

Oral History Center, The Bancroft Library, University of California Berkeley

Oral History Center
The Bancroft Library

University of California
Berkeley, California

Peter J. Taylor

*Peter J. Taylor:
The Getty Trust from a Trustee's Perspective, 2005-2017*

Interviews conducted by
Amanda Tewes
in 2018

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Peter J. Taylor, 2016

Peter J. Taylor is president of ECMC Foundation, and served on the Board of Trustees for the Getty Trust from 2005 to 2017. Mr. Taylor grew up in Los Angeles, California, and attended University of California Los Angeles (UCLA) in the 1970s. He is a graduate of the Coro Fellowship Program and completed his master's degree at Claremont Graduate School. Taylor then worked as legislative staff for California Assemblyman Mike Roos. He then transitioned to finance and worked for the Lehman Brothers until the 2008 Recession. Taylor worked as the CFO of the University of California from 2009 to 2014, and then joined ECMC Foundation in 2014. In addition to the Getty Trust, Taylor has served on the boards of the James Irvine Foundation, the UCLA Alumni Association, the Ralph M. Parsons Foundation, and has been a member of the California State University System Board of Trustees since 2015. He was previously Alumni Representative on the University of California Board of Regents, and was chair of the UCLA African American Admissions and Retention Task Force. In this interview, Taylor discusses his early life and education; training with the Coro Foundation; his legislative work for California Assemblyman Mike Roos; working for Lehman Brothers; challenges as CFO of the University of California System after the 2008 Recession; becoming president of ECMC Foundation; reasons for joining boards of organizations; joining the Getty Board of Trustees in 2005 and serving during a period of financial, legal, and managerial difficulties; the challenges and successes of the Getty Trust; and continuing involvement with the Getty Trust after leaving the Board of Trustees in 2017.

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Interview 1: December 12, 2018

Tewes: This is an interview with Peter J. Taylor for the Getty Trust Oral History Project, in association with the Oral History Center of the Bancroft Library. The interview is being conducted by Amanda Tewes at Mr. Taylor's offices in Los Angeles, California, on December 12, 2018. So thank you so much for meeting with me today.

01-00:00:22

Taylor: Of course.

Tewes: Starting at the beginning, when and where were you born?

01-00:00:27

Taylor: At the very beginning. I was born here in Los Angeles, July 7, 1958, just about, oh, two miles from where we're sitting right now. So born and raised here in Los Angeles.

Tewes: Was your family from Los Angeles?

01-00:00:41

Taylor: My parents were from Los Angeles; my grandparents immigrated here from the South in the early part of the last century, the twentieth century. My grandfather's side of the family came from Alabama; my grandmother's side of the family more towards Georgia.

Tewes: Interesting. So they were part of the great migration?

01-00:00:58

Taylor: Yeah. Yeah, the very early part of that migration, really kind of pre-World War I or right around that timeframe.

Tewes: What did your parents do for a living?

01-00:01:10

Taylor: Well, I was very fortunate. Both my parents—rare in the African American community—actually went to college. At that time, college was not an opportunity available to many African Americans, but they both went to UCLA [University of California Los Angeles] and they both became teachers. My mom was a Spanish teacher, my dad was a math teacher. Once my mom started having kids, she started teaching part time and was kind of an off-and-on teacher, well, the rest of her life. My father was a math teacher, became an administrator, worked his way up the ranks, and retired as deputy superintendent for the LA Unified Schools here in town.

Tewes: Wow.

01-00:02:45

Taylor: Yeah. So they were both educators, in one way or another.

Tewes: Did that passion for education extend to you?

01-00:01:52

Taylor: It did eventually. Not at first. I think at first it was kind of a turn-off. In part because I came of age—high school, college—when my dad was deputy superintendent, and a very difficult time in Los Angeles. We were under a forced busing order, forced integration order. And the desegregation rubric was very hard in this town because it's so spread out that if you're going to try to desegregate, it meant putting kids on buses for an hour, hour-and-a-half each way. Extremely unpopular. So trying to divine a workable system was a tough thing. And I do remember in one month, both the John Birch Society and Jesse Jackson called for my father to be fired. I remember thinking to myself, well, if both sides are unhappy, maybe you're doing something right. Anyway, he thrived, as it turned out. They developed a large network of magnet schools, which were raced-based in terms of admission, but tried to have voluntary integration through high-quality magnet schools. But the very public nature and the vitriol and anger that came from that kind of turned me off at first. Then later, I gravitated to it, and I worked in the education field for a while. When I run this foundation [ECMC Foundation] here, we're still operating in that space. I eventually I came back to it, but not at first.

Tewes: You attended UCLA.

01-00:03:27

Taylor: As an undergrad, yeah.

Tewes: After your parents had.

01-00:03:29

Taylor: Correct.

Tewes: What drew you to UCLA as a college?

01-00:03:34

Taylor: So I actually went to UC Santa Cruz my freshman year. Wanted to try something very different. I grew up outside of the eastern edge of Hollywood, and so it was a very, shall we say, eclectic, almost SoHo-like experience. I got to Santa Cruz, and there are many things I loved about Santa Cruz, but it was also a pretty sleepy town at that time. So after a year, I transferred back to UCLA. My dad had some health issues; there were lots of reasons to come back. So I got back to UCLA and I appreciated, I think, once I got back, the bigness of it and all of the positive things that come with being huge, in terms of academic offerings and social opportunities and public service opportunities and active student government. So I was happy to come back. So I might've come back in part because I was bored at Santa Cruz and there were family reasons, but it turned out to be the right thing for me.

Tewes: What was UCLA like in the seventies?

01-00:04:34

Taylor:

So I was very fortunate that as a transfer student, I was able to get a dorm spot. Back then, it was overwhelmingly a commuter school. There were probably 20-, 21,000 undergrads; they had housing for 3,000 students. So the vast majority of students drove to campus, took the bus to campus. So it was a very different kind of educational experience for those of us who lived in the dorms, as opposed to those who did not. It's interesting. I will say, later in my volunteer career, I became alumni president at UCLA and we started looking at, why is our alumni giving not that robust? We were kind of in the middle, in terms of public universities—not better, not worse—but we wanted to be better. So we did lots of surveying of alums. This would've been late 1990s, give or take. One of the things we found is that alums in the forties, fifties were pretty generous to UCLA and gave—even if they didn't have a lot of money, they gave very consistently every year. Interestingly, the alums in the sixties and seventies started to drop off, because that's when UCLA got much, much bigger. It's when it became much more impersonal. The commuter school, all the negatives associated with being a commuter school really started to add up. You hear tales from alums that registering for classes you had to get in a line that was 200 people long, literally. That's not the situation where you get a sense that, hey, this university really wants me to thrive. It's as if, if you succeed, it's because you survived. So interestingly, the percentage of alumni giving started to tick up again with alums who were graduating in the nineties, and then has continued in the 2000s, because they had a much better experience, coinciding [with] when UCLA started to invest much more heavily in dorms, creating a residential community. So I think the lesson there is—my experience was great because I was maybe more outgoing and I took advantage. But for the shy student or the student who maybe isn't quite sure what direction they're going in life, maybe it wasn't the greatest place. So I was fortunate. Worked for me. But it was also a really big place where you had to fight your way through and bump up against some bureaucracies sometimes. That was not always student-centered.

Tewes:

Of course. What was your major?

01-00:07:03

Taylor:

So I majored in political science. I took more history courses than I did political science, and if I'd really had my act together, I would've double majored because I fulfilled all the requirements to be a history major. I just never got around to registering as a double major. I enjoyed my history courses more, ironically, but majored in political science.

Tewes:

What did you do after graduation?

