts
Minutes of the Fiscal Oversight Committee Meeting
September 16, 2015
Founders Conference Room

There were present:

John A. Luke, Jr.
Kelly B. Armstrong
W. Birch Douglass III
Richard Gilliam
John H. Hager
H. Hiter Harris III
Jil Womack Harris
Dr. Monroe E. Harris, Jr.
H. Eugene Lockhart
Satya Rangarjan
Harry Thalhimier
Lilo Simmons Ukrop

By Invitation:

Alex Nyerges
Lee Anne Chesterfield
Leon Garnett
Susan Hayes
Chris Kalafatis
Claudia Keenan
Felicia Moon
Cameron O'Brion
Hossein Sadid
Ben Sady

I. Call to Order

Chair John Luke called the meeting to order at 10:34am and welcomed the committee.

Motion: proposed by Mr. Luke and seconded by Mr. Douglass to approve the minutes of the June 18th meeting as distributed. Motion approved.

II. Audit Updates

Chief Financial Officer Hossein Sadid introduced Ben Sady and Chris Kalafatis of Dixon Hughes Goodman who led a discussion on the early observations of the risk assessment of museum operations. DHG expressed that a deep dive has not been completed on operational areas, but research activities to date can offer directional focus for future work.

III. FY 2015 Year-end Closing Report

Mr. Sadid provided a financial summary of FY15. He reported that overall, the museum had a very good year. Total expenses closely matched budget, and revenues exceeded budget by 2.6% as a result of the well-attended *Van Gogh, Manet, Matisse: Art of the Flower* exhibition. In response to a question about opportunities to increase revenues through grant funding, Ms. Keenan expressed her confidence in staff expertise now on board at the Foundation and said that she anticipates growth in this area.

IV. Report on *Van Gogh, Manet, and Matisse: The Art of the Flower*

Dr. Chesterfield reported on the popular *Van Gogh, Manet, Matisse: Art of the Flower* exhibition. She shared with the committee that the exhibition earned \$1.4 million in revenue against expenses of \$700,000. She explained that it contributed new and important scholarship to the field, supported the museum's desire to develop more exhibitions in-house, and brought more than 90,000 visitors to the museum.

V. McGlothlin Project

Mr. Nyerges explained that Jim and Fran McGlothlin have decided have their collection permanently installed at the museum, then ultimately leave the art as a bequest. In order to install the collection, publish a catalogue, and host an opening celebration, the museum would like to increase the budget by \$306,300.50

Motion: proposed by Mr. Luke and seconded by Mr. Hager to approve the McGlothlin project budget. Motion approved.

VI. FY 2016 Budget Update

Mr. Sadid reviewed the current fiscal year budget as of August 31, 2015. He reported that the budget is on track for a modest surplus. The higher spending in the first two months is due to the certain annual expenditures paid in July such as the annual insurance premium and an extra pay period that crossed fiscal years.

VII. Advancement Report

Ms. Keenan provided an update on fundraising for fiscal year 2015. raising \$8.7 million in FY15, a 40% increase from the previous year. Part of this high number is due to receiving grant funding earlier than anticipated. So far, the staff has raised 35% of the \$5.9 million fundraising goal for FY16. Ms. Keenan also discussed the Change Capital campaign for the VMFA 2020 Strategic Plan. She provided materials that highlight funding needs by fiscal year and answered several questions to clarify understanding of the plan.

VIII. FY 2016 FOC Tentative Agenda

Mr. Luke asked the committee to consider the proposed agenda items for fiscal year 2016 and to send any thoughts to the group over the next few weeks.

IX. Other Business / Adjournment

There being no further business, the meeting was adjourned at 11:33 a.m.

Recorded by: Felicia Moon
Administrative Coordinator to the Chief Financial Officer