

National Gallery of Canada
Action Plan to Address the Recommendations of the Auditor General's 2004 Special Examination Status Report (Nov 2006)

| OAG Findings/Recommendations | Response/Action Plan and Accountability | Timing | Status Report |
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| <p>1 Governance:</p> <p>CRITERIA: The Gallery has a well-performing corporate governance framework that enables the Board of Trustees and senior management to be accountable for the responsibilities assigned to them by governing legislation.</p> <p><i>Note: The OAG found that the Gallery has a good governance framework in place.</i></p> | | | |
| <p>1.1 Board Self-Assessment:</p> <ul style="list-style-type: none"> • Need for more effort in assessing the contributions of individual Board members; • The self-assessment could also identify any training from which the Board, as a whole or as individual members, would benefit. | <ul style="list-style-type: none"> • The Board will review its self-assessment tool and explore options for conducting individual assessments; • The self-assessment will include a component related to training. <p>Accountability: Board of Trustees</p> | <ul style="list-style-type: none"> • June 2005 • Annually | <ul style="list-style-type: none"> • The Board reviewed its self-assessment tool in June 2005 and included a component on training. • The Board has held discussions regarding the implications of conducting individual contributions, and is awaiting further guidance from the government on its expectations |
| <p>1.2 Board Orientation and Training:</p> <ul style="list-style-type: none"> • Need for formal orientation program to be in place for new Board members; • Put the mechanisms in place to ensure that Board members have access to continuing education programs in areas such as public sector developments, governance practices, financial literacy, and risk management. | <ul style="list-style-type: none"> • The Board will implement a formal orientation program for new Trustees • The Board will review training requirements as part of its annual self-assessment; any training provided would be subject to available funding. <p>Accountability: Board of Trustees, supported by Corporate Secretary</p> | <ul style="list-style-type: none"> • September 2005 • September 2005 and annually thereafter | <ul style="list-style-type: none"> • The Board approved a formal orientation program for new Trustees in 2005. This program is now being implemented. New trustees will receive a general orientation session and a behind-the-scenes tour. |

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| <p>1.3 Succession Planning:</p> <ul style="list-style-type: none"> The Board of Trustees needs to ensure that the Gallery has a succession plan to ensure continuity of the management of its operations. Management is to be encouraged to prepare such a succession plan, and discuss it with the Board of Trustees. | <ul style="list-style-type: none"> Management will prepare a succession plan for key management positions for the review of the Human Resources Committee of the Board of Trustees <p>Accountability: Director</p> | <ul style="list-style-type: none"> June 2006 and annually thereafter (to coincide with annual appraisals) | <ul style="list-style-type: none"> The Board is now receiving regular updates from management on its succession planning activities. |
| <p>1.4 Risk Assessment:</p> <ul style="list-style-type: none"> Management should provide the Board with an overall assessment of all the Gallery's key risks, and of the systems and practices in place to mitigate them as well as the priority level of action in areas where gaps have been identified. | <ul style="list-style-type: none"> The Gallery undertakes extensive assessments of strategic and operational risks facing it, and has a wide range of mitigation strategies in place; Management will develop an approach through which the Board will be provided with a comprehensive view of the Gallery's risks and risk management strategies; <p>Accountability: Director</p> | <ul style="list-style-type: none"> Fiscal Year 2006/07 Once the approach is developed, management will present the comprehensive risk management strategy to the Board on an annual basis. | <ul style="list-style-type: none"> Management conducted workshops to assess key risks facing the Gallery and identified systems and practices to mitigate them. A Management Retreat was held in September 2006. The results of this work was presented to the Board of Trustees' annual strategic planning retreat (September 2006); Based on their assessment, Trustees provided direction to be incorporated in the Gallery's Corporate and operational planning. |
| <p>1.5 Values and Ethics:</p> <ul style="list-style-type: none"> The Board should receive information as to whether management has ensured that appropriate steps have been taken to communicate the Code of Ethics, has overseen compliance with the Code, and has addressed any identified non-compliance. | <ul style="list-style-type: none"> Management will present an annual report on activity related to Values and Ethics to the Human Resources Committee of the Board. <p>Accountability: Director</p> | <ul style="list-style-type: none"> June 2006 and annually thereafter | <ul style="list-style-type: none"> The Board is regularly informed on compliance with the Code of Ethics |

