

# Contributing to International Polar Year



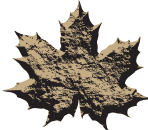
**SUMMARY OF THE CORPORATE PLAN 2008-2009 TO 2012-2013  
CAPITAL AND OPERATING BUDGET FOR 2008-2009**

The Alliance of Natural History Museums of Canada is dedicated to the preservation and understanding of Canada's natural heritage. By working in partnership, the Alliance is able to provide enhanced public programming with national reach, contribute to informed decision making in areas of public policy, and enhance collections planning and development to facilitate public and scientific access to collections information.

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**Natural History**  
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## **CANADIAN MUSEUM OF NATURE**

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*Cover Photos: top left, Lynn Gillespie; top right, Trevor Lush/Students on Ice;  
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## CORPORATE OVERVIEW

### MANDATE

The Canadian Museum of Nature became a Crown Corporation on July 1, 1990 through the *Museums Act*. It reports to Parliament through the Minister of Canadian Heritage, Status of Women and Official Languages.

The mandate of the Canadian Museum of Nature as embodied in the *Museums Act* (1990) is:

*To increase, throughout Canada and internationally, interest in, knowledge of and appreciation and respect for the natural world by establishing, maintaining and developing for research and posterity, a collection of natural history objects, with special but not exclusive reference to Canada, and by demonstrating the natural world, the knowledge derived from it and the understanding it represents.*

The Canadian Museum of Nature pursues its national mandate as described in the *Museums Act*, within the context of the governance and accountability regime established in Part X of the *Financial Administration Act*. To this end, the Museum's Board of Trustees and management are firmly committed to managing the public and private funds invested in it in a transparent, accountable manner and to optimizing the value of the contribution the Museum makes to Canadians and Canadian society. These values are integral to the Museum's day-to-day operations and are inherent in the objectives and strategies contained in the Corporate Plan.

The Museum has submitted a full Corporate Plan that outlines the key objectives and strategies that the Canadian Museum of Nature will pursue over the next year, 2008-09. It includes the capital and operating budgets for 2008-09, the results to September 30 for 2007-08, and a Long Term Capital Plan. This document summarizes that Corporate Plan.

In 2007, the Canadian Museum of Nature conducted an in-depth review of the funding, relevance and performance of its programmes and spending to ensure efficiency, effectiveness, and alignment to government priorities. The results of this Strategic Review will be reflected in future reporting, along with a policy review by the federal government on its role and the nature and level of support in funding Canada's national museums.

### HIGHLIGHTS FOR 2007-08

#### *An Arctic Focus for International Polar Year...*

In 2007 and 2008 the international polar research community is celebrating, amongst other significant arctic research milestones, the 125<sup>th</sup> anniversary of the first International Polar Year. These research initiatives have brought significant new insights into global processes and laid the foundation for decades of invaluable polar research. The Museum has made significant contributions to International Polar Year activities, continuing its long history of research, collections management and public education outreach work in the Arctic. The Museum is using the Polar Year as an opportunity to build on existing programmes and to develop a range of exciting education and outreach activities.

***Progress in creating a new model for national service...***

The Museum continues to implement its model for national service through networks, partnerships and joint ventures with museums across Canada, other national institutions, and with the public and private sectors. Of particular note is the Museum's leadership role in the Alliance of Natural History Museums of Canada (ANHMC). The Alliance has made significant progress by creating a joint strategic plan, the beginnings of a national collections strategy, the development of joint exhibitions, and methods to share information about public education programmes. The *Fatal Attraction* and *Ice Age Mammals* exhibitions, produced by the Museum and presented by the ANHMC, continue to excite visitors. Approximately 1.4 million Canadians have been reached through these travelling exhibitions appearing at approximately 20 Canadian venues over the past three years.

Following the successful three year cross-Canada tour of the *Gee! in Genome* national education project, it re-opened to large crowds in July and a second tour has been planned for 2008. Genome Canada has contributed an additional \$250,000 to support the next three-year tour.

***Investment in restoration and renewal...***

The Government of Canada has demonstrated its support for the Museum's new vision and role by investing in the renewal of the Victoria Memorial Museum Building (VMMB). The five year renovation reached a significant milestone on October 2006 with the re-opening of the renovated West Wing and four floors of new gallery spaces. The project is on budget and is on target for completion in 2010. The renovation work has passed the half-way mark.

These renovations are transforming the historic Victoria Memorial Museum Building into a contemporary natural science museum for the 21<sup>st</sup> century. In addition to restoring key heritage aspects of the building and stabilising the building to meet seismic standards, there will be a new infrastructure, improved environmental/conservation controls and over 100,000 square feet of renovated exhibition spaces, public spaces and modern visitor amenities.

The re-opening of the VMMB West Wing has resulted in a dramatic increase in Museum attendance levels. During this reporting period (April to September 30), the number of visitors increased to 144,000, doubling the results for the same period during the previous year.

***An exciting and challenging re-orientation of public education and research facilities...***

The re-opening of the West Wing in October 2006 showcased over 30,000 square feet of new gallery spaces, including the flagship Talisman Energy Fossil Gallery. This exciting gallery is an in-depth interpretation of the period covering the extinction of dinosaurs and the emergence of mammals due to changes in the global environment. In addition, the West Wing houses new galleries related to Birds and Mammals and a pilot test site for the Discovery/Learning Centre. New school programmes, curriculum-based resource materials and new content on the Web site [nature.ca](http://nature.ca) were also key steps forward.

Four new public education projects are currently under development and will be finished as funds become available. These projects include new permanent galleries and offerings at the Victoria Memorial Museum Building that will explore Water, a refurbished Minerals gallery, a new gallery on the Nature of Humans and a permanent Discovery/Learning Centre.

***A commitment to manage operating costs efficiently...***

The Museum faces a growing shortfall in the necessary funds to operate its facilities, due to a projected annual increase of \$2.2 million to operate the renovated Victoria Memorial Museum Building and a significant erosion in the funds available for facilities operations due to cost of living increases. The \$2.8 million in funding provided by the federal government to cover urgent capital repairs at the Natural Heritage Building in Gatineau has been most welcome, however, it does not address all required repairs nor the facilities operating shortfalls.

With over 96 percent of its annual operating budget allocated to fixed costs, strong management has been necessary to manage the growing gap in facilities operating funds. Steps taken include rigorous management of staffing budgets, outsourcing of all possible activities and re-negotiation of service levels, the introduction of new human resources and financial management information systems, the deferral of programme investments and the continual reduction of facilities operations costs and service levels.

The Museum continues to seek a long term solution with the Government of Canada. The re-opening of the renovated West Wing and the new South Wing have precipitated additional costs that can no longer be managed internally and the Museum is projecting a deficit of \$1.4 million for 2008-09. Unless a solution is found quickly, the Museum will be forced to address the growing deficit by taking irrevocable steps that will have a long term impact on the Museum's mandate and ability to operate.

### ***Ambitious fundraising and revenue-generating strategies...***

To implement its new vision and create the new public education projects and galleries, the Museum announced in 2002 a commitment to raise \$16 million in new funds, to be matched by \$16 million in-kind contributions by the Museum. The *Natural Partnerships* Campaign has raised \$8.2 million in pledges and gifts to date. A long term strategy includes the creation of the Museum of Nature Foundation after the successful conclusion of the current campaign to help ensure sustainability in the longer term.

In addition, the Museum is undertaking a comprehensive review of its revenue generating framework to ensure it maximizes the commercial revenue potential of the renovated Victoria Memorial Museum Building. Shared revenue generation models, such as the very successful *Gee! in Genome* national travelling exhibition, will continue to be pursued.

### ***Corporate Governance Improvements...***

Over the past year, the Museum Board of Trustees and management have continued to strengthen the existing corporate governance framework for the institution. The terms of reference for all of the Board's standing committees and the Museum's by-law have been revised. The Board and Committee assessment was conducted. The Museum's first Annual Public Meeting was successfully held in December 2007 with positive feedback and encouragement and will be used as a template for future meetings.

### ***Working towards a new Strategic Plan...***

Fiscal year 2007-08 was the fifth year of action to implement the Museum's vision – "Connecting People with Nature." This vision, a product of national consultations and an assessment of strengths and resources, reflects findings that the strongest connection Canadians make with the Museum is environmental. Canadians want the Museum to be a source of substantive, trustworthy information on issues dealing with water, air, climate change and endangered species. The cornerstones of this vision are:

- ▶ To be an engaging and trusted source of information for the development of a sound, knowledge-based relationship with the natural world;
- ▶ To work as a catalyst, coordinator or contributor in a Canada-wide network of natural history expertise and resources;
- ▶ To showcase, celebrate and encourage learning about the natural diversity of Canada and people's role and responsibility as members of larger natural communities; and,
- ▶ To be a valued contributor in informing and influencing Canadian public policy on natural science issues.

Fiscal 2008-09 is also a transition year that will see the development of a new five year strategic plan. Broad stakeholder consultations held to date have concluded that the Museum's vision remains relevant and timely. The principles that are guiding the development of the next strategic plan therefore emphasize the need to build upon current foundations and successes while increasing the overall reach and recognition of the Museum as a key contributor to understanding the impact of environmental change on our natural resources and habitat. In addition, the Museum is committed to demonstrating its relevance and contribution through an improved evaluation of intended results.



## KEY STRATEGIES FOR 2008-09

In the coming fiscal year, the Canadian Museum of Nature will continue to build on a strong foundation of national service, of fiscal responsibility, and of scientific investigation. It will continue the renewal of the Victoria Memorial Museum Building, to preserve this structure for future generations as a showcase of Canada's natural history. It will continue to deliver value through educational programming, travelling exhibitions, and partnerships with other institutions.

The Canadian Museum of Nature will continue to *connect Canadians with nature*.

Specifically, the key strategies will include:

### ***1) Further success in developing the national service role of the CMN;***

The Museum will continue to take an active role in the Alliance of Natural History Museums of Canada. Among key initiatives is the preparation of a national collections development strategy. The Museum's national service role will also include a comprehensive International Polar Year Speaker series and Youth Forums across the country, aimed at encouraging understanding of the polar regions and a commitment for a sustainable society through education and dialogue.

### ***2) Bringing the VMMB Renewal Project to the point of completion;***

Three areas will be particularly important, including successful implementation of the construction plan to renovate the East Wing and central core of the VMMB, the development of a plan for the re-opening of the fully renovated Museum in 2010 and a plan for the full use of the renovated West Wing of the VMMB.

### ***3) Maximizing revenue for the long term future of the organization;***

The Museum participated in a study completed by the Department of Canadian Heritage to determine the potential for additional revenue generation by the national museums. The recommendations of the study are being reviewed and will be implemented as appropriate. The goal for the Museum is to re-establish a revenue target of 15 percent of appropriations in 2010-11. With only half of the Museum's commercial operations open to the public, the CMN has been able to recoup a significant proportion of pre-construction attendance levels and admission revenues. The strategies for increasing revenue from commercial operations are being developed and will be implemented with the re-opening in May 2010.

During the next 18 months, the Museum will continue the concerted effort to raise the funds necessary to develop the new galleries and public education projects associated with the East Wing renovation.

Strategies to improve the overall funding framework for the Museum will also be reviewed, including the need to develop a long term solution to address the growing gap in funding to cover the cost of operating the two buildings managed by the Museum.

### ***4) Finalizing a new strategic plan and strategic directions for 2009-10 to 2013-14.***

In preparing for the next five year plan, the Museum consulted broadly with stakeholders. The result of these consultations has confirmed that the vision remains relevant. The Museum will concentrate on refining its objectives and strategies to further the vision.

