

For information
5 October 2009

Legislative Council Panel on Home Affairs

Acquisition and Management of Museum Collections

Purpose

This paper informs Members of the mechanisms adopted and the improvement measures made by the Leisure and Cultural Services Department (LCSD) in respect of (a) the acquisition of artifacts and artworks for its museums and the Film Archive; and (b) the management of museum collections.

Background

2. The acquisition, management and custody of collections is the primary responsibility of all museums. Collections represent the most profound of a society's cultural heritage and are important assets for museums. Public museums under LCSD operate in compliance with international code of conduct and ethics promulgated by the International Council of Museums (ICOM)¹. Over the years, the museums and the Film Archive have acquired a wealth of historical artifacts, fine art objects, as well as natural history specimens through donations and acquisition as their collections, including some 205,000 items in the 14 museums and 990,000 items in the Film Archive.

3. Prior to 2000 when all public museums were under the management of the two former Municipal Councils, the acquisition of museum collections was governed by the Council procedures. After 1 January 2000, with the dissolution of the two Councils, among other things, the management responsibility of public museums has been transferred to LCSD. Since then, procurement activities are primarily subject to the Government's Stores and Procurement Regulations (SPR).

¹ The ICOM, established in 1946, is an international organization of museums and museum professionals committed to the conservation, continuation and communication to society of the world's natural and cultural heritage. The major museums under LCSD are members of the ICOM.

4. As the acquisition of museum collections involves the assessment of unique objects which requires special and professional expertise instead of simple price comparison, normal quotation or tendering exercise as required under SPR is not entirely applicable. In consultation with the Independent Commission Against Corruption (ICAC) and the Finance Services and Treasury Bureau (FSTB), LCSD has developed a set of guidelines and procedures governing the acquisition of museum collections. These procedures are elaborated in the ensuing paragraphs.

Acquisition of Museum Collections

Guiding Principles

5. While the acquisition of artifacts/artworks and the loaning of exhibits involve qualitative assessment of the merit of each proposal, it is important that a transparent, fair, open and accountable system is established for the purpose. The standard of professional judgment should be maintained with sufficient safeguards against individual officers' personal preference. This principle has been built into the procurement procedures adopted by LCSD and approved by FSTB. Moreover, for transparency sake, a brief description of the scope of the museum collections, the assessment criteria for acquiring collections and the programme proposals have been uploaded onto the museums' websites (www.lcsd.gov.hk/en/cs_mus_lcsd.php).

Procurement Procedures

6. Objects may be added to museum collections by means of donations or purchase through a variety of sources, including artists, collectors, individuals, organizations, commercial galleries and shops, as well as auction houses. Museum staff will examine and assess the merit of each acquisition proposal and submit it to a Programme Committee² for consideration or endorsement. Subject to the endorsement by the Programme Committee, Museum Expert Advisers³ will be invited to

² A Programme Committee is set up within individual museum to vet proposed acquisitions or programme proposals at regular intervals and on a need basis. The meeting of Programme Committee for proposed acquisitions is chaired by the Chief Curator or equivalent ranking officer and is attended by senior museum staff.

³ LCSD museums have a number of unpaid Museum Expert Advisers forming different panels according to their areas of expertise. One of the duties of the expert advisers is to

assess and give advice on the item proposed for acquisition. Assessments are based on a set of criteria including the artistic merit/historical value/scientific and technological significance of the item, its relevance to local culture/collection, its authenticity, physical condition, price, durability, display value and educational value, and the reputation of the artist (if applicable). Only items unanimously recommended by the Museum Expert Advisers will be purchased.

Price Negotiation

7. In the case of an offer of item(s) for sale to the museum, Museum Expert Advisers would be invited to recommend a price for negotiation if they consider that the offered price is too high. The negotiation must be clearly documented. The museums will go back to the Advisers for further comments and endorsement if there is counter-offer from the seller.

Approving Authority

8. Subject to the endorsement by the Museum Expert Advisers, the museum staff in charge of the procurement will submit the proposal to the relevant approving authorities for approval:

Value of Artifacts⁴	Approving Authority
Up to HK\$260,000	An officer at the Chief Curator rank on the recommendation of the Programme Committee at a programme meeting within the section. The endorsed proposal will be submitted to Assistant Director (Heritage & Museums) (AD(H&M)/LCSD for information.
HK\$260,001 – HK\$650,000	AD(H&M) on the recommendation of the Programme Committee via Principal Supplies Officer (PSO)/LCSD

advise museums on the acquisition of collection items. Their appointment is proposed by heads of museums, approved by directorate of the LCSD and endorsed by the Home Affairs Bureau. Normally they are appointed for a period of 2 years and subject to review for addition, retirement or reappointment.

⁴ The amount is the total value of one-time offer from one supplier.

HK\$650,001 – HK\$1,300,000	Deputy Director (Culture) (DD(C))/LCSD on the recommendation of the Cultural Services Committee for the Procurement of Specialist Services and Objects (CPSSO) ⁵
Over HK\$1,300,000	Director of Leisure and Cultural Services (DLCS) on the recommendation of the CPSSO

Record of Acquisition

9. As a standard practice for registration of museum collections, each museum keeps an inventory record of all its purchases and donations. Since 2006, we have strengthened the mechanism by requiring museum staff to submit monthly reports on all new acquisitions to AD(H&M)/LCSD and PSO so as to facilitate their monitoring of the museum collections.

