



Smithsonian Institution



The arts and culture of the Himalayan nation of Bhutan were featured at the 2008 Smithsonian Folklife Festival, along with programs on Texas and NASA.

Report to the Board of Regents Third Quarter, Fiscal Year 2008

September 2008

Public Impact

Visits to the Smithsonian

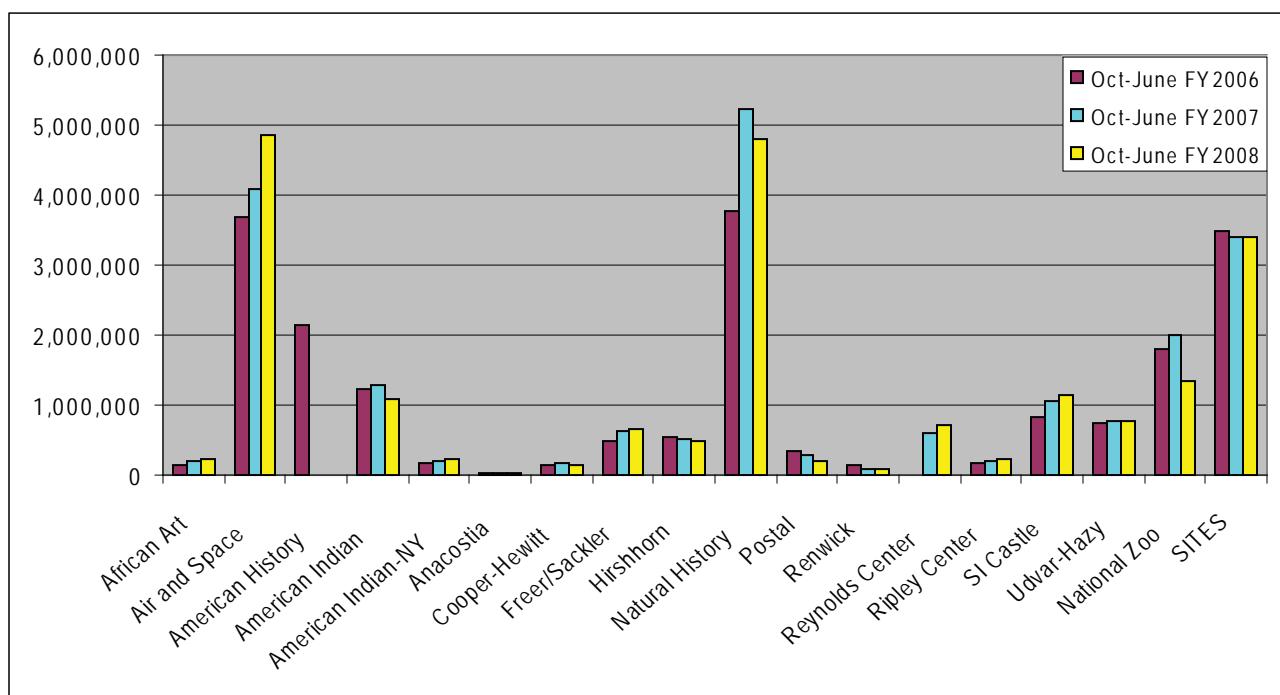
In the first nine months of fiscal year 2008, the Institution counted **17.0 million** visits to its museums and exhibition venues in Washington, D.C., and New York, plus the National Zoo and Steven F. Udvar-Hazy Center—down **2 percent** from the same period in fiscal year 2007. This small decrease follows a strong surge in visitation in fiscal year 2007, and reflects the general downturn in the economy.

The National Zoo saw its attendance fall by a third (**34 percent**) in comparison with fiscal year 2007 at the same point. This must be considered in light of both the sluggish economy and two years of steeply increasing visitation to the Zoo, driven first by the birth of the panda cub Tai Shan and later by the opening of the Asia Trail exhibit. Counterbalancing falling attendance at the Zoo was a **19 percent** increase in visitation to the National Air and Space Museum on the Mall.

Through the third quarter of fiscal year 2008, the Smithsonian also counted approximately **3.4 million** visits to traveling exhibitions mounted by the Smithsonian Institution Traveling Exhibition Service—unchanged from the figure for fiscal year 2007 at the same point.

Visits to Smithsonian Museums and Traveling Exhibitions

First Six Months of Fiscal Years 2006, 2007, and 2008



Smithsonian Online

Smithsonian Web sites logged **126 million** visits in the first nine months of fiscal year 2008, down **8 percent** from the same period in fiscal year 2007.

Winners of the International Academy of Digital Arts and Sciences' prestigious annual **Webby Awards** were announced on June 10, and several Smithsonian Web sites were honored.

- The Cooper-Hewitt, National Design Museum's *Design for the Other 90%* exhibition Web site won in the Cultural Institutions category. The Museum's online Educator Resource Center and *Piranesi as Designer* exhibition site were Official Honorees in the Education and Art categories, respectively.
- For the second consecutive year, the Smithsonian Center for Education and Museum Studies' SmithsonianEducation.org won the People's Voice Award for the Best Cultural Institution Web site.

Other online highlights of period included the following:

- The Smithsonian Center for Education and Museum Studies launched *Smithsonian Across America*, a Web site that provides information on Smithsonian programming across the country.
- In an *ARTnews* article, the Hirshhorn Museum and Sculpture Garden was identified as a leader in the use of **Internet social networking tools** for outreach. The Hirshhorn also unveiled its new Web site in April and has produced 25 podcasts that have been downloaded over 200,000 times.
- The Smithsonian Institution Scholarly Press and Smithsonian Institution Libraries completed the digitization of more than 1,000 legacy volumes of the **Smithsonian Contributions** series of research works on a wide range of subjects and have made them available online in PDF format.
- The Smithsonian Photography Initiative's **Second Annual Smithsonian Folklife Festival Documentation Project** invited Festival visitors to submit photos to a daily online slideshow. About 2,000 photographs were received.
- The first phase of the Center for Folklife and Cultural Heritage's *Música del Pueblo* virtual exhibition was launched in June, featuring 24 videos as part of a dynamic flash presentation
- The National Museum of Natural History opened Web sites for two new photography-based exhibitions: *Nature's Best Photography: Ocean Views* and *Lost Amazon*.
- The Freer and Sackler Galleries' Web site now features **enhanced podcasts** with full-length recordings of recent performances at the Galleries, plus program notes, photos, and short essays guiding listeners to related images in the collections. The Galleries also launched their first online catalogue, *Ceramics in Mainland Southeast Asia: Collections in the Freer Gallery of Art and Arthur M. Sackler Gallery*.

Exhibition Highlights

The 42nd annual Smithsonian Folklife Festival drew hundreds of thousands of visitors to the Mall from June 25 through July 6 to see featured programs on *Bhutan: Land of the Thunder Dragon*, *NASA: Fifty Years and Beyond*, and *Texas: A Celebration of Music, Food, and Wine*.

The Hirshhorn Museum presented the second part of *The Cinema Effect*, its exploration of contemporary moving-image art. Subtitled *Realisms*, this installation of film, video, and digital works by a range of international artists was on display from June 19 through September 7.

Space: A Journey to Our Future (June 14, 2008–January 11, 2009) at the National Air and Space Museum highlights past projects in space exploration and offers a glimpse of future possibilities, using state-of-the-art interactive displays and audio/video technology.





