

FINE ARTS MUSEUMS OF SAN FRANCISCO**Special Meeting****Board of Trustees
Wednesday, March 27, 2013****I. Calling of the Meeting to Order – Diane B. Wilsey, President**

A special meeting of the Board of Trustees of the Fine Arts Museums of San Francisco was held on Wednesday, March 27, 2013 in the Piazzoni Murals Room of the de Young Museum, Golden Gate Park, San Francisco. A quorum was present, that being one-third of the number of Trustees in office. The meeting was called to order at 10:21 a.m. by Diane B. Wilsey, President.

II. Calling of the Roll

The following Trustees were present:

Adolphus Andrews, Jr.
Carol W. Casey
David H. S. Chung
Dr. Marc P. Cruciger
Belva Davis, Vice President
Jason M. Fish
Denise B. Fitch
Elise Friedman
Frankie Jacobs Gillette
Frederick M. Goltz
Wheeler S. Griffith
Lauren Hall
Lucy Hamilton
Holly Johnson Harris
Gretchen Kimball
Janet W. Lamkin*
Kathryn Lasater
Lawrence B. Low*
Holland Lynch
Monica Maduro*
Dr. Sarah Ogilvie
Carl Pascarella
Venetta S. Rohal
Lisa M. Sardegna*
Arlene Schnitzer
David Spencer*
Robert T. Wall*
Diane B. Wilsey, President
Lisa Zanze

*Trustees Lamkin, Low, Maduro, Sardegna, Spencer and Wall participated by conference call.

On motion, duly seconded and carried, the following Trustees were excused:

Edward D. Baker, III
Zachary S. Bogue
Carol N. Bonnie
Penny Coulter (Leave of Absence)
Juliet de Baubigny
Vanessa Getty
Cynthia Fry Gunn
Katherine Harbin
Laure Fullerton Headrick (Leave of Absence)
David Lamond (Leave of Absence)
Nancy McFadden
Susan S. Swartz

The following Ex-Officio Trustees were unable to be present:

Mayor Edwin M. Lee
Mark Buell, President, Recreation and Park Department

Other Trustees in attendance were:

George Hecksher
Monique Moyer (participated by conference call)
Paul A. Violich

III. Possible Public Employee Appointment / Hiring: Director of Museums (City and County of San Francisco, Classification 0963, Department Head III)

President Wilsey reported that the work of the Director of Museums Search Committee has been accomplished, and the Committee is pleased to present its recommendation for a new Director of Museums. The San Francisco Administrative Code and the Brown Act allow for this discussion and vote to appoint a new Director to be held in closed session.

President Wilsey explained that if the Board of Trustees votes to convene in closed session, all members of the public will be excused from the Board Room. With the exception of Megan Bourne, Executive Secretary, no other staff members were present.

President Wilsey stated that public comment would be taken at this time on matters pertaining to the closed session before the Board of Trustees votes to convene in closed session. There was no public comment pertaining to the closed session.

A. Vote on Whether to Hold Closed Session to Appoint a New Director of Museums [San Francisco Administrative Code Section 67.10(b)]

A motion to convene in closed session was made and duly seconded. There was no discussion among Trustees, other Trustees present, or members of the public. The Trustees voted unanimously to convene in closed session. President Wilsey called the closed session to order at approximately 10:30 a.m. and reiterated that the closed session will specifically address the appointment of a new Director of the Fine Arts Museums of San Francisco. With the exception of Executive Secretary Megan Bourne, Deputy City Attorney Adine Varah, and Search Consultant Mark Oppenheim, no staff or members of the public were present.

B. Closed Session: Consideration and Possible Action to Appoint a New Director of Museums of the Fine Arts Museums of San Francisco [Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b)]

The report of the Director of Museums Search Committee was presented followed by discussion among Trustees regarding the appointment of a new Director of Museums of the Fine Arts Museums of San Francisco.

