



Museum Life Cycle Completion Toolkit

Prepared by
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Introduction

As Canadian museums navigate new post-pandemic realities, conversations around changing and ceasing operations have become increasingly common. In response to this, the Association of Nova Scotia Museums, with the support of the Nova Scotia Department of Communities, Culture, Tourism and Heritage, engaged a consultant to develop this toolkit for museums considering closure.

Maggie MacIntyre
Executive Director, Association of Nova Scotia Museums

During the course of its active life, an organization will go through a series of ebbs and flows as it adjusts to changes in environment, capacity and mandate. Organizational change can be difficult as it invariably causes uncertainty and takes time, effort and resources to implement. It can also be enormously beneficial for an organization and create new energy and vision for the future.

This Toolkit is offered as a resource for museums considering organizational change. Understanding the many aspects of a museum's operation and legal responsibilities, as well as community and donor relationships and responsibilities can be daunting. While it may be clear that it is time for the next step in the museum's lifecycle, it can be difficult to initiate the steps needed to make informed and healthy decisions for the museum going forward.

The toolkit is organized in easy-to-follow chapters that cover the main areas of consideration in the decision-making process towards forward planning.

The toolkit is not a legal authority, rather it offers background information on process and options for change as well as legal considerations. It is recommended that museums work with legal counsel should they identify a need for substantive change(s) to their organization.

Anita Price
Forage Greenery & Heritage



Getting Started

A life cycle review process will look different for every organization. While museums provide very similar roles in their public service to communities, they do so with a unique set of resources, relationships and responsibilities.

Recognition of needed change can emerge from a wide variety of sources. For example, a museum may experience a downturn in volunteer contributions, making it difficult to sustain programming; a facility or building may require substantive repairs; or a tenancy relationship may change, instigating the need for a new home for the museum. Changes in funding support (self-generated or sponsor-provided) can mean sustaining existing operations is no longer possible. Many different factors can be catalysts for change and it is important to recognize when the time has arrived for a review process.

“The secret to change is to focus all your energy, not on fighting the old, but on building the new”

Socrates

Taking the time to understand the current state of the organization, including any areas of weakness or stress, is a fundamental step in beginning a review process. Determining who needs to be involved and how the process will be structured is important foundational work. If key individuals involved with the museum recognize the organization is at a significant point of change in its life cycle, then it is time to take action on building a review process to move the museum forward. It is also important to recognize that any decision-making process will involve more than one conversation, include differing points of view and take time.

A substantive life cycle review will probably require a facilitator to help structure discussions and the decision-making process, as well as to ensure all aspects requiring consideration are included in the process, and that group consensus is reached on the way forward. This individual can be a contracted facilitator with an understanding of non-profits (including museums) or someone already involved with the organization who can fill the facilitator role with the confidence of the group.

It is important to set up the process in a considered manner that respects all stakeholders in the museum's present and future. It is fundamentally understood that major change is on the horizon for the museum, laying strong groundwork will serve to ensure process outcomes have the synergy required to move them forward.



Museums and Community

Museums are service organizations. They can have a wide variety of governance structures, physical or virtual collections, be staff or volunteer-led, and be non-profit or private. Regardless, at their core, they are a service to society.

“Increasing numbers of history organizations—ranging from all volunteer staff to million-dollar operations—are undergoing major change and transformation. The reasons range from economic survival to a fundamental redefinition in purpose, based on the belief that our field is embarking on an era in which the traditional activities of collecting, preserving, research, and exhibiting are simply no longer adequate. Museums and history organizations worldwide have been challenged to justify their existence by the public value, and positive contribution that they make to their communities”

**Candace Tangorra Matellic,
CTM Professional Services Inc.**

Relevance and a sense of disconnection with community can trigger a museum's governing body to undertake a review process, which can include a deep assessment of its relationship with, and service to, its community. Community can be recognized as a geographic area, or be based on a specific theme or subject (e.g. agricultural museums). It is critical to the effectiveness of the review that the community be involved in the process.

“Community care is trusting that your community will have your back when you need support, and knowing you can be trusted with the same”

**Mike Murawski, author
Museums as Agents of Change**

Exploring Options

There are many ways for a museum to serve its community. If there is a deep organizational sense that the current operations cannot be sustained, then fundamental change needs to happen. By exploring different options, new partnership potential and different ways of doing things can re-energize the organization. As referenced previously, a life cycle review process can structure decision-making and significantly ease any transition the organization determines it needs to make.

Transition can mean fairly minor adjustments adapting organizational capacity changes or relevance in programming, or it can be a decision to dissolve the organization and liquidate its assets in their entirety:

- The museum may decide that refreshing an existing strategic plan to incorporate new programming or an adjusted timeline for delivery of outcomes is sufficient transition.
- It may determine that a strategic plan to substantially transition the organization be developed and implemented over a period of years.
- The review process may determine the organization is in a critical state of operation and a dissolution process must be developed and implemented in a timely fashion.

Decisions to substantively change a museum should not be made unilaterally or by a small group of individuals. Regardless of how a museum organization may have diminished over the years, there will remain many people in the community who have a vested concern in any significant change for the museum.