01-00:07:28

Taylor:

So immediately after graduation, I went through a one-year program with an organization called the Coro Foundation. Now it's called Coro Southern California. C-O-R-O. Coro's actually a national organization. They have centers in LA, San Francisco, St. Louis, Pittsburgh, and New York. They run

something called a fellowship program. It's a nine-month program where you—it's fulltime. At the time, it was done in conjunction with Claremont Graduate School, now called Claremont Graduate University. For a year, basically, you are embedded in a series of internships four days a week. So Monday through Thursday, you're—in my case, I was with the County Assessor's Office; and then I worked on a political campaign; and then I worked at First Interstate Bank, which at the time was headquartered here in LA; then I worked at the city Public Works Department; and then I worked at the local Music Center, the nonprofit organization. The idea is to give you exposure to a whole bunch of different parts of the public affairs spectrum. Not to make you an expert in anything, but to give you an idea how they think. So I did an internship with the firefighters union, for example, when they were going into negotiations with the city. I got the chance to sit in the room and kind of hear how they positioned their points of view. Then every Friday, you come back to the Coro Center with your other eleven class participants, and you share information about what you learned and what you think and what perspective matters, and importantly, how do you develop consensus among people who have very different points of view?

Then I finished up my master's degree at Claremont Graduate School, got a master's degree in public policy analysis, and then went to work in the state legislature for six years.

Tewes: Had you intended to move toward that public policy career when you were in the fellowship and your master's program, or was this something that developed along the way?

01-00:09:27
Taylor:

Nah, I needed a job. When I was in the program, you do a week up in the state capital, kind of interviewing people and learning about public policy and how it's made. I met the assemblyman who represented the district where I grew up, a guy named Mike Roos. I went up, introduced myself, told him I'd—actually, funny story. I went up and I said, "My name is Peter Taylor. I live in your district." He says, "Yeah, I know. I know what house you're in. You're on Ames Street." I'm like, "Oh my God, how could you know that? You have thousands of constituents." He says, "You're one of the few households with seven registered voters." I said, "Yeah, you're probably right." I guess if you're an elected official, you kind of know those things. It just so happened I graduated from the fellowship and—well, I finished up some classroom work at Claremont over a summer, like in the middle of August, and he literally had a staff person leave and he needed somebody who could speak Spanish. I spoke Spanish because my mom was a Spanish teacher, so he hired me two days later.

I worked in his district office for a year. I then went up to Sacramento for five years, and I came back then after I got married and ran his district office one year. Well, it was a good experience.

Tewes: Then you became involved in finance.

01-00:10:46

Taylor: I did. I wanted to make a transition at some point to the private sector. I'm not 100 percent sure why, except that I saw a lot of folks who were legislative staffers, and they made an entire life out of being intricately familiar with how to game the system. And I had no real interest in being a lobbyist. So I decided I wanted to branch out, and I got fortunate.

I had been working on some campaigns and, again, doing the legislative thing, and I met a lot of folks during the [William J.] Clinton campaign in '92. A good friend of mine at the time was state party chair, a guy named Phil Angelides. Phil was a tennis buddy I'd known for many years, and we played tennis together regularly and he would invite me to events. I could never afford these fancy fundraising gigs, but he would invite me. Sometimes I would check in people, and then I got to hang around and rub shoulders with folks and other kinds of things. In the process, I met a lot of people in investment banking.

After the campaigns were over, I just started sending résumés out to anybody and everybody I'd met, saying, "Hey, I need a job." Because my dad had been a math teacher and math had been one of the subjects I'd been pretty good at—Claremont had a pretty rigorous quantitative program for the—this is the days before laptop computers and all that jazz; we were still working with punch-card computers. But I was able to do some computer programming as a graduate student. So I was able to get some interviews at First Boston and Morgan Stanley and Lehman Brothers, and eventually landed with Lehman Brothers in the early nineties. And very fortunate in that I was originally hired to work with the electric and natural gas utilities as a banker, which was great experience because I got exposed to a really very interesting, dynamic sector, more dynamic than people give it credit for. But eventually got moved over to the public finance department, where I structured and sold municipal bonds, meaning I could work with governments on big, gigantic infrastructure projects; at the same time, use my quantitative skills. So it was like policy and finance kind of combined. I did that almost seventeen years.

Tewes: It's a good melding.

01-00:13:08

Taylor: Yeah. Yeah, it was. [break in audio]

Tewes: We are back from a break. We were just talking about your time with Lehman Brothers. You were there for seventeen years. Then in 2008, something happened.

01-00:13:31

Taylor: Yeah, it went away. So I rode Lehman all the way to the bottom. It was a great place to work. Obviously, it was a painful process to go through, but I had

actually planned to retire in the spring of 2009. Unfortunately, those plans got waylaid, because a big chunk of my net worth went bye-bye with the bankruptcy. But since I kind of, in my own head, had thought about transitioning out of investment banking, mentally, I was kind of at that point.

So very fortunately, Mark Yudof, who was president of the University of California at the time, was looking for a CFO. Which I kind of knew, but the job was in Oakland; I'm an LA guy. Hadn't really given it a lot of serious thought. But I got a call from Mark, wanting to have breakfast—I guess this would've been October of 2008, so Lehman had gone bankrupt about a month before—ostensibly because my wife and I had set up a scholarship program for African American students at UCLA. But because of Prop. 209, you can't do race-based scholarships in your grantmaking to state schools. So we gave the grant to the California Community Foundation, who then turned around and they were able to inform UCLA that they had funds available for African American students, if UCLA would just simply send them their names and addresses. Then the Community Foundation would send them a letter saying, "Hey, congratulations. You're eligible for this scholarship," blah, blah, blah. So we put that together and it worked very, very well, and a number of UCLA students took advantage of it. Several hundred now. So Mark called me on the assumption that he wanted to learn more about how I did that. I said, "Oh, sure. Happy to pontificate on that subject for however long you'd like me to." So we had a nice breakfast and we chatted about a variety of things. At the end of it he said, "Hey, would you be interested in being my CFO?" I said, "Well, I hadn't really thought about that, that sounds intriguing." Then I went through the usual conversations with the search consultant and met with the chair of the board, and one thing led to another and I started in spring of '09.

Tewes: You, having worked for Lehman Brothers that went bankrupt, you were intimately familiar with the way the [2008] Recession was affecting the economy. How did you bring that consideration into your work as CFO?

01-00:16:06

Taylor: Also I had the benefit of being familiar with the University of California. I was alumni president and then I was alumni representative on the Board of Regents for two years. And during that two-year period, I had a chance to serve as vice chair of the Regents' Investment Committee. Then later, I became chair of the UCLA Foundation Board, the main fundraising organization on campus, the umbrella fundraising organization. So I had enough familiarity with the university—both UCLA and the system-wide—to know that, one, big budget cuts would be coming, because the state was in tough financial condition. But two, there were low-hanging fruit, in terms of increasing their efficiencies and saving money. Because University of California has a great academic reputation but hadn't, in my view, paid as close attention to their business and finance operations in a way that would allow them to take full advantage of twenty-first century efficiencies. So I went into it in my own head saying, I'm going to come up here for five years,

stay, and try to make as much positive change as I can to try to shift resources—or as I used to like to say to people: repurpose revenues from the back office into teaching and research. So I took the job with that in mind, that I was never there to be a long-term employee; I was there to go in and try to—when we were getting shocked in the system by Sacramento, to take that opportunity and shock the system the other way, to try to long-term set us up for future growth. So yeah, I did come in with a slightly different perspective.

Tewes: What would you say are the long-standing legacies of your time there?

01-00:18:13

Taylor: Initiating a conversation about the role of a central office. When I got there, the central office had a huge number of employees and a massive budget, and leading a process of trying to rationalize that. At a time when we're cutting hundreds of millions of dollars from campuses and shutting down dozens or hundreds of classes, why do we have 2,000 employees at the central office? We don't teach anybody, we don't do any research. There's value we bring, clearly, and there's value in having a system, versus stand-alone campuses. But that hadn't gotten a healthy review. So pushing that effort, as well as finding those areas for savings long-term, rationalizing a risk management program, looking at good ways to do debt management and leveraging the capital markets in a way that allows us to save a lot of money, trying to look at our investments with just a little bit more common sense. Our investments were hyper-conservative. Look, I'm a bond guy by training. I don't like to take a ton of risks; it's just not my nature. But we were so risk-averse it was crazy.

