![Smithsonian Institution logo]

Smithsonian Institution

Management's Discussion and Analysis
FY 2007

Smithsonian Institution

Cristián Samper
Acting Secretary

A MESSAGE FROM THE SECRETARY

The core mission of the Smithsonian, the increase and diffusion of knowledge, carried out through research, collections, outreach, and public programs, remains strong. As the steward of more than 137 million objects and specimens, the Smithsonian Institution documents our nation's history and heritage and the natural diversity of our planet. Smithsonian collections, exhibitions and ideas tell inspiring stories to millions of people. More than 24 million people from across the country and around the world came to the Smithsonian during the past year, and more than 150 million visited our various websites. This past summer more than 1 million visitors enjoyed the 41st annual Smithsonian Folklife Festival on the National Mall.

The Smithsonian continues to conduct groundbreaking scientific research, helping us understand the origins of the universe, the diversity and evolution of life on Earth, the history of America, and the diversity of cultures. For example, during this past year the Smithsonian-led consortium of international institutions working on DNA barcoding, a unique genetic fingerprint used to identify species, completed the DNA barcodes for more than 30,000 species, offering information that can be used to enhance food safety and identify species of mosquitoes that are carriers of diseases like malaria, which claim millions of lives across the world. The National Museum of Natural History also announced a partnership to launch an online *Encyclopedia of Life*, a webpage for every species, available to students across America and the world.

This past year we created wonderfully innovative exhibitions, including *Encompassing the Globe: Portugal and the World in the 16th and 17th Centuries*. The Robert and Arlene Kogod Courtyard, the signature space for the Donald W. Reynolds Center for American Art and Portraiture, just opened to the public in November of 2007. In February, we are opening *Partners in Evolution: Butterflies & Plants* at the National Museum of Natural History that will include a live *Butterfly Pavilion*. Next summer, the remodeled American History Museum will reopen with a spectacular Star-Spangled Banner exhibit. Next fall, a new Ocean Hall at Natural History will open with large-screen, HD videos and a live coral reef that will make visitors feel as though they are deep beneath the waves in a giant submarine, looking out through its big picture windows. We continue to mount fabulous exhibitions.

We are able to accomplish so much because our financial position remains strong. In addition to obtaining invaluable support from the Administration and Congress, we have been fortunate to secure substantial non-federal funding for our programs, thanks to the generosity of individuals, foundations, and companies. This past fiscal year we secured more than $160 million for specific projects in education, research, and

collections. We also secured an additional $100 million in grants and contracts to support our work, primarily in the area of astrophysics. This means that every year the Smithsonian generates 30 percent of its operating budget from sources other than our annual federal appropriation. The Institution's Endowment continues to do well, outperforming the Smithsonian's market benchmarks.

Yet, we continue to struggle with a $2.5 billion facilities repair and maintenance challenge, as described in the September 2007 Government Accountability Office report. 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 these buildings enable us to conduct research, look after our national collections, and create the experience of a lifetime for our visitors. Our facilities challenges stem from the size, scope, and history of the Institution. The Smithsonian is the largest museum and research complex in the world, with 19 museums, nine research centers, the National Zoo, more than 137 million objects and specimens, more than 700 structures, and 11 million square feet of space.

The Smithsonian is a trusted name because it represents excellence in research and education, but we must also represent excellence in management, operations, and oversight. The Smithsonian's Board of Regents established an aggressive governance reform agenda in June 2007 to solve the problems identified earlier this year. I am pleased to report that we intend to meet the deadlines established by the Regents—11 of the 25 recommendations have been fully implemented and we are on schedule to complete the rest by early 2008—but we also intend to build on these improvements to make the Smithsonian a model of management excellence. Some of these reforms involve changing the structure and operations of the Board of Regents, including the creation of a new position for a Chairman of the Board, reviewing the charter and composition of all committees, and establishing an Office of the Regents separate from the Office of the Secretary. These changes are designed to enable the Board to operate efficiently but also to have access to more comprehensive and frequent information about the Institution.

Despite the continuing strength of the Institution, the Smithsonian faces significant challenges as it continues to serve the public with both engaging, modern exhibitions backed by authoritative scholarship and groundbreaking research and exploration. In fiscal year 2008, with the support of the Administration and the Congress, the Smithsonian will continue to aggressively address these challenges and opportunities.
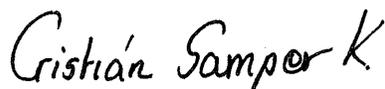
Cristián Samper
Acting Secretary of the Smithsonian Institution
November 15, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

MISSION AND ORGANIZATIONAL STRUCTURE

Overview of the Smithsonian Institution

For more than 161 years, the Smithsonian Institution has remained true to its mission, "the increase and diffusion of knowledge." In that time it has become the largest museum and research complex in the world, the most respected provider of museum experiences supported by authoritative scholarship, and an international leader in scientific research and exploration.

The Smithsonian is unique among the world's institutions. It is not simply a museum or even a cluster of museums, so much as it is a vast national research and educational center that encompasses—in addition to its exhibition galleries—laboratories, observatories, field stations, scientific expeditions, classrooms, performing arts events, publications, and more. The Smithsonian is an extensive museum and research complex that includes 19 museums and galleries, including the National Museum of African American History and Culture (NMAAHC), which is currently under development, the National Zoological Park, and research centers around the nation's capital, in eight states, and the Republic of Panama. The Smithsonian is the steward for more than 137 million objects which form the basis of world-renowned research, exhibitions, and public programs in the arts, history, and the sciences.

Yet, unfortunately, the Smithsonian is also an institution with a severely deteriorated infrastructure, outdated technology, and many aged, outmoded exhibitions. The Smithsonian has buildings that range in age from brand new to more than 160 years old. More than half of the buildings, and the heating, air-conditioning, and electrical distribution systems and controls required to operate them have served well beyond their normal, useful life spans. 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 ideal experience for our visitors. Without the proper facilities in safe operating order, none of this is possible.

Today's challenge is to build on the Smithsonian's reputation, rebuild the physical plant, strengthen our programs, and thereby expand the reach of a great and trusted institution. Although the Institution depends on the federal Government for nearly 80 percent of its funding, including Government grants and contracts, the Smithsonian is not part of the Executive Branch. As a trust instrumentality of the United States, many of the laws and directives applicable to federal agencies do not apply to the Institution. However, the Smithsonian is ever mindful of and grateful for this support from the American public, and will continue working with both OMB and Congress to provide each with the information it needs to justify their continued support.

The Smithsonian is also working to improve its performance in line with the President's Management Agenda (PMA), and has numerous initiatives under way to advance financial management, use e-Government wherever possible, improve human capital planning and management, and more closely integrate budgeting with long-term performance goals. Specifically, on integrating the budget to our performance objectives, the Secretary personally conducts extensive operational reviews with the Institution's directors to assess the Smithsonian's performance against Institution-wide performance goals. In FY 2007, the Smithsonian also:

- achieved "Green" status ratings on the PMA scorecard for Financial Performance, E-Government, and Performance Improvement Initiative
- continued linking all funds to a performance objective
- continued improving the Institution's performance plan to map directly to the budget structure and financial reporting
- completed the Program Assessment Rating Tool (PART) evaluation of the Facilities Operations and Maintenance program and received the highest rating
- continued refining the workforce plan that ties staff to performance plans and adjusted workforce based on priority

Highlights of FY 2007 Accomplishments

Fiscal year 2007 witnessed an unprecedented number of significant accomplishments for the Smithsonian that continue to generate positive momentum for the future. The year 2007 was one in which great strides were made toward achieving the four Smithsonian goals: Increased Public Engagement, Strengthened Research, Enhanced Management Excellence, and Greater Financial Strength. Some key FY 2007 performance achievements include:

1. **Increased Public Engagement**
   - Attracted 24 million visitors, not including virtual visits or traveling exhibits
   - Initiated international effort to construct the *Encyclopedia of Life*
   - Conserved important collection of African American fashion artifacts, NMAAHC's largest acquisition to date
   - Logged more than 183 million visits on Smithsonian websites
   - Reached all 50 states through the SITES traveling exhibits

2. **Strengthened Research**
   - Conducted a landmark study that identified a significant, long-term decline in bird populations due to West Nile virus
   - Obtained first conclusive images of 7 ultra-luminous galaxies so distant that their light was emitted only 3 billion years after the Big Bang
   - Detected an important water line from Venus's atmosphere
   - Participated in archaeological findings on the indigenous people of Sweden, which resulted in the rewriting of the early history of Scandinavia

3. **Enhanced Management Excellence**
   - Continued strong performance in the President's Management Agenda
   - Achieved the highest PART rating for the facilities operations and maintenance program
   - Saved $2.4 million in avoided expenses through energy conservation
   - Completed construction of Pod 5 at the Museum Support Center in April 2007

4. **Greater Financial Strength**
   - Exceeded goal by raising more than $134 million in private funds
   - Continued refining the process to recoup private grant overhead costs
   - Exceeded investment benchmarks on the Endowment

Smithsonian's Organization

The Smithsonian is a unique entity, an independent trust instrumentality that is governed by a Board of Regents. The Smithsonian is supported by a staff of more than 6,000 combined federal and non-federal employees and more than 5,000 volunteers. Together, these individuals support the operations of the largest museum and research complex in the world. An organizational chart is attached as Attachment A to this report.

FY 2007 Financial Highlights

The Smithsonian's financial statements are prepared from the Institution's accounting books and records. The Institution uses *PeopleSoft* to manage its federal and non-federal resources. The financial data contained in the fiscal year 2007 federal closing package was subjected to a comprehensive review process to evaluate its accuracy and reliability.

The Smithsonian Institution's management and financial controls systems provide reasonable assurance that the Institution's programs and resources are protected from fraud, waste, and misuse, and that its financial management systems conform to Government-wide requirements. Although the Smithsonian is not a department or agency of the Executive branch, the Smithsonian has achieved the intent of the Federal Managers' Financial Integrity Act (FMFIA) (P.L. 97-255) to prevent problems through systematic review and evaluation of the Institution's management and financial controls and financial management systems. A previous evaluation by the independent audit firm PriceWaterhouseCoopers found no material weaknesses in the Institution's internal controls. In addition, the Institution reported no violations of the Anti-Deficiency Act.

Looking Forward

The Smithsonian is the largest Museum and Research Complex in the country, playing a vital role in its educational, research, and cultural life. The Smithsonian is a trusted name because it represents excellence in research and education and is well on the road to representing excellence in management, operations, oversight and governance. Despite the continuing strength of the Institution, the Smithsonian faces significant

challenges as it continues to serve the public with both engaging, modern exhibitions and groundbreaking research and exploration.

In 2008 we will open several significant offerings to the public including *Partners in Evolution: Butterflies & Plants* at the National Museum of Natural History that will include a live *Butterfly Pavilion*. In addition, the remodeled American History Museum will reopen with a spectacular Star-Spangled Banner exhibit. Next fall, a new Ocean Hall at Natural History will open with large-screen, HD videos and a live coral reef that will make visitors feel as though they are deep beneath the waves in a giant submarine, looking out through its big picture windows. We continue to mount fabulous exhibitions.

In fiscal year 2008, with the support of the Administration and the Congress, the Smithsonian will continue to aggressively address our challenges and take advantage of our opportunities.

HIGHLIGHTS OF PERFORMANCE GOALS AND RESULTS

Performance goals and results are tracked throughout the year. The goals of the Smithsonian, as set by the Acting Secretary, are tracked via performance metrics; accomplishments or outcomes are evaluated against these goals and objectives. There are four main goals of the Smithsonian, as follows:

1. Increased Public Engagement
2. Strengthened Research
3. Enhanced Management Excellence
4. Financial Strength

Numerous sub-goals within each of these four main goals are delineated and tracked. A copy of the Detailed Performance Data report for FY 2007 is attached as Attachment B. Additional detail on FY 2007 accomplishments is in Attachment C.

## HIGHLIGHTS OF FINANCIAL POSITION

Overview of Financial Data

The Smithsonian's financial statements (balance sheet and statement of operations) and related footnotes, as included in the closing package, were prepared by the Smithsonian. The financial statements presented can be considered complete and reliable as evidenced by the report provided by the independent audit firm of KPMG LLP. These statements represent the results of all activities supported by federal appropriations granted to the Smithsonian. Additional financial activity, which is supported by non-federal activities, is not included in the financial information and discussions noted herein.

Balance Sheet: The Balance Sheet reflects total assets of $1,138.8 million, a 2.6 percent increase over the previous year. Approximately 78 percent of assets are invested in property and equipment with the balance of assets (approximately 22 percent) represented principally by cash and balances with the United States Treasury. Liabilities (accounts payable and accrued expenses) comprise approximately 37 percent of the Smithsonian's liabilities and decreased by approximately 10.2 percent from the previous year. The decrease was due to the recording of a cumulative liability for Federal Employees' Compensation Act (FECA) costs in FY 2006. The remaining liabilities (approximately 63 percent) are comprised of unexpended federal appropriations balances. Reflecting the higher growth in assets than liabilities, the net position grew by $28.9 million or 3.6 percent in fiscal 2007.

Statement of Operations: Federal appropriations recognized in the current fiscal year ($599.2 million) decreased by approximately $48.1 million or 7.4 percent from the prior year ($647.3 million). The higher Federal appropriations recognized in FY 2006, was principally caused by the recognition of the FECA expenses, as noted above. Of the total appropriations recognized in fiscal year 2007, approximately $522.4 million (approximately 87 percent) were operating funds while $76.8 million (approximately 13 percent) were construction funds, as shown in the graphs below. Comparable amounts for fiscal year 2006 were $523.4 million for operating and $123.9 million for construction projects. Total expenditures (including collections items purchased of $2.2 million) decreased by $42.3 million to $570.3 million (6.9 percent) from fiscal year 2006 total expenditures of $612.6 million. The largest single decrease in expenditures for fiscal year 2007 was a $47.9 million decrease in administrative expenditures (principally due to the FECA expenses recorded in FY 2006), followed by a decrease of $22.6 million in expenditures on research activities, offset by an increase of $17.5 million in collections management expenditures and a $10.3 million increase in expenditures for education, public programs, and exhibitions.

Sources of Funding: What it is for…

Facilities Capital
13%
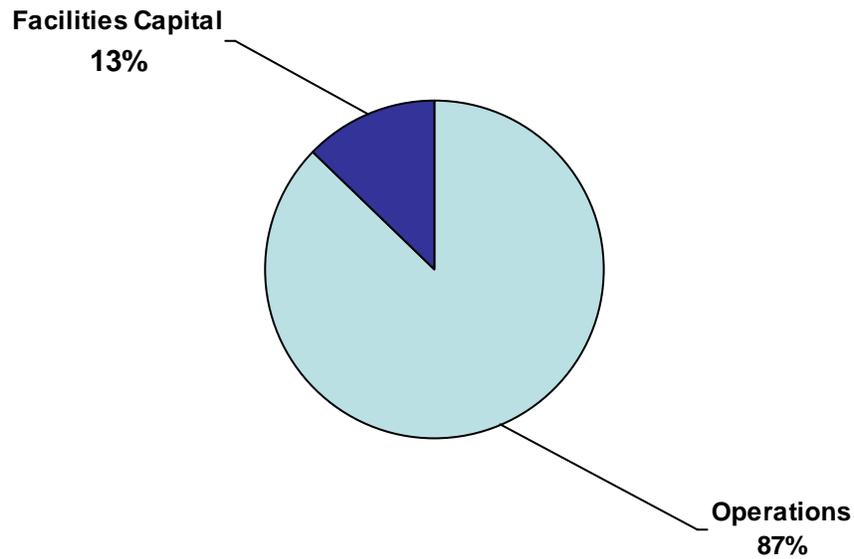
Operations
87%

Where it Goes for Operations…

Collections
Management
21%

Administration
31%

Research
17%

Education &
Public
Programs
31%
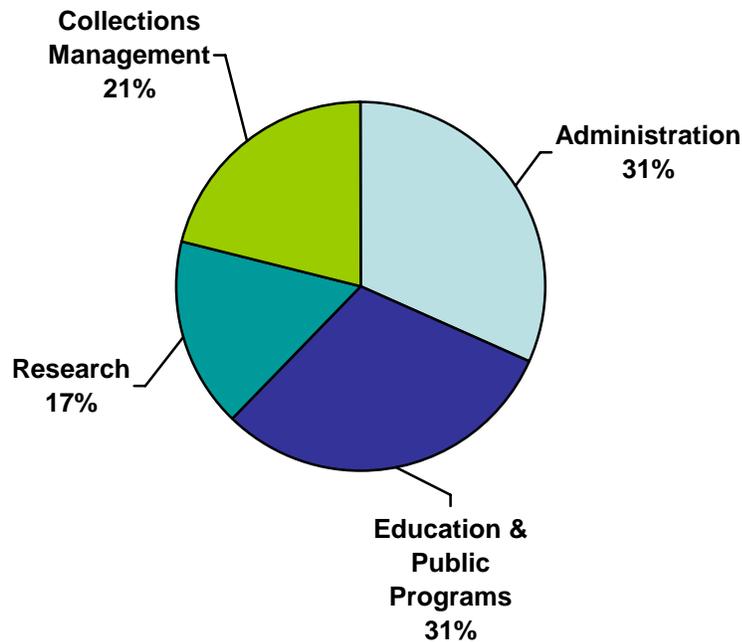
Federal spending for operations is the largest category of the Institution's budget and provides for pay and benefits, utilities, postage, rent, new museum staffing, move-in and start-up, information technology modernization, security personnel, and facilities maintenance costs.