## CORPORATE PROFILE

The origin of the Canadian Museum of Nature is with the Geological Survey of Canada (GSC), formed in 1842. The museum divisions of the GSC and the Department of Mines became the National Museum of Canada in 1927. The National Museum of Natural Sciences was officially established with the enactment of the *National Museums Act* in 1968. In 1990, the *Museums Act* established the Canadian Museum of Nature as an autonomous Crown corporation with a mandate to increase knowledge of, and appreciation and respect for, the natural world throughout Canada and internationally.

The Museum has an important purpose – to lead Canadians in the adventure of discovering and understanding the natural world, and ultimately in learning how to live in balance with it. That adventure takes Canadian scientists into unexplored corners of this country and the world, under the sea and into the earth.

The Museum's mandate is executed through three central functions: Collections Management, Research and Public Education Programmes.

The collections held, managed and protected by the Museum – comprising over 10 million specimens – are the fruit of over 150 years of painstaking exploration, observation and gathering. They form the heart of the Museum and a basis for its contribution to Canada. The collections make it possible to analyze and address a variety of emerging challenges to Canada's natural environment.

The research work of the Museum considers a large range of time and space, and covers an enormous spectrum – from examining the evolution of the earth and the life on it to understanding polar environments in order to predict the impact of environmental change. In addition to their research, Museum scientists make a difference by leading and contributing to a large number of local, national and international organizations focused on preserving the natural heritage. They also make significant contributions to universities and respected publications. Museum staff are working with colleagues to find effective methods to share freely collection-based scientific data in distributed networks across Canada and globally.

The Museum's public education programmes change constantly and open up new territory for Canadians to explore. Signature exhibitions at the Museum's public galleries in Ottawa are complemented by special exhibitions (see Appendix A for details) that focus on particular aspects of the natural world, lively and original programmes of nature interpretation, workshops, films, lectures and demonstrations. Travelling exhibitions reach across Canada and internationally. As well, Canadians discover and explore the natural world through Museum multimedia products including the Museum's Web site [nature.ca](http://nature.ca), DVD's, television programmes, video conferences, and print and virtual publications.

The Board of Trustees is the Museum's governing body, responsible to Parliament through the Minister of Canadian Heritage, Status of Women and Official Languages. The 12 members of the Board of Trustees are Governor-in-Council appointees from all regions of the country. Through accountability, strategic policy and planning frameworks, the Board provides corporate direction and delegates authority to the President for the management of the Museum.

The Museum employs 168 full-time staff for regular Museum operations and 12 employees dedicated to the Renewal Project for the Victoria Memorial Museum Building. The Museum also benefits from the contribution of 178 loyal and dedicated volunteers who assist in research, collections care and educational programmes. The Museum occupies two buildings within the National Capital Region: the Victoria Memorial Museum Building (VMMB) in Ottawa for exhibitions and public education, and the Natural Heritage Building (NHB) in Gatineau for collections, research, public education and administration.

## FINANCIAL RESOURCES – 2008-09

In 2008-09, the Museum will operate with a total base budget of \$31,152,000. As illustrated in Figure 1, 87 percent of the resource base comes from Government appropriations, while the remaining 13 percent is self-generated revenue. When including appropriation for the renewal of the VMMB, the resource base for the Museum totals \$63,152,000.

Figure 1: 2008-09 Resource Base (Excluding appropriation for renovation of the Victoria Memorial Museum Building)

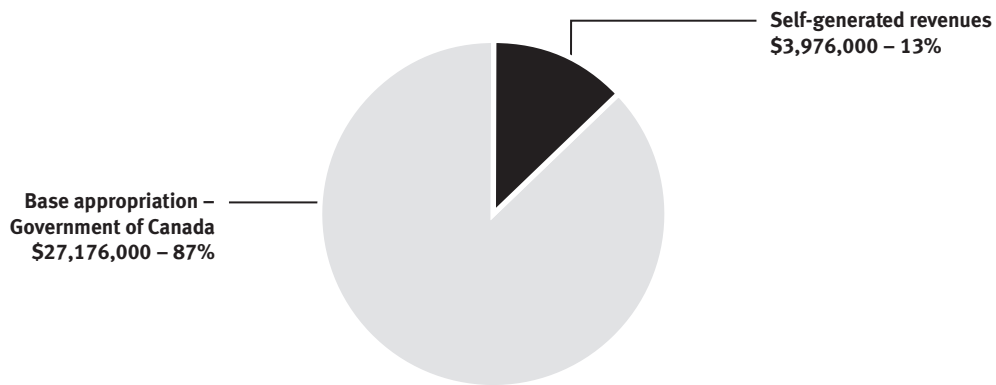


Figure 2: 2008-09 Operating Costs (Excluding appropriation for renovation of the Victoria Memorial Museum Building)

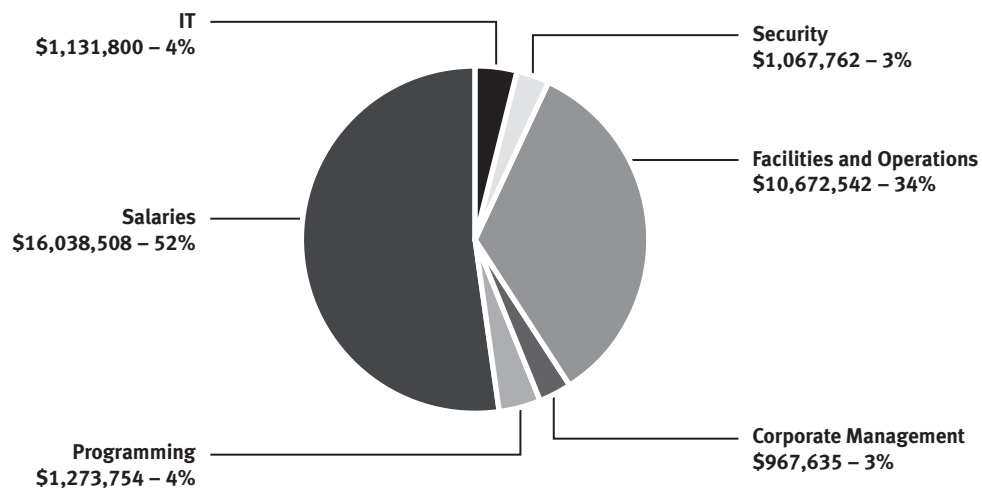


Figure 2 demonstrates the percentage of the Museum's budget allocated to corporate management, salaries and fixed or non-discretionary costs for facilities, security and information technology. When excluding appropriation for VMMB renovations, non-discretionary costs (fixed facilities, security and information technology costs) salaries and corporate management requirements (e.g., governance, reporting to Parliament, etc.) consume over 96 percent of the total self-generated revenue plus the Museum's base appropriation level. The Museum's total flexibility for programming is therefore minimal and relies heavily on successful fundraising. Because of increasing costs for maintaining facilities as a result of the opening of the renovated West Wing of the Victoria Memorial Museum Building and additional spaces in the South Wing, the Museum has had to reallocate funds normally dedicated to programming and seriously cap all of its operating costs. These reallocations are not sustainable in the long term.



During the next fiscal year, the Museum will operate in a challenging and evolving environment. The dramatic rise of the Canadian dollar against other currencies, a continuing growth in public interest in all matters relating to the environment, and ongoing financial pressures are all factors that the Museum must accommodate and address in its plans, priorities and strategies.

## **A) EXTERNAL ENVIRONMENT**

### **IMPROVED ACCOUNTABILITY**

The Government of Canada's new *Federal Accountability Act* sets a new framework in which Crown corporations, such as the Museum, will operate. Changes include requirements for improved governance structures and increased accountability and transparency. One requirement of this new framework is for the Museum to hold a public annual general meeting.

### **COMPETITIVE MARKETPLACE**

The local museum market remains competitive with four national museums investing resources to attract both local and tourist audiences. The re-opening of a revitalized West Wing, new Fossil, Mammal and Bird Galleries, the Discovery Zone and new special exhibitions provide the Museum with superior new offerings with which to build audiences and a more competitive edge.

### **SLOW GROWTH IN TOURISM**

According to tourism research by the Ontario Government, American visitor numbers from 2005 through 2010 will decline by 1.4 percent per year with the biggest drop in 2008. Beyond this year growth should resume, although the recent weakness in the American dollar may be an inhibitor to growth. The same study stated that tourism growth over the next five years will accelerate, mainly due to growth in intra-provincial travel and overseas visits to Ontario (+2% in average per year through 2010).

### **CHANGING DEMOGRAPHICS**

Canada's population is aging and senior citizens will outnumber children in about a decade, according to population projections. The most recent Census indicates that almost a third of Canada's population is 36 to 55 years of age. While changing demographics will have an impact on participation rates in education, recreation and Internet use, it is difficult to predict the significance of this trend for the CMN and for museums in general. As the baby boomers age, there may be opportunities associated with increased leisure time to visit museums and work as volunteers. The Museum will respond to demographic changes by assessing the requirements and expectations of new audiences and in a renewed Human Resources Policy.

### ENVIRONMENTAL CHANGE

The environment is currently the single most important issue for Canadians. It is an issue that will be with us for many years, that is important to federal agencies for the well-being of Canadians and that is relevant to all parts of Canada. The Museum's expertise as a natural science-based institution puts it in a unique position to contribute new knowledge through research, to build the specimen collection record of the natural environment and to inspire the general public with education and exhibition programmes about this issue. Survey data suggest that the strongest connection Canadians make to the Museum is environmental, and that they want the Museum to be a source of substantive, credible information about environmental issues.

### ON-LINE ACCESS TO INFORMATION RESOURCES

The 2005 Statistics Canada Internet Use Survey confirmed the importance of the Web to Canadians; an estimated 7.9 million Canadian households (61%) were connected to the Internet. Increased access through electronic channels permits greater use of the Museum collections and related information for research into environmental and public health issues and for public education. The results of the first on-line **nature.ca** user survey, completed in 2006, continue to inform decision-making and priorities for development of this Web site in order to increase reach, impact and service levels for Canadians and international users.

## B) INTERNAL ENVIRONMENT – RISK ASSESSMENT OF STRENGTHS AND CHALLENGES

For more than a decade, the Museum has experienced increasing financial obligations as a result of non-discretionary increases in infrastructure costs. Non-discretionary costs (facilities, information technology and security), salaries and corporate management consume annually over 96 percent of the self-generated revenue and the base appropriations (excluding funding for the renovation of the Victoria Memorial Museum Building) received from Parliament. The Museum is constantly working to meet the challenge of determining and addressing priorities from a reduced resource base. In this context, the major strengths and challenges of the Museum's operation are summarized below.

### STRENGTHS

- ▶ The Canadian Museum of Nature is Canada's national repository for natural history collections. The Museum houses approximately 10 million specimens acquired over 150 years and used by scientists across Canada and around the world in systematics research, ecological research and environmental monitoring. The Museum now has 612,303 collection records available electronically, with 30,000 on average being added annually.
- ▶ Research at the Museum focuses on socially relevant topics where the Museum's expertise in systematics – the comprehensive study of the natural history of minerals, fossils, plants and animals – is applied by scientists and decision-makers in the conservation of biodiversity, planning for wise use of resources, and addressing public health issues.
- ▶ The employees and volunteers of the Museum are its most important asset and the primary factor in its overall ability to serve Canadians and to realize its mandate.