Part of it, too, is also, I think, I'd like to say I had a role in playing in reexamining a little bit of the culture of hyper-individualism. When I got there, I was befuddled that we had this huge budgetary stress because the state has given us this big cut, but we had a ton of cash. When I say a ton, I mean \$10 billion in cash, in our checking account. I couldn't reconcile those things about, how can we be cutting so many classes, but we have so much sitting in the bank? It took a long time to kind of dig. I ended up hiring a couple of CPAs—one from Deloitte, one from Price Waterhouse—to help me look through and dig into our financial statements and financial records, and found there was, to be perfectly honest, an awful lot of hoarding going on. There're a lot of people in the university who'd been through the ups and downs of state funding, and they were keeping money to themselves. Look, you can't run a big institution like this without having reserves. But some people had massive amounts of reserves, three and four years' worth of operating budget reserves, while still cutting dozens of classes. So part of it was to force conversations with people, to say, "You can't do that anymore, and we're going to call you out if we have to." In the case of some departments, just going in and seizing the money and daring them to fight back. Not academic departments, but some of the operating departments, the back-office departments, as I call them. By the way, I was back-office, obviously. I didn't

teach anybody, I didn't do research. But some of them, it was holding onto money that—[the HR Department of the] UC Office of the President, when we got down to it, we realized they were sitting on over \$175 million in reserves. The first response was, well, a lot of that's restricted money; you can't spend it. When we dug on it, we found that about \$35 million was truly restricted; employees who had paid into certain types of insurance programs that we had offered like a gazillion years ago, where we still needed to manage those funds. Fine. I get that. But over \$120 million was truly unrestricted monies. And it was just the same time we got a \$100 million cut from the state. I went to my boss and I said—normally, we would take that \$100 million and we would divvy it up amongst the ten campuses and say, "Okay, here's your fair share. Figure out what to do." I said, "Why are we doing that? Why are we sitting on \$100 million here?" So he completely agreed and I just took \$100 million from the HR Department. They were very unhappy. But our mission is not to protect the HR Department, our mission is to protect classes on campuses.

So anyway, we launched a variety of initiatives like that to try to reexamine that culture and—so a variety of things like that, that I'm very proud of. Didn't make a lot of friends always, but hopefully I won some respect.

Tewes: That's a great way to put it. So you committed to five years at UC, and you left in 2014. What happened next?

01-00:22:53

Taylor: So I left for a variety of reasons. One, my father was ill and clearly on the downward slide towards being very, very ill, so it was getting hard to kind of commute back and forth constantly. And I had a great opportunity to come to run the ECMC Foundation. ECMC is a nonprofit financial services company that does very well, in terms of its net revenues. But because it's a nonprofit, it can't just sit on those net revenues; it needs to do something with them. So they created a [grantmaking] foundation, and our assets right now of about \$753 million. So we give away between \$35 and \$40 million a year with a singular focus on post-secondary education. About two-thirds of that funding goes to what we call career technical education—or back when I was growing up, it was called vocational education—to help the young person who is not on track to go to a four-year school. And then about the other third is focused on a college success strategy for young people—low-income, first generation students who are already in four-year schools—who we want to make sure get across the finish line and graduate. So those are our two primary areas of focus. I've been doing that now for four-and-a-half years.

Tewes: Did you feel your background, not only at UC, but serving on several education boards, helped prepare you for this move?

01-00:24:22

Taylor: You mean the move to the foundation?

Tewes: Yes.

01-00:24:27

Taylor: What prepared me for this move? So I was very fortunate in my career. I got invited to join the board of the James Irvine Foundation in 2002-ish, or maybe late 2001; I can't remember. Irvine was just one of the most formative experiences of my life. It was a lot of fun, because here's this foundation that does grantmaking in the \$60 to \$70 million a year range, and they only have two restrictions: give the money in California and nowhere else, and you can't give to government. But otherwise, you can do anything that the board thinks is right with that fund. So every meeting was kind of a discussion with this eclectic group of board members about what was the State of California's highest needs, and how could we help meet those needs? Where could our money have the greatest impact? That was terrific. So I did that the first nine years. Then the last three years on the board, I was able to chair the board and very much engage with—at the time, we had a CEO, Jim Canales, who was just an absolute stellar leader in the foundation world. Nationally well-known, now on the East Coast running the Barr Foundation. I was board chair, but I really felt like I learned a lot from him.

So when I started this gig, in many ways, I'd kind of seen this young man kind of mature over time and become a national leader in philanthropy, and it gave me somebody I could emulate. So I felt much more prepared for the career switch from a finance-oriented to a philanthropic-oriented focus.

Tewes: That's great. Well, that's a great transition to talking about some of the other boards you've been involved with. You mentioned that you were involved with UCLA Foundation?

01-00:26:21

Taylor: Alumni Association and Foundation, yeah.

Tewes: And Foundation. And also the UCLA African American Admissions and Retention Task Force.

01-00:26:27

Taylor: Yeah.

Tewes: Can you tell me about that experience?

01-00:26:29

Taylor: Sure. So just as my term as foundation chair was ending—this would've been June 2006—at the same time that Al [Albert] Carnesale was finishing his tenure as chancellor at UCLA, and the day that Al—they had a going-away reception for Chancellor Carnesale at the end of his tenure. That very same day, the *LA Times* came out with an article—first page, above the fold—that said the UCLA incoming freshman class of roughly 4,500 students only had fewer than 100 African American students, including scholarship athletes. So

quite a surprise to a lot of folks. We knew that African American student enrollment was declining after Prop. 209, but didn't really have the numbers to understand. So I'm at this event and the newly-appointed interim chancellor at UCLA, a guy named Norm [Norman] Abrams, is somebody I'd known over the years. So being a donor and volunteer, I went up to Norm and told him what an outrage this was and how he needed to do something and get it together and get it fixed. He said, "You know, I'm going to pull together a task force, and I want you to chair it." At the time, I remember immediately like, oh God. I have so many other things going on, but this is so critically important. So I told him I'd suck it up and figure out how to do that.

So for honestly eighteen months, we met every other week. It was a huge committee. It was African American faculty, staff, students, community leaders, administrators, religious leaders, NAACP, Urban League, churches. Just a gigantic committee; must've been thirty people. We met all the time. We met on campus, we met in the community. It was tough sledding for a while to try to understand where UCLA's admissions system was falling short. At the same time, how could we help African American youngsters be better prepared and more competitive, at the same trying to understand the financial issues that were getting in the way? Because immediately, we heard from the admissions office, "Oh my gosh, we're admitting these great students; they just don't come here." Well, part of the reason they weren't coming is because financial. You get a full ride from Harvard, versus UCLA that gives you no scholarships? Well yeah, you're going to go to Harvard. But it was really that simplistic. In many ways, oftentimes, these students wanted to come to UCLA, but they would get a partial scholarship to some small liberal arts school and actually think they were getting a better deal, when in fact, they weren't.

So we did a variety of things. Two major things. The one that got the most notoriety was about raising \$2.5 million over two years to give scholarships through that vehicle that my wife and I had created [at the California Community Foundation], and allow UCLA to send admissions letters, but also tell top students, "Oh, by the way, we're going to give you \$5,000 a year for four years," as a way of being more financially competitive.

01-00:29:45

But the other thing UCLA did, wisely—and again, I give Norm Abrams, the interim chancellor, just all kinds of credit for this—is they reexamined the way they do admissions and realized that there were some shortfalls in how they were processing applications. And by the way, they were shortfalls that were unfair to all kids, not just African American kids. It's just it was not well done. They would just, on the face of test scores and GPAs, make decisions on two-thirds of the applicants and never read their essays, ever, never look at their community involvement, never look at their school activities. It was, with all due respect, a lazy system. When we were done, the interim chancellor and other administrators had agreed to go to more holistic admissions. They had agreed to hire staff to actually read the applications.