The remainder of the federal component of the Institution's budget is spent to support the Institution's Facilities Capital program. The Smithsonian is dependent on federal support for the revitalization and basic maintenance of its physical infrastructure. Facilities revitalization activities correct extensive and serious deficiencies, materially extend service life, and often add capital value to the buildings and systems that comprise the Smithsonian's physical plant. Maintenance, which is funded in the federal Salaries and Expense appropriation, is the more routine repair and maintenance work that is necessary to realize the originally anticipated useful life of a fixed asset. Although non-federal funds are often used to enhance the experience of the visitor in what would otherwise be an ordinary exhibition space, federal funding is essential to fulfill what is regarded as a federal obligation to revitalize the buildings. Funding for Smithsonian facilities continues to remain woefully inadequate.

<u>Attachments</u>

Attachment A:	Smithsonian Organizational Chart
Attachment B:	Detailed Performance Data Report—Fiscal Year 2007
Attachment C:	Smithsonian Program Highlights

SMITHSONIAN INSTITUTION
October 2007

BOARD OF REGENTS
- Office of the Regents
- Inspector General

SECRETARY

External Affairs
Development
Sponsored Projects

Communications
Government Relations
Public Affairs
Visitors' Center
Photographic Services

General Counsel

Diversity Initiatives
Equal Employment
and Minority Affairs

Under Secretary for Science
- Astrophysical Observatory
- Natural History Museum
- Air and Space Museum
- National Zoo
- Tropical Research Institute
- Environmental Research Center
- Museum Conservation Institute
- National Science Resources Center
- Research Training and Services
- Libraries

Under Secretary for History and Culture
- American History Museum
- American Indian Museum
- African American Museum
- Anacostia Museum
- Postal Museum
- Latino Center
- Asian Pacific American Program
- Folklife and Cultural Heritage
- **National Programs**
  Affiliations Program
  Associates Program
  Center for Education and Museum Studies
  Traveling Exhibition Service

Under Secretary for Art
- African Art Museum
- Arthur M. Sackler Gallery/ Freer Gallery of Art
- Cooper-Hewitt, National Design Museum
- Hirshhorn Museum and Sculpture Garden
- American Art Museum
- Archives of American Art
- Portrait Gallery
- Photography Initiative

Under Secretary for Finance and Administration

Facilities Engineering and Operations
Planning and Project Management
Engineering, Design, and Construction
Facilities Management and Reliability
Protection Services
Safety, Health, and Environmental Management

- Policy and Analysis
- National Collections
- Archives

Chief Financial Officer
Comptroller
Contracting
Planning and Budgeting
Treasurer

- Chief Information Officer
- Investments
- Human Resources
- Ombudsman
- Accessibility Program
- Special Events and Protocol
- Exhibits Central

Chief Executive Officer for Smithsonian Business Ventures
- Business Ventures Chief Financial Officer
- Magazine Publishing
- Member Services
- Museum Retail Operations
- Licensing
- Media Services

Attachment A

DETAILED PERFORMANCE DATA REPORT

Fiscal Year 2007

INTRODUCTION

The Smithsonian's strategic and annual performance plans are based upon the Institution's four strategic goals: increased public engagement; strengthened research; enhanced management excellence; and greater financial strength. Under those four goals, the Smithsonian tracks institutional performance according to nine top-level program goals that align with the program categories used in the Smithsonian's Federal budget documents and ERP financial accounting system. This framework allows the Institution to meet the standards of success in the Performance Improvement Initiative of the President's Management Agenda, including having a limited number of outcome-oriented goals and key performance indicators, and relating dollars budgeted and results achieved.

Short-term goals and performance objectives focus the Smithsonian's resources on priorities of the Institution including completing all major construction and revitalization projects; securing the funding necessary to address the maintenance backlog threatening the Institution's historic buildings; opening new exhibitions and updating others that will have tremendous public impact; improving visitor services; strengthening stewardship of the national collections; achieving the goals set out in the 2005 Science Strategic Plan and implementing measures of the impact of Smithsonian science; and continuing improvement of the Institution's business processes and practices.

The Institution ensures that strategic and short-term goals and key performance indicators in its GPRA plans are consistent across all internal performance reviews – in particular the Secretary's annual Goals-at-a-Glance used in Operational Reviews. The Smithsonian has made great progress in integrating performance indicators throughout the institution to track program results, and incorporating linked performance metrics in individual performance plans.

<center>**MISSION STATEMENT**</center>

For 161 years, the Smithsonian has remained true to its mission, "the increase and diffusion of knowledge." Today, the Smithsonian is not only the world's largest provider of museum experiences supported by authoritative scholarship in science, history, and the arts, but also an international leader in scientific research and exploration.

<center>**THE SMITHSONIAN'S FOUR STRATEGIC GOALS**</center>

STRATEGIC GOAL 1: INCREASED PUBLIC ENGAGEMENT: DIFFUSION OF KNOWLEDGE

Enlarge the Smithsonian's audiences, expand its degree of engagement with the public in Washington and throughout the country, and improve the quality of the Smithsonian impact on its audiences.

STRATEGIC GOAL 2: STRENGTHENED RESEARCH: INCREASE OF KNOWLEDGE

Pursue scientific advances, discovery, and scholarship in the natural and physical sciences, arts, humanities, and social sciences by focusing resources in areas in which the Institution has recognized strengths due to staff, research platforms, and collections.

STRATEGIC GOAL 3: ENHANCED MANAGEMENT EXCELLENCE

Modernize Smithsonian management systems by bringing each of them to a level of quality and sophistication appropriate to an organization of the size and complexity of the Institution.

STRATEGIC GOAL 4: GREATER FINANCIAL STRENGTH

Provide the financial support essential to achieving the Institution's goals.

STRATEGIC GOAL	PROGRAM GOAL	TITLE
Increased Public Engagement: Diffusion of Knowledge	1.1	**Education:** Engage and inspire diverse audiences in a lifelong exploration and understanding of art, history, science, and culture
	1.2	**Other Public Programs:** Provide reference services and information to the public
	2.1	**Exhibitions:** Offer compelling, first-class exhibitions at Smithsonian museums and across the nation
	3.1	**Collections:** Improve the stewardship of the national collections for present and future generations
Strengthened Research: Increase of Knowledge	4.1	**Smithsonian Science Research:** Engage in research and discovery focused on understanding the origin and evolution of the universe, earth and planets, biological diversity, and human culture. Use our unique, publicly-accessible collections, research facilities and staff to inform, educate, and inspire a diverse audience
	4.2	**Art, History, and Cultural Studies Research:** Ensure the advancement of knowledge in the humanities through original research, including research on collections, that is reflected in publications, exhibitions/displays, and public programs
Enhanced Management Excellence	5.1	**Facilities Capital:** Execute an aggressive long-range revitalization and construction program to ensure facilities are appropriate for the mission, satisfy requirements, are in excellent condition, and support the SI mission
	5.2	**Facilities Maintenance:** Execute an aggressive and professional maintenance program to reverse the impact of many years of under funding, and to achieve world-class upkeep of SI cultural and scientific facilities
	5.3	**Facilities Operations:** Improve the overall cleanliness and operational efficiency of Smithsonian facilities
	6.1	**Security:** Provide world-class protection for Smithsonian facilities, collections, staff, visitors and volunteers
	6.2	**Safety:** Provide a safe and healthy environment to support Smithsonian programs
	7.1	**Information Technology:** Modernize the Institution's information technology (IT) systems and Program
	8.1	**Performance Management:** Strengthen an Institutional culture that is customer-centered and results-oriented
	8.2	**Human Resources Management and Diversity:** Ensure that the Smithsonian workforce is efficient, collaborative, committed, innovative, and diverse. Demonstrate support of the Smithsonian's commitment to diversity and equal employment opportunity during the hiring process and throughout the employees' careers.
	8.3	**Financial Management:** Modernize the Institution's financial management and accounting operations
	8.4	**Public and Government Affairs**: Enhance the reputation of the Smithsonian by maintaining good relations with the news media and with federal, state, and local governments
	8.5	**Procurement and Contracting:** Modernize and streamline the Institution's acquisitions management operations.
Financial Strength	9.1	**Development**: Secure the financial resources needed to carry out the Institution's mission
	9.2	**SBV and Unit Business Activities**: Increase the net income of Smithsonian businesses
	9.3	**Investment Management**: Improve the management of the Institution's Endowment

STRATEGIC GOAL 1: INCREASED PUBLIC ENGAGEMENT: DIFFUSION OF KNOWLEDGE

Enlarge the Smithsonian's audiences, expand its degree of engagement with the public in Washington and throughout the country, and improve the quality of the Smithsonian impact on its audiences.

PROGRAM GOAL 1: PUBLIC PROGRAMS *(ties to Program Code 1XXX in ERP)*

PROGRAM GOAL 1.1: EDUCATION *(ties to Program Code 11XX in ERP)*
Engage and inspire diverse audiences in a lifelong exploration and understanding of art, history, science, and culture.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
1.1.a Number of educational resources available on Smithsonian Education.org	New indicator **FY2007 target**: Establish baseline data for educational resources available on web.	1,500 education resources are available on SmithsonianEducation.org. A user feedback mechanism was launched in April. **Assessment. Target met.**
1.1.b Number of people participating in Smithsonian education programs.	FY 2005: Metrics developed for attendance at/use of five program types **FY2007 target**: Establish baseline data for 5 education program types at the unit level.	Baseline data established in FY2007 for Smithsonian education programs: 1. Tours: 3,744,87 participants in 15,638 program offerings 2. Audience Driven Inquiry: 2,749,906 participants in 10,372 program offerings 3. Workshops: 40,814 participants in 1,798 program offerings 4. Presentations: 426,516 participants in 3,067 program offerings 5. Special Events: 20,881 participants in 28 program offerings 6. Educational Publications: 207 publications distributed to 763,400 individuals **Assessment. Target met.**
Continue to implement the Education Strategic Plan by fully implementing the web-based Audience Data Collection Reporting System (ADCRS)	FY 2006: web-based *Audience Data Collection Reporting System (ADCRS)* initiated 8/1/06.	OCIO and SCEMS completed Education Segment Architecture. Sent to OMB on 6/28/07. Performance standards, requiring unit directors to collect education statistics and enter data into Education Data Gathering and Evaluation system (EDGE), were incorporated in applicable SI Director 2007 performance plans. All SI Art units created individual educational development plans. The Phase 1 EDGE goal was to enroll 25 of the 32 Smithsonian education units and initiate data entry during FY 2007. Goal exceeded as 30 of 32 units are now entering data such as: tours, audience-driven inquiries, workshops/courses, presentations, and educational pubs. **Assessment. Improvements in reporting education data have been implemented.**
Continue to implement the Education Strategic Plan by showing that the Smithsonian—Council of Chief State School Officers Steering Committee has met all objectives for FY2007		Three CCSSO steering committee meetings were conducted (late Sep 06, Feb 07, and Sep 07) with the objective to align Smithsonian resources with state standards and 21st Century learning skills. − The final strategic plan and budget were distributed to all committee members in Apr 07. − 1,487 SI educational resources are aligned to the standards of learning in all 50 states. − 44 of 56 2007 Teachers of the Year agreed to serve as SI Teacher Ambassadors and will promote use of SI resources in their states. **Assessment. SI initiatives are making great strides in exporting SI resources to America's educators.**

PROGRAM GOAL 1.2: OTHER PUBLIC PROGRAMS *(ties to Program Codes 1200, 1300 & 1400 in ERP)*
Provide reference services and information to the public.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
1.2.a Number of physical visits to SI museums and the National Zoo *Increase the number of physical visits over the prior year*	FY 2005: 24.2 M FY 2006: 22.97 M **FY2007 target**: 23.8 million	The number of physical visits through September is up by 1,586,873 (6.9%) from the same time last fiscal year. Through Sep 07, there were 24.6 million visitors to the Smithsonian, compared with 23.0 million through Sep 06. The most significant year-over-year physical visit increases are at Freer/Sackler (+37%), NMAfA (+51%), NASM (+18%), NMAI-Mall (+12%), NMAI-NY (+18%), the Zoo (+15%), Natural History (+31%), Cooper-Hewitt (+22%), and the Castle (+31%). **Assessment. Overall visitation is up on the Mall. African Art, Freer/Sackler, and Natural History experienced the largest increases. NMAI visitation is slightly ahead of last year's visitation, but Anacostia, Hirshhorn, Renwick, Postal Museum, and CRC visitation is down over the prior year.**
1.2.b Number of visitors to Smithsonian (SITES) traveling exhibitions	FY 2005: 4.6M visitors FY 2006: 4.5M visitors **FY2007 target**: 4.75 million visitors* *due to special poster exhibit with 200 copies circulating	The number of visitors to SITES traveling exhibits was 5.6 million visitors through Sep 07. **Assessment. Target exceeded.**
1.2.c Number of SI website visitor sessions *Increase the number of virtual visits over the prior year*	FY 2005: 109.3 M FY 2006: 144.6 M **FY2007 target**: 160 million visitor sessions	The number of virtual visits through Sep 07 was 183.5 million, as compared to 144.6 million for the same time period last year—an increase of 26.9% or 38.9 million. The Institution is now averaging 15.3 million visitor sessions per month, up from the 12.0 million average visitor session calculated for FY 2006. **Assessment. Target exceeded.**
1.2.d Number of Smithsonian Affiliates and geographic distribution	FY2005: 144 Affiliates; 40 states/DC/PR/ Panama FY2006: 152 Affiliates; 39 states/DC/PR/ Panama **FY2007 target**: 155 Affiliates 39 states/DC/PR/ Panama	At the end of fiscal year 2007 there were 156 Affiliates in 39 states, the District of Columbia, Panama, and Puerto Rico **Assessment. Target exceeded.**
Complete a pan-Institutional review of visitor services with a goal of instituting a visitor services program based on best practices		The second draft of the report, "*The Face of the Smithsonian: A Study of Volunteers in Visitor Information Services*," is complete. Best practices survey to be discussed. Continued to conduct site visits to determine best practices. Although goal for completion of pan-Institutional review was 9/30/07, the completion is now expected to be no later than 12/31/07. **Assessment. The assessment of visitor services is underway, but the review was not completed in FY 2007.**

PROGRAM GOAL 2.1: EXHIBITIONS *(ties to Program Code 2XXX in ERP)*
Offer compelling, first class exhibitions at Smithsonian museums and across the nation.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance			
2.1.a Number of Smithsonian (SITES) traveling exhibitions and geographic distribution	SITES: FY 2005: 56 exhibits; 211 venues; 45 states FY 2006: 53 exhibits; 201 venues; 44 states **FY2007 target**: SITES: 47 exhibits; 375 venues*; 50 states (*large this year due to special poster exhibit with 200 copies circulating)	In fiscal year 2007, 50 SITES exhibitions were displayed in 409 venues in all 50 states, the District of Columbia, Guam, and Canada. **Assessment. Target exceeded.**			
2.1.b Average of percent of surveyed audiences rating their experience in SI exhibitions as "superior" or "excellent" on a scale of poor-fair-good-excellent-superior *Show that the majority of visitors rate exhibitions at least "excellent"*	FY 2006: for surveyed audiences, average "superior" rating of 19.5% and "excellent" rating of 47% **FY2007 target**: 65% or greater of surveyed audiences rate experience as "excellent" or "superior"	Exhibits that are being tracked against the target of 65% audience rating of "excellent" or higher are:			

Unit	Exhibition	Combined Rating	Superior Rating	Excellent Rating
C-H	*Design Life Now*	70%	13%	57%
F/S	*Encompassing the Globe*	78%	21%	57%
F/S	*In the Beginning*	81%	40%	41%
NMAfA	*Tishman*	76%	21%	55%
NPG/SAAM	*DWRC Visitor Survey*	83%	29%	54%
NPG	*Museum-wide*	84%	30%	54%
NZP	*Asia Trail*	72%	26%	46%
NZP	*Visitor Services*	62%	14%	48%
NASM	*Wright Brothers*	78%	27%	51%
NMNH	*Geology, Gems & Minerals*	65%	18%	47%
NMNH	*Dinosaur Hall*	74%	16%	58%
NMAI	*Identity By Design*	84%	36%	48%
NMAI (NY)	*Off the Map*	39%	11%	28%
NPM	*Trailblazers and Trendsetters*	70%	17%	53%
NPM	*Postal Inspectors*	74%	11%	63%
Anacostia	*Banding Together*	N/A	N/A	50%
Anacostia	*200 Years of Black Paper Dolls*	N/A	N/A	55%

Assessment. Of the 17 exhibits surveyed, only 2 scored below the 65% rating.

