

Committee on House Administration Written Testimony
Smithsonian Institution Acting Secretary
Cristián Samper
1 August 2007

Thank you for this opportunity to testify before the Committee on House Administration.

The Smithsonian was established in 1846, thanks to a generous bequest from British scientist James Smithson, with the mission: “the increase and diffusion of knowledge.” Over the decades, the Smithsonian has become the world’s largest museum and research complex, providing inspiring experiences for millions of visitors. Historian David McCullough recently described the Smithsonian as a “storehouse of ideas.” It is indeed that and much more. With 19 museums, nine research centers and the National Zoo, the Smithsonian stands out as a unique entity, a leader in science, history, art, and culture. As an international institution it offers the world a picture of America and America a picture of the world.

It was James Smithson’s bequest that launched the Smithsonian, but the debate and counsel of the Congress helped to shape it from day one—and does so to this day. Without the generous support of the Administration and the Congress, the Smithsonian simply would not be able to function. We appreciate the support and look forward to working with members to make the Smithsonian even stronger in the future.

Ever since I became acting secretary four months ago, I have focused on three priorities: strengthening the public trust in the Smithsonian; working with the Board of Regents to improve governance, communication and accountability; and making sure that all of our key programs and priorities are strong. As we review the governance of the Institution, it is important that we continue to focus on our core mission, and take steps to strengthen our programs and improve our facilities.

I have held more than 25 town hall meetings across the Smithsonian, met with most of the advisory boards of our museums, and reached out to members of Congress and other key supporters. It is clear to me that everyone has deep affection and respect for the Smithsonian, and that we all want to work together to strengthen the Institution going forward.

I would like to thank our staff and volunteers for looking after our collections, carrying out our research, producing new exhibitions and education programs, and their ongoing dedication and commitment to our mission. I am pleased to report that activities across the Smithsonian’s museums, research centers and the National Zoo continue to be strong and there are many exciting results to share with our visitors. I am also pleased to report that attendance at our museums and the National Zoo hit nearly 13 million for the first half of the year, and we expect to have more than 24 million visitors by the end of the year.

As you are well aware, the Smithsonian has been reviewing and reforming its governance practices in recent months. I have always thought that where there is crisis there is opportunity, and have no doubt the Smithsonian is emerging from this difficult time as a strengthened Institution. The Smithsonian's Board of Regents adopted 25 recommendations last month issued in the report from the Regents' new permanent Committee on Governance. We are moving forward with a vigorous, thoughtful and thorough reform agenda. Our work is not yet done, but we have definitely turned a corner—and there will be no turning back. We have entered a new era of oversight, transparency, accountability, and cooperation with Congress. Our goal is much more than to fix past problems; our goal is to become a leader in good governance. We have started down that path.

As you just heard, the Smithsonian's Board of Regents commissioned a three-person Independent Review Committee to review aspects related to compensation and expenses, as well as the Regents' response and actions. The committee, composed of three distinguished citizens who were not members of the Board of Regents, was chaired by Charles A. Bowsher, a former Comptroller General of the United States; he was joined by Stephen D. Potts and A.W. "Pete" Smith, Jr. The committee issued its report last month. We are grateful for all the hard work of the Independent Review Committee.

The Board of Regents' new permanent Committee on Governance compared the governance of the Smithsonian with best practices of comparable organizations. Regent Patricia Stonesifer, head of the Bill and Melinda Gates Foundation, chaired this new standing committee (the new Chair is Regent Shirley Ann Jackson). Ms. Stonesifer was joined by fellow Regents Congresswoman Doris Matsui and Robert Kogod. Other members are Walter Massey, a former Regent; and Diana Aviv, president and chief executive officer of Independent Sector, a national leadership forum. The committee also issued its report last month; it focuses on three priority areas: 1) Effective Board and Committee Structure; 2) Effective Monitoring, Oversight and Information Flow; and 3) Effective Transparency. The Board of Regents accepted the report at its meeting on June 18th. We are now implementing the 25 recommendations and have established internal Smithsonian committees to move the process forward.

