



Royal BC Museum Corporation

**Service Plan
2007/08-2009/10**

January 31, 2007

National Library of Canada Cataloguing in Publication Data

Royal BC Museum.

Service plan. -- 2003/04/2005/06-

Title from cover.

At head of title: Royal British Columbia Museum Corporation.

Annual.

Continues: Royal British Columbia Museum. Service plan. ISSN 1708-9794.

Also available on the Internet.

ISSN 1710-355X = Royal BC Museum. Service plan.

1. Royal BC Museum -- Periodicals. 2. Museums - British Columbia -- Victoria - Periodicals. I. Title. II. Title: Royal British Columbia Museum Corporation service plan.

AM101.B74 R69

069.09711'2805

C2004-960030-3

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Letter from the Board Chair to the Minister Responsible

The Honourable Stan Hagen
Minister of Tourism, Sport and the Arts
Province of British Columbia

Dear Minister

On behalf of the Board of Directors of the Royal BC Museum Corporation (“RBCM”), I am pleased to present the Corporation’s 2007/08 to 2009/10 Service Plan.

The Royal BC Museum is a cherished institution. In collecting, preserving, and interpreting the artifacts, specimens and documents relevant to British Columbia, it celebrates this province’s rich history, and is a facility in which British Columbians take great pride.



RBCM Board Chair
John Walton

It has been clear for some time that to meet its requirement to become more self-sustaining, the Royal BC Museum needs to undergo a major revitalization. The first phase of the Royal BC Museum’s redevelopment has been completed. The Province transferred to the Corporation, the land and buildings; marking the first of many successes for the Royal BC Museum. We appreciate the ongoing commitment of the Provincial Government to the Royal BC Museum renewal and revitalization.

In 2006 a business plan – “*A Vision For The Future*” was developed in support of the Master Plan which was completed in 2005. The RBCM’s revitalization and expansion program includes the construction of new galleries capable of hosting modern-day blockbuster exhibitions as well as more permanent displays to showcase RBCM’s extensive collections. A combination of new and renovated buildings will ensure a proper environment to preserve artifacts, collections and archival records and maximize the enjoyment of BC residents and international visitors for future generations. This undertaking will require many years of effort and significant financial support to make the vision a reality. The immediate focus will be on renewing the building for life safety and retaining Class A status for major exhibits.

The Royal BC Museum is grateful for the support the Minister of Tourism, Sport and the Arts has shown and the financial contribution of \$12.1 million annually. We look forward to realizing this incredible vision for British Columbia and British Columbian’s archives and museum.

The tourism market this past year has presented many new challenges and opportunities for success. With the increase in the Canadian dollar and the strict travel regulations at airports and borders, the tourism industry has seen a decline in the

number of international tourists. We are active advocates and supporters of the efforts undertaken by our tourism partners to attract visitors to Victoria.

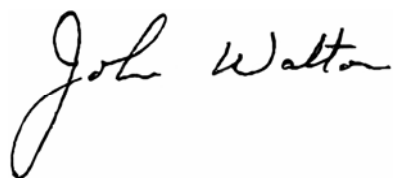
As a key tourist attraction in Victoria, we are hosting another blockbuster exhibition in 2007 which will not only provide something new to see in Victoria, but also contributes to Victoria's local economy. We provide innovative programming and exhibits (such as our new exhibit - "Ocean Station") to ensure all visitors to the RBCM are able to experience the wonder of British Columbia's human and natural history - 7 million years in an afternoon.

The Royal BC Museum's goal is to continue to be a world-renowned museum and archives, maintaining the celebration and preservation of British Columbia's natural and human history, and becoming a more financially self-sustaining enterprise while showcasing British Columbia as the best place on earth.

The year ahead will be exciting for the Royal BC Museum as we begin to venture on a new journey in creating "A Vision for the Future" and implement our significant collections database project that will allow the public from all over the world to view items from our world class collections.

The 2007/08 – 2009/10 Royal BC Museum Service Plan was prepared by the CEO and staff under Board direction in accordance with the *Budget Transparency and Accountability Act*. The Board, through its direction to the CEO and its review of the plan, which includes the selection of performance measures and targets, is responsible for the plan. The performance targets in this plan have been determined based on an assessment of Royal BC Museum's operating environment, forecast conditions, risk assessment and past performance. The plan is consistent with government's strategic priorities and overall Strategic Plan.

All significant assumptions, policy decisions and identified risks, as of August 31, 2006 have been considered in preparing the plan. The Board provides direction to the CEO who, in conjunction with RBCM staff, is accountable to the Board for ensuring that the Royal BC Museum achieves the specific objectives identified in the plan and for measuring and reporting actual performance to the Board.



John Walton
Chair, Board of Directors
Royal BC Museum Corporation

Chief Executive Officer's Message

I am pleased to submit the Royal BC Museum Corporation's 2007/08 to 2009/10 Service Plan.

The Royal BC Museum has "A Vision for the Future". To meet our obligation to be more self-sustaining, the Royal BC Museum must offer a first class facility to attract more support and generate more revenue. We have a unique opportunity now to create an iconic showpiece and cultural legacy that celebrates the human and natural history of British Columbia.

We are committed to providing the best preservation of artifacts, archives and collections for the people of British Columbia; our grandchildren and great grand children of generations to come. We also strive to offer an enjoyable, educational, and interesting experience for visitors of all ages and future generations.

The coming year will be full of exhilaration as we host a six-month major blockbuster "Titanic – The Artifact Exhibition". The Royal BC Museum is the first venue in Western Canada to present this assembly of artifacts collected by RMS Titanic Inc., the only company in the world authorized to recover artifacts from the Titanic wreck site.

Also in 2007 we will honor our commitment to increase public accessibility. A new collections database project that allows us to digitally record, catalogue, and interpret our collections will make items in the Provincial Collections accessible to all British Columbians and people from around the world.

British Columbia's 150th Anniversary as a Crown Colony is around the corner and to celebrate, the Royal BC Museum will create an exhibition for all British Columbia. The exhibition will allow individual BC communities to add locally significant items emphasizing their distinctive history. The exhibition will open at the Royal BC Museum in 2008 and then travel throughout BC in 2008.

The Royal BC Museum has the reputation of being one of Canada's great cultural institutions. This would not be possible without the continued support of the Friends, our many dedicated volunteers, supporters and devoted staff. I thank them for their continuing dedication and look forward to working together to create a revitalized Royal BC Museum that will be the pride of generations to come.



Pauline Rafferty, Chief Executive Officer



Chief Executive Officer
Pauline Rafferty

Overview of the Organization

The Royal British Columbia Museum Corporation (RBCM) is known as one of Canada's leading cultural institutions. "Royal BC Museum" (or "RBCM") means the Royal BC Museum Corporation throughout this document. More than a million people pass through the Royal BC Museum's public spaces each year, including over 300,000 paid visitors to the Corporation. More than 7,000 visitors use the research facility of the provincial Archives, and over 1 million visitors visit the RBCM website annually.

Enabling Legislation

Administrative responsibility for the Museum, the British Columbia Archives (the Archives of the Government of British Columbia), as well as Helmcken House, Thunderbird Park, Mungo Martin Big House, St. Ann's Schoolhouse and the Netherlands Carillon, resides with the Royal BC Museum Corporation, a Crown Corporation created in 2003 under the *Museum Act*. The *Museum Act* mandates the Royal BC Museum to fulfill the government's fiduciary responsibilities for public trusteeship of the provincial collections and exhibitions, including specimens, artifacts, archival records and other materials that illustrate the natural and human history of BC. The collections are preserved for current and future generations of British Columbians.

