

# Report

## *of the Chairman of the Board of Trustees*

**A**LMOST ONE HUNDRED years ago, the *Twenty-Seventh Annual Report* opened with the statement that “the past year has been no exception to the uniform history of progress of the Art Institute.” Certainly the year just completed is yet another sure step forward for this esteemed institution.

James Cuno, the new President and Director of the museum, had an exciting and productive first year. With his leadership and guidance we made in every curatorial department a series of major acquisitions of art—only a small number of which are illustrated in this report—and we renewed the museum’s commitment to scholarship, exhibitions, and educational programming of the highest quality.

This year also saw the opening of the expanded galleries of American art, which now include nearly fifty paintings on long-term loan from the Terra Foundation for American Art. The exciting new installation provides a fresh look at many of our best-loved works, and also offers a comprehensive display of American paintings, sculpture, and decorative arts that is almost unparalleled in its depth and scope.

On a beautiful May morning, we celebrated yet another beginning—the official groundbreaking for the new north wing. Joined by Mayor Richard M. Daley, numerous Trustees and supporters of the museum, and other dignitaries, we kicked off construction of the building we so proudly call “the Building of the Century.” This magnificent structure promises to transform the museum by doubling the space for museum education, adding new galleries for modern and contemporary art, and permitting a new, more coherent installation in the current facilities. Renzo Piano, the distinguished architect for the project, has enhanced the design by adding both a third floor, which will house a sculpture garden and dining facilities, and a stunning bridge across Monroe Street deep into Millennium Park. We are confident that this bridge will provide an important practical and symbolic link with the extraordinarily art-centered environment of Millennium Park, inviting visitors on either side to enjoy the full measure of cultural offerings in a revitalized lakefront area.

The School of the Art Institute has also enjoyed great success over the last year. The School continues to be one of the most highly ranked art academies in the country, and it has sustained solid growth in student enrollment. In addition, the School posted strong financial results, achieving its goal of a breakeven operating position two years ahead of our initial expectations. I thank President Tony Jones and Barry L. MacLean, Chairman of the Board of Governors, for their tremendous efforts and these superb results.

We were fortunate to have many talented and committed individuals join us this year as Trustees and as members of the Board of Governors of the School. On the Board of Trustees, we welcomed Norman R. Bobins, Kenneth C. Griffin, John W. Jordan II, Nancy Lauter McDougal, Judith Neisser, Alexandra Nichols, and William N. Wood Prince, Jr., as Trustees. On the Board of Governors, we welcomed Bruce G. Southworth and Todd Warnock. I regret to report the deaths of Dr. Martin L. Gecht and Earl L. Neal, both of whom served as Life Trustees, and, shortly after the close of our fiscal year, John H. Johnson, also a Life Trustee and a distinguished member of the Chicago community.

As you will see in the Treasurer's report, the financial results for the year were extremely favorable. The Art Institute finished the year with an operating surplus of \$3.5 million, our best financial result since fiscal year 2002. Both the School and the museum posted surpluses: the museum's \$1.9 million surplus is its fourth successive year of surplus operations, while the School's \$1.6 million operating surplus for the 2005 fiscal year exceeded our initial budget by \$5.6 million.

The Art Institute continues to benefit from an extraordinary level of philanthropic support for the School and the museum. In the fiscal year ended June 30, 2005, \$43 million in cash contributions were received in support of museum and school operations, scholarships, educational programs, exhibitions, acquisitions, and gifts for the new museum building.

It is especially gratifying to report that the School and the museum publicly announced their respective capital campaigns in late spring. The School's campaign goal of \$100 million has already been bolstered by early leadership commitments of more than \$25 million. Meanwhile, the museum is also well on its way to its campaign goal of \$350 million; by the time of the groundbreaking ceremonies for the new museum building, more than \$175 million in gifts and pledges had been received.

Our ambitious plans for the School and the museum are assured of success as a result of more than a century-long tradition of leadership and extraordinary philanthropic support from the Art Institute's members, alumni, Trustees and Governors, Woman's Board, Auxiliary Boards, affiliated groups, and volunteers and docents, as well as from the many corporations, foundations, and individuals devoted to the cultural life of our city. We are very grateful for this vote of confidence, and we are proud that this tremendous support has given rise to the national and international reputation for excellence that the Art Institute enjoys.

John H. Bryan, *Chairman*