Every application would get read cover to cover, graded twice. If there was substantial disagreement in the grading, it would get read a third time as a tie-breaker. But to be able to look a student in the eye and say, if you write that essay, and all the work that goes into writing that essay, guarantee it's going to get read. Going to get read a couple of times, and might get read three times. So that everybody's got a shot at making their best case. That wasn't the way it worked before. So that change, I think, was dramatic in allowing the university to really understand the type of student, from the greater LA area and beyond, who was applying, and to ensure that they really got a highly-qualified class, but also a diverse class. I think now over time—it's been twelve years, eleven years since that change was put into place—you see the proof in the pudding, because UCLA's graduation rates are stellar. For a public university, they're amongst the very, very best in the country. But they also have a very diverse class, both racially diverse, economically diverse. And so you can have quality and diversity at the same time, and here's an example where it's true. And success, at the same time.

Tewes: Have you seen any of those suggestions or policies that you put into place replicated amongst the other UCs?

01-00:32:05

Taylor: Yeah, most of the UC System now has gone to more of a holistic review, realizing that—grades are important. Grades, as everybody knows, demonstrate real grit and determination, which you need if you're going to be successful in college. But also to maybe say, test scores, while important, they're not everything. And increasingly, there's really no correlation between high test scores and student success. So while they measure something, let's not give them too much credit, and balance them with life circumstances, school involvement, community involvement, and a number of other things that lead to a more well-rounded university, frankly. So I think most universities have gone to this holistic review system, to ensure students get a fair shot during the application process. Just because somebody's a great test taker and is really excellent at memorizing stuff doesn't necessarily mean that they carry all the other attributes you want in your entering class.

Tewes: You've been on the board of many different organizations, almost too many to discuss. But are there any you want to point out now, before we move forward?

01-00:33:12

Taylor: Oh, my involvement at UCLA has been terrific and, again, formative. Irvine Foundation was one of the best things that happened to me. Well yeah, I've been on boards of some very positive things and some not so positive.

I will say on the positive side, [I] currently sit on the board of the Edison Company, Edison International. So again, electric/natural gas utilities is something I worked on a gazillion years ago. Having the chance to be back and think about the electric utility industry and how to serve customers and do

so in a safe and reliable manner, in a cost-effective manner, is actually really intellectually stimulating to me.

I also serve on the Board of the California State University System. When I retired from the university and started here at the foundation, I got this call—I guess nine months after I left the university—got this call on a Thursday afternoon. “This is so-and-so in the governor’s office. Are you available to have drinks with the governor on Saturday night?” At first you think, oh, this must be a friend pranking me, because it’s not like the governor and I are on a first-name basis. She said, “No, no, no, the governor wants to talk to you about cost efficiencies in higher education.” Well, I love that topic, of course, so I said, “Sure. Can I prepare materials?” “Oh, no, no, no. He just wants to talk.” So I met him. He was giving a speech down in Orange County and I met him at the hotel he was speaking at ahead of time, and we talked for an hour and fifteen minutes just about a whole slew of mostly education-related topics. Then he got up to go to his speech, and as he’s walking away he says, “I have an idea for you. I’m going to have my staff follow up on something next week.” [I] said, “Terrific. Thank you, governor.” Then I drove home. My wife said, “What was that all about?” I’m like, “I don’t know, but it was interesting.” Anyway, on Tuesday his staff calls me and says, “Hey, we have a draft press release. You’re being appointed to the CSU Board of Trustees. Can we send it to you for proofing?” First off, I didn’t know a thing about the CSU. I know I had worked for the UC, but honestly hadn’t really even given the CSU two minutes’ worth of thought, because I had my hands full with my own thing. And I have a contract with my board here at the foundation that says I can only serve on three boards, and this would’ve been a fourth. So I had to call my board chair and say “What do I do?” She said, “Well, you’re kind of have to do it and suck it up and figure it out. So I joined the CSU board in spring of 2015.

I will tell you, it’s been probably the most rewarding thing I’ve ever done. It’s an extraordinary organization. Obviously, much bigger: twenty-three campuses and 475,000 undergraduates. But overwhelmingly, kids from kind of a working class background, who really just, when you talk to them, they want to know, what does it take to be successful and get the hell out of poverty? I enjoy working with young people like that and trying to help in any way, shape I can, to help make them successful.

So I’ve been on the CSU board now for three-and-a-half years. I was chair of the Finance Committee for two years; now I chair something called Educational Policy. We think about emerging issues, but especially focused on graduation initiative-related tasks that we’re undertaking.

Otherwise, yeah, I serve on one other board, Pacific Life, the insurance company. You know, with the whale commercials. So I’ve been very fortunate to have a wide variety of experiences in various sectors.

Tewes: Exactly. I suppose we should clarify that the governor in question here is Jerry [Edmund Gerald] Brown [Jr.]?

01-00:37:12

Taylor: Yes. Thank you. Good point, as we're transitioning up. But yeah, Governor Jerry Brown.

Tewes: Yes. So you've had a wide variety of boards and philanthropic work. What draws you to this kind of work, in addition to your professional life?

01-00:37:33

Taylor: So great question. I will say, serving on a board is a great way to learn and grow and stretch. I enjoy the process because, again, I've been very lucky to serve on different types of boards, to learn about so many different things. It's really made me more and more interested in group governance. How do you run an organization thoughtfully, efficiently? And particularly a volunteer organization or an organization that relies on a volunteer board. To bring that to other organizations and use my experiences in a way that I think is, hopefully, helpful and productive. When I got appointed to the Getty Trust Board, I knew they wanted two things: they wanted somebody in LA, and somebody who could serve on the Audit Committee. A lot of boards, by the way, have this struggle of, who can we appoint to serve on our audit committee? Because for whatever reason, people don't get the fact that the audit committee's the best place to be, if you really want to learn about an organization. Because management can give you all kinds of flowery PowerPoint slides in every other committee, but when you get to audit committee, man, it is cut and dried. You've got to cut to the chase. You've got to deal in facts and facts only, no spin. So when you're reading the audit, you understand what you're up against as an organization, or what the opportunities are. So I always love to serve on audit committees. For whatever reason—I don't know if that reputation has kind of preceded me, but—oftentimes when I've asked to serve on a board, it's often with the intent that, "We want you to serve on the audit committee and maybe chair it one day." Well generally, I don't think that's a problem. Now I can be a little bit more selective, I think, but—so I have used that experience as a way of kind of expanding my horizons.

Tewes: Well, considering you're in such high demand to chair audit committees, what do you look for when looking to join a board?

01-00:39:33

Taylor: Oh, the potential for leaving a legacy of impact. It's what I love about the CSU Board, the impact. Graduate 100,000 students a year in a field—higher education—that is going to go through some pretty dramatic changes as student enrollment drops because of demographics, as new teaching models become more widely accepted—like online and hybrid courses. How do you help a big organization like this transform itself and position itself so it's not left behind? Because it plays such a valuable role in helping, again, young

people from tough circumstances move ahead in life. So I find that very rewarding. So I look for ways that being on a board are going to help me be able to do that.

Tewes: Great answer. So we're moving back in time to 2005. You are getting ready to join the Getty Board of Trustees. How did you get involved with that organization?

01-00:40:44
Taylor:

Well, they called me and asked me if I'd be interested in being on the board. So the Getty was going through some difficult times at that stage, and one of the many negative articles that the *LA [Los Angeles] Times* had written cited the fact that the Getty had this highfalutin, high-powered board of people who weren't always showing up for meetings, and there were times when they couldn't get a quorum. If you can't get a quorum, you can't conduct business, and the Board can't conduct oversight and be engaged in a way that's meaningful. So again, one of the criteria they had, I think, was, Are there people in LA who will show up to meetings? The second one, I know in my case, was, Can we find somebody who's going to be on an Audit Committee? I did not have much in the way of any exposure to visual arts at all. I was a donor to the Music Center and those kinds of things, but visual arts wasn't really my thing. But I met the first few criteria, so I think that's how—and I'd served on a enough boards so that they were able to, I think, vet me as a board member who comes prepared and reads materials and is engaged and shows up at events and all the other things you want a board member to be. I can admit the Getty had a great reputation, and I was one of those Angelenos who would go to the museum once every, I don't know, three or four years.

