Chapter 1

Section 1.13

Ministry of Tourism, Culture and Sport

Follow-Up on 2020 Value-for-Money Audit:

Museums and Galleries: Royal Ontario Museum

RECOMMENDATION STATUS OVERVIEW						
		Status of Actions Recommended				
	# of Actions Recommended	Fully Implemented	In the Process of Being Implemented	Little or No Progress	Will Not Be Implemented	No Longer Applicable
Recommendation 1	1	1				
Recommendation 2	2		2			
Recommendation 3	1		1			
Recommendation 4	2	2				
Recommendation 5	3		1	2		
Recommendation 6	2	2				
Recommendation 7	3		3			
Recommendation 8	2			2		
Recommendation 9	2		2			
Recommendation 10	3	1	1	1		
Recommendation 11	2	2				
Recommendation 12	1	1				
Recommendation 13	2	2				
Recommendation 14	2		2			
Recommendation 15	2		1	1		
Recommendation 16	1		1			
Total	**31**	**11**	**14**	**6**	**0**	**0**
%	**100**	**36**	**45**	**19**	**0**	**0**

Overall Conclusion

The Royal Ontario Museum (ROM), as of September 26, 2022, has fully implemented 36% of actions we recommended in our *2020 Annual Report*. The ROM has made progress in implementing an additional 45% of the recommendations.

The ROM has fully implemented recommendations such as updating its policies so that the processes it conducts to establish the provenance of items it acquires are completed, documented and reviewed. This includes implementing processes to conduct due diligence if an object lacks documented evidence of its legal and ethical provenance. In addition, the ROM implemented a policy for deleting item records from

its collection management system, including segregating the responsibilities for deleting records, approving the deletion of records, and accessing the ROM's vaults where items are stored. The ROM also implemented a policy to perform an annual inventory audit of its collections by randomly selecting and checking a sample of 500 objects and artefacts recorded in its collection management system.

The ROM has also established a documented assessment process that it now uses to select the exhibitions that it will display. In addition, the ROM rolled out a new system to evaluate its exhibitions that now includes steps both before they begin and in their early stages of implementation. The new system also requires the ROM to identify key learnings from its evaluation of exhibitions.

The ROM has made progress in implementing recommendations such as developing a conservation policy to assess and document the condition of objects before and after exhibiting or lending them, and to review and approve treatments to objects and artefacts proposed by conservators. In addition, the ROM has established a task force to assess whether the access it provides to its collections is sufficient, and to recommend steps to improve access. We also noted that the ROM was in the process of implementing a performance feedback program for its staff.

However, the ROM has made little progress on 19% of the recommendations, including deaccessioning items already identified as candidates for deaccessioning in its collection development plan, and providing items it plans to deaccession as gifts to other public institutions in Ontario. The ROM has not reviewed items in its collection without an assigned value to determine if they should be valued and update its insurance coverage accordingly.

The status of actions taken on each of our recommendations is described in this report.

Background

The Royal Ontario Museum (ROM) is a museum of art, culture and natural history located in Toronto. It is a provincial agency and receives approximately $27 million in annual funding from the Ministry of Tourism, Culture and Sport (formerly the Ministry of Heritage, Sport, Tourism and Culture Industries). Its legislation, the *Royal Ontario Museum Act* (Act), sets out the ROM's mandate. Consistent with the traditional role of museums and galleries, its mandate includes collecting objects of artwork, cultural artefacts and natural history specimens, displaying them, providing education programs related to its collections, and generating public interest in its collections and exhibitions. In 2021/22, the ROM had approximately 343,000 visitors, which was down significantly from approximately 1,160,000 visitors in 2019/20 because of public health restrictions during the COVID-19 pandemic.

The ROM is governed by a Board of Trustees (Board) consisting of 21 members, 15 of whom are appointed by the provincial government. As a charitable corporation, the ROM prepares a balanced budget each year, where budgeted revenues equal budgeted expenses.

Overall, we found that the ROM did a good job of safely storing its objects and artefacts in its collections in line with best practices. It had adequate environmental controls and kept its storage vaults at appropriate temperature and humidity levels. It also offered to the public a variety of education programs related to its collections.

However, we found that the ROM did not routinely estimate the financial valuation of its collections to ensure it maintained sufficient insurance coverage. In addition, we found that the ROM did not have an electronic record for the majority of its natural history collection, and it did not have a policy in place to conduct regular inventory checks to verify the existence of the objects and artefacts in its collections. We also found that the ROM's acquisitions were not always in line with its collection development plan, and it could not always demonstrate that the acquisitions it made were needed to meet its collection objectives.

