



**Regional Municipality of
Waterloo
MUSEUM POLICIES**

Section No.

1.0

Policy No.

1.9

Title: Provisions for the Dissolution of a Museum's Assets and Liabilities

Applies to: Doon Heritage Crossroads, McDougall Cottage, Joseph Schneider Haus and other heritage resources owned by the Region of Waterloo

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I. INTRODUCTION

The Provisions for the Dissolution of a Museum's Assets and Liabilities states the intention of the Regional Municipality of Waterloo regarding the disposal of assets and liabilities¹ held by museums owned and operated by the Region, and other heritage resources owned by the Region, in the event that the Region chooses to dissolve an institution and dispose of its assets.

The guidelines for the disposal of assets and liabilities, which form parts IV and V of this document, give direction to the Region on the disposal of specific categories of assets and liabilities.

The Provisions for the Dissolution of a Museum's Assets and Liabilities goes beyond disposals which occur in the course of the normal day-to-day operation of the Region's museums.

II. IMPACT STATEMENT

¹ Disposal refers to the permanent removal of assets from the Region's ownership. In the ongoing operation of the Region's museums, the disposal of surplus goods and equipment is governed by Regional Municipality of Waterloo By-law 61-91 (Section H-4) and the disposal of artifacts is governed by two Museum Policies - Collection Development (M-3-1) and Collection Management (M-3-2).

Subsection 47 (2) (e) of the Regional Municipality of Waterloo Act provides authority for the Region to sell, lease or otherwise dispose of property received or acquired for the purposes of a public historical museum. Subsection 47 (3) states "Where the Regional corporation disposes of any property under clause 2 (e), it shall use any money or other property received as a result of the disposition for the purposes of its public historical museums. On January 1, 2003 the Regional Municipality of Waterloo Act will cease existence and all Regional activities will be governed by the new Municipal Act.

The Region of Waterloo's museums and heritage resources represent a legacy that, once lost, can never be replaced.

The Region acquires objects with the intention of permanency in its collections. And as the Region did not assume ownership and operation of any museum or heritage resource with the intention of its eventual dissolution, such a scenario is unlikely. Any disposal under this policy, therefore, will be approached with caution.

The Region is aware that a strong and secure sense of the past is an indispensable source of stability and confidence in the future. The Region's museums provide tangible and irreplaceable links to what define us as a community. The Region is dedicated to assuring its museums remain strong, recognizing that future generations will judge the content and quality of our stewardship.

Notwithstanding the requirements of the Ontario Municipal Act, the Regional Municipality of Waterloo Act, and other legislation and/or policies and procedures governing the disposal of municipal assets, the merits and faults of the dissolution of a museum will be thoroughly investigated.

All assets and liabilities of the Region of Waterloo's museums are the responsibility of Regional Council, and as such, the decision to dissolve a museum rests with them.

III. POLICY STATEMENTS REGARDING THE DISSOLUTION OF MUSEUM ASSETS AND LIABILITIES

- a) All assets and liabilities of the Region of Waterloo's museums are the responsibility of Regional Council.
- b) The disposition of any property by the Region will be subject to Federal and Provincial legislation and any by-laws of the Regional Municipality of Waterloo in effect at the time of the disposition.
- c) Every effort will be made to ensure that historical objects and heritage structures remain in the public domain within the Region of Waterloo.
- d) Every effort will be made to maintain the integrity of a museum's collections by transferring them intact.
- e) Regional Council will create a committee to oversee the dissolution process. The committee will include Regional staff including the museum(s) Manager/Curator, member(s) of Regional Council, representatives of the museum profession and the "Friends of" the museum organizations, and members of the community.
- f) The Region will not sell museum assets to reduce financial liabilities.
- g) All monies realized from the sale of heritage assets will be deposited in a Reserve

Fund, to be administered by the Region.

- h) The Region will not approve disposals, except by public auction, directly to a Regional employee, a former member of the museum's staff, a member of Regional Council, or a member of Regional advisory committees, a museum volunteer, or the families or other representatives of such persons.

IV. GUIDELINES FOR THE DISPOSAL OF ASSETS

- a) Definition of Assets

Regional assets that relate to its history and heritage may include, but are not limited to:

- land
- burial sites
- heritage structures
- modern service buildings
- three-dimensional historical objects
- two-dimensional archival objects
- archaeological collections
- botanical and zoological specimens, both living and preserved
- domesticated animals
- office equipment and supplies
- conservation equipment and supplies
- facilities and landscape maintenance equipment, machinery and supplies
- service vehicles
- museum name and identifying logos
- corporate records of the museum
- collections records
- image data banks
- staff
- volunteers
- personal information data banks
- intellectual property and copyright

- b) General Guidelines Regarding Disposal of Assets

The disposal of museum and heritage assets will proceed as follows, in the order listed:

- i. Donation of a museum's assets, in total, to another governmental or not-for-profit agency located within the Region of Waterloo.

