

## ADMINISTRATION

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 2006 ACTUAL	253	61,423	167	27,074	5	2,272	0	95
FY 2007 ESTIMATE	264	65,148	183	26,920	10	1,765	0	4
FY 2008 ESTIMATE	264	66,740	183	27,401	10	1,688	0	0

### STRATEGIC GOALS: INCREASED PUBLIC ENGAGEMENT; STRENGTHENED RESEARCH; AND ENHANCED MANAGEMENT EXCELLENCE

#### Federal Resource Summary by Performance Objective and Program Category

Performance Objective/ Program Category	FY 2007		FY 2008		Change	
	FTE	\$000	FTE	\$000	FTE	\$000
<b>Increased Public Engagement</b>						
<b><i>Public Programs</i></b>						
Engage and inspire diverse audiences	3	269	3	274	0	5
<b><i>Exhibitions</i></b>						
Offer compelling, first-class exhibitions	0	185	0	185	0	0
<b><i>Collections</i></b>						
Improve the stewardship of the national collections	2	226	2	226	0	0
<b>Strengthened Research</b>						
<b><i>Research</i></b>						
Engage in research and discovery	7	795	7	814	0	19
Ensure the advancement of knowledge in the humanities	1	97	1	97	0	0
<b>Enhanced Management Excellence</b>						
<b><i>Facilities</i></b>						
Execute an aggressive, long-range revitalization program and limited construction of new facilities	0	42	0	42	0	0
<b><i>Security and Safety</i></b>						
Provide a safe and healthy environment to support Smithsonian programs	1	99	1	103	0	4
<b><i>Information Technology</i></b>						
Modernize the Institution's information technology systems and infrastructure	85	36,554	85	37,290	0	736

Performance Objective/ Program Category	FY 2007		FY 2008		Change	
	FTE	\$000	FTE	\$000	FTE	\$000
<b><i>Management Operations</i></b>						
Strengthen an institutional culture that is customer centered and results oriented	25	2,771	25	2,860	0	89
Ensure that the workforce is efficient, collaborative, committed, innovative, and diverse	62	10,821	62	11,282	0	461
Modernize the Institution's financial management and accounting operations	50	9,058	50	9,244	0	186
Enhance the reputation of the Smithsonian by maintaining good relations with the news media and with federal, state, and local governments	4	491	4	509	0	18
Modernize and streamline the Institution's acquisitions management operations	24	3,740	24	3,814	0	74
<b>Total</b>	<b>264</b>	<b>65,148</b>	<b>264</b>	<b>66,740</b>	<b>0</b>	<b>1,592</b>

## BACKGROUND AND CONTEXT

The Smithsonian Institution Administration program provides vision, leadership, policy, and oversight associated with managing and operating the museums and research centers. Administration includes executive leadership provided by the offices of the Secretary, the Deputy Secretary/Chief Operating Officer, the Under Secretaries for Science and Art, as well as the central administrative activities of human resources, diversity, Government relations, financial, information, and contract management, as well as legal services.

For FY 2008, the budget estimate reflects a net increase of \$1,592,000. This amount includes \$918,000 for necessary pay for existing staff funded under this line item; \$54,000 for Workers' Compensation; and \$420,000 for leased communication lines for new facilities. These amounts are justified in the Mandatory Costs section of this book. Also included is a programmatic increase of \$200,000 to continue implementing the Smithsonian Human Capital and Workforce Restructuring Plan. The FY 2008 budget estimate reflects the change in presentation of the Office of the Inspector General from the Administration line item to its own line item.

## MEANS AND STRATEGY

The Institution will use appropriate management strategies to enhance the "increase and diffusion of knowledge" and achieve the Institution's goals. The following strategies are cross-cutting and central to performing the Smithsonian's mission of connecting Americans to their history and heritage, as well as to promoting innovation, research, and discovery in science:

- Provide high-quality leadership and oversight for all policies, programs, and activities of the Institution's museums and research centers by

