The Curious Case of Salvador Salort-Pons

The Detroit Institute of Arts (DIA) is a 501(c)(3) nonprofit organization that boasts an impressive collection of 65,000 art pieces from a range of cultural traditions. Regarded as a "leader in education," the arts-driven organization's primary program areas consist of art acquisition and stewardship, audience engagement, and education (*THE DETROIT INSTITUTE OF ARTS - GuideStar Profile*, n.d.). The executive director of the DIA, Salvador Salort-Pons, has notably helped guide the organization to a state of financial stability after being promoted to his current position in 2015 (Corbett, 2020). Effectually, six years after filing for bankruptcy in 2013 (Kenney, 2021a), the DIA reported a net income of $20,145,894 on its 2019 990 form (*THE DETROIT INSTITUTE OF ARTS - GuideStar Profile*, n.d.). However, not everything has been improved since Salort-Pons assumed the role of executive director.

Since 2020, Salort-Pons has faced allegations of nepotism and a misuse of company resources, amounting to a possible C*onflict-of-Interest*. Furthermore, emerging accounts of inappropriate hiring practices and retaliatory behavior against employees allude to potential ethic violations, the creation of a "hostile" work environment, and an erosion of company culture (DeVito, 2021). All this paints a complex portrait of man, who, despite his contributions to the DIA's financial stability, may not be fit to lead the organization forward. This is the curious case of Salvador Salort-Pons: The DIA's financial hero and cultural villain. Yet, the line drawn between hero and villain is often more blurred than one might expect. Has Salort-Pons' actions really amounted to unlawful conduct or a breach of organization bylaws? In this paper, I assert that despite the possibility of a Conflict-of-Interest, there was no proven misuse of company resources as it can be reasoned that Salort-Pons was using his social capital to benefit the museum. Moreover, the Statute of Limitations can be seen as a mechanism that protects Salort-

Pons' from legal recourse from a history of potential unlawful hiring practices and hostile workplace behavior. These claims will be covered by providing an overview of the issues at hand, an exploration of the legal rules at play, and an analysis of the implications of Salvator's actions as a key employee.

Since 2020, the DEI has faced allegations that its executive director, Salvador Salort-Pons, has used his power and privileges to directly benefit his family. This situation alludes to the potential of private inurement – "the transfer of profits through the organization to its owners" (Hopkins, 2005, p. 6). One of the principal issues is that Salort-Pons previously sourced and exhibited two paintings at the DIA that were owned by his father-in-law, Alan May. Through exposure at the prestigious museum, "the value of his family's art collection" would have presumably been "bolstered" (Corbett, 2020). As the DIA functions as a donative publicly supported charity because it largely relies on donations to fund its art acquisitions, this case represents a potential Conflict-of-Interest and a misuse of funds. However, it is important to question whether displaying Alan May's artwork ultimately benefited the DIA; it can be reasoned that Salort-Pons' family benefited from the display but what if both parties benefited from the deal? In response to this line of query, "the chair of the museum's board, Eugene Gargaro, told the *New York Times"* that not only were the loans approved by the board, they "benefited the DIA as much, if not more, than the lender" (Corbett, 2020). Whether or not Salort-Pons intended to use his status to appreciate the value of his family's art collection is hard to assess; nevertheless, his use of his social capital – his familial connection to an art collector - can be perceived as having benefited the museum. When considering the intent and the outcome, the outcome, according to the chair of the museum's board, was clearly positive.

On the other end, what has clearly not been a positive outcome of Salort-Pons' tenure at the DIA is the existence of an oppressive work culture that has led to a decline in staff morale and the disproportionate turnover of female employees and board members. Leaked audio from a DIA meeting on November 17, 2020, with attorneys from Crowell and Morning, an outside legal consulting group, revealed accounts that employees experienced “multiple instances in which Salvator retaliated against them” for disagreeing with his ideas (DeVito, 2021). Such “retaliation took many forms” where employees - specifically female employees - would not be included in subsequent meetings with Salort-Pons after having challenged him or would be demoted from their positions (DeVito, 2021).

Employees have also expressed dissatisfaction about hiring practices that lack transparency and a thoughtful consideration for diversity. Salort-Pons has been accused of “unilaterally [filling] job openings without posting them publicly or opening them up to a competitive pool of candidates,” including internal candidates (Corbett, 2020). Even worse, on several occasions, the “autocratic” executive director was alleged to have “directed managers to hire employees based solely on race and gender, without regard to the candidates' qualifications” (DeVito, 2021). Such a practice could be considered unlawful and in violation of the *Civil Rights Act*, which does not allow for employer’s to “discriminate for or against any employee or applicant for employment on the basis of race, color, religion, sex, or national origin” (42 U.S.C. 2000e–16 (1964), *5 U.S. Code § 2302 - Prohibited Personnel Practices*, n.d.).