Open the Disney/Tishman African art collection 2/07.		Exhibition opened on time 2/15/07. The VIP reception was held on 2/13/07. **Assessment. Target met.**
Open the National Air and Space Museum's "America by Air" exhibit on schedule and on budget		The NW-747 nose section has been installed, ahead of schedule. The casework and mannequins were installed in July, and the Curtis Jenny was installed in August. **Assessment. Exhibit on track for November 17, 2007 opening.**

Award design contract (11/06) and complete 20% concept design (2/07) for the NMNH Human Origins exhibit		Exhibit design contract awarded Dec 06. The 20% design status was achieved in Feb 07. The 35% design status was achieved in Jul 07. **Assessment. Design goals are on track.**

PROGRAM GOAL 3.1 COLLECTIONS *(ties to Program Code 3XXX in ERP)*
Improve the stewardship of the national collections for present and future generations

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
3.1.a Number of collecting units meeting goals for current policies/plans of four types: collections management policy; collections plan; cyclical inventory plan; and digitization plan	FY 2005: Standardized measure developed FY 2006: set of performance measures included in all directors' performance plans **FY2007 target**: Meet individual performance targets based on FY2006 baselines for each policy / plan	Individual performance goals met based on FY 2006 baselines for policy / plan. **Assessment: Target met**
3.1.b Number of collection objects/specimens documented in units' electronic collections information systems (CIS)	FY 2005: 32.9 million FY 2006: 32.9 million **FY2007 target**: 33 million	FY 2007 Actual: 33 million **Assessment: Target met**
3.1.c Number of total collection objects/specimens available in electronic form to the public	FY 2005: 12.2 million (reflects data cleanup of duplicate records) FY 2006: 14.5 million **FY2007 target**: 25 million	FY 2007 Actual: 25 million **Assessment: Target met**
Show that plans are developed and progress is made on rationalizing collections storage space requirements		Implementation of Smithsonian Collections Advisory Committee (SCAC) recommendations underway—FY 2007 action steps have been identified and are being assigned. Validation of current collections space requirements and plan underway. Meeting to discuss capital program for SI Unit collections space needs held Aug 07. Options for SISC replacement presented to the Capital Planning Board in Jan 07. Decision to lease space at 3400 Pennsy Drive approved late Jun 07. **Assessment. Progress is being made on addressing collections storage requirements, but many collections remain in substandard space.**

STRATEGIC GOAL 2: STRENGTHENED RESEARCH: INCREASE OF KNOWLEDGE

Pursue scientific advances, discovery, and scholarship in the natural and physical sciences, arts, humanities, and social sciences by focusing resources in areas in which the Institution has recognized strengths due to staff, research platforms, and collections.

PROGRAM GOAL 4: RESEARCH *(ties to Program Code 4XXX in ERP)*

PROGRAM GOAL 4.1: SCIENCE RESEARCH *(ties to Program Codes 41XX, 42XX, 43XX, 4400, 45XX, 4610 & 4620 in ERP)*
Engage in research and discovery focused on understanding the origin and evolution of the universe, earth and planets, biological diversity, and human culture. Use our unique, publicly-accessible collections, research facilities and staff to inform, educate, and inspire a diverse audience.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
4.1.a Dollar amount of external grants and contract awards	FY 2005: $127 M FY 2006: $117.8 M **FY2007 target**: $113 million	The Mall science units received 231 awards for a total of $30,613,815. After adding in SAO's total of $88,754,000, the entire SI Science grants & contract total is: $119,367,815, exceeding the target by $6M, or 5%. **Assessment. Target exceeded.**
4.1.b Number of applications for Smithsonian- and Unit-funded science fellowships	FY 2005: 358 SI FY 2006: 376 SI; 648 Unit Fellows apps **FY2007 target**: Increase number of applications for SI-funded and Unit-funded Fellows over FY 2006 level	Overall number of Fellowship applications in FY 2007 below prior year levels. SI-funded applications (ORTS) exceeded FY 2006 goal by 1, while unit-funded applications were 56% of the FY 2006 goal. |	*Annual Goal*	*Actual*
Applications	>1,024	743
Awards	>289	216 (without SAO) | Tracking of fellows applications will be standardized in FY 2008. Although fewer awards bestowed in FY 2007, the monetary value of individual awards increased.
4.1.c Number of awards for Smithsonian- and Unit-funded science fellowships	FY 2005: 62 SI FY 2006: 99 SI; 190 Unit-funded awards **FY2007 target**: Increase number of awards for SI-funded and Unit-funded Fellows over FY 2006 level	See above.
4.1.d Number of science unit annual visiting committee reviews	FY 2005: 3 (SERC, CCRE & SMFS) FY 2006: 2 (STRI, marine science programs) **FY2007 target**: 2	There were four visiting committee reviews in FY 2007: ▪ STRI: Visiting Committee review Aug. 26-Sept. 3rd (programs in Panama and Brazil). ▪ MCI: Visiting Committee review Nov. 6-8, 2006. ▪ NMNH: External review of Anthropology department in 2007. ▪ OUSS: Visiting Committee review in March 2007.
4.1.e Number of publications resulting from science research in high impact journals (*Science* and *Nature)*	FY 2005: 555 ; FY 2006: 782 **FY2007 target**: Increase number of publications in high impact journals over FY 2006 level	The number of publications in high impact journals through Sep 07 is 696 against an annual goal to increase over the FY 2006 baseline of 782. Publications to date represent 89% of annual goal.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
Demonstrate progress in achieving the five-year goals identified in the 2005 Science Strategic Plan		Implementation of Top 7 Science Strategic Plan Initiatives: ▪ NMNH Astrobiology Program. Established program with NASA. ▪ NMNH Web-based Encyclopedia of Life. Raised $12.5 million for Encyclopedia project. Steering Committee allocated these funds in Jun 07 to five core components. NMNH chairs the Secretariat. Hired the Executive Secretary in May 07 and an administrator. ▪ NZP Conservation Biology. Partnership established with George Mason University to establish an International Center for Conservation Education and Sustainability. Business plan completed. CRC selected as the NSF Mid-Atlantic Ecological Observatory site. ▪ SAO Giant Magellan Telescope (GMT). Development of prospect lists and collaborative proposals with partners underway. GMT partners are working to secure institutional funds through execution of the legal agreement for the GMT Corporation. ▪ SAO Center for X-Ray Technology (CXT). Fellowship proposals submitted, although SAO planned to submit additional requests, these actions have not occurred yet. ▪ STRI. Study Community Diversity Focusing on Coastal Marine and Tropical Forests. Raised approximately $11.2 million to date. ▪ Cross-Unit Opportunities for Integrative Studies of Humans and their Environment. Possible NMNH anthropological focus under review. **Assessment. Overall, Science continues to improve measurements and to focus the Institution's resources on key research and educational initiatives. However, as of the end of the fiscal year, the goals pertaining to the number of publications in high impact journals and the number of fellowship applications were not met.**
4.1.f Citation rates per scientist for papers published in strategic plan theme areas	FY 2006: Worked with Thomson/ISI and SIL on improving measurement **FY2007 target**: Establish a baseline citation rate for SI publications	Work is underway to establish a citation rate for SI publications. This metric will be implemented next fiscal year.
4.1.g Number of published contribution series	FY 2005: 3 FY 2006: 0 (Partnership to market/distribute the scholarly publications.) **FY2007 target**: Resume production and distribution of new scholarly books and the Contributions Series	Making progress on resuming production and distribution of new scholarly books and the Contribution Series – procedures for authors and contractors complete; submissions instructions online for authors; content Review Boards established; call for manuscripts issued Jan 07; Legacy CS volumes digitized and uploaded to internet for public access; and distribution contract extended.
4.1.h Number of visiting scientists days	FY 2006: 93,537 **FY2007 target**: Increase number of visitor days over FY 2006 level	Accessibility to Smithsonian science resources is measured by the number of visitor days. Science units reported 102,371 visitor days against an annual goal to exceed 93,500 (FY 2006 baseline), 109% of goal.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
4.1.i Number of SI science stories in major media	FY 2006: 793 **FY2007 target**: Meet unit-defined monthly target metric for number of unique SI science topics that appear in traditional media	Presented 2,526 unique SI science topics to the traditional media (i.e., print, radio, television) compared to an annual target of 411.
4.1.j Number of scientific presentations at regional/national/ international meetings	FY 2006: 1,830 **FY2007 target**: Develop a plan for OUSS Symposium Series. Track number of presentations by SI scientists to the general public.	SI scientists have conducted 690 presentations to the general public.
Implement process to measure and communicate the impact of Smithsonian Science		Smithsonian science was used to support the following US policy initiatives: • SI modeling of avian flu spread used in a CRS report to Congress (NZP) • Development of public policy related to the National Ballast Water Information Clearinghouse (SERC) • Designation of the Las Perlas Archipelago as a special coastal-marine management zone (STRI) US/S working with the Science Communications Advisory Group (SCAG) and OPA on completing a science communications plan. **Assessment. Communications plan proceeding; special presentations well ahead of annual targets; and production and distribution of new scholarly books are exceeding expectations**.

PROGRAM GOAL 4.2: ART, HISTORY, AND CULTURAL STUDIES RESEARCH *(ties to Program Code 4700 in ERP)*
Ensure the advancement of knowledge in the arts and humanities through original research, including research on the collections, which is reflected in publications, exhibitions/displays, and public programs.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
4.2.a Number of scholarly research outputs of six types: (1) print publications; (2) electronic publications; (3) audio-visual media productions; (4) scholarly presentations; (5) scholarly services; and (6) scholarly achievements	FY2006: 13 publications by US/A museums; 46 publications by DS&COO museums + 21 documentary recordings (Folkways) **FY2007 target**: Collect baseline data using an expanded application of research metrics	Baseline data through end of FY2007 (DS&COO) 1. <u>Print publications</u>. APA: 1; CFCH: 29; NMAAHC: 4; NMAH: 34; NMAI: 11; NPM: 9; SIA: 5; SIL: 7; SITES: 3. 2. <u>Electronic publications</u>. NMAAHC: 1; NMAH: 8; NMAI: 7; NPM: 2; SIA: 3; SIL: 15; SITES: 1. 3. <u>Audio-visual media productions</u>. CFCH: 17; NMAH: 9; NMAI: 2; SIA: 3. 4. <u>Scholarly presentations</u>. APA: 3; CFCH: 69; NMAAHC: 20; NMAH: 74; NMAI: 30; NPM: 7; SIA: 29; SIL: 25; SITES: 11. 5. <u>Scholarly services</u>. APA: 2; CFCH: 257 (Festival collaboration w/106 researchers on Mekong); NMAAHC: 7; NMAH: 85; NMAI: 10; NPM: 3; SIA: 18; SIL: 7. <u>Scholarly achievements</u>. CFCH: 5; NMAH: 7; NMAI: 6; SIA: 5; SIL: 9; SITES: 4.

STRATEGIC GOAL 3: ENHANCED MANAGEMENT EXCELLENCE

Modernize Smithsonian management systems by bringing each of them to a level of quality and sophistication appropriate to an organization of the size and complexity of the Institution.

PROGRAM GOAL 5: FACILITIES *(ties to Program Code 5XXX in ERP)* Provide and sustain world-class cultural and scientific facilities.

PROGRAM GOAL 5.1 FACILITIES CAPITAL *(ties to Program Code 5500 [Construction] and 53XX & 5400 [Revitalization, Facilities Planning & Design] in ERP)*
Execute an aggressive long-range revitalization and construction program to ensure facilities are appropriate for the mission, satisfy requirements, are in excellent condition, and support the SI mission.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
5.1.a Percent of available capital funds obligated compared to funds available	FY 2005: 91% FY 2006: 93% **FY2007 target**: 85%	87% of available capital funds obligated compared to funds available. **Assessment: Target exceeded.**
5.1.b Number of major capital projects meeting milestones	FY 2006: Achieved 6 of 8 individual capital projects **FY2007 target**: Meet 10 major projects milestones	
5.1.b (1) Construction of Kogod Courtyard at Reynolds Center *Complete construction of the Kogod Courtyard on schedule and on budget*	FY 2006: Public opening on July 1, 2006 **FY2007 target**: Complete courtyard enclosure and 50% of interior landscaping	Watertight roof enclosure completed (Jan 07). Interior landscape on track for completion by Nov 07. Current Working Estimate (CWE) still within budget. **Assessment. Courtyard project is progressing on schedule and budget**
5.1.b (2) Revitalization of public space, NMAH *Complete 95% design work and begin construction of the NMAH central core revitalization and Star Spangled Banner exhibition*	FY 2006: revitalization targets met **FY2007 target**: Complete 35% of Phase II revitalization in the central core	Design 100% complete. Federal facilities capital portion of project awarded (Dec 06). Construction is 30-35% complete. HAZMAT issues have caused delays. Fundraising goal for the Star Spangled Banner has been achieved. Opening is scheduled for Summer 2008. **Assessment. Despite earlier concerns that the fundraising goal for SSB would not be achieved and the project delayed as a consequence, NMAH has achieved its goal of raising $29M. However, contractor is behind schedule and has not yet provided an acceptable recovery plan.**
5.1.b (4) Revitalization of NMNH space for Ocean Exhibit and ongoing building renovation *Keep construction of the NMNH Ocean Hall on schedule and on budget*	FY 2006: revitalization targets met **FY2007 target**: Turn over revitalized shell for exhibits installation in Spring 2007; initiate west wing basement revitalization, elevator replacement, window and air	Construction 100%. Turned over to NMNH for exhibit installation in Apr 07. On target for Sep 08 opening. Rough cuts of videos and typesetting and printing of final graphic rails reviewed and approved in Jul 07 and Aug 07, respectively. **Assessment. Project is progressing on schedule and budget.**

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
	towers renovation and final contract for Third Floor SW Main Building.	
5.1.b (5) Relocation of A&I staff and programs and closure of building *Complete relocation of all remaining staff from the A&I Building by 12/31/06 and mothballing of the A&I Building by 6/1/07*	FY 2006: 92% of staff relocated; all staff relocated by 12/31/06 **FY2007 target**: Complete relocation of all remaining staff by 12/31/06 and implement mothballing of A&I Building by 6/1/07.	Completed all relocations by 12/31/06. AIB completely emptied by 6/1/07. The mothballing is currently underway. Completed installation of VoIP telephone systems at the Quad and at leased space in Capital Gallery and Crystal City by 1/19/07. **Assessment. All remaining A&I staff were moved out of the building on schedule.**
5.1.b (6) Design and construction of Pod 5 *Complete Pod 5 construction by April 2007 and on budget*	FY 2006: target of 50% completion met in August 06 **FY2007 target**: Complete construction 100%	Construction 100% complete. Phase I move of alcohol collections from Mall and Pod 3 began, as planned, in Apr 07, and completed in Sep 07 as planned. **Assessment. Target met.**
5.1.b (7) Site evaluation for the National Museum of African American History & Culture (NMAAHC) *Complete NMAAHC site Environment Impact Statement scoping phase*	FY 2006: Museum site announced 1/30/06; all other targets met **FY2007 target**: Hold a public hearing; publish draft EIS	Public hearing held 1/4/07. On schedule for publication of draft environmental impact statement by 9/30/07. Draft EIS will be issued Dec 07 instead of Sep 07 as originally planned. **Assessment. Delay beyond end of fiscal year due to SI receiving more comments and requests for changes on Draft EIS than anticipated. No impact foreseen to the overall project development at this time.**
5.1.b (8) Replacement of the electrical systems at the National Air and Space Museum *Replace electrical system at the Air and Space Museum*	New indicator **FY2007 target**: Complete design, award construction contract	Design complete; construction contract awarded September 2007. **Assessment. Target met.**
5.1.b (9) Relocation and consolidation of Victor Building staff *Complete relocation of selected staff from the Victor Building by 1/31/07*	New indicator **FY2007 target**: Complete relocation of staff to leave building and consolidation of remaining staff by January 31, 2007	SI Staff moves from the Victor Building completed by 1/31/07. However, staff moves within the Victor building were delayed and not completed until 3/31/07. **Assessment. Project exceeded its relocation budget by $3.9 million, paid from trust sale proceeds.**
5.1.b (10) Construction of VERITAS support building	Milestone carried over from FY 2006; delay of construction	VERITAS project still on hold pending resolution of legal issues.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
	due to unresolved legal issues **FY2007 target**: Initiate construction of support bldg (assuming NSF ready to proceed absent final legal resolution)	
5.1.b (11) Renovation of Museum Support Center Pod 3 for collections storage	New indicator **FY2007 target**: Initiate design	Design of Pod 3 renovation awarded November 2006. **Assessment. Target met.**
5.1.b (12) Construct replacement greenhouses *Construct new greenhouses to replace leased facilities at Armed Forces Retirement Home*	New indicator **FY2007 target**: Initiate planning	Planning/design of greenhouses initiated in May 2007. **Assessment. Target met.**
5.1.c Percent of revitalization projects designed to 35% prior to request for construction funding	FY 2005: 67% FY 2006: 70% **FY2007 target**: Complete 35% designs prior to OMB budget submission for 70% of major projects in the FY 2009 capital program	Actual: 47% designed to 35% (in terms of dollar volume of requested FY09 projects). Target not met in part because of lack of resources for Facilities Planning & Design, and in part because changing priorities at several locations accelerated construction plans. **Assessment. Target not met.**
5.1.d Progress in reduction to $1.5 billion backlog of revitalization requirements	FY 2005: 8% FY 2006: Achieved 5% reduction at FY06 funding level **FY2007 target**: Achieve an additional 10% reduction of revitalization backlog *NOTE: FY 2007 request level yields only a 6% reduction*	Due to a year long Omnibus CR, funding for Facilities Capital remained at the FY 2006 funding level, achieving only a 5% reduction of the revitalization backlog. **Assessment. Progress constrained by lack of resources.**
5.1.e Percent of major projects completed within budget compared to initial government estimate at construction start	FY 2005: 100% FY 2006: 100% **FY2007 target**: 100%	100% **Assessment. Target met.**