Two exhibitions opened at the Smithsonian American Art Museum. *Aaron Douglas: African American Modernist* (May 9–August 3) offered a retrospective of one of the most influential visual artists of the Harlem Renaissance, while *Earth and Sky: Photographs by Barbara Bosworth* (June 20–November 9) presents 40 panoramic images.

Herblock's Presidents: 'Puncturing Pomposity' (May 2–November 30) at the National Portrait Gallery features works from the long career of cartoonist Herbert Block, including depictions of Presidents from Franklin D. Roosevelt through Bill Clinton. Also at the Portrait Gallery, *Ballyhoo! Posters as Portraiture* (May 9, 2008–February 8, 2009) shows how marketing posters can function as portraiture, using figures such as Buffalo Bill Cody, Johnny Depp, Bob Dylan, Judy Garland, Joe Louis, and Bette Midler.

Lost Amazon: Exploring Plants and Understanding Cultures (April 17–November 2) at the National Museum of Natural History mixes science and photography in a selection of photos taken in the 1940s by ethnobotanist Richard Evans Schultes. Also at Natural History, the photography exhibition *Nature's Best: Ocean Views* (June 11–October 26) went on display in anticipation of the September 2008 opening of the Sant Ocean Hall.

Two exhibitions opened at the Sackler Gallery. *Muraqqa': Imperial Mughal Albums from the Chester Beatty Library, Dublin* (May 3–August 3) brought

together 82 masterpieces, many never previously exhibited in the United States; and *Yellow Mountain: China's Ever-Changing Landscape* (May 31–August 24) offered artistic views of Mount Huang and its environs.

The National Museum of African Art also premiered two exhibitions. *Treasures 2008* (April 17–August 24) featured ivory works from the 15th through the 20th centuries. *TxtStyles/Fashioning Identity* (June 11–December 8) presents more than 70 wraps, hats, tunics, textiles, and accessories, primarily from western and southern Africa.

A new exhibition from the Anacostia Community Museum, *Separate and Unequal: Black Baseball in the District of Columbia*, opened on May 18 at the Historical Society of Washington, D.C., along with a complementary exhibition from the Negro Leagues Baseball Museum, *Discover Greatness: An Illustrated History of Negro Baseball Leagues*. Both will remain on display until October 5.

To highlight the link between technology and the arts, the National Air and Space Museum has positioned a new permanent exhibit of six *Military Unmanned Aerial Vehicles* above a display of photographic images of visually intriguing elements of aircraft and spacecraft, *In Plane View: Abstractions of Flight* (March 21, 2008–January 2, 2009).

Remix: New Modernities in a Post-Indian World (June 7–September 21) opened in New York City at the George Gustav Heye Center of the National Museum of the American Indian. It brings together the works of 15 artists of mixed Native/non-Native backgrounds from the United States, Canada, and Mexico.



Collections Highlights

Two female Przewalski's horses brought from Europe to the National Zoo's Conservation Research Center gave birth to foals sired by a National Zoo stallion. These births infuse genetic diversity into a captive population descended from just 14 animals. The species, native to China and Mongolia, is extinct in the wild.

The Archives of American Art acquired the photographic archive of the late **Colin de Land**, a New York City art dealer whose galleries in the East Village, SoHo, and Chelsea promoted cutting-edge artists.

In the first nine months of fiscal year 2008, six Smithsonian museums and the Smithsonian Institution Libraries loaned **51 artifacts to 11 Affiliates**.

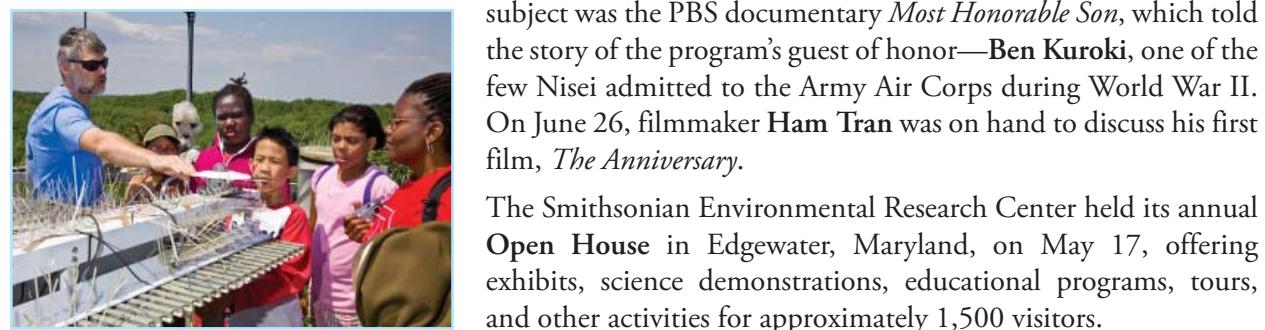


Events

The Hirshhorn Museum conducted two of its signature *After Hours* evening programs. Designed to attract a younger cosmopolitan local audience by mixing art and social programs, *After Hours* has been a remarkable success, with its latest program drawing a capacity crowd.

The National Air and Space Museum's 4th annual **Become a Pilot Family Day** was held on June 14 at the Udvar-Hazy Center, with more than 70 aircraft on view and 27 interactive educational activities. Over 16,000 visitors got a chance to meet real-life heroes of aviation and spaceflight, such as Tuskegee Airmen and NASA astronauts.

The Asian and Pacific American Program sponsored two film screenings with discussions. On May 1, the subject was the PBS documentary *Most Honorable Son*, which told the story of the program's guest of honor—**Ben Kuroki**, one of the few Nisei admitted to the Army Air Corps during World War II. On June 26, filmmaker **Ham Tran** was on hand to discuss his first film, *The Anniversary*.



The Freer and Sackler Galleries celebrated the 25th anniversary of the **Shanghai Quartet** with the world premiere of Chen Yi's string quartet version of *From the Path of Beauty*, co-commissioned by the Galleries as the finale of this season's Meyer Concert Series.

From May 17 to June 3, the Cooper-Hewitt hosted **GlassLab**, an innovative program that allowed Museum visitors to witness the craftsmanship of hot glassmaking, explore the potential of glass as a material for contemporary design, and follow the course of the design process itself.

A reception and family day celebrating the Anacostia Community Museum's new exhibition on black baseball was held at the Historical Society of Washington, D.C. It drew over 400 attendees, including former Homestead Grays players James Tillman and Frank Evans and several Washington, D.C., Council members.

On May 17 and 18, the National Museum of the American Indian sponsored a Hawaiian Festival for Asian Pacific American Heritage Month, with hula performances, music, storytelling, and films.



June musical events at the National Museum of the American Indian included the *Mother Earth* kickoff concert (featuring the blues band Indigenous and Grammy-winning singer/songwriter Bill Miller) and a performance of Gustav Holst's *The Planets* in conjunction with the Folklife Festival's NASA program.

The National Postal Museum's annual TRAINS! event—a celebration of mail by rail—was a success, drawing nearly 1,000 visitors to explore model train layouts, sort mail in a life-size train car replica, watch a film about trains, and explore other hands-on activities.