While management at the ROM indicated that it is important to have successful exhibitions in order to draw attention and attendance to their institution, we found that it could not demonstrate how it selected exhibitions that were most likely to be successful because it lacked a documented assessment and selection process.

We made 16 recommendations, with 31 action items, to address our audit findings.

We received commitment from the Royal Ontario Museum that it would address our recommendations.

Status of Actions Taken on Recommendations

We conducted assurance work between April 2022 and September 2022. We obtained written representation from the ROM that effective November 11, 2022, it has provided us with a complete update of the status of the recommendations we made in the original audit two years ago.

Collections Management

Recommendation 1
We recommend that the Royal Ontario Museum implement processes so that the steps required by its policies to establish the provenance of objects and artefacts it acquires are completed, documented and reviewed.
Status: Fully implemented.

Details
In our 2020 audit, we found that the ROM approved the acquisition of items that did not always meet the requirements of its policies to establish provenance. We reviewed a sample of items acquired by the ROM between 2017/18 and 2019/20 through purchases and donations, and found that one-third of these acquisitions did not fully address the requirements of its policies to establish the provenance of the items so that it could prove ownership, establish authenticity, and ensure the items were not illegally obtained.

In our follow-up, we found that the ROM researched the international provenance practices of other jurisdictions, specifically using work conducted by the Canadian Art Museum Directors Organization, which references guidelines developed by the Association of Art Museum Directors and the American Association of Museums. The ROM then updated its provenance policies, forms, and expectations, including a requirement to document the due diligence steps that were conducted to establish provenance where an object lacks documented evidence of its legal and ethical status. The ROM also included in its policy a process for its registration department to monitor compliance with its provenance requirements.

Recommendation 2
So that it acquires objects and artefacts that best meet its collection priorities and needs, and so as not to incur unnecessary storage and conservation costs, we recommend that the Royal Ontario Museum put in place processes to:

- *determine and document whether proposed acquisitions of objects and artefacts match the priorities of its collection development plan; and;*
- *require written justification be prepared and reviewed for approval where items that do not match the priorities of its collection development plan are proposed for acquisition.*
Status: In the process of being implemented by January 2024.

Details
In our 2020 audit, we found that the reason the ROM acquired many of the items we reviewed was not clear, as they either did not match the ROM's collection development plan (drafted in 2012) or were deemed low priority under the plan. We compared a sample of the ROM's acquisitions between 2017/18 and 2019/20 to its collection development plan, and found that nearly half were in areas where the plan noted that the ROM's collection was already sufficient or should only accept special items or certain types of items. Documentation supporting these acquisitions did not make clear that they met the plan's criteria.

In our follow-up, we found that the ROM was in the process of updating its 2012 collection development plan. The ROM was also in the process of revising its acquisition approval policy. When implemented, the revised approval policy will require a documented determination of whether proposed acquisitions match the priorities of the ROM's collection development plan. And, if they do not match, written justification will be required for review and approval by the Deputy Director for Collections and Research. The ROM expects to complete the update of its collection development plan and implement its revised acquisition approval policy by January 2024.

Recommendation 3

So that it can make the best use of its Natural History Collection and improve its accessibility for research, we recommend that the Royal Ontario Museum develop and execute a plan to catalogue specimens in the collection, including their location.
Status: In the process of being implemented by June 2023.

Details

In our 2020 audit, we found that the size and location of the ROM's Natural History Collection are not clearly documented. The ROM estimates that it has almost 11 million specimens in its Natural History Collection. Although it is not standard practice to catalogue every specimen in a natural history collection, we found that the ROM has approximately 1.5 million records in its electronic records management system, The Museum System (TMS), comprising about 3.5 million specimens—or only 32% of all the specimens in its collection. In addition, we found that out of these 1.5 million records, fewer than 340,000 have a location recorded. We also found that the ROM does not have a common practice in place to track the majority of the specimens that are electronically uncatalogued, estimated at about 7.5 million.

In our follow-up, we found that the ROM is in the process of cataloguing specimens in its Natural History Collection (including their size and location) for which it had records that were not in TMS, specifically the Entomology and Invertebrate Zoology collections,

where a bulk of the specimens were not catalogued. The ROM expects to complete cataloguing the specimens in these two collections and to add them to TMS by June 2023. The ROM also began conducting inventory checks of randomly selected samples of specimens from its Natural History Collection in July 2022 and indicated that it plans to conduct such checks annually.