Transition for the museum can instill new energy and establish new partnerships, as well as lessen operational overheads. Some case study examples are included with this toolkit. These include an example of several smaller museum/heritage organizations merging into a combined operation which also preserved an industrial heritage building as a shared facility and helped anchor a community cultural hub (arts centre, market, museum). Another example highlights a community "ecomuseum" and its partnerships which support community endeavours as well as municipal priorities. Transition can mean closing a physical museum space and operating entirely in a virtual format. It can also mean downsizing a facility or divesting property. There are options to consider as conversations evolve and different perspectives and opportunities are considered in context.

A useful guide is [Building Responsive Museums, A Discussion Framework](#) (2009). This resource was produced by The Learning Coalition, which was a collaborative group of provincial museum associations (Including ANSM). As stated in the Framework document, it is a "self assessment tool for museums to examine their current relationship with their communities and plan for their future".

This resource incorporates and recognizes the work of North America's leading professional organizations as well as several individuals with extensive knowledge of museum practice (see Framework acknowledgments).



Building Responsive Museums, A Discussion Framework includes:

Introduction: How to Use the Discussion Framework

Symptom or Triggers

Creating a Vision for Community Involvement

Pre-Reading 1: Critical Thinking for Effective Self Assessment

Pre-Reading 2: Developing an Action Plan

Pre-Reading 3: Group Decision-Making: The Better Way

Pre-reading 4: Making Change Before You Begin

The Discussion Framework

Section 1 - Museum's Audiences and Community

Section 2 – Mandate and Planning

Section 3 – Public Perception

Section 4 – Public Involvement

Section 5 – Public Experience

Toward an Action Plan

Conclusion

Think Deeper: Organizational Capacity

Think Deeper: Museums & Sustainable Communities

Think Deeper: Branding

Think Deeper: Collaboration

Annotated Bibliography

Appendix I – Understanding Change and Transformation in History Organizations

Appendix II – Where to Find a Facilitator

Appendix III – Colleagues Comments

Glossary

The process represents a substantive amount of work for a museum at a point in its organizational life when resilience maybe low and resources few. Reaching out to its provincial museum association, community organizations, non-profit support organizations and funders can be helpful in finding necessary guidance and resources for moving forward. Not every organization will have the capacity to undertake the Framework process in its entirety. Recognizing key messages to include Community, attend to different perspectives, continue conversations and recognize that the way forward will likely need adjustment as things proceed will help those intimately concerned for the museum's future.

Another resource which may be useful for museums contemplating their future is the [Thinking of Starting a Museum workbook](#) prepared by the Alberta Museum Association. While it may seem counterintuitive to use a resource focused on starting a museum when the museum already exists, the document moves through a series of considerations and activities that are in line with the issues for determining a way forward.



To Be or Not To Be

Following due consideration of its existing status, as well as its capacity to move forward, a museum governing authority may decide to substantially reduce its operations or cease operations entirely. It may also decide to amalgamate with other organization(s) in some manner.

Any of these substantive changes will have legal ramifications for the organization, which need to be addressed in a timely fashion. It is critical for legal council to provide support and action, particularly through a dissolution process.

The reality is that while museums are established with the presumption of permanence, sometimes circumstances are such that they do close their doors. The COVID-19 pandemic, with related closures, restrictions and uncertainty, has exacerbated the loss of resources and organizational energy for many museums across the country. In particular, rural sites have experienced the impact of population decline as reduction in volunteers, visitors, business supporters, community funding and more. Any decision to close a museum's doors permanently will be difficult and emotional for all concerned.

“Even when facing closure, history museums must recognize that what they do will have impact on the larger professional community of which they are a part”

**When a History Museum Closes,
American Association of State and Local History, 2007**

All museums are encouraged to adopt or develop a Code of Ethics which directs and informs organizational policies and practices. The Canadian Museum Association (CMA) [Ethics Guidelines](#) is the most commonly adopted code in Canada and it is largely drawn from the International Council of Museums (ICOM) [Code of Ethics for Museums](#). Both are based strongly on the concept of museums as public service organizations that operate on a fundamental basis of public trust. If a museum contemplating closure has not previously adopted a Code of Ethics, it is recommended this be done with full endorsement (Motion of the Board) prior to substantially moving into a dissolution process.

A full review process, such as described in the Building Responsive Museums Framework, may not be within the capacity of the organization. It does, however, need to structure a transition process to ensure accountability to stakeholders, as well as to ensure all legal requirements, due diligence and

ethical considerations are covered. Non-profit dissolution requirements are well articulated by both federal (Registered Charitable Organizations) and provincial (Registry of Joint Stock Companies).

It will take time and energy to move through the dissolution process, particularly in the area of collections. It is important to recognize this and plan accordingly. A sub-committee of an overarching dissolution group would probably be able to move this aspect of asset dispersal most effectively. Examples of dissolution policies are included in the resource section. A dissolution policy can be a useful tool for all museums, as it can provide a process, understanding of assets, legal requirements and procedures for deaccessioning its collection.



Legal Considerations

1. Preliminary Notes

The sections below address discrete legal questions associated with the liquidation and dissolution of a museum that is organized as a society under the *Societies Act (Nova Scotia)* or a not-for-profit corporation under the *Canada Not-for-profit Corporations Act (Canada)*.

The sections were prepared on the assumption that they would be embedded in a fuller guide that assists museums to determine whether dissolution is appropriate for them and, if yes, helps organizations to develop and implement a transition plan covering pre-planning, plan development, stakeholder engagement, liquidation, dissolution, among other steps.