Education Highlights

In this quarter, the National Science Resources Center held two important national outreach events:

- Working with the Indiana Governor's Office, Indiana State Department of Education, and other partners, the Center hosted 125 business, government, and education leaders at the 2008 Indiana Building Awareness of Science Education Symposium on April 25. This event was the first step in a proposed 10-year partnership to help Indiana reform its K–16 science education programs.
- In partnership with the North Carolina Science, Math, and Technology Education Center and the Burroughs Wellcome Fund, the Center held its second annual North Carolina Science Education Strategic Planning Institute for 15 school district leadership teams representing over 130,000 students, nearly half of whom live in poverty. The Center has a 10-year agreement with North Carolina to help it establish effective K–12 science programs for all students.

The following fellowships and internships were awarded at the Smithsonian:

- The **Smithsonian Institution Fellowship Program** offered awards to 91 scholars, scientists, and students—45 in the sciences and 46 in the humanities—to conduct research at the Smithsonian.
- The **Latino Studies Fellowship Program**, which offers fellowships to support research in Latino history, art, and culture, selected one postdoctoral and two predoctoral summer fellows.
- The **Minority Awards Program** selected 11 undergraduate and beginning graduate students to participate in research projects and other museum-related activities throughout the Institution.
- The **Native American Awards Program** chose three Visiting Students and one Community Scholar to pursue research related to Native American collections and programs at the Smithsonian.
- Six students were awarded internships this summer through the **James E. Webb Internship Program for Minority Graduate Students in Business and Public Administration**, which promotes excellence and diversity in the management of not-for-profit scientific and cultural institutions.

The Smithsonian American Art Museum hosted a week-long training workshop for teachers from Louisiana and Mississippi, sponsored by Cisco as part of a program to help schools affected by Hurricane Katrina.

For the second summer, the National Portrait Gallery is hosting 12 **Teen Ambassadors** from Washington, D.C., public schools for a 10-week program that fuses history and theater and culminates in a student-led tour.

Six local 11th- and 12th-grade students participated in the Anacostia Community Museum's **Young Museum Professionals Program**, an initiative offering paid internships working with staff in the Museum's design, research, and collections departments, as well as in the Museum library.

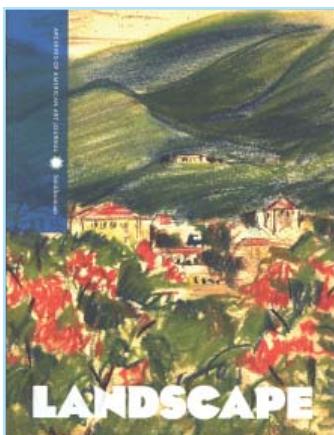
Claire Orologas and Elizabeth Benskin of the Freer and Sackler Galleries' education and public programs department helped to write **Visual Arts Learning Standards**, which was officially adopted in May, for the Washington, D.C., Office of the State Superintendent of Education.

Sound, the 15th in the National Science Resources Center's **Science and Technology for Children** book series for K–6 students, was published this quarter.

Other Public Impact

The Hirshhorn Museum launched an advertising campaign, **Art Surrounds You**, that uses artwork from acclaimed international and local artists. The first example—a full-page ad with a photo of the Hirshhorn by Hiroshi Sugimoto—appeared in the *New York Times*. Ads have been placed in art magazines nationally and internationally, as well as in local venues.

The Smithsonian Tropical Research Institute's **Barro Colorado Island** field station in Panama—one of the first tropical nature reserves in the hemisphere—celebrated its 85th year. A celebration on June 20 was attended by Acting Secretary Cristián Samper, members of the Panama Canal Authority, and Smithsonian donor Joan Siedenburg.



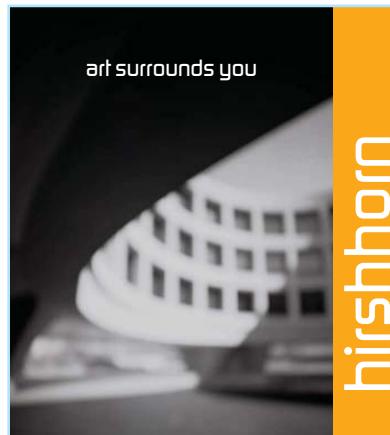
The redesigned *Archives of American Art Journal* was nominated for a prestigious publishing award by the Society of Publication Designers.

The National Air and Space Museum's Mall building and Steven F. Udvar-Hazy Center were both sites for the filming of two major Hollywood productions—the sequels to the blockbuster hits *Night at the Museum* and *Transformers*. Both films are expected to open in early summer 2009.

On June 19, a celebration was held at the National Museum of Natural History to welcome the Smithsonian-Sealaska "Raven" Canoe—an ocean-going, cedar-log Tlingit canoe carved by Alaskan master craftsman Douglas Chilton for the Museum's new Sant Ocean Hall.

The opening of *Within the Emperor's Garden: The Ten Thousand Springs*

Pavilion at the Lakeview Arts and Sciences Museum in Peoria, Illinois (a Smithsonian Affiliate), on April 11 was attended by Chinese Ambassador Zhou Wenzhong, U.S. Representative Ray LaHood (R-Illinois), Museum Conservation Institute Director Robert Koestler, and Smithsonian Affiliations Director Harold Closter. The exhibit's centerpiece—a 1½-ton model of Chinese architecture within the Forbidden City in Beijing—was a gift to the Smithsonian by the China Red Sandalwood Museum in Beijing.



National Outreach

Smithsonian Affiliations

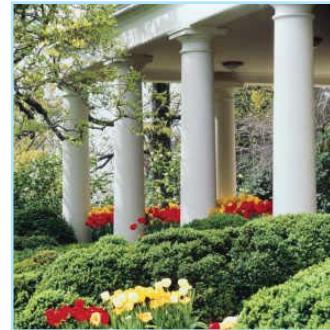
Smithsonian Affiliations offers museums, cultural institutions, and educational organizations across the country access to Smithsonian collections and resources. To date in fiscal year 2008, Affiliations has welcomed five new Affiliates, bringing the total to **160 Affiliates** in 40 states, Puerto Rico, and Panama.

Representatives of 68 Affiliates from 34 states, Puerto Rico, and Panama attended the **Smithsonian Affiliations National Conference** in June. Attendees participated in museum tours, hands-on educational workshops, lectures, panel discussions, and a resource fair. A Congressional reception in the Rayburn House Office Building drew 30 Capitol Hill attendees, including five U.S. Representatives.

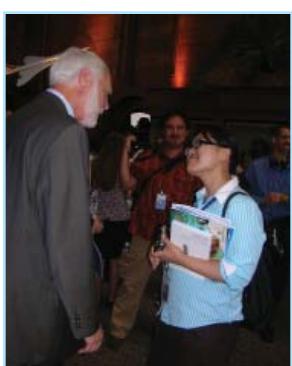
Smithsonian Institution Traveling Exhibition Service (SITES)

During the third quarter of fiscal year 2008, SITES launched national tours of two new exhibitions:

- *Let Your Motto Be Resistance: African American Portraits* opened at the California African American Museum in Los Angeles on June 26. Organized by the National Museum of African American History and Culture and the National Portrait Gallery, it explores photography's role in shaping public identity and notions of race and status.
- *The White House Garden* debuted at the U.S. Botanic Garden in Washington, D.C., on May 10. Created with the White House Historical Association, it traces the development of the historic gardens and grounds from the plans of Pierre Charles L'Enfant to the present.



The SITES photography exhibition *Becoming American: Teenagers and Immigration* was the inaugural exhibit at the New American Museum in San Diego in June. The event's Honorary Chair was California Governor Arnold Schwarzenegger, who in 2008 celebrates the 25th anniversary of his U.S. citizenship.