Recommendation 4

So that the items in the collection of the Royal Ontario Museum (ROM) are secured, we recommend that management:

- *segregate the responsibilities for deleting records, approving the deletion of records, and accessing the ROM's vaults;*
  Status: Fully implemented.

Details

In our 2020 audit, we found that items could be deleted from the ROM's collection management system (TMS) without authorization. We were advised that 11 individuals at the ROM had the necessary level of access rights to delete items, including two individuals who also had access to the ROM's vaults. At our request, ROM's IT department extracted a report of deleted item records that showed that since 2016, approximately 2,700 item records had been deleted. We reviewed this list and found that some of these records had been deleted by individuals who also had access to ROM's vaults, raising security concerns about the ROM's inventory of items.

In our follow-up, we found that in 2021 the ROM introduced a policy for deleting item records in TMS. This policy segregates the responsibilities for deleting records into those who will compile requests to delete records, those who will approve the deletion of records, and those who will delete the records from TMS. None of these individuals will have access to ROM's vaults.

- *periodically review the list of deleted item records, and ensure that items were deleted only for authorized purposes.*
  Status: Fully implemented.

Details

In our 2020 audit, we found that items could be deleted from the ROM's collection management system (TMS) without authorization, and there was no process in place at the ROM to review deleted records to ensure that they were deleted only for authorized purposes.

In our follow-up, we found that the ROM's new policy on deleting item records from TMS (described in the first action item in **Recommendation 4**) also indicates that the ROM's Manager of Collections and Information Systems will compile a quarterly report that lists all items that have been deleted during the quarter. For each deleted item, the report is to include the date of deletion, the reason for deletion, the name of the individual who requested the deletion, and the name of the individual who approved the deletion. The ROM told us that it began producing and reviewing reports on deleted items in August 2021.

Recommendation 5

So that the Royal Ontario Museum knows the financial value of its collection and can assess whether its insurance coverage is sufficient, we recommend that it:

- *review items that do not have a value assigned to determine which items should be valued;*
  Status: Little or no progress.

Details

In our 2020 audit, we found that over 95% of the items in the ROM's arts and culture collection did not have a value assigned to them in TMS.

In our follow-up, we found that the ROM had begun planning to address this recommendation. The ROM developed a policy that outlines the steps it will take to review items in its arts and culture collection that do not have an assigned value in TMS. It plans to review 250 items without a value in TMS every two years, beginning in July 2023, and determine a value for these items. However, the ROM had not yet determined when it expects to have reviewed all items in its arts and culture collection with no assigned value and assign values where appropriate.

- *implement a process to periodically update the valuation of its most valuable items;*
  Status: In the process of being implemented by July 2023.

Details

In our 2020 audit, we found that the ROM does not routinely estimate the financial value of the vast majority of objects and artefacts in its arts and culture collection, and does not periodically review and revise valuations for the items it has valued. Where valuations did exist, the majority were not based on a recent, routine appraisal, but instead were assigned by curators for insurance purposes only when objects and artefacts were loaned out to other institutions.

In our follow-up, we found that the ROM had developed a policy to continuously update the value of the most valuable items in its arts and culture and natural history collections on an annual basis. The ROM will do so by assigning lists of items from its collection to the responsible ROM curator, who will then update the item's value as required. The financial value of the 10 highest-valued items will be used to determine ROM's annual insurance requirements. The ROM expects to implement this policy by July 2023.

- *assess the risks of potential loss of its collection and obtain the level of insurance deemed necessary based on the updated valuation of the collection.*
  Status: Little or no progress.

Details

In our 2020 audit, we found that without a more complete and up-to-date valuation for its collection, including its most valuable items, it is unclear whether the ROM's insurance coverage is sufficient relative to the commercial value of its collection.

In our follow-up, we found that the ROM had made limited progress toward implementing this recommendation. The ROM indicated that it was planning to initiate an open competitive process to secure an insurance broker in late 2022. The ROM noted that once an insurance broker is selected, it will work with the insurance broker to ensure the ROM's insurance coverage is sufficient based on the updated valuation of its

collection. The ROM anticipates that it will update its insurance coverage by July 2023.