Mandate

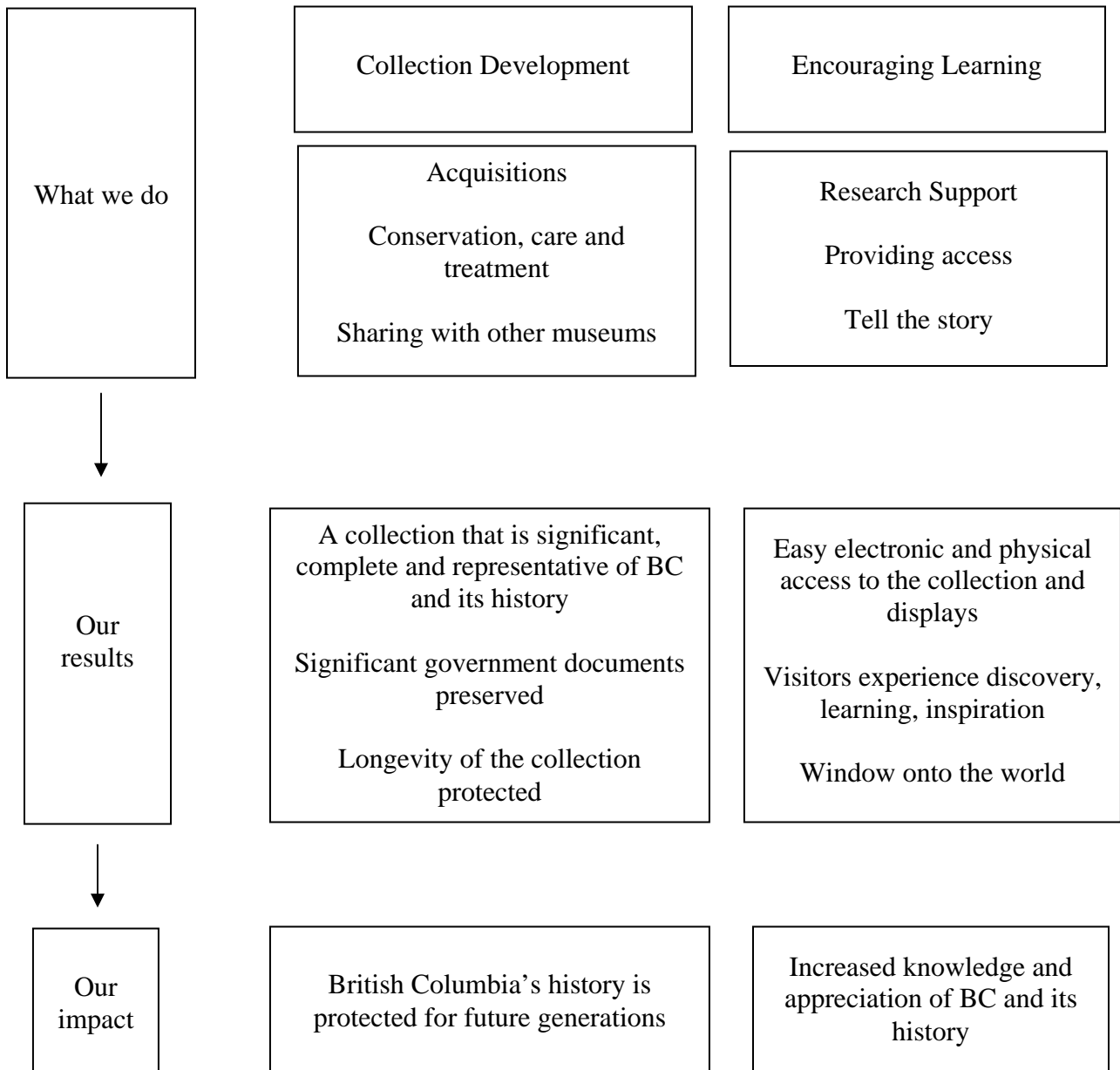
The *Museum Act* lists the purposes of the Royal BC Museum Corporation as:

- a. to secure, receive and preserve specimens, artifacts and archival and other materials that illustrate the natural or human history of British Columbia;
- b. to hold and manage the archives of the government;
- c. to increase and communicate knowledge of the natural and human history of British Columbia by research, exhibits, publications and other means;
- d. to serve as an educational organization;
- e. to develop exhibits that are of interest to the public;
- f. to manage, conserve and provide access to the collection;
- g. on the request of the government, to manage cultural and heritage facilities designated by the government; and
- h. to perform functions usually performed by a museum and archives.

The work of the Royal BC Museum benefits the public by:

- Developing and preserving collections for current and future generations;
- Sharing the natural history and human story of British Columbia with the world through the physical environs of the cultural precinct, regional programs and Internet access to the collections and archives;
- Supporting education through the provision of materials, programs and complimentary student admissions;
- Supporting research through projects and by providing access to the collections and archives;
- Contributing to the provincial economy as a tourism destination of choice; and
- Managing the archival records of the Government of British Columbia.

Summary Program Overview



Products and Services Provided

The RBCM provides the following products and services:

- Collection, preservation, research and interpretation of the province's historical artifacts, specimens and documents, including government documents;
- Permanent exhibitions that tell the natural history and human story of British Columbia;
- Temporary exhibitions that showcase special traveling displays that attract tourists and repeat visitation;
- Special programming that invites the attendance and participation of local and tourist audiences;
- Partnerships with local businesses and the tourism sector to boost visitation to the province's capital and contribute to the provincial economy;
- Educational and research support for students, teachers and scholars;
- Regional programming, Internet access and virtual exhibitions;
- Management and maintenance of the cultural precinct consisting of the Museum, British Columbia Archives, Helmcken House, Thunderbird Park, Mungo Martin Big House, St. Ann's Schoolhouse and the Netherlands Carillon;
- Ancillary services including retail (which provides a venue for BC artists) and food services; and
- A means for donors who wish to donate heritage artifacts/archival documents for long-term preservation.

Principal Markets

The RBCM services the following principal markets:

- Visitors to the cultural precinct;
- Researchers;
- Educators and students;
- Citizens of British Columbia;
- Communities throughout the province; and
- People throughout the world seeking information via websites and publications.

Location of Operations

The Royal British Columbia Museum is located at 675 Belleville Street in Victoria, BC. The Royal BC Museum is also accessible via the Internet at www.royalbcmuseum.bc.ca and regional services are provided in partnership through the RBCM's outreach programs.

Principal Partners, Clients and Stakeholders

Group or Agency	Nature of Relationship and/or Areas of Interest
Government	
Provincial Government	Financial investment, preserving BC's history
Federal Government	Financial investment, commitment to preserving national history
Municipal Government – City of Victoria	Impacts of economic return from the corporation's events
Business	
Willie's Bakery	Providing food services
Greater Victoria Chamber of Commerce	Economic benefits and impacts on local businesses
Tourism Victoria	Visitor experience, economic impacts
Accommodation, Food Services and Retail Sectors	Economic impacts, cross marketing, competition
Transportation	Economic impacts, cross marketing
Partnership	
National Geographic IMAX Theatre	In 1998, the RBCM entered into a number of agreements with Destination Cinema Canada Inc. (DCI) for the construction and operation of an IMAX theatre. Current 30 year lease expires 2028.
Internal	
RBCM Employees	Any impacts on jobs, business operations
Board of Directors	Overall improvements to preserve BC's history, generate additional revenues, increase fund-raising
Volunteers	Preserve history
Minister of Tourism, Sport and the Arts	Minister responsible for the RBCM
Treasury Board	Ensuring public money is managed and disbursed in the public interest.
External	
Tourists - out of Province and from BC	Visitor's experience, donations
Primary and Secondary Schools	Educational programs, museum tours, special exhibitions
BC Universities and Colleges (Primary emphasis on those based locally)	School and research programs, special exhibitions and Internet research access
Friends of the Royal BC Museum	The Friends of RBCM Foundation is an organization undergoing repositioning. It has a new Board of Directors and a new structure (previously a membership driven charitable organization that has moved to a Foundation) and is embarking on a strategic planning exercise in fall of 2006. The Friends operate the Museum Gift Shop and have a membership base.
Friends of the BC Archives	A non-profit organization with approximately 120 members concerned about the preservation and improvements to the documentary heritage of BC and its people.
Residents of Victoria and surrounding area	BC history, economic impact, interest
First Nations	
Esquimalt and Songhees First Nations	Cultural precinct, preserving the First Nations' History, Thunderbird Park
Kwakiutl First Nation	Mungo Martin House, preserving the First Nations' history, Thunderbird Park
Others	
Local and provincial media	Public interest

How Services are Delivered

The RBCM delivers its services in a variety of ways:

- Physical delivery of exhibitions and programming within the RBCM complex;
- Education of BC youth through school programs;
- Electronic access to the collections and archives through finding aids and the Internet;
- Published books and research papers; and
- Delivery and support for regional programming in selected (rotating) areas of the province.

Reporting Relationships with the Government

The *Budget Transparency and Accountability Act* requires that Ministers Responsible table service plans for Commercial and Service Delivery Crown Corporations, and ensure they report quarterly and annually. It requires Ministers Responsible to make public an Annual Report for Commercial and Service Delivery Crown Corporations that compares actual results against the performance objectives and targets set out in the Service Plans.

Crown Agencies inform Government of all emerging strategic issues on an ongoing basis.

Reporting information concerning the financial and performance results of Crown Agencies that is credible, timely and complete is a key component in meeting the accountability expectations of the Legislative Assembly and the public.