So when the opportunity came, I knew that they were having difficult times, because the *LA Times* was beating them up pretty bad. Kind of deservedly so, because they'd screwed up on some things. I remember chatting with my brother. I said, "Hey, I got asked to be on the Getty board. What do you think?" He says, "Oh my God, they're getting hammered in the press." I think that didn't bother me, because I guess having worked in politics for so long, where there're always negative news stories. I know that a lot of negative news stories, the ramifications from them rarely are so bad that they shift an organization's direction. They can knock you off track and it takes a while to get back on track; but it didn't bother me that there were negative stories. But coming into it, I had eyes wide open that it was something the organization has to deal with. You can't just put your head in the sand and assume eventually the reporters are going to get tired and go on to something else, because if you ignore them, they become a little bit more dogmatic and determined. So I took this on.

As you may have heard from chatting with other board members, our first meeting was in February of '06. We had orientation kind of December of 2005, and that was fine. Then we go to our first board meeting, and as you

may have heard, it was scheduled on Super Bowl Sunday in February, which is just mind-numbing to me, right? Who on earth schedules a board meeting on Super Bowl Sunday? Except people who don't like football, I guess, or don't care about football. So we have this board meeting. But it starts at 9:00 in the morning and it was supposed to go to 3:00. I figured, okay, Super Bowl starts at 3:30 on the West Coast; maybe that's the logic. So we get our packet, and I read it cover to cover and made lots of notes in the columns. The Friday before is when we got the attorney's investigation of Barry Munitz and his activities at the Getty. That binder must've been, conservatively, 500 pages long. I want to say even more. It was thick. That came the Friday before the meeting, so I spent almost all Saturday reading that. That's when I said, "What am I getting myself into?"

01-00:44:53

So I went to the board meeting and we—it was a little bit uncomfortable, in that you had five brand new board members, plus two board members who had joined kind of at the end of 2005. So there were seven board members who were really new. Either this was this first meeting or their second meeting. To a lot of us, after we read that report, we were like—there are many things I liked about Barry Munitz. I really think he had a great vision for the organization. His management left something to be desired, to say the least; but his vision, I was quite taken with. But the management shortcomings were quite apparent in this report. So it was quite clear that this board, a mix of kind of newcomers and, for lack of a better term, old-timers, were pretty split about Barry's status. So we had a robust discussion, I remember, for about an hour-and-a-half and agreed Barry had to leave, and that Deborah Marrow would be the interim. Then we took a break, and then we came back. Barry had a provision in his contract that said if he was fired without cause, he was entitled to a \$1 million payment; but if he was fired with cause, he was entitled to nothing. So we had to debate that provision: are we letting him go with cause or without cause? We talked about that provision until about eight o'clock at night. I missed the Super Bowl and I missed a party at my client's house. It was like [makes noise in throat]. But eventually, we agreed it would be with cause. And poor Jay Wintrob was charged with the difficult job of going to Barry's house and letting him know that he was being let go with cause.

So I think some of us naïvely thought that, Okay, once we made that announcement and Deborah came in, we would see a slowdown in the *LA Times* beating us up; but that didn't happen. They continued to come after us and we kept kind of saying, "My gosh, how is they've got so much doggone information on us?" We realized Barry was not well liked in the organization. It was quite obvious there was somebody leaking information to the *LA Times*. When we started digging into it, we found out it could've been any one of 500 people. Well, they literally had a system—it was one of these things. Again, it's an arts organization; they believe in open access, kind of, they believe in kind of an open and sharing environment. That's a good thing, I guess. But

literally, any one of 500 people could've gone in and looked at the expense reports for anybody in the organization. So somebody had gone in, looked at Barry's expense reports, downloaded them all, and sent them all to the *LA Times*. So they had everything. So in some ways, it becomes easy to write these stories. And what can you say except, "Okay, yeah, we're not going to dispute it, since you have all the information there." But it was quite clear that we needed to ask, Do 500 people really need access to everybody's expense reports? Maybe people in accounts payable, but well, not everybody. So we had a robust discussion. It was quite interesting to me that some of the longtime staff kind of pushed back to say, "Is this a sign of mistrust of staff?" To me, it's a sign of a modern organization. Not everybody needs to see what everybody spends money on. And if they have a need, let them ask; if it's a good reason, well, then of course, you share that information. But anyway, we tightened up some things—and again, Deborah was helpful in that process—and got around to finding a permanent replacement for Barry, and we hired Jim [James N.] Wood.

01-00:48:48

I wasn't on Jim's Search Committee, but felt that he was a terrific addition to the Getty and really kind of came in and reset the credibility of the organization and helped to start and lead us on a discussion about the balance of our responsibility between local and national and international, and how to strike that balance when you're a very wealthy arts organization that does stuff all over the world with brilliant curators and researchers, where do we fit in LA, where do we fit nationally, where do we fit around the world? And where, importantly, should we put our resources, and where should we not put our resources? So we had robust discussions on a variety of things.

So for the first three years, there was a lot of this upheaval around *LA Times* stories and redefining direction and hiring a new CEO, and limiting access to everybody's expense reports, and all the IT problems we had and everything else. But the last nine years were really about kind of the mission and how to accomplish it and who should do that and where we fit. So the last nine years I enjoyed a lot more than the first three years.

Tewes: Well, you mentioned that one of the things the Getty was looking for were board members who would show up to meetings, who were in LA. But I think we should say that you were actually flying from Oakland for these meetings.

01-00:50:18

Taylor: Yeah. Well, but I hadn't sold my house in LA. So I had a condo I had purchased in Oakland, but I'd fly up on Monday mornings, 7:00 a.m. flight, flight 888 out of [Burbank] every Monday [morning]; and then fly back on Friday nights, on a 5:30 or 6:30 flight, depending whatever Southwest was offering. I did that for five years. So my wife never made the transition up to Oakland, but we had intended to. When I took the job, my youngest daughter was just finishing high school, and we figured once she was kind of off to

college, we would have my wife transition up, sell the house and everything. Then she got a nice grant at her hospital and she wanted to stay another year to finish up this diabetes education program she was running. So by that time, I'd been at the university for a year-and-a-half and I'd become much more exposed to the politics of the university, and my status as the person who had the lovely job of cutting costs. And cutting costs, again, pissing off a lot of folks. I told her, "I'm not sure I want to make the full-blown transition up here, because I'm not 100 percent sure after my five years is up that I really want to stay." So I said, "I'll just keep commuting." It was expensive because I had to pay for that myself. The university didn't reimburse me the airfare or the parking at the airport or any of that jazz, so that was costly. But it meant I could be down here, because Getty meetings were on weekends. So some weekends, I'd not see my wife or my father or other members of my family because I was in Getty meetings. But that's only a few times a year, so it wasn't too bad.

Tewes: Now, among the troubles the Getty was experiencing during your first three years was the California Attorney General's investigation. What do you remember about that particular aspect of these troubles?