Recommendation 6

To safeguard the objects and artefacts in its collection, we recommend that the Royal Ontario Museum:

- *establish a policy for carrying out inventory checks that includes the frequency and methodology for such checks;*
  Status: Fully implemented.

- *perform inventory checks in accordance with this policy.*
  Status: Fully implemented.

Details

In our 2020 audit, we found that the ROM conducts inventory checks on an ad hoc basis to verify the existence of the objects and artefacts in its collection, but does not have a formal policy in place to conduct inventory checks on a regular basis for all its collection areas.

In our follow-up, we found that the ROM established a policy to perform an annual inventory audit of its collections by randomly selecting a sample of 500 objects and artefacts from its collections in TMS to check. The policy establishes a segregation of duties between those who perform the inventory audit and those who are responsible for the storage of the collection, as well as those responsible for the review and approval of the inventory audit. In accordance with the requirements of its new policy, the ROM conducted its first annual inventory audit in July 2022.

Recommendation 7

So that objects and artefacts that require restoration receive appropriate conservation treatments, we recommend that the Royal Ontario Museum put in place processes to:

- *assess and document the condition of objects and artefacts before and after exhibiting and lending them;*
  Status: In the process of being implemented by January 2023.

Details

In our 2020 audit, we tested a sample of exhibitions and outgoing loans of items to determine whether condition assessments were undertaken and documented. Rather than regularly surveying its collections, the ROM told us it focuses its conservation work on items that it displays or loans to other institutions. We found that the ROM did not complete a written condition assessment for items prior to exhibiting them within the ROM; therefore, we could not determine if the assessment took place. In addition, we found that for 17% of the items loaned to other institutions, the ROM could not produce documentation demonstrating that a condition assessment was completed after the loaned items were returned.

In our follow-up, we found that the ROM was in the process of developing a conservation management policy to assess and document the conditions of objects before and after exhibiting or lending them, and treating them when required. The policy will require the conservator to complete a new Treatment Proposal report summarizing their assessment of the object or artefact before and after exhibiting or lending it. Once this policy is completed, the ROM intends to train its conservators on the policy's requirements, including completing the new Treatment Proposal report. The ROM indicated that it expects to implement its conservation management policy by January 2023.

- *where appropriate, review and approve the conservation treatments proposed by conservators before they are applied; and*
- *assess the quality of the treatment work after it is applied.*
  Status: In the process of being implemented by January 2023.

Details

In our 2020 audit, we found that the ROM does not have a process in place to track the number of conservation treatments it completes, nor does it have a process to review the treatments completed by conservators to restore objects and artefacts. Neither the responsible ROM curator nor the manager of conservation reviews or approves conservators' treatment plans,

nor is the quality of the treatment work reviewed after it is applied.

In our follow-up, we found that the ROM is in the process of developing a conservation management policy, which includes a requirement for the ROM to review and approve treatments proposed by conservators. The draft policy will highlight the processes that conservators must follow if an item requires treatment. These include submitting a Treatment Proposal report for curatorial review and approval that summarizes the conservator's assessment of the object or artefact, the purpose of the treatment, the proposed treatment, and the estimated hours to complete treatment.

The ROM noted that its conservation management policy will also include a requirement to assess the quality of treatment work after it is applied. To implement its new conservation management policy, the ROM told us that in September 2021, it hired a permanent manager for the conservation unit. The new manager will be responsible for reviewing treatment work once the policy comes into effect. The ROM indicated that it expects to implement its conservation management policy by January 2023.

Recommendation 8

To refine and improve the quality of its collections, and improve access for Ontarians—particularly to Canadian and culturally significant objects and artefacts—we recommend that the Royal Ontario Museum:

- *deaccession items identified as candidates for deaccessioning in its collection development plan; and*
- *consider providing items it plans to deaccession as gifts to other public institutions in Ontario.*
  Status: Little or no progress.

Details

In our 2020 audit, we found that despite identifying many items for deaccessioning in its 2012 collection development plan, the ROM has deaccessioned few items from its arts and culture collection since that time.

In our follow-up, we found that the ROM had made limited progress toward implementing these recommendations. The ROM indicated that it has reviewed

and updated its Board Collections Policy, which includes its ability to deaccession items. However, the ROM advised us that it has not otherwise taken steps to begin implementing these recommendations because it is waiting for its new Deputy Director of Collections and Research (who will be responsible for the area of deaccessioning) to begin working at the ROM. Thereafter, the ROM advised us that it will develop a list of items and artefacts to be deaccessioned. Tasks for planning, budgeting, and scheduling will then begin, as well as evaluating resources required to execute the deaccession of these items in the 2023/24 fiscal year.