C. Reconvene in Open Session

Following the closed session discussion at approximately 11:10 a.m., President Wilsey reconvened the meeting in open session. President Wilsey stated that the closed session was concluded, and the regular business before the Board of Trustees was then addressed. She reported that during the closed session the Board of Trustees received the report of the Director of Museums Search Committee and voted to appoint a new Director of the Fine Arts Museums of San Francisco, who will succeed John Edward Buchanan, Jr. following his untimely death on December 30, 2011.

1. Vote to Elect Whether to Disclose Any or All Discussions Held in Closed Session [San Francisco Administrative Code Section 67.12(a)]

President Wilsey explained that the standard of disclosure is whether the majority deems disclosure to be in the public interest. The privacy of the candidate and the Board's ability to freely discuss the candidacy are paramount. Upon motion, duly seconded, there was no further discussion among Trustees. There was no public comment. The Trustees voted unanimously to not disclose any discussions held in closed session.

2. Possible Report on Action Taken in Closed Session [Government Code Section 54957 and San Francisco Administrative Code Section 67.12(b)(4)]

President Wilsey announced that while in closed session the Board of Trustees voted to appoint a new Director of Museums, pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.12(b)(4).

As the City Attorney's Office has advised, this action is to be reported immediately in a manner that names the employee, the action taken and the position affected. Although the Board voted to not disclose discussions held while in closed session, it may disclose the name of the candidate. Upon motion, duly seconded, there was no further discussion among Trustees. There was no public testimony. The Trustees voted unanimously to report the name of the new Director of the Fine Arts Museums of San Francisco.

Mrs. Wilsey stated that she is pleased to announce that the Board of Trustees voted to appoint Colin B. Bailey as the new Director of Museums effective June 1, 2013. Mr. Bailey most recently served as the Deputy Director and Peter Jay Sharp Chief Curator at The Frick Collection in New York. Biographical information on Mr. Bailey was distributed.

IV. Report of the President – Diane B. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the January 30, 2013 Board of Trustees Meeting (See Appendix A – Draft Minutes)

There being no discussion among the Trustees or members of the public, the minutes of the January 30, 2013 meeting of the Board of Trustees, having been delivered in advance to all Trustees, were unanimously approved.

B. Other Informational Items

President Wilsey had no other informational items to discuss. There was no public testimony about any other matters.

V. Trustee and Committee Reports

Audit Report – Carl Pascarella

President Wilsey called upon Trustee Carl Pascarella to present the report of the Audit Committee. Trustee Pascarella reported that on November 29, 2012, Armanino McKenna submitted to the audit committees of the Corporation of the Fine Arts Museums and The Fine Arts Museums Foundation Combined Financial Statements for the year ended June 30, 2012, including COFAM, The Fine Arts Museums Foundation, and the Fine Arts Museums of San Francisco as a department of the City and County of San Francisco.

The Combined Financial Statements were reviewed, and the Chairman of the Audit Committee was authorized to recommend the acceptance of the financial statements by the COFAM and Foundation Board of Trustees at its meeting on December 5, 2012.

At this meeting the Board of Trustees of COFAM and the Foundation accepted the Armanino McKenna Combined Financial Statements of the Fine Arts Museums of San Francisco for the year ending June 30, 2012.

The audit for the year ended June 30, 2013 is scheduled to begin in the first week of October 2013.

Development Report – Lauren Hall, Vice President for Development

President Wilsey called upon Trustee Lauren Hall, COFAM Vice President for Development and Chair of the Development Committee, who reported a total of Individual Sponsorships of \$3,227,050 and Foundation Support for Exhibitions at \$1,078,840 with a total of \$4,305,890. The total for Estate Gifts and Trusts received was \$434,849 and non-Exhibition Support from Foundations was \$1,713,670; the Annual Fund stands at \$2,068,886, and Membership at \$6,237,475. The total number of member households is currently 102,664. The goal for membership has already been exceeded, and Trustee Hall anticipates a fantastic year with a new Director.

Education Report – Wheeler Griffith

In the absence of Carol Bonnie, Chair of the COFAM Education Committee, President Wilsey called upon Trustee Wheeler Griffith to report on the activities of the Education Committee.