The sections below focus on the discrete legal elements within the broader transition planning process. The sections do not highlight best practices in developing a transition plan for museums and cultural institutions and communicating that plan to museum stakeholders. We assume that the ANSM will assume responsibility for this item based on its own internal expertise and external literature review.

The information contained in the sections below constitutes legal information; not legal advice. In developing and implementing a transition plan, ANSM members should obtain independent legal advice that is tailored to their individual circumstances.

2. What are the legal steps associated with ceasing operations and dissolving an organization?

There are two primary steps to ceasing operations and dissolving an organization:

- 1. liquidation of the organization's assets and the discharge of any liabilities; and**
- 2. dissolution and surrender of the organization's certificate of incorporation.**

The specific content of these steps will depend on factors specific to the museum, including its corporate structure, its tax designation, the character, size and value of the museum's permanent collection, and the character, size and value of any other assets or liabilities held by the museum, among others.

An organization considering liquidation and dissolution should do so with reference to its corporate documents, such as its memorandum of association or certificate of incorporation, its by-laws and enabling legislation. These sources may dictate the procedures associated with the liquidation and dissolution. For that reason, they should form the legal framework within which the transition planning process occurs. Organizations considering liquidation and dissolution should ensure they do so with reference to all applicable requirements under these sources. This includes all member approval, director approval and public notice requirements for each stage of the liquidation and dissolution process.

3. Liquidation

The term “liquidation” refers to the process of creating an inventory of assets and liabilities of an organization and disposing of all assets and discharging all liabilities.

(a) Completing an inventory of the museum’s assets and liabilities

The primary assets of a museum will be the objects in the museum’s permanent collection.¹

The legal status of these objects can be divided into two categories:

- 1. objects owned by a museum that are not subject to any conditions or restrictions; and**
- 2. objects owned by a museum that are subject to conditions or restrictions.**

If an object was acquired by or donated to a museum without any conditions or restrictions, there are no legal restrictions on the museum’s ability to dispose of that object through a transfer to another museum, sale or other means.²

If, on the other hand, an object was acquired by or donated to a museum subject to clearly stated and legally binding conditions or restrictions, the museum may be restricted in its ability to dispose of that object.

For example, if an individual donated an artwork to a museum subject to a written, legal condition that the museum display that artwork in perpetuity to members of the community the museum served, then the museum cannot dispose of that gift without breaching a condition of the original gift, voiding the gift, and potentially causing ownership of the artwork to revert to the original donor.³

To determine whether an object held by a museum is subject to conditions or restrictions, the museum must review the donation records associated with the objects held in its collection and ensure it complies with the terms and conditions of those donation records. If an object is accompanied by a legal document imposing a condition precedent, a condition subsequent, ongoing donor direction or other restriction or limitation, the museum should engage a legal professional or other specialist to determine whether the legal document restricts the museum from disposing of the gift in accordance with the preferred approach set out in its transition plan.

In addition to the objects held in a museum’s permanent collection, museums may possess other assets, such as cash, financial assets, personal property or real property. Like a museum’s

1. Objects held by a museum on short- or long-term loan do not form part of the museum’s permanent collection, are not part of the museum’s property, and therefore cannot be disposed of by the museum. Rather, museums must return these objects to their owners. If a museum holds an item under an indeterminate historical loan, please see the ANSM’s [Loan Reconciliation Toolkit](#) for information on clarifying and reconciling ownership of these items.

2. Despite the absence of legal restrictions on a museum’s ability to dispose of objects not subject to conditions or restrictions, the liquidation and transition planning process should include a communications strategy. The communications strategy would be designed to communicate to the museum’s stakeholders, among other things, the museum’s intention to wind-up its operations, the museum’s rationale for doing so, and the museum’s plan for managing its legacy and the disposal of its permanent collection.

3. Terrence S. Carter, “Donor Restricted Charitable Gifts: A Practical Overview Revisited” (November 22, 2020) at 44, online: <https://www.carters.ca/pub/article/charity/2006/tsc0421.pdf>.

permanent collection, these types of assets will also need to be accounted for and disposed of, whether through transfer to another museum, sale or other means.

In addition to creating an inventory of the museum's assets, a museum that wishes to dissolve must also create an inventory of its liabilities, which can include short and long term debts and or other legal obligations. A museum must identify and pay or discharge all legal liabilities as part of the liquidation process before it can legally dissolve.

(b) Disposal of the museum's assets and discharge of the museum's liabilities

After a museum completes an inventory of its assets and liabilities, the museum must dispose of those assets through a transfer to another institution, sale or other appropriate means identified in its transition plan. In most cases, the transition planning process will identify a successor institution as the recipient of all or parts of the museum's permanent collection.

Depending on the character, extent and value of the museum's permanent collection, the dissolving museum should negotiate a legal agreement between it and one or more successor museums (e.g. an asset transfer agreement or bill of sale and general conveyance). In these documents, the dissolving museum and successor museums would negotiate the terms and conditions of the transfer of all or part of the dissolving museum's permanent collection, including the successor museum's obligation to maintain, curate and exhibit all or parts of the dissolving museum's permanent collection on an ongoing basis.⁴

If directors, staff, or other stakeholders of the dissolving museum wish to participate in the operations of the successor museum, the legal agreement may create channels to facilitate that participation, including through the successor museum engaging staff of the dissolving museum, the successor museum allocating board seats to members of the dissolving museum, among other channels. In these circumstances, the legal agreement would go beyond an asset transfer agreement and would contemplate a partial or complete merger or consolidation between the two organizations.⁵ In addition to complying with the recommendations identified in the transition planning process, museums must ensure that they comply with any legal requirements applicable to the liquidation and dissolution.