I want to take this opportunity to thank the entire Board of Regents, the Governance Committee, and particularly Chair Patricia Stonesifer, for their immeasurable contributions to the Smithsonian at a crucial time in its history.

Specifically, the Smithsonian's Board of Regents new set of governing practices were crafted to strengthen the board's oversight of the Institution. The new and updated practices, spelled out in the Governance Committee's 55-page report produced after extensive deliberation, directly address recent congressional concerns that the Regents had been remiss in their oversight.

The new policies provide guidelines for executive compensation; prohibit staff from serving on corporate boards; call for a new system to review executive compensation, more in keeping with nonprofit practices; establish a new Smithsonian-wide leave policy;

and strengthen the roles of the inspector general, general counsel and chief financial officer.

The new and updated governing policies to be implemented by the Secretary and staff in the coming months include:

1. The Secretary, Deputy Secretary and senior staff will not be permitted to serve on corporate boards.
2. Compensation for the Secretary and executives will follow the best practices of the nonprofit sector. The Regents' Committee on Compensation and Human Resources will be independent of the Secretary; outside compensation consultants will be engaged by and report directly to the committee; the Secretary's entire compensation package will be examined for reasonableness in light of comparable market information; and all decisions about executive compensation will be documented in the Regents' minutes.
3. The Chief Financial Officer and General Counsel will have direct access to the Board of Regents. As the report states, "The General Counsel shall have the right and obligation to bring directly to the Board ... any information on legal or compliance matters that he determines should be brought to their attention."
4. Smithsonian Business Ventures will follow established Smithsonian guidelines in such areas as compensation and human resources, contracting, travel and accounting. Exemptions to general policies must be approved by the Secretary and the Regents. (In addition, I would like to point out to the Committee that we are conducting a full review of SBV's structure and mission.)
5. The Smithsonian will establish an official policy by the end of this year that is in keeping with the principles of the Freedom of Information Act. Although the Institution is not an executive branch agency and therefore is not covered by FOIA, it has been guided by the Act's principles. We are working to establish a clear policy statement for the Smithsonian on this matter.

The work of the Governance Committee is not finished. During the next six months and beyond, members will continue to identify areas in need of improvement and present its findings to the full board.

We have also reviewed the Independent Review Committee (IRC) report, which includes 11 findings mostly related to the compensation and expenses of the Secretary, and a number of recommendations related to the Board of Regents and Smithsonian policies. Nearly all of the recommendations from the IRC report have been included in the recommendations adopted by the Board of Regents last month. It is important to note that the IRC report found the Smithsonian overall to remain a strongly ethical institution despite problems they identified as part of their review.

These two committees had different tasks but a similar goal—a better Smithsonian. The IRC report was established to review past actions and decisions related to compensation and expenses under the former Secretary. The Governance Committee examined best practices in governance of non-profit organizations and compared them to the Smithsonian, and came up with a blueprint for change. In spite of the different tasks, the conclusion and recommendations were remarkably similar. As the Regents' Governance Committee report notes:

Reaching similar results from such dissimilar approaches gives the Governance Committee added confidence that the critical weaknesses and failures prompting these reviews have been identified and addressed. (p.2)

As you know, the Smithsonian's Board of Regents' *ad hoc* committee is conducting the search for the 12th Secretary of the Smithsonian. The search committee is chaired by Regent Alan Spoon and has eight members, and three advisory members: Rick West, founding director of the National Museum of the American Indian; Irwin Shapiro, senior scientist and former director of the Harvard-Smithsonian Center for Astrophysics; and Maxine F. Singer, former President of the Carnegie Institution and Chair of the Commission on the Future of the Smithsonian Institution in 1995. On July 12th, the committee held a town hall meeting to solicit comments and advice from Smithsonian staff. The committee is also planning to hold an open town hall meeting in September to receive input from the general public.

It is my hope that we can work with the Congress to address the questions that have been raised, improve accountability, and continue to expand the valuable service the Smithsonian provides the public.