Since Salort-Pons assumed the role of executive director, there has also been a disproportionate turnover of female employees. This is evident when considering that “in 2016, 18% of women left voluntarily, versus 6.5% of men... In 2018, 27% of women left voluntarily, compared with 2% of men; and in 2020, 15% of women did, versus 3% of men” (Kenney, 2021a). The exodus of women extended to the DIA’s board where six female-identifying voting board members decided to resign due to an inadequate response to “employee concerns and leadership failures” (Kenney, 2021b).

The most pertinent legal rules relating to the allegations against Salvador Salort-Pons are: 1) A Conflict-of-Interest and 2) A violation of the Civil Rights Act (section 717) in relation to the Statute of Limitations. In the case of a Conflict-of-Interest, individuals are “required to disclose to the board of directors, with regard to actual or possible conflicts of interest, the existence of their financial interest in connection with a transaction or arrangement” (Hopkins, 2005, p. 26). According to Eugene Gargano, the chair of the DIA’s board, “Salort-Pons had disclosed the details of the loan and the board approved it” (Corbett, 2020). Additionally, “the institute’s guidelines, cited by the *Times*, say that loans from staff members’ family collections can be beneficial but ‘care should be used to achieve objectivity in such cases’” (Corbett, 2020). Thus, the DIA’s acquisition of the artwork owned by Salort-Pons' father-in-law, Alan May, was not only disclosed to the board, but it also fell within the museum’s guidelines. It is also important to consider to what extent the two paintings owned by Alan May were contributed, which would entail that there was a monetary exchange “below full fair market value” (Hopkins, 2005, p. 3). In such an instance, one could suggest that the transfer of Alan May’s artwork was more akin to a donation than an outright purchase or acquisition. Defining May’s artwork as a contribution elicited through social capital would further ameliorate some concerns over this being an issue of Conflict-of-Interest.

With regards to the Civil Rights Act, Ellen Dwyer, one of the outside attorneys responsible for investigating the allegations against Salort-Pons, expressed that while “the violations of federal hiring law exposed the museum to possible legal action... the charges would likely be time-barred because they exceed the statute of limitations" (DeVito, 2021). In Michigan, the state where the DIA is located, people have between 180-300 days to pursue legal recourse (*Statutes of Limitations and Preserving Your Legal Rights in Discrimination and Employment Cases*, 2018). Considering that the timeline of the allegations has exceeded a full calendar year, it is unlikely that Salort-Pons or the DIA will face a lawsuit.

The DIA is one of the largest museums in the United States and, as its executive director, Salvador Salort-Pons has an impressive annual salary that has increased significantly over the last few years. In 2017, Salort-Pons' salary was listed as $373,152, which was $155,351 more than the next highest-paid executive. His salary has since increased to $422,019 in 2019 (*THE DETROIT INSTITUTE OF ARTS - GuideStar Profile*, n.d.). It's also worth noting that one of Alan May's paintings that was displayed at the DIA (an "El Greco"), is valued at $5 million (Walsh, 2020). This begs the question: Did Salort-Pons and his family really need *more* money? Would increasing the market value of his father-in-law's paintings be worth the risk? While it's hard to determine the answer, it is evident that the deal between the DIA and Alan May was supported by the board and not indicative of a pattern of behavior by Salort-Pons that correlates with nepotism. However, there is one pattern of behavior that Salort-Pons has displayed – retaliation against employees and unlawful hiring procedures. 2018/2019 DIA staff survey metrics show a decline in morale with only 53% of employees expressing that they operate in a "culture to thrive" (as compared to 72% in the previous year) (Corbett, 2020).

Ultimately, it appears that Salort-Pons has prioritized the financial stability of the organization instead of the stability of the team that comprises the organization. Perhaps the adage is true: Money talks. But this isn't just about Salort-Pons. This is also about a culture of leadership that extends to the board of the DIA. It is concerning that, per the DIA self-reported practices on GuideStar, the board has not: reviewed their Conflict-of-Interest policy in the last year, conducted formal orientations for new board members, developed a recruitment process “that results in diversity of thought and leadership,” assessed the chief executive within the last year, or conducted a self-assessment of its performance within the past three years (*THE DETROIT INSTITUTE OF ARTS - GuideStar Profile*, n.d.). Clearly, the DIA has some work to do, and it goes beyond prioritizing cashflow.

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