

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

Virginia Museum of Fine Arts  
Minutes of the Executive & Governance Committee Meeting  
Claiborne Robertson Room  
Thursday, 14 August 2014, 2:00pm

There were present:

William A. Royall, Jr., President  
Martin J. Barrington  
Margaret Irby Clement  
Michael M. Connors  
Susan S. Goode  
John H. Hager  
John A. Luke, Jr.

By Invitation:

Alex Nyerges, Director  
Stephen D. Bonadies  
Dr. Lee Anne Chesterfield  
Mark Johnson  
Laura Keller  
Rebecca L. Morrison  
Cameron O' Brion  
Benjamin W. Rawles, III

Absent:

Kelly B. Armstrong  
Thomas F. Farrell, II  
James W. McGlothlin  
Thurston R. Moore  
Claudia E. Keenan

I. CALL TO ORDER

Trustee President Mr. Royall called the meeting to order at 2:05 and thanked the committee members for attending.

II. MINUTES

**Motion:** proposed by Mr. Moore and seconded by Mr. Hager that the minutes of the June 16<sup>th</sup>, 2014 meeting be approved as distributed. Motion approved.

III. REPORT OF THE PRESIDENT

Mr. Royall provided an update regarding the Nominations Sub-Committee. Mr. Nyerges informed the Trustees that the museum has not yet been notified of new appointments, and re-appointments have been contacted. He looks forward to providing Trustees with updates as they become available.

IV. REPORT OF THE FOUNDATION

Foundation Board President Mr. Rawles announced that the Foundation Nominating Committee has nominated the following new members:

- Mr. Charles M. Johnson, III of Private Advisors LLC (Charlottesville)
- Ms. Denise F. Keane of Altria Group (Richmond)
- Mr. John R. Staelin, former VMFA Trustee, of Elizabeth Locke Jewels and Chairman of the Clarke County Board of Supervisors (Boyce)

Reporting on behalf of the Real Estate Foundation, Mr. Rawles verified that the Foundation has received a contract and \$250,000 cash deposit for purchase of The Oaks. Mr. Rawles went on to state that Investment Committee currently manages \$259 million, an amount which has both risen 16.1% over the past year and doubled in the past three and a half years.

## V. REPORT OF THE DIRECTOR

Mr. Nyerges and Dr. Chesterfield introduced new staff member Rebecca Morrison, who joins the VMFA as Assistant for Trustee Board Relations and Museum Planning. Laura Keller and Rebecca will work closely together to coordinate activities for both Trustee and Foundation Boards.

Mr. Nyerges announced the departures of Dr. Sylvia Yount, Chief Curator and Louise B. and J. Harwood Cochrane Curator of American Art, and Robin Nicholson, Deputy Director of Art & Education. Mr. Nicholson has been promoted to Director of The Frick Art & Historical Center in Pittsburgh. Dr. Yount has been promoted to Lawrence A. Fleischman Curator in Charge of the American Wing at the Metropolitan Museum of Art in New York City. The museum is working to fill both positions, as well as its continued search for a Chief Financial Officer.

Due to these vacancies, Mr. Nyerges shared a plan to postpone the *Making America* exhibit for an additional year. In the interim, the VMFA will focus on identifying additional sponsors, adding more venues, securing further loans, and selecting a curator to head the department.

## VI. EXHIBITION UPDATE

In place of *Making America* during the Fall of 2015, Dr. Chesterfield reported that the VMFA has been offered the show *Rodin—Gates of Hell* from the Musee Rodin in Paris. The exhibition will first visit the Montreal Museum of Fine Arts before the VMFA, then an undetermined third venue. Mr. Royall advised creation of a new exhibition title.

Trustees and staff discussed project accounting. Trustees will be able to review both a full exhibition budget and artistic overview in September, before presenting information for committee approval.

**Motion:** proposed by Mr. Luke, and seconded by Mr. Hager, to approve the preliminary exhibition budget for *Rodin*. Motion approved.

Dr. Chesterfield informed Trustees of a smaller exhibition upcoming at the museum, to display the art of traditional Japanese tattoo.