## SITUATION ANALYSIS

- ▶ Extensive and ongoing national consultations with stakeholders have reinforced the important national role the Museum plays and can continue to play within the scientific and museum communities and with the public at large. In order to develop a national positioning strategy for the Museum, a survey of members of the Alliance of Natural History Museums of Canada was conducted by the Market Research team to learn more about their audiences, their strengths, weaknesses and challenges, and their expectations of the partnership. The study pointed out many common concerns and great opportunities.
- ▶ Surveys undertaken on behalf of the Museum show that Canadians want the Museum to be a source of substantive, credible information about pressing environmental issues. New priorities for programming with a focus on issues of relevance to Canadians have been established – the overarching issue is environmental change.
- ▶ The Museum has a well-defined plan to prepare and implement the new vision by 2008. The vision defines the Museum's national role in succinct and compelling terms.
- ▶ The Museum opened a 3D Centre in January 2003, using leading edge technology developed by the National Research Council of Canada. The Centre produces state-of-the-art digital images of the Museum's collection specimens. The scans and associated animations created at the 3D Centre are featured elements of the new interactives in the Fossil, Mammal and Bird Galleries. These same interactive elements will also be available to all Canadians on the Museum's Web site [nature.ca](http://nature.ca).
- ▶ Continuing and new collaborations with other institutions increase the capacity for natural science research in Canada and contribute to ensuring the future sustainability of our natural environment.
- ▶ Conservation research in assessing risks to the preservation of collections is improving the Museum's efficiency in caring for collections by identifying areas of highest vulnerability. Museum staff members are contracted annually to conduct risk assessment training for the Smithsonian and other major collections-holding institutions around the world. This represents an important area of unique expertise.
- ▶ The public programming of the Museum fosters informed discussion about the environment among Canadians, particularly families with young children. Recent new programme initiatives have pointed to large potential interest among adult and youth audiences.
- ▶ Museum capacity and experience in fostering and maintaining networks has grown dramatically. This can be seen in both the Alliance of Natural History Museums of Canada and also in the business partnership with CineMuse. The CineMuse network has grown to 16 members.

## CHALLENGES

### FINANCIAL PRESSURES

The CMN continues to face a difficult financial situation caused by chronic under-funding of its facilities operations. The majority of the Museum's annual operating budget is directed to fixed and non-discretionary costs. Increased costs to manage and maintain its two special purpose facilities have created a funding gap of \$3.5 million beyond the original parliamentary appropriations provided in 1993. The gap has been managed by internal reallocations of programme funds, deferral and/or cancellation of programme activities and tight management of all aspects of CMN operations.

Despite these measures, a \$1.4 million deficit has been identified for this fiscal year. This deficit, due to the re-opening of the renovated West Wing of the Victoria Memorial Museum Building, will increase substantially upon the complete re-opening of the VMMB. The Museum has already reallocated 50 percent of available programme funds to cover facilities costs, leaving less than \$2 million (only 4 percent of the CMN's budget) for programme delivery.

The Auditor General of Canada noted in a 2007 Special Examination that a long term solution to the Museum's funding shortfall needs to be found. The Museum continues to work actively with the Government of Canada to find a long term solution to its budget shortfall.

## SITUATION ANALYSIS

### **VMMB RENEWAL PROJECT**

In 2003, the Treasury Board approved a major capital project to rehabilitate the Victoria Memorial Museum Building, a \$216.6 million initiative to protect and preserve this historic building. Currently on schedule and budget, this major capital project is a critical milestone that consumes a significant part of the Museum's staff resources and puts considerable stress on the organization. While attendance has grown significantly since the re-opening of the West Wing in October 2006, only 50 percent of exhibition spaces are open to the public and commercial revenue remains at 75 percent of previous levels. Appendix B outlines the scope and key deliverables for this project. Construction is scheduled to be completed in 2009 and the fully renovated Museum will be re-opened to the public in 2010.

### **ON-LINE ACCESS TO COLLECTIONS INFORMATION**

The Museum's ability to meet the growing demand for access to the Museum collections information is impeded by financial constraints. At the current level of resourcing, it will require work over decades to convert existing paper-based collection records to databases (2.6 million records) and integrate other uncatalogued material (500,000) into the information systems. The Museum has adopted a strategy to prioritize 350,000 records of this backlog. These, combined with the records entered to date (612,303) are believed to represent the most significant specimens under the Museum care in relation to current activities.

### **PAY EQUITY**

The Museum addressed the issue of retroactivity, as a result of a Pay Equity complaint dated July 1994, in a settlement with the Public Service Alliance of Canada. The settlement was approved by the Canadian Human Rights Commission. Even though the financial pressure has been spread over three fiscal years, the Government's decision not to compensate the Museum for equity expenses beyond July 1, 1990 (the date when the Museum became a Crown corporation) contributes to the severe financial pressures facing the Museum.

### **NEW STRATEGIC PLAN**

Fiscal year 2007-08 is the fifth year of the five year plan in which the Museum began working towards a new vision for national service. The Museum's new national service model emphasizes networks, partnerships and joint ventures with museums across Canada, other national museums, and with other institutions in the public and private sectors. The goal is to increase the Museum's ability to address environmental issues of concern to Canadians and to engage audiences in all regions of the country. 2008-09 will be a transition year in which the Museum will finalize the strategic plan for the next five year period and begin implementation.



**OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES – 2007-08**

For the 2007-08 planning period, the Museum identified seven objectives with associated strategies and performance measures. Overall, the first six months of the fiscal year were very successful.

## OBJECTIVE 1

**To create and make accessible to the public relevant information about the environment and our place in it**

### STRATEGIES

1. Create an accessible programme of national educational projects to encourage and foster formal and informal learning for Canadians.
2. Create an accessible programme of collections activities on issues that are relevant to Canadians.
3. Create an accessible programme of research activities on issues that are relevant to Canadians.

*Objective 1: Performance Measures and Achievements*

<b>Performance Measure</b>	<b>Target</b>	<b>Achievement to Date (to September 30, 2007)</b>
Educational programmes are a key source of relevant information about the environment.	Achieve 75% of desired attributes by 2011-12.	The Genome project achieved acclaim as one of the CMN's most successful projects.
Web site visits.	6 million.	2,580,440
Number of accessible electronic collection records.	759,000 collection records accessible by 2011-12.	612,303 electronically accessible records.
Usefulness of the Museum's collections.	10,000 transactions per year by 2011-12.	5,304 transactions.
Refereed publications by staff on issues of relevance to Canadians.	32 per year.	34



## ACCOMPLISHMENTS TO SEPTEMBER 30, 2007

### PUBLIC EDUCATION

- ▶ Work continued on the development of the new public education projects to be launched at the VMMB with respect to Water and Minerals. Client satisfaction surveys undertaken for the newly installed permanent exhibitions in the West Wing (the Fossil gallery and the Bird gallery) noted that overall; visitors were extremely satisfied with the exhibitions.
- ▶ Special exhibitions mounted at the VMMB during this period include:
  - *Eco Mondo* – an exhibition about the effects of environmental health on human health was developed by the Biodôme de Montréal in partnership with the Canadian International Development Agency (CIDA), the International Development Research Centre (IDRC), and *Environnement Jeunesse*.
  - *The Gee!* in *Genome* – Canada's first national travelling exhibition on genomics, re-opened at the Museum in July 2007 after completing a three year national tour.
  - *On the Labrador: photographs by Arnold Zageris* – an exhibition about one of Canada's remote natural regions, opened in July, 2007.
  - *Ikebana: Renaissance* – an annual exhibition showcasing the ancient art of Japanese floral design.
  - *The Language of Nature* – an installation of photographic work by Montreal-based visual artist Susan Coolen exploring the shapes, forms and groupings of nature specimens.
- ▶ Educational programming was delivered to various audiences, both at the VMMB and through outreach initiatives. A total of 17 different workshops linked to the Ontario and Quebec curriculums were offered at the Museum to 6,400 students in grades K-12. Other services offered to schools included workshops for pre-service teachers, portable teacher's kits, Web-based educational resources, and a videoconferencing programme for high schools.
- ▶ Public programming included interpretation, hands-on activities, a public lecture series, and pre-school programmes. A Café Scientifique series was delivered in Ottawa and Gatineau, bringing Museum programming to new audiences at restaurants and pubs. Community programming was offered in collaboration with local organizations specializing in art, theatre, dance and storytelling. Special programming was offered for Asian Heritage Month and the National Wildlife Festival.
- ▶ A national lecture and student forum series for International Polar Year was organized in partnership with the Alliance of Natural History Museums and Students on Ice. Work began on the development of a concept for the Museum's Discovery Project, and on a plan for national outreach programming associated with the Water Project.
- ▶ The Museum piloted a successful videoconferencing programme to schools through a TELUS Ottawa Community grant in 2007-08. The success of this project resulted in a decision to launch a slate of 24 videoconferences and outreach programmes to schools in 2008-09.
- ▶ The travelling exhibitions programme was broadened in 2007-08 and is projected to reach 31 Canadian venues with a range of products and services through circulation at museums, science centres and other venues by the end of the year. The 21 travelling exhibitions and outreach activities are expected to reach approximately 1.4 million Canadians in 2007-08.
- ▶ The Museum has noted a decrease in Web traffic to its site – **nature.ca**. This may be due to several factors, including more rigorous tracking of Web site activity and the emerging popularity of Web 2.0 services such as YouTube and Facebook. Comparable Canadian and international museums have experienced similar decreases. The CMN is reinforcing its efforts to add new rich content, pilot new approaches using Web 2.0 services and keep existing content current in order to address these new challenges. Of particular interest is that while the overall number of visitors to the CMN site is lower, the length of time visitors spend at the site has increased.

## COLLECTIONS

- ▶ The Museum added 80,000 specimens to the national collection in the past fiscal year based upon a collection development framework being developed with the Alliance of Natural History Museums of Canada. This collaborative strategy will allow the Museum to concentrate collections development in areas where the Museum has particular strengths and expertise. An example is the joint purchase by the Museum and the Royal Ontario Museum of a major gem collection with the assistance of movable cultural property grants.
- ▶ The creation and maintenance of electronic specimen records remains an important part of the Museum's strategy to provide access to the collections. In addition to generating records for newly acquired specimens, Museum personnel posted all records for botanical specimens within the Global Biodiversity Information Facility (GBIF) network servers. This action has increased accessibility of collection records from 400,000 records per year to almost 3 million record retrievals. Similar efforts to make data accessible for specialized collections such as tissue samples and DNA sequences have become a greater part of the Museum's activity.
- ▶ Through the operation of the 3D Centre as a core part of operations, it has also been possible to create virtual three-dimensional models of select museum specimens and provide access to specimens for researchers, exhibition personnel and educators for a variety of uses within the museum and scientific communities.