Smithsonian Center for Education and Museum Studies (SCEMS)

SCEMS's annual Networking Reception and Career Fair for Smithsonian summer interns hosted a record number of interns and senior staff members, including Secretary G. Wayne Clough, who gave the keynote address in one of his first appearances to the Smithsonian community.

The **Universidad del Turabo** in Puerto Rico hosted a two-week museum studies course taught by Smithsonian staff for the University's Museum Studies Certificate Program, now in its sixth year of partnership with Smithsonian Affiliations and the Smithsonian Center for Education and Museum Studies.

The Smithsonian Associates (TSA)

TSA reached into schools, museums, and other cultural organization in **six communities in six states** with programs that presented Smithsonian experts to nearly 2,000 people.

TSA coordinated Teaching American History workshops in three school districts in New York and Michigan at which Smithsonian educators were joined by historians, performers, and interpreters to teach the principles of object-based learning to dozens of K–12 public school teachers.

TSA also brought Smithsonian scholars to the annual **Smithsonian Family Day** at the Durham Museum (a Smithsonian Affiliate) in Omaha, Nebraska, to give presentations on insects and environmental awareness to nearly 500 participants.

Other Outreach

The new National Museum of African American History and Culture engaged in national outreach through its traveling exhibition *Let Your Motto Be Resistance* (scheduled to visit 12 cities over the next four years), its public conservation workshop Save Our African American Treasures, and its series of public engagement events across the nation designed to gather information on public expectations for the Museum, communicate the Museum's vision, and raise its national visibility.

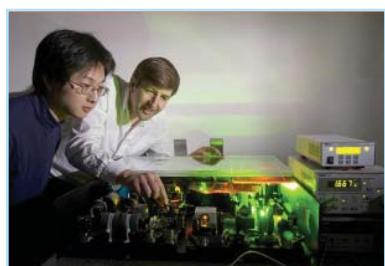
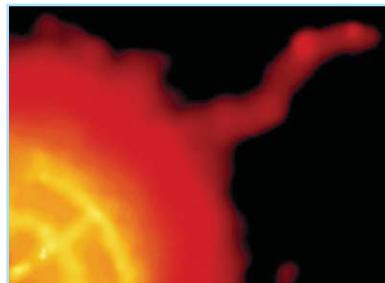
Two traveling exhibitions organized by the Smithsonian American Art Museum opened this quarter: *Obata's Yosemite* premiered at the Wichita Falls Museum of Art in Texas and *Passing Time: The Art of William Christenberry* opened at the Telfair Museum in Georgia.

Focused, First-Class Scholarship

Science Units

Smithsonian Astrophysical Observatory (SAO)

During the first nine months of fiscal year 2008, SAO scientists published **344 articles in peer-reviewed journals** (including nine in *Nature* and *Science*) and 556 articles in non-peer-reviewed journals, books, and conference proceedings.



SAO scientists have invented a revolutionary new laser device to improve measurements of minute velocities (down to one centimeter per second) in astronomical sources. The “**astro-comb**” produces an extremely fine, stable yardstick of reference wavelengths.

The **theory of planet formation** holds that before our solar system formed, the sun was ringed by a disk of gas and dust that eventually coagulated, creating a gap in the ring. Astronomers using SAO’s Submillimeter Array have obtained direct images of a similar “donut hole” around a distant star, helping to substantiate and refine this theory.

Several SAO-affiliated researchers were honored by their scientific peers:

- **Lars Hernquist** was elected to membership in the National Academy of Sciences.
- **Lester Cohen** was cited in *Space News* for his work on the accurate prediction of the structural behavior of joints in NASA’s James Webb Space Telescope, the successor to the Hubble Space Telescope.
- **Giovanni Fazio** will receive the 2008 Royal Society of London/COSPAR (Committee on Space Research) Massey award for outstanding contributions to space science.

National Zoological Park (NZP)

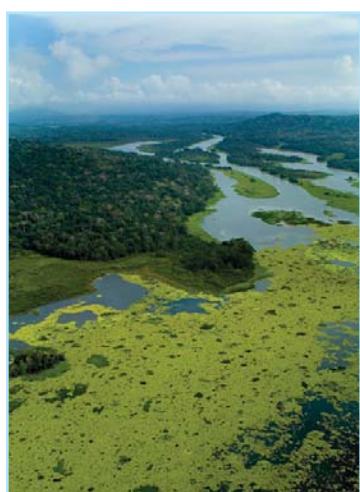
Through the third quarter of 2008, NZP scientists have published 22 articles in peer-reviewed journals. In April, Nucharin Songsasen made a breakthrough in developing a new method for rescuing genetic material from mammals. This technique may be useful for recovering genetic material from endangered animals that die abruptly, or from those that cannot reproduce for medical reasons. JoGayle Howard and graduate student Tara Strickler used cryopreserved sperm from the 1990s to conduct three artificial inseminations in black-footed ferrets to determine if offspring could be produced from males that died years ago. Two pregnancies resulted, and two viable offspring were born in June.

Smithsonian Environmental Research Center (SERC)

So far in 2008, SERC scientists have published 61 journal articles, books, and book chapters, given 175 conference and meeting presentations, and received 33 grants and contracts totaling over \$3.6 million.

In May, **Greg Ruiz** presented a talk at the American Association of Port Authorities in Panama City, Panama, on the role of shipping in invasive species patterns in coastal ecosystems of North America.

In the past 200 years, carbon dioxide levels in the atmosphere have increased by 35 percent and the oceans and waterways that have been soaking up excess carbon have grown more acidic in the process. SERC's **Whitman Miller** is investigating the effect this is having on the oyster population of the Chesapeake Bay, which today stands at 2 percent of what it was in colonial times.



Smithsonian Tropical Research Institute (STRI)

From April through June of 2008, STRI researchers had 62 publications in peer-reviewed journals.

STRI's Center for Tropical Forest Science (CTFS) inaugurated one of the largest long-term experiments ever attempted to understand the ecosystem services (water, carbon, and biodiversity) provided by tropical forests. The findings of this study will have major implications for tropical land-use worldwide.

In May, the CTFS hosted a meeting of scientists from China, the United Kingdom, North America, and South America to plan the development of large-scale research plots in temperate forests to promote climate-change awareness and conservation.

New Scientist published an article by visiting researchers at STRI on wild three-toed sloths fitted with state-of-the-art EEG caps (fine wires inserted just beneath the skin of the scalp), the first study to measure the sleep patterns of animals in the wild.

STRI's Fernando Santos-Granero and the University of Virginia's George Mentore edited a special issue of *Tipití—Journal of the Society for the Anthropology of Lowland South America*, which was published as a book.

National Museum of Natural History (NMNH)

Through the third quarter of fiscal year 2008, NMNH researchers have produced **530 peer-reviewed publications**, 171 of them in high-impact journals such as *Nature*, *Science*, and *New Scientist*.

Stephen Cairns, Ellen Strong, and Chris Meyer from the NMNH Department of Invertebrate Zoology were among an international team of researchers from 10 countries participating in the **LUMIWAN 2008 expedition**—a two-week voyage to the South China Sea to study deep-sea marine animals around the Philippines. The expedition recovered thousands of specimens, including the first living specimen of a rare clam, *Acharax bartschi*.