- attracting, recruiting, and retaining leaders with superior talent
- Manage human resources, foster diversity, and align human capital with the Institution's goals and performance objectives. Ensure that the right people are in the right jobs by implementing the recommendations of the Smithsonian's comprehensive workforce analysis study. Continue to conduct workforce and gap analyses, strengthen training policies and programs, develop succession planning, and evaluate and improve assessment tools for human resources performance
- Use state-of-the-art, secure information systems to modernize financial, human resources, and facilities management processes by continuing to implement and enhance modules of a commercial Enterprise Resource Planning (ERP) system
- Continue replacing network equipment and desktop computers on an industry best practice life cycle; maintain the Institution's Web infrastructure; and maintain and enhance Collections Information System (CIS), while improving the security of the network
- Maintain the Institution's telecommunications infrastructure to provide reliable, secure, cost-effective voice and data communications systems that support Smithsonian missions
- Meet federal requirements for timely and accurate financial information and improve the Institution's ability to integrate financial and performance management systems as part of the ERP effort
- Further the Institution's mission in the most economic, efficient, and effective way by supporting audit, evaluation, investigative, contracting, and other advisory services
- Finalize and implement the Smithsonian Arts Strategic Plan and ensure public safety in the art museums

## **STRATEGIC GOALS AND FY 2008 ANNUAL PERFORMANCE GOALS**

### **Increased Public Engagement**

#### ***Engage and inspire diverse audiences (3 FTEs and \$274,000)***

- Work with Smithsonian units and museum directors to offer compelling, first-class exhibitions and other public programs highlighting Latino collections and contributions throughout the Institution
- Maintain dialogue with Smithsonian units and museum directors to develop and expand a national outreach effort to share the Smithsonian's resources with larger, more diverse audiences throughout America, particularly in the Latino community
- Bring first-class educational resources to the nation via continued development of virtual gallery exhibitions and Latino-themed educational materials distributed through World Wide Web technology

- Strengthen capacity in science research by supporting the study of human diversity and cultural change
- Support collections-based studies that enhance existing databases, create new ones, and increase the potential of the collections for future scientific inquiry and public use—particularly in the area of Latino contributions
- Improve the outreach database and associated reporting structures so that they enable all outreach units in the Institution to provide input and output

***Offer compelling, first-class exhibitions at Smithsonian museums and across the nation (\$185,000)***

- Increase collaboration and cooperation within the Institution and with external organizations to improve exhibition planning activities
- Assist with surveys of museum visitors and help develop marketing goals, strategies, and specific activities aimed at increasing visitorship

***Improve the stewardship of the national collections (2 FTEs and \$226,000)***

- Issue reports on the national collections, including *Collection Statistics*, *Digitization Statistics*, and the *Financial Collections Disclosure* report
- Refine the Institution-wide information system for gathering collections management data, thereby improving the quality and timelines of collections-related information
- Assist Smithsonian units in developing and implementing up-to-date collections management policies, collection plans, cyclical inventory plans, and digitization plans
- Establish Institution-wide performance metrics for collections management
- Advise Smithsonian senior management by providing data to support strategic planning for collections
- Provide leadership and programmatic support for the Smithsonian Collections Advisory Committee, including the production of collections-related symposia, seminars, and project reports

**Strengthened Research**

***Engage in research and discovery focused on understanding the origin and evolution of the universe, Earth and planets, biological diversity, and human culture (7 FTEs and \$814,000)***

- Continue to monitor implementation of the Science Strategic Plan and focal areas of the science themes
- Increase cross-cutting collaboration in support of science themes and focal areas such as planets, biodiversity, and human diversity
- Increase significantly the number of published peer-reviewed papers addressing science themes

- Reinststate colloquia and symposia in support of the science themes and focal areas
- Increase significantly the number of proposals eligible for external, competitive funding

***Ensure the advancement of knowledge in the humanities through original research, including research on collections, that is reflected in publications, exhibitions/displays, and public programs (1 FTE and \$97,000)***

- Continue provenance research on Smithsonian collections, which may include up to 2,000 objects in the Freer and Sackler collections, or may focus on up to 600 prints and drawings in the collections of the National Museum of American History and the Smithsonian American Art Museum

### **Enhanced Management Excellence**

***Execute an aggressive, long-range revitalization program and limited construction of new facilities (\$42,000)***

- Ensure that Capital Revitalization projects are on track and meet deadlines

***Provide a safe and healthy environment to support Smithsonian programs (1 FTE and \$103,000)***

- Identify, reduce, and eliminate or control safety hazards in the art museums

***Modernize the Institution's information technology (IT) systems and infrastructure (85 FTEs and \$37,290,000)***

- Maintain the Smithsonian's telecommunications infrastructure to provide reliable, cost effective voice and data systems that support Smithsonian missions
- Continue the implementation and support of the ERP system, including an upgrade to the latest PeopleSoft release
- Replace 25 percent of the Institution's desktop personal computers

