



Smithsonian Institution

Lawrence M. Small
Secretary

April 7, 2005

Mr. David M. Walker, Comptroller General
Government Accountability Office
Office of the Comptroller General
441 G Street, NW
Washington, DC 20548

Dear Mr. Walker:

Thank you for your report entitled, "Facilities Management Reorganization is Progressing, but Funding Remains a Challenge."

This report validates the Smithsonian Institution's longstanding contention that its physical facilities are in seriously deteriorated condition. While the Institution was established for the "increase and diffusion of knowledge," safe, well-maintained, and efficiently-operated facilities provide the critical underpinning for the Smithsonian to be successful. The estimated \$2.3 billion in costs for revitalization, maintenance, and construction represents a severe obstacle to achieving the Institution's 159-year-old mission.

Several years ago, the National Academy of Public Administration (NAPA), at the behest of the Congress, conducted "A Study of the Smithsonian's Repair, Restoration and Alteration of Facilities Program" that confirmed the Institution's requirement for a billion and a half dollars worth of revitalization, spread over a ten-year period. As a result of more accurate information and the addition of new facilities, that amount has now grown to \$2.3 billion. NAPA also recommended a number of managerial changes to improve our ability to manage effectively an increased capital program and maintain better the existing infrastructure inventory. We have paid close attention to these recommendations and followed NAPA's advice. Today, we are poised to more effectively manage every scarce dollar we are appropriated to revitalize and maintain our physical plant. We are pleased the Government Accountability Office has recognized our progress.

We acknowledge the seriousness and magnitude of our failing infrastructure problem that to date has resulted in the closure of two major historic buildings, one of which (the Patent Office Building) is undergoing extensive revitalization. The second, the Arts and Industries Building, built in 1879-81, has failed to a point that the Smithsonian Regents have directed that we vacate it as soon as possible. We are doing this now.

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The ultimate issue, as you have aptly described it, is one of securing the funding to resolve the \$2.3 billion facilities infrastructure problem. With little hope of getting private funding for the basic needs of revitalizing infrastructure and sustaining it, we continue to look to the Administration and the Congress for help. It is our hope this report will help underscore the Smithsonian's critical need and assure all that every scarce resource provided will be well spent to arrest deterioration and bring the Institution back to its deserved prominence as the principal repository of the artifacts of our Nation's history and a place to be enjoyed by the over 20 million visitors who come annually to tour our museums.

All the best,

A handwritten signature in black ink, appearing to be "John M. ...", written in a cursive style.