Corporate Governance

Governing Principles of the Board of Directors

A Board of Directors governs the Royal BC Museum Corporation, guided by legislation, regulation and public policy. The Board is accountable to the Minister of Tourism, Sport, and the Arts and is responsible for the Royal BC Museum to ensure the application of the *Museum Act*, so that the Royal BC Museum conducts its affairs in a manner that complies with the legislation and accepted standards of conduct, operates within approved financial standards, and fulfils its purpose and mandate.

The Board of Directors consists of not more than 11 directors, all appointed by the Lieutenant Governor in Council. As a policy board, it concentrates on providing leadership and direction to the Royal BC Museum through clearly articulated policies and corporate goals. In delegating authority to the Chief Executive Officer, the Board monitors the performance of the CEO, and holds the CEO accountable for results and progress. Having established the policy framework, the Board allows the CEO to administer corporate operations and does not involve itself in management decision-making or the day-to-day operations of the Royal BC Museum.

Board of Directors – Role and Membership

Name	Position	Area
Ralph Bodine	Director	Sidney
Donald Hayes	Director	Duncan
Kenneth Mahon	Director	Vancouver
David McMillan	Vice Chair	Victoria
Allison McNeill	Director	Kelowna
Anna Nyarady	Director	Vancouver
Barbara Rae	Director	Whistler
Neil Sterritt	Director	Hazelton
David Stowe	Director	Vancouver
John Walton	Chair	Victoria
Cynthia Woodward	Director	Vancouver

Board Committees – Role and Membership

There are three Board committees.

Finance and Audit Committee

The Finance and Audit Committee ensures that the Corporation's financial and accounting policies conform to the provisions of the *Museum Act* and all other applicable legislation, and that the Corporation's financial reporting systems meet the needs of the Board and the Royal BC Museum itself. Members of the Committee include David McMillan, Chair, Ralph Bodine, Donald Hayes, ex-officio members John Walton and Pauline Rafferty and Chief Financial Officer Faye Zinck.

Governance & Nominating Committee

The Governance and Nominating Committee oversees the Board's nominating and governance activities. It is responsible to the Board of Directors and meets as required, but at least once a year. Its functions are to establish the criteria of skills required for membership on the Board, pre-screen and recommend Board candidates, recommend persons for the positions of Chair and Vice Chair, ensure appropriate orientation, manage evaluation of the Board; ensure the manual contains all documents relevant to the Board's governance structure are current, and recommend persons to sit as members of Board committees. This Committee also serves to deal with all matters of corporate governance and as such, reviews, monitors and reports on Board effectiveness. Members of the Committee include; Barbara Rae, Chair, Allison McNeill, Anna Nyarady, Neil Sterritt, David Stowe, Cynthia Woodward and ex-officio members: John Walton and Pauline Rafferty.

Site Development Committee

The Site Development Committee is a term “special purpose” committee whose principal focus is to advise on the RBCM Master Plan and to assist with moving the renewal of the Royal British Columbia Museum forward. The term is up to three years.

The Committee will be consulted for the oversight and policy in respect of the management and control of the land and property of the Royal BC Museum. Members of the Committee include Ken Mahon, Chair, Donald Hayes, Murray Farmer, ex-officio members John Walton and Pauline Rafferty and Director, Visitor Services, Angela Williams.

Additional Information

Detailed information regarding the Board of Directors and Board policies is posted on the Royal BC Museum’s website, www.royalbcmuseum.bc.ca. The Royal BC Museum fully complies with the provincial government’s “Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations”.

Royal BC Museum Organizational Chart

Minister Responsible
The Honourable Stan Hagen
(Tourism, Sport and the Arts)

Board of Directors
John Walton, Chair

Chief Executive Officer
Pauline Rafferty

Access and Information Management	Chief Financial Office	Curatorial Services	Exhibits and Visitor Experience	Visitor Services	Development Office
Director Gary Mitchell	Director Faye Zinck	Director Grant Hughes	Director Tim Willis	Director Angela Williams	Director (Vacant)
<ul style="list-style-type: none"> • Provides public access to artifacts, specimens and archival material, including images and documents • Manages government archival records • Collects private documents of provincial significance • Extends virtual access to the collections through the RBCM website 	<ul style="list-style-type: none"> • Manages financial and related functions including strategic budget development, financial management, information technology, policy development, business planning, risk management, legal services, and financial analysis 	<ul style="list-style-type: none"> • Develops, preserves and manages the collections • Ensures the safety and longevity of all artifacts, specimens and archival records in the RBCM's care • Conducts research and ensures the collections and knowledge resident in the collections is available to other researchers and public 	<ul style="list-style-type: none"> • Interprets the collections and knowledge resident in the collections through the creation of exhibitions and the development of both school and public programs 	<ul style="list-style-type: none"> • Provides services to the corporation, public, employees and volunteers; property management; revenue reconciliation; visitor relations; human resource management services and liaison with outside service providers • Projects the public image of the RBCM through a broad range of marketing and communication services 	<ul style="list-style-type: none"> • Establish a fundraising program

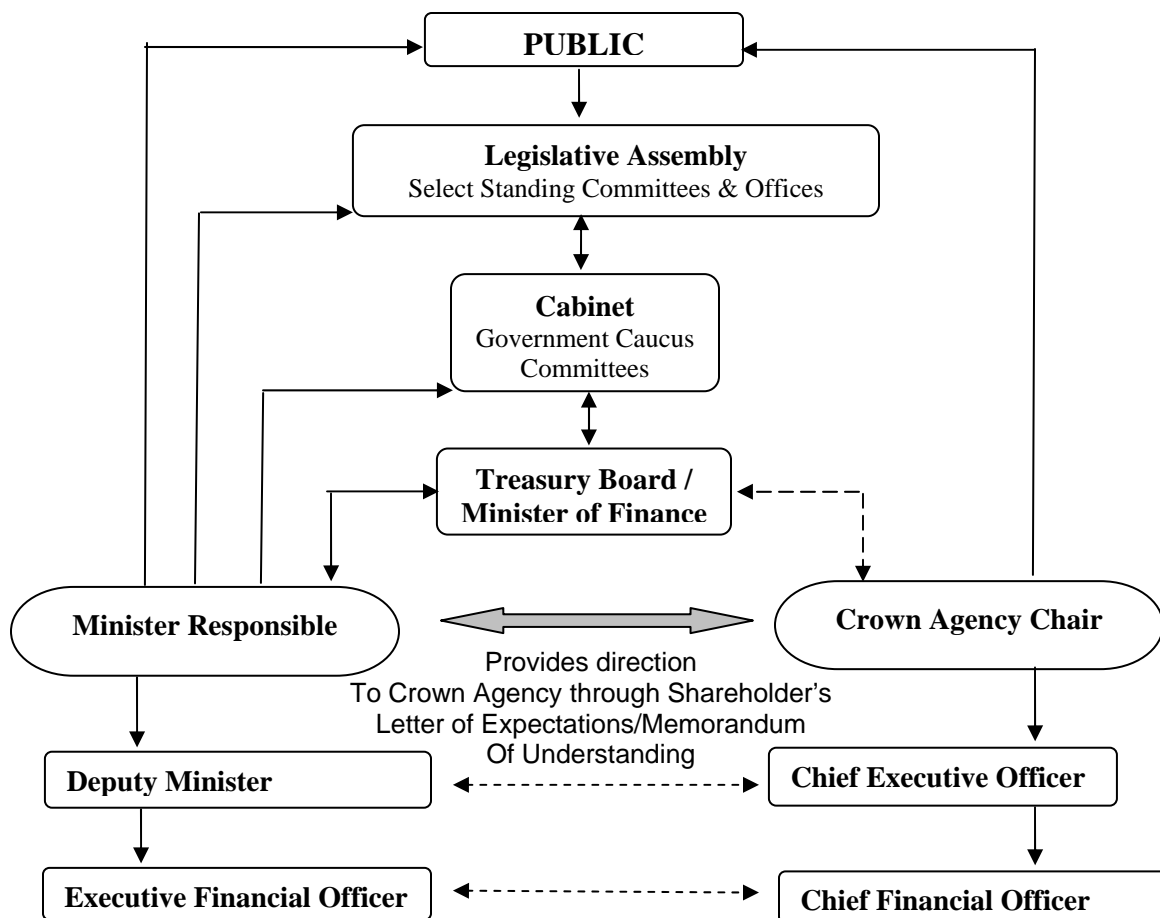
Code of Conduct

The Board has adopted a code of conduct that is consistent with the *Standards of Ethical Conduct for Public Sector Organizations*. The Royal BC Museum publishes its Code of Conduct and Ethics and the Governance and Nominating Committee review the Code of Conduct annually.