Recommendation 9

So that it meets the needs of Ontarians for access to its collections, we recommend that the Royal Ontario Museum:

- *review and assess the sufficiency of the access it provides to its collections; and*
- *take action to improve access, as needed.*
  Status: In the process of being implemented by December 2022.

Details

In our 2020 audit, we found that the ROM has not assessed whether the access it provides to its collection of objects and artefacts meets the needs of those who require it, including with respect to adequacy of access to all items requested, the length of time it takes to gain access, and the sufficiency of access time once it is granted.

In our follow-up, we found that the ROM has put in place a task force, led by the ROM's Office of the Deputy Director of Collection and Research, to review the access it provides to its collections and assess whether it is sufficient, and to recommend how it should improve access. The task force consists of various staff members, including curators and technicians from the ROM's Arts and Culture and Natural History divisions, and other executive management members. In addition, the ROM noted that it is working toward increasing the number of collections available in its online portal, including items from its Canadian Indigenous Heritage and Canadian Natural History

collections. Furthermore, the ROM indicated that it will engage with stakeholders to identify priorities for expanded access, and develop a plan to implement this expanded access, incorporating the initial costs and potential sources of funding to do so, by December 2022.

Recommendation 10

To improve access to its collection for Ontarians—and particularly to Canadian objects and artefacts—we recommend that the Royal Ontario Museum:

- *identify opportunities to better publicize its loan program to other institutions in Ontario;*
  Status: In the process of being implemented by January 2024.

Details

In our 2020 audit, we found that although the ROM has a policy that permits other institutions to borrow items from its collection, it does not publicize its loan program.

In our follow-up, we found that the ROM had updated its public website to include information and guidelines about requesting loans from the ROM. In addition, the ROM had also promoted its loan program at both national and international museum conferences, including conferences held by the Ontario Museum Association, Canadian Museum Association and American Alliance of Museums. The ROM indicated it was undertaking research and expects to identify more opportunities to better publicize its loan program by January 2024.

- *promote the lending of items that it is not likely to display, because it has better and more representative items, to other Ontario institutions;*
  Status: Little or no progress.

Details

In our 2020 audit, we found that the ROM lends few items to other institutions even though it has a large collection of objects and artefacts, and other museums and galleries appear to be interested in borrowing items from the ROM. The ROM has over 525,000 items

in its arts and culture collection, but completed just 34 loans, consisting of a total of about 780 items, to other institutions between 2017/18 and 2019/20. In addition, we found that approximately 99,000 objects and artefacts, or 19% of the ROM's arts and culture collection, had been idle for more than 20 years—that is, they had not been displayed, loaned to other institutions, or accessed for research or other purposes. We surveyed small- and medium-sized museums and galleries across Ontario, and 76% indicated that they would be interested in borrowing objects and artefacts from the ROM.

In our follow-up, we found that the ROM continued to lend very few items to other museums and galleries relative to the number of artefacts that have remained idle for a long period of time. Since our audit in 2020, the ROM has only lent out 89 objects and artefacts across six different exhibitions. The ROM noted that it expects to identify more opportunities for promoting the lending of items from its collection once its new Deputy Director for Collections and Research begins work at the ROM.

- *review the fees it charges other Ontario institutions to borrow items from its collection, and identify opportunities to reduce those fees to increase the number of items loaned to such institutions.*
  Status: Fully implemented.

Details

In our 2020 audit, we surveyed small- and medium-sized museums and galleries across Ontario, and 76% indicated that they would be interested in borrowing objects and artefacts from the ROM. However, of those expressing interest, approximately 60% indicated that the cost to borrow items from the ROM can be prohibitively high. Over 40% of the institutions that responded to our survey noted they had an annual budget of $400,000 or less.

In our follow-up, we found that the ROM has conducted research on the loan fee charged by various provincial and federal galleries and museums, including the Royal British Columbia Museum, the National Gallery of Canada, and the Boston Museum of Fine Arts. The ROM noted it reviewed its own loan fees,

and determined that its practice is consistent, or lower, than that of other museums. We also found that during the course of our follow-up, the ROM implemented revisions to its loans policy that allow it to waive, reduce, or adjust the loan administration fee it charges other institutions to borrow items from the ROM in cases where it is a significant financial barrier to the borrower.