Museum Conservation Institute (MCI)

MCI scientists' scholarly activities through the third quarter have included **13 publications, 53 professional presentations, and 18 workshops**.

MCI's Jeff Speakman and his collaborators published a paper in the April 1, 2008, issue of *Proceedings of the National Academy of Sciences* describing the discovery of a **4,000-year-old gold necklace** at an archaeological site in Peru's Lake Titicaca basin—the oldest worked-gold object found to date in the Americas. The finding was reported in more than 150 newspapers worldwide and even merited a mention on *Saturday Night Live's "Weekend Edition."*

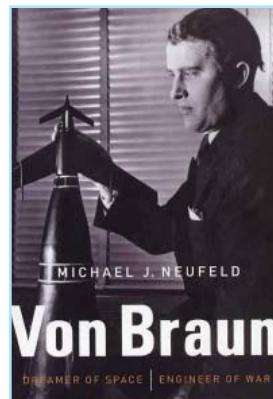
On June 5, MCI hosted a **one-day conference** of talks by Smithsonian conservation fellows and advanced interns. Ten fellows and interns from five Smithsonian conservation laboratories presented their research and treatment projects.

National Air and Space Museum (NASM)

David H. DeVorkin, a curator in the Space History Division, has been named the Secretary's Distinguished Research Lecturer for 2008. Chair of the Space History Division **Michael J. Neufeld** won a Secretary's Research Prize for his book *Von Braun: Dreamer of Space, Engineer of War*.

Seven members of NASM's Aeronautics Division presented papers or chaired sessions at the **International Community of Flight Conference** in Dayton, Ohio, May 8–10.

NASM's Space History Division published three peer-reviewed articles in *Acta Astronautica*.



In April, John Grant of the NASM Center for Earth and Planetary Studies (CEPS) and his colleagues published a paper in *Geology* entitled "HiRISE Imaging of Impact Megabreccia and Sub-meter Aqueous Strata in Holden Crater, Mars." The HiRISE camera on board the Mars Reconnaissance Orbiter allows exploration of the surface features of Mars in much greater detail than has previously been possible.

Smithsonian Institution Libraries (SIL)

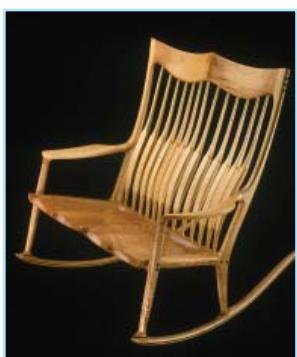
During the third quarter of fiscal year 2008, SIL published **36 articles and 16 other publications in peer-reviewed journals and books**.

Assouline Publishing has released *Botanicals*, a 300-page volume featuring more than two centuries of natural-history illustrations from SIL collections, with an introduction by curator Leslie Overstreet.

An SIL-sponsored symposium, *Mark Catesby in America*, was held on June 9 to explore the life and influence of one of the most important British naturalists before John James Audubon.

Art Units

The National Museum of African Art's exhibition catalogue *Inscribing Meaning: Writing and Graphic Systems in African Art* by curator Christine Mullen Kreamer was awarded the Secretary's 2008 Research Prize for an Outstanding Publication.



The Smithsonian American Art Museum honored JoAnne Mancini with its annual **Charles C. Eldredge Award for Distinguished Scholarship in American Art** for her book *Pre-Modernism: Art-World Change and American Culture from the Civil War to the Armory Show*. The Museum also published *Studio Furniture of the Renwick Gallery*, a richly illustrated catalogue highlighting 84 pieces from the Gallery's permanent collection, and organized a major symposium in conjunction with the Renwick Gallery exhibition *Ornament as Art: Avant-Garde Jewelry from the Helen Williams Drutt Collection*, featuring a discussion with the eponymous collector.

The second and third volumes to accompany the Freer and Sackler Galleries' 2007 *Encompassing the Globe* exhibition were published. Volume 2 features detailed descriptions of the 250 exhibition objects, and volume 3 features essays placing the Portuguese voyages in context.

Two catalogues were published to accompany National Portrait Gallery exhibitions: *Ballyhoo! Posters as Portraiture* by Wendy Wick Reaves; and *Zaida Ben-Yusuf: New York Portrait Photographer* by Frank H. Goodyear III, which features groundbreaking research on this previously little-known photographer of the early 20th century.

National Museum of African American History and Culture Deputy Director Kinshasha Holman Conwill moderated a **scholarly symposium on the work of artist Aaron Douglas** on May 9 at the Smithsonian American Art Museum.

"Gender and Ethnicity in Contemporary Village-Based Ceramics Production in Thailand" by the Freer and Sackler Galleries' Louise Cort (with cultural anthropologist Leedom Lefferts) appeared in *Humanity and Ceramics: From Past to Present*, published by the Princess Maha Chakri Sirindhorn Anthropology Research Centre in Bangkok.

Merry Foresta, Director of the Smithsonian Photography Initiative, was named Scholar in Residence at Ohio University's Voinovich School of Planning and Leadership in May.



History and Culture Units

National Museum of American History research staff published two books: *The Star-Spangled Banner: The Making of an American Icon* by Jeffrey L. Brodie, Kathleen K. Kendrick, and Lonn Taylor (Smithsonian Books/Harper Collins) and *America's Forested Wetlands: From Wasteland to Valued Resource* by Jeffrey K. Stine (Forest History Society).

From April through July, National Museum of the American Indian Research Unit staff presented 18 conference papers and lectures, organized two symposia, and wrote a book chapter and three articles for *American Indian Magazine*. Of particular note was the symposium *Mother Earth: Call to Consciousness on Climate Change*, which brought together scholars and community members engaged with climate-change issues in Indian country. Unit members have also accepted chair or committee positions in the Cultural Studies Association, Indigenous Studies Association, and American Academy of Religion.

The Anacostia Community Museum launched a **documentation project on the shared histories of Korean American merchants and African American residents** in Washington, D.C. communities east of the Potomac River. In addition to archival and library research, data will be collected through surveys, oral history interviews, photography, videography, and material culture. The Museum hopes to develop partnerships with local cultural and community organizations to spread this research model to other cities.

National Museum of African American History and Culture Chief Curator Jacquelyn Serwer was moderator and Deputy Director Kinshasha Holman Conwill was a panelist at the **James A. Porter Colloquium** at Howard University on April 19—the leading forum for scholars, artists, curators, and others in the field of African American art and visual culture.

At the close of the third quarter, National Postal Museum researchers were **on track to meet the Museum's research goals for the year**. The target of documenting 1,000 objects on the Arago collections Web site has been surpassed, with nearly 3,700 objects documented so far. Staff have published seven journal articles and a book review—again exceeding the Museum's goal for the whole year.

Management Excellence

Leadership Milestones

On July 1, **G. Wayne Clough** assumed his duties as the 12th Secretary of the Smithsonian Institution, taking over from Acting Secretary Cristián Samper, who returned to his previous post as Director of the National Museum of Natural History.



Charles Alcock became Acting Under Secretary for Science in April. An internationally renowned astrophysicist and member of the National Academy of Sciences, Alcock joined the Smithsonian as Director of the Smithsonian Astrophysical Observatory in 2004 and will continue to serve in this role while functioning as Acting Under Secretary.



In April, the Smithsonian's art units were organizationally joined to the history and culture units under a renamed Office of the Under Secretary for History, Art, and Culture. **Richard Kurin** will serve as Acting Under Secretary for this new division.