One of the biggest obstacles we face in continuing this work is our facilities maintenance problem, which directly affects our mission, “the increase and diffusion of knowledge.” This issue concerns not only the buildings themselves, some of which are priceless national treasures in their own right, but more importantly the fact that the buildings enable us to educate the public, exhibit national collections, and create the experience of a lifetime for our visitors.

The Smithsonian's facilities represent an investment made by the American people. The Smithsonian is the custodian of the largest museum collection in the world, with more than 136 million objects and specimens, documenting our history and heritage, the natural and cultural diversity of this planet: meteorites, moon rocks, the Hope Diamond, the hat Lincoln wore the night he was assassinated, the Star-Spangled Banner, Gilbert Stuart's Lansdowne portrait of George Washington, the Wright Flyer, plus more than 2,800 animals at the National Zoo. More than 23 million visitors from around the world came to see these treasures last year.

Researchers from the Smithsonian and from around the world use these collections to pose new questions and advance our knowledge. Through our exhibitions at our many museums and in our programs, the collections and research galvanize our education

efforts. Those efforts are expanded across America through traveling exhibitions, affiliate museums, curriculum guides, Web outreach, and much more. Without the proper facilities in safe operating order, none of this is possible.

Today the Smithsonian owns or leases more than 700 buildings and other structures in the District of Columbia, seven states, Panama, Belize, and Chile, about 10.2 million square feet of owned space and 1.7 million square feet of leased space with an estimated replacement value of more than \$5.1 billion. Some of these buildings are new, some are 150 years old, many are decades old, more than half are more than 25 years old. Five buildings are National Historic Landmarks, and many are listed on the National Register of Historic Places or are eligible for special consideration under federal guidelines for historic buildings, making them more difficult to maintain. The Smithsonian is unique in both the architectural variety and functional diversity of its buildings. We house everything from spiders to elephants, moon rocks to rocket ships, even the proverbial kitchen sink, given to us by Julia Child. It's an expensive, challenging task to care for such collections and keep our workers and visitors safe—especially in a post 9-11 world where security is of paramount concern.

Both the National Academy of Public Administration and the Government Accountability Office have looked into this matter and underscored its seriousness with the GAO saying current funding levels are insufficient to provide the \$2.5 billion we know is required to fix and maintain the Institution's facilities over the course of the coming years. Over a ten-year period, this would represent \$100 million more each year than is provided with current funding levels. With more than half its buildings—and their electrical and mechanical systems—well past their normal, useful life spans, this is an overwhelmingly problematical issue.

As you know, we had to close the Arts and Industries Building (A&I) because the declining condition of the building presented safety hazards. We are working as hard and as fast as we can to reopen A&I, but it could cost more than \$75 million to fix just the shell and roof of the building. An External Review Committee recently examined the Smithsonian's art museums and galleries and cited facilities maintenance problems and the funding to solve those problems as a major, ongoing issue. My own experience as director of the National Museum of Natural History, a building that opened in 1910, has given me first hand experience of the need to improve and maintain the facilities for our collections, research, and education.

As mentioned, our museums, galleries, and research centers house some of America's greatest treasures, and historically the federal government has recognized its responsibility to ensure that those treasures are housed, preserved, and exhibited in facilities adequate to the task—and safe for employees and the public. It's clear that the scope of the facilities problem is enormous; we are very grateful for all the federal support to correct this massive problem—and for funds for research and exhibitions as well. The Smithsonian is working very hard to raise private funds to be used in partnership with federal funds to repair our facilities. Leaders of our management team met recently in an effort to expand our options in this area and discussions continue.

The Smithsonian has a proven track record of accountability. As the Government Accountability Office said in its April 2007 testimony before the Senate Committee on Rules and Administration:

The Smithsonian, we think, has done a very good job in centralizing and improving and professionalizing the facilities management of the Smithsonian and its operations over the last couple of years. And in fact, as the chair indicated earlier in wondering why some of the numbers have been increasing and the estimates, it's because of the professionalization and the better accuracy of developing the numbers and the true figures of what it's going to cost to take care of the problems.

With the help of the Congress, we can solve these problems.

The Smithsonian has demonstrated that with sufficient resources, it has the ability to manage large, complex maintenance, renovation, and new construction projects. Over the last five years (fiscal years 2002-2006), the Smithsonian's facilities capital obligation rate has averaged more than 90%.