## RESEARCH

- ▶ The CMN research programme engages the public in many ways. Research scientists write children's and adult natural history books, give popular talks, answer public enquiries, put on science demonstrations, teach students, help develop exhibits, help communities study their own natural history, and give interviews to the media. They collaborate with governments and universities, contribute to policy development and serve on national and international committees. Examples of such accomplishments are:
  - Museum botanists produced a CD-ROM, *Flora of the Canadian Arctic Archipelago*, a co-publication with NRC Press that will increase the knowledge of the biodiversity and distribution of Canada's Arctic plants. This will set a baseline for measuring changes caused by climate warming, alien introductions, and other human impacts;
  - A Museum palaeontologist recently produced another children's book, *Sea Monsters* that looked at marine creatures past and present. This has resulted in numerous media interviews and public talks.
- ▶ Fieldwork in Canada and internationally enhances Museum collections, increases understanding of the natural world and enables prediction of environmental change. It assists in the development of policy for conservation and helps industry find marketable products (e.g. from new mineral discoveries). It is the foundation for generating new ideas and teaching the public about Canada's natural history, how it evolved, how it works and its vulnerabilities.
  - As examples, this year Museum scientists studied the response of Arctic marine life to disturbance, the importance of Arctic sea ice to the ocean's primary producers, and the diversity of life in the Arctic in the past when it was much warmer (as a way to predicting climate change effects). They discovered new dinosaurs in China and economically important minerals in Sweden, and assisted Saskatchewan communities in understanding the ecology of the Frenchman River.
- ▶ Through this fieldwork, research staff added to the national collection, published peer reviewed papers, technical papers and popular articles (surpassing their target), and were participants and keynote speakers at conferences and symposia in Canada and abroad. They gave videoconferences with schools, taught university courses, and supervised university students, contractors and volunteers.
- ▶ As a result of these outreach efforts, Museum scientists have been invited to teach courses, be adjunct professors, do peer reviews, give popular talks, be interviewed by the media, serve on distinguished national and international bodies, participate in government policy development, give lectures, and serve as keynote speakers at scientific meetings. Museum mineralogist Joel Grice, for example, was listed among the world's Top Ten most highly cited authors in geosciences over the last ten years. He was also part of a research team that identified a new mineral that was listed on Time Magazine's Top 10 list of most significant scientific discoveries in 2007.

## OBJECTIVE 2

**To contribute to building the capacity of Canadian natural history museums and other heritage agencies to respond efficiently and effectively to natural history issues of relevance to Canadians**

### STRATEGIES

1. Develop and implement national strategies in collaboration with the Alliance of Natural History Museums of Canada (ANHMC).
2. Develop and implement national strategies in collaboration with the Canadian Association of Science Centres and Students on Ice.
3. Engage in joint efforts with other federal partners to create and make information resources accessible to diverse Canadian audiences, using innovative approaches, best practices, new processes and techniques.

#### *Objective 2: Performance Measures and Achievements*

Performance Measure	Target	Achievement to Date (to September 30, 2007)
Undertake national projects and activities with the ANHMC addressing issues of relevance to Canadians.	Undertake two (2) projects / activities with the Alliance in 2007-08.	The Museum has been active on several fronts with the ANHMC and has met its 2007-08 targets.
Degree of success of projects developed jointly with the ANHMC.	Increase collaboration with ANHMC.	Collaboration with ANHMC met expectations for 2007-08.
Participation in the Canadian Museums Association and the Canadian Association of Science Centres.	Increase participation in the CMA and CASC through presentations, participation in special interest groups, organizing committees, etc.	Museum staff participation in CMA and CASC activities has been lower compared to the same period last year.
Products, publications and services created through partnerships with federal agencies and portfolio partners.	Maximize the number of products created.	Three products have been created.

## ACCOMPLISHMENTS TO SEPTEMBER 30, 2007

### ALLIANCE OF NATURAL HISTORY MUSEUMS

- ▶ The Museum undertook a number of projects in 2007-08 through its membership in the Alliance of Natural History Museums of Canada to help fulfill its commitment to addressing issues of relevance to Canadians and to pursuing joint projects. “Polar Perspectives”, a series of public lectures and youth forums, was developed as a national public outreach project on climate change, with Alliance partners and with the educational organisation Students on Ice. The travelling exhibition *Fatal Attraction* also continued to tour on behalf of the ANHMC and reached two Canadian venues: the Biodôme in Montreal and Science North in Sudbury. It will open at the Manitoba Museum in June 2008. Total visitation for the three year tour is estimated at 300,000.

## OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES – 2007-08

- ▶ The Museum hosted the ANHMC's Annual General Meeting, where the approach to the national collections development strategy was approved. This strategy will provide guidance and coordination for museum members, avoiding duplication of effort and expense, and ensuring that gaps in the collections record will be addressed. Members museums' collections serve as the authoritative source of information on Canada's flora, fauna and geological and fossil history.
- ▶ The Museum and the ANHMC were successful in advancing an important question for consideration by the Council of Canadian Academies. The subject "State and Trends in Biodiversity Science in Canada: Are we Equipped to Understand the Challenges of our Biodiversity Resources?" will be investigated during the course of the next year. The results will potentially have major implications for the science conducted in the natural history museums of Canada.

### **CANADIAN MUSEUMS ASSOCIATION/CANADIAN ASSOCIATION OF SCIENCE CENTRES**

- ▶ Museum staff continued to participate in conference planning committees for the Canadian Museums Association, providing expertise and support for session development. Museum staff also represented the Canadian Museum of Nature at several provincial museum association meetings, including this year the annual conference of the Manitoba Museums Association, the Newfoundland and Labrador Museums Association and the PEI Community Museums Association.
- ▶ Museum staff continued to work with the Canadian Association of Science Centres to develop new initiatives and, with the Board of Trustees, participated in the Annual Conference in Edmonton in June 2007.

### **STUDENTS ON ICE**

- ▶ On August 3, the Museum hosted the launch of the annual Students on Ice expedition to the Arctic, continuing the Museum's partnership with this initiative for a sixth consecutive year. The Museum continued to coordinate the planning of a national lecture series and related youth forums in connection with the International Polar Year (IPY) in partnership with Students on Ice (SOI). The project was supported by Canadian Geographic, the Royal Geographical Society and was recognized by the national IPY committee.

### **FEDERAL PARTNERS**

- ▶ The Museum is working with the Department of Fisheries and Oceans and the National Research Council Canada to develop public relations strategies for the publication of *Arctic Marine Fishes*, expected in 2009. The Museum's fish scientists are significant contributors to the reference book.
- ▶ An agreement was signed with Parks Canada for a travelling exhibition on water, as part of the Museum's Water Project, which will include a signature gallery opening in 2010.
- ▶ The Museum is working with the Portrait Gallery of Canada to host an exhibition of works by Group of Seven painter Frederick Varley at the Victoria Memorial Museum Building in 2008.
- ▶ The Federal Biodiversity Information Partnership, of which the Museum is a founding member and past Chair, is working to produce a Memorandum to Cabinet to support Canada's work to fulfill its commitments under the International Convention on Biological Diversity.

## OBJECTIVE 3

**To provide vehicles to encourage public engagement in natural history issues and to contribute to informed public policy on those issues**

### STRATEGIES

1. Create national forums to discuss, debate and share information on relevant environmental issues of concern to Canadians.
2. Develop and implement formal mechanisms to inform public policy on natural history issues.

#### *Objective 3: Performance Measures and Achievements*

Performance Measure	Target	Achievement to Date (to September 30, 2007)
New forums developed, implemented and made accessible to encourage engagement of Canadians.	Develop two (2) new forums for 2007-08.	An on-line Learning Object Collection on topics related to climate change and the Arctic was released for pilot evaluation.
Museum provides expertise to assist in the development of public policy.	Contribute to 20 national and international organizations.	The Museum has contributed to 15 associations related to environmental change.
Museum activities assist in the development of public policy options.	Museum is active in two (2) activities that will provide options on public policy.	The Museum has developed public policy options with the ANHMC and the Federal Biodiversity Information Partnership Working Group.

### ACCOMPLISHMENTS TO SEPTEMBER 30, 2007

#### **THE MUSEUM HAS UNDERWAY SEVERAL ANNUAL FORUMS TO DISCUSS, DEBATE AND SHARE INFORMATION ABOUT THE ENVIRONMENT, INCLUDING:**

- ▶ The Agora Research Initiative, an on-line collection of lesson plans on climate change and the Arctic, was launched with members of the Canadian Heritage Information Network;
- ▶ The *Geel in Genome*, which encourages discussion about the ethical and social implications of the cutting-edge science associated with DNA, genes and genomics;
- ▶ The Canadian Centre for Biodiversity (CCB) co-ordinates opportunities for expanding the *Adopt-A-River* programme across Canada and the Museum regularly hosts or participates in forums to mark special events such as the 2007 Wildlife Festival, Oceans Day/Week and the BioBlitz;
- ▶ As the Canadian Secretariat, the Canadian Centre for Biodiversity co-ordinates Canadian participation in the International Union for the Conservation of Nature (IUCN), including preparations for the 4<sup>th</sup> IUCN World Conservation Congress (taking place in October 2008) and the co-ordination of international projects under the auspices of the IUCN including the Global Plant Conservation Strategy;
- ▶ Research and collections staff continued to share their expertise, attending meetings and reviewing status reports for sub-committees of the Committee on the Status of Endangered Wildlife in Canada (COSEWIC).

## OBJECTIVE 4

**To develop the Museum’s internal capacity to work in integrated, collaborative approaches**

### STRATEGIES

1. Through the application of the competency-based process, improve the ability of Museum staff to work in integrated approaches such as partnerships, networks and multi-disciplinary teams.
2. Apply the partnership framework to assess current partnerships and to modify partnership arrangements as required.

#### *Objective 4: Performance Measures and Achievements*

Performance Measure	Target	Achievement to Date (to September 30, 2007)
Professional development days undertaken by staff.	4 days of professional development per employee.	1.34 days per employee.
New partnerships undertaken.	Increase partnership value by achieving 75% of desired criteria by 2011-12.	Partnerships achieved a combined average score of 66.85%.

### ACCOMPLISHMENTS TO SEPTEMBER 30, 2007

- ▶ The Human Resources Management Framework for the Museum has outlined for the period under review the strategies and action plans to continuously improve the competencies and capabilities of the Museum staff, particularly in light of succession planning, leadership/career development and issues identified in the 2006 Employee Survey. The Museum is on track to complete these action plans.
- ▶ Strategies to improve the recruitment and capability of volunteers have also been implemented. This has resulted in a significant increase of more than 20 percent in the number of volunteers, which has led to an improvement in the contribution of volunteers to the Museum.
- ▶ A review of the partnership framework at the Museum for the past three years was conducted. Reports on 17 partnerships were reviewed in the context of the Partnership Guide, Partnership Policy and the objectives of partnership agreements. A new strategy is being developed for future partnerships, building upon the lessons learned over the past three years.

## OBJECTIVE 5

**To ensure that the Victoria Memorial Museum Building Renewal Project furthers the vision**

### STRATEGIES

1. Implement the rehabilitation of the Victoria Memorial Museum Building infrastructure requirements, design and construction.
2. Ensure the Renewal Project is implemented according to the principles of the new vision.
3. Maintain a base level of programming and visitor services at the Victoria Memorial Museum Building during the Renewal Project to ensure that the Museum and the VMMB remain visible and that the local audience is retained.

#### *Objective 5: Performance Measures and Achievements*

Performance Measure	Target	Achievement to Date (to September 30, 2007)
VMMB physical renovation completed on schedule.	Phases 4 and 5 of project reach completion by 2009-10.	All deficiencies in phases 2 and 3 have been addressed. Overall phases 4 and 5 are on schedule.
Number of visitors to the Museum galleries. (See Figure 3)	Maintain an attendance level appropriate to the site conditions.	143,851 visits to the VMMB and 1,849 visits to the NHB.
Market share of visitors to national museums in the National Capital Region.	Maintain a market share of 15% by 2011-12.	Average market share of 7.5%.

### ACCOMPLISHMENTS TO SEPTEMBER 30, 2007

- ▶ Phases 2 and 3 of the renovation project are complete and re-opened to the public on schedule in October, 2006. The project is on time, on budget and within scope. To date, almost 95 percent of the project has been tendered and almost 60 percent of the overall construction is complete. Substantial completion of Phases 4 and 5 of the project is on track for the Summer of 2009. During the period under review, the Museum has managed several challenges related to, for example, unexpected labour strikes, changes in legislation pertaining to the rehabilitation project and unexpected site conditions. In addition, the Museum has taken the opportunity to review the functional programme and requirements based upon the lessons learned as a result of the re-opening of the renovated West Wing. For a complete description of the project, refer to Appendix B.
- ▶ Visitation to the Museum has increased with the re-opening of the West Wing. With new gallery spaces and visitor amenities, the number of visitors to the Museum from April to September has more than doubled over the same time period in the previous year.

## OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES – 2007-08

Figure 3: Audience Reach

(number of visitors)

	06-07 Actual	07-08 Forecast	07-08 Actual (2007-09-30)
VMMB visitors	199,688	280,000	143,851
VMMB after hours	7,288	2,000	1,459
NCR outreach attendance	504	250	213
NHB visitors	1,479	1,100	1,849
National attendance <sup>(1)</sup>	951,014	850,000	1,245,983

(1) National attendance includes the estimated audience reached through both travelling exhibitions, suitcase exhibitions and exhibitions at high traffic venues such as airports. Results vary from year to year depending on the visitor traffic at selected venues.

## OBJECTIVE 6

**To maintain and improve an effective and efficient infrastructure of systems and facilities**

### STRATEGIES

1. Administer real property effectively and efficiently.
2. Develop, adapt and streamline management and planning processes to support the Museum's vision.
3. Maintain and improve Museum information management systems and services.

#### Objective 6: Performance Measures and Achievements

Performance Measure	Target	Achievement to Date (to September 30, 2007)
Operating and maintenance costs per gross square metre. (See Figure 4)	Meet or exceed the recognized and accepted industry level for museums.	The NHB is operating at a cost of \$81.51 per square metre – 62% of the cost of similar facilities.
Integrate strategic and operational planning processes.	50% reduction in time spent on planning by 2011-12.	Baseline data is still being accumulated. Staff spent 142 days on operational planning and 54 days on strategic planning activities.
Cost per user.	\$3.57 (including Web users) and \$16.72 (excluding Web users).	\$3.18 (including Web users) and \$7.74 (excluding Web users).
Information management systems performance.	Fifteen global performance standards and metrics are measured in the <i>IT/IM Systems Scorecard</i> .	Majority of service standards met or exceeded. Areas of risk are being addressed.



**ACCOMPLISHMENTS TO SEPTEMBER 30, 2007**

**REAL PROPERTY**

- ▶ In light of the growing gap in funds available to cover the cost of operating the two facilities, the Museum has worked actively to review and further reduce all facilities operating costs. The completion of the up-graded mechanical and electrical infrastructure at the VMMB has now enabled the Museum to consider outsourcing to the private sector the building operations and maintenance functions for the two buildings, a function previously performed by PWGSC due to the particularly difficult building operation and maintenance conditions at the VMMB. An RFP for a private sector building maintenance and operation service provider was developed during this period, with the goal that this be in place starting April 1, 2008.
- ▶ The Museum has reviewed and updated its Long Term Capital Plan priorities. The programme of capital repairs funded through the welcome infusion of \$2.8 million over four years for urgent health and safety repairs at the Gatineau facility also proceeded as planned.

*Figure 4: Operating and Maintenance Costs per Gross Square Metre*

<b>Cost/square metre (US\$)</b>	<b>CMN/Natural Heritage Building</b>	<b>CMN / VMMB</b>	<b>Average for Archival facilities (2007)</b>	<b>Average for Natural History facilities (2007)</b>	<b>Average for Same-size Facilities (2007)</b>
Total Operating Cost	81.51	77.16	212.02	132.12	132.28

**MANAGEMENT AND PLANNING PROCESSES**

- ▶ During the period under review, the Canadian Museum of Nature conducted an in-depth review of the funding, relevance and performance of its programmes and spending to ensure efficiency, effectiveness, and alignment to government priorities. The results of this Strategic Review will be reflected in future reporting, along with a policy review by the Government of Canada on its role and the nature and level of support in funding Canada’s national museums.
- ▶ Two meetings of the CMN Board of Trustees were held during the period, including a meeting in Edmonton in June 2007 and a meeting in Gatineau in September, 2007.
- ▶ The Museum continued with its strategic planning and consultation process to move forward on the development of its new five year strategic plan, involving key stakeholders, Trustees and staff.

**INFORMATION MANAGEMENT SYSTEMS/SERVICES**

Within the framework of the new IT services contract, the Museum undertook several planned enhancements to its IT infrastructure:

- ▶ A major project was initiated to upgrade the Natural Heritage Building network infrastructure to match the standards achieved with the new infrastructure installed in 2006 at the Victoria Memorial Museum Building.
- ▶ Several technology projects were completed in the first two quarters including the deployment of the VMMB Exhibitions System content server, the deployment of a security system and server at the Natural Heritage Building (which mirrors the system in place at the Victoria Memorial Museum Building), the final configuration of the VMMB Building Automation System, the rollout of 60 new personal computers replacing obsolete equipment, the replacement of the Museum’s network firewall, and a major upgrade to the Multi-MIMSY Collections Management application.

## OBJECTIVE 7

### To increase the Museum's self-generated revenue

#### STRATEGIES

1. Build a strong philanthropic base of support for the Museum by identifying and securing private and public sponsorships, partnerships, alliances and donations.
2. Develop and implement strategies to generate revenue across all relevant business lines of the Museum.
3. Seek funding solutions for facilities operations and capital expenses.

#### Objective 7: Performance Measures and Achievements

Performance Measure	Target	Achievement to Date (to September 30, 2007)
Results of fundraising efforts.	Raise \$1,591,000 in 2007-08.	\$37,000 <sup>(1)</sup>
Total amount of generated revenue.	Generate \$1,433,000 in 2007-08.	\$1,419,000
Per visitor gross sale income.	\$4.38 per visitor by 2011-12.	\$3.91 per visitor.

(1) The variance between the fundraising revenue in the 2007-08 Forecast amount and the 2007-08 Actual amount for the first 6 months of the year is due to pledge payments of \$400,000 received earlier than planned and therefore recognized as revenue in 2006-07 according to Museum accounting policy.

#### ACCOMPLISHMENTS TO SEPTEMBER 30, 2007

##### IDENTIFYING AND SECURING PRIVATE AND PUBLIC SPONSORSHIPS, PARTNERSHIPS, ALLIANCES AND DONATIONS

- ▶ Total pledged to the *Natural Partnerships* Campaign to date is \$8.2 million. Campaign re-branding has begun; new donor pledge cards and kit folders were produced. A revised case for support is in production as is a revised campaign brochure.
- ▶ The total member households for the second quarter of 2007 is 2,029, a slight increase over the previous quarter. Revenue for the period is \$11,937.

Figure 5: Self-Generated Revenue

(in dollars)

	2006-07 Actual	2007-08 Forecast	2007-08 Actual (2007-09-30)
Fundraising <sup>(1)(2)</sup>	1,707,000	1,591,000	37,000
Revenue-Generating Activities	2,193,000	2,211,000	1,419,000

(1) Refer to note 1 above.

(2) Fundraising figures in the table represent donation funds spent and recognized as revenue in a given fiscal year.

**GENERATE REVENUE ACROSS ALL RELEVANT BUSINESS LINES OF THE MUSEUM**

- ▶ The Museum participated in a study by the Department of Canadian Heritage to determine the overall revenue generation capacity of the national museums. The Museum is presently in the process of addressing the recommendations of the study through a review of its overall strategy to generate revenue. Revenue from admissions and commercial operations has generally provided 10 percent of the Museum's funding in the past, and this has been maintained while the Victoria Memorial Museum Building undergoes substantial renovation. The revenue generation strategy will be implemented with the re-opening of the Victoria Memorial Museum Building in 2010, with the goal of achieving 15 percent of the Museum's funding.
- ▶ The Museum also took opportunities to establish new revenue generating partnerships, licensing agreements or provide cost recovery services. For example, a new partnership between CineMuse and SimEx-Iwerks Entertainment was formed to test adding 4D effects to CineMuse shows for the zoos and aquariums market. CineMuse received its first license agreement through SimEx-Iwerks in September.

**FUNDING SOLUTIONS FOR FACILITIES OPERATIONS AND CAPITAL EXPENSES**

- ▶ The Museum worked actively within the context of the Strategic Review and the policy review of the national museums to document the existing and forecast funding gap in the operations and capital repair requirements for the organization.



**OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES FOR 2008-09 TO 2012-13**

In order to fulfill its mandate and provide maximum public value, the Museum develops and fulfills specific objectives and strategies. It measures its success in achieving these objectives and strategies according to defined performance standards. In 2008-09 the Museum will refine its vision and strategic plan for the five year period from 2009-10 to 2013-14. During the 2008-09 transition year and until the new strategic plan is complete, the Museum will apply the following objectives, strategies and performance measures to guide its activities.

## OBJECTIVE 1

### To create and make accessible to the public relevant information about the environment and our place in it

The Museum’s national educational projects will be recognized by client groups and peers as a key source of relevant information about the environment and our place in it. The Museum will be national in its collections scope – recognized both as coordinator of the national repository and as an international leader in the production and circulation of travelling exhibitions. The Museum will be recognized as a leader in the management and preservation of collections, and in the documentation processes and systems that make these collections relevant to CMN national partners. Museum research activities will be fully integrated with other functions, recognized by peers and the public, adding value to the national collection and providing service to the public. A range of research activities will address environmental change.

### OBJECTIVE 1: STRATEGIES

#### 1. Create an accessible programme of national educational projects to encourage and foster formal and informal learning for Canadians.

<b>1. A</b>	Performance Measure	<b>Educational programmes are a key source of relevant information about the environment.</b>
	Performance Standard	Educational programmes developed should have a minimum of 75 percent of the following attributes by 2012-13: <ul style="list-style-type: none"> <li>• National in scope;</li> <li>• Realized in partnership;</li> <li>• Serve multi-purposes;</li> <li>• Based on results of market research;</li> <li>• Increase the Museum’s national profile;</li> <li>• Relevant to Canadians;</li> <li>• Reflect cultural diversity;</li> <li>• Have commercial applications;</li> <li>• Include a travelling exhibition component;</li> <li>• Have a Web component;</li> <li>• Include programming at the Victoria Memorial Museum Building;</li> <li>• Include public forums;</li> <li>• Have multimedia applications;</li> <li>• Reach as many Canadians as possible;</li> <li>• Use the research and collections of the Museum and its partners as a key source of information.</li> </ul>

**OBJECTIVES, STRATEGIES AND PERFORMANCE  
MEASURES FOR 2008-09 TO 2012-13**

<b>1. B</b>	Performance Measure	<b>Web site visits.</b>
	Performance Standard	Maintain the number of unique Web site visits at 5.3 million by the end of 2012-13.

*Figure 6: Web Site Visits*

(in number of unique visits)

	2008-09	2009-10	2010-11	2011-12	2012-13
Unique Web Site Visits	5 million	5 million	5.2 million	5.2 million	5.3 million

**2. Create an accessible programme of collections activities on issues that are relevant to Canadians.**

<b>1. C</b>	Performance Measure	<b>Number of accessible electronic collection records.</b>
	Performance Standard	Have 759,000 collection records (equal to 27 percent of total collection units that can be catalogued) accessible electronically by 2012-13, with an average of 30,000 records entered annually.

<b>1. D</b>	Performance Measure	<b>Usefulness (internal and external) of the Museum's collections.</b>
	Performance Standard	Increase the usefulness of the Museum's collections by processing a minimum of 10,000 transactions per year by 2012-13.