Ira Rubinoff received the Secretary's Gold Medal for Exceptional Service from Acting Secretary Cristián Samper in June. As Smithsonian Tropical Research Institute Director from 1974 to 2007, Rubinoff helped to define the field of tropical biology through his publications, introduced innovative research programs, and hosted thousands of visiting scientists and students from around the globe.



Information Technology

Digitization

In May, the Smithsonian launched the **Smithsonian Digitization Strategic Planning Committee** to develop a pan-Institutional digitization strategic plan by fall 2009. Chaired by Katherine Spiess, Director of the Central Digitization Office, it includes 14 senior unit representatives.

The **Digital Media Use Working Group**, co-chaired by the Office of the Chief Information Officer (OCIO) and Office of the General Counsel, released its first draft policy for review and comment via an online survey of Smithsonian staff. The policy is intended to address how digital assets (images, video, and sound) should be used and shared both across the Institution and externally.

Web Strategy

The Smithsonian joined **Flickr Commons**, a leading photo-sharing community, and posted 861 images with no known copyright restrictions from seven of its museums, research centers, and archives. In the first three weeks, these images were viewed over 286,000 times. The Smithsonian hopes to learn more about its audiences through their interactions with Smithsonian images on Flickr.

Director of Web and New Media Strategy Michael Edson established a **Web and New Media Strategy Blog and Wiki** to facilitate an internal dialog, particularly among unit webmasters, on the use of the Web and new media technologies.

Modernization

In response to unit requests for a collaborative management tool with a common online portal, a four-month pilot trial of **Windows SharePoint Services** was launched in June. Pending a decision to adopt SharePoint, feedback from this pilot program will be incorporated into a November–December 2008 implementation of an Institution-wide SharePoint system.

To address the need for a pan-Institutional, centrally supported video teleconferencing (VTC) system, OCIO recently completed the installation process for a pilot run of **Cisco Meeting Place**. (Currently, several differently configured VTC systems are scattered across the Smithsonian.) The system is expected to be in production in the first quarter of fiscal year 2009.

In May, an **Automated Exit Clearance System** was introduced to streamline the processing of departing employees. It replaces a time-consuming and inefficient process that required employees to walk exit clearance forms to various departments to obtain clearance signatures.

Major Construction, Renovation, and Facilities Projects

National Museum of American History, Kenneth E. Behring Center

Central Core: \$87.1 million total project cost

Construction work on the most extensive renovations of the National Museum of American History's public space in over 40 years is 84 percent complete and on schedule for the Museum's reopening on November 21, 2008.

National Zoological Park

\$52.8 million estimated total project and program cost for Asia Trail II: Elephant Trails

The second phase of the *Asia Trail* project, Elephant Trails, will renovate and expand the historic elephant house and enlarge existing yard space into three habitat areas and a trail. The projected cost of the project is \$52.8 million—\$35.6 million Federal (received in fiscal years 2006–08), and \$17.2 million Trust. Construction began in March 2008 and is on schedule for completion in April 2011. Demolition, utilities infrastructure, and foundation work are currently under way.

National Museum of African American History and Culture

\$500 million total estimated project cost

An architect/engineer firm is currently conducting a programming study, to be completed in October 2008, to inform the design of the Museum building. A draft Environmental Impact Statement (EIS) was published in December 2007, and the public hearing and comment period closed in February 2008. First-phase Historic Resource Review documentation is also complete, with the public comment period closing in July 2008. An agreement was reached with the National Capital Planning Commission, which must approve the project, that a second-phase EIS and Historic Review will be conducted in conjunction with the concept design for the Museum. A solicitation for qualifications to execute this project is under way, with responses due in September 2008. Museum design and construction (\$400 million) and exhibit design, fabrication, and installation (\$100 million) are scheduled to be completed by December 2015.

National Museum of Natural History, Sant Ocean Hall Exhibition

\$46.2 million total estimated project and program cost

Installation of the Ocean Hall exhibition began in April 2007 following infrastructure renovation and restoration of the space that will house it. The total estimated cost of the Ocean Hall is \$46.6 million—\$22.2 million in Federal funding (received in fiscal years 2002 through 2006) and \$24.4 million from grants provided by the National Oceanic and Atmospheric Administration and other donors. Construction of the Federally funded portion is complete, and the exhibition will open in September 2008.

Cooper-Hewitt, National Design Museum

\$55.6 million total estimated project cost

Negotiations are being completed on a long-term lease for a storage facility to house Cooper-Hewitt collections, photography, and conservation functions during the first phase of renovations to the Carnegie Mansion and Fox-Miller townhouses. The transfer of collections to temporary storage is scheduled to start in October 2008. Design of the Fox-Miller renovation phase is at 35 percent, with 100 percent design scheduled for October 2008. Construction on this phase will start in January 2009. Design for the Carnegie Mansion renovation phase is on schedule for completion in May 2009, with a construction contract award in September 2009.



Donald W. Reynolds Center for American Art and Portraiture

\$19.5 million total estimated project cost

Final design documents for the last parts of the Reynolds Center renovation—the F Street stair reconstruction, exterior landscape, and perimeter security—are complete and await funding. The stair will be privately funded at an approximate cost of \$10.1 million, and the current five-year facilities capital plan includes a Federal funding request of \$9.4 million for the landscape and security project in fiscal year 2014.

Museum Support Center of the National Museum of Natural History, Pod 5

\$42.7 million total estimated project cost

Construction of a fifth storage pod in Suitland, Maryland, was completed in April 2007. This addresses a major safety concern by allowing the removal of specimens stored in 365,000 gallons of alcohol from the Natural History Building and specimens stored in 250,000 gallons of alcohol from Pod 3 into a facility with state-of-the-art fire protection systems. Transfer of specimens is under way and will be completed by spring 2009.

Museum Support Center of the National Museum of Natural History, Pod 3

\$42.65 million total estimated project cost

The July 2008 award of a \$22.6 million design and construction contract for renovations to Pod 3 in Suitland begins the next phase in the Smithsonian's drive to improve care for its collections. The renovated Pod 3 will provide a consolidated location for proper care of frozen, refrigerated, gas-preserved, and dry collections, allowing the Smithsonian to vacate leased properties and freeing up congested space in the Hirshhorn, African Art, Freer/Sackler, and Natural History Museums. More than \$15 million of shelving/racking, collections and meteorite cases, and freezers will be installed. Transfers of art, specimens, and artifacts from the Mall are expected to be completed after July 2011; estimated moving costs are \$5 million.

Arts and Industries Building Closure and Strategic Planning

\$34.4 million total project cost (Federal) for staff relocation and building closure

Cost of restoration and revitalization to be determined

The historic Arts and Industries Building (AIB) is now closed to all but essential maintenance and security staff. A Request for Qualifications (RFQ) seeking expressions of interest in a public-private partnership for AIB revitalization was issued in November 2007. Based on analysis of the 11 responses received and the results of an opinion survey of Smithsonian staff, the Regents voted in May 2008 not to proceed further with the exploration of such a partnership. A strategic planning process has begun to examine options for AIB renovation and to identify opportunities for programmatic uses of this landmark building.

Permanent Physical Security Barriers

\$55 million total project cost

Construction of security barriers at the National Museum of Natural History is under way, and the first phase will be completed in fall 2008. The construction contract has been awarded for barriers on all but the south side of the National Museum of American History, with completion expected in spring 2010. Funds for Castle and Quadrangle barrier designs have been requested in the fiscal year 2009 budget.

