

**Supplementary
Submission**

No 2a

**INQUIRY INTO FOLLOW UP OF AUDITOR-GENERAL'S
PERFORMANCE AUDIT REPORTS OCTOBER 2009 TO
SEPTEMBER 2010**

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Theme:

Summary

PublicAccountsCommittee PAC - Australian Museum collections audit

From: Kate Richardson <Kate.Richardson@austmus.gov.au>
To: "pac@parliament.nsw.gov.au" <pac@parliament.nsw.gov.au>
Date: Tuesday, 13 September 2011 12:08 PM
Subject: Australian Museum collections audit

Attn: Mr J O'Dea, MP

Please find attached the following documents requested in your letter of 8 September 2011, received on 12 September:

- Inventory Procedures, presented at the Australian Museum Trust meeting of 14 June
- Collection Inventory May 2011
- covering memo from the subsequent Trust meeting on 9 August, when the inventory was presented

I understand this is required for the PAC meeting of 14 September.

Kate Richardson
Acting Executive Officer to the Director
Directorate

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Proposal for change to inventory procedures for Australian Museum Collections

The 2010 Auditor-General's Performance Audit 'Knowing the Collections' recommended 'that the Museum needs to tighten inventory control by December 2011 to reflect differing levels of collection risk'. We responded to this recommendation by agreeing to revise the design of inventory checking of collections based on risk and other criteria for grading the collections. These criteria were developed in response to recommendation 1 of the Performance Audit. Criteria were endorsed by the Trust in December 2010 and are being implemented (Attachment 1).

Background to the current process for Collection Inventory

In 2001 the IAB Assurance and Advisory Services conducted a review of Collection Management and recommended that 'one day per year be set aside for sample stocktakes for each collection. Specimens of high monetary value, specimens of extinct animals and objects of major cultural significance should be subject to annual stocktakes.' In 2003 ICAC recommended that the museum implement the above recommendation.

In October 2003 a pilot inventory was carried out to assist with the development of a suitable methodology for a regular collection inventory across all collections. As a result a proposal was approved by the Trust that Collection Managers conduct a quarterly half day collection inventory and report to the Assistant Director, Science and Collections who would report to the Trust Finance and Audit Review Committee. The inventory was to focus on high value items such as unique irreplaceable cultural objects, scientific types, CITES listed species, species with conservation status and specimens of high monetary value.

Quarterly inventories have been carried out and reported to the Trust since that time. The process has been varied at times in response to requests from auditors for independence in the inventory and there has been confusion about the aim of the inventory. A paper provided to the Trust in 2005 sought to clarify the purpose of the inventory as a check on 'what the Museum actually has' (Attachment 2).

In response to requests from auditors for independence in the inventory, the current procedure is to have an independent person assist with the inventory and also have another independent person to select the objects to be checked. Staff are concerned that this system does not make efficient use of resources to locate objects of 'High Importance' nor does it adequately protect 'High Risk' objects.

In 2011, in addition to the quarterly inventory, Natural Science Collection Managers commenced reporting to the Trust on the number of specimens which are handled and recorded in the database as 'sighted' in the course of normal business (eg. loans and collection maintenance). Typically thousands of specimens are recorded in this way to provide a record of the presence of the objects in the collection.

Collection Prioritisation

In response to the 2010 Performance Audit 'Knowing the Collections' and the 2009 Deloitte audit of 'Physical Security of Collections', the collections have been graded according to two schemes – Importance and Risk. These schemes allow for targeted management and allocation of resources in all aspects of collection management including loans, digitisation, conservation, destructive sampling and testing, use of objects in public programs, and collection inventory.

As a result of grading the collections we propose to change the current inventory process and implement two separate procedures - one procedure with the aim of checking objects of high importance and a separate procedure to detect theft of objects deemed to be of high risk.