Upon the decision to dissolve a museum and dispose of its assets, the Region will attempt to find another governmental or not-for-profit agency located in the Region of Waterloo, that will keep the collections and buildings together and continue to operate the museum for the public benefit.

The Region will seek a successor agency that will carry out its responsibilities at a level consistent with generally accepted museological standards; the Ministry of Culture's Community Museum Standards, Provincial Regulation 877 and the Canadian Museums Association Ethical Guidelines (1999) will serve as a minimum standard. The new organization will be required to meet all requirements of Municipal, Provincial and Federal regulations governing the operation of museums, including those governing designated structures and objects certified under the Canadian Cultural Property Import Export Act.

- ii. Donation of collections of objects and/or individual objects to other publically funded museums and related repositories within the Region of Waterloo (see also Section i above for further direction on preferred facilities);
- iii. Donation of collections of objects and/or individual objects to other publically funded museums and related repositories in Canada (see also Section i above for further direction on preferred facilities);
- iv. Sale by public auction.

c) Structures

The Region of Waterloo and its successors will honour any heritage designation or easement affixed to buildings and real property.

The Region of Waterloo should seek an easement through the Ontario Heritage Foundation on designated heritage structures, to protect against demolition and to ensure that changes made to the structure respect the historical integrity of the building.

Prior to disposal, measured drawings and a photographic record of structures should be completed and donated to an appropriate archive.

d) Historical Objects

Objects of national, provincial or regional importance should remain in Canada and in the appropriate geographic locale from which they originated.

The Region will ensure that objects which have been certified under the Canadian Cultural Property Import Export Act to be of "outstanding significance and national importance," be managed according to the conditions of the Act; the [Canadian Cultural Property Review] Board alone condones disposal of certified material by means of transfer to another designated institution in Canada whose mandate is similar to that of the institution that originally applied for certification." (The Joseph Schneider Haus is one of 150 Type A institutions in Canada, only several of which have similar collecting mandates.)

Although objects donated to the Region's museum collections are seldom accepted with conditions attached by the donor, some previously accepted objects may have conditions attached related to their disposal. A thorough search of collection records should be completed to identify such conditions so they can be honoured by the Region and/or its successor.

All objects on loan to the Region at the time of the decision to dispose of a collection, will be returned to the owner or their designate.

Objects acquired with financial assistance from senior levels of government should be disposed of only to other public agencies. The Region should seek input from the original granting agency as to the disposition of these objects.

Upon approval of a recommendation to dispose of parts of a collection and/or individual objects, the Region will make public through the appropriate professional museum associations, a list of items to be disposed that may be of significance to another institution. This notice should be made six months in advance of the proposed date of disposal. Disposals to other publically funded museums and related repositories should be made as unconditional donations. Disposals to museums and related repositories should favour those which operate at a level consistent with generally accepted museological standards.

The Region will not dispose of historical objects by returning them to the original donors as gifts (whether or not the donor received any tax benefit at the time of donation); however, the original donor may purchase the object(s) at current fair market value at public auction should a sale occur.

For objects being sold at public auction, the Region should seek tenders for the sale of the objects by reputable auctioneers in the Region of Waterloo and/or from a distance of no more than 100 km from the Region of Waterloo. The Region should ensure that the place, date and time of any sale(s) at which objects from the Region's collections are being sold, are widely advertised. The fact that objects from the Region's collections are being sold should be noted in any advertisement.

Reserve funds resulting from the sale of objects should be restricted to gifts to public museums, archives and art galleries located in the Region of Waterloo, solely for the purpose of strengthening and expanding their collections of objects. To be eligible for funds, these museums, archives and art galleries should meet the Ministry of Culture Community Museum Standards, or their professional equivalent.

The Region should not transfer or donate objects which pose a threat or risk to others without first advising the receiver of the risk. The Region should not sell objects at public auction which pose a threat or risk to others.

Prior to disposing of an object, other than transferring the entire collection to another agency, accession numbers should be removed from all objects.

e) Collection Records

Prior to disposal, the Region should ensure that collection inventories and individual catalogue records are prepared, including a photographic record of each object. These records should be donated to an appropriate archive.