The Royal BC Museum requires all employees to comply with the Standards of Conduct for Public Service Employees, as a condition of employment. The Standards of Conduct Policy is available to all employees. The Human Resources branch provides advice and assistance on the interpretation or application of the policy.

The Royal BC Museum Volunteers are required to comply with the responsibilities for conduct outlined in the Orientation Handbook provided to new volunteers during Orientation.

Key Reporting Relationships with Ministers and Ministries



A Minister with a relevant portfolio is appointed by Cabinet to be responsible to the Legislative Assembly for the Crown agency. Under this framework, the Board of Directors of each Crown Agency is accountable to Cabinet through the designated Minister Responsible, and each Minister Responsible is accountable to the Legislative Assembly for the performance of his or her portfolio of Crown Agencies.

Alignment with Government's Strategic Plans

Government's Five Great Goals

1. Make British Columbia the best-educated, most literate jurisdiction on the continent.
2. Lead the way in North America in healthy living and physical fitness.
3. Build the best system of support in Canada for persons with disabilities, those with special needs, children at risk, and seniors.
4. Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management, bar none.
5. Create more jobs per capita than anywhere else in Canada.



Shareholder's Letter of Expectations

Primarily, the Corporation is directed to “fulfill the Shareholder’s fiduciary responsibilities for public trusteeship of the Provincial collections and exhibits, including specimens, artifacts, archival records and other materials that illustrate the natural and human history of British Columbia”.

The letter directs the RBCM to take specific actions “in the most cost-effective manner to ensure maximum benefit to the taxpayer”. Among these actions, the RBCM is directed to:

- *undertake programs and activities that are progressively more financially self-sustaining, and*
- *increase opportunities for private and corporate donations, fundraising and private sector involvement.*

The RBCM is also directed to:

- *diversify RBCM, building British Columbia community support and involvement, and repeat visitation;*
- *create programs in communities across the province that drives economic activity and support, both for the Corporation and communities;*
- *create a traveling exhibition in 2008 that marks the 150th anniversary of the establishment of British Columbia as a Crown Colony; and,*
- *develop an implementation strategy that ensures the successful opening of a Women’s History Museum and legacy exhibit during 2008.*

Finally, the Corporation is directed to “develop a business plan in support of the (previously prepared) Master Plan for approval by the Shareholder”



RBCM Goals

1. Collections representative of the human and natural history of BC which are accessible and preserved and which contribute to the knowledge of current and future generations.
2. A visitor experience that educates and strengthens our quality of life and ensures new and repeat visitation.
3. A sustainable, high-performing organization.

The RBCM aligns its business activities with the government's goals:

Great Goal #1:

Make British Columbia the best-educated, most literate jurisdiction on the continent.

RBCM Business Activities

The RBCM has been developing and offering an average of 8 to 10 different on-site school programs annually for nearly 30 years. Complimentary admission to the permanent galleries is offered to BC school groups who wish to conduct self-led tours.

Through the Internet RBCM offers free access to an abundance of information, through the Research and Student Resource section of the RBCM web-site students, teachers and all British Columbians can read about the RBCM Collections, Archival Records, Genealogy Resources, Living Landscapes, Journeys & Transformations, Amazing Time Machine, On-line Programs, Homework Helper and Kids Page.

The RBCM contributes research for the creation of books that are available in schools and university libraries and loans artifacts to the schools for use in their classrooms.

Great Goal #3:

Build the best system of support in Canada for persons with disabilities, those with special needs, children at risk, and seniors.

RBCM Business Activities

The RBCM has recently identified structural improvements that will be made to enhance access for those with disabilities who require wheelchair access. RBCM also continues to provide all persons with the opportunity to access the RBCM's wealth of information through the Internet as well as offering discount rates for seniors and complimentary gallery admissions to persons with disabilities annually. RBCM provides access to thousands of children annually, through complimentary admission to self-directed tours by BC school groups.

Great Goal #4:

Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management, bar none.

RBCM Business Activities

The Royal BC Museum natural history research program is linked with the other natural resource ministries through investigations on climate change and the identification of rare and endangered species in BC. RBCM also educates visitors about the environment changes and through the Natural History collection through exhibitions and programs.

Great Goal #5:

Create more jobs per capita than anywhere else in Canada.

RBCM Business Activities

The Royal BC Museum workforce includes 120 full-time staff and contracting to various agencies for specialized services. As an established and stable employer in the City of Victoria, it provides on-going annual economic / financial benefits to its employees, contract workers, suppliers, and all levels of government (municipal, provincial and federal).

The Royal BC Museum's operations for the fiscal year 2005/06 are estimated to have had an economic impact in the Southern Vancouver Island region of \$10.6 million. When impacts on other areas of the province are included this increases to \$14.3 million. These levels of generated income will support 447 jobs in the Victoria area, plus an additional 64 jobs in others parts of BC, for 511 jobs in the province.

The economic impact from hosting blockbuster exhibitions is significant. Major exhibitions from the past, including Leonardo Da Vinci and Eternal Egypt combined were estimated to have generated over \$25 million in additional income for the province and were capable of supporting 728 full-time annual jobs. The income and jobs supported by such blockbuster exhibitions is in addition to the normal annual operations of the RBCM. This additional income and jobs would not have occurred if RBCM had not hosted these special exhibitions. Major presentations like this create excitement about the Museum and develop new and repeat audiences to the Museum and create a significant stimulus to the provincial economy.

Shareholder's Letter of Expectations

The Shareholder's Letter of Expectations serves as the basis of agreement between the Shareholder and RBCM respective roles and responsibilities of each part, and the corporate mandate, including high-level performance expectations, public policy issues and strategic priorities. The Shareholder's Letter of Expectations is posted for public review at www.royalbcmuseum.bc.ca/Reports_Policy/Shrhldrs_Ltr.aspx

Strategic Context

Vision

Revealing British Columbia, inspiring wonder

With a passionate commitment to research, education and public involvement, the Royal BC Museum is proud to be among the finest cultural institutions in the world.

Mission

To explore and preserve British Columbia's human history and natural history, to inspire curiosity and wonder, and to share our story with the world.

Organizational Values

- *Accountability* to public expectations and concerns.
- *Responsible stewardship* of the collections and information entrusted to our care.
- *Respect* for diversity.
- *Respect* for people and partnerships.
- *Objectivity* in our work.
- *Environmental* responsibility.
- *Excellence* in all we do.

Key Strategic Issues

Strengths

RBCM possesses a number of strengths to achieve the direction provided in the Service Plan:

- The RBCM is the only institution in the world with a mandate to preserve and interpret the history of British Columbia.
- The RBCM has a strong knowledge base of the human and natural history of all of the regions within BC and is recognized as a Canadian leader in providing innovative ways to broaden accessibility to its collections.
- The BC Archives holds the province's documentary history and is the official archives of the BC Government.
- Breadth and completeness of the combined archival records, artifacts and specimens under the RBCM Corporate structure provides a comprehensive view of BC history.
- The RBCM has a proven track record of hosting and developing exhibitions that significantly influence travel and related tourism spending. Growing interest in cultural tourism provides opportunities to attract new visitors to museums and archives.
- The RBCM demonstrates a strong and successful record in the hosting of temporary and blockbuster exhibitions.
- Regional programs engage British Columbians.
- The RBCM has a strong professional relationship with museums and archives both nationally and internationally.
- The RBCM works closely with the local tourism industry.
- RBCM staff has unique expertise that support the RBCM's mission.
- The RBCM's operations are supported by approximately 450 active volunteers, contributing more than 42,000 hours on RBCM volunteer activities.
- A "Vision for the Future" is identified and outlined in the Business Plan and Master Plan.
- The RBCM plays an active role in the education of BC youth through school programs.

Maintaining Capacity

Expansion and Revitalization Program

RBCM completed a business plan that includes a detailed analysis of the risks the RBCM must address. Developed to support RBCM's Master Plan, the business plan recommends an expansion/revitalization program that would provide solutions to many of the organization's identified risks and sensitivities. The expansion/revitalization program consists of a combination of new and revitalized buildings ensuring a proper preservation environment for collections, safety of its visitors, staff and volunteers, galleries with the capacity to host large blockbuster exhibitions as well as permanent display areas for the world-class collections.