4. These paragraphs assume that most dissolving museum's will be transferring all or part of their historical collection to a successor organization. In circumstances where a dissolving member cannot identify one or more successor organizations, the dissolving museum may sell all or parts of its permanent collection, subject to the comments above on objects owned under restrictions or conditions. The proceeds of those sales, if any, can be used to cover the liquidation and dissolution costs or other liabilities. If there are surplus funds remaining, the dissolving museum can consider transferring those to an organization with a similar purpose and mandate or otherwise in accordance with the liquidation and transition plan.

5. Mark Blumberg, "Mergers and Amalgamations in the Canadian Non-Profit and Charitable Sector" *The Philanthropist*, Vol 22, No 1, online: https://www.canadiancharitylaw.ca/uploads/Mergers_and_Amalgamations_in_the_Canadian_NonProfit_and_Charitable_Sector_-_by_Mark_Blumberg_in_The_Philanthropist.pdf.

The points below identify legal requirements applicable to the dissolution process.

- **If a museum is organized as a registered charity, the museum will normally be required to transfer its assets to another registered charity or “qualified donee”.**
- **Before developing a transition plan, the museum should review its constating documents (i.e. articles of incorporation, memorandum of association or by-laws) to ensure it complies with any specific provisions relevant to the liquidation process.**
- **If the museum is established under specialized federal or provincial legislation, the disposal of the museum’s permanent collection will need to comply with requirements under the relevant legislation.**
- **If a museum’s permanent collection contains objects subject to specialized legislation (e.g. military artefacts, controlled goods, or regulated heritage property or cultural artefacts), the museum will need to ensure that the dissolution, sale and transfer of those goods complies with relevant legal requirements.**
- **If the transition plan contemplates the sale or transfer of objects across international borders, the museum will need to ensure that the sale or transfer complies with any special legal requirements under Canadian federal and provincial law and under the law of the recipient country.**

Even if there are no legal restrictions that prevent a museum from disposing of its permanent collection, there are professional and ethical standards that inform the management, maintenance and disposal of historical collections. Equally, museums are subject to public expectations regarding how permanent collections should be managed, maintained and disposed of. The transition planning process should be conducted in a manner that is sensitive to relevant professional and ethical standards and responsive to the public interest.⁶

6. See, e.g., AASLH Committee on Professional Standards and Ethics, “When a History Museum Closes: Ethics Position Paper” (Summer 2007), online: http://download.aaslh.org/history+news/ethics_paper_no2.pdf.

3. Dissolution

The term “dissolution” refers to the process of dissolving an incorporated non-profit organization or registered charity and terminating its legal existence.

In general, there are two categories of obligations associated with the dissolution process:

- 1. corporate obligations under the dissolving organization’s enabling legislation; and**
- 2. tax obligations arising under the *Income Tax Act (Canada)*.**

These obligations are additional to those described above related to the liquidation of the dissolving museum’s assets and the discharge of the dissolving organization’s liabilities.

(a) Corporate Obligations

The steps an organization must follow in order to dissolve will depend on organization’s enabling legislation (of the legislation the organization is incorporated under).

The table below describes the simplified dissolution process for two of the most common categories of non-profit organizations:

- 1. an incorporated society established under the Societies Act (Nova Scotia); and**
- 2. a not for profit corporation established under the Canada Not for Profit Corporations Act (Canada).**



Organization Type:	Incorporated Society established under the <i>Societies Act (Nova Scotia)</i>	Not-for-profit Corporation established under the <i>Canada Not-for-profit Corporations Act (Canada)</i>
Overview of dissolution process:	To dissolve an incorporated society, an applicant must prepare the following documents: (a) special resolution passed by three-fourths of the society's members authorizing surrender of certificate of incorporation; (b) up-to-date financial statements showing no assets and liabilities; (c) completion of a petition for surrender of certificate of incorporation form; and (d) receipt of Transfer showing the transfer of any surplus funds to another non-profit organization or qualified donee. The applicant would then file the above documents with the Nova Scotia Registry of Joint Stock Companies and pay the dissolution fee of \$12.45 ⁷	To dissolve a federal not for profit corporation, an applicant must prepare the following documents: (a) special resolution passed by two-thirds of the corporation's members authorizing the dissolution; and (b) completion of a certificate of intent to dissolve form. The applicant would then file the above documents with Corporations Canada. There is no fee to dissolve a federal not-for-profit corporation.⁸

7. See Nova Scotia Registry of Joint Stock Companies, "Wind-up and dissolve a society", online: [https://beta.novascotia.ca/wind-and-dissolve-society#:~:text=Passing%20a%20special%20resolution&text=having%20a%20quorum%20\(minimum%20number,-to%20wind%20up%20and%20dissolve](https://beta.novascotia.ca/wind-and-dissolve-society#:~:text=Passing%20a%20special%20resolution&text=having%20a%20quorum%20(minimum%20number,-to%20wind%20up%20and%20dissolve).

8. Corporations Canada, "Dissolving a not-for-profit corporation", online: <https://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs05167.html>.