01-00:52:26

Taylor:

The AG honed in on governance shortcomings of the board, and management shortcomings, too. But the governance shortcomings is the board wasn't engaged and paying enough attention. Shortly after the AG's report came out, I became chair of the Audit Committee. At the time, the Audit Committee chair really was nominally responsible for reviewing expense reports of senior management. Bill [William] Siart, who immediately preceded me, had really started a more robust review of how management was spending, and that was one of the things we got called out on by the AG. To Jim Wood's credit, he had hired a new CFO, who'd brought a new controller, and their controls were much more robust. But all the way through the end of my tenure, I reviewed those. I was always afraid of backsliding. Years later, the last thing I want is the AG to come in and say, "Oh, they're up to their old tricks again." Not that we found staff ever really kind of running afoul. Every now and then, I'd look at something and see international travel and say, "You stayed where? What's wrong, you couldn't stay at a Marriot or a Hyatt, you had to stay at some fancy hotel?" But that was pretty rare. But there was always this kind of niggling concern in the back of mind that they could always come in with the report and say, "Hey, how you doing nine years later?" So I felt a little bit more pressure to ensure that we weren't running afoul of the items that they had called out.

So right about the time we transitioned the Audit Committee chairmanship from Bill Siart to myself, we changed the management of the internal audit function. We had a designated employee who was the internal auditor. We let him go, and we outsourced internal audit to Ernst & Young, and we asked E & Y to perform this function for us. What that allowed me to do as Audit

chair is say, “Here are the three or four things in the Attorney General’s report that I want to make sure we don’t screw up ever.” So every single year, those items were on the list of audits that the internal auditor would actually review. Again, external third-party audit review. So in some ways, it gave the board a little more comfort that an external third party was looking at these things, and positioned the organization, and especially the board, in a good place should the Attorney General ever show up again and say, “How are people spending money?” We can say, “Well, look, you identified things; we’re looking at them every single year.” Some of them were common sense. Some of our record keeping on our assets weren’t always accurate. Now, the more we looked into it, we found out that 99.9 percent of the time they were accurate; but it’s one of those things. The Getty’s different than some other visual arts organizations. The vast majority of our collection is on display. We don’t have a whole bunch of stuff that sits in a warehouse. Some museums have a bunch of stuff that sits in a warehouse because they don’t have enough displays in place. When we purchase something, it’s with the intent of actually showing it. Now, drawings and other things, you can’t display too much because the light is bad for them, or manuscripts or other kinds of delicate items can only be displayed so long. But our collections is not nearly as robust, in terms of stuff that’s sitting in a warehouse, that you worry might disappear one day. But those are the kinds of things we look at on a regular basis, just to kind of make sure.

Tewes: By 2005, I believe, the trial against Marion True about illegal antiquities acquisitions was already underway. What were the conversations the board was having about that particular issue?

01-00:57:05

Taylor: Yeah, those troubles continued for a while. I think there’s general consensus that Marion was getting a bad deal. She had been unfairly targeted, just because of who she was and where she happened to fall in the Getty hierarchy. Kind of almost like a wrong place at a wrong time. But when you’re a trustee of an organization, your first responsibility is loyalty to the organization. I think we were all convinced Marion actually was trying to do the right thing towards the end of her tenure and talking about the right issues. But we also knew from back in the eighties, the Getty was involved in criminal activity around acquisition of antiquities. We had a curator at the time who’s a crook, a criminal, should’ve gone to jail; and senior officials in the organization who turned a blind eye to his activity at best, or knew about it and didn’t say anything, who got off scot-free. So it wasn’t as though we ourselves were pure and chaste. That history dogged the Getty for a long time, and to a certain extent continues to dog the Getty. So eventually, Marion being—I’d say she was cleared, but some would say the statute of limitations ran out. Whatever it is, eventually her troubles got put behind her. But it was really, I think, unfair the way the Italian and Greek authorities dragged her through the mud for so long as a way of getting at the institution itself, where again, we had made some mistakes. Early in my tenure on the board, when we went through the

deaccession process to return items to Italy and Greece—many of which were not critical to the collection, but there were four or five things that were really true masterpieces—that was just another example where we knew early in the Getty’s history, there was not the kind of attention to the kind of legal responsibilities an organization like this has. Instead, there was just kind of, I think, just an attitude that we’re above it all. This brought home the fact that we’re not above it all.

Tewes: So as you were digging your way out of the managerial and other issues through the board, the Recession in 2008 hits. Again, you had had personal experience with how this would affect you. How did the Recession affect the Getty?

01-01:00:13
Taylor:

Well, the endowment took a serious hit, and since our payout is a function of how big our endowment is, and returns, in terms of dividends and interest that come from the endowment payout, we had to go through a series of very challenging discussions on where to cut back. In hindsight now—maybe at the time I’d have felt differently, but now I look back and think it was a very positive, robust discussion. Not that cutting is ever easy. Again, we had to eliminate some positions and say goodbye to some people who you would’ve preferred not to. But it’s like that old saying, “never waste a good crisis.” This was an opportunity to reassess and reexamine what we were doing and how we were doing it and where the revenues were going, and really ask ourselves what our highest priorities are. You hate to do that under the pressure of a crisis, but sometimes the pressure of a crisis is needed in order to have those discussions about what really matters to an organization. So we did. I think, again, we came out of it much, much better. We’re fortunate to have a very tough CFO in Patti [Patricia] Woodworth, who had the ability to say no to people. I think the board very quickly kind of united around certain priorities, trying to figure out how to do acquisitions within our budget. When I got on the board, I was shocked to find that we were spending over \$200 million a year, but we didn’t have any money for acquisitions. In fact, we were borrowing money under the bond market to purchase art, and running up debt in order to do acquisitions. We were able to reorient our priorities to set aside funding out of the operating budget for art acquisitions. We were able to reaffirm our commitment to do arts education for young people in Los Angeles, through visits to the Getty Museum, and to make sure we were strengthening the education division appropriately. We were able to have robust discussions about the [Getty] Foundation and what the heck we were trying to accomplish and where that grant money was going. The Getty grants at the time, I want to say the grantmaking was \$14, \$15 million. While not the biggest, certainly, in the philanthropic world, \$15 million dedicated to visual arts is actually a lot of money in that space worldwide. So again, the Recession allowed us to have a good discussion on, so what are our priorities? Allowed us to have a good discussion about acquisition priorities as it related to modern art. There was a robust discussion on: should we broaden our

collection to include modern art? And a consensus reached after time that, no, that was not going to be a priority for us. But again, the crisis allowed us to start asking a lot of questions. So [it's] never fun to cut jobs and cut spending, but it did allow us to, I think, come out on the other side a little bit better.

Tewes: So you mentioned the importance of bringing on new leadership in Jim Wood. Unfortunately, he passed in 2010. What do you remember about the time immediately after his passing?

01-01:03:43

Taylor: That was obviously a tough time, because we were all just really enthusiastic and kind of feeling like, Oh my gosh, we're on track. Jim had brought in a good team, right? He brought in Patti and Thomas Gaehtgens. The Getty Research Institute had been a mess. Thomas Crow, the previous leader, was terrible. He was a mean-spirited, selfish person, and very silo-oriented; didn't want to work with anybody else outside of his little narrow world. The board kept thinking, Gosh, we've got this great Research Institute and Conservation and Foundation and Museum; why can't they ever work together and talk to each other and leverage each other's relationships? He'd wanted nothing of it. So when Tom Crow left and Thomas Gaehtgens came in, there was an immediate switch in attitude and culture that was just so refreshing. So Jim had done all this thinking and hiring and repositioning of the senior team in such a positive way.

Obviously, when he passed it was just so disappointing. I remember distinctly, I was at my daughter's college graduation at Stanford that weekend. The day before the graduation ceremony—they've got a variety of events—I was at some lecture or something, and I got a call from Mark Siegel, who left a message saying, "Urgent. Please call me back." So I stepped out and I called him and he let me know. My reaction was just, "Oh, shit. Not what we need." Because Jim was a great guy. I won't say he was the biggest risk taker in the world, but he was the exact right person at the right time for the institution.