2007/08 Priorities

- Identify/Secure operating capital
- Identify the priorities within existing resources (financial & people)

2007/08 Essential Activities to Implement Business Plan:

- Capital Fundraising plan implementation
- Project Manager retained - the constant "force" behind ensuring implementation is on schedule
- Single point of contact on Business Plan implementation that will see all the components all the way through the project.
- Establish a fundraising/development group

Recruitment and Retention Strategies

- Anticipate and proactively create a plan to address vacancies due to new and reallocated resources (e.g., from business plan implementation); retirements, resignations, and/or other unforeseen circumstances
- Implement proactive and timely recruitment and retention strategies to fill those vacancies
- Volunteers, an important strategic component of the RBCM's operation are recruited on an as required basis

Continue implementation of Collections Risk Assessment strategies

Internal Risk Factors and Mitigating Strategies

Area of Risk	Risk Factors and Sensitivities	Mitigating Strategies
Collection	Some buildings housing artifacts, archival records and collections do not provide a suitable preservation environment.	A combination of new and renovated buildings will ensure a proper environment to preserve artifacts, collections and archival records against damage or irreplaceable loss. Until the expansion /revitalization can take place RBCM will continue the implementation of Collections Risk Assessment strategies.
	The collections continually grow resulting in increased costs which require larger spaces to ensure preservation of the collections. The RBCM's resource base places constraints on the development of the collection.	The Master Plan articulates the long-term growth of the collections to ensure provincially significant treasures are acquired, preserved, and made accessible to all British Columbians.
Access	Portions of some buildings do not have wheelchair access.	The expansion/revitalization plan addresses wheelchair accessibility through upgrading the access to existing galleries.
	Access to collections that are not part of an active exhibition are limited and preventing RBCM from fulfilling its education mandate.	The expansion/revitalization plan would create additional museum space with permanent display areas allowing world class collections to be on exhibit. In addition, RBCM has initiated an electronic collection management system project that will digitally record, catalogue, interpret and make accessible the world class collections for the public to view from anywhere in the world by Internet.
	Significant building deficiencies in terms of access and ease of use.	The expansion/revitalization plan addresses these issues through a combination of new and improved building access and ease of use.

Internal Risk Factors and Mitigating Strategies (cont'd)

Area of Risk	Risk Factors and Sensitivities	Mitigating Strategies
Operating Units	Operating units that could be self-sustaining need to improve their revenue base.	RBCM proposes specific targets that are intended to require the operating units to 'stretch' their operations in order to maximize revenues and minimize expenditures.
	RBCM is facing a large turnover in staff and volunteers due to a maturing workforce. Creates a risk of knowledge loss and volunteers who RBCM relies on to supplement staff.	Mitigation strategies include succession planning, training and knowledge transfer programs, and targeted recruitment of both staff and volunteers.
Revenue and Funding	Capital funding for the proposed expansion/revitalization plan is required in order to address several of the internal risk factors.	RBCM will continue to seek capital funding through a combination of revenue generation including fund-raising plans and contributions from various levels of Government. RBCM will continue to work towards achieving its vision for the future.
	Fund-raising is vital to RBCM's success and competition for funding in a market where demands are continuously increasing makes this challenging.	RBCM will continue to increase its fund-raising efforts and embark on a capital fund-raising campaign.
	Existing retail and food service outlets are poorly located and many visitors don't even notice the operation.	When the expansion/revitalization project is completed the visibility and access to the retail and food service outlets will be greatly improved and, as a result, increase operational revenues.
Partnerships	RBCM needs strong partnerships with the business community and the City of Victoria.	RBCM will strengthen these working partnerships through open dialogue with the business community and the City of Victoria.

Internal Risk Factors and Mitigating Strategies (cont'd)

Area of Risk	Risk Factors and Sensitivities	Mitigating Strategies
Market and External Factors	The strength of the Canadian dollar and stringent US/Canada border regulations has affected the number of tourists (especially from the United States).	The RBCM continues to promote itself within the tourism sector to create awareness. The Winter Olympics and Paralympic Games will increase tourism traffic significantly in 2010 (and beyond).
	A general trend towards declining attendance that is being experienced by museums across North America.	RBCM works towards hosting/creating intriguing exhibitions and new exhibitions for all British Columbians and draw new as well as repeat visitors.
	RBCM competes in the international market for exhibitions requiring significant investment of funds.	In the future RBCM plans to build new exhibitions areas capable of hosting major blockbusters. Until then, attractive temporary exhibitions and refurbishment of the world-class galleries will be done to continue attracting new and repeat visitors to British Columbia.

Key Strategies - Opportunities and planned activities

Host “Titanic - The Artifact Exhibition” 2007

The RBCM will host this six-month major blockbuster “Titanic - The Artifact Exhibition” for 2007. The RBCM is the first venue in Western Canada to present this assembly of artifacts collected by RMS Titanic Inc., the only company in the world authorized to recover artifacts from the Titanic wreck site. This major blockbuster is confirmed.

Exhibition BC2008: Celebrating BC’s 150th Anniversary as a Crown Colony

In celebrating British Columbia’s 150th Anniversary as a Crown Colony the Royal BC Museum will create an exhibition at the RBCM and develop a traveling exhibitions component to tour across British Columbia on the Royal Hudson train. This exhibition allows individual BC communities to add locally significant items emphasizing their distinctive history. The exhibition will open at the Royal BC Museum in 2008 and then travel throughout BC in 2008.

The total cost of the exhibition will be approximately \$3.2M (Provincial support – \$2M)

- The Victoria based exhibition will be 560 square metres.
- The traveling exhibition will be 240 square metres.
- The exhibition will be enhanced by educational programs based on school curricula.
- A commemorative book will be published and available at each exhibition location.

Women's History Museum

The Royal BC Museum received direction from the Shareholder in May 2006 to establish a Women's History Museum. The RBCM supports the Shareholder's vision of establishing a Women's History Gallery and legacy exhibition, and has presented a proposal to the Shareholder for approval and allocation of budget. When the proposal is approved by the Shareholder, the RBCM will:

- Develop an implementation strategy for the Gallery/Museum for Treasury Board approval which includes options and a detailed financial model; and
- Identifies the funding that will be required from Government to implement the Shareholder's vision.

Electronic Collection Management System Project – 2007

This project has been well underway and is part of the Royal BC Museum's commitment to increasing public accessibility. The database project will digitally record, catalogue, interpret and make accessible the millions of items in the world class collections. This project will be complete in 2007 allowing the public to view the provincial collections from anywhere in the world via the Internet.

Capital Projects

This year the Royal BC Museum will undertake capital projects to upgrade the buildings for life safety and retaining Category A status for major exhibits.

- An upgrade to address the specialized temperature and humidity requirements for the collections in order to preserve the collections and to ensure that the RBCM may continue to house certified Canadian cultural property and qualify for grants and insurance indemnification associated with hosting international traveling exhibits.
- Replace elevators that have not been replaced since their original construction 1969.
- Anchor or replace the exterior marble cladding on the exterior of the buildings to today's building code.
- Replace the disintegrating roof posts for Mungo Martin House which was built in the 1950's to ensure the building maintains its integrity.
- Rehouse the archival visual and audiovisual collections to cold storage to prevent further deterioration and to ensure the preservation of these collections for future generations.

Goals, Objectives, Strategies, Measures and Targets

Performance Measurement Framework

Goals	Objectives	Measures
<p>1. Collections representative of the human and natural history of BC, which are accessible and preserved, and which contribute to the knowledge of current and future generations</p>	<p>1.1 Develop a collection that is significant to BC, representative and authentic</p> <p>1.2 Longevity of collection protected</p> <p>1.3 The collections contribute to new knowledge and education</p>	<p>1. Key subjects are represented in collection</p> <p>2. Magnitude of risk to the collection</p> <p>3. % of visitors reporting increased understanding of BC human and natural history</p>
<p>2. A visitor experience that educates, strengthens our quality of life and ensures new and repeat visitation</p>	<p>2.1 Create exhibitions and programs that engage and encourage visitors to explore the BC story</p>	<p>4. Visitor volume On-site and Website</p> <p>5. Major exhibitions presented</p>
<p>3. A sustainable, high-performing organization</p>	<p>3.1 Contribute to the economy of BC</p> <p>3.2 Viable finances</p> <p>3.3 Engaged staff</p> <p>3.4 A community that supports and assists RBCM</p>	<p>6. Economic impact of Corporation - \$ generated towards provincial economy</p> <p>7. Revenue earned above Provincial operating contribution</p> <p>8. Endowments to Corporation</p> <p>9. % of staff reporting they are satisfied or very satisfied</p> <p>10. Number of volunteer hours</p> <p>11. \$ value of in-kind service and support</p>

Core Business Areas

The Royal BC Museum has reviewed its goals, objectives and performance measures to better reflect the Corporation's line of business and shifting priorities. As a result of this review, three key goals have been identified. Changes from the 2006/07 – 2008/09 Service Plan are detailed and explained in Appendix A.