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| <p>1.6 Information to the Board:</p> <ul style="list-style-type: none"> Need to better link performance information with Corporate Objectives; | <ul style="list-style-type: none"> Management will prepare a proposal for the Board's consideration that will present quarterly reports and performance indicators to the Board in a manner that is aligned with the objectives in the Corporate Plan <p>Accountability: Director</p> | <ul style="list-style-type: none"> Fiscal Year 2005/06 | <ul style="list-style-type: none"> In June 2006, Management presented a proposal to the Board for a new reporting format which links performance indicators and reporting directly to the objectives established in the Corporate Plan. The Gallery will adopt this new format starting in 2007/08. |
| <p>1.7 Board Minutes:</p> <ul style="list-style-type: none"> Minutes of the Board and its committees should provide detail on the nature of the discussions, options considered, or analyses provided to support important decisions. | <ul style="list-style-type: none"> The Board and its Committees will ensure Minutes reflect the extent of discussion on important issues. <p>Accountability: Corporate Secretary, Committee Chairs and Committee Secretaries</p> | <ul style="list-style-type: none"> Ongoing effective June 2005 | <ul style="list-style-type: none"> Completed; summaries of Committee reports are also being attached to the Board Minutes to reflect the full range of discussions which take place in the Committees. |

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| <p>2 Strategic and Operational Planning:</p> <p>CRITERIA: The strategic direction of the Gallery is clearly defined, communicated, and takes into consideration the internal and external environment, the government priorities, and key risks. The direction is translated into realistic operational plans and allocation of resources; The Gallery reports adequately on the realization of its results, as set out in its Corporate Plan; The Gallery's Board of Trustees and the management of the Gallery have appropriate and timely financial and management information for decision-making purposes and accountability.</p> <p><i>Note: OAG acknowledges improvement in Corporate Plan and Annual Report since 1999; notes objectives and strategies are consistent with mandate and provide direction to management; notes also good environmental scanning, and the management and Board planning retreats. Also acknowledges improvement in performance measurement.</i></p> | | | |
| <p>2.1 Communicating Strategic Direction Internally:</p> <ul style="list-style-type: none"> The Gallery's efforts to communicate its strategic direction and priorities throughout the organization could be more effective. | <ul style="list-style-type: none"> The Gallery will continue to strengthen its communications with staff on its strategic direction through annual meetings with staff, divisional meetings with the Deputy Director Administration and Finance, orientation sessions with new employees and the continued distribution of the Corporate Plan Summary to all employees The Gallery will implement an employee performance management system that links individual goals with the Corporate Plan <p>Accountability: Director</p> | <ul style="list-style-type: none"> Ongoing January 2006 and annually thereafter | <ul style="list-style-type: none"> The Gallery is now holding regular all-staff meetings to inform staff of key Gallery issues; The Deputy Director, Administration and Finance, has been meeting annually with staff on the Corporate Plan, and the Summary is distributed to all employees. New employees receive a formal orientation that includes a presentation on the Gallery's strategic directions. An internal communication policy with employees shall be developed during 2006/07. The Gallery will review of the performance appraisal forms and process by March 2007. A revised form and process will be implemented by April 1, 2007. |
| <p>2.2 Operational Plans: Operational plans are not consistently developed across the Gallery. In addition, when these plans were developed, they were not always clearly linked to the corporate objectives.</p> | <ul style="list-style-type: none"> All Managers will produce operational plans linked to the Corporate Plan; a template has already been developed for managers' use <p>Accountability: Director</p> | <ul style="list-style-type: none"> By March 2008/09 | <ul style="list-style-type: none"> To be incorporated in the Gallery's workplan for 2008/09 |