There was discussion surrounding art acquisitions and loan updates. The VMFA wishes to lend the following works:

1. Van Gogh, *Daises, Arles* – a new acquisition not previously listed – to both the Dallas Museum of Art and Denver Art Museum for the *Working Among Flowers* exhibition.
2. Degas, *Little Dancer*, to the New Orleans Museum of Art for a span of 13 months, in exchange for a three-month loan of a major Degas painting.

**Motion:** proposed by Mr. Barrington, and seconded by Ms. Clement, to approve the addition of Vincent Van Gogh, *Daisies, Arles*, Summer 1888, oil on canvas to the Dallas Museum of Art and Denver Art Museum for the *Working Among Flowers* exhibition on behalf of the Art Acquisitions Sub-committee. Motion approved.

**Motion:** proposed by Mr. Connors, and seconded by Ms. Clement, to approve the loan of Edgar Degas, *Little Dancer, Aged 14*, as a reciprocal loan to the New Orleans Museum of Art for a three-month period instead of the full thirteen months. Motion approved.

## VII. STRATEGIC PLANNING UPDATE

Mr. Nyerges indicated that an update regarding FY14 Strategic Planning Initiatives in Q4 should be complete within several days. The committee asked for a comprehensive plan for improving employee compensation on both Foundation and Museum sides.

## VIII. FINANCE & BUDGET UPDATE

Mr. Johnson first discussed auditing. He stated that he has yet to receive a final state audit report and at Mr. Royall's request will advise committee co-chairs concerning new developments. For the museum's first financial audit, Mr. Johnson informed the committee that, after reviewing two bids from local firms, the museum will move forward with Cherry Beckaert LLP due to the firm's affordable service and considerable experience in nonprofit. Cherry Beckaert's current bid sits at \$28,000. Mr. Johnson said that he hopes to have a final report by mid-December. Mr. Johnson notified the committee that a budgeted amount of \$50,000 should allow for audits of financial procedures, IT, and collections. Mr. Royall advised Mr. Johnson to proceed with the IT audit as soon as possible.

After meeting with the Virginia Department of Planning and Budgeting to explore ways to recast and reduce cost, Mr. Johnson stated that he is working towards a target for reductions which must be met within 30 days. Mr. Nyerges confirmed that plans to address cuts are forthcoming.

Regarding calendarization of the existing budget, Mr. Johnson stated that he is pleased with current progress and should be finalized by the end of September.

Mr. Johnson recognized a gap in budgeting staff following the departure of Anne Kenny-Urban. Mr. Nyerges noted that the museum is may select one staff member to drive planning and budgeting across both the Museum and Foundation.

VITA recently introduced Cardinal, a new financial accounting application. Mr. Johnson noted that he is seeking more information about Cardinal, including its accrual capabilities and a balance sheet as requested by Mr. Royall.

#### IX. SUCCESSION PLANNING

**Motion:** proposed by Mr. Luke, and seconded by Mr. Connors to re-elect Mr. Royall as Chairman of the Board of Trustees. Motion approved.

Mr. Barrington expressed desire to focus on succession planning and talent strategy in the near future in order to fill a pipeline of candidates for both boards.

#### X. OTHER BUSINESS/CLOSED SESSION

At 2:54pm, the meeting went into closed session with the following motion.

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

At 3:20pm, by motion proposed, seconded and carried, the meeting resumed in open session.

**Motion:** proposed by Mr. Royall and seconded by Mr. Hager that the Committee certify that the closed session just held was conducted in compliance with Virginia State law, as set forth in the Certification Resolution distributed. Motion carried.

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

No other business was brought before the Committee and the meeting adjourned at 3:21 pm.

MOTION: Mr. Connors  
SECOND: Mr. Barrington

MEETING: Executive Committee  
DATE: 14 August 2014

**CERTIFICATION OF CLOSED MEETING**

**WHEREAS**, the Executive Committee 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 Committee that such closed meeting was conducted in conformity with Virginia law;

**NOW, THEREFORE, BE IT RESOLVED** that the Executive Committee 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 Executive Committee.

VOTE

AYES: Royall/Barrington/Clement/Connors/Goode/Hager/Luke

NAYS: None

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

ABSENT DURING VOTE: None

ABSENT DURING MEETING: Farrell/McGlothlin/Moore