Major Programs

- Development, management and care of the collections.
- Public access to the collections.
- Exhibition development.
- Research and interpretation.
- Public and community education.

Goal 1

Collections representative of the human and natural history of BC, which are accessible and preserved, and which contribute to the knowledge of current and future generations

The Royal BC Museum is the only organization in the world dedicated specifically to the preservation of, and education about, the human history and natural history of British Columbia. This goal is critical to the Corporation's mission. The RBCM must ensure that it collects key specimen artifacts and archives that best represent British Columbia's natural and human history. The RBCM must also ensure that it has identified eligible materials, and work to close any significant gaps that may have occurred, while avoiding duplication and any material not significant to the BC story.

The Corporation's unique mandate also means that the RBCM has to preserve all items it collects. The RBCM needs to ensure that all artifacts and archives are placed in an environment that preserves them for the future. This includes protecting them from destruction through accidents, misuse or natural disasters, and by working to conserve and preserve them in good condition. It is critical that appropriate storage for these irreplaceable pieces of BC's history is provided.

Lastly, the goal means that displays of items in the collection should provide opportunities for visitors and researchers to learn and appreciate BC's history.

Objective 1.1

Develop a collection that is significant to BC, representative and authentic.

Performance Measure		Baseline/ Current Year	Target 2007/08	Target 2008/09	Target 2009/10
1.	Key subjects are represented in collection	Identify subject areas and gaps	Close gaps – Detailed target to be developed	Close gaps – Detailed target to be developed	Close gaps – Detailed target to be developed

Key Strategies and Plans

The Corporation has an ongoing Collection Development program, which assesses the value of known artifacts against criteria for inclusion. The program also takes a strategic view; the RBCM seeks to identify previously under-acknowledged sectors and sources to take a more inclusive view of BC's growing diversity.

Importance of the Measure

Assessing whether the RBCM has collected all relevant and significant artifacts in the collection is an ongoing task, based on changes in knowledge, understanding and appreciation of the changing diversity and changing times of BC's history. Measurement of success in this area is a qualitative process. Success is best measured by assessing the comprehensiveness of the collection and any significant gaps, and then attempting to close those gaps.

Data Limitations

The basis for the assessment is necessarily judgmental, based on current knowledge and professional judgment.

Objective 1.2

Longevity of collection protected.

Performance Measure		Current Year	Target 2007/08	Target 2008/09	Target 2009/10
2.	Magnitude of risk to the collection	50% of archaeology collection upgraded to waterproof containers in the warehouse	100% of archaeology collection upgraded to waterproof containers in the warehouse 25% of ornithology collection with new labels 10% of electronic records with finding aids and location controls 10% of original sound and moving images housed in cool or cold storage	50% of ornithology collection with new labels 50% of electronic records with finding aids and location controls 50% of original sound and moving images housed in cool or cold storage	100% of catalogued objects in Helmcken House & St. Ann's Schoolhouse protected by a sprinkler system 100% of ornithology collection with new labels 100% of electronic records with finding aids and location controls 100% of original sound and moving images housed in cool or cold storage

Key Strategies and Plans

The Corporation plans to minimize risks to the collection by introducing additional measures to protect the artifacts and archives from damage due to moisture, potential flooding, fire, or earthquake. A Collection Risk Assessment was completed in 2005. The long term goal is to have the highest risks reduced in a cost effective way on a priority basis so the collections will be stored in standard compliant storage.

Importance of the Measure

A key goal of a museum and archives is to ensure that the collection is preserved carefully for future generations. This involves several activities, including preservation and conservation. Internationally, there are standards which describe the storage conditions required to ensure the protection of major types of artifacts or archives. This measure reports on how safe the collection is in the current storage environment, by reporting the percentage of the collection that is stored in accordance with the standards.

Data Limitations

The data for this measure are based on professional judgment and using recognized criteria established by the Canadian Conservation Institute (CCI) and the Canadian Council of Archives. The measure reports on numbers of artifacts and archives, and does not adjust for relative value.

Objective 1.3

The collections contribute to new knowledge and education

<i>Performance Measure</i>	Baseline/ Current Year	Target 2007/08	Target 2008/09	Target 2009/10
3. % of visitors reporting increased understanding of BC human and natural history	Baseline to be set through survey	85%	86%	87%

Key Strategies and Plans

The Corporation plans public programming in a variety of ways to enhance the experience of physical and virtual visitors. This includes: school programs offered on-site and on-line, and complement BC School curriculum; daily public programming offered on-site which is both artifact and archives based (Discover Program, gallery animation); and specialized public programming which is related to special exhibitions developed and offered – the latter being dependent on funding and on the nature of the special exhibition. Provincial outreach program planning and implementation is evolving, will complement/enhance the current on-line offering of “*Living Landscapes*” and is anticipated to include artifacts and archives in a hands-on, off-site “provincial” setting (e.g. memory box program). A multi-year strategy for outreach programming will be developed.

Importance of the Measure

This measure is a good indicator of success in increasing understanding, which is critical to the Corporation's mission. Independent visitor research will be used to establish the baseline.

Data Limitations

The data for this measure are gathered in exit interviews with a random sample of on-site visitors. The data are reliable with 95 % confidence, 19 times of 20, etc. [Note: this measure is for on-site visitations and does not recognize 'virtual' visitors.]

Goal 2

A visitor experience that educates, strengthens quality of life and ensures new and repeat visitation

Objective 2.1

Create exhibitions and programs that encourage visitors to explore the BC story.

<i>Performance Measure</i>		Baseline/ Current Year	Target 2007/08	Target 2008/09	Target 2009/10
4.	Visitor volume- Site & Website	2.7 million visitors (incl. page views)	2.835 million visitors (incl. page views)	2.9 million visitors (incl. page views)	3.1 million visitors (incl. page views)
5.	Major exhibitions presented	3 small temporary exhibitions	1 major exhibition 1 small exhibition	Based on plan developed in 2007/08	Based on plan developed in 2007/08

Key Strategies and Plans

The key strategies associated with this measure are about learning and encouragement of learning. The RBCM provides research and support, physical and electronic access, and interpretive services. It also seeks to provide timely, efficient direct access to researchers. The RBCM seeks opportunities to reduce barriers to learning, and provide visitors with experiences that engage them and encourage them to return.

One of the stated mandates of the Corporation is to communicate knowledge of the history of British Columbia through research, exhibitions, publications and other methods. To carry out this mandate requires a variety of programs and activities which may not generate sufficient revenue to be self supporting but which generate benefits to those who receive the services (Students or researchers who use the Web site, students who benefit from the Education collection, artifacts to their classrooms or regular school tours of the exhibition hall, etc.).

A collection management system with a web component was purchased in 2006. Once the application is in place a strategy will be developed to provide standardized on-line access to a larger portion of the collection holdings.

Importance of the Measures

Ultimately, the business of the Corporation, and the purpose of collecting and providing access, is to inform and inspire.

Measure 4, visitor volume, is a fundamental measure of success in attracting first-time and repeat visits. The strength of the tourism market is influenced by the new passport regulations, the strong Canadian dollar and fuel prices.

Measure 5 provides an indicator of the ability of the RBCM's exhibit hall to attract visitors and tourists, and also to provide British Columbians with access to world class displays.

Data Limitations

The data for measure 4 are collected by RBCM entrance procedures and website statistics. The data on visitor numbers are tightly controlled and are reliable. Data for measure 5 is based on actual exhibitions presented.

Goal 3

A sustainable, high-performing organization
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The Royal BC Museum Corporation, like many other cultural institutions, is striving for greater financial self-sufficiency. To achieve this, the Corporation must diversify its revenue base, and seek new partnerships and business opportunities. It also means that the Corporation must make the best use of its resources.

Museums and archives do not exist in isolation. The way they serve and impact society is complex and often not widely understood. In the case of the RBCM, it has been shown that the RBCM Exhibition Hall acts as a significant draw to tourists, bringing increased revenues to hospitality, retail, and other businesses in the region and the province. The addition of high-profile exhibitions in particular has impacted tourist volumes. The importance and contributions to BC's society, and the draw of local, national and international researchers and collaborators to the archives and the human and natural history collections should not be underestimated. These activities recognize the leadership and importance of the Corporation as a whole, as well as individuals in their specialties in their fields - provincially, nationally and internationally.

Objective 3.1

Contribute to the economy of BC.