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| <p>2.3 Performance Measurement and Reporting</p> <ul style="list-style-type: none"> The Gallery needs to develop an information-gathering strategy that would determine, among other things, the nature of the information that needs to be gathered, how it will be collected, and at what frequency. (The Special Examination notes that the Gallery has more than 50 indicators, and that some of them are more operational in nature, and that many performance indicators do not have targets established). | <ul style="list-style-type: none"> Management will prepare a performance measurement strategy for the Board's review; the focus in 2005/06 will be on better aligning existing reporting against the Corporate Plan objectives <p>Accountability: Director</p> | | <ul style="list-style-type: none"> In June 2006, Management presented a proposal to the Board for a new reporting format which links performance indicators and reporting directly to the objectives established in the Corporate Plan. The proposal also included a new methodology to gather and present key performance information to the Board, allowing for better trend analysis and comparisons between targets and actual results. The Gallery will adopt this new format starting in 2006/07. |
| <p>2.4 Annual Report</p> <ul style="list-style-type: none"> Provide more detail on what was expected to be achieved; Provide more information on the Gallery's internal and external environment, its priorities, budgets and forecasts; Enhance the section on the activities of the Board of Trustees. | <ul style="list-style-type: none"> Improvements in all areas noted by the OAG will be incorporated in the 2004/05 Annual Report and in subsequent years. <p>Accountability: Director</p> | <ul style="list-style-type: none"> Ongoing | <ul style="list-style-type: none"> The Gallery incorporated changes in all areas noted in its 2004/05 and 2005/06 Annual Reports. |

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3 Collections Development, Management and Preservation

CRITERIA: The Gallery develops a collection that is both national and international that represents Canada's visual arts heritage. The collections are effectively managed, housed, protected, documented and conserved.

Note: The OAG recognizes sound acquisition practices and concludes that acquisitions are consistent with the Acquisitions Policy. Concludes also that the collections are effectively managed, housed, secured and conserved. Recognizes formation of Information and Knowledge Committee and progress made in analyzing issues. No concerns re: security and/or environmental standards.

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| <p>3.1 Analysis of Progress Against Acquisitions Policy</p> <p>Objectives:</p> <ul style="list-style-type: none"> This analysis (to be tabled with revised Acquisitions Policy) should include an assessment of the extent to which the Gallery will be able to continue to fulfill its mandate with respect to the collection of art work (especially international art), given the continuing increase in the price of Canadian and foreign art. | <ul style="list-style-type: none"> Management will table a revised Acquisitions Policy with the Board; The revised Policy will be accompanied by an analysis of progress against the current Policy, and the implications for the future. <p>Accountability: Director</p> | <p>December 2005</p> | <ul style="list-style-type: none"> The Board approved a revised Acquisitions Policy in June 2006. Management presented its analysis of progress against the commitments in the previous policy when it tabled the draft Policy in March 2006. |
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| <p>3.2 Development of Library and Archives Collections</p> <ul style="list-style-type: none"> Requires more attention: no significant progress has been made in any of the areas in which improvement was sought. At best, the acquisitions budgets helped to maintain the status quo. (Gives examples) No timeframes are included in the collection development policy and no operational plan has been developed for the Library (could not determine whether the recommendations of the policy were adequately addressed within a reasonable timeframe). Management will need to provide information to the Board on its performance against the stated objectives in the | <ul style="list-style-type: none"> The Gallery is developing a revised Library and Archives Acquisition Policy for the consideration of the Board; as background to the Policy, Management will provide the Board with an assessment of the Gallery's progress against the recommendations contained in the current Policy and the implications. <p>Accountability: Director</p> | <ul style="list-style-type: none"> Table June 2005, for approval in September 2005 | <ul style="list-style-type: none"> The Board approved revisions to the Library Acquisitions Policy in September 2005 While the Gallery was able to allocate additional funds to support Library acquisitions in 2005/06, the Library's purchasing power continues to be eroded due to the Gallery's financial situation. |
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| <p>1997 policy, including an explanation for the lack of progress in collection development;</p> <ul style="list-style-type: none"> The Board of Trustees will need to clarify in the new policy their expectations and ensure that adequate resources are allocated to support its policy Management should assess its progress with respect to the objectives stated in its policy and report to the Board on a regular basis. | | | |
| <p>3.3 Knowledge Management:</p> <ul style="list-style-type: none"> Gallery is encouraged to pursue its efforts to ensure that it has in place the systems and practices to ensure that people get to the knowledge and tools needed to do their work as quickly and intuitively as possible. | <ul style="list-style-type: none"> As noted by the OAG, the Gallery's Information and Knowledge Management Committee is addressing this issue through the development of an overall Information and Knowledge Management Strategy for the Gallery. <p>Accountability: Director</p> | <ul style="list-style-type: none"> Consultant's Study 2005/06 Project implementation 2006 to 2011 | <ul style="list-style-type: none"> A consulting firm has now developed an Information and Knowledge Management Strategic Plan for the Gallery. The Board will review the results in December 2006. In part to respond to the consultants' recommendations, the Gallery has appointed its Deputy Director, Corporate Governance (a new position created in a June 2006 reorganization) as senior level officer responsible for information and knowledge management, and has also established a new position of Chief Information Office Management is developing an implementation plan to allow it to respond to the remaining recommendations within limited available resources. |
| <p>3.4 Information on Collections/Preservation: Curatorial and restorative staff maintained parallel systems for recording other information on items in the collection such as the restorative work performed on artworks or research performed by curators on works proposed for acquisition. In our view, linking or transferring this type of information in the Gallery's main collection management system would contribute to better efficiency and the transfer of knowledge among staff. This is an issue that could be examined by the Information and Knowledge Committee which we refer to in the section on knowledge management.</p> | <ul style="list-style-type: none"> The Gallery will ensure this issues is addressed in the Information and Knowledge Management Strategy under development. The conversion to the new version of MultiMimsy will allow for the linking of conservation information to the overall collection management system. <p>Accountability: Director</p> | <p>See section 3.3 above;</p> <p>MultiMimsy conversion to take place in 2005/06</p> | <ul style="list-style-type: none"> See above; the Strategic Plan recognizes the need to consolidate parallel systems The conversion to Mimsy XG took place in October/November 2005. |