**3. Create an accessible programme of research activities on issues that are relevant to Canadians.**

<b>1. E</b>	Performance Measure	<b>Number of refereed publications by staff.</b>
	Performance Standard	Produce a minimum of 32 refereed publications annually on issues of relevance to Canadians.

## OBJECTIVE 2

### To contribute to building the capacity of Canadian natural history museums and other heritage agencies to respond efficiently and effectively to natural history issues of relevance to Canadians

The Alliance of Natural History Museums of Canada (ANHMC) will have membership from all regions of Canada and will communicate regularly. The museum community will recognize the ANHMC as a focal point for natural history issues and the ANHMC will review a national collection strategy. The Museum will be contacted regularly as a leader in best practices for collection development, management and conservation. The Federal Biodiversity Information Partnership (FBIP) will be an established federal focal point for biodiversity information and the main coordination mechanism between federal and provincial/territorial departments, agencies and related organizations on this issue.

### OBJECTIVE 2: STRATEGIES

#### 1. Develop and implement national strategies in collaboration with the ANHMC.

2. A	Performance Measure	<b>Undertake national projects and activities with the ANHMC addressing issues of relevance to Canadians.</b>
	Performance Standard	Undertake two (2) projects / activities with the ANHMC in 2008-09.
2. B	Performance Measure	<b>Degree of success of projects jointly developed with the ANHMC.</b>
	Performance Standard	Increase collaboration with the ANHMC, which will be determined by capturing the time spent on activities.

#### 2. Develop and implement national strategies in collaboration with the Canadian Association of Science Centres and Students on Ice.

2. C	Performance Measure	<b>Participation in the Canadian Museums Association (CMA) and the Canadian Association of Science Centres (CASC).</b>
	Performance Standard	Increase participation in the CMA and the CASC through presentations, participation in special interest groups, organizing committees, etc.

#### 3. Engage in joint efforts with other federal partners to create and make information resources accessible to diverse Canadian audiences, using innovative approaches, best practices, new processes and techniques.

2. D	Performance Measure	<b>Products, publications and services created through partnerships with federal agencies and portfolio partners.</b>
	Performance Standard	Maximize the number of products, publications and services created per year.

## OBJECTIVE 3

### To provide vehicles to encourage public engagement in natural history issues and to contribute to informed public policy on those issues

The Museum will be regarded as a “Best Practices Leader” in the practice of engaging its key audiences through its exhibitions, public programming and the Web. The Museum will be recognized as a valued contributor in the development of public and government policies.

### OBJECTIVE 3: STRATEGIES

#### 1. Create national forums to discuss, debate and share information on relevant environmental issues of concern to Canadians.

3. A	Performance Measure	<b>New forums developed, implemented and made accessible to encourage engagement of Canadians.</b>
	Performance Standard	Develop two new forums during 2008-09.

#### 2. Develop and implement formal mechanisms to inform public policy on natural history issues.

3. B	Performance Measure	<b>The Museum provides expertise to assist in the development of public policy.</b>
	Performance Standard	The Museum contributes by providing knowledge and expertise for twenty (20) national and international organizations related to environmental change by the end of 2008-09.
3. C	Performance Measure	<b>The Museum provides expertise to assist in the development of public policy options.</b>
	Performance Standard	The Museum is a proponent in two proposals on public policy being presented to Government in 2008-09.

## OBJECTIVE 4

### To develop the Museum's internal capacity to work in integrated, collaborative approaches

An HR framework and the necessary HR tools will be in place to support the Museum's business strategy. A majority of projects will be undertaken with partners. The Museum will provide a supportive working environment with opportunities for innovation and growth.

#### OBJECTIVE 4: STRATEGIES

- 1. Through the application of the competency-based process, improve the ability of Museum staff to work in integrated approaches such as partnerships, networks and multi-disciplinary teams.**

4. A	Performance Measure	<b>Professional development days undertaken by staff.</b>
	Performance Standard	To offer annually four (4) days of professional development per employee to align competencies to the new vision.

- 2. Apply the partnership framework to assess current partnerships and to modify partnership arrangements as required.**

4. B	Performance Measure	<b>New partnerships undertaken.</b>
	Performance Standard	<p>Increase the value of new partnerships undertaken by addressing an average of 75 percent of the following established partnership evaluation criteria by 2012-13:</p> <ul style="list-style-type: none"> <li>• Scope of partners (national, regional, local);</li> <li>• Impact of joint project or activity;</li> <li>• Sharing of investments in resources and expertise;</li> <li>• Sharing of authority;</li> <li>• Sharing of responsibilities;</li> <li>• Achievement of project objectives;</li> <li>• Products and/or services achieved;</li> <li>• Savings realized;</li> <li>• Return on investment;</li> <li>• Leverage achieved;</li> <li>• Reaching new audiences/markets.</li> </ul>



## OBJECTIVE 5

### To ensure that the Victoria Memorial Museum Building Renewal Project furthers the vision

The Victoria Memorial Museum Building will remain open to the public as much as possible throughout the project and will be recognized for its exemplary safety record during the renovation. The contribution of the renovated Victoria Memorial Museum Building will be clearly visible to visitors, the museum community, staff and the Museum's local geographic community. The Museum will develop a post-renewal programme plan, utilizing its renovated facility to support leading-edge enhancements to the Museum programming.

### OBJECTIVE 5: STRATEGIES

#### 1. Implement the rehabilitation of the Victoria Memorial Museum Building infrastructure requirements, design and construction.

#### 2. Ensure the Renewal Project is implemented according to the principles of the new vision.

5. A	Performance Measure	<b>VMMB physical renovation completed on schedule.</b>
	Performance Standard	Phases 4 and 5 of the project reach completion by 2009-10.

#### 3. Maintain a base level of programming and visitor services at the Victoria Memorial Museum Building during the Renewal Project to ensure that the Museum and the VMMB remain visible and that the local audience is retained.

5. B	Performance Measure	<b>Number of visitors to the Museum galleries.</b>
	Performance Standard	Maintain an attendance level that takes into account the impact of the VMMB construction and renovations on visitors (see Figure 7).

Figure 7: Audience Reach Targets

(number of visitors)

	2008-09	2009-10	2010-11	2011-12	2012-13
VMMB Visitors	265,000	265,000	400,000	400,000	400,000
VMMB After Hours	2,000	10,000	30,000	30,000	30,000
NCR Outreach <sup>(1)</sup>	250	250	250	250	250
NHB Visitors	1,100	1,100	1,100	1,100	1,100
National Attendance <sup>(2)</sup>	850,000	850,000	850,000	850,000	850,000

(1) NCR outreach attendance: With the renewal of the Museum, Education's mandate is to concentrate on offering more public programming on site than off site.

(2) National Attendance: Refers to projected attendance for national travelling exhibitions and programming.

5. C	Performance Measure	<b>Market share of visitors to national museums in the National Capital Region.</b>
	Performance Standard	Reach and maintain a market share of 15 percent by the end of 2012-13.

## OBJECTIVE 6

### To maintain and improve an effective and efficient infrastructure of systems and facilities

The long-term goal is for the Museum to have operations and maintenance programmes in place for its buildings that sustain these assets throughout their planned life and meet accepted best practices for museums. The Museum will meet or exceed best practices for the following Facilities Management Services: space management, parking, audio-visual, and other related technical facilities services. Annual planning will be fully integrated and a natural extension of the multi-year planning cycle. A 50 percent reduction in planning time from 2004-05 levels will be achieved. The Museum will have an effective and efficient infrastructure of IT Systems and Services. The Museum will have a series of financial management services and a series of human resources activities that support its operational and business plans. The Museum will have an integrated market research programme and process.

### OBJECTIVE 6: STRATEGIES

#### 1. Administer real property effectively and efficiently.

6. A	Performance Measure	<b>Operating and maintenance costs per gross square metre for both the VMMB and the NHB.</b>
	Performance Standard	The Museum wishes to maintain, operate and repair both facilities under its custody at a level meeting or exceeding the recognized and accepted industry level for museums.

#### 2. Develop, adapt and streamline management and planning processes and services to support the Museum's vision.

6. B	Performance Measure	<b>Integration of strategic and operational planning process.</b>
	Performance Standard	Achieve a 50 percent reduction in time spent on planning by end of 2012-13 as an indication of the planning process being more efficient and integrated.

6. C	Performance Measure	<b>Cost per user (calculated as: total programme and operating costs, excluding capital assets, divided by the number of external users).</b>
	Performance Standard	In 2008-09, achieve \$3.24 per user (when including Web users) and achieve \$9.96 per user (when excluding Web users).

#### 3. Maintain and improve Museum information management systems and services.

6. D	Performance Measure	<b>The effectiveness and efficiency of the Museum's Information Technology / Information Management operations are measured and reported in a global CMN IT/IM Systems Scorecard.</b>
	Performance Standard	Fifteen (15) global performance standards and metrics are identified and reported in the CMN IT/IM Systems Scorecard.

## OBJECTIVE 7

### To increase the Museum's self-generated revenue

The *Natural Partnerships* Campaign goals will be achieved. Plans will be developed for full integration of the campaign into an ongoing fundraising and development programme. The Museum will have a budget for its fixed infrastructure costs that allows for prudent investment and well-managed implementation of its Long Term Capital Plan and maintenance of infrastructure.

### OBJECTIVE 7: STRATEGIES

#### 1. Build a strong philanthropic base of support for the Museum by identifying and securing private and public sponsorships, partnerships, alliances and donations.

<b>7. A</b>	Performance Measure	<b>Results of fundraising efforts.</b>
	Performance Standard	Achieve targets for fundraising as set out in Figure 8.

Figure 8: Fundraising Targets

(in dollars)

	2008-09	2009-10	2010-11	2011-12	2012-13
Fundraising <sup>(1)</sup>	2,103,000	2,598,000	3,013,000	3,013,000	3,013,000

(1) *Natural Partnerships* Campaign contributions phasing is a reflection of the number of new galleries that are opening in the 2010-11 period, delaying some of the larger gifts until later. The majority of gift pledge payments are expected to start in 2008-09 and be spread over a five year period.

#### 2. Develop and implement strategies to generate revenue across all relevant business lines of the Museum.

<b>7. B</b>	Performance Measure	<b>Total amount of generated revenue.</b>
	Performance Standard	Achieve a level of self-generated revenue as set out in Figure 9.

Figure 9: Self-Generated Revenue Targets

(in dollars)

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Generating Activities <sup>(1)</sup>	1,873,000	1,627,000	2,131,000	2,156,000	2,144,000

(1) The Museum will aim to maintain a revenue base that takes into account the impact of the VMMB construction and renovation on attendance.

<b>7. C</b>	Performance Measure	<b>Per visitor gross sales income (calculated as income from operations divided by the number of visitors).</b>
	Performance Standard	Achieve \$4.76 per visitor by 2012-13.

#### 3. Seek funding solutions for facilities operations and capital expenses.

<b>7. D</b>	Performance Measure	<b>New funding solutions are applied to facilities operations and capital expenses.</b>
	Performance Standard	One new funding solution is implemented by 2009-10.

## OBJECTIVE 8

### To define the strategic plan and the corresponding implementation plan for 2009-2014

As a result of far reaching survey work on a broad Canadian audience, the CMN formulated a strategic plan for 2003-04 to 2007-08. Fiscal 2008-09 will be a transition year in which the Museum defines the new strategic plan and the steps required for implementation in 2009-2014.

### OBJECTIVE 8: STRATEGIES

#### 1. Develop the strategic plan for 2009-2014.

8. A	Performance Measure	<b>The Strategic Plan for 2009-2014 is defined.</b>
	Performance Standard	The Strategic Plan is finalized and the first phase implemented in 2009-10.

