

## **MINUTES OF THE JULY 26, 2024, AUDIT AND REVIEW COMMITTEE MEETING**

The Audit and Review Committee (“Committee”) of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) conducted a meeting on July 26, 2024. Participating were Committee Chair Denise M. O’Leary and Committee members Representative Garret Graves, Barbara M. Barrett, Toni Bush, John Fahey, and Roger W. Ferguson, Jr.

Also present by invitation of the Committee were Inspector General Nicole Angarella; Chief of Staff to the Secretary Greg Bettwy; Under Secretary for Finance and Administration and Chief Financial Officer Ron Cortez; Liaison to Senator Cortez Masto, Trevor Dean; Deputy Chief of Staff to the Regents Kate Forester; Special Assistant to the Regents Mallory Gianola (recorder); Chief Legal Officer Jennifer McIntyre; Deputy Chief Financial Officer and Controller John Lynskey, Deputy Secretary and Chief Operating Officer Meroë Park; Assistant Controller Kelli Polon; and Counselor and Chief of Staff to the Regents Porter Wilkinson.

Also in attendance was Shawn Hutchinson, who represented the Smithsonian’s external auditors, KPMG, LLP (“KPMG”).

### **CALL TO ORDER**

Committee Chair Denise M. O’Leary called the meeting to order at 10:30 a.m. and reviewed the agenda, which consisted primarily of an overview of the fiscal year 2023 draft IRS forms 990 and 990-T.

### **REVIEW AND ACKNOWLEDGEMENT OF FISCAL YEAR 2023 IRS FORMS 990 AND 990-T**

Deputy Chief Financial Officer and Controller John Lynskey led the Committee’s review and acknowledgment of the fiscal year 2023 Internal Revenue Service (“IRS”) Form 990 (Return of Organization Exempt from Income Tax) and Form 990-T (Exempt Organization Business Income Tax Return), which are filed on an annual basis. Mr. Lynskey reviewed the purpose; preparation, filing, and review process; and the reporting schedules for the Form 990 and Form 990-T. The required disclosures include compliance and financial information, compensation data for select senior management, financial results for activities determined to generate unrelated business income, and information of specific interest to the IRS. Mr. Lynskey also summarized changes between the fiscal year 2022 and 2023 submissions.

Chief of Staff to the Secretary Greg Bettwy reviewed compensation information provided on the Form 990, which included officers, key employees, highly compensated employees, and disqualified persons or other interested persons as outlined in Schedule L (Form 990). Two changes were noted from what was previously reported to the Committee in March 2024, following a review and revision of the classifications to better align with IRS requirements.

The Committee reviewed the draft of the required tax returns and discussed the planned submission of Form 990 and 990-T to the IRS for the fiscal year ended on September 30, 2023.

Both forms were prepared by staff and subject to reviews by the Board of Regents, the Under Secretary for Finance and Administration and Chief Financial Officer, the Office of General Counsel, and the Smithsonian's external auditor, KPMG. The final 990 and 990-T will be filed with the IRS prior to the filing deadline on August 15, 2024. The Form 990 is a public document that is posted on the Smithsonian's website once it is filed with the IRS.

Upon motion duly made and seconded, the Committee approved a motion to affirm the submission of the Form 990 and 990-T for fiscal year 2023:

**VOTED** that the Audit and Review Committee affirms the Smithsonian's proposed submission of its fiscal year 2023 Form 990 and 990-T to the Internal Revenue Service.

## **ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at approximately 11:02 a.m.

Respectfully submitted,

Denise M. O'Leary, Chair