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| <p>3.5 Capital Projects:</p> <ul style="list-style-type: none"> The Gallery has approved its capital plan's budget several months after the beginning of the fiscal year; The postponement of capital projects will likely result in higher maintenance costs and the projects might be more costly than anticipated. Given the fact that management has indicated that it will need an investment of \$3 million to \$4 million per year to operate, maintain, and repair its facilities in the coming years, management and the Board will need to find a long-term solution as the building is aging, and the maintenance and repair costs continue to grow. | <ul style="list-style-type: none"> Management and the Board of Trustees have been actively seeking support of Ministers, central agencies and the Department of Canadian Heritage on this issue. <p>Accountability: Board of Trustees; Director</p> | <ul style="list-style-type: none"> Ongoing | <p>The Gallery is seeking funding from the Government to address its most urgent capital requirements. The Gallery remains hopeful that this funding will be made available.</p> <p>Discussions are also continuing the Canadian Heritage Portfolio on a longer-term solution to resolve on-going budget shortfalls for both capital and facilities operating costs.</p> |

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4 Outreach:

CRITERIA: The Gallery effectively manages its programs and activities while taking into consideration its stakeholders, so as to further knowledge, understanding and enjoyment of the visual arts among all Canadians.

Note: The OAG concludes that Exhibitions practices are well established and the process is well managed. Concludes also that research and publications activities are well managed.

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| <p>4.1 Programming Committee:</p> <ul style="list-style-type: none"> The role of the Committee needs to be clarified in clear terms of references, and minutes to better reflect decisions. | <ul style="list-style-type: none"> Management will clarify the role of the Programming Committee and ensure key decisions are reflected in the Minutes. <p>Accountability: Director</p> | <p>Minutes: Immediate</p> <p>Role: End of Fiscal Year 2005/06</p> | <p>The terms of reference of the Programming Committee will be drafted by end of 2006.</p> <p>Minutes of the meetings are reflecting the key decisions of the Programming Committee.</p> |
| <p>4.2 Documentation of Exhibition Management Process:</p> <ul style="list-style-type: none"> The Gallery would benefit from having a thoroughly documented exhibitions management process that would be updated regularly to reflect lessons learned and emerging best practices. | <ul style="list-style-type: none"> Management will document the Exhibitions Management Process <p>Accountability: Director</p> | <p>2006/07</p> | <ul style="list-style-type: none"> On the Gallery's work plan for 2006/07. |
| <p>4.3 Lessons Learned from Exhibitions:</p> <ul style="list-style-type: none"> Once an exhibition ends, there is no report prepared by the divisions involved in the process that analyzes what worked well and what did not. For example, while a marketing plan with specific objectives is prepared for each special exhibition and data related to the attendance is collected, the Gallery does not assess the extent to which the marketing strategy was effective. | <ul style="list-style-type: none"> Management will develop and implement a process to capture and incorporate lessons learned from exhibitions. <p>Accountability: Director</p> | <p>2005/06</p> | <p>The Director, Exhibitions and Installations, has begun developing a process for a standard evaluation of exhibitions projects.</p> |

