



## Video Transcript

### **Value-for-Money Audit: Museums and Galleries: Art Gallery of Ontario, Royal Ontario Museum, McMichael Canadian Art Collection (2020)**

As part of our work on the 2020 Annual Report, we performed a value-for-money audit on the Art Gallery of Ontario, the Royal Ontario Museum and the McMichael Canadian Art Collection.

Museums and galleries play an important role in society by collecting and preserving objects and artworks of cultural and historical importance. These works can then be exhibited to the public for the purposes of education, research and enjoyment.

Although these specialized cultural institutions operate with considerable freedom, each receive provincial funding and are accountable to the provincial government. Combined, these three institutions receive approximately \$52 million annually from the Ministry. As well, all three institutions hold significant collections of objects and artwork that they are responsible for preserving. The value is estimated to be at least \$3.7 billion.

We assessed whether the museum and galleries meet their legislative and policy requirements, and operate using best practices. We found that these institutions need to strengthen some of their management practices, and that they all, though especially the AGO, require more oversight from the Ministry.

We found the museum and two galleries did a good job of safely storing the objects and artworks in their collections, in line with best practices. However, they did not have certain procedures in place, such as inventory checks, to protect their collections from loss or theft.

At all three institutions, we also found that research into the background and history of artwork and objects, and their authenticity, was not always completed or documented for new acquisitions. We also found that all three institutions could not always demonstrate that the acquisitions they made were needed to meet their collection objectives.

We found weaknesses in the AGO's governance processes. Board members donated artwork to the AGO, but there was no evidence that they declared their conflict of interest or excused themselves during the vote to approve their own donations. We also found that the AGO's Board members often serve lengthy terms that are not in line with best practices.

Management at the museum and the two galleries indicated that it is important to have successful exhibitions in order to draw attention and attendance to their institutions. However, they did not have an effective process to select exhibitions that were most likely



to be successful and they did not assess the cost-effectiveness of their exhibitions – they either did not set profit targets, or had not analyzed results to identify why they had missed their targets.

We also found that reporting on performance indicators to the Ministry did not sufficiently address the full range of these institutions' activities to provide the Ministry with the information it needed for effective oversight.

Our report includes **58** recommendations, consisting of **123** actions. Key recommendations include:

- That the AGO, ROM and McMichael improve processes in collection management, selection and evaluation of exhibitions, as well as evaluating the effectiveness of their education and public programs, and
- That the Ministry identify activities of the AGO, ROM and McMichael that it should monitor more closely, and work with these three organizations to set and report on targets and performance indicators to make improvements in these areas.