#### 2. Develop the implementation plan.

8. B	Performance Measure	<b>New objectives and strategies are in place.</b>
	Performance Standard	New objectives and strategies respond to the national stakeholder input.

#### 3. Develop the performance management framework.

8. C	Performance Measure	<b>A new performance management framework is in place.</b>
	Performance Standard	The new performance management framework is finalized and implemented in 2009-10.



## FINANCIAL SUMMARY

### FIVE YEAR FINANCIAL PLAN

The Financial Plan represents the Museum's forecast over the five year planning period 2008-09 to 2012-13. Table 1 shows the forecast by activity based upon approved reference levels and revenue forecasts for the current year and the planning period. The budget estimates for 2008-09 and future years reflect affordable activities only and not total requirements as reported in the Museum's Long Term Capital Plan.

**NOTE:** Table 1 is a budget summary that is prepared on a cash basis and therefore cannot be compared directly to the audited financial statements for 2006-07.

*Table 1: Corporate Budget Summary By Activity*

(in thousands of dollars – except for staff levels)

	2006-07 Actual	2007-08 Forecast	2008-09 Budget	2009 -10 Budget	2010-11 Budget	2011-12 Budget	2012-13 Budget
Staff Levels	186	184	180	179	169	168	168
Public Education programmes	7,548	5,553	5,869	5,369	5,232	5,232	5,232
Collections management	1,778	2,201	2,284	2,284	2,284	2,284	2,284
Research	3,587	4,326	4,311	4,311	4,311	4,311	4,311
Corporate management	6,440	7,489	7,493	7,493	7,493	7,493	7,493
Accommodation *	44,308	69,174	43,195	15,224	12,050	12,075	12,063
<b>Sub-total</b>	<b>63,661</b>	<b>88,743</b>	<b>63,152</b>	<b>34,681</b>	<b>31,370</b>	<b>31,395</b>	<b>31,383</b>
Less revenues	(3,900)	(3,802)	(3,976)	(4,225)	(5,144)	(5,169)	(5,157)
<b>Appropriations</b>	<b>59,761</b>	<b>84,941</b>	<b>59,176</b>	<b>30,456</b>	<b>26,226</b>	<b>26,226</b>	<b>26,226</b>
* These figures include the Renovation of the VMMB	33,000	58,000	32,000	3,600	–	–	–

## ANNUAL BUDGET

### 2008-09 OPERATING AND CAPITAL BUDGET

The budgets have been formulated on the basis of the operating forecast and the programme activity architecture and services required in support of these activities. Table 2 summarizes the operating and capital budget.

*Table 2: Summary of Operating and Capital Budget*

(in thousands of dollars)

	2006-07 Actual	2007-08 Approved	2007-08 Forecast	2008-09 Proposed
Operating	31,991	30,465	22,962	30,262
Capital	31,670	57,500	65,781	32,890
Less revenues	(3,900)	(3,024)	(3,802)	(3,976)
<b>Appropriations</b>	<b>59,761</b>	<b>84,941</b>	<b>84,941</b>	<b>59,176</b>

The variation in operating and capital expenses as well as appropriations from 2006-07 to 2007-08 and 2008-09 is due to the cash flow requirements of the Renewal Project as approved by the Treasury Board Secretariat and accounting assumptions used for deferring parliamentary appropriations.

## FINANCIAL SUMMARY

### FINANCIAL STATEMENTS

The financial statements forecasts have been prepared in accordance with Canadian generally accepted accounting principles consistent with those reported in the institution's annual report.

#### Statement 1: Balance Sheet

(in thousands of dollars)

	2006-07 Actual	2007-08 Forecast	2008-09 Pro forma	2009 -10 Pro forma	2010-11 Pro forma	2011-12 Pro forma	2012-13 Pro forma
<b>Assets</b>							
Current							
Cash and short-term investments	14,878	8,285	7,627	865	1,689	553	1,456
Accounts receivable							
Trade	452	350	350	350	350	350	350
Government departments and agencies	3,598	700	700	700	700	700	700
Prepaid expenses	796	500	500	500	500	500	500
	<b>19,724</b>	<b>9,835</b>	<b>9,177</b>	<b>2,415</b>	<b>3,239</b>	<b>2,103</b>	<b>3,006</b>
Restricted cash, short-term investments and receivables	2,435	1,435	1,185	935	915	895	875
Collections	1	1	1	1	1	1	1
Capital assets	130,534	190,585	216,783	217,678	210,176	202,713	195,429
	<b>152,694</b>	<b>201,856</b>	<b>227,146</b>	<b>221,029</b>	<b>214,331</b>	<b>205,712</b>	<b>199,311</b>
<b>Liabilities</b>							
Current							
Accounts payable and accrued liabilities							
Trade	7,837	5,000	5,000	5,000	5,000	3,000	3,000
Government departments and agencies	582	1,000	1,000	1,000	1,000	1,000	1,000
Current portion – obligation under capital lease	325	359	396	437	482	533	588
Deferred revenue and parliamentary appropriation	8,977	50	50	50	50	50	50
Employee future benefits	588	623	658	693	728	763	798
	<b>18,309</b>	<b>7,032</b>	<b>7,104</b>	<b>7,180</b>	<b>7,260</b>	<b>5,346</b>	<b>5,436</b>
Obligation under capital lease	31,797	31,438	31,042	30,605	30,122	29,590	29,002
Deferred capital funding	105,537	166,587	193,786	195,683	189,184	182,719	176,438
Employee future benefits	1,895	1,933	1,972	2,011	2,051	2,092	2,134
Deferred contributions	1,330	1,080	830	580	560	540	520
	<b>158,868</b>	<b>208,070</b>	<b>234,734</b>	<b>236,059</b>	<b>229,177</b>	<b>220,287</b>	<b>213,530</b>
Endowment	305	305	305	305	305	305	305
<b>Equity of Canada</b>	<b>(6,479)</b>	<b>(6,519)</b>	<b>(7,893)</b>	<b>(15,335)</b>	<b>(15,151)</b>	<b>(14,880)</b>	<b>(14,524)</b>
	<b>152,694</b>	<b>201,856</b>	<b>227,146</b>	<b>221,029</b>	<b>214,331</b>	<b>205,712</b>	<b>199,311</b>

## FINANCIAL SUMMARY

### Statement 2: Statement of Operations & Equity of Canada

(in thousands of dollars)

	2006-07 Actual	2007-08 Forecast	2008-09 Pro forma	2009-10 Pro forma	2010-11 Pro forma	2011-12 Pro forma	2012-13 Pro forma
<b>Revenue</b>							
Commercial operations	680	886	942	966	1,688	1,713	1,713
Contributions	1,707	1,991	2,103	2,598	3,013	3,013	3,013
Interest income	1,003	350	350	250	250	250	250
Educational programmes	375	427	531	360	160	160	155
Scientific services	88	143	44	44	29	29	22
Other	47	5	6	7	4	4	4
	<b>3,900</b>	<b>3,802</b>	<b>3,976</b>	<b>4,225</b>	<b>5,144</b>	<b>5,169</b>	<b>5,157</b>
<b>Expenses</b>							
Personnel costs	15,846	16,039	16,039	16,039	16,039	16,039	16,039
Exhibitions	9,696	3,267	2,920	2,255	1,751	1,751	1,751
Interest on capital lease obligation	3,206	3,175	3,141	3,104	3,063	3,018	2,967
Operation and maintenance of buildings	2,588	3,723	3,984	5,477	4,079	4,056	3,993
Professional and special services	2,060	800	800	800	400	400	400
Depreciation of capital assets	1,881	5,730	6,692	7,712	7,740	7,629	7,431
Real property taxes	1,546	1,820	1,703	2,291	2,666	2,748	2,781
Information management infrastructure and systems	1,164	1,164	1,164	1,164	1,164	1,164	1,164
Repairs and maintenance	658	200	200	200	200	200	200
Travel	542	300	300	300	300	300	300
Marketing and communications	399	300	300	800	200	200	200
Freight and cartage	93	75	75	75	75	75	75
Purchase of objects for collections	25	4	4	4	4	4	4
Other	-	5	5	5	5	5	5
	<b>39,704</b>	<b>36,602</b>	<b>37,327</b>	<b>40,226</b>	<b>37,686</b>	<b>37,589</b>	<b>37,310</b>
<b>Net result of operations before government funding</b>	<b>(35,804)</b>	<b>(32,800)</b>	<b>(33,351)</b>	<b>(36,001)</b>	<b>(32,542)</b>	<b>(32,420)</b>	<b>(32,153)</b>
Parliamentary appropriation	35,106	32,760	31,977	28,559	32,726	32,691	32,509
<b>Net result of operations</b>	<b>(698)</b>	<b>(40)</b>	<b>(1,374)</b>	<b>(7,442)</b>	<b>184</b>	<b>271</b>	<b>356</b>
Equity of Canada, beginning of year	(5,781)	(6,479)	(6,519)	(7,893)	(15,335)	(15,151)	(14,880)
<b>Equity of Canada, end of year</b>	<b>(6,479)</b>	<b>(6,519)</b>	<b>(7,893)</b>	<b>(15,335)</b>	<b>(15,151)</b>	<b>(14,880)</b>	<b>(14,524)</b>

#### Notes:

1. The Museum received borrowing authority to enter into a long term capital lease obligation to fund the Gatineau facility. The Statement of Operations and Equity of Canada therefore reflects interest on the capital lease obligation as well as depreciation charges because of the recognition of the building as an asset. The accounting treatment of the costs associated with the Gatineau facility has a significant negative impact on the Museum's Statement of Operations and Equity of Canada.

2. The forecasted deficit of \$1.4 million for 2008-09 and \$7.5 million for 2009-10 is a result of two factors. The first one as explained in note 1 above relates to depreciation charges. The second factor contributing to the forecasted deficit is the increasing capital requirements for the Natural Heritage Building and the escalation in operating and maintenance costs for the renovated Victoria Memorial Museum Building, estimated to reach \$2.4 million annually as of 2009-10, which have not been funded by Treasury Board. For fiscal years 2010-11 and subsequent, the Museum has made the assumption that the gap between the requirements and the funding for the operating and capital costs of both facilities had been addressed by the government. Therefore, the Museum has chosen not to present the increasing operating costs of the facilities nor the related appropriation for those years.