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| <p>4.4 For Future Projects Similar to the one at Shawinigan:</p> <ul style="list-style-type: none"> In order to guide management and the Board's decision on future proposals, it is important for the Gallery to develop comprehensive criteria on which a rigorous analysis would be based. | <ul style="list-style-type: none"> The 2005/06 Audit Plan includes a project to develop an evaluation framework and conduct an evaluation of the Shawinigan Project. The Evaluation Framework will be used to assess any proposals for future projects of a similar nature <p>Accountability: Director</p> | December 2006 | <ul style="list-style-type: none"> The final report was presented in June 2006. NGC Management response was presented in September 2006. |
| <p>5 Information Technology</p> <p>CRITERIA: The planning, development, implementation and management of information technology systems ensure business continuity and satisfy informational needs.</p> <p><i>Note: The report recognizes significant improvements in the management of Information Technology since 1999. No recommendations.</i></p> | | | |
| <p>6 Human Resources Management</p> <p>CRITERIA: The Gallery has a workforce with the key competencies needed to achieve its strategic and operational objectives when needed. This workforce is accountable for its results and works in an engaging, positive work environment.</p> <p><i>Note: The report recognizes significant challenges over the past 5 years, and notes the Gallery has improved the HR management structure (creation of HR Committee of the Board and creation of position of Director of HR. Recognizes significant efforts in improving working environment and union/management relations.</i></p> | | | |
| <p>6.1 Performance Management:</p> <ul style="list-style-type: none"> No performance management policy in place other than for managers; Employee performance is neither planned nor assessed systematically; Strategic and operational objectives need to be linked to individual performance expectations. | <ul style="list-style-type: none"> The Gallery is in the process of developing a comprehensive performance management system for all employees, linked to the Gallery's strategic objectives <p>Accountability: Director</p> | <ul style="list-style-type: none"> January 2006 | The Gallery expects to have a new performance management system in place during 2007/08. |

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| <p>6.2 Competency Profiles (for Gallery staff):</p> <ul style="list-style-type: none"> The Gallery has yet to establish the competencies available in relation to the competency profiles required to meet long-term needs. | <ul style="list-style-type: none"> The Gallery will prepare competency profiles for senior management and unrepresented positions by January 2006, and for unionized positions as part of the process of developing the new classification system <p>Accountability: Director</p> | <ul style="list-style-type: none"> January/September 2006 | <p>The Gallery hopes to implement the new classification system in 2006/07. The development of other competency profiles is on the Gallery's work plan for 2006/07</p> |
| <p>6.3 Management Systems and Practices:</p> <ul style="list-style-type: none"> The Gallery must increase its efforts to ensure that its HR systems and practices will be better able to meet the operational and strategic needs of the organization in the long-term. This will require sustained attention and commitment from the Board of Trustees and senior management. | <ul style="list-style-type: none"> The Board of Trustees is expected to approve a Strategic Human Resources Framework, in June 2005; This Framework represents the foundation on which the Gallery will ensure all HR policies, management systems and practices are consistent, and serve the long-term needs of the Gallery; The recently formed Human Resources Committee intends to play an active oversight role in this area. <p>Accountability: Board of Trustees; Director</p> | <ul style="list-style-type: none"> June 2005 By March 2008/09 | <ul style="list-style-type: none"> The Board of Trustees approved the Strategic Framework in June 2005. <p>Key Strategic priorities that the Gallery is currently focusing on are:</p> <ul style="list-style-type: none"> Pay Equity and Conversion to a new classification system; Performance Management Succession Planning Leadership Development The Board's HR Committee has been meeting quarterly since it was established in June 2004. |