

Virginia Museum of Fine Arts
Draft Minutes of the Electronic Meeting of the
Executive & Governance Committee
Tuesday, August 18, 2020, 3:00pm

There were present:

Monroe Harris, Jr., President
David Goode
Meg Gottwald
Jil Harris
Ken Johnson
Lilo Ukrop, Ex-officio

Absent:

Jim Klaus, Ex-officio

By Invitation:

Alex Nyerges
Kay Baker
Stephen Bonadies
Caprice Bragg
Stephanie Cooperstein
Jan Hatchette
Tom Gutenberger
Deb Love
Katie Payne
Hossein Sadid
Michael Taylor
Kimberly Wilson

I. CALL TO ORDER

Trustee President Monroe Harris, Jr. welcomed the committee and guests and called the meeting to order at 3:03pm.

II. PUBLIC COMMENT PERIOD

Dr. Harris acknowledged that there were no public comments.

III. APPROVAL OF MINUTES

Motion: proposed by Mr. David Goode and seconded by Mr. Ken Johnson that the minutes of the April 21, 2020 meeting of the Executive & Governance Committee be approved as distributed. Motion approved.

IV. DIRECTOR'S REPORT

a. Museum Reopening and Attendance

Mr. Alex Nyerges provided an update on the museum's reopening to members on July 1 and to the public on July 4. He noted that overall the reopening has been hugely successful due in large part to the efforts of the BeWell Committee and Kimberly Wilson's exceptional leadership. Based on the BeWell Committee's work and research, the museum put appropriate protocols in place such as enforcing the wearing of masks, encouraging social distancing, and providing hand sanitizer stations throughout the building. Mr. Nyerges noted that there were some struggles in the initial days of reopening related to the member opening for *Sunken Cities*, and that protocols have been refined based on visitor and staff feedback.

Mr. Nyerges went on to describe the attendance for the museum's first month after reopening. Attendance is approx. 35% of normal expectations for this time of year, and attendance for the previous week was about 1,000-1,100 people per day which exceeds that of museums in larger metropolitan areas such as Boston and Houston. He stated that having a major exhibit opening like *Sunken Cities* has encouraged visitation. During the month of July, over 17,000 people toured the exhibit and although this is less than projected, he is pleased with the turnout.

b. Impact on Financial Projections

Mr. Nyerges went on to discuss the impact of the museum closure and Pandemic on the FY20 budget. He noted the impacts of the closure during the last quarter of the year and half of March, particularly the loss of revenue associated with special events and the restaurants. Now that the museum has reopened there is still the issue of lower visitor capacity due to COVID-19 restrictions and the general unknown associated with the virus.

From there, Mr. Nyerges mentioned that the General Assembly began a Special Session that day, and then asked Katie Payne, Director of Government Relations to comment. Ms. Payne stated that Governor Northam presented a new budget to the Assembly wherein all new, unallocated monies were cut. She noted however that VMFA's capital request was approved in 2019 and has, for the moment, remained intact. Ms. Payne said that the legislators hope to avoid additional cuts than are necessary, and are optimistic about the availability of federal stimulus dollars. Due to uncertainty about the schedule, the Special Session may continue for another 2-3 weeks. Mr. Nyerges indicated that financial projections will be developed after the Special Session has concluded.

Mr. Nyerges invited Mr. Tom Gutenberger to share an update. Mr. Gutenberger said that at the beginning of the pandemic his team worked to create predictions for the coming months. They surveyed other museums including the Smithsonian and Whitney and learned that these institutions were predicting a 10-20% decline in fundraising. Accordingly, the VMFA Advancement team anticipated a 15% decline for FY20, and the early FY21. Noting that the prediction was off the mark, Mr. Gutenberger stated that fundraising was up 40% over the previous fiscal year and that unrestricted gifts increased by 9%. Contributions to the Campaign have doubled during the silent phase. Mr. Gutenberger observed that the real challenge for FY21 will be in retaining memberships. At present, memberships increased by 2% however, this may relate to membership

extensions granted because of COVID-19. The team will have to work hard to encourage renewals. Mr. Gutenberger thanked the staff, board members, and volunteers for successful calls to members and potential members.

Mr. Nyerges then asked Mr. Hossein Sadid to update the committee on bonding capacity. Mr. Sadid confirmed that the bonding capacity discussion within the legislature should not have any impact on current projects.

c. External Affairs

Mr. Nyerges then transitioned to speaking about external affairs specifically in relation to social media. He shared an update on VMFA_Reform, and said that other museums have received requests from similar anonymous groups. Mr. Nyerges went on to recount the story of the Chicago Museum of Contemporary Art where the administration responded to demands to transition part-time positions to full-time positions. After the conversion was announced publicly, the group was upset that the creation of full-time jobs resulted in the elimination of some part-time positions. He said it is a difficult balance, but that VMFA's staff is working hard to maintain that balance.

Mr. Nyerges also referenced the search for a Chief Diversity Officer and the decision to begin working with Bill Cooper on diversity, equity, inclusion, and accessibility training. One session with Mr. Cooper has already taken place with the Senior Management Team and plans are in place for sessions to occur with other employees in all divisions and with board members. Mr. Nyerges stated that there is a need to better tell the VMFA story. Some of the complaints asserted by the reform group were, or being, addressed such as is the case with the conversion of positions. Museum leadership is exploring consulting assistance for internal and external communication. A second round of employee town halls had just taken place, and every staff question was addressed.

Mr. Ken Johnson inquired about the financial plans going forward for FY21. Mr. Nyerges responded by noting that it is important to consider both strategic planning for long term goals, and financial planning. Noting that the museum's revenues are based on support from four sources (the Commonwealth, endowment funds, fundraising/advancement, and museum enterprise), he observed that three of the four are in relatively good shape, and that the focus must be on enterprises. After Labor Day, the senior leadership team will review two months of operation, results of the Special Session, and update the financial plans.

Lastly, Mr. Nyerges acknowledged the donors who established the artist fellowship endowment fund many years ago. Due to an accumulation in the fund, the museum awarded 40 artists \$5,000 each through the Virginia Visual Artist Relief Fellowship Program. He congratulated those that worked on the project.

V. SEPTEMBER 16-17 BOARD MEETINGS

Dr. Harris reminded the committee that this September's board meetings will take place virtually, and a finalized schedules for the meetings will be distributed within the week.

VI. OTHER BUSINESS/ADJOURNMENT

There being no further business, the meeting was adjourned at 4:01pm.

Recorded by: Stephanie Cooperstein
Administrative and Project Coordinator, Office of the Director