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
5.1.f Progress in improving average Facility Condition Index (FCI) of SI facilities	FY 2005: 38% FY 2006 indicator restated; data for all buildings to be completed July 2007 **FY2007 target**: Establish new baseline; target is 85%	Survey of all SI facilities nearly complete; preliminary results indicate an FCI of 84%. **Assessment. Target met.**
5.1.g Progress in improving average Facility Condition Index (FCI) of facilities with major revitalization funding	FY 2005: 38% FY 2006: indicator has been restated; data for all buildings to be completed July 2007 **FY2007 target**: Establish new baseline; preliminary target is 85%	Survey of all SI facilities nearly complete; preliminary results indicate an FCI of 84% for the four facilities with major revitalization funding in FY 2007 (NMNH, NMAH, NZP, NASM). **Assessment. Target met.**
5.1.h. Number of major projects whose change from the 35% design cost estimate to final project completion cost is within ±15% tolerance per Construction Industry Institute (CII) standards	FY 2006: Accomplished 2 of 4 (POB and AIB). VERITAS project delay due to legal issues; Asia Trail I final cost exceeded the 35% project estimate due to the unexpected worldwide spike in commodity prices and local labor market conditions **FY2007 target**: 2 of 3 ▪ POB Courtyard ▪ NMNH Ocean Exhibit PSRP ▪ Pod 5 construction	Two projects (NMNH Ocean Hall revitalization & Pod 5 construction) were completed within the 35% design estimated cost. Donald W. Reynolds Center (formerly POB) Courtyard project is not yet complete. **Assessment. Target met.**

PROGRAM GOAL 5.2: FACILITIES MAINTENANCE (*ties to Program Code 5200 in ERP*)
Execute an aggressive and professional maintenance program to reverse the impact of many years of under funding, and to achieve world-class upkeep of SI cultural and scientific facilities.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
5.2.a Planned maintenance cost as percent of total annual maintenance costs	FY 2005: 49% FY 2006: 50% **FY2007 target**: 55%	FY 07 actual 52% **Assessment: Although the target was not met, this is a 2% increase over FY06.**

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
5.2.b Percent of funding for maintenance compared with current replacement value (CRV) of SI facilities *Increase maintenance resources to 2% of CRV of SI facilities*	FY 2005: 0.8% FY 2006: 1.0% **FY2007 target**: 2% of CRV *NOTE: at the funding level requested for FY2007, we can only achieve 1.1% of CRV*	FY07 actual 1.1%. **Assessment. Facilities maintenance received $5M additional resources in FY 07.**
5.2.c Systems meeting reliability targets	New indicator in FY'07 **FY2007 target**: Meet targets for 5 systems	**Assessment. Targets met.**
5.2.c (1) Percent of time temperature and humidity levels are within the target range	**FY2007 target**: 85%	The average of all buildings' temperature stayed with acceptable band 87.6% of the time; the average of all buildings' humidity stayed with acceptable band 82.7% of the time.
5.2.c (2) Mean time between repairs of vertical transportation units	**FY2007 target**: Mean time greater than 70 days	The average mean time between repair calls for all DC facilities was 76.6 days; 5 facilities did not meet this goal. Statistics were not kept for NY facilities.
5.2.c (3) Number of leaks per 100 squares of roofing (Note: 1 roofing square = 100 square feet)	**FY2007 target**: 1 leak per 200 squares	Target was met, with .03 leaks per 200 squares of roofing.
5.2.c (4) Percent of time critical electrical power is available	**FY2007 target**: 99.9%	Target was met in terms of unplanned outages. Actual availability during FY07 was 99.8%, but this included some 280 planned outage hours for maintenance activities, during which generator power was available for 120 hours.
5.2.c (5) Percent of time fire alarm and suppression systems are available	**FY2007 target**: 99.9%	Availability during FY07 was 99.8%; 6 facilities experienced unplanned unavailability or extended unavailability, with fire watches dispatched to provide protection during the outage.
5.2.d Percent reduction in growth of maintenance backlog from prior year	FY 2005: $45M per year added to backlog FY 2006: FY 2003 Maintenance Budget established as baseline **FY2007 target**: Reduce the growth in the backlog by 11% (to $40M)	The FY07 level of maintenance funding was insufficient to reduce the backlog. The minimum funding level required is 2% of CRV. For FY07 the funding level was only 1.1% of CRV.
Show constructive steps to defend the requirement for $2.5 billion in additional		Conducted site visits for Chairman of the House Appropriations subcommittee in Jan 07 to highlight facilities maintenance challenges and the impact of facilities on science mission. Additional facilities briefings presented to House and Senate appropriations subcommittees,

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
funds for maintenance and revitalization		House public buildings subcommittee, and House Committee on Administration.
		At the special House Appropriations Subcommittee hearing on the full-year Continuing Resolution provided a compelling case for restoration of the $5 million FY 2007 facilities maintenance increase included in the FY 2007 budget request. The increase was ultimately funded in the final CR action.
		Updated the options papers originally prepared for the Regent's Committee on Facilities and prepared new option papers including: proposing a National Treasures initiative, a pilot for capital budgeting, energy savings, performance contracting, special endowment payout, and a public-private partnership for the AIB.
		Supported GAO Facilities review with many papers and meetings.
		Developed deliverables and milestones related to implementing the Regents' Recommendation 8(b) to "develop strategies and mechanisms for addressing the facilities backlog."
		Assessment. The need for increased facilities funding is recognized and acknowledged by the Regents, OMB and Congressional leaders and staff.
Achieve APPA Maintenance Staffing level 2		**Assessment: Target was not met due to resource constraints**: only 22 of the required 92 additional FTE were provided in FY07.

PROGRAM GOAL 5.3: FACILITIES OPERATIONS (*ties to Program Code 5100 in ERP*)
Improve the overall cleanliness and operational efficiency of Smithsonian facilities.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
5.3.a Progress on improving APPA level of cleanliness from Moderate Dinginess (level 4) to Orderly Tidiness (level 2) *Achieve APPA level 2 (Ordinary Tidiness)*	FY 2005: Appearance Level 4 FY 2006: approaching APPA level 3 SI-wide **FY2007 target**: Achieve APPA Appearance level 3 (Casual Inattention)	FY07 funding levels provided sufficient operations funding to hire the staff required for APPA Level 3; however, turnover and lack of maintenance funds needed for repairs limit our ability to achieve this level in all facilities. **Assessment. Resource constrained.**
5.3.b Percent of customer work orders that are completed within 120 days	FY 2006: target of 75% required extension into FY 07 **FY2007 target**: 80%	FY07 actual was 90%. **Assessment. Target met.**
Implement sustainability and energy conservation measures		• Recycling for staff/visitors; collected 6.75 tons of recyclable materials at Folklife Fest • Avoided $2.4M in utility expenses through O&M-related conservation measures • Pursuing LEED existing building certification at NMAI • Performed energy and water usage audits covering 35% of SI area **Assessment: Target met with a number of measures implemented in FY07.**

Implement stewardship measures to improve asset management	- Systems and components inventoried and preventive maintenance plans developed; currently validating and loading data into automated system to provide work orders and repair history for each asset. Five of eight zones completed. - SI real property inventory is operational. **Assessment: Target met.**

PROGRAM GOAL 6: SECURITY & SAFETY *(ties to Program Code 6XXX in ERP; incorporates old Objective 3.9)*
Ensure a safe, secure and healthful environment in all Smithsonian facilities and protect collections from theft, fire and miscellaneous environmental concerns.

PROGRAM GOAL 6.1: SECURITY *(ties to Program Code 61XX in ERP)*
Provide world-class protection for Smithsonian facilities, collections, staff, visitors and volunteers.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
6.1.a Security system upgrade projects meeting milestones *Complete construction of NASM perimeter security* *Award construction for NMNH perimeter security*	FY 2006: met target for 1 system upgrade: HMSG **FY2007 target**: Complete 100% of NASM perimeter security project. Complete 50% of construction of NMNH perimeter security	[NASM] The project was substantially completed Dec 06. Plinth-top expressive elements delivered and final placement is underway. Although completion was originally estimated for 8/31/07, installation will be completed by the end of Oct 07. **Assessment. Installation of barriers completed in FY 2007 as planned. Artwork delayed due to contractor deficiencies.** [NMNH] Project is on schedule; Notice to Proceed provided to contractors on 10/11/06. New computer modeling identified the potential need for perimeter security on the building's south side to prevent a vehicle attack. If validated, this requirement would be treated as a new project in the future. Construction was 60% complete as of 10/01/07. **Assessment. Target met.**
6.1.b Crime rate (per million visitors) and intentional loss/damage to collections	FY 2005: crime rate < 10 per million visitors; no loss or damage to collections FY 2006: crime rate 7 per million visitors; no loss or damage to collections **FY2007 target**: Decrease crime rate to less than 7 per million visitors; decrease rate of intentional loss/damage to collections to 0	No intentional loss/damage to collections occurred in FY07. **Assessment: Target exceeded.**

6.1.c Progress in improving the percentage of background checks completed for incoming employees, interns, volunteers, and contractors *Establish and enforce strict policies to ensure that all new SI employees, volunteers, and contractors have appropriate background checks*	New performance indicator **FY2007 target**: Percent of background checks completed for incoming: Employees – 100% Interns – 45% Volunteers – 30% Contractors – 30%	OFEO responded aggressively to the 18 IG audit recommendations; 14 recommendations have been closed and 4 are pending closure. Directives 212 and 213 are being revised. Working draft will be issued for widespread review by Jan 08 instead of Aug 07 as originally planned. As a result of stricter background checks, pre-employment screening has been implemented for certain positions. Four selected candidates have had their job offers revoked because of security issues. As a result of post-employment background checks, about 10 contractor personnel were terminated and two SI employees elected to resign in lieu of being terminated due to security issues identified during their background investigation. **Assessment. Progress is being made to improve background check procedures.**

PROGRAM GOAL 6.2: SAFETY *(ties to Program Code 62XX in ERP)*
Provide a safe and healthy environment to support Smithsonian programs.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
6.2.a Progress towards achievement of a Zero Injury goal by reducing occurrence of RAC 1 and 2 deficiencies that can cause serious injury	FY 2005: 216 total facilities deficiencies FY 2006: 10% reduction – two RAC 1's in OFMR **FY2007 target**: reduce 10%	FY07 Actual: 10% reduction **Assessment: Target met.**
6.2.b Progress towards achievement of a Zero Injury goal by reducing recordable occupational injuries and illnesses (TRIR)	Baseline is 2003 numbers per 2004 Presidential (SHARE) Initiative goals FY 2006: 9% reduction from baseline per DOL statistics **FY2007 target**: 12% reduction from baseline	Target presumed to be exceeded: through the first 3 quarters of FY07, DOL reports that SI achieved a TRIR of 2.31 and was projecting a 3.08 TRIR for the end-of-year (results still to be determined). By comparison, the TRIR for FY03 was 6.06, therefore we project that SI will be down nearly 50% from the SHARE baseline, significantly surpassing the 12% goal. **Assessment: Target exceeded.**
6.2.c Progress on achieving a Zero Injury goal by ensuring all supervisors have a safety-related performance standard in their performance plan *Establish a Zero Accidents goal for SI; include a safety-related performance standard in all supervisory performance plans*	New goal for FY 2007 **FY2007 target**: 100% based on units reporting	A zero accident goal has been incorporated in all Art, Science, and Deputy Secretary and OFEO Director performance plans. **Assessment. Significant progress is being made to improve safety.**

| 6.2.d Progress towards implementing a Health Risk management Program that fosters a reduction in the number of lost days due to injury

Create an Occupational Health Risk Management Program that fosters improved employee health and productivity | Baseline is FY 2003 LPD of 89

FY 2006: LPD of 86.4 or 2.6% reduction from baseline per DOL statistics

FY2007 target: 4% reduction in LPD from baseline | Health risk assessment (HRA) report draft from 2006 survey completed by OFEO, but the goal is resource constrained.

Assessment. Planned program cannot be implemented within current funding levels. |

PROGRAM GOAL 7.1: INFORMATION TECHNOLOGY *(ties to Program Code 7XXX in ERP)*
Modernize the Institution's information technology (IT) systems and Program.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
7.1.a System Availability (email, file and print, and directory network servers, switches and routers during normal business hours)	FY2005: 99.99% FY2006: 99.98% **FY2007 target**: 99.99% system availability	System availability: email, file and print, and directory network servers, switches and routers exceeded the goal of 99.99%. **Assessment. Goal exceeded.**
7.1.b Telephone Call Manager and Voice Mail system availability during normal business hours	FY2005: 99.99% FY2006: 99.80% (major power outage from June 2006 flooding) **FY2007 target**: 99.99%	Telephone Call Manager and Voice Mail System availability for FY 2007 was 100% **Assessment. Goal exceeded.**
7.1.c Customer satisfaction with quality and timeliness of IT services	FY2005: 96% FY2006: 97% **FY2007 target**: 90% of customers rate the quality and timeliness of IT services satisfactory or better	98% of customers rated the quality and 97% of the customers rated the timeliness of IT services satisfactory or better. **Assessment. Goal exceeded.**
7.1.d Cost reduction for voice services through VoIP Telephony	FY 2002: cost to provide voice services: $8.3 million FY 2006: cost reduced to $5.31 million **FY2007 target**: Reduce voice services cost to $5.1 million.	Costs to provide voice services for FY 2007 were reduced to $5 million. **Assessment. Goal exceeded.**
Replace the Travel Manager system with the e-Travel system		OCIO completed integration of GovTrip travel system with ERP on 4/23/07. Phase I and II Units implemented new travel system in Quarter 3, on schedule and budget. **Assessment. Goal met.**

Automate the Institution's time card process by integrating a new Time and Labor system into the ERP		Full implementation of the Time & Labor (T&L) schedule has been delayed until FY 2009 due to delays triggered by uncertainties associated with FY 2007 full-year continuing resolution. However, the Web time and attendance system was purchase in Mar 07; and a pilot with OCIO and OC will be implemented at the end of Oct 07 instead of Sep 07 as previously planned. **Assessment. Project slipped due to uncertainties and competition for ERP resources in FY 2008 when major ERP upgrade is scheduled.**
Complete scheduled IT upgrades on time and on budget to ensure high availability for networks, e-mails, and telephone systems and high customer ratings		System upgrades: Migrated Microsoft Active Directory and Exchange 6 months ahead of schedule; installed E-mail extender and spam-filtering device. Desktop replacements: Replaced 2,800 desktop workstations, exceeding goal of 1,500 by 1,300. Server consolidation: Migrated a total of 29 Unit servers to Herndon Data Center (HDC). A server survey was issued to SI Directors on 2/20/07. In parallel to these activities, OCIO contracted to assess institutional servers and make recommendations for relocation and consolidation of these servers to HDC. Final relocation and consolidation plan to be delivered at the end of Sep 07. **Assessment. System availability and customer service exceeded goal and major upgrades/replacements were accomplished.**
Complete Phase I of the ERP management financial reports package, thereby improving financial reporting		Summary level ERP reports were put into production on 4/24/07. Three Museums (NMAI, NASM and HMSG) are participating with OCFO in an initiative to incorporate full variance reporting (plan vs. actual) into this managerial reporting process. **Assessment. Goal met.**

PROGRAM GOAL 8: MANAGEMENT OPERATIONS *(ties to Program Code 8XXX in ERP)*

PROGRAM GOAL 8.1: PERFORMANCE MANAGEMENT *(ties to Program Code 81XX in ERP)*
Strengthen an Institutional culture that is customer-centered and results-oriented.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
8.1.a Completion rate for senior-level (SL) and non-senior level performance plans and appraisals	FY 2005:88.8% SL and 90% non SL FY 2006: 100% SL and 99.2% non SL **FY2007 target**: 100% of SL and 100% non SL	*Performance plans and appraisals.* Status as of 9/30/07: <table><tr><td>Organization</td><td>Senior Level - % Complete</td><td>Non-Senior Level - % Complete</td></tr><tr><td>ODS</td><td>100%</td><td>99.6%</td></tr><tr><td>US/Art</td><td>100%</td><td>100%</td></tr><tr><td>US/Science</td><td>100%</td><td>99.7%</td></tr><tr><td>FEO, CFO, CIO</td><td>100%</td><td>100%</td></tr></table> A new performance management system was implemented in FY 2007 and training provided for all employees.
8.1.b Number of workdays to complete Recruitment Action against OPM 45 Day Hiring Model (day of announcement to day of offer)	FY 2005: > 80 days FY 2006: 62 days **FY2007 target**: Meet OPM 45 Day Hiring Model	OHR did not meet the 45-day OPM hiring timeliness goals, but has reduced cycle time from over 80 days from two years ago, 62 days from the previous fiscal year, and 54 days from Oct 06 – Sep 07. Additionally, 123 vacancies were posted via STARS. The average number of workdays from day of submission of a recruitment request to day of offer was 104 days (from 2/1/07 to 9/30/07).