(b) Tax Related Obligations

In addition to the corporate requirements above, organizations seeking to dissolve must complete certain tax filings that depend on their tax designation.

The table below describes the simplified tax filings for two of the most common tax designations under the *Income Tax Act (Canada)*:

1. a non-profit organization; and
2. a registered charity or qualified donee.

Tax Designation:	Non-Profit Organization	Registered Charity or “Qualified Donee”
Overview of process:	Following the dissolution of a non-profit organization, it will be necessary to submit the ordinary tax filings to the CRA for the period from the organization’s most recent financial year end to the dissolution date: (a) T2 Short Corporate Income Tax Return; and (b) T1044 Non-profit Information Return.	Prior to the dissolution of a registered charity or qualified donee, the organization should send a voluntary revocation request to the CRA Charities Directorate through My Business Account or through filing a T2051A Form with the CRA Charities Directorate. Following the dissolution of a registered charity or qualified donee, the organization will be required to submit a T3010 Annual Information Return with the CRA Charities Directorate for the period from the organization’s most recent financial year end to the dissolution date.

This section of the Toolkit was prepared by McInnes Cooper Law Firm.

Collections Management

Collections Management is a term used to address the policies and practices required to physically, intellectually and ethically manage the collections (tangible and intangible) of a museum organization. Deaccessioning is the term used to articulate the process of legally removing objects from a museum collection. Should a museum decide to amalgamate with another organization, downsize its collection or to dissolve entirely, it will be deaccessioning from its collection.

A review and inventory of the collection prior to moving into active deaccessioning is important. It is important to know what comprises the collection as well as ownership status. Collections can be acquired through a variety of means including donation, bequest, purchase and, in the case of paleontological and archaeological items, found or collected. The collections management policy and related policies and procedures should form the framework for any review of a collection. If the museum does not have a current policy, it is important to establish one prior to beginning a review. This will provide process and accountability for what can be a lengthy and complex undertaking. ANSM includes a collections management policy example, along with related policies and templates in the resource section of its website.

It's not uncommon for objects to be "found in collection". These comprise undocumented objects held by the museum whose origin or provenance is unknown. Such objects should be accessioned into the collection so there is documentation of their existence, and their disposition can be included in the organizational record. Ownership of found objects can be difficult or impossible to determine. The ANSM resource [Reconciling Loans Toolkit](#) contains a lot of practical information including legal advice on dealing with unknowns in the collection. Loans to a museum are not the property of a museum and therefore must be returned to the owner.

Protection of Special Places and related specimens and archaeological materials are covered in the Nova Scotia Special Places Act. The Act does not specifically reference transfer of specimens or archaeological materials from museum collections to another institution. However due to legislative protections, it is important Nova Scotia Museum curatorial staff for the respective disciplines be contacted for consultation prior to transfer/disposal of any materials covered under the protection of [Special Places Act](#).

Museum collections can include firearms and other restricted ordnance items. It is the museum's responsibility to ensure these are transferred or otherwise removed from the collection with due consideration of government restrictions. Reference the [Canada Firearms Act](#) prior to disposal to ensure the appropriate actions are taken. The Provincial Firearms Officer or the local police or RCMP detachment may also be able to assist.

A collections management policy will ideally include information regarding deaccessioning and disposition of a museum's collections in the event of closure. Formal agreement with another museum for transfer of the collection to its holdings is an important and accountable means of maintaining a collection in the public domain. Such an agreement must be acknowledged by both parties and should be revisited on a regular basis.

It is important to note that collections cannot be returned to the original donors. This is a stipulation of the Canada Revenue Agency. As noted in the legal section of this guide, collections can be sold as assets of the organization, but this should be done in a publicly accountable manner with full disclosure and is not the preferred disposition for collections. In some cases, donation agreements can include clauses with stipulation that the gift(s) be returned to the donor if the museum wishes to deaccession them. Such instances should be addressed with the support of legal council to ensure appropriate measures are taken moving forward.



Communications

Ensuring clear communications during any sort of substantive organizational change is very important. The museum's community will learn about organizational change and issues through a variety of means, and this can lead to incorrect information in public circulation, as well as negative perceptions about the organization.

A clear and concise communication plan will be an important tool for any change in management situation. The plan does not need to be lengthy or complex. It needs to articulate a clear message about changes at the museum, indicate a spokesperson and describe communication tools (letters, social media, press releases, etc)

When telling people about any changes, information must be put forth in an accessible way. For example, messaging with clear and careful use of language, in a proactive voice, can make a substantial difference in how the transition at the museum is understood.

Museums enjoy an extraordinarily high level of public trust and esteem. In general, people want to support museums (whether or not they attend) and think positively about their role in society. This positive perception is a natural benefit for any museum undergoing substantive change. Open and honest communications will be a significant asset in a change situation.

There are many examples of communications strategies for non-profits. Most will focus on fundraising initiatives, but can have useful tips for development of communications plans. Canada Helps offers a straightforward resource tool which can be adapted, [Creating a Communications Plan that Works!](#)

What Makes a Good Story:

Simple: it doesn't try to cover too many bases

Short: no more than a minute long, easy to remember, no script needed

active: the story is about doing things

True: telling a true story is a chance to talk honestly about the organization told for a purpose

Good Stories Feature:

A strong character or message : an issue or individual at its centre that people can care about.