Proposal for change to inventory procedures

1. **Objects of High Importance** : The aim of the 'High Importance Inventory' will be to make sure that objects of high importance can be located. An inventory of at least 200 Category One or Category Two objects (see Attachment 1) in each collection will be conducted three times each year and the results reported to the Trust. The selection of objects will be made by collection management staff and may involve systematically working through a part of the collection eg. an inventory of type specimens of a particular taxonomic group may be spread over several inventories in order to complete the task. The inventory will be a housekeeping exercise to make sure that important specimens can be located. Collection Management staff have found this exercise to be very useful in locating important objects which may have been misplaced. The inventory will be conducted by at least two people. The inventory will check :
 - i. that the object is present ,
 - ii. that the object is in the correct place as recorded in EMu.

2. **Objects ranked as High Risk**: A complete inventory will be conducted once each year of ALL 'High Risk' objects and the results reported to the Trust. The aim of the 'High Risk Inventory' will be to detect theft and assure the Trust and Senior Management that objects deemed to be at risk have not been stolen. Staff will not select objects for the inventory as all 'High Risk' objects will be checked. Electronic inventory methods are being investigated for maximum efficiency. The inventory will be conducted by at least two people, one of whom will be independent. The inventory will check :
 - i. that the object is present
 - ii. that the object is in the correct place as recorded in EMu.

Recommendation

That the Trust endorse the proposed inventory procedures for collection objects of 'High Importance' and 'High Risk' in the Natural Science Collections and the Cultural Collections.

Dr Penny Berents, Acting Assistant Director Research and Collections

20 May 2011

Attachment 1

Australian Museum Collection Prioritisation

Background

Recent audits have recommended that the Australian Museum adopt criteria to assist with allocation of resources in collection management.

Recommendation 1 of the 2010 Performance Audit states that 'the Museum needs to grade or otherwise prioritise its collection in terms of their use and importance, in order to better protect the collections and improve the use of its resources. It needs to adopt criteria for this purpose by March 2011.'

The Deloitte audit of Physical Security of Collections in 2009 recommended that the Australian Museum 'Consider classifying the collection items of notable cultural sensitivity, pre-eminent scientific value or high commercial value into risk categories, such as high, medium and low risk, to enable consistent, additional security measures to be applied to those items considered higher risk accordingly.'

The Research and Collections Division has adopted two schemes. The first scheme is a prioritisation of the Natural Science Collections based on their importance for scientific knowledge and for the Cultural Collections based on the importance of the objects for indigenous and western knowledge (Tables 1 & 2). The prioritisation of collections will be used to guide the use of collections and the allocation of resources for collection management activities such as digitisation and conservation.

The second scheme is based on a risk assessment of the collections and will be used to define security requirements (Table 3).

Noted by the AM Trust, December 2010

Table 1: Criteria for prioritising the Australian Museum collections in terms of their use and importance – Natural Science Collections

Category	Definition	Destructive sampling/testing	Access & Loans	Public Program uses
1 The most important specimens for their contribution to scientific knowledge; to be preserved for posterity	<ul style="list-style-type: none"> • Primary types • Extinct Recent species 	<ul style="list-style-type: none"> • Strictly regulated & rarely permitted 	<ul style="list-style-type: none"> • Strictly regulated & short term 	<ul style="list-style-type: none"> • Strictly regulated and rarely permitted, display only
2 Specimens of great significance and representing significant additions to the body of knowledge	<ul style="list-style-type: none"> • Secondary types • Historically significant specimens • Rare or Endangered Recent species • Cited specimens • Species that cannot be readily recollected because of permit or other restrictions 	<ul style="list-style-type: none"> • Regulated 	<ul style="list-style-type: none"> • Strictly regulated & normally short term 	<ul style="list-style-type: none"> • Strictly regulated, display
3 Specimens represent an investment in care and knowledge	<ul style="list-style-type: none"> • Non-cited vouchers • Prepared and identified specimens 	<ul style="list-style-type: none"> • Regulated 	<ul style="list-style-type: none"> • Normal procedures 	<ul style="list-style-type: none"> • Display, travelling exhibitions, hands on
4 Working material being used for research	<ul style="list-style-type: none"> • All material entering the museum (eg. field collections, unsorted acquisitions, research material, etc) prior to evaluation for assignment to a higher category or for deaccession. 	<ul style="list-style-type: none"> • Must be registered to allow tracking and preservation of data, approval at discretion of Collection Manager 	<ul style="list-style-type: none"> • Normal procedures 	<ul style="list-style-type: none"> • Display, travelling exhibitions, hands on