Demonstrate improvement in the Institution's business processes and practices as documented by: reduced cycle time, improved customer satisfaction, President's Management Agenda ratings, cost/FTE savings, improved decision support, etc.		*President's Management Agenda (PMA).* The Sep 07 scorecard included 3 green status ratings for Performance Improvement, Financial Performance, and eGov. Improved to green in eGov by completing enterprise architecture assessment. Completed the facilities operations and maintenance PART and received OMB's highest rating (Effective) for the program.
		Monthly metrics reviews. Routine use of organizational metrics and monthly reviews continue at the following SI Units: ODS/COO: OFEO, OHR, CFO, CIO, OEEMA, NMAH, NMAI
		External Affairs: OD, OSP
		US/Science: SERC, NASM, SAO, STRI, MCI, NZP, NMNH
		US/Art: AAA, SAAM, NPG. Provide weekly statistics reports: F/S, C-H, NMAfA, HMSG
		Human resources processes.
		An electronic interface between the Smithsonian and the Department of Labor's workers' compensation system was established in Jun 07, and announced in Oct 07.
		The first succession management class was selected in Jun 07.
		In response to the Governance Committee and IRC recommendations, a review of the Institution's executive compensation process and procedures has been initiated and is on track for completion by Nov 07. These recommendations, if adopted by the Regents, will be used to guide 2008 executive compensation review.
		Training council established in Mar 07, and includes 42 members representing 31 SI Units. A final report on the WAVES on-line learning pilot was completed and will be reviewed by the Training council. Additionally, established an executive training resource list to support SI leadership development efforts.
		Assessment. Significant improvement in completing employee appraisals, implementation of new performance system/process, achievement of three Green "Status" scores on the President's scorecard, and progress on improvements in the Institution's employee development programs. Hiring actions (specifically for OFEO) remain an issue.
Ensure all contractual milestones are met for **SI on Demand** *and increase pan-Institutional outreach for, and participation in, the initiative*		75 (up from 45 last reporting period) SI Networks productions are completed and approved.
		Agreement signed with DirecTV in September for distribution of new Smithsonian Channel.
		Achieved an SOD linear launch of 70 hours of programs by 10/03/07. Submitted 30 mission critical program to the Venture by the Jun 07 deadline. In addition to the mission critical programs, 5 major series about SI and 15 feature documentaries have been produced.
		The SI Coordinator's office managed the factual and reputation review of over 110 programs in coordination with the SOD Committee and the Deputy Secretary.
		SI Coordinator with Office of Public Affairs conducted over 100 briefings with SI units to inform them about guidelines and procedures for location filming and content access and protocols for generating story ideas and mission critical programs.
		SI units are estimated to be reimbursed $220,000 at the end of FY 2007 for location filming and content review. This represents a more extensive participation level than had been expected.
		Assessment. SI Networks had a later than planned, but successful, launch in September with its distributor. The shift from on demand & broadband to multiplatform, incorporating a high definition linear channel, created short term challenges.

Implement recommendations approved by the Board of Regents of the SI Art External Review Committee		Regents approved External Review Committee (ERC) report at their January meeting. Under Secretary for Art concluded meetings with unit directors and with their board chairs, commissioners, and volunteer stake holders. **Assessment. The report has been controversial is being used to inform development and update of strategic plans for Smithsonian Art.**

PROGRAM GOAL 8.2: HUMAN RESOURCE MANAGEMENT AND DIVERSITY/EEO *(ties to Program Codes 8200 & 8210 in ERP)*
Ensure that the Smithsonian workforce is efficient, collaborative, committed, innovative and diverse. Demonstrate support of the Smithsonian's commitment to diversity and equal employment opportunity during the hiring process and throughout the employees' careers.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
8.2.b Percent of employees who are satisfied with working at the Smithsonian on annual employee survey	FY2005: 64% (avg four units) FY2006: 69% (avg four units) **FY2007 target**: 65%	72% (Smithsonian-wide survey conducted in September 2007) **Assessment. Goal exceeded.**
8.2.c Percent of minorities in the Smithsonian workforce	FY 2005: Amer. Ind./AK Nat. 1.8% Asian/Pacific Island. 4.8% African American 31.5% Hispanic 4.5% FY 2006: (DC CLF/ SI) Amer. Ind./Alaskan 0.5%/ 1.8% Asian/Pacific Island 7.1%/ 5.0% African Am. 24.0%/ 30.3% Hispanic 8.1%/ 4.9% **FY2007 target**: Meet or exceed DC Metro Civilian Labor Force (CLF) statistics	*All Staff*: The percentage of all staff minority employees remained flat. Under representation persists for Asian Americans, Hispanics, and Whites. <table><tr><td colspan="3">**Total Workforce %**</td></tr><tr><td></td><td>Target</td><td>Actual</td></tr><tr><td>Nat Am</td><td>0.5</td><td>1.9</td></tr><tr><td>Asian</td><td>7.1</td><td>4.9</td></tr><tr><td>Nat H'an/Pac Isl</td><td>0.1</td><td>0.2</td></tr><tr><td>Black</td><td>24.0</td><td>30.1</td></tr><tr><td>Hispanic</td><td>8.1</td><td>4.9</td></tr></table>
8.2.d Percent of minorities in the Smithsonian workforce in grades 13 to 15 *Show improvements in percentages of minorities in grades 13 and above*	FY 2005: Amer. Ind./AK Nat. 1.5% Asian/Pacific Island. 5.0% African American 8.6% Hispanic 3.2% **FY2007 target**: Demonstrate incremental progress	*High Grades*: The percentage of high-graded minority employees increased by 1.1% to 20.7% since the start of the fiscal year. These positions are now being compared to the National labor force goals, not the local. SI exceeded the goal for Asians, but remains significantly under represented for Hispanics. <table><tr><td colspan="3">**Grades 13-15 Workforce %**</td></tr><tr><td></td><td>2006</td><td>2007</td></tr><tr><td>Nat Am</td><td>1.6</td><td>1.6</td></tr><tr><td>Asian</td><td>5.6</td><td>5.8</td></tr><tr><td>Nat H'an/Pac Isl</td><td>N/A</td><td>0.2</td></tr><tr><td>Black</td><td>8.8</td><td>9.4</td></tr><tr><td>Hispanic</td><td>3.5</td><td>3.5</td></tr></table>
8.2.e Percent of women and minorities in the Institution's executive ranks (i.e., Top 200 positions)	FY 2005: Women 39% Amer. Ind./AK Nat. 1.9% Asian/Pacific Island. 2.9% African American 2.4% Hispanic 5.3%	*Top 200*: The percentage of minority leaders is the same – at 14% – as it was at the start of the fiscal year. The loss of 1 Hispanic was offset by a gain of 1 Asian American and 1 African American.

Show an improved percentage of women and minorities (with focus on top 200 positions).	FY2007 target: Demonstrate incremental progress	
		Executive Workforce % |	2006	2007
Women	36.3	37.2
Nat Am	1.4	0.9
Asian	3.7	4.2
Nat H'an/Pac Isl	N/A	0.0
Black	4.2	4.7
Hispanic	4.7	4.2 | **Assessment. Little change from 2006. Modest improvement in high graded minority staff. Still have under representations in several minority categories.**

PROGRAM GOAL 8.3: FINANCIAL MANAGEMENT *(ties to Program Code 8300 in ERP)*
Modernize the Institution's financial management and accounting operations.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
8.3.a Number of business days after month-end to close out monthly financial activities	FY 2005: 8 business days FY 2006: 8 business days **FY2007 target**: 8 business day	Starting in Apr 07, the Institution's financial general ledger system is being closed monthly within 2 business days versus the previous 8-day close target – a significant business practice improvement. **Assessment. Goal exceeded.**
8.3.b Number of business days to process unit service requests	FY 2005: 5 business days FY 2006: 5 business days **FY2007 target**: 5 business days	FY 2007 Actual: 2 business days **Assessment. Goal exceeded.**
Demonstrate that Administration and Congressional approval was given for year-over-year increases in the Smithsonian's federal appropriation for facilities capital, maintenance, and operations expenses in fiscal year 2008		FY 2008 Budget: A year-over-year increase was achieved from the Administration. The FY 2008 budget request to Congress represents a $35 million increase (+6.5%) for S&E and an $8.5 million increase (+8.7%) for Facilities Capital. The Directors of OPMB and OGR conducted over 30 briefings to House and Senate committees and staff to defend the Institution's FY 2008 budget request. The House recommended a $35 million reduction to SI's budget request, but the Senate recommended an increase of $18 million. FY 2007 Continuing Resolution: SI briefed the Chairman, House Appropriations Interior Subcommittee on 1/5/07 to describe the impact of a full-year FY 2007 Continuing Resolution (CR) on the Institution. This briefing contributed to the Smithsonian funding level under the CR increasing by $20 million. **Assessment. The year-over-year increase in fiscal year 2008 was achieved from the Administration. FY 2007, SI received close to the full request level for S&E funding for the fiscal year, but the Facilities Capital FY 2007 was $8.4M short of the budget request.**

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
Achieve a balanced central trust budget, and adhere to it		OCFO met monthly with Interim SBV CFO to monitor financial health of SBV businesses and discuss evolving risks and opportunities. OPMB participated in the majority of monthly operating reviews for Retail, Journeys, Catalogue, and Licensing to stay apprised of the fiscal situation.
		Two SBV businesses whose net gains pass directly to the Central Trust budget missed budget goals: The Catalogue missed their income targets while museum stores and the magazine exceeded theirs.
		The hiring freeze lapse savings target of $1.9 million has been achieved, and the Hiring Freeze Review Board will continue to tightly manage the one-for-two hiring freeze to ensure budget goal savings are achieved or exceeded at year-end.
		Additional income from short-term investment interest, potential over-recovery of overhead expenses by SAO, and tight control of operating expenses offset lost income and produced a surplus this year primarily because unanticipated legal expenses associated with the Regents Governance and Independent Review Committee efforts are being financed from assets created by the sale of the Victor building.
		Assessment. The central trust budget will end the year with a surplus.
Improve SBV/Museum operating relationships by instituting monthly operational reviews and by implementing updated retail revenue sharing agreements for each SBV activity by January 1, 2007.		SI-Wide Revenue Sharing Agreement: An alternative SI-wide revenue sharing approach was developed and presented to the Deputy Secretary in Jan 07. Implementation of a new approach is deferred pending completion of the Museum/Retail Store assessment by an independent consultant and recommendations from the SBV Task Force.
		Traditional Revenue Sharing Agreements:
		Natural History revenue sharing agreement approved (Apr 07)
		American History/Air and Space Museum revenue sharing agreement for American History Treasures merchandise approved (May 07)
		Automated Teller Machines (Sep 07)
		Implemented financial procedures to establish the Smithsonian Student Programming Awards pool as part of the SBV EF Student Travel business activity.
		Consultant Study of Museum Retail Store Profitability: A contract was awarded to assess SBV and non-SBV retail store profitability (Feb 07). Benchmarking results were presented to the SI executive team on 3/26/07; to SI Project Group on 4/19/07; and to SI Directors on 4/25/07. After addressing the points of contention with the benchmarking product, SI decided on 6/29/07 to proceed with Phase II -- conduct outsourcing Request for Information (RFI). RFI submissions were submitted on 10/1/07.
		SBV/Museum Operating Relationship: SBV met monthly with Natural History, American Indian, Hirshhorn, Air and Space, and Reynolds Center museum representatives to review retail financial and operational results and issues. Financial reports were provided monthly to each Museum and revenue share distributions to Museums were timely. Rapport between the parties has improved greatly concurrent with assignment of new SBV Retail Team.
		Assessment. Although working relations between SBV and the Museums have improved,

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
		and a number of standard revenue sharing agreements enacted, a new pan-Institutional retail revenue sharing agreement is on hold pending completion of the Museum/Retail store study. Therefore this goal will not be achieved this year.
Implement all financial reporting systems and internal control action changes approved by the Audit and Review Committee as a result of the Regents Governance Committee report dated June 14, 2007		_Financial management processes._ SI financial statement audit was not completed until 2/20/2007 (over 2 months late) due to late changes in the auditing process by KPMG. This resulted in Financial Management receiving a downgrade to yellow for the Progress score on the 12/31/06 PMA scorecard. This score improved to Green for the next PMA report. In response to the IG's audit of the former Secretary's expenses and recommendations from the Governance and IRC Committees, completed the following activities: − Updated trust spending policy guidelines and reissued SI-wide on 3/28/07 − Documented the Institution's current practices related to trust fund financing and spending policies for the Governance Committee Chair (Apr 07) − Responded to numerous requests for information from the Senate − Issued new SI policy on social club memberships (Jun 07) − Issued revised SI Travel Handbook (Jun 07) − Issued guidelines on reimbursement of employee relocation expenses (Jun 07) − Issued SI-wide reminders on use of travel and purchase cards (May 07)
Complete Phase I of banking reforms in concert with new banking partner(s), thereby strengthening internal controls		Completion of Phase I banking reforms was achieved during FY 2007. By the end of Q2, negotiations for merchant services were completed. <u>Assessment</u>. **Banking reform is on track through FY 2007; however, resource constraints in FY 2008 and FY 2009 in OCIO will delay implementation of banking reforms which are dependent on automated systems.**

PROGRAM GOAL 8.4: PUBLIC AND GOVERNMENT AFFAIRS *(ties to Program Code 8400 in ERP)*
Enhance the reputation of the Smithsonian by maintaining good relations with the news media and with federal, state, and local governments.

KPIs and FY 2007 goals	Baseline data and performance targets	Actual Performance
Show that relations with the media and government entities have been improved		<u>Governance Crisis</u>. IG's report issued on the Secretary's expenses, followed by the resignation of the Secretary. OPA staff were dedicated to media strategy sessions with the Regents and executives, and focused on responding to press queries, preparing Q&A's, and arranging for interviews for the Acting Secretary. <u>Routine public affairs</u>. Conducted numerous meetings with NMAAHC regarding publicity for events in 2007. Successfully opened Asia Trail & new panda habitat; included major media/network coverage. Coordinated response to the GAO review of Smithsonian on Demand. OGR and worked closely on press releases and public statements prior to the issuance of the GAO report in Dec 06. Organized tour of A&I Building and NMNH for the incoming Chairman, House Appropriations

	Committee/Interior Subcommittee.
	Met with congressional staff to provide overview of SI science.
	Arranged NZP briefing for Congressman regarding CRC master plan.
	Handled the public relations campaign for the Folklife Festival.
	<u>Congressional hearings.</u>
	Prepared Acting Secretary and senior staff for two hearings before the Senate Rules Committee (4/11/07 and 6/26/07), for one hearing before the House Public Buildings Subcommittee (6/15/07), and for a hearing before House Committee on Administration (8/1/07).
	<u>Assessment</u>. The Institution's Governance crisis has made it difficult to improve SI media relations over the prior year. The media activity related to Senate inquiries and the Inspector General's report to the Board of Regents on executive compensation and expenses was negative. The Institution continues to strive to reform its Governance approach, improve relations with Congress, and implement new policies.

PROGRAM GOAL 8.5: PROCUREMENT AND CONTRACTING *(ties to Program Code 8600 in ERP)*
Modernize and streamline the Institution's acquisitions management operations.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
8.5.a Percent of total prime contracts awarded to minority- and women-owned business as set out in SI Supplier Diversity Program *Show continued improvement in Smithsonian supplier diversity*	FY 2006: (US Goal/ SI) Small Business (23%/51.4%) 8(a) Small Disadvantaged Business (3%/3.4%) Non-8(a) SDB (5%/21.2%) Women-Owned Small Business (5%/8.8%) HUB Zone SB (3%/1.3%) Service Disabled Vet-Owned Small Business (3%/0%) **FY2007 target**: Meet or exceed the US goals	The request to establish small business participation goals has been incorporated into Directors' 2007 performance plan templates. Achievement of government-wide goals follows (US Goal/Actual SI). Bolded percentages show categories in which goal has been exceeded: − Small Business (23%/**55.3%**) − 8(a) Small Disadvantaged Business (3%/**5.7%**) − Non-8(a) Small Disadvantaged Business (5%/**18.4%**) − Women-Owned Small Business (5%/**15.3%**) − Historically Underutilized Business Zone Small Business (3%/2.9%) − Service Disabled Veteran-Owned Small Business (3%/1.3%) **<u>Assessment</u>: Most of the major supplier diversity goals were exceeded.**
8.5.b Percent of SI contract actions completed within Federal Standard Timeframes	FY 2005: 80% FY 2006: 87% **FY2007 target**: 88%	Actions received were processed within the required timeframes. **<u>Assessment</u>: Goal met.**
Demonstrate improvement in the timeliness of contract/ procurement actions, with emphasis on supporting critical facilities capital projects		Eighteen contracts and 76 modifications were awarded for approximately $82 million. Updated budget and established size of shortfall for Reynolds Center. Developed budget and established size and timing of shortfall for NMAH renovation. To date, 100% (6 of 6) of new construction contracts at NZP have been expedited by price only solicitations to pre-qualified IDIQ contractors. **<u>Assessment</u>. No programmatic delays caused by untimely contract/procurement actions.**

STRATEGIC GOAL 4: GREATER FINANCIAL STRENGTH

PROGRAM GOAL 9: PROVIDE THE FINANCIAL SUPPORT ESSENTIAL TO ACHIEVING THE INSTITUTION'S GOALS *(ties to Program Codes 8310, 9XXX & 01XX in ERP)*

PROGRAM GOAL 9.1: DEVELOPMENT *(ties to Program Code 9XXX in ERP)*
Secure the financial resources needed to carry out the Institution's mission.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
9.1.a Total dollar amount of voluntary support (gifts) to Smithsonian	FY 2005: $141.8 M FY 2006: $119.7 M **FY2007 target**: $115 million (includes $13.4 million in private grants and contracts reported below)	The annual goal overall for fundraising is $240 million. Through September, a total of $270.7 million or 113% of the goal has been raised. Of this amount, a total of $134.2 million in private philanthropy has been raised or 117% of the goal; $104.3 million in government grants and contracts or 83% of the goal; and $32.2 million in non-government grants or 240% of the goal. 35 gifts of $1 million or more have been received. **Assessment. Although the Institution did not meet its goal for public sector (government grants and contracts) fundraising, private sector fundraising goals were exceeded and the Institution exceeded its overall goal of $240 million.**
9.1.b Total dollar amount of non-government grants and contracts	FY 2005: $17.5 M FY 2006: $12.4 M **FY2007 target**: $13.4 million	See above.
9.1.c Total dollar amount of federal, state, local and international government grants and contracts	FY 2005: $126.2 M FY 2006: $105.5 M **FY2007 target**: $125 million	See above.
Complete fundraising for construction of the Star Spangled Banner exhibition		$29.2 million has been raised and the fundraising goal achieved. **Assessment. Goal met.**
Complete fundraising for the Castle Great Hall revitalization		Cultivation efforts with potential donors were initiated, but this effort is on hold pending outcome of leadership transition. **Assessment. Not completed. No firm commitments in hand.**

PROGRAM GOAL 9.2: SMITHSONIAN BUSINESS VENTURES AND UNIT BUSINESS ACTIVITIES *(ties to Program Code 01XX in ERP)*

Increase the net income of Smithsonian businesses.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance
9.2.1 Dollar amount of SBV net gain	FY 2005: $36.1 M FY 2006: $23.5 M **FY2007 target**: $25 million (with $16 million in SBV net gain to the Trust budget)	SBV achieved a net gain of $26.6M which exceeds the FY 2007 goal of $25M by $1.6M. **Assessment: Goal met. It appears likely that SBV's contribution to Central Trust will be at least $16M.**
Restructure SBV Catalogue business such that it produces a net gain of $1 million in FY 2007		The Catalogue did not produce a net gain for FY 2007. **Assessment: Goal not met.**

PROGRAM GOAL 9.3: INVESTMENT MANAGEMENT *(ties to Program Code 8310 in ERP)*

Improve the management of the Institution's Endowment.