Trustee Griffith reported that the Education Department of the Fine Arts Museums of San Francisco offers public, school, and family programs that foster connections, expand knowledge, create community and stimulate dialogue among wide and diverse audiences. Over 250,000 people participate in FAM's education programs annually.

Public Programs consist of the popular Friday Nights at the de Young; last year over 65,000 people enjoyed the free programming and extended hours of Friday Nights which are committed to engaging new audiences and supporting the community through fostering the efforts of local artists, musicians, and organizations. The Artist in Residence Program invites local emerging artists to inhabit and display their work in the de Young's Kimball Education Gallery for month long residencies. The artists share their knowledge, techniques, and visions with the public. The Museums' 225 talented Docents engage approximately 75,000 visitors in dialogues about art each year.

Programs for Schools are crucial for reaching those children whose families do not ordinarily visit museums. Each year over 57,000 K-12th grade students participate in one of the Museums' many free school programs that include Guided Gallery Visits and Hands-on Art Making activities which are reinforced in the classrooms by related grade specific Get Smart with Art Curricula that support state standards in language arts, visual arts, and social studies.

Family Programs invite families with young children into the museums to prepare the next generation of art enthusiasts. The Museum's family programs include Museum Summer Camps, Art After School, Saturday Doing and Viewing, and Big Kid/Little Kid Classes.

As always, the Education Department would like to thank the board for their consistent and considerable support of education at the Museums.

Marketing Report – Wheeler Griffith

In the absence of Jeana Toney, Chair of the Marketing Committee, Trustee Wheeler Griffith provided the Marketing Committee report.

With the *Girl with a Pearl Earring* exhibition less than halfway through its run, attendance is tracking ahead of goal, at 45% through the duration of the exhibition but 60% of total attendance. Another achieved goal includes getting significant stories in five newspapers with large circulation: *New York Times*, *Wall Street Journal*, *Los Angeles Times*, *San Jose Mercury News*, *USA Today*. The Museums' marketing efforts for the exhibition have been comprehensive in the Bay Area but also widespread in Los Angeles, Seattle, San Diego, and Portland.

Marketing and Communications partnered with the *Bouquets to Art* organizers to spearhead a targeted marketing and public relations campaign to attract more visitors from the Peninsula and Marin. All around successful efforts resulted in more than 54,000 visitors to the exhibition over five days. *Bouquets to Art* contributed to strong numbers for *Girl with a Pearl Earring* that week.

Similarly, broad marketing has been done for the launch of the Friday Nights season which resumes this weekend. The Marketing Committee anticipates well-attended evenings for this favorite program among the Museums' many constituents.

The Marketing Committee has a robust agenda for the first meeting in early April, and plans to discuss attendance statistics, dynamic pricing, a newly developed dashboard, and branding.

Finance Report – George Hecksher

In the absence of Jack McDonald, COFAM Vice President for Finance, President Wilsey called upon Trustee George Hecksher to provide the Finance Report.

In Fiscal Year 2013 ending this June, the Fine Arts Museums as a Department of the City and County of San Francisco had an approved budget of \$16.2 million, which compares to the Fiscal Year 2012 budget of \$15.6 million. The Fiscal Year 2013 budget includes \$12.1 for operating expenses, \$781,000 in capital improvements, and net admission revenue of \$3.2 million. The capital improvement budget is primarily directed to the Legion of Honor which will spend approximately \$630,000 on roof and masonry maintenance and a new boiler. As of the end of February 2013, the Controller's Office is projecting a surplus of \$633,000 in FY2013 primarily due to unfilled staff positions and related benefits.

For FY2014, the Fine Arts Museums has submitted a budget request of approximately \$18 million, up from the \$16.2 million in FY2013. This increase of \$1.8 million reflects a City-approved request for \$823,000 in capital improvements, again mostly for the Legion of Honor, and also represents a full year of salaries and benefits for new staff positions.