But we quickly rallied and Deborah came in as interim again, and Mark pulled together the Executive Committee to essentially be the Search Committee. So as chair of the Audit Committee, I sat on the Executive Committee, which meant I was on the Search Committee. We hired the search firm, did the whole routine, as search committees do, and got very fortunate that we were able to land Jim [James] Cuno. Thank goodness, he was in the right place at the right time. It was one of those search processes—because by now, I've served on a lot of them for university presidents and other kinds of senior positions in higher education. A lot of times, you kind of get down to two or three finalists and there's no clear, convincing, obvious stand-above-the-rest kind of winner. But with Jim, it was clear. He was the best guy by enough of a margin that it was not a tough decision. So he, fortunately, agreed to give up the snow of Chicago and move to the sun of LA.

And we are the better for it, because he really came in and I think he entered the organization, obviously, with tremendous credibility. So the staff at the Getty understood: this guy, he's a world-class leader in the visual arts space. So there's no internal concerns. To his credit, he very quickly set about ensuring that the tone of the various operating units was one of cooperation and candor. So he really has, to his credit, managed to get all the different units working together very, very well, leveraging each other and—some of the great exhibitions we've launched at the Museum have often come about because of relationships from the Research Institute or the Conservation Institute or the Foundation, that have then morphed into something unique that we can share with our population here, that frankly, no other museum in the world could do. That's been, I think, very good for our audience and our customers, as well as the arts world in general.

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Jim also is very good at educating the board. Again, when I got on, I didn't know much about visual arts, and I knew nothing about international visual arts and the role the Getty played internationally. I'll admit, I had some skepticism. I saw curators who were spending more time in Rome, Prague, and Berlin than they were in East LA or South Central LA. To me, it seemed as though we're spending a ton of money overseas and neglecting our local community. To a certain extent, it was; we didn't know how to engage with the local community. Which is where I think myself and some of the senior team—Ron Hartwig, for example—could give some thought to how we could improve there. But Jim helped us, as a board, understand, What is the value of some of those international relationships? And importantly, how can you leverage those relationships to bring resources back to the Getty in a way that helps educate our broader public about what's going on in the rest of the world?

So again, it was a great growing experience for me personally. Between Audit Committee meetings, I got to engage with fascinating curators and read really interesting acquisition memos that—at the time, any time we were acquiring something of \$250,000 or more, the staff would put together a little memo for us. It was just like an art history class. You get to sit down with the curators and kind of quiz them on things, and often see the object before you purchase it. So again, a lot of fun.

Tewes: So you were on the Audit Committee and the Executive Committee, eventually. Were you on any other committees during your time?

01-01:10:00

Taylor: So Audit is what I paid most attention to. I was on a couple of others. I had been on the Investment Committee, but once I became chair of Audit, I resigned from Investment. Depending on which attorney you talk to, I believe it's best practice not to have your Audit chair on your Investment Committee, because the Getty's audit, 75 percent of it was an audit of our investments. So

you don't want to have the appearance of conflict of interest, so I got off the Investment Committee.

I sat for a while on the External Relations Committee. That dealt with the media; education; government relations, the extent to which we had that. I sat on that most of the time.

I got put on the Compensation Committee. I hadn't been on the Comp Committee, but I objected to some of the materials at a board meeting, and so Maria Hummer-Tuttle, who you know, of course, is fabulous, immediately sticks me on the committee. Well, I kind of came at it—so again, as I've learned in the higher education space, you hire these fancy cert consultants and these compensation consultants, and if you're not careful, they just tell you what you want to hear. I felt we hired Mercer, and Mercer had the audacity—this is very early; I guess it must've been I'd been there two years—to bring us a deck where we were talking about compensation for senior executives. You're always looking at comparables; what do other people make in the field, and are you on the high side or are you on the low side? For something like head of the Getty Research Institute, what's the comparable? You struggle with that sometimes because [there are] not a lot of institutions like that around the world. So their list of comparables included the president of Princeton University. I'm like, to me, that doesn't work. To me, the comparable is the head of the art history department. Now, maybe we're a gigantic art history department, but you can't tell me being president of a university is the same thing as being—well, why was it there? Because the head of the Getty Research Institute at the time, Thomas Crow, wanted these various highly-paid private university positions as his comparables. By the way, none of which were in California. So I pushed back very hard to say, "Well, the chancellor at UCLA makes less than you make. And by the way, he's got a massive medical center he's got to run. So don't sit here and tell me your job is harder than a university president." As you might imagine, I kind of raised my voice. So anyway, Maria put me on the Comp Committee as the voice of, Are we sure we're paying the right about? Because part of the challenge in executive jobs like this—and I see it now on the CSU Board—you want to find the most talented people. And talented people have options. Very often, people can make more money. I think part of the compensation is, Are you also putting them in a position where they can have phenomenal professional success? That's got to be part of the calculus when you're thinking about compensation. Not just, Oh my God, we're paying somebody \$25,000 less than he can make elsewhere; he's going to pick up and split. Well, but when you think the resources of the Getty and what you can accomplish as an art history professional, it's going to be really hard to find that anywhere else. That has value, and let's think about what that value is. Is there a way to kind of quantify that to say, "We don't want people going broke; but on the other hand, working here is a privilege, too, and a chance to leave a lasting legacy in your chosen field. Not a lot of jobs give you that. So

there's value to that, too." So again, I was on the Comp Committee, and often the voice of, Hey, stop, hold on; let's think about this.

Tewes: You mentioned that in External Relations, one of the things you would oversee are education and public interaction. Consider[ing] you had this education background and passion for it, I'm wondering, of the education initiatives that the Getty has undertaken over the years, what has stood out to you the most?

01-01:14:58

Taylor: So I joined the board—way back in the history of the Getty, the Getty really invested in defining a visual arts education curriculum, and really put resources into training teachers and developing curricular materials that teachers could use and download for free; and then to marry that with trips to the museum itself, so that young people—often elementary students, but sometimes middle school students—could get the art history lesson at school, come see the objects, and then go home, back to school, and have a wrap-up lesson. So it wasn't just a cool fieldtrip, like we all took in school and we enjoyed because in general, it meant, oh, we could get out of the class for a day. But this was really kind of a learning experience. So by virtue of it being more holistic, not just a field trip, but really an education-oriented set of experiences—and during our tenure, we, I think, improved upon and strengthened that, and enlarged it to add more young people to come and enjoy the galleries and, again, to learn from that. So that was one aspect.

I think we made steps—I'm not going to tell you they were big or robust steps, but we took steps in the direction of securing and improving our relationship with the higher education sector. Now, there're some things we had done. We've had this joint master's degree program with UCLA in archaeology. That's been around long before I was involved with the organization. But to engage with the visual arts students of Cal State Northridge, Azusa Pacific, a couple of other universities that had the opportunity to create learning opportunities for their visual arts students, I think was a positive.

When we moved in the direction of creating *Pacific Standard Time*, to ensure that there was an education component to it. You can chat with Ron Hartwig; Ron would certainly know this as well as anybody. But some of the external components to, How do you have this great collection of visual arts institutions offering exhibits around a certain theme, and how do you tie it together, particularly for young people? So some of the materials and work in that space, I think, was great. Pulling together *Pacific Standard Time* by itself was a mammoth undertaking, but then also trying to create an environment so young people could learn from it or an experience where they could learn from it, I think was really terrific.

Tewes: What do you think have been the greatest achievements you witnessed at the Getty?

01-01:18:06
Taylor:

Greatest achievements. Boy, there are a lot of them. Internally, a more well-managed organization, a more disciplined organization, more collaborative organization than had been the case before. A better sense on their place in the world. Stronger governance and engagement with the board.

A recognition that they have a role here locally, above and beyond just opening up the doors to the museum and whoever comes is fine, but also to be outward and engaged. Every time they do a special exhibition, they really are focused on doing only those things that only the Getty can do. Early in my tenure, some museum around the country was doing some big, hot Impressionist art exhibition. I remember saying to Jim Wood, “Wow, that’s drawing huge crowds. Shouldn’t we do something like that?” He said, “Why?” He said, “Anybody can do that if you have enough money.” He said, “We’re interested in growing knowledge; and in growing knowledge, improving the field.” I think every time the Getty undertakes one of those special exhibitions, it’s with the intent of not just doing a crowd pleaser. There’s nothing wrong with that; we like big crowds. [laughs] But also doing something that’s unique and different, that hasn’t been done before, in a way that will help not just art historians, but also the average public, understand.

