

GAO  
Accountability · Integrity · Reliability

# Highlights

Highlights of [GAO-07-725T](#), a testimony to the Senate Committee on Rules and Administration

## Why GAO Did This Study

The Smithsonian Institution (Smithsonian) is the world's largest museum complex and research organization. The age of the Smithsonian's structures, past inattention to maintenance needs, and high visitation levels have left its facilities in need of revitalization and repair.

This testimony discusses our prior work on some effects of the condition of the Smithsonian's facilities and whether the Smithsonian has taken steps to maximize facility resources. It also discusses the current estimated costs of the Smithsonian's needed facilities projects. In addition, it describes preliminary results of GAO's ongoing work on the extent to which the Smithsonian developed and implemented strategies to fund these projects, as GAO recommended in prior work.

The work for this testimony is based on GAO's 2005 report, *Smithsonian Institution: Facilities Management Reorganization Is Progressing, but Funding Remains a Challenge*; GAO's review of Smithsonian documents and other pertinent information; and interviews with Smithsonian officials.

[www.gao.gov/cgi-bin/getrpt?GAO-07-725T](http://www.gao.gov/cgi-bin/getrpt?GAO-07-725T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Mark L. Goldstein at (202) 512-2834, [goldsteinm@gao.gov](mailto:goldsteinm@gao.gov).

## SMITHSONIAN INSTITUTION

# Funding for Real Property Needs Remains a Challenge

## What GAO Found

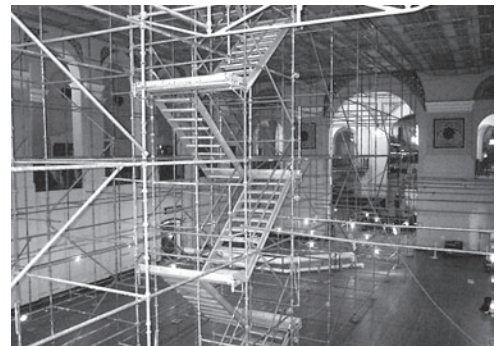
In 2005, GAO reported that facilities-related problems at the Smithsonian had resulted in a few building closures and posed a serious long-term threat to the collections. For example, the 1881 Arts and Industries Building on the National Mall was closed to the public in 2004 for an indefinite period over concern about its deteriorating roof structure. Currently, this building remains closed. GAO also found that the Smithsonian had taken steps to maximize the effectiveness of its existing resources for facilities.

Preliminary results of GAO's ongoing work indicate that as of March 30, 2007, the Smithsonian estimated it would need about \$2.5 billion for its revitalization, construction, and maintenance projects from fiscal year 2005 through fiscal year 2013, up from an estimate of \$2.3 billion in 2005. In 2005, GAO recommended that the Smithsonian develop and implement a strategic funding plan to address its facilities needs.

The Smithsonian Board of Regents—the Smithsonian's governing body—has taken some steps to address GAO's recommendation regarding a strategic funding plan. The board created an ad-hoc committee, which, after reviewing nine options, such as establishing a special exhibition fee, decided to request an additional \$100 million annually in federal funds for facilities for the next 10 years, for a total of an additional \$1 billion. The President's fiscal year 2008 budget proposal, however, proposes an increase of about \$44 million over the Smithsonian's fiscal year 2007 appropriation. It is not clear how much of this proposed increase would be used to support facilities, and how Congress will respond to the President's budget request. Absent significant changes in the Smithsonian's funding strategy or significant increases in funding from Congress, the Smithsonian faces greater risk to its facilities and collections over time.

GAO is continuing to evaluate the Smithsonian's efforts to strategically manage, fund, and secure its real property. We expect to publish a report on these issues later this year.

Arts and Industries Building, 1977 (left) and February 2005 (right)



Source: Smithsonian Institution.