New Family Arts Initiative Report – Holland Lynch

The New Family Arts Initiative is picking up where the Family Arts Circle left off. The committee will be working to develop a new name. The Committee has the following mission: to help make the Museums' more family-friendly; to raise funds to support these initiatives; and to broaden outreach and educational opportunities to as many Bay Area families as possible. This group also supports the Museum's desire to work more cross-functionally between the departments of Development, Marketing, and Education.

A formal committee of the COFAM board has been established and counts as its members Trustees Carol Bonnie, Wheeler Griffith, Kate Harbin, Kathryn Lasater, Holly Harris, Jeana Toney, and Monica Maduro, with Holland Lynch as Chair.

The strategy developed to fulfill the mission of the committee is to organize one major family-oriented fundraiser per year; to bring in new audiences; spread the word about the Education Programs, and raise restricted monies for designated education projects.

The first event is tentatively scheduled for Friday, January 10, 2014 in conjunction with *David Hockney: A Bigger Exhibition*. The first committee meeting is scheduled for April 11. Next steps for the committee include developing a new name, conceptualizing the January 10 event, establishing a working committee for the event, and securing corporate sponsorship to offset the cost of the event. This will be accomplished by working with Lisa Podos, Director of Special Projects and appropriate departments within the Museums.

Long Range Planning Report – Diane B. Wilsey

President Wilsey stated there is currently nothing to report and noted that long range planning will be the responsibility of the new Director of Museums who will present the long range planning report in the future.

Nominating Report – Lisa Zanze

Trustee Lisa Zanze reports that the Nominating Committee has worked to prepare a slate of board candidates, and has identified a list of very qualified potential nominees for the Board of Trustees of the Fine Arts Museums. The Committee is hosting a cultivation dinner on April 11. About a quarter of current RSVPs are guests from the targeted list.

The next meeting of the Nominating Committee will be on April 23, and the Committee plans to present candidates for a full board vote at the June annual meeting. The Committee is not targeting a specific number of new trustees, and trying to find the best candidates that meet the requirements of the charter and will make good additions to the Board.

Trustee Zanze thanked the Nominating Committee, because each member has worked tirelessly and thoughtfully on this process.

Technology Report – David Spencer

President Wilsey called upon David Spencer who attended the meeting remotely from Hong Kong and thanked him for his patience and loyalty. Trustee Spencer reports that he has enjoyed working on this project and a full report will be provided at the April 23 Board Meeting. He provided a brief update of good news on the technology front. On February 1, the Museums' hired a new Director of Technology, Scott Plakun, and a new full-time developer recently came on board.

Work has progressed to populate and activate a Technology Steering Committee to come up with a strategy to upgrade technology infrastructure, launch a mobile app and other technology initiatives. Recent developments include increased internet connectivity, faster public WiFi, and improved infrastructure in the server room. Short term projects include improving the website and development of the Trustee Web Portal, which should be launched soon, so Trustees can go online to get information about Board-related activities.

The updated website and mobile app may be completed over the summer. Event management and other ancillary projects will connect to that, including long-term benefits in terms of ticketing systems, collection management, and more. Primary goals include improving technology, taking the website up a level, and developing a mobile app which will be intended to connect with new audiences and maintain the membership of the Museums.

President Wilsey thanked Trustee Spencer for his generosity and efforts toward this cause on behalf of the Board, for participating in the meeting remotely, and expressed that the Board of Trustees looks forward to hearing more about technology developments.

VI. Other Informational Items

There were no other informational items.

VII. Public Comment

Members of the public may address the Board of Trustees on items not on the agenda that are within the subject matter jurisdiction of the Fine Arts Museums of San Francisco. Speakers may address the Board for up to three minutes; the President or the Board of Trustees may limit total comments to thirty minutes. There was no public comment.

VIII. Adjournment – Diane B. Wilsey, President

There being no further business, President Wilsey adjourned the meeting at 11:25 a.m.

~~Respectfully submitted,~~

Megan Bourne
Executive Secretary to the Board of Trustees

Note: These minutes set forth all actions taken up by the Board of Trustees on matters stated, but not necessarily in the order in which they were considered.