***Strengthen an institutional culture that is customer centered and results oriented (25 FTEs and \$2,860,000)***

- Guide the Smithsonian with modern business management techniques, provide quality legal counsel, and create a world-class management structure and team
- Provide financial leadership and guidance that reflect best business practices, exploit modern technology, and respond to unit needs
- Manage pan-Institutional accessibility services for visitors with disabilities
- Improve responsiveness to Institution units, including responding to training needs to staff, docents and volunteers
- Strengthen management services in support of the Institution's mission, including initiatives in the President's Management Agenda

- Improve the quality of the experience for audiences by identifying, for possible adoption, 10 best museum and/or research practices
- Establish, meet, and improve upon standard tasks and time frames for major construction and exhibition design and fabrication of projects, consistent with best business practices
- Implement the Smithsonian Arts Strategic Plan

***Ensure that the Smithsonian workforce is efficient, collaborative, committed, innovative, and diverse (62 FTEs and \$11,282,000)***

- Build a cooperative environment among all Smithsonian staff by increasing communication and emphasizing each person's contribution to the Institution's mission
- Provide quality human resources services to a dynamic, widely diverse population, using modern techniques and best practices
- Continue the existing long-term work of implementing and evaluating the Institution-wide Human Capital Workforce Restructuring Plan to streamline and leverage the Institution's workforce
- Promote training and informational programs that support diversity as an integral part of the work culture
- Continue reshaping the Smithsonian workforce so that its diversity mirrors the applicable civilian labor force
- Meet procurement goals negotiated with the Small Business Administration regarding the use of small, minority, and women-owned businesses

***Modernize the Institution's financial management and accounting operations (50 FTEs and \$9,244,000)***

- Support implementation of the ERP financial modules by identifying requirements and documenting re-engineered business practices
- Audit and review financial management systems and functions to ensure the adequacy of controls and to identify weaknesses
- Conduct accounting functions for units and continue compliance reviews and audits
- Present and justify the annual federal budget submission to the Office of Management and Budget and Congress

***Enhance the reputation of the Smithsonian by maintaining good relations with the news media and with federal, state, and local governments (4 FTEs and \$509,000)***

- Increase media contacts initiated by the Institution by 10 percent

***Modernize and streamline the Institution's acquisitions management operations (24 FTEs and \$3,814,000)***

- Perform all contract management activities that support major Capital Facilities projects and exhibitions, including precontract, contract negotiation, and postcontract award activities, as well as warranty and contract close-outs

- Improve responsiveness to the training needs of customers
- Schedule and conduct annual physical inventory verification of capitalized and sensitive personal property assets for Smithsonian units to ensure that the PeopleSoft Asset Management database is maintained accurately
- Schedule and conduct annually required training classes for primary and alternate accountable property officers to ensure that the decentralized property management functions comply with Smithsonian policies and procedures

## **FY 2008 REQUEST — EXPLANATION OF CHANGE**

For FY 2008, the Administration budget estimate includes a total increase of \$1,592,000, which includes \$918,000 for necessary pay; \$54,000 for Workers' Compensation costs; and \$420,000 for communications and networks justified in the Mandatory Costs section of this book. The Smithsonian is also requesting a program increase of \$200,000 to continue implementing the Smithsonian Human Capital and Workforce Restructuring Plan, as described in greater detail below.

- (+ \$200,000) Represents one-time funding and is requested to enable the Office of Human Resources (OHR) to continue programs for employee development, including but not limited to succession management, and to expand programs for performance management, especially in the areas of pay for performance and pay banding. This funding contributes substantially to the development and delivery of programs leading to a more efficient, effective, and productive workforce.

If the FY 2008 budget request is not allowed, OHR's ability to assist units in managing the Institution's human capital effectively will be diminished and the Institution will be hindered in its ability to meet management goals.

**NONAPPROPRIATED RESOURCES**—General trust funds provide support for salaries and benefits of personnel and other related costs. General trust funds also are used to support administrative activities, information dissemination, outreach, publications, and fund raising. Donor/sponsor-designated funds provide support for costs related to programs and projects such as scientific research, and costs related to the Smithsonian Photography Initiative. For example, the Seward Johnson endowment fund is used to improve basic support and strengthen important research efforts carried out at marine stations, and for pursuing opportunities in oceanographic research.