A turning point: a change or resolution

Excerpt from [What makes a Good Story](#). Know How, UK



Resources

Legislation & Museum Non-Profits

Dissolving a not-for-profit Corporation, Government of Canada

<https://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs05167.html>

Guide to Law for Non-Profits in Nova Scotia, Legal Information Society of Nova Scotia

https://www.legalinfo.org/index.php?option=com_docman&view=download&alias=426-guide-to-law-for-non-profits-in-nova-scotia-2020&category_slug=non-profit-charitable-organizations&Itemid=1359

Registry of Joint Stock Companies, Government of Nova Scotia

<https://beta.novascotia.ca/programs-and-services/registry-joint-stock-companies>

Special Places Protection Act (nslegislature.ca)

<https://nslegislature.ca/sites/default/files/legc/statutes/specplac.htm>

Wind up & Dissolve a Nonprofit, Government of Nova Scotia

<https://beta.novascotia.ca/wind-and-dissolve-society>

Museum Ethics

Canadian Museum Association

<https://www.museums.ca>

Checklist on Ethics for Cultural Property Owners, ICOM

https://icom.museum/wp-content/uploads/2018/07/110825_Checklist_print.pdf

International Council of Museums

<https://icom.museum/en/>

Museum Association (UK)

<https://www.museumsassociation.org/#>

Museum Dissolution Policy, Municipality of Waterloo (ON)

<https://www.creativecity.ca/product/dissolution-or-closing-of-a-museum-132kb-2009/>

Museum Dissolution Policy, Whitchurch-Stouffville Museum & Community Centre (ON)

<https://www.townofws.ca/en/explore/resources/Museum/2017-Dissolution-Policy---final.pdf>

Governance

Museum Board Governance Tip Sheet, (MAS)

<https://saskmuseums.org/files/tipsheet-governance.pdf>

Roles & responsibilities of Museum Boards of Trustees, CMA

<https://www.museums.ca/uploaded/web/docs/trusteesguidelines.pdf>

Community Engagement

Engaging Your Community: A Toolkit for Museums, Tamarack Institute/OMA

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Appendices

Tip Sheet

How to Close a Museum

When the difficult decision has been made to close a museum and begin the dissolution process for the organization and its assets, there are several steps to put in place. Some steps can take place simultaneously, but should be recognized as unique aspects of dissolution for a museum organization.

Step 1: Identify a leader for the transition process

There needs to be a point person who ensures all aspects of dissolution are undertaken in a timely fashion and with due diligence. This individual can be a board member, staff person, contractor or volunteer. However, they should have a clear understanding of the museum and its situation as well as the confidence of the Board of Directors going into the process. It is a good idea to have a memorandum of understanding or contract with this individual so expectations, responsibilities and extent of authority are understood by all parties and adhered to.

Be aware that while one individual is taking a leadership role in the closure, there will be much to do and many hands will ease the process. Regular meetings and check-ins will be critical to ensure everyone involved is aware of both progress and problems.

Step 2: Finances

Ensure there are detailed and accurate financial records going into a dissolution or liquidation process. The Board of Directors will need a clear understanding of assets and liabilities. Depending on the financial health of the organization and accuracy of records, it may be necessary to contract a CPA or other appropriately credentialed person to audit the financial records.

A special budget will need to be developed in tandem with the operational plan to address closure-related expenses such as staff severance packages, storage costs, transportation, insurance, legal and communications.

Step 3: Operational Plan

A plan including a timeline and incorporating a closure budget for the various aspects of dissolution will need to be developed and include as much detail as possible. This will need to be implemented as a living document that is frequently referenced and adapted as the process moves forward. Expect unexpected hurdles which may lengthen the time frame needed or create additional costs. The leader will need to be involved in developing this plan as well as the Board and key staff and/or volunteers.

An adjunct to the operational plan is a staffing plan (paid and unpaid). People will be needed to undertake an enormous number and variety of tasks, so understanding human resource

requirements is vital. A museum may decide to develop a closure plan that specifically addresses the immediate procedures for closing the museum or incorporate them in the overarching operational plan. The degree of complexity for closing procedures will be significantly influenced by the size of the institution, its related activities, as well as its status going into a dissolution process.

Step 4: Notify your Provincial Museum Association

Closing a museum is a lengthy and emotional process. Provincial museum associations can provide support and expertise to assist during a difficult time. Connecting with the museum community of peers can provide support and resources moving forward.

Step 5: Hire a lawyer with Non-Profit Experience

It is highly recommended that legal council be hired to ensure all aspects of closure are addressed in the appropriate manner required by both provincial and federal authorities. In seeking legal council, engaging a firm that has experience working with non-profit organizations is very beneficial.

Step 6: Communications Plan

A communications plan will be an important tool to ensure clear messages with the appropriate authority are shared from the museum to its community and stakeholders. Clear and consistent communication which openly states the museums' situation and intentions will significantly help the process along. Members and donors should know what is happening and why.

Step 7: Tell Staff

Notifying staff affected by closure can be difficult, but it is crucial. Their support, institutional expertise and relationships within the community will be key in moving the closure process forward. They will hear about it through the grapevine, so notice as early as possible, and their active support (if at all possible), will be a tremendous benefit.