KPIs and FY 2007 goals	Prior year data and performance targets	Actual Performance		
9.3.a Dollar value of the Endowment portfolio	FY 2005: $779.3 million FY 2006: $843.8 million **FY2007 target**: $832 million	FY 2007 Actual: $995 million **Assessment: Goal exceeded.**		
Demonstrate that the Smithsonian's endowment was invested in accordance with the asset allocation approved by the Investment Committee		YTD performance (thru 9/30/07) follows:		
		Description	*SI Actual*	*Benchmark*
		Endowment YTD performance	18.8%	18.5%
		Endowment 5-year annualized real return	12.3%	5.5% (CPI)
		Endowment 5-year annualized return	15.1%	14.9% (Policy Benchmark)
		Short-term portfolio annual return	5.3%	5.2% (3-month T-Bill returns)
		Assessment. The Institution exceeded its investment goals.		

Acronym or Abbreviation	Full Text
A&I/ AIB	Arts and Industries Building
AAA	Archives of American Art
ACM	Anacostia Community Museum
AMSG	Arthur M. Sackler Gallery
CFCH	Center for Folklife and Cultural Heritage
CHNDM	Cooper-Hewitt National Design Museum
CRC	Cultural Resources Center (NMAI facility in Suitland, MD)
CRC	Conservation & Research Center (NZP facility, Front Royal, VA)
DWRC	Donald W. Reynolds Center for American Art and Portraiture
DS&COO	Deputy Secretary and Chief Operating Officer
ERP	Enterprise Resource Planning
FGA	Freer Gallery of Art
FSG	Freer & Sackler Galleries
GGHC	George Gustav Heye Center
HMSG	Hirshhorn Museum and Sculpture Garden
HRMS	Human Resources Management System
MCI	Museum Conservation Institute
MSC	Museum Support Center
NASM	National Air and Space Museum
NCP	National Collections Program
NHB	Natural History Building
NMAAHC	National Museum of African American History and Culture
NMAfA	National Museum of African Art
NMAH	National Museum of American History
NMAI	National Museum of the American Indian
NMNH	National Museum of Natural History
NPG	National Portrait Gallery
NPM	National Postal Museum
NSRC	National Science Resources Center
NZP	National Zoological Park
OC	Office of the Comptroller
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
OCon	Office of Contracting
OD	Office of Development
OEC	Office of Exhibits Central

OEEMA	Office of Equal Employment and Minority Affairs
OFEO	Office of Facilities, Engineering and Operations
OGC	Office of the General Counsel
OGR	Office of Government Relations
OHR	Office of Human Resources
OP&A	Office of Policy and Analysis
OPA	Office of Public Affairs
OPMB	Office of Planning, Management and Budget
OPS	Office of Protection Services
ORTS	Office of Research, Training and Services
OSP	Office of Sponsored Projects
POB	Patent Office Building
Quad	Quadrangle Building
RCM	Reliability Centered Maintenance
RG	Renwick Gallery
SAAM	Smithsonian American Art Museum
SAO	Smithsonian Astrophysical Observatory
SBV	Smithsonian Business Ventures
SCED	Smithsonian Council of Education Directors
SCEMS	Smithsonian Center for Education and Museum Studies
SERC	Smithsonian Environmental Research Center
SI	Smithsonian Institution
SIA	Smithsonian Institution Archives
SIB	Smithsonian Institution Building
SIL	Smithsonian Institution Libraries
SITES	Smithsonian Institution Traveling Exhibition Service
STRI	Smithsonian Tropical Research Institute
TSA	The Smithsonian Associates
UHC	National Air and Space Museum: Steven F. Udvar-Hazy Center
US/A	Under Secretary for Art
US/S	Under Secretary for Science
VERITAS	Very Energetic Radiation Imaging Telescope Array System
VoIP	Voice over Internet Protocol

Smithsonian Institution

The National Zoo's Asia Trail opened in October 2006, providing new habitats for the Zoo's giant pandas, sloth bears, red pandas, clouded leopards, Asian small-clawed otters, and fishing cats.

Smithsonian Highlights
Fiscal Year 2007

Attachment C

Introduction

This report presents programmatic and management highlights for the Smithsonian Institution in fiscal year 2007.

In this year, serious weaknesses in the Institution's governance came to light, resulting in major changes at the most senior levels of Smithsonian leadership. A new management team, with the active support of the Smithsonian's Board of Regents, is now moving forward with a thorough reform agenda, taking steps to improve transparency and accountability, and working hard to strengthen public trust. The programmatic highlights presented here illustrate that, despite this backdrop, the Smithsonian continues to play a unique and powerful role in the nation's civic, scientific, and cultural life.

Public Impact

Visits to the Smithsonian

In fiscal year 2007, the Institution counted **24.6 million** visits to its museums in Washington, D.C., and New York, plus the National Zoo and Steven F. Udvar-Hazy Center—up **7 percent** from fiscal year 2006, despite the closing of the National Museum of American History for renovations. Looking only at units that were continually open in both years (thus excluding both the American History Museum and Donald W. Reynolds Center for American Art and Portraiture, which was closed for most of fiscal year 2006), attendance was up **20 percent**.

Visits to Smithsonian Museums and Traveling Exhibitions

Fiscal Years 2005, 2006, and 2007

Smithsonian Institution
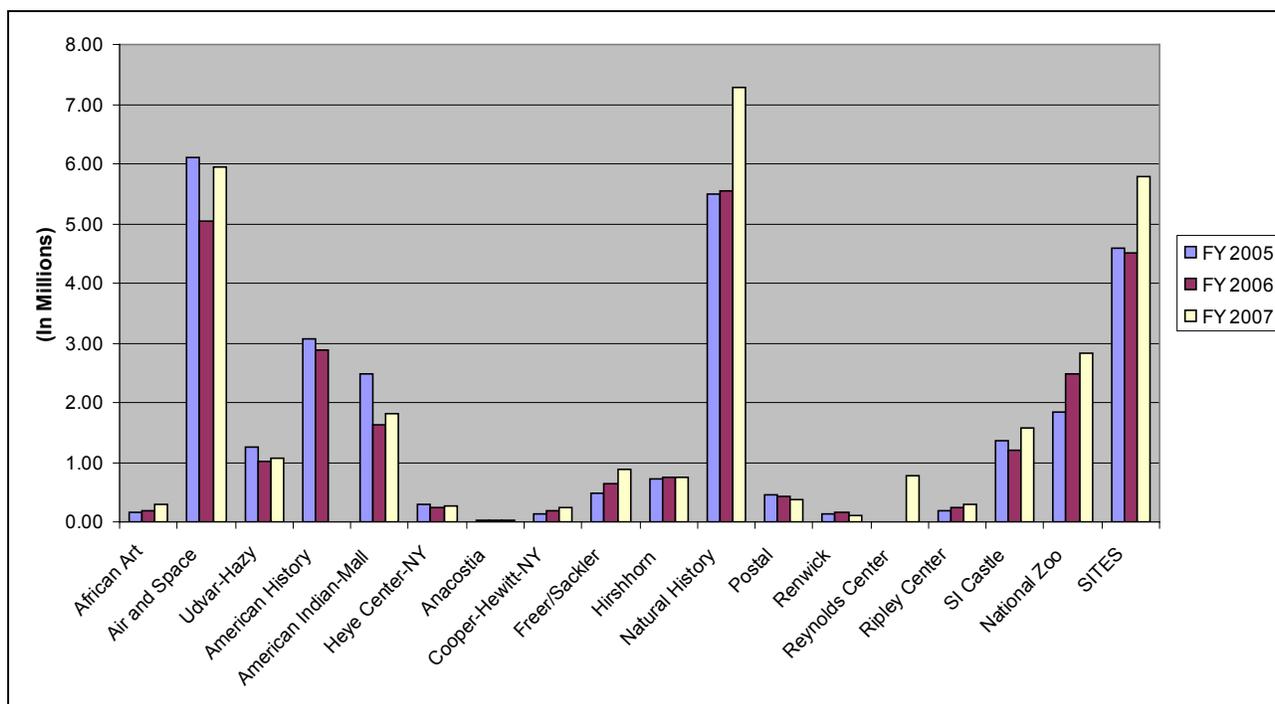
Part of this strong performance results from a **31 percent** increase in visitation at the Smithsonian's most popular venue, the National Museum of Natural History. Another factor was a **15 percent** increase in visits to the National Zoo—a remarkable figure, given that the Zoo had already experienced a strong panda-propelled surge in visitation last year; the increase in Zoo attendance over the past two fiscal years is over **50 percent**. A sustained rise in art museum visitation also contributed; for all art museums combined (excluding those in the Reynolds Center), fiscal year 2007 visitation figures were up **17 percent** over fiscal year 2006 and **40 percent** over fiscal year 2005. Visitation rebounded at the National Air and Space Museum (up **18 percent**) and Smithsonian Castle (up **32 percent**) after falling off last year at those venues. The Reynolds Center—home to the Smithsonian American Art Museum and National Portrait Gallery—welcomed **over a quarter of a million visitors** in its first fiscal year. And annual attendance was up (by **12 percent**) at the National Museum of the American Indian on the Mall for the first time since its opening in the summer of 2004.

The Smithsonian also counted approximately **5.8 million** visits to traveling exhibitions mounted by the Smithsonian Institution Traveling Exhibition Service, an increase of **29 percent** over last year's figure of 4.5 million. (The large jump in visitation was due in part to the wide distribution of a poster exhibition.)

Smithsonian Online

Smithsonian websites logged **183 million** visits in the first nine months of fiscal year 2007, up **31 percent** from fiscal year 2006.

In May, the International Academy of Digital Arts and Sciences honored several Smithsonian websites with its 2007 **Webby Awards**, dubbed the "Oscars of the Internet" by the *New York Times*.

- In the Cultural Institution category, the **Smithsonian Photography Initiative** website won the judged competition and the **Smithsonian Center for Education and Museum Studies** website won the People's Voice Award (based on popular voting).

- In the Art category, the **Cooper-Hewitt, National Design Museum's** 2006 People's Design Award website won the People's Voice Award, and the Museum's main website was an Official Honoree in the judged competition.

- In the Education category, the **Smithsonian Center for Education and Museum Studies** website and **Smithsonian American Art Museum** website *Del Corazon! Latino Voices in American Art* were Official Honorees.

- In the Navigation/Structure category, the **Cooper-Hewitt's** website for its exhibition *Feeding Desire* was an Official Honoree.

In September, the **National Museum of African American History and Culture** opened a virtual museum online, designed to encourage public collaboration in developing content for the Museum. This marks the first time a Smithsonian museum has opened on the Web prior to the construction of its building.

Among other online milestones for the Smithsonian in the fiscal year were the following:

- The **National Museum of American History** launched *The Object of History,* featuring significant artifacts from its collections accompanied by curricular materials and interactive forums for students. The Museum also offered a new virtual exhibit, *Mobilizing Minds: Teaching Math and Science in the Age of Sputnik,* that looks at how U.S. math and science education changed in the wake of Sputnik.

- The **Freer and Sackler Galleries'** *Encompassing the Globe* website was selected by Google for a gallery of featured Google Earth projects.

- The Smithsonian's **SIRIS/Art Inventories catalog** won the 2007 Building Better Communities Award for innovative use of technology to meet community needs.

- A series of video podcasts from the Chandra Education and Public Outreach group of the **Smithsonian Astrophysical Observatory** received the 2007 Pirelli International Award—honoring excellence in the diffusion of scientific and technological culture via the Web—for physics.

- The **Smithsonian Latino Center** website won a bronze SABRE (Superior Achievement in Branding and Reputation) Award for excellence in technical aspects of communication.

- The **National Museum of African Art's** website won multiple awards in the 2006 International W3 Awards competition judged by the Academy of Visual Arts.

- The **Archives of American Art** launched *Collections Online,* providing free access to the digitized collections of selected American artists, art galleries, collectors, and other art world figures.

- The **Smithsonian Photography Initiative** website received an interactive design award from *Applied Arts* magazine and was selected as a finalist in the 10th Annual SXSW Web Awards.

- The **Arctic Studies Center** of the National Museum of Natural History launched *Sharing Knowledge: The Smithsonian Alaska Collections* after five years of research with Alaskan Native elders.

Exhibition Highlights

The National Zoo's *Asia Trail* opened in October 2006, featuring new habitats for giant pandas, sloth bears, clouded leopards, and other species. This $53 million exhibit covers nearly six acres and represents the most significant upgrade of the Zoo's visitor experience and animal habitats in nearly 40 years.

The **41st Smithsonian Folklife Festival** opened on the National Mall on June 27, featuring programs on Northern Ireland, the Mekong River region, and the roots of Virginia culture. More than 700 artists and performers engaged the public in more than 1,400 performances and demonstrations. Attendance topped one million.

Smithsonian art museums presented a diverse array of exhibitions to suit every art lover's taste. Among the highlights were the following:

- The Sackler Gallery presented two major, internationally acclaimed exhibitions: *Encompassing The Globe: Portugal and the World in the 16th and 17th Centuries,* the largest exhibition ever displayed in the Sackler, explored the diverse cultures within Portugal's trading empire; and *In the Beginning: Bibles Before the Year 1000* presented over 70 of the earliest biblical artifacts in existence, many on display for the first time in the United States.

Smithsonian Institution
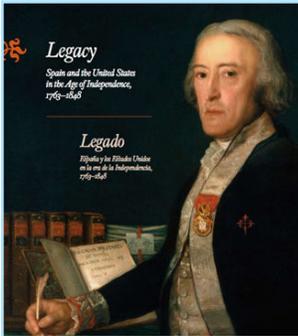
- On display at the Hirshhorn Museum and Sculpture Garden were *Wolfgang Tillmans,* featuring photographic works from one of the most significant artists to emerge in the 1990s; *The Uncertainty of Objects and Ideas: Recent Sculpture,* showcasing the work of nine international contemporary artists; and *Refract, Reflect, Project: Light Works from the Collection.*

- The first major exhibition of objects from the National Museum of African Art's recently acquired Walt Disney–Tishman Collection, *African Vision,* opened in February to an enthusiastic reception by the public.

- The National Portrait Gallery had a busy schedule of exhibitions, including *Great Britons: Treasures from the National Portrait Gallery, London,* featuring works from the National Portrait Gallery, London; *Portraiture Now: Framing Memory,* the second in a series highlighting contemporary portraiture; *Josephine Baker: Image and Icon,* which presented the Jazz Age legend through vintage photographs, posters, drawings, and paintings; and *Legacy: Spain and the United States in the Age of Independence, 1763-1848*, co-sponsored by the Smithsonian Latino Center.

- The Smithsonian American Art Museum also offered many new exhibitions, including *Saul Steinberg: Illuminations,* which featured works by the artist whose drawings adorned the *New Yorker* for six decades; *An Impressionist Sensibility: The Halff Collection,* offering paintings from one of the finest private collections of late 19th- and early 20th-century American art; *Kindred Spirits: Asher B. Durand and the American Landscape*, a major retrospective of works by a celebrated leader of the Hudson River School; and *Earl Cunningham's America*, which showcased the paintings of one of the premier folk artists of the 20th century.

- In December 2006, the Cooper-Hewitt, National Design Museum launched its third triennial, *Design Life Now,* exploring the designs and ideas at the center of American culture from 2003 to 2006. Also appearing at the Cooper-Hewitt were *Design for the Other 90 Percent,* which focused on products created for populations that have not traditionally been served by professional designers; and *Provoking Magic: Lighting of Ingo Maurer*, a retrospective of German lighting designer Ingo Maurer's work.