In the last few years alone, among other things, the Smithsonian has opened two new museums: the Steven F. Udvar-Hazy Center of the National Air and Space Museum and the National Museum of the American Indian on the Mall; revitalized the historic Patent Office Building, which now houses the Donald W. Reynolds Center, home to the National Portrait Gallery and the Smithsonian American Art Museum; and launched the National Museum of African American History and Culture, as well as opened many new exhibitions and exhibition halls, and completed a new state-of-the-art storage facility for collections stored in flammable alcohol.

The largest multi-disciplinary project ever undertaken by the Smithsonian Institution is under way—the \$78 million Ocean Science Initiative at the National Museum of Natural History, in collaboration with the National Oceanic and Atmospheric Administration. The project includes a new exhibition space, the Ocean Hall (opening in 2008), a new endowed Chair for Marine Science research, educational outreach, a new Ocean Web Portal, plus funding for research. More than \$34 million (44%) of the total funding will come from private sources, the rest federal.

The National Museum of American History will reopen in 2008. Implementing recommendations from its Blue Ribbon Commission, this museum will have a new home for the Star-Spangled Banner and a completely redesigned central core of the museum. Of the nearly \$113 million for the project, \$67 million (59%) of the total funding will come from private sources, the rest federal.

Further into the future, the Smithsonian's 19th museum, the National Museum of African American History and Culture will open on the National Mall. Part of that museum is up

and running right now, with a Web site and special programs. As directed by Congress, funding for the museum will be half private and half federal.

One of my top priorities as acting secretary is to ensure that our ambitious plans move forward and that the programming side of our mission is stronger in the future. We will need to invest in the programs, i.e. the activities taking place in our facilities, in the coming decade, as well as the facilities themselves. The Smithsonian has so much to offer the public in terms of education, outreach, research, exploration, exhibitions, and much more. We've built up great momentum and it must continue.

For example, the Smithsonian Center for Education and Museum Studies (SCEMS) is collaborating with the Council of Chief State School Officers (CCSSO) to create new ways for teachers and students to access Smithsonian collections and experts. The purpose of the collaboration is to enrich classroom instruction for all students. SCEMS, as part of the collaboration, leads SI-based professional development opportunities for the State Teachers of the Year.

The National Science Resources Center (NSRC), a partnership with the National Academies, is helping improve science education in school districts that enroll 22% of the United States' K-12 student population. Using the NSRC's reform model, 13 states, including Pennsylvania and Alabama, are all working to improve student achievement in science, mathematics, and reading.

Scientists at the National Zoo have been conducting research on the reproductive biology of endangered species. The results of their work have enabled the successful reproduction of animals such as the Golden Lion Tamarin, the Black-footed Ferret, and the Giant Panda, bringing some of these animals back from the brink of extinction.

Smithsonian astronomers at the Smithsonian Astrophysical Observatory (SAO) in Cambridge, Massachusetts study the origin, evolution and ultimate fate of the universe. They continue to make break-through discoveries, finding new planets (called extrasolar planets) outside our solar system. Last September they discovered a new planet (designated HAT-P-1) unlike any other in that it is the biggest planet ever found inside or outside our solar system, yet has the smallest density of any planet ever seen. It is bigger than Jupiter but lighter than a giant ball of cork—it is called a “puffy” planet.

We have so much to offer learners of all ages. The Smithsonian is keeper of our nation's historic, scientific, artistic, and cultural heritage. It tells the story of what it means to be an American.

The Smithsonian is a public trust; it belongs to every American, young and old. Tens of millions of adolescents have come to the nation's capital and have experienced the Smithsonian. Through our expansive education and outreach programs, millions more have experienced the Smithsonian in their own hometowns. I am particularly interested in this younger audience because they are America's future. We inspire the next generation

of astronauts, scientists, artists, explorers, and historians. Once they experience the Smithsonian, this great Institution is in their hearts and minds for life.

Again, thank you for this opportunity to testify. I'd be happy to answer any questions.

###