One other thing I think I’m most proud of the Getty—and I’ll admit, as a board member, I was particularly vociferous in advocating for this—is the importance of putting resources online and making them available free of charge. Open access and the role we played, I—one of the few times I voted no on a grant was a proposed grant to a researcher. I think they were based in Austria. They were going to do this mammoth research project and publish it in a journal. When I went online to take a look at the journal, it was \$1,000 a year subscription. I said, “Why are we giving a grant to an organization that will produce great research, I’m sure, but make it available to only a handful of insiders? We should be about trying to make that research available to everybody.” So I’m not against grants to researchers, but I am against grants to researchers where the new knowledge created isn’t shared. We had a robust discussion. [We] actually developed a policy about open access and the importance of digitizing our incredible collection, particularly of rare books and unique manuscripts, and putting them online for free. You can get the specific statistics from the Getty Research Institute, but the number of downloads of our materials—I’m not talking about the picture of the *Iris*es from Van Gogh that some college kid can print out and put on their wall. Fine. But the really unique materials we have in our art history library or in our collection, millions of downloads. And hundreds of thousands of people coming online to read those materials and study them, people all over the world, for free. I think that says a lot about our real commitment to improving the field, so that art history isn’t about just a few elitists who went to Williams College and had the wherewithal and the financial ability to study this, but really made it available to everybody. So if you’re going to ask me the thing I’m most proud of, I think that’s it.

Tewes: And that is a great legacy.

01-01:22:08

Taylor: I think so, and I took it—here at my own organization, we fund research for people looking at educational attainment, or specifically people who are trying to think about barriers to educational attainment. We have a firm policy in our grant agreements that we have an open access policy, and if you don't like it, we don't give you a grant, period. Just had that exchange with a faculty member at a local college yesterday to let them know, "This study you're doing for us, we're excited for it. We're going to give you \$99,000. But the second it's done, we're going to put it on our website and make it widely available to everybody, because that's the only way you improve the overall sector."

Tewes: What do you see as your personal contribution to the Getty?

01-01:23:06

Taylor: I guess it's two or three things. One is the ongoing focus, through my role in the Audit Committee, on ensuring that we, from a governance point of view, are dotting I's and crossing T's. Given the environment I and a few others joined the board in, that was important, to be able to say that we were doing that and that we weren't backsliding.

Secondly, it's this issue of open access, and pushing very hard for that policy over a period of time. I won't say that the staff was super enthusiastic about it, because they did feel it constrained them a little bit. But winning the day on that discussion, if felt was important. Emphasizing the importance and value, and keeping it front and center on our balance between being local and being international; and trying to make sure that our resources were devoted in a way that mirrored that bifurcated commitment; and being pretty consistent and pushing on that.

I'd say I was one of the prominent voices pushing for the Getty to develop a fundraising and development function. When I got there, I was still working for the bank at the time. The bank, like a lot of corporations, if you are on the board of a local organization, they'll make a \$10,000 donation, just in recognition of your being part of the organization. I had a really hard time getting a \$10,000 donation to the Getty, because they weren't set up to take donations. They had no fundraising staff at all. It led to a series of very robust discussions on how to raise money, where to raise money. Would we anger other arts institutions, because our endowment was so large? How do we raise money in a way that doesn't get us sideways with other LA-based institutions? By the way, with our endowment so big, what would we do with the money anyway? So shortly before I left, we finally got around to starting the Patrons Program. Now, we had raised money for the first *PST* [*Pacific Standard Time*] exhibit. Again, give tons of credit to Maria Hummer-Tuttle and Louise Bryson, who really drove this. But that was about trying to go out to Bank of America

and ask for a quarter million dollars, or go to L'Oréal and ask for X, Y, Z around this specific opportunity. But to create a community of supporters and a Friends of the Getty campaign or Patrons of the Getty, that was a long time in coming. But we got to a point—and we've got now, I think, a terrific team. And my wife and I are proud to be continuing Patrons of the Getty. I think that's a good thing. Again, I think we saw in the difficult times when I first started on the board, we were kind of getting beat up. When you're on the receiving end of bad press like that, you always kind of wish, Well, there's some good things, too. There's a balancing side to this and very good things the organization is doing. We realized we didn't have anybody in the community who could send in an op-ed piece to the *LA Times* and say, "Yeah, okay, nobody likes antiquities theft, but let's keep in mind that the Getty is playing a vital role in the vitality of LA." We didn't have a group of friends. So creating a friends program allows us to create a network of people in the community who like us and want to be associated with us and want to be engaged with us. So I think that's another change that I feel I had a role in playing, that I feel very good about.

Tewes: Sounds like you are also still involved with the Getty at certain levels.

01-01:27:15

Taylor: Yeah, again, [I'm] a patron, so I go to some of their openings. And when I see things in the paper that I think make sense, I send them off to Jim Cuno. When he's got executive opening positions, I try to make suggestions. So Patti Woodworth retired last year, so they had an opening of CFO. Obviously, being a former CFO myself, I had a network of people. So I had a couple conversations with Jim Cuno about people who could fill that role well and keep the momentum that Patti had built up moving forward. So he hired the CFO from UCLA, a guy I worked with very, very closely, Steve [Steven] Olsen. Which was a great hire for the Getty and a great opportunity for Steve. So again, I want the place to be successful, and anything I can do, whether it be writing a check or trying to make a recommendation or opening up a door, [I'm] happy to do so.

Tewes: What do you see for the future of the Getty?

01-01:28:21

Taylor: I think like a lot of arts organizations—and when I say art, not just visual arts, but performing arts, too—as audiences change, how do they branch out and make themselves relevant to those changing audiences? I think the Getty's going to need to think through that. I think we learned a good lesson. There was an exhibition—I can't remember what year, but it was at the Getty Villa. It was a very interesting juxtaposition of art from the time of the Mayans and the Aztecs—pardon me, just Aztecs; I don't think it was the Mayans—juxtaposed against the antiquities from Greece and Rome. What was interesting about it is that over one-third of the audience was Latino. Before the exhibition and after the exhibition, the Latino attendance at the Villa was

less than 10 percent. So it kind of told me, Well, if you build it, they will come. Now, I'm not a smart enough or creative enough person to have thought about, Hey, wouldn't it be neat to kind of marry antiquities from the Aztec's time with—but I'm hoping that the Getty can continue to think about how to attract diverse audiences by looking at ways that they can marry things of interest to those communities. So I think that will be an item they'll continue to, hopefully, focus upon, and I know it will be front and center. It needs to be.

The ongoing issues around where the heck the markets are going. They've had a nice run-up in their endowment, but everybody's predicting a recession one day. When that's going to come, I don't know. I keep reading the press from the bond industry. Just had a personal interest in yield curve inverted last week or the week before, which is usually—in the bond market, when you see a yield curve inverting, it's a sure sign of a recession within two years. Historically, has always proven to be an accurate indicator of a recession within two years every time it happens. So it just momentarily became inverted. My thoughts went to the Getty about—because they're so dependent upon payout from the endowment, what are the implications for that? So that'll be something I know that they'll need to watch in years ahead.

On the governance side, I hope that the new board—because I think they're full of board members now, none of whom were there when the Getty was going through these troubles—understand the importance of paying attention to the little things that keep us out of trouble.

Tewes: Is there anything you'd like to add about your life and work or your contributions to the Getty?

01-01:31:23

Taylor: Gosh. Might be the hardest question you asked me today. Gosh, nothing immediately off the top of my head, I think. Generally, I was very fortunate to be part of their organization for twelve years, and it was a great learning opportunity for me, and one that I hope to continue to take advantage of.

Tewes: Thank you so much for your time today, Peter.

01-01:31:48

Taylor: You bet. Thank you.

[End of Interview]