

MINUTES OF THE JANUARY 19, 2008, GOVERNANCE AND NOMINATING COMMITTEE MEETING

The Governance and Nominating Committee (“the Committee”) of the Board of Regents of the Smithsonian Institution held a meeting on January 19, 2008, beginning at 11:20 a.m. in the Smithsonian Castle in Washington, D.C. In attendance were Committee members Shirley Ann Jackson, chair; Robert P. Kogod; Doris Matsui; and Patty Stonesifer. Committee member Diana Aviv participated by teleconference, departing from the meeting following the report from BoardSource. Also participating by invitation of the Committee were Celia Rody of Morgan Lewis & Bockius; Acting Secretary Cristián Samper; Chief of Staff to the Regents John Lapiana; General Counsel John Huerta (by teleconference); Assistant General Counsel Craig Blackwell; Assistant General Counsel Elaine Johnston; Inspector General Sprightley Ryan; and Assistant to Congresswoman Matsui Alexis Marks. Deborah Hechinger and Marla Bobowick of BoardSource participated in the meeting for the discussion of the BoardSource Report on the Size, Composition, and Structure of the Board of Regents.

Dr. Jackson called the meeting to order. The following matters were discussed:

Report of the Chair

Dr. Jackson advised the Committee that the Secretary Search Committee had begun interviewing candidates and will report to the full Board on its progress at the upcoming Board meeting.

Dr. Jackson noted that recent press reports on the travel and expenses of the recently retired director of the National Museum of the American Indian have generated interest on Capitol Hill and the Smithsonian has received several Congressional inquiries seeking additional information. This Committee, along with the Audit and Review Committee, will review the Institution’s travel policies and oversee a gap analysis. A status report will be provided to the Committee at its next meeting.

Congresswoman Matsui wrote a response to a recent op-ed piece in the *Washington Post* regarding Smithsonian governance reforms, which was published in the *Post* on January 19, 2008. A copy of Congresswoman Matsui’s article was distributed to the Committee.

Dr. Jackson reported that a coalition of groups interested in “open government” has written to the Regents with objections to the Smithsonian’s recently issued directive on responding to outside requests for information. The directive was intended to implement the Smithsonian’s policy of following the spirit of the Freedom of Information Act (FOIA). Ms. Marks and Colin McGinnis, Regent liaison for Senator Dodd, met with representatives of the coalition to discuss their concerns. The groups are concerned that the exemptions from disclosure in the Smithsonian directive go beyond the FOIA exemptions and exclude too much information, particularly information related to business activities that is considered proprietary and would cause competitive harm to the Smithsonian if released. Mr. Blackwell briefly described some of the exemptions in the Smithsonian directive and how they relate to the FOIA. The Committee noted that it was the intention of the Board of Regents for the Smithsonian to be as open as possible and requested that the directive be reviewed to ensure that this mandate is followed. The General Counsel will provide a revised directive to the Committee for review at its next meeting. In the

interim, the Acting Secretary will instruct Smithsonian Business Ventures not to enter into any new confidentiality agreements.

Approval of Minutes

The Committee approved the minutes of its December 17, 2007, meeting. Mr. Lapiana noted that the minutes may be edited for format and style for the Regents' book and the Committee agreed that the chair should approve any non-substantive edits.

Approval of Revised Committee Charter

The Committee reviewed the Governance and Nominating Committee Charter, which incorporates the functions of the former separate Nominating Committee and Governance Committee. It was suggested that the term "corporate governance" in sections E.1.a and E.1.b should be changed to "governance." With the foregoing amendment, the charter was approved and will be submitted to the Board of Regents for adoption.

Approval of Statement of Values and Ethics

Following discussion of the revisions to the proposed Statement of Values and Ethics, the Committee approved the statement and recommends its adoption by the Board of Regents.

Nomination for Board Chair

The Committee agreed to defer discussion of a nomination for chair of the Board to an executive session at the end of the meeting.

Nominations for New Regents

The Committee discussed potential nominees for a second anticipated vacancy on the Board. It was noted that the matrix of desirable skill sets should be revised to include board leadership potential. The Committee also discussed the desirability of geographic diversity among Regents. The Committee will review and update the list of potential candidates with these criteria in mind.

Approval of Committee Assignments

The Committee reviewed the existing Regents' committee assignments and voted to recommend no changes in assignments at this time, noting that new Regents are expected to be appointed in the coming months and committee assignments will be reviewed as appropriate.

Review of Board Structure

Deborah Hechinger and Marla Bobowick from BoardSource joined the meeting to review and discuss their Report on the Size, Composition and Structure of the Board of Regents, which the Committee commissioned to provide stakeholder input into its review of these issues. The BoardSource team interviewed over 49 people, including Regents, Regent liaisons, other Congressional staff, Smithsonian advisory board members, and Smithsonian staff. They found a diversity of points of view on the effectiveness of the current structure of Board of Regents and whether structural changes could increase its effectiveness. They noted that there was some receptivity to the possibility of statutory changes, as well as concern that opening the charter could risk unwelcome results. The report also was built on the work already done by the

Governance Committee and the Independent Review Committee. The BoardSource report presents four options for consideration, including the status quo and options that would require charter revisions to increase the size of the Board of Regents and the Executive Committee. Following discussion with Ms. Hechinger and Ms. Bobowick on their findings and recommendations, the Committee convened in executive session to consider its recommendations to the Board of Regents.

Adjournment

There being no further business, Dr. Jackson adjourned the meeting at 3:50 p.m.

Respectfully submitted,

Shirley Ann Jackson, Chair