Table 2: Criteria for prioritising the Australian Museum collections in terms of their use and importance – Cultural collections

	Criteria (fulfils one or more)	Access (cultural) and loans	Sampling (analysis)	Public programs	Conservation
1. Objects of highest significance to indigenous and western knowledge, to be preserved for posterity	<ul style="list-style-type: none"> • Comprehensive amount of knowledge known • Fully provenanced / documented • Objects with detailed biographies • High technical value • Good example • Part of a highly significant collection • High financial value 	<ul style="list-style-type: none"> • Will not be sent out to researchers • Strictly regulated short term loans 	<ul style="list-style-type: none"> • Strictly regulated and rarely permitted for sampling 	<ul style="list-style-type: none"> • Strictly regulated for use in public programs generally as display only. Permitted to travel only under exceptional circumstances 	<ul style="list-style-type: none"> • Objects should be assessed and all provisions made for their preservation using current best practice. Identified as priorities for protection and salvage in disaster preparedness plans. • Condition checked annually
2. Objects of great significance and which represent significant additions to the body of indigenous and western knowledge	<ul style="list-style-type: none"> • Objects that have been displayed or researched, and are therefore in the public domain • Well provenanced / documented • Objects with partial biographies • Potential for further knowledge to be gathered 	<ul style="list-style-type: none"> • Objects can be sent out to researchers at the discretion of the Collection Manager • Strictly regulated loans 	<ul style="list-style-type: none"> • Regulated 	<ul style="list-style-type: none"> • Carefully regulated for display and use in public programs. Only permitted to travel under strict conditions. 	<ul style="list-style-type: none"> • Objects should be stored and displayed using current best practice. • Transportation requires best practice to minimize risks. • Condition checked every 5 years minimum
3. Objects that represent an investment in care and knowledge	<ul style="list-style-type: none"> • Objects which have been prepared, worked on or catalogued • Partially provenanced • May or may not have potential for further knowledge to be gathered 	<ul style="list-style-type: none"> • Objects can be sent out • Normal procedures 	<ul style="list-style-type: none"> • Permitted with review 	<ul style="list-style-type: none"> • Permitted for display, and for use in travelling exhibits 	<ul style="list-style-type: none"> • Stored or displayed in a controlled environment with preventive conservation measures in place for identified threats
4. Accepted material requiring further assessment (Category for Library and Archaeological collections only)	<ul style="list-style-type: none"> • Material that is recorded as held at the Museum, but is waiting for formal acceptance and acquisition, or removal. 	<ul style="list-style-type: none"> • Objects can be sent out once evaluated and placed in an above category 	<ul style="list-style-type: none"> • Permitted once object evaluated and placed in an above category 	<ul style="list-style-type: none"> • Permitted once object evaluated and placed in an above category 	<ul style="list-style-type: none"> • Permitted once object evaluated and placed in an above category

Table 3 : Risk assessment and security requirements for the Natural Science and Cultural Collections

Risk category	Definition - Natural Science Collections	Definition – Cultural Collections	Security Requirements	Examples
High	<ul style="list-style-type: none"> • Portable valuables • Unique collections of high significance • Objects with commercial value > \$20,000 • Attractive to collectors 	<ul style="list-style-type: none"> • Portable valuable • Unique collections of high significance • Objects with commercial value > \$100,000 	<ul style="list-style-type: none"> • Controlled access to few people, strictly on needs basis • Locked cabinets within controlled access eg. vault or safe or locked compactus • CCTV coverage of collection facility • Included in inventory at least annually 	<ul style="list-style-type: none"> • Opalised fossils • Gemstones • Precious metals • Rare meteorites • Extinct mammals • Collectible parrots • Cook collection • Papunya collection
Medium	<ul style="list-style-type: none"> • Objects with commercial value < \$20,000 	<ul style="list-style-type: none"> • Objects with commercial value < \$100,000 	<ul style="list-style-type: none"> • Controlled access on needs basis 	<ul style="list-style-type: none"> • Most of the collection
Low	<ul style="list-style-type: none"> • Potential for attrition 	<ul style="list-style-type: none"> • Potential for attrition 	<ul style="list-style-type: none"> • No controlled access 	<ul style="list-style-type: none"> • Objects in atrium, S&D,

Attachment 2

PERIODIC COLLECTION AUDIT

The following note, provided to the Trust when the August 2005 inventory results were submitted, provides background to the inventory results.