Financial Strength

As the end of fiscal year 2008 approaches, the Smithsonian's financial position remains sound, despite the slow economy. The Institution continues to make progress toward its major goals. Work continues on enhancing facilities security, upgrading information technology, and improving financial control infrastructure.

However, resource constraints remain a challenge. Increases in Federal appropriations have gone largely to cover rises in operational expenses such as salaries, utilities, and rent. And with rare exceptions, ongoing funding restrictions allow the Institution to fill only one of every two central Trust-funded vacancies that occur.

Financial Performance

Because Congress had not completed action on the full-year appropriation at the beginning of fiscal year 2008, the Smithsonian implemented a Federal hiring freeze in the expectation that funding would be frozen at the previous year's level. This was averted with the December 2007 enactment of a fiscal year 2008 appropriation, which allowed a suspension of the hiring freeze but still left the Smithsonian with a \$13.3 million Federal funding shortfall (a consequence of a mandated pay raise that was not fully funded, a 1.56 percent across-the-board budget reduction on entities funded in the Interior, Environment, and Related Agencies Appropriations Act, and a Congressional directive requiring the Smithsonian to absorb the cost of staff increases in the Office of the Inspector General and the Office of the Chief Financial Officer).

Overall **revenues** for fiscal year 2008 are forecast to exceed budget by \$23 million.

Revenues for fiscal year 2008 are forecast to exceed budget primarily due to positive variances in the following areas:

- **Contributions**, driven by single-donor donations of \$1 million or more
- **Smithsonian Enterprises net gain**, thanks to an unbudgeted licensing fee from Twentieth Century Fox for its *Night at the Museum II*; the strong performance of museum stores and restaurants; the success of Smithsonian Journeys; and aggressive management of Smithsonian Enterprises operating expenses in the magazine and catalogue divisions
- **Funding from government grants and contracts**
- **Museum revenue**, due to unbudgeted royalties and special events
- **Endowment payout**, due to an unbudgeted investment of \$70 million taken from the short-term portfolio

These positive variances are partially offset by negative variances in the following areas:

- **Federal revenues for operations**, due to the across-the-board 1.56 percent rescission enacted by Congress and unexpectedly slow hiring of personnel for the National Museum of African American History and Culture
- **Short-term interest income**, due to the decline in money market rates and the shift of \$70 million from the short-term portfolio to the Endowment
- **Revenue from Contributing Memberships**, attributable to the sluggish economy

Overall **expenses** for fiscal year 2008 are forecast to be below budget by **\$16 million**.

Expenses for fiscal year 2008 are forecast to be below budget primarily due to variances in the following areas:

- **Federal expenses for operations**, because of the 1.56 percent across-the-board rescission enacted by Congress and slow hiring at the National Museum of African American History and Culture
- **Trust expenses** associated with slower-than-planned backfill of development vacancies and the delayed start-up of the reinstated Scholarly Studies Program
- **Depreciation expenses**, due to the delay in reopening the American History Museum

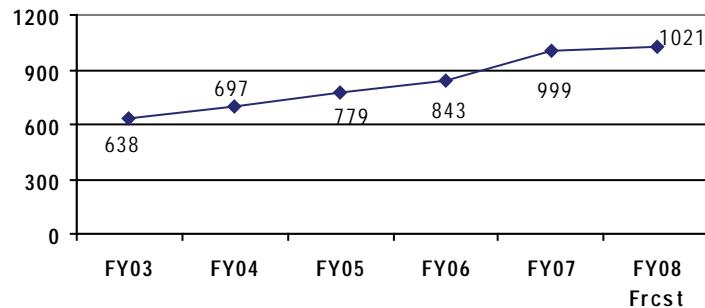
These are partially offset by:

- Higher-than-expected spending on work related to **government grants and contracts**

With an **unrealized loss of \$42 million** forecast for year-end, the **Endowment return** will fall short of budget by \$82 million, primarily because of the poor performance of financial markets over the past year. However, fiscal year-to-date performance of the Endowment through June 2008 (-3.1 percent) has exceeded the policy benchmark return (-6.4 percent), which is calculated using a historical blend of indices based on allocation targets. From a longer perspective, the 11.1 percent total return on the Endowment over the last five years annualized through June 2008 also exceeded the policy benchmark return (10.0 percent).

Assuming no additional unrealized gains or losses through the remaining three months of the fiscal year, the Endowment is forecast to have a value of **\$1.021 billion** at year-end—after including additions and deducting payout, fees, and expenses. The Endowment continues to diversify its assets with the goal of reducing risk and improving the long-term expected return.

Smithsonian Institution Year-End Endowment Value (\$ in millions)



Overall, the Institution forecasts a **decrease in its net assets of \$10 million**—\$43 million below budget—again due largely to the poor overall performance of financial markets.

Forecast Smithsonian Financial Performance for Fiscal Year 2008 (\$ in millions)

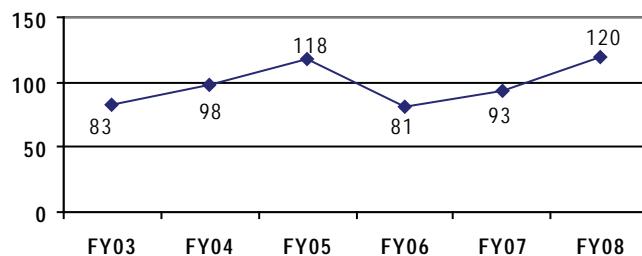
	FY 2008 Budget	FY 2008 Forecast	Variance to Budget
Revenues	948	971	23
Expenses	947	931	16
Endowment Return Reinvested	40	(42)	(82)
Other	(8)	(8)	--
Change in Net Assets	33	(10)	(43)

Financial Management Discussion

Efforts to increase funding for programmatic initiatives and for facilities revitalization and maintenance remain the Smithsonian's highest priorities.

Recent reports prepared by the Government Accountability Office noted that current funding levels are not sufficient to address facilities needs. Based on National Research Council guidelines, the Smithsonian requires a minimum of \$100 million annually in facilities maintenance funds and \$150 million annually in facilities revitalization funds. Actual funding for revitalization was \$120 million in fiscal year 2008, including \$15 million from the Legacy Fund—a matching fund that provides one Federal dollar for every two dollars raised privately for facilities revitalization. However, use of Legacy Fund money has been delayed while the Institution tries to raise the \$30 million matching requirement. At \$51.4 million, maintenance funding also fell short of the guidelines in fiscal year 2008.

Funding for Smithsonian Facilities Revitalization (\$ in millions)



Securing adequate Federal funding, and sustaining support for it over the long term, remain enormous challenges.

External Affairs

Through June 30, 2008, the Institution secured **\$115.2 million** in private support from individuals, foundations, and corporations, meeting its goal of \$115 million for fiscal year 2008 three months ahead of schedule.