Performance Measure		Baseline/ Current Year	Target 2007/08	Target 2008/09	Target 2009/10
6.	Economic impact of Corporation: \$ generated towards provincial economy	\$14.3 million economic impact - Supporting 511 jobs in the Province	Minimum \$14.3 million economic impact - Supporting 511 jobs in the Province	Minimum \$14.3 million economic impact - Supporting 511 jobs in the Province	Minimum \$14.3 million economic impact - Supporting 511 jobs in the Province

Key Strategies and Plans

The Corporation provides an ongoing economic impact to the Province of BC. In years when special exhibitions are held, the impact increases substantially. The economic impact estimates are derived from spending by the visitors from outside the Region.

The Corporation participates in benchmarking key performance measurements, practices and trends in facility management through the International Association of Museum Facility Administrators. The benchmarking assists in the effort to set and attain standards of excellence and quality in the design, construction, operation and maintenance of a world-class cultural facility. The benchmarking study is completed every year.

Importance of the Measure

Measure 6 provides a key indicator of the Corporation's contribution to the BC economy. There is a significant increase in the economic impact when the Corporation hosts international exhibitions.

Data Limitations

The data for these measures are collected from the financial reporting systems of Corporation, and are reliable. Caution should be used in interpreting the results. Factors affecting the results include improved ancillary services, mounting of special exhibitions, or needed repairs to restore adequate protection to artifacts and archives.

Objective 3.2

Viable finances.

Performance Measure		Baseline	Target 2007/08	Target 2008/09	Target 2009/10
7.	\$ revenue earned above Provincial operating contribution	\$4.8 million (baseline established in 2005/06)	\$6.8 million (fluctuation due to hosting blockbuster exhibit)	6.0 million	6.3 million
8.	Endowments to Corporation	\$.7 million (baseline established in 2005/06)	Total endowment at least \$1.4 million	Total endowment at least \$1.5 million	Total endowment at least \$1.6 million

Key Strategies and Plans

The Corporation has examined its capacity to generate revenues and has set specific targets for each of the operating units. These revenue targets are reflected in the revenue earned over the operating contribution received from the Province of British Columbia.

Importance of the Measure

Measures 7 & 8 are a key indicator of the Corporation's progress in diversifying its revenue base and reducing its reliance on government support. The increase in earnings in 2007/08 is as a result of forecasted admission revenue for a blockbuster exhibition.

A key element of alternative funding is endowments. The Corporation's success in attracting endowments is a key indicator of self-sufficiency. These targets will be reviewed once the Development Office is in place.

Data Limitations

The data are drawn from the financial systems of the Corporation and are reliable. Complete self-sufficiency is not a viable target, as several significant activities of the Corporation are non-revenue generating but critical to the public good, such as maintaining the provincial archives and human and natural history artifacts and collections.

Objective 3.3

Engaged staff.

	Performance Measure	Baseline/ Current Year	Target 2007/08	Target 2008/09	Target 2009/10
9.	% of staff reporting they are satisfied or very satisfied	75% response rate 3.53 out of 5 (baseline established in 2005/06)	In areas where survey result were below 3 out of 5, achieve 3+	Achieve noticeable positive increase	Achieve noticeable positive increase

Key Strategies and Plans

The Corporation has defined its “people” practices and philosophy. The Corporation’s Human Resource/People Plan is regularly reviewed, updated, and programs are introduced, monitored, and revised to ensure staff have the tools, information and motivation they need to respond to the changing needs of visitors. The Corporation undertakes an annual employee survey and documents activities undertaken to address issues raised by employees.

Importance of the Measure

Engaged and motivated staff is a key factor to the RBCM’s success. The commitment and energy of staff are vital to maintaining services, and to increasing visitor satisfaction.

Data Limitations

The data for this measure are gathered from an annual staff survey and are reliable.

Objective 3.4

A community that supports and assists the Corporation.

Performance Measure		Baseline/ Current Year	Target 2007/08	Target 2008/09	Target 2009/10
10.	Number of volunteer hours	42,000 hours	+5000 hours reported in blockbuster year	100% of baseline	100% of baseline
11.	\$ value of in-kind service & support	Baseline data to be collected in 2006/07	Target to be developed	Target to be developed	Target to be developed

Importance of the Measure

This cultural institution, like many others around the world, is greatly dependent on the enthusiasm and skill of its volunteers. These measures provide a snapshot of the level of volunteering in the community and the support of the business community. Measure 15 looks at the general level of support for the Corporation in the City of Victoria and throughout the Capital Region District, and is a good predictor of the ability to attract and retain volunteers.

Key Strategies and Plans

The Corporation is proud of its active volunteer recruitment and retention program which includes recruitment, training and development for new volunteers; docent training; volunteers matched with staff sponsors to ensure connection of volunteer opportunities to service plan objectives; and, volunteer placement within all areas of the Corporation.

Data Limitations

RBCM tracks the hours provided by volunteers and costs them at a standardized rate. The data are reliable.

Summary Financial Outlook

Operations: Summary Financial Outlook

Resources (\$000's)	Actual			Projections	
	2005/06	2006/07	2007/08	2008/09	2009/10
Revenue					
Operating contribution - Province of BC	12,105	12,273	14,473	12,648	12,794
Museum admission fees ^{2&3}	3,036	3,470	6,076	4,331	4,374
Other income ⁴	2,316	1,553	1,579	1,599	1,704
Deferred capital contributions	650	318	379	412	292
Donated collections and artifacts	32				
Total Revenue	18,139	17,614	22,507	18,990	19,164
Expenses					
Access Services	3,485	3,329	3,383	3,432	3,485
Curatorial Services	6,092	5,666	5,751	5,831	5,916
Exhibits & Visitor Services ⁵	6,371	5,820	9,729	6,510	6,555
Corporate Services ⁶	2,930	2,738	3,634	3,162	3,190
Total Expenses	18,878	17,553	22,497	18,935	19,146
Net Income (Loss)	<u>(739)</u>	<u>61</u>	<u>10</u>	<u>55</u>	<u>18</u>
Retained Earnings	12,505	12,566	12,576	12,630	12,647
FTE's by Program Area					
Access Services	26	26	26	26	26
Curatorial Services	37	37	37	37	37
Exhibits & Visitor Services	46	46	46	46	46
Corporate Services	16	16	19	19	19
Total FTE's	125	125	128	128	128
Capital Expenditures	\$ 1,254	\$ 1,005	\$ 1,970	\$ 250	\$ 405

Footnotes:

1. The 2007/08 operating contribution from the Province includes a one time contribution for creation of an exhibit in celebration of BC's 150th Anniversary as a Crown Colony.
2. Average pricing for admissions is expected to grow in line with average inflation rates (1%) over the course of the next 10 years with the exception of a price growth in 2007/08 related to a planned blockbuster exhibit, and 5% growth in the next years leading to the Olympics with pause in 2010/11.
3. RBCM attendance is influenced by global trends in tourism and fluctuates when hosting temporary blockbuster exhibits. The admission revenues will increase in 2007/08 as a result of hosting Titanic: The Artifact Exhibition.

4. Other income includes earned income, access services, related retail operations, a private/public partnership and gifts in kind (donated collections and artifacts).
5. RBCM operations are supported by a large and dedicated group of volunteers.
6. Corporate services budget will increase in 2007/08 due to the addition of a fundraising and development function. The revenues earned from fundraising have not been shown as the funds will most likely be project specific revenues and endowments.
7. During the past several years the Friends of the Royal BC Museum Foundation has made significant financial contributions to the RBCM. This revenue was earned by the Friends from the operation of the Museum Gift Shop, coat check and public donations.

Operations: Forecast Risks and Sensitivities

Area of Risk	Sensitivities	Financial Implications
Museum Admission Fees	RBCM attendance is influenced by global trends in tourism and fluctuates when hosting temporary blockbuster exhibits.	An operational shortfall developed in fiscal 2006/07 driven in large part by the decline in American visitors to southern Vancouver Island, and also due to factors such as increased competition, rising costs, and a weak US dollar. RBCM experienced its lowest paid attendance in over 10 years. This shortfall was mitigated by a corresponding reduction in expenditures.
Earned Revenues	It is difficult to offset operating cost increases by earned revenue increases. If visitor levels are further depressed, the RBCM's ability to fulfill its mandate may be jeopardized.	The RBCM must earn \$6 million in annual revenue in addition to the provincial operating grant to meet essential operating budget requirements of \$18.5 million. Earned revenue increases through new sources are not increasing at the same rate as operating costs are increasing, putting strain on available resources. Exhibit revitalization is critical to increased attendance.
Staffing	The RBCM workforce is aging, leading to a potential shortage of professionals. In 2006/07, 5% of staff retired; in the next five years, 53% of Corporation staff are eligible to retire.	Ensuring significant time for knowledge transfer is critical. An investment in employee training and development is being made in order to lessen future recruitment and replacement costs.