Step 8: Notify Key Stakeholders

There may be community leaders or stakeholders who would appreciate knowing about the closure prior to the news becoming public; this consideration can help smooth the process. These individuals can include contractors, volunteers, community leaders and others. Drawing up a list with Board participation can ensure the process is as comprehensive as possible.

Step 9: Disposition of Assets

This will be the most time consuming aspect of a museum closure. As non-profit organizations, there are legal stipulations regarding appropriate liquidation of assets, as well as the ethical considerations for a museum.

The best outcome for collection disposition is to transfer to another museum or museums. This ensures the collection remains in the public domain. Prior to any deaccessioning activity, a full inventory of the collection should be completed with reference/updating of related collections records. Ensuring related collections management policies and procedures should continue to be adhered to ensure due diligence is followed.

Other assets of the museum, such as buildings, land, equipment and supplies should also be inventoried. Deeds and other legal documents reviewed and ownership title confirmed prior to any liquidation activity.

Step 10: Closure

Ensure all appropriate paperwork is filed with government agencies; this includes an income tax return for the last active year of the organization.

Hold a community event to acknowledge the museum and the care and interest of the many people who have supported it during its life.

This series of steps is adapted from 'How to Close a Museum, A practical Guide', by Susana Smith Bautista, Rowman & Littlefield, 2021.

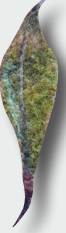


Life Cycle Case Study

Creamery Square Heritage Centre

Tatamagouche, Nova Scotia

A Story of Amalgamation



Background:

The concept for a shared community development to save and repurpose the former Tatamagouche Creamery building in the town of the same name was first suggested in 1993. Over the next several years discussions and preliminary planning lead to the establishment of the Creamery Square Heritage Society in 2007. The Society comprised four separate heritage related entities in partnership to operate a shared facility in the former Tatamagouche Creamery. The four included the Sunrise Trail Museum, the Brule Fossil Museum, the North Shore Archives and the Anna Swan Collection. The first three were registered non-profits and the fourth a private collection.

The Creamery Square Heritage Centre is one of the community pillars of Creamery Square Association (CSA), a unique complex of heritage buildings and new purpose built structures housing an arts centre, market, heritage centre and boat shop on the bank of the Waugh River in the picturesque village of Tatamagouche. Shared funding raising and costs means lower risk for the partnering non-profits as well as any shared benefits from facility improvements such as public washrooms, picnic areas & grounds, parking and more. Each of the partnering organizations has representatives on the CSA Board to ensure strong communication and collaboration between the groups.



Shared Purpose and Facility:

The Creamery Square Heritage Centre opened in 2009 in the restored and repurposed Tatamagouche Creamery building which was carefully restored to maintain as much of the original fabric and purpose as possible. Interpretation at the site includes the story of the business as well as many original artifacts.

Each of the four heritage interests that came together to establish the Creamery Square Heritage Centre has its own origins story. The Brule Fossil Museum was begun by local resident, Ben Allen, and operated from the old community hall in Brule. As fossils are protected under the Special Places Act, this collection remains under the jurisdiction of the Nova Scotia Museum and is housed at the heritage centre by agreement with the province. The Sunrise Trail Museum collection was established by local

resident, Roy Kennedy, who was interested in preserving the human history of the area. The ownership of this collection was transferred to the Creamery Square Heritage Association in 2011. The North Shore Archives retains its independent non-profit status and partners with the heritage association as a tenant. The Anna Swan Collection is privately owned and the interest of a family member of the famous giantess and in subsequent years this collection has been returned to the owner. The interpretation themes and partnerships of the heritage centre have broadened in recent times to include recognition of first peoples, the Mi'kmaq, and early settlers to the region, the Acadians. The facility also includes a research centre (operated by the North Shore Archives) and a shop (featuring locally produced and themed goods).

The collaboration has resulted in an innovative heritage organization that functions as part of an important community partnership.



Life Cycle Case Study

Point Tupper Heritage Museum

Point Tupper, Nova Scotia

A Story of Closure

Background:



The Point Tupper Heritage Association was established as a registered non-profit in 1990 in recognition of the heritage of the area. The organization acquired the Methodist church in which they operated a community museum during the summer months. The church was built in 1892 and is a municipally registered heritage property. The museum was operated by a

Board of Directors and staffed by students employed through government support grants. The organization was also a federally registered charity and was active with fundraising events the proceeds of which were used to maintain the building as well as support the operational costs for the museum. The collection was primarily social history material related to the history of the area and donated by local residents.

A Difficult Decision:



Over the years, due in part to serious population decline in the area, volunteer contributions to the organization diminished significantly. The association struggled to maintain the museum with older and fewer volunteers and with the majority of the work undertaken by a hand full of board members. The Board recognized continuing to operate the

museum was unrealistic for the organization. The Chair and Treasurer prepared a report on the state of the organization providing an overview of finances and other resources. Based on this report, the Board made the decision to begin the process of closing the museum. Original founders were involved in the decision and, while it was a difficult and emotional decision, it was recognized this was the most realistic way forward.

Closure Process:



The Treasurer agreed to take the lead in moving the closure process forward with support from the Chair and other members of the organization. Contact was made with the Association of Nova Scotia Museums and, following the advice and support provided, the Point Tupper group moved into active closure proceedings. These included several important steps which were undertaken over a ten month period (April 2021 – February 2022). The group retained a lawyer who assisted with the legalities of the dissolution process as well as the sale of the church building. A community meeting was held to inform people of the planned closure and provide an opportunity for feedback. Social media was used to keep the community informed of closure activities as things proceeded.