- The Renwick Gallery's biennial contemporary craft series continued with *From the Ground Up: Renwick Craft Invitational 2007*, featuring works in glass, paper, and ceramic.

More than 150 *Treasures of American History* from the collections of the National Museum of American History are now on view at the National Air and Space Museum until renovations at the American History Museum are completed. These treasures include such iconic objects as Dorothy's ruby slippers from *The Wizard of Oz*, Kermit the Frog, Lincoln's top hat, Lewis and Clark's compass, Jefferson's Bible, and Edison's light bulb.

Identity by Design: Tradition, Change, and Celebration in Native Women's Dresses at the National Museum of the American Indian—which brought together dresses crafted by the Native peoples of the Plains, Plateau, and Great Basin regions—was warmly received by audiences. Also opening at the
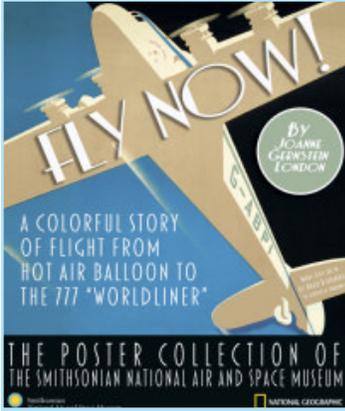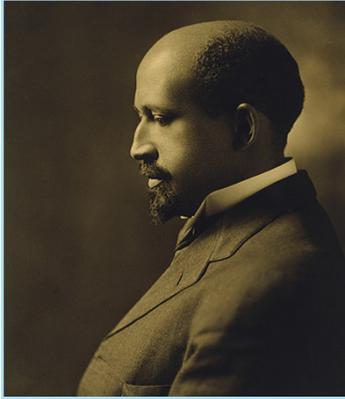
American Indian Museum was a small permanent exhibition, *Return to a Native Place: Algonquian Peoples of the Chesapeake*, which introduces visitors to the Native peoples of the Chesapeake Bay region.

The inaugural exhibition of the new National Museum of African American History and Culture, *Let Your Motto Be Resistance: African American Portraits*, co-sponsored by the National Portrait Gallery, opened in May at the International Center of Photography in New York City. The exhibition moved to the Portrait Gallery shortly after the end of the fiscal year.

New displays at the National Air and Space Museum included *Fly Now!,* an exhibition of colorful aeronautical posters from the days of the first hot air balloon to the present; a Congressional Gold Medal bestowed by President Bush upon members of the **Tuskegee Airmen,** America's first African-American military aviators; and a display of rare **Charles Lindbergh memorabilia**. At the end of the fiscal year, the Museum was preparing for the grand opening of its thoroughly renovated and updated **Air Transportation Gallery**.

The National Museum of Natural History displayed the **Tiffany Diamond** to celebrate the opening of the New Acquisitions Case in the Geology, Gems, and Minerals Hall; unveiled a **Korea Gallery** that illustrates Korea's history and culture through ceramics, paintings, textiles, and sculpture; and offered the photography exhibition *Transitions: Photographs by Robert Creamer*. Work continued on the much-anticipated **Ocean Hall**, to be opened in 2008.

To commemorate its 40th anniversary, the Anacostia Community Museum unveiled *East of the River: Continuity and Change,* which traces the development of the communities southeast of the Anacostia River from early history to today. The Museum also offered its public a number of smaller temporary exhibitions focusing on the life, art, and culture of African-American communities.

The National Postal Museum opened three shows: *Trailblazers and Trendsetters,* showcasing 76 pieces of original art for postage stamps; *Out of the Mails,* which examines how Revolutionary War–era colonists protested high postage rates by sending letters outside of the official post; and a new permanent exhibition, *Postal Inspectors: The Silent Service*.

The George Gustav Heye Center of the National Museum of the American Indian inaugurated its new Diker Pavilion for Native Arts and Cultures with an exhibition featuring 77 select works from the Museum's collection, *Beauty Surrounds Us*. The Heye Center also offered two other new exhibitions in fiscal year 2007, *ItuKiagâtta! Inuit Sculpture from the Collection of the TD Bank Financial Group* and *Off the Map: Landscape in the Native Imagination*.

Smithsonian Institution

Collections Highlights

The Smithsonian is the steward of more than **137 million objects and specimens**, documenting both the nation's heritage and the natural diversity of the planet. Smithsonian collections include meteorites, the Hope Diamond, the Burgess shale fossils, giant squid, the Star-Spangled Banner, the hat Lincoln wore the night he was assassinated, Gilbert Stuart's Lansdowne portrait of George Washington, the Wright Flyer, Kermit the Frog—everything including the kitchen sink (from Julia Child's kitchen).

It was a particularly good year for collections at the National Zoo:

- At a press conference in April, His Excellency Zhou Wenzhong, ambassador of the People's Republic of China, announced that **Tai Shan**, the National Zoo's giant panda cub, will stay in Washington for two more years. Under the loan agreement between the Zoo and the government of China, Tai Shan was to be sent to a preserve in China after his second birthday, which was on July 9, 2007.

- In July 2007, the Zoo saw its first giant anteater birth. Based on a public voting contest held by the Zoo and Friends of the National Zoo, the female animal was named **Aurora**. Visitors have enjoyed watching Aurora making the rounds of her enclosure, clinging to the back of her mother, Maripi.

- In December 2006, three new **African lions**—two females and one male—went on limited public exhibit at the Zoo. All came from a private reserve in South Africa.

In December, **Sylvester Stallone** donated several props from his *Rocky* film series to the National Museum of American History, including the boxing robe he wore in the original 1976 classic.

Texas Instruments marked the 40th anniversary of the electronic hand-held calculator with a donation of historical technology objects to the National Museum of American History, including two of the first programmable calculators from the 1970s.

Education, Event, and Program Highlights

The National Museum of the American Indian held its **National Powwow** on August 10–12 at the Verizon Center in Washington, D.C., featuring Native arts, crafts, music, foods, and a dance competition in which dancers representing hundreds of tribal nations from across the United States and Canada competed.

Cooper-Hewitt's first **National Design Week** (October 15–21, 2006), sponsored by Target, drew over 10,000 visitors to participate in events such as a teen design fair, a National Design Award winners' panel, and an educator open house.

The Smithsonian Associates presented the program series *Japan WOW! From Traditions to Trends*, providing audiences of all ages opportunities to experience the history and cultural heritage of Japan through presentations by scholars, experts, and master craftsmen.

On January 29, 2007, **Lonnie Bunch**, Director of the National Museum of African American History and Culture, hosted a tribute to some of the guiding lights of the civil rights generation. Their conversations will form the core of a two-hour PBS documentary scheduled to air in February 2008.

The Anacostia Community Museum marked its 40th anniversary with a gala celebration on September 13, **Celebrating a History, Building**

a Future. The VIP-studded event paid tribute to the nation's first federally funded community museum dedicated to documenting, preserving, and interpreting African American history.

On September 5, 2007, the Smithsonian Latino Center hosted its annual benefit gala, **¡Smithsonian con Sabor! 2007**. The gala, which celebrated the culture of Mexico, was conducted under the patronage of Mexican Ambassador Arturo Sarukhan and chaired by the former first lady of Florida, Columba Bush.

The Embassy of Mongolia and the National Museum of Natural History co-sponsored a weekend celebration, *Genghis Khan's Mongolia: 800 Years of Nationhood,* on October 6–8, 2006. The festival included musical performances, children's activities, films, and a seminar.

The Cooper-Hewitt celebrated the winners and finalists of the **2007 National Design Awards** at a White House luncheon hosted by First Lady Laura Bush. Twenty-one Cooper-Hewitt and Smithsonian staff were in attendance, along with trustees, journalists, VIPs, and honored guests.

The Freer and Sackler Galleries' year-long series of events celebrating the centennial of Charles Lang Freer's gift to the nation culminated in a day-long celebration in October 2006, *From Sunrise to Moonrise*, attended by over 10,000 people.

Washington's Downtown Business Improvement District awarded the 2007 Momentum Award to the **Donald W. Reynolds Center** for its contribution to the downtown experience.

Hispanic Heritage at the Smithsonian: A Decade of Latino Initiatives was published in November 2006, and a reception to celebrate the tenth anniversary of the Smithsonian Latino Center was held on February 27, 2007.

The Smithsonian Folkways recording *Invisible Face of the Beloved: Classical Music of the Tajiks and Uzbeks* was nominated for a 2007 Grammy award in the category of Best Traditional World Album.

National Outreach

Smithsonian Affiliations offers museums, cultural institutions, and educational organizations across the country access to Smithsonian collections and resources. Through Smithsonian Affiliations, the Smithsonian fulfills its outreach mission of sharing artifacts, programs and expertise. Smithsonian Affiliations has established partnerships with more than 150 organizations in 39 states, the District of Columbia, Panama and Puerto Rico since it was established in 1996.

The **Smithsonian Institution Traveling Exhibition Service (SITES)** continued to sustain a high level of outreach activity through its traveling exhibitions. In fiscal year 2007, approximately 5.8 million visitors attended 50 SITES exhibitions displayed at 409 venues in all 50 states, plus the District of Columbia, Guam, and Canada. SITES put the following 11 new shows on the road:

- *Transitions: Photographs by Robert Creamer* began its national tour at Lynchburg College, Lynchburg, Virginia, after debuting at the National Museum of Natural History.

- *Jim Henson's Fantastic World* opened at the Arkansas Arts Center in Little Rock.

- *Exit Saigon, Enter Little Saigon,* a collaboration with the Smithsonian Asian Pacific American Program, debuted at the Viet Art Center in Garden Grove, California, after a run in the Smithsonian's Ripley Center.

- *The Way We Worked: Photographs from the National Archives* opened at the Oregon Historical Society in Portland.

- *From Sea to Shining Sea: 200 Years of Charting America's Coasts*, a poster exhibition created in partnership with the National Oceanic and Atmospheric Administration, was unveiled at 199 locations across the nation in June, after a preview in the Senate Russell Room.

- *New Harmonies: Celebrating American Roots Music*, the newest *Museum on Main Street* show, began its schedule of visits to rural towns throughout Idaho, Illinois, Mississippi, Washington, and Guam.

- *Becoming American: Teenagers and Immigration* opened at the Statue of Liberty National Monument and Ellis Island Immigration Museum on New York Harbor.

- *Earth from Space* opened at the National Air and Space Museum.

- *Native Words, Native Warriors* opened at the Cherokee Strip Land Rush Museum in Arkansas City, Kansas.

- *More Than Words: Illustrated Letters from the Archives of American Art* opened at the Norman Rockwell Museum in Stockbridge, Massachusetts.

- A special version of the popular SITES civil rights exhibition *381 Days: The Montgomery Bus Boycott Story* was produced for annual display at AARP's "Life@50+" convention.

On May 8, in collaboration with Ball State University, the National Museum of the American Indian broadcast a live, one-hour television program, *Listening to Our Ancestors*, from Juneau, Alaska. Over 20 million elementary and middle-school students were registered to view the program.

The **National Science Resources Center** hosted a science education symposium for state education leaders. The event, *Changing the Course of Science Education*, aimed to engage state education officials and other leaders in the redesign of science education programs. Former North Carolina Governor James B. Hunt Jr. delivered the keynote address at the opening session.

The **Smithsonian Center for Education and Museum Studies** hosted 1,600 educators at its annual Smithsonian Teachers' Night event, held at the National Postal Museum on October 20, 2006.

A five-year strategic plan for educational outreach was the main agenda item at the third meeting of the **Smithsonian–Council of Chief State School Officers** steering committee on February 13. The plan outlines measures to increase awareness of Smithsonian Web, print, and program offerings, and calls for closer collaboration with state educators in the development of Smithsonian educational resources.

The trilingual (English/French/Spanish) exhibition, *Jamestown, Québec, Santa Fe: Three North American Beginnings*, co-organized by the National Museum of American History, ran from March 17 through September 3 at the Virginia Historical Society. It will now travel to the Missouri Historical Society, Canadian Museum of Civilization, Albuquerque Museum, and Smithsonian International Gallery.

Focused, First-Class Scholarship

Because of its famous collections and museums, the Smithsonian is often referred to as the "Nation's Attic," but that is only half the story. Historian David McCullough offered a more accurate description of the Institution as a "storehouse of ideas." The Smithsonian conducts groundbreaking research around the globe, deepening our understanding of the origins of the universe, the diversity and evolution of life on Earth, the history of America, and the diversity of our cultures. On the science side, the Smithsonian's laboratories, observatories, field stations, expeditions, libraries, and living and natural history collections rank with the world's finest in many areas. In the arts and history/culture fields, Smithsonian researchers not only have access to unrivalled collections of art, cultural artifacts, documents, photographs, films, and archival materials, but are constantly searching for new acquisitions to collect, study, and document. The following are just a few highlights of Smithsonian research from the past fiscal year.

Science Units

National Zoological Park (NZP)

In a recent article in *BioScience*, the NZP team of John Seidensticker, Peter Leimgruber, and Melissa Songer—in collaboration with researchers from the World Wildlife Fund and the Wildlife Conservation Society—presented the most comprehensive review of the status of **wild tigers** ever undertaken.

Four chicks of a threatened African bird, the **kori bustard**, hatched this summer at NZP. Scientists working to preserve the species have relied on an electronic egg that transmits real-time data from the nest that can be used to mimic natural incubation in a controlled laboratory setting.

Inventories of tree species in North American forests show a **decline in young oak trees**, caused by changes in forest management, new pests and pathogens, and increased deer populations, according to a recent paper written by NZP's William McShea and colleagues, and published in the *Journal of Wildlife Management*. The decline bodes ill for wildlife in deciduous forests.

In an article in *Nature*, Shannon LaDeau and Peter Marra of the Zoo's Migratory Bird Center and A. Marm Kilpatrick reported on the impact of **West Nile virus** on 20 species of North American birds, demonstrating continental-scale declines in seven species.

In February 2007, the **National Ecological Observatory Network** (NEON) announced the selection of NZP's Conservation and Research Center in Front Royal, Virginia, as one of 20 "core sites" for NEON's groundbreaking environmental monitoring initiative, which will scan ecosystems across the whole nation over the course of several decades.

Smithsonian Institution
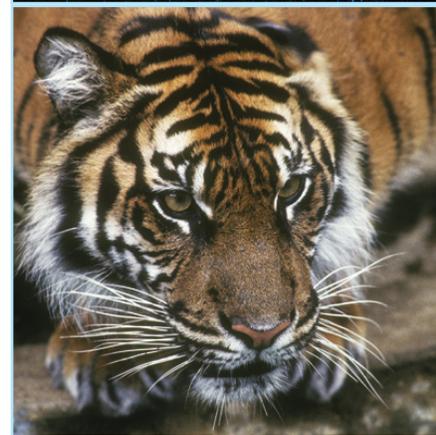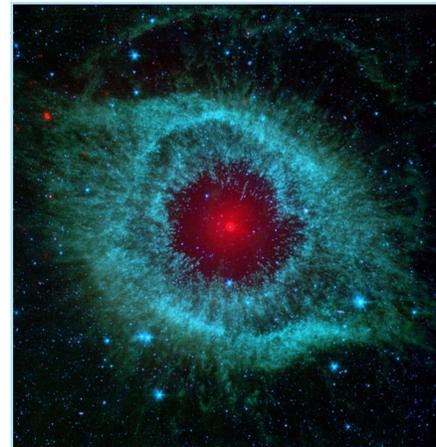
Smithsonian Astrophysical Observatory (SAO)

The **Large Magellanic Cloud** and **Small Magellanic Cloud** are two of the Milky Way's closest neighbors. For hundreds of years, these galaxies were considered gravitationally bound satellites of the Milky Way. But new research by SAO's Gurtina Besla and her colleagues shows that they are recent arrivals, on their first visit to the Milky Way's neighborhood.

A huge **cosmic collision** involving four galaxies and millions of stars was recently detected by the Spitzer Space Telescope during a routine survey by a team including SAO's Kenneth Rines. The clashing galaxies will eventually merge into a single massive galaxy up to 10 times larger than the Milky Way.

Using the Infrared Array Camera (IRAC) on the Spitzer Space Telescope, SAO researchers have been studying the **atmosphere of a planet outside our solar system**, finding evidence for a "hot spot" about twice as big as the Great Red Spot on Jupiter and powerful winds blowing at 1000 kilometers per second.

SAO astronomers using the IRAC camera conducted a detailed study of a stellar nursery, uncovering about **60 previously unknown young stars**. They calculate that new stars have been forming at a rate of about one every 20,000 years for several million years.

SAO astronomers discovered the first known **negatively charged molecule** in interstellar space, significantly extending our knowledge of physical processes in interstellar gas.

National Museum of Natural History (NMNH)

An international team of researchers led by NMNH's Matt Tocheri published in *Science* a new study on ***Homo floresiensis*** (the "hobbit"), a three-foot-tall, 18,000-year-old hominin skeleton discovered recently in Indonesia. It offers striking confirmation that *Homo floresiensis* was indeed a species very different from modern humans, and that the remains date back to the earliest migrations of humans to Asia.
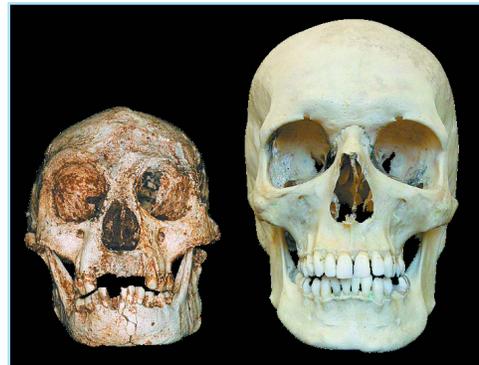
Core samples of sediments recovered from **Alexandria's East Harbor** on the Egyptian coast have revealed evidence of a thriving city at this location dating as far back as 1000 B.C. Chief investigator Jean-Daniel Stanley of NMNH says evidence indicates that a coastal population flourished in this area as early as seven centuries before Alexandria was established.