Exhibitions

Recommendation 11

So that it designs and selects exhibitions that best meet its goals and attract visitors, we recommend that the Royal Ontario Museum:

- *establish a documented assessment process based on industry best practices, and use that process to assess and select the exhibitions it will display;*
  Status: Fully implemented.

Details

In our 2020 audit, we found that the ROM does not have a documented assessment process in place to evaluate proposed exhibitions in order to select those that are most likely to meet the ROM's goals and attract additional visitors.

In our follow-up, we found that in October 2021, the ROM established a documented process that it now uses to assess and select the exhibitions that it will display. The assessment process includes the criteria that it will use to select future exhibitions, including relevance, innovation, budget and feasibility, and expected revenue. The assessment process also requires considering and documenting the potential risks and challenges involved with the proposed exhibition.

- *determine and assign appropriate weight to the results of its exhibition topic assessments in the selection of exhibitions.*
  Status: Fully implemented.

Details

In our 2020 audit, we found that the ROM has a good process in place to annually assess audience interest in potential exhibition topics. However, it is not always evident that the ROM considers the results of these assessments to reach its final decision on which exhibitions to display. In addition, in the absence of a documented assessment process for exhibitions, it is unclear how much weight is, or should be placed, on these assessments.

In our follow-up, we found that the ROM, as part of its new documented assessment process for selecting exhibitions, also created a documented guideline that it will use to weigh the results of its audience interest assessments when selecting exhibitions to display. The ROM will consider both quantitative and qualitative measures against the criteria established as part of its new documented assessment process, and will weigh these measures accordingly in order to make its overall selection on which exhibitions to display.

Recommendation 12

Where targeted profits on exhibitions are not met, to improve the cost-effectiveness of its exhibitions, we recommend that the Royal Ontario Museum analyze the results to identify the reasons, and apply lessons learned to targets set in future exhibitions.
Status: Fully implemented.

Details

In our 2020 audit, we reviewed a sample of the ROM's exhibitions over the previous three years for which it charges a separate admission fee, and found that the ROM missed its targets for the profit it expected to achieve in 50% of the exhibitions in our sample. In these cases, the ROM made between $13,000 and $1,351,000 less than it budgeted. However, we found that in these cases, the ROM had not analyzed the results to identify why it had missed its targets.

In our follow-up, we found that the ROM developed report templates to capture details of results and key findings identified from its exhibitions that have already taken place. The ROM began using these templates in September 2021 for each of its exhibitions to report specific information such as the selection rationale for the exhibition, its overall revenue, its attendance and the demographics of those who visited it, and

to note any observations, actions, and key learnings where the exhibition underperformed compared to the ROM's expectations.

Recommendation 13

To enhance the effectiveness of its exhibitions in increasing the public's understanding of a given subject and improving visitor experience, we recommend that the Royal Ontario Museum:

- *evaluate all key exhibitions, including their design and the early stages of their implementation;*
  Status: Fully implemented.

- *put in place processes to review lessons learned from evaluations of past exhibitions, and apply them to plans to select and design exhibitions in the future.*
  Status: Fully implemented.

Details

In our 2020 audit, we found that the ROM had evaluated 87% of the exhibitions it held in the previous five years. However, our review of a sample of exhibitions found that all but one were evaluated only after the conclusion of the exhibition. In contrast, over 60% of the exhibitions we reviewed at the Art Gallery of Ontario included an evaluation of the design of the exhibition shortly after it was launched to ensure it met the needs of the intended audience, and to make adjustments where it did not.

In our follow-up, we found that in September 2021, the ROM developed and implemented a new system to evaluate its exhibitions. The ROM advised us that its new evaluation system is designed to identify, budget and schedule evaluation activities before exhibition development begins, and to provide remediation opportunities when required, including at the exhibition's early stages of implementation. The new evaluation system also requires that the ROM identify key learnings from its evaluation of its exhibitions, which the ROM plans to apply when selecting and designing its future exhibitions.

Education Programs

Recommendation 14

So that its education programs meet their goals and the learning expectations of those who participate in them, we recommend that the Royal Ontario Museum:

- *put in place a policy that defines when programs should be evaluated and the method by which they should be evaluated; and*
- *produce evaluation reports on its education programs that are sufficiently detailed to be used to identify and address areas that require improvement.*
  Status: In the process of being implemented by January 2023.