Background on quarterly inventories and missing specimens

The Australian Museum collections date from the nineteenth century. During the life of the collections, specimens would have been exchanged, lost, deteriorated and then discarded, or even been stolen. Standards of record keeping have varied during the history of the collections and information on the loss or de-accession of specimens was not always recorded.

In the 1980s the Museum implemented computer based registration and tracking of specimens and objects. Regular inventories of the collections commenced in 2004 targeting high value and high priority items. The quarterly inventory provides a benchmark for the future. The inventory is stored in the database creating the first record in a time series.

The quarterly inventory will inevitably identify missing specimens. When a specimen or object is noted as missing, collection management staff will attempt to locate it. It may have been misplaced or loaned and the transaction had not been recorded. If the specimen or object cannot be found after a reasonable attempt, it will be noted in the database as missing.

All specimens that are checked in the inventory are recorded in the database as present and the date recorded.

Consequently the inventory process should be viewed as an audit of **“what the Museum actually has”** and not **“what the Museum has lost”**. Once having been recorded into the new electronic database system then any specimens that are recorded as missing subsequently will be investigated fully.

Dr Penny Berents, Head of Collections

and

Dr Les Christidis, Assistant Director Research and Collections

July 2005

Collection and name of staff carrying out the inventory	Independent person assisting with inventory	Independent person selecting objects for inventory	Audit Date	Specimens targeted for auditing & reasons for priority (include common names)	Number items checked	Number items not accounted for	Registration Number and year of registration of items not accounted for	Comments
Anthropology - Yvonne Carrillo-Huffman	Jaynia Sladek	Dion Peita	24-May-2011	East New Britain, PNG ethnographic collections. The Majority of items within this collection have not been formally inventoried since 2001 and 2003. Some of the items are very early material and have been collected by Farrell and Parkinson in the late 1880's	202	5	E009935 Reg: 1901 E009936 Reg: 1901 E052706 Reg: 1901 E057228 Reg: 1901 E057229 Reg: 1901	Unable to be located since 1987.
Arachnology - Graham Milledge	Cecile Beatson	Louise Carter	02-June-2011	Types on microscope slides - ongoing auditing of type collection due to high scientific value	212	0		
Entomology - Jacquie Recsel	Alex Hegradus	Graham Milledge	25-May-2011	Asilidae and Bombyliidae types (Bee flies and Robber flies) in preparation for incorporation of large donation, loan returns and therefore curation of the Asilidae	231	4	K.43187 (2009) K.52774 (2005) K.70536 (2009) K.70543 (2005)	This part of the collection requires significant curation to incorporate a very large donation and various returned loans. It may take some weeks to account for these specimens. K.52774 may have transposed digits in rego number.
Herpetology - Ross Sadler	Louise Carter	Cecile Beatson	8th June 2011	Types of lizards in the family Scincidae (Eumeces brunneus to Lampropholis mirabilis)	196	0		
Ichthyology - Amanda Hay	Alison Miller	Mark McGrouther	24-May-2011	Types of fish families 215-326, because of high scientific value	208	2	A.17820 (1885), B.7726 (1865)	Particularly old specimens (1865 & 1885), potentially missing for many years. Still in the process of looking for them, may have been placed in wrong location in type collection move.
Malacology - Janet Waterhouse	Sally Reader	Mandy Reid	24-May-2011	Types of Turridae & Eulimidae. (Both Marine Gastropods - no formal common names). Ongoing auditing of type collection because of high scientific value	223	4	C.43699 (1918) C.43689 (1918) C.18463(1904) C.170982 (1992)	C.43699 missing since 1987; C.43689 noted missing 2001; C.18463 missing since 1970; C.170982 noted missing since 1988 possibly = C.28475 (Not sighted for Registration in 1992)
Mammalogy-Anja Divljan	Cecile Beatson	Sandy Ingleby	07-June-2011	skulls of rats <i>Rattus exulans</i> , ongoing audit of important specimens recovered by ICAC	228	3	M.1403 (1899), M30112 (1994), M30673(1994)	not recovered by ICAC, missing since 2003.
Marine Invertebrates - Helen Stoddart	Russell Cox	Stephen Keable	19-May-2011	Types - wet Ophiuroidea (brittle starfish), wet Urochordata (sea squirts) - Chosen for high scientific value and to complete previously commenced inventories that were interrupted by building works	218	0		
Mineralogy - Gayle Sutherland, Ross Pogson	Penny Berents	Ross Pogson	17-18 May 2011	The Somerville Collection, Australian Fossil and Mineral Museum, Bathurst. Highest value items (most on display, some in storage), because they are highest risk. Photos of most items were available for checking their identity.	203	11	All acquired by AM 20 Nov 2000 under Cultural Gifts Program. All registered in EMU 26 Nov 2007. D5402, D54821, D54605, D55521, D56021, D54544, D55291, D56714, D56667, D56688	The Board of the Somerville Collection has been advised of the missing specimens and advice requested to assist the AM and the AFMM to locate the missing specimens. A follow up visit is planned in August 2011 to inventory more of the collection. This may result in locating some specimens in storage at AFMM.