The Collection of 400+ objects was inventoried and collections records updated. The group approached another local museum for transfer of the collection. The Strait Area Museum is based in nearby Port Hastings and its mandate to preserve the history of the strait area includes Point Tupper. The Strait Area Museum was not only willing to accept the collection

in its entirety, but offered to include displays about Point Tupper in the museum featuring artifacts from the collection. Staff from the Strait Area Museum were prepared and took the lead in packing and moving the collection from Point Tupper.

The church property was sold to a neighbour, a local resident with adjoining property. Their interest is in preserving the building as a heritage property. Other assets of the organization (equipment and supplies) were donated to other community groups. After all closure costs were covered, the remaining financial assets were transferred to the Strait Area Museum as custodian of the Point Tupper collection.

The dissolution process went well for the Point Tupper Heritage Museum. They put a process in place and followed it and were fortunate a nearby museum had both the mandate and the resources to receive the collection. It took time and the dedication of those remaining with the museum to see it carefully, respectfully and legally transitioned from active operation into closure. The difficult decision to close was also a relief for those involved who then worked to ensure the best possible outcome for the Point Tupper Heritage Museum.

Life Cycle Case Study

Prairie Wind & Silver Sage EcoMuseum

Val Marie, Saskatchewan

A Story of Community Engagement & Adaptation



Background:

The Prairie Wind & Silver Sage Museum was established as a non-profit in 1997 and operates from the former Val Marie School building (1927), the “Little Brick Schoolhouse” which is owned by the municipality. In 2012, the museum took part in a workshop exploring the EcoMuseum concept and following this determined to embrace this practice and take a phased approach to evolve the museum over a period of time.

“EcoMuseums are designed to share the experience of place, community, people, and their natural and cultural heritage. They provide the opportunity for communities to actively participate in developing dynamic and fluid relationships and to share and learn about their stories in their own ways.” Excerpt from Prairie Wind & Silver Sage website.



Evolution to EcoMuseum:

With financial support from SaskCulture, the board hired a consultant to facilitate getting the change process underway. The group worked with the facilitator to identify the important stories of Val Marie and area with the intention of expanding beyond museum walls and building new partnerships in the community.

The refreshed organizational mandate states “Our mandate is to work in partnership with the local community and Grasslands National Park of Canada to promote the conservation of native prairie landscapes, while inviting the exploration and appreciation of prairie culture and natural history.”

The community organization now comprises several elements which preserve and interpret area history and contemporary art. Programming incorporates social history, natural history and art through such means as exhibitions, interpretive trails and a native plant garden. Programing is approached as community oriented with the intention to move from seasonal operation into year-round through such means as virtual exhibitions.

The non-profit works in collaboration with other organizations with complementary mandates such as Parks Canada (Grasslands National Park), the Prairie Conservation Action Plan and the Municipality of Val Marie.

Prairie Wind & Silver Sage receives funding through SaskCulture, SaskLotteries and the Saskatchewan Heritage Foundation amongst others. They also generate funding through program fees and a locally sourced retail store (in person and online).

The process of moving into operation as an EcoMuseum is considered an evolution for Prairie Wind & Silver Sage and an exploration of the possibilities of what an EcoMuseum can be. “We intend to expand the EcoMuseum beyond the walls of Prairie Wind & Silver Sage by working with both individuals and organizations in Val Marie. Our goal is to engage members of the community to express the story and history of the Val Marie area through a variety of mediums.” Excerpt from the Prairie Wind & Silver Sage website.



Life Cycle Case Study

Nova Scotia Sport Hall of Fame

Halifax, Nova Scotia

A Story of Temporarily Going Solely Virtual



Background:

The Nova Scotia Sport Hall of Fame (NSSHF) is a not-for-profit museum that shares the stories of athletes and the history of sports in Nova Scotia. They offer educational programming and have an extensive collection. The organization was established in 1964 and operated in multiple locations with temporary exhibits. From 2006 through 2020 they operated out of a physical facility.

Due to lease negotiation issues, the NSSHF had to leave their facility, put their collection into storage, and move completely online for an indefinite period of time. Although this was to be a temporary fix, they were unsure of how long it would take to find a new physical location.



Going Virtual:

After putting their collections into storage and lending some exhibits to community partners, the NSSHF's time and presence online, including on social media, increased.

In collaboration with ANSM, their provincial museum association, they were able to use NovaMuse to maintain public accessibility to their digitized collection. Programming efforts continued with virtual presentations and access to online educational materials. As a result, they were able to reach more schools without having to consider travel costs. The NSSHF also took the opportunity to develop satellite exhibits in locations around the province. They worked with a software company, ThinkProxi, to create an app that could be used in conjunction with the satellite exhibits. These new technologies will allow them to operate both virtually and physically when a new space is secured.

NSSHF was in a unique situation as their time without a physical space was always planned to be temporary. This allowed them to more easily embrace fully operating online.

The Takeaway:

The Nova Scotia Sport Hall of Fame is a good example of how a museum can move online and continue to be successful. It demonstrates how developing online resources and promoting online collections can result in the museum reaching a large audience and increase community engagement. It is also an example of how collaboration with other organizations and museum associations can have major benefits for online and physical collections and programs.