Details

In our 2020 audit, we found that the ROM does not always evaluate the effectiveness of its education programs, and where it did evaluate its programs, in some cases it could not demonstrate how it used those results to identify and address areas requiring improvement in each program. In addition, we found that the ROM did not have a policy in place outlining the process it should follow to evaluate its education programs.

In our follow-up, we found that the ROM had reviewed its existing program evaluation frameworks, schedules, practices, and tools. The ROM's review identified differences in the way data was collected, which evaluation tools were used, and how the data was analyzed across different departments, teams and programs. Following its review, the ROM developed a plan to implement an updated evaluation model and policy by January 2023, which it indicated will address the issues identified in its review by, for example, defining when and by which method programs should be evaluated, and applying the evaluations consistently across all departments.

In our follow-up, we also found that the ROM had reviewed its evaluation reports for existing education programs and established additional categories and criteria to be used in future evaluations, including whether program objectives have been met, areas for improvement and/or expansion, return on investment,

and program quality and relevance. The ROM indicated that these new categories and criteria will be used in evaluations once the ROM's new evaluation policy (described in the first action item in **Recommendation 14**) is implemented in January 2023.

Self-Generated Revenues

Recommendation 15

To help meet its revenue targets and increase membership sales, we recommend that the Royal Ontario Museum:

- *seek to collect and use data from its members on their demographics to refine its initiatives for membership sales;*
  Status: In the process of being implemented by January 2023.

Details

In our 2020 audit, we found that the ROM does not collect demographic data from its members to better understand who they are and improve the ROM's ability to raise revenues from sales of memberships to new members.

In our follow-up, we found that the ROM has implemented, or is in the process of implementing multiple methods to collect data from its members and visitors to support membership growth and drive increased visitation. These methods include the following:

- **ROM audience segmentation.** This will involve affiliating each member, visitor and donor record with a ROM-categorized audience segment to provide insights, such as on their ethnicity, age, family composition, geography, attitudes and media consumption. The ROM expects to implement this process by January 2023.
- **Visitor behaviour data and profiling.** The ROM has implemented a ticketing system that allows for the collection of data related to visitor and member attendance, including visitor preferences, family profile, frequency, and history/behaviour of program visits and museum spending over time.
- **Member surveys.** The ROM surveyed its member households in 2021 to collect

individual-level demographic data. The ROM indicated that it will continue to perform surveys of its member households annually to collect data to append to audience records.

As the ROM collects more complete demographic data, it plans to use the information to refine its initiatives for membership sales.

- *integrate its plans to increase membership sales and visits by members with its plans to improve the process to select its exhibitions.*
  Status: Little or no progress.

Details

In our 2020 audit, we found that memberships had declined in the previous year and visits to the ROM by its members had also declined in the previous two years. The ROM's management attributed this decline to exhibitions that did not attract the interest of its members, and to some extent the impact of the COVID-19 virus.

In our follow-up, we found that the ROM has made some progress toward implementing this recommendation. The ROM advised us that it has initiated some email and telemarketing communication strategies to drive membership sales based on the visitor profiles and demographic data it has collected to date. As described in the first action item in **Recommendation 15**, the ROM is still in the process of implementing methods to collect member demographic data that it will subsequently use to refine its initiatives to increase membership sales.

Operating Expenses

Recommendation 16

So that it can monitor and improve the effectiveness of its staff, and meet the requirements of the Ministry of Heritage, Sport, Tourism and Culture Industries, we recommend that the Royal Ontario Museum prepare and implement a performance review system for all its staff.
Status: In the process of being Implemented by March 2024.

Details

In our 2020 audit, we noted that salaries and benefits accounted for at least 45% of the ROM's annual operating expenditures in each of the previous five years. However, we found that with the exception of the executive leadership team and its curators, the ROM does not have a process in place to evaluate the performance of its nearly 350 full-time staff.

In our follow-up, we found that the ROM is in the process of implementing a performance feedback program called "Performance Conversations," which gives managers a means of providing structured feedback, support and guidance to an employee through continuous two-way dialogue on a regular basis. As part of the process to implement this program, the ROM is providing training to the ROM's employees and managers on how the program is expected to work, including how management is expected to provide support, coaching and counselling to their staff members as needed, and identifying the frequency (quarterly) in which check-ins with staff are expected to be completed. To date, the ROM has launched the first phase of the program to its non-union staff members, and is currently working toward launching the program for all of its unionized staff members by March 2024.