Collection and name of staff carrying out the inventory	Independent person assisting with inventory	Independent person selecting objects for inventory	Audit Date	Specimens targeted for auditing & reasons for priority (include common names)	Number items checked	Number items not accounted for	Registration Number and year of registration of items not accounted for	Comments
Ornithology - Jaynia Stadek	Yvonne Carrillo-Huffman	Sandy Ingleby	24-May-2011	Non-type skins from family Pitonophrynichidae (Bowerbirds), specifically the following genera <i>Scenopoeetes</i> , <i>Atilirostris</i> , <i>Amblyornis</i> , <i>Archboldia</i> and <i>Chlamydera</i> . Most species in this family have not been formally inventoried since 2001. They are attractive birds, some with very brightly coloured plumage. Several species were targeted by Hank van Leeuwen when he stole from the Museum. It was decided that it would be very useful to inventory the family as whole. Only skins sighted in 2001 inventory were included.	265	0		
Palaeontology - Yong Yi Zhen, Robert Jones	Penny Berents	Yong Yi Zhen	17-18 May 2011 in Bathurst, and in April-May 2011 on site	A total of 198 specimens of the Somerville Collection, Australian Fossil and Mineral Museum, Bathurst, were checked during the inventory, majority of which are on display. They are divided into two groups: 1) Specimens with a value at \$5000 or above (all 62 specimens in this category were checked); 2) Specimens with a value under \$5000 (selection of 136 specimens in this category were checked). Nine high value items in the Dinosaur Gallery on site.	207	18	All acquired by AM 24 June 2002, under Cultural Gifts Program, and registered in EMU on 16 Mar 2007: F. 108533, F. 108602 F. 108603, F. 108979 F. 108602, F. 108686 F. 108811, F. 108820 F. 109186, F. 109187 F. 108063, F. 108086 F. 108803, F. 108810 F. 108821, F. 109190 F. 109209, F. 109280.	The Board of the Somerville Collection has been advised of the missing specimens and advice requested to assist the AM and the AFMM to locate the missing specimens.
TOTAL number of object and specimen records inventoried					2333	47		

QUARTERLY COLLECTION INVENTORY

Attached for the information of Trustees are the results of the May 2011 Collection Inventory. The procedure for the Quarterly Collection Inventory was noted by the Trust in August 2005. The procedure has been amended with the addition of an independent person selecting the objects for the inventory and an independent person assisting with the inventory.

A total of 2393 specimen and object records were checked for the May 2011 inventory.

In the Natural Science Collections thousands of records are checked in the course of routine collection management activities such as collection maintenance and loans.

Period	Number of specimen records checked including the formal quarterly inventory
March 2011	2764
April 2011	2049
May 2011	3351