## FINANCIAL SUMMARY

### Statement 3: Cash Flow Statement

(in thousands of dollars)

	2006-07 Actual	2007-08 Forecast	2008-09 Pro forma	2009 -10 Pro forma	2010-11 Pro forma	2011-12 Pro forma	2012-13 Pro forma
<b>Operating Activities</b>							
Cash receipts – customers	5,635	5,754	3,626	3,975	4,896	4,918	4,907
Cash receipts – parliamentary appropriation	27,491	19,769	26,286	21,849	25,987	26,062	26,080
Cash disbursements – suppliers and employees	(40,031)	(29,997)	(27,670)	(29,586)	(26,828)	(28,886)	(26,855)
Interest received	1,078	381	350	250	250	250	250
Interest paid	(3,538)	(3,175)	(3,141)	(3,104)	(3,063)	(3,018)	(2,967)
	<b>(9,365)</b>	<b>(7,268)</b>	<b>(549)</b>	<b>(6,616)</b>	<b>1,242</b>	<b>(674)</b>	<b>1,415</b>
<b>Financing Activities</b>							
Appropriation used to purchase depreciable capital assets	31,661	65,781	32,890	8,607	239	164	146
Obligation under capital lease	(294)	(325)	(359)	(396)	(438)	(482)	(532)
	<b>31,367</b>	<b>65,456</b>	<b>32,531</b>	<b>8,211</b>	<b>(199)</b>	<b>(318)</b>	<b>(386)</b>
<b>Investing Activities</b>							
Acquisition of capital assets	(31,661)	(65,781)	(32,890)	(8,607)	(239)	(164)	(146)
Decrease in short-term investments	2,000	–	–	–	–	–	–
Increase in restricted cash, short-term investments and receivables	(927)	1,000	250	250	20	20	20
	<b>(30,588)</b>	<b>(64,781)</b>	<b>(32,640)</b>	<b>(8,357)</b>	<b>(219)</b>	<b>(144)</b>	<b>(126)</b>
<b>(Decrease) increase in cash and short-term investments</b>	<b>(8,586)</b>	<b>(6,593)</b>	<b>(658)</b>	<b>(6,762)</b>	<b>824</b>	<b>(1,136)</b>	<b>903</b>
Cash and cash equivalents, beginning of year	23,464	14,878	8,285	7,627	865	1,689	553
<b>Cash and cash equivalents, end of year</b>	<b>14,878</b>	<b>8,285</b>	<b>7,627</b>	<b>865</b>	<b>1,689</b>	<b>553</b>	<b>1,456</b>



## APPENDICES

### APPENDIX A

## PERMANENT AND SPECIAL EXHIBITIONS

### PERMANENT GALLERIES

#### TALISMAN ENERGY FOSSIL GALLERY

*(opened October 20, 2006)*

Building on its tradition of excellence in palaeontological studies, the Museum has created a new gallery that focuses on one dramatic period in the Earth's history. The exhibition presents life from the Late Cretaceous Period through the cataclysmic changes that brought about the Tertiary Period with the extinction of the dinosaurs and the rise of mammals. The gallery's focus on the period between 35 to 85 million years ago takes an innovative approach to create an exhibition unique in the museum world. The gallery appeals to a broad general audience that marvels at a planet dominated by powerful, giant dinosaurs and fierce marine reptiles, which nonetheless became extinct through a combination of sudden and gradual changes to the environment.

The Talisman Energy Fossil Gallery's content demonstrates that Earth experienced great periods of environmental change in the past and that life has adapted and rebounded. This is natural history as a means to understanding current concerns and issues. The new gallery is larger than the previous Dinosaur Hall and accommodates many more fossil specimens. The gallery incorporates the best in scientific research with new media and interactive technology, providing a unique learning opportunity for people of all ages.

#### MAMMAL GALLERY

*(opened October 20, 2006)*

The refurbishment of the Mammal Gallery was completed in April 2007. The new gallery offers approx 750 sq metres of exhibit space with 17 mammal dioramas (16 of them completely restored), a children's play area, new touch-screen electronic kiosks, as well as additional, "mechanical" interactive displays. Adaptation is the theme of the gallery, with each diorama explaining a different mammal adaptation.

#### BIRD GALLERY

*(opened December 26, 2006)*

A new gallery based upon the Museum's extensive collections features all the bird species of Canada. Based upon the growing popularity of bird watching, this new gallery takes a unique and original approach, organizing its exhibits as if they were field guides and treating visitors as if they were birdwatchers. With a strong interactive component, and an elegant and relaxing approach, the exhibition appeals to a broad range of visitors.

**SPECIAL EXHIBITION GALLERY***(opened October 20, 2006)*

A solution to the Museum's longstanding lack of adequate changing exhibition space, the new Temporary Exhibition Gallery is a sleek multi-functional space. With flexible wall configurations and carefully-controlled environmental conditions, it enables the Museum to host a wide range of travelling exhibitions. It will also serve as the opening venue for the Museum's own expanding suite of touring shows.

**DISCOVERY ZONE***(opened October 20, 2006)*

A precursor of the larger Discovery Centre scheduled for 2010, this multipurpose space houses classroom and lab facilities and a small theatre space. It will function as the primary location for the Museum's interpretive programming until 2009. Designed for flexibility, it will also host a variety of events until the Museum Salon becomes available once again.

**FINDERS AND KEEPERS – EXPANDED***(TBD)*

An expanded and enriched *Finders and Keepers* exhibition is expected to open in the Victoria Memorial Museum Building's West Wing when the current Discovery Zone is moved to the newly renovated Centre Block. Like the original show, the expanded *Finders and Keepers* will be a collections-based exhibition featuring weird and wonderful specimens from our collections, as well as some of the unique and wonderful people who collected them.

**NATURE OF HUMANS GALLERY***(TBD)*

A major new permanent exhibition, *The Nature of Humans* is planned for the East Wing in the Victoria Memorial Museum Building. Supported by travelling exhibitions (the first was *The Gee! In Genome*) and a wide range of educational programmes and forums, *The Nature of Humans* will explore what it means to be human. From DNA to the shape of our bones and muscles, and from conception to death, this gallery will examine the evolution of humans and our connection to nature and the environment. The subject will appeal to individuals with varied interests and knowledge. This project will provide a forum for open, balanced and objective conversations relating to issues that are often poorly understood. The gallery will be one of the most unique and engaging exhibitions anywhere.

**WATER GALLERY***(May 2010)*

In addition to having vast inland stores of fresh water, Canada borders on three of the world's four oceans and boasts the longest ocean coastline in the world. Yet water, our most precious natural resource, is still vulnerable. Learning to manage our water resources effectively is essential. The new Water Gallery, planned to open in the newly renovated East Wing of the Victoria Memorial Museum Building in 2010 and associated outreach programmes will provide a venue for Canadians to learn more about our aquatic heritage. A glass of cool, refreshing water will take on a whole new meaning as we learn where our water comes from, how it is treated and where it goes as it cycles back through the environment.

**MINERAL GALLERY***(May 2010)*

A major move and expansion of the Museum's current Viola MacMillan Mineral Gallery will be completed for the grand re-opening in 2010. The new Gallery will highlight and showcase the Museum's mineral collection and will incorporate elements from the former Earth Hall.

### DISCOVERY CENTRE

(TBD)

The Discovery Centre, aimed at students, children and families, will be an innovative and interactive learning centre that will provide a window on Canada's natural world. The Centre will feature creative, interactive programming and multi-media exploration of the Museum's vast collections. Real specimens and computer-based information will be integrated within the exhibition and programming spaces. Museum staff will be available to provide guidance, assistance and programme delivery. A comprehensive national outreach initiative, including exhibits and educational programming, will bring the Discovery Centre to other parts of the country through the use of virtual and live interactive programming. Real-time, person-to-person or group-to-group sessions will connect the Museum of Nature with partner museums and other facilities, and will ensure virtual visitors have access to programming available at the Museum.

### SPECIAL EXHIBITIONS

#### TEMPORARY EXHIBITIONS

A full schedule of changing exhibitions in the newly completed Special Exhibition Gallery has been implemented. The first show was *Einstein*, from the American Museum of Natural History, followed by *EcoMondo* from Montreal's Biodome. The appeal of *From the Labrador: photographs by Arnold Zageris*, has led to the creation of a new travelling exhibition. A small but ongoing programme of works by artists engaged with natural history has commenced – Arnold Zageris, Susan Coolen, Barbara Gamble and Ed Burns are among those scheduled for display. Other shows scheduled for the space include a refurbished *Geeel in Genome* exhibition, *Ice Age Mammals*, the *Jane Goodall* exhibition from Science North, *Ikebana*, and a variety of smaller shows. The space will also be used on a regular basis for rental functions and special events.

## APPENDIX B

### VICTORIA MEMORIAL MUSEUM BUILDING RENEWAL PROJECT

The Victoria Memorial Museum Building serves as the primary public site for the Museum's signature and special exhibitions, galleries and public education programming. A second facility, the Natural Heritage Building, opened in Gatineau in 1997 to house the research, collections management and administrative functions of the Museum.

Significant deficiencies have been identified in recent years with the Victoria Memorial Museum Building, relating to both its functional and technical components. Ten building studies were conducted to analyse and document these deficiencies. The consensus of these studies is that a major asset rehabilitation of the Victoria Memorial Museum Building was required in order to maintain the building as a functional museum with a safe environment for visitors and staff.

The renewal of the Victoria Memorial Museum Building considers its significant cultural and historical value, focussed around its role as the first purpose built national museum building in Canada. The last major renovation occurred in 1969-70. Since then, sprinklers have been added to most of the building, the roof has been replaced and exterior stonework and windows have been renovated.

There are three types of objectives for the Renewal Project: base objectives, functional objectives and critical objectives. The base objectives of the Renewal Project encompass the upgrading of the deteriorated building infrastructure including the heating, ventilation and air conditioning (HVAC) systems, water mains, building envelope, structural integrity, and health and safety systems. The functional objective is to redesign the space to deliver the Museum programme in an efficient and effective manner. The critical objective is to design and install seismic bracing to minimize damage and increase safety in the event of an earthquake while not interfering with the heritage appeal of the Victoria Memorial Museum Building.

## MAJOR WORK PHASING

The Renewal Project consists of five different phases that began in 2004 and will take five years to complete (2009-10). The five phases are:

### PHASE 1 – PREPARATORY WORK AND SWING SPACE

Phase 1, which took place in spring 2004, involved installation of permanent base building elements to allow Phase 2 (West Wing) to proceed on schedule. It included: temporary relocation of the fire alarm, security and communications systems; relocation of Museum operations to the East Wing; dismantling or relocation of existing exhibits from the West Wing; installation of hoarding, a crane and site office on the west lawn; and development of temporary parking on the east side of the site. This phase has been completed.

### PHASE 2 – WEST WING AND LANTERN SUB-BASEMENT

Phase 2, which began in May 2004, involves installation of one-hour fire separation and fire rated doors between the west halls and the Atrium at each floor; complete asbestos removal and demolition work throughout the West Wing; complete seismic reinforcement; installation of a dynamic buffer zone, replacement of mechanical/electrical systems and installation of new washrooms, stairs and elevators in the West Wing. This phase will affect all building levels as well as the roof. It includes excavation below the existing basement slab-on-grade at the North entrance; construction of new raft foundation/structure and new column structure for the North Lantern; relocation of incoming water services; construction of permanent water/sprinklers in new North entrance and provision of a temporary mechanical plant west of the North Entrance. Construction began in June 2004 and the West Wing was occupied in October 2006.

### PHASE 3 – SOUTH WING

Phase 3 involves construction of the South Wing to provide for shipping/receiving, workshops, mechanical/electrical plant, site improvements, outdoor terrace, water feature and multi-purpose exhibition space. It includes re-routing existing site services; routing new mechanical/electrical services and constructing a new security/communication centre. It provides a temporary link through the basement mechanical room in the apse. It also includes dismantling or demolition of existing exhibits in the East Wing. Construction started in September 2004 and the South Wing was occupied on October 2006.

### PHASE 4 – EAST WING

Phase 4 involves complete renovation of the East Wing including seismic reinforcement, mechanical/electrical systems, dynamic buffer zone, washrooms, stairs, elevators and new wall opening to the Atrium, demolition of walls and ceilings, and removal of asbestos. It includes disconnecting the existing electrical vault and construction of security/fire fighters in the east basement.

### PHASE 5 – CENTRAL CORE

This phase includes all demolition and construction related to the Apse, Lantern and Atrium, installation of all new mechanical equipment and distribution on all levels, and construction of new stairs and the North Lantern.

Phase 4 and 5 are now scheduled to take place concurrently starting in October 2006, with completion date in spring 2009.

The Museum has received all required federal government approvals, the necessary funds have been identified and the work is underway. The substantial completion date for the renovation is July 2009.



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