The Region should transfer copies of collection records with objects, where the transfer of those records does not violate the privacy of individuals with respect to personal information about them held by the Region.

f) Land

The Region of Waterloo and its successors will continue to honour any designation of land as an environmentally sensitive protected area and the regulations of the Grand River Conservation Authority for land located within the flood plain of the Grand River and its tributaries.

g) Burials

The Region will ensure that funds will be available for the perpetual care of burials located at the museum sites and that Provincial regulations governing the administration of cemeteries are met.

h) Archaeological Collections

Archaeological collections excavated under Provincial licence, which are held by the Region, should be returned to the Province of Ontario, including all associated records, field notes, photographs, maps, etc.

i) Vehicles, Equipment and Supplies

Unless transferred to a successor agency for the continuing operation of the museum, service vehicles, equipment and supplies will be disposed of according to the policies and procedures established by the Region of Waterloo as set out in Regional Municipality of Waterloo By-law 61-91 (Section H-4).

j) Staff and Volunteers

The Region will honour all applicable Collective Agreements, Regional policies and Provincial legislation in regards to staff employed at the museums.

The Region will respect the rights of volunteers, including giving volunteers written notice of the termination of their services. The Region will protect personal information data banks as they relate to volunteers (see also below).

k) Museum Name and Identifying Logos

The Region should protect the museum's name and identifying logos from misuse or misrepresentation by successor agencies.

I) Botanical and Zoological Specimens and Domesticated Animals
Botanical and zoological specimens considered part of the museum object collections should be disposed in a manner similar to the disposal of historical objects.

Botanical specimens, e.g., plants and trees, considered rare or significant species, should be disposed to a botanical garden or similar facility which will ensure their preservation.

Every effort should be made to place domesticated animals at an appropriate animal care facility, particularly animals considered rare breeds. If there are no interested facilities, farm livestock should be sold at public auction.

V. GUIDELINES FOR THE DISPOSAL OF LIABILITIES

a) Definition of Liabilities

Regional liabilities associated with the museums may include, but are not limited to:

- outstanding staff salaries, benefits and severance packages
- outstanding accounts payable
- outstanding taxes owing
- repayment of any grants previously received and affected by the museum closing
- conditions attached to object loans and donations
- debentures

b) General Guidelines Regarding Disposal of Liabilities

The Region will not sell assets held by the museums to reduce liabilities prior to transfer to another agency.

The Region will investigate and ensure that all files related to grants previously received in support of the museums have been finalized and that any repayment of grant monies to the granting agencies is made prior to disposal of a museum's assets.

VI. DISPOSITION OF PERSONAL INFORMATION

The disposition of personal information banks such as patron, donor and volunteer registers are subject to limitations on access, use and disclosure under the Municipal Freedom of Information and Protection of Privacy Act

Records remaining under the Region's custody and control would continue to be protected by MFIPPA. Any patron, volunteer and donor information data banks could be considered an asset as the information may have potential commercial value if sold as a mailing list; the Region will not sell such information.

If the assets of the museum are transferred to a not-for-profit agency to allow for continued operation of the museum, the Region will transfer only the personal information data banks necessary for ongoing operations. The Region should seek to limit the use or further disclosure of the information unless for specified purposes, and/or only with the consent of the Region.

If the assets of the museum are transferred or sold to a for-profit organization, then consent for transfer of any personal information held in data banks should be obtained by each individual potentially affected by the release of that information.

VII. RELATIONS WITH OTHER POLICIES

See also:

Confidential Information (HR-I-4)
Code of Ethics (HR-I-8)
Conflict of Interest (HR-I-9)
Protection of Proprietary Information (HR-I-29)
Canadian Museums Association Ethical Guidelines (M-1-7)
Standards for Community Museums (M-1-8)
Museum Reserve Fund Policy (M-2-3)
Collection Development (M-3-1)
Collection Management (M-3-2)
Regional Municipality of Waterloo By-law 61-91

See also:

Canadian Cultural Property Import Export Act

The Region will comply with the purposes of the Municipal Freedom of Information and Protection of Privacy Act, 1989 which are: a) to provide a right of access to information, and b) to protect the privacy of individuals with respect to personal information about themselves held by the Region and to provide individuals with a right of access to that information.

This policy was originally written to comply with a request from the Provincial Ministry of Culture's Community Museum Operating Grant program in 2002.

VIII. REVIEW

The Provisions for the Dissolution of a Museum's Assets and Liabilities will be reviewed regularly (or at any time when changes are considered necessary) by appropriate Department staff and approved by Regional Council.