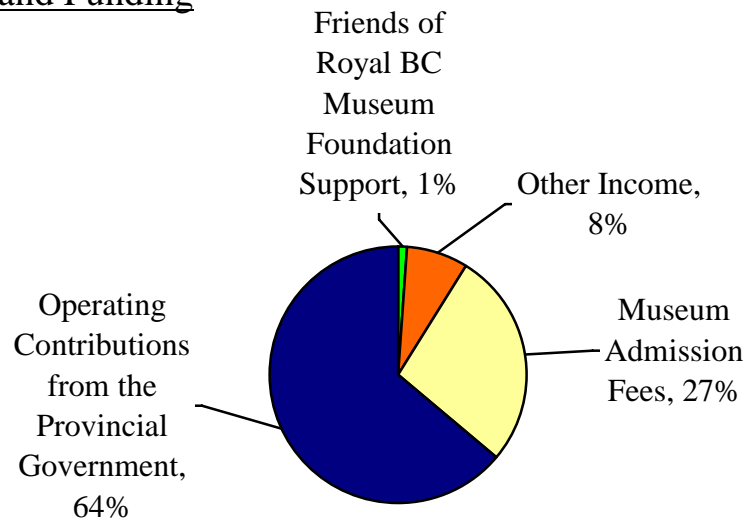
Operations: Key Assumptions

The following assumptions form the context in which the Summary Financial Outlook has been developed:

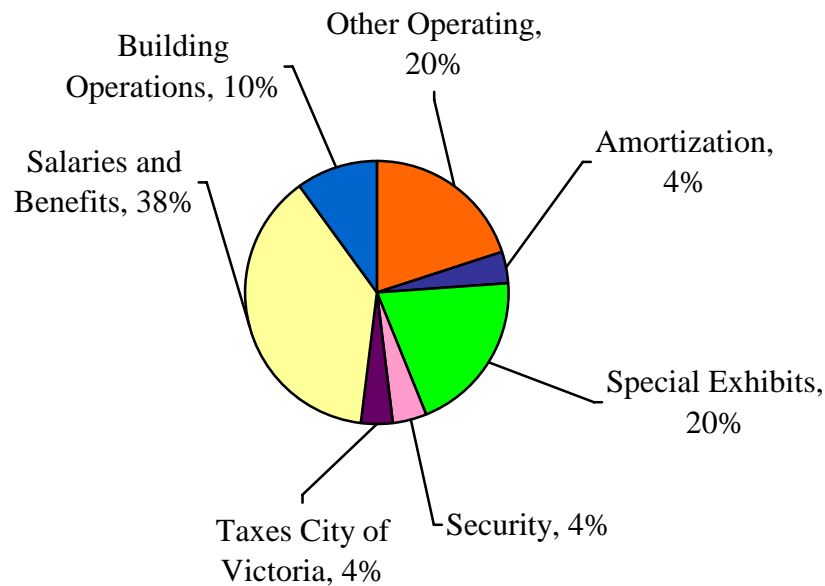
- The collections will develop in size and significance, with inherent increases in care and management required.
- Attendance targets may decline as world events impact travel.
- The BC Treaty Commission process will continue and will require staff time and resources. The RBCM anticipates transfer of some First Nation cultural artifacts and human remains as treaties are completed.
- The visiting public expects renewal.
- An increase in earned revenue and fundraising will be required to deliver core products and programming. A fundraising/development function is being added to RBCM commencing in 2007.

Operational Overview

Revenues and Funding



Operating Expenses



At present, sixty-four percent (64%) of the RBCM's operations and activities are funded through a contribution from the Province of British Columbia. These funds provide for the preservation and management of Provincial collections.

The balance of operations is funded through earned revenue that is comprised of admissions revenues, royalties, fundraising, related retail operations, grants, and fees for activities.

Contact Information

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Appendix 1

A Vision for the Future

The Royal British Columbia Museum (RBCM) has a reputation as one of Canada's great museums. It provides opportunities for British Columbians and people from around the world to view treasures of the past, significant provincial, national and international collections, educational and research programs, and special exhibitions.

However, it has been clear for some time that to become more self-sustaining, RBCM needs to undergo a major revitalization.

A business plan was developed in 2006 in support of the Royal BC Museum's Master Plan. It examined many of the issues around the preservation of collections, including technical, physical, and financial considerations.

The RBCM's expansion and revitalization program includes:

- Design of new Access Services/Curatorial building
- Complete construction of new Access Services/Curatorial building
- Creation of a renewed visitor experience: development of approximately 30,000 square feet of new exhibition galleries, a long-term strategy for temporary exhibitions – both RBCM presentations and touring exhibitions, a comprehensive strategy guiding public and school programming in-house and delivered through outreach.
- Up to four new galleries are proposed to be created, designed to meet the expectations of customers in terms of both technology and access.
- Access to existing galleries would also be improved to allow access for wheelchairs, strollers, and all other visitors.

It is also expected that one of these new galleries would be a Women's History Gallery, meeting a requirement detailed in the Shareholder's Letter. The new galleries will be capable of hosting blockbuster exhibitions as well as permanent displays to showcase Royal BC Museum's extensive collections. A combination of new and renovated buildings will ensure a proper environment to preserve artifacts, collections and archival records against damage or irreplaceable loss. The RBCM will be safer for visitors, provide better function for staff and volunteers, and maximize the enjoyment of visitors for future generations.

This initiative will require many partners, both public and private as well as the Royal BC Museum raising its contribution through increased retail and food service revenues, commercial development, fund-raising and the RBCM's endowment fund.

RBCM's goal is to continue to be a world-renowned museum and archives, maintaining the celebration and preservation of British Columbia's natural and human history, becoming a more financially self-sustaining enterprise, while showcasing British Columbia as the best place on earth.

Changes to Goals, Objectives, Measures

In July & August of 2006, Executive went through a comprehensive review of the Corporation's performance measures. Some of the measures have been changed to be more reflective of the organization.

Previous Goals	Revised Goals	Reason for Change
Goal 1 – The Collections	Goal 1- Collections representative of the human and natural history of BC which are accessible and preserved and which contribute to the knowledge of current and future generations	Clarifies description of goal
Goal 2 – The Visitors Experience	Goal 2 - A visitor experience that educates, strengthens quality of life and ensures new and repeat visitation	Clarifies description of goal
	Goal 3 - A sustainable, high-performing organization	New – reflects goal for high-performance

Previous Objectives	Revised Objectives	Reason for Change
Collections enhancement	1.1 Develop a collection that is significant to BC, representative and authentic 1.2 Longevity of collection provided 1.3 The collections contribute to new knowledge and education	Clarifies description of original objective Adds an objective to ensure collection is preserved for future generations Describes an objective to support research through the collections
Exhibition and program development	2.1 Create exhibitions and programs that engage and encourage visitors to explore the BC story	Clarifies description of original objective
	3.1 Contribute to the economy of BC 3.2 Best use is made of existing resources 3.3 Viable finances 3.4 Engaged staff 3.5 A community that supports and assists RBCM	Adds an objective to contribute to the BC Economy Adds an objective to ensure return on investment Adds an objective to ensure sound financial management practices Restates previous employee satisfaction survey objective Adds an objective to establish and maintain community support

Previous Measures	Revised Measures	Reason for Change
1. Number of new acquisitions 2. Collections preservation costs 3. Risks to collections 4. Productivity/Efficiency	1. Key subjects are represented in collection 2. Magnitude of risk to the collection 3. % of visitors reporting increased understanding of BC human and natural history	Measures the quality of the collection Measures the risk to the collection Measures an outcome of the effort undertaken by RBCM to raise public awareness
5. % increase in usage of RBCM services 6. Service levels and quality (including client and visitor satisfaction) 7. Service levels and quality 8. Increase alternative sources of revenue (fundraising, provincial/ federal Govt. grant contributions) 9. Impact of regional programming in BC communities 10. Brand Awareness 11. Increase visitation among British Columbians	4. Visitor volume -Site & Website 5. Major exhibitions presented	Measures volume of usages Measures quality of exhibition program
12. Employee satisfaction	6. Economic impact of Corporation - \$ generated towards provincial economy 7. \$ revenue earned above Provincial operating contribution 8. Endowments to Corporation 9. % of staff reporting they are satisfied or very satisfied 10. Number of volunteer hours 11. \$ value of in-kind service & support	Measures economic impact – new Measures ability to achieve revenue targets – new Measures growth of endowment – new Measures staff engagement Measures volunteer capacity and community involvement – new Measures community support