From October 1, 2007, through June 30, 2008, the Institution received **21 gifts of \$1 million or more**. Notable new support includes the following:

- \$15 million from the Roger W. and Victoria P. Sant Founders' Fund of the Summit Fund of Washington, D.C., to provide an endowment for the National Museum of Natural History's Ocean Initiative;

- \$5 million from the Boeing Company to the National Museum of African American History and Culture for building planning;
- \$2.25 million from the Alfred P. Sloan Foundation to the Consortium for the Barcode of Life project hosted by the National Museum of Natural History;
- \$2 million from Poor Richard's Charitable Trust to Cooper-Hewitt's re:Design Capital Campaign;
- \$1.5 million from Coralyn Whitney to the National Museum of Natural History to benefit the National Gem Collection; and
- Fulfillment of a \$1.5 million challenge from an anonymous donor to support the National Museum of Natural History's Ocean Web portal and Ocean Initiative education and outreach.

Other notable gifts included \$732,425 from the Ford Motor Company Fund to the Smithsonian Latino Center for an arts enrichment program and to the National Portrait Gallery's exhibition *Presidents in Waiting*; \$500,000 from James Smithson Society member Helen Marsh Reinsch to the National Portrait Gallery to establish an endowment benefiting education; and \$300,000 from the Getty Foundation to the Smithsonian Photography Initiative for its online exhibit *Click! Photography Changes Everything*. *Click!* is the first Smithsonian online exhibit to utilize the Institution's new Enterprise Digital Asset Network (EDAN), and the Getty Foundation gift makes possible EDAN's launch.

As of June 30, nine museums and research centers had **exceeded their 2008 fund-raising goals**: the National Air and Space Museum, National Museum of African American History and Culture, National Museum of the American Indian, National Museum of Natural History, National Portrait Gallery, National Postal Museum, Smithsonian American Art Museum, Smithsonian Center for Education and Museum Studies, and Smithsonian Environmental Research Center.

The **Contributing Membership** has generated **\$10.4 million** in unrestricted funds year-to-date—71 percent of its goal of \$14.8 million—while making a greater effort in acquisitions and lower-tier memberships. Member households remain stable at 86,074. The Contributing Membership and some other Smithsonian membership programs continue to experience softness in acquisitions and renewals, especially in the lowest membership levels, as a result of the slow economy and the Smithsonian's recent leadership transitions.

The members of the **Smithsonian National Board** have given **\$866,000** in unrestricted support through the Board's Annual Giving Campaign, 87 percent of the \$1 million goal. Overall giving by Smithsonian National Board members is \$5 million, a figure that includes gifts, pledges, and payments on pledges.

In addition to its annual fund-raising goal, the Smithsonian seeks to match the **Legacy Fund Challenge** posed by Congress to fund facilities repair needs. An appeal has been made to members of the Smithsonian's 25 advisory boards, and an online solicitation program begun in August is reaching more than 500,000 friends of the Smithsonian. The results of these efforts will be shared with Congress in October.

Smithsonian Enterprises (SE)

Following the recommendations of the Smithsonian Business Ventures Task Force, the unit was renamed Smithsonian Enterprises (SE), effective July 1, 2008, and the business units were consolidated into three divisions: **Media, Retail, and Licensing and Business Development**.

SE operations have contributed **\$21.3 million** in **net gain** to the Institution through the third quarter, an increase of \$4.4 million (26 percent) over the same period in fiscal year 2007 and \$4.1 million (24 percent) above budget. This improved year-to-date performance is primarily attributable to cost controls in corporate management expenses, shared services, the magazine division, and retail stores.

However, business conditions in the fourth quarter are projected to be challenging, due to factors such as the transfer of the catalog to a new fulfillment provider, continued deterioration in magazine advertising, and the delayed opening of the National Museum of American History. Management continues to respond to these challenges through initiatives such as extended summer operating hours at the National Air and Space Museum, retail merchandise gross margin improvements, a licensing agreement with Fox for using the Smithsonian name in a second *Night at the Museum* film, and ongoing cost controls.

During the first nine months of fiscal year 2008, SE **consolidated revenue** decreased by \$2.1 million (2 percent) over the prior fiscal year's nine-month figure to **\$116.5 million**, and fell short of budgeted growth by \$8.5 million (7 percent)—a result of the complete disruption of catalog operations as a result of financial difficulties at an outsourced fulfillment provider and deterioration of the magazine advertising environment. The disruption of catalog operations is projected to have a financial impact of \$1.9 million; SE expects the catalog to be operational in time for the holiday season.

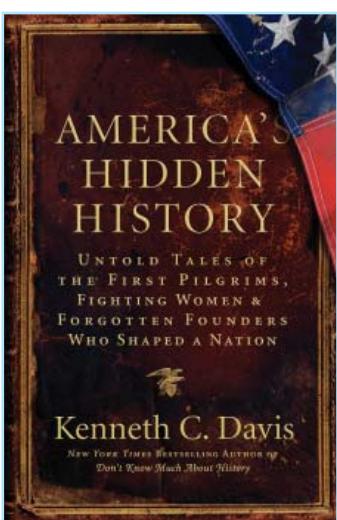
Media

Smithsonian Networks has signed a distribution agreement with DISH Network, which joins DirecTV, Verizon FiOS TV, RCN, and Charter Communications to make Smithsonian Channel HD (high definition) available on cable and satellite television to potentially 36.3 million homes. As of June, 2 million households were receiving Smithsonian Channel HD, and 5.3 million households were receiving Smithsonian Channel On Demand, which allows viewers to watch selected programs whenever they wish. Programming has been

hugely successful, with four programs (the “Life after Death” episode of *Stories from the Vaults*, episodes one and three of *Critter Quest*, and *America’s Treasures*) receiving CINE Golden Eagle Awards.

Smithsonian Publishing Web sites continue to grow, with unique visits up 69 percent in the third quarter over the same time frame in the last fiscal year, although traffic remains modest. Print ad revenue across the division was down \$0.6 million (3 percent) from last year, and total advertising revenue was down \$2.5 million (13 percent) versus budget for this period, as wary advertisers pull back in a slowing economy and shift ad dollars to digital media.

Smithsonian Books’ *America’s Hidden History* by Kenneth Davis was on the *New York Times* best seller list for two consecutive weeks. Another blockbuster was *Smithsonian’s Guide to Birds of North America*, which has received glowing reviews and is expected to generate over \$1 million in sales.



Retail

The Retail division has **exceeded its budgeted net gain** in the third quarter and is also running ahead of the same period last year, despite a downward trend in visitation across the Mall. This performance has been helped by extended summer operating hours at the National Museum of Natural History and the National Air and Space Museum, as well as improvements in margin performance. Theaters are expected to meet budgeted revenue. Two new airplane simulators were installed at the National Air and Space Museum, helping push simulator revenue at the Museum well above budget.



Licensing and Business Development

A high-relief proof of a **\$100 gold coin**—the largest and highest-denomination U.S. coin ever proposed; but never minted for circulation—was released by the New York Mint in April, under license from the Smithsonian, whose collections hold the design from which the proof was modeled. It quickly sold out its initial release of 1,000 coins priced at \$2,750 each, justifying the decision to mint the design (previously issued in low-relief silver and gold) as a high-relief proof.

Smithsonian-branded furniture by Bernhardt continues to expand with the introduction of a third line, Chesapeake—which includes dining room, bedroom, living room, home office, and upholstered pieces—to join the existing American Archive and National Heritage furniture lines. The new line premiered to extremely positive reviews at the High Point Furniture Show in April.

Smithsonian Journeys completed its first year as a preferred supplier for the American Express Consumer Travel Network. All Journeys tours are now available to be sold by American Express's network of 1,700 travel agents nationwide. In this first year, over 150 American Express clients registered for Journeys tours, including luxury cruises and private jet tours.