Mexican cuisine, one of the world's most popular, may also be one of its oldest. Plant remains from two caves in southern Mexico analyzed by NMNH's Linda Perry and a colleague indicate that 1,500 years ago, inhabitants of the region enjoyed a spicy fare similar to Mexican cuisine today. The study was published in the online edition of the *Proceedings of the National Academy of Sciences*.

A recent paper in *Science* by NMNH's William DiMichele and colleagues presents evidence of strong links between tropical vegetation, changes in atmospheric carbon dioxide levels, and surface temperatures during a 40-million year period around 305 to 265 million years ago. These results have implications for current discussions about **greenhouse gases and climate change**.

Smithsonian Tropical Research Institute (STRI)

Panama has designated the **Las Perlas Archipelago** in the Pacific Ocean as a special coastal-marine management zone. This designation was based on several studies conducted under the leadership of STRI's Héctor Guzmán and James Mair from Heriot-Watt University of Scotland.

Using a camera that records 40,000 frames per second, STRI's Marc Seid and Jeremy Niven discovered that the tiny mandibles of termites of the species *Termes panamensis* close at a speed faster than any other known muscle-powered movement on Earth—70.4 meters per second.

Rainforests are the world's treasure houses of biodiversity; but all rainforests are not the same, and they may require different management strategies. That is a conclusion of a **large-scale study of a lowland rainforest** in New Guinea by researchers from STRI and the National Museum of Natural History, published in the journal *Nature*.

According to the first global assessment of forest **fire control effectiveness** in tropical parks, poverty and corruption correlate closely with lack of fire protection in tropical forests. The survey, by STRI's S. Joseph Wright and colleagues, was published in *Ecological Applications*.

STRI received a grant from **HSBC** to fund the world's largest field experiment on the long-term effects of global climate change on forest dynamics, involving data from 17 countries. The grant will enable Smithsonian scientists to put key scientific data in the hands of decision makers responsible for global environmental policy.

Smithsonian Environmental Research Center (SERC)

SERC scientists have been investigating and educating the public about a high-profile invasive species story. **Chinese mitten crabs**, first reported in the Chesapeake Bay in 2005 and never before seen in the coastal waters of the United States, now appear to be more widespread than initially thought.

In a special issue of the journal *Wetlands*, Dennis Whigham, Donald Weller, and Thomas Jordan of SERC and their colleagues reported a promising method of **wetland assessment** that will help environmental managers quickly take stock of an entire watershed. Tools for rapid watershed-scale assessment relying on a few easily measurable factors have been previously unavailable to managers.

Reducing atmospheric mercury emissions should cut **mercury levels in lake fish** within a few years, according to a study published in the *Proceedings of the National Academy of Sciences* co-authored by SERC's Cynthia Gilmour. The potential effectiveness of emissions regulations intended to reduce mercury levels in fish, and the time frame in which they could be expected to work, were previously unknown.

In the *Proceedings of National Academy of Sciences*, SERC researchers reported the results of a six-year experiment in which **atmospheric carbon dioxide levels** were doubled in a Florida scrub oak ecosystem. The findings suggest that elevated levels of carbon dioxide, a greenhouse gas, may alter microbial communities in a way that turns soil from a carbon sink into a carbon source.

SERC's Greg Ruiz and Whitman Miller received a contract from the Department of Homeland Security to support the **National Ballast Information Clearinghouse**, a collaboration with the U.S. Coast Guard that seeks to quantify the volume of managed and unmanaged ballast water in ships arriving at U.S. ports. This information is critical to assessing the risk from invasive marine species in coastal waters.

Other Scientific Research

The **Encyclopedia of Life**, a new effort to document the 1.8 million known species of insects, animals, plants and other forms of life on Earth and make this information available worldwide on the Internet, was launched in May by the Smithsonian; the Field Museum in Chicago; Harvard University; the Marine Biological Laboratory at Woods Hole; the Missouri Botanical Garden; and the Biodiversity Heritage Library. This ever-growing resource of written information, photographs, videos, sounds, maps, and other data will be created and maintained by experts around the globe.

Michael Lang, Scott Miller and Igor Krupnik are coordinating the Smithsonian's involvement in the **International Polar Year (IPY)** initiative, organized by the International Council for Science and the World Meteorological Organization. The initiative aims to educate scientists and nonscientists alike about how environmental changes taking place in the remote poles affect everybody.

The Museum Conservation Institute hosted a symposium on **Mitigation of Pesticides on Museum Collections** that focused on the accumulation of toxic substances on cultural and natural history artifacts.

The Museum Conservation Institute also partnered with the National Air and Space Museum and NASA to investigate the effects of **lunar dust** on spacesuit materials. This research will be applied to the design of spacesuits for a planned 2020 return to the moon.

Art Units

Smithsonian art museums published numerous catalogs to accompany this year's exhibitions, including *Design for Life Now: National Design Triennial 2006* (Cooper-Hewitt); *In the Beginning: Bibles Before the Year 1000* (Freer and Sackler Galleries); *African Vision: The Walt Disney–Tishman African Art Collection* (National Museum of African Art); *An Impressionist Sensibility: The Halff Collection; From the Ground Up: Renwick Craft Invitational 2007;* and *Variations on America: Masterworks from American Art Forum Collections* (the last three all from the Smithsonian American Art Museum).

The Hirshhorn is collaborating with the Getty Conservation Institute, the National Gallery of Art, and the Tate to study the preservation of **Color Field paintings** and works created on unprimed canvas. The results of this three-year project will be highlighted in a future exhibition.

In conjunction with its exhibition *In the Beginning,* the Freer and Sackler Galleries hosted two symposia for biblical scholars.

The first of three planned volumes to accompany the Sackler's *Encompassing the Globe: Portugal and the World in the 16th and 17th Centuries* was published in June. It features illustrations of more than 250 exhibition objects and overview essays by leading experts. Also appearing were the proceedings of a conference held at the Freer, *Scientific Research on the Sculptural Arts of Asia*, edited by Janet Douglas, Paul Jett, and John Winter.

Artists in Their Studios: Images from the Smithsonian's Archives of American Art, by Archives curatorial staff Liza Kirwin and Joan Lord, was published by Collins Design.

The National Portrait Gallery's book *Faces of Discord: The Civil War Era at the National Portrait Gallery* won second place in the Scholarly/Reference book category at the Bookbinders' Guild of New York, New York Book Show.

The Smithsonian American Art Museum's scholarly journal, *American Art*, celebrated its twentieth anniversary with commentaries on "New Themes, New Voices" in its Summer 2007 issue.

History and Culture Units

A symposium entitled **The Spanish Contribution to the Independence of the United States: Between Reform and Revolution** was held at the National Portrait Gallery in September. It brought together scholars from Spain, Mexico, the United Kingdom, and the United States to discuss the relationship between Spain and America in the 18th and 19th centuries and consider its legacy.

Michelle Delaney of the National Museum of American History authored a book on a renowned set of 19th century photographic portraits in the Smithsonian's collections, *Buffalo Bill's Wild West Warriors: A Photographic History by Gertrude Käsebier* (Collins, 2007), featuring more than 100 original prints of Native American performers in Buffalo Bill Cody's Wild West Show.

In February 2007, the National Museum of African American History and Culture started recording nearly 1,500 **oral history interviews** to document the life stories of African American families. The results of the project—a collaboration with StoryCorps and the Corporation for Public Broadcasting—will be housed in the Museum's archives and at the Library of Congress.

More than 100 researchers from five nations worked to document cultural traditions along the **Mekong River** in preparation for the 2007 Smithsonian Folklife Festival. The results will reside in the Smithsonian's Rinzler Archives and in host-nation institutions.

The National Postal Museum hosted the first biennial **Blount Symposium on Postal History** on November 3–4, 2006. It offered philatelists, academic historians, and industry professionals an opportunity to discuss ongoing research into the history of postage and postal systems.

National Museum of the American Indian scholars launched *Mother Earth*, a research initiative on indigenous cosmological tradition and natural resource management; published *Identity by Design: Tradition, Change and Celebration in Native Women's Dresses* to accompany the exhibition of the same name; published articles on topics ranging from collective Native identities of the Chesapeake region to media analysis of American Indian issues; and led a panel at the United Nations Indigenous Forum on May 17 entitled *The Birth of Human Rights*.

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Management Excellence

Leadership Milestones

Fiscal year 2007 saw major shifts in senior management at the Smithsonian. Leaving were Secretary Lawrence Small, Deputy Secretary Sheila Burke, Under Secretary for Science David Evans, and Smithsonian Business Ventures CEO Gary Beer. Several museum directors also announced their resignations: Richard West at the National Museum of the American Indian, Marc Pachter at the National Portrait Gallery, and Olga Viso at the Hirshhorn Museum and Sculpture Garden. A completely new leadership team was in place at the end of the fiscal year.

Taking over as Acting Secretary of the Smithsonian was **Cristián Samper**. Samper joined the Smithsonian in 2001 as deputy director of the Smithsonian Tropical Research Institute, based in Panama, and became director of the National Museum of Natural History in 2003.

Ira Rubinoff, formerly Director of the Smithsonian Tropical Research Institute, was appointed Acting Under Secretary for Science. Rubinoff had directed the Tropical Research Institute since 1974.

Richard Kurin was named Acting Under Secretary for History and Culture. He joined the Smithsonian in 1976 and has served as Director of the Smithsonian Center for Folklife and Cultural Heritage and Director of Smithsonian National Programs.

Alison McNally became Acting Under Secretary for Finance and Administration. McNally joined the Smithsonian in 2005 as senior executive officer in the Office of the Under Secretary for Science. Before joining the Smithsonian, she spent over 20 years at NASA.

Kevin Gover was named Director of the National Museum of the American Indian. Gover, a member of the Pawnee tribe, was a professor of law at the Sandra Day O'Connor College of Law at Arizona State University, affiliate professor in ASU's American Indian Studies Program, and co-executive director of ASU's American Indian Policy Institute.

Tom Ott, President of Smithsonian Publishing since October 2005, was named Acting CEO of Smithsonian Business Ventures. Prior to joining the Smithsonian, Ott worked as the general manager of the Home and Garden Division of Reader's Digest North American Publishing Group.

Eldredge Bermingham became Acting Director of the Smithsonian Tropical Research Institute, taking the place of Ira Rubinoff, who is currently serving as Acting Under Secretary for Science. Bermingham joined the Institute's scientific staff in 1989, and has served as deputy director since 2003.

Paul Risser was named Acting Director of the National Museum of Natural History. His previous leadership positions include Chancellor of the Oklahoma State System of Higher Education, President of Oregon State University, and President of Miami University of Ohio.

A. Sprightley Ryan was named Inspector General (IG) for the Smithsonian after serving as Acting IG since June 2006. She joined the IG's office in October 2003 after a legal career that included positions with the Justice Department and the law firm of Beveridge and Diamond.

Ann T. Speyer was named Chief Information Officer (CIO), after serving as Acting CIO since September 2006. Before joining the Smithsonian, she held technology leadership positions at the Department of Health and Human Services, Gelco Information Network, and PeopleSoft.

Anne Van Camp stepped in as Director of the Smithsonian Institution Archives. She comes to the Smithsonian after serving as Director of Member Programs for Research Libraries Group, Inc., since 1996.

Major Construction, Renovation, and Facilities Projects

Shortly after the end of fiscal year 2007, the Smithsonian selected Freelon Bond, an association of architectural and design firms Davis Brody Bond and The Freelon Group, to conduct an 18-month study to inform the design of the building for the **National Museum of African American History and Culture**. The study team will hold a series of meetings and focus groups across the country to hear what kinds of visitor-oriented features (auditorium, library/book store, restaurant, conservation center, and so on) should be included in the interior space. The Museum is expected to open in 2015.

In September 2006, the **National Museum of American History, Kenneth E. Behring Center**, closed to the public for its largest public renovation in over 40 years, including relocation of the Star-Spangled Banner. Construction is well under way at this point. The Museum's reopening is scheduled for July 2008.

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At the end of the fiscal year, finishing touches were being put on construction of the privately funded courtyard enclosure for the **Donald W. Reynolds Center**, in preparation for its scheduled opening in November 2007.

The first phase of the **Asia Trail** project, providing new homes for the Zoo's giant pandas and other Asian species, opened in October 2006. The second phase, currently under design, will renovate the historic elephant house and expand the elephants' habitat. It is scheduled for completion in April 2011.

The **National Museum of Natural History** is in the midst of its most extensive renovation of public space in over 40 years, involving seven major halls. Installation of the permanent *Ocean Hall* exhibition began in April, and is expected to be completed in September 2008.

Construction of a **fifth storage pod** at the Museum Support Center in Suitland, Maryland, was completed in April, 2007. With its state-of-the-art fire protection systems, the facility will eliminate a major safety concern by removing 365,000 gallons of alcohol from the Natural History Building on the Mall. Transfers of specimens to Pod 5 are scheduled to be completed by December 2008.
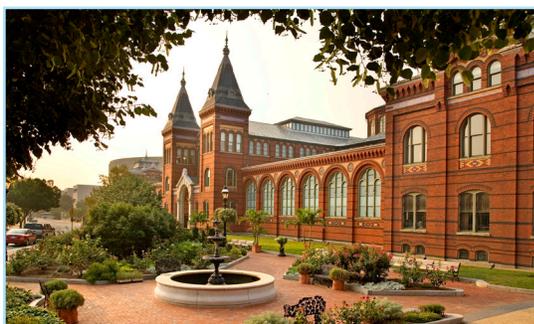
All staff, programs, and furniture have been moved from the historic **Arts and Industries Building,** and access is now limited to essential maintenance and security staff. The Smithsonian is working with real estate consultants on ideas for the building's future; 15 preservation, civic, and regulatory organizations have been contacted for input and comments.

Perimeter security improvements at the National Air and Space Museum were finished in December 2006. Construction of security barriers at the National Museum of Natural History is under way, and the first phase will be completed in spring 2008.

Conclusion

The Smithsonian is the repository of our nation's values, icons, memories and aspirations. It is a symbol of America around the world. For 161 years, the Smithsonian Institution has built its collections, disseminated its research and welcomed millions of visitors to its museums. At a time when globalization is bringing countries and peoples closer together, yet when tensions among some nations and cultures are on the rise, the Smithsonian has an important role to play by showing the positive side of America to its own citizens and to the world. But despite its many strengths and successes, the Institution faces several challenges in the coming years:

- Less than 2 percent of the Institution's collections are on display at any one point in time. Thus, the first challenge is to make these collections and the information derived from them more accessible to scholars and to interested members of the general public. To that end, the Smithsonian has embarked on an aggressive program for the digitization of collections, including high-resolution images of some of the most important specimens and objects.

- Because not everyone can come to Washington to visit the Smithsonian's main facilities, a second challenge is to reach out to all Americans, regardless of where they live. With this goal in mind, the

Institution runs the largest traveling exhibition service in the world, works closely with 156 affiliate museums across the nation, constantly expands its online offerings, and continues to explore new ways to reach out through a variety of programs that put Smithsonian collections, experts, and other resources in classrooms, lecture halls, civic spaces, and cultural organizations across the nation.

- A final challenge for the Smithsonian in the next few years will be to renovate and update its physical facilities and exhibitions, so that visitors may enjoy memorable experiences in a comfortable, welcoming environment, and Smithsonian researchers can conduct their important work in state-of-the-art facilities. One important part of the drive to restore and upgrade facilities is the imperative to return the historic Arts and Industries Building, currently mothballed, to its past glory.

Looking to the future, exciting developments are on the horizon in the next few years:

- The National Museum of American History will reopen next year after a two-year renovation, the centerpiece of which will be a new home for the Star-Spangled Banner. In the meantime, the American History Museum is busy sending traveling exhibitions around the country; recent openings include *The Life and Music of Celia Cruz* in San Antonio; *First Ladies* in Philadelphia; and *Richard Avedon's Kennedy Family Photos*, also in Philadelphia.

- Next door at the National Museum of Natural History, the largest multi-disciplinary project ever undertaken by the Smithsonian is under way—the Ocean Science Initiative, in collaboration with the National Oceanic and Atmospheric Administration. This project includes a fascinating new exhibition space, the *Ocean Hall*, which will open next year featuring a live coral reef ecosystem and a 50-foot-long model of a North Atlantic right whale.

- While it will still be several years before the doors of the Smithsonian's 19th museum, the National Museum of African American History and Culture, open on the National Mall, the Museum is already active, with a new website that not only brings African American culture to the nation, but gives the nation opportunities to contribute to the development of Museum programming.

- Smithsonian scientists continue their groundbreaking efforts—not only in areas of basic research such as probing the origins and composition of the universe and delving into the roots of human evolution, but also in areas that promise important applications on subjects of immediate concern. Examples of the latter include work on preserving endangered species and habitats, tracking invasive species, understanding the transmission patterns and effects of diseases such as Avian Flu and West Nile virus, and coming to terms with the causes and effects of global climate change.

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