Declaration of Interest

10. All LCSD officers including the Directorate involved in the preparation, assessment and approval of acquisitions, as well as the Museum Expert Advisers who are invited to give advice, will be invited to declare interest to ensure that there is no conflict of interest in processing the procurement/acquisition/donation proposals.

Management of Museum Collections

Registration System

11. Computerized systems are used to automate the registration of museum collections, and to provide inventory control of the items. The systems record the description, location, measurement and image of each item of museum collection. Besides, a unique collection number will be assigned to each item, which will be marked/affixed on the object for identification purpose.

⁵ Upon the establishment of the LCSD, a Cultural Services Committee for Procurement of Specialist Services and Objects (CPSSO), chaired by the DD(C)/LCSD, has been set up for the procurement of specialist services and objects where normal tendering procedures are inapplicable. The acquisition of museum collection items and procurement of loan exhibitions fall under such category.

Access to collection stores

12. Major collection stores are installed with environmental controlled system, fire fighting system and security system. Entry to collection stores are restricted to museum staff or accompanied by museum staff. There should be at least two authorized staff when entering or staying inside the collection stores, and there are registers recording the name of the person, the purpose, the time entering and leaving collection stores.

Retrieval of collection items

13. A collection item may be retrieved for the purposes of exhibition, research, photo-taking or conservation treatment, etc. To retrieve an item from the collection store, prior approval from designated officers (the subject Curator) should be obtained. Information on the time limit/ loan period for each retrieval, as well as the latest location of the retrieved item is kept for record and monitoring purposes. When the item is returned, the record will be updated accordingly. Periodic management reports are generated to enhance the monitoring of these retrievals.

Stocktaking and surprise checking

14. Regular stocktaking and surprise check of collection items are conducted by Chief Curators/Curators and senior staff of non-collection management team of each museum section. For the Film Archive which has a collection of over 990,000 items, monthly surprise check of its collection items is carried out. During stocktaking and surprise checking, the collection items are inspected physically and checked against the Accession Register as well as for verification of authenticity. The results of each stocktaking and surprise check will be recorded and maintained.

Museum Operation Manual

15. All rules and procedures in respect of acquisition, receipt, safe custody and registration of collection items have been clearly set out in the Museum Operation Manual of each museum section which is regularly updated. All relevant museum staffs have been instructed to comply with the Manual strictly.

Use of Museum Collections

16. Museum collections are primarily used for exhibitions, educational programmes and research. Displays of museum collections, whether in permanent or temporary exhibitions, are arranged in accordance with the stated mission and purpose of the museum without compromising the quality or the proper care and conservation of the collections. LCSD is committed to making its collection items more accessible for public enjoyment. In addition to displaying the collections in museum galleries on a rotational basis, the Department has been partnering with different non-government organizations (NGOs) and the private sector for the display of collection items in various venues beyond the museum premises as outreach programmes. These venues include Hong Kong International Airport, waterfront promenades, leisure parks and public libraries. We will continue to explore collaboration opportunities with the private sector in this regard with a view to increasing the exposure of our museum collections where practicable.

Improvement Measures Made

17. Notwithstanding the aforesaid arrangements, LCSD has put in place a number of measures in the past few years to improve the acquisition, management and safekeeping of museum collections, taking into account the recommendations made by various independent authorities and the experience gained in the acquisition of artifacts for Dr Sun Yat-sen Museum (details of the case are at **Annex**).

18. In end 2005, the Audit Commission conducted a value for money audit on the provision of public museum services. When carrying out a checking of artifacts related to Dr. Sun Yat-sen acquired in 2001, they found that there were discrepancies between the original list provided by the donor and the actual record of stock of artifacts in the museum store. In response to the Audit Commission's draft observations, LCSD conducted an investigation into the case to examine if there were irregularities or misconduct in connection with the acquisition.

19. The investigation found that there was no evidence to support any willful negligence or misconduct on the part of the officer concerned. However, the case revealed that certain areas of the management of the museum collections required improvement. It was observed that while the museum staff were dedicated professionals who acted faithfully for the

benefit of the museum, they might not always be prudent and vigilant enough in complying with the established rules and procedures. In the specific case in question, the museum staff concerned might have been too eager to complete the assignment and have overlooked the importance of proper documentation and cross-checking. Furthermore, given the complexity of the assignment, the Department should have assigned more staff to carry out assignments abroad.

20. To improve the relevant procedures and guidelines, in December 2006 LCSD invited the Corruption Prevention Department (CPD) of ICAC to examine its procedures for acquiring and storing collections. CPD/ICAC has made a number of useful recommendations including, among others, tightening up the safekeeping of collection items pending appraisal in the collection stores, disclosing to Museum Expert Advisors the identity of the owner/donor of artifacts for acquisition, strengthening the security measures in collection stores, setting a time limit for internal loans and generating periodic management reports, etc. LCSD has accepted all the recommendations and revised the relevant instructions and guidelines in the procedures and the Museum Operation Manual.

21. In July 2007, the Quality Assurance (QA) Section (i.e. internal auditor) of LCSD conducted an audit review to ascertain compliance with the procurement procedures. The review recommended some improvement measures, including proper documentation of deeds and forms of acquisition, rotation of Museum Expert Advisers, disclosure of the identity of the source of collection items to the Museum Expert Advisors, etc. The recommendations were all accepted and adopted by the museums.

22. As a result of these review exercises, LCSD has implemented the following measures in order to improve the procurement, management and safekeeping of museum collections:

- (a) all museums have drawn up respective collection policies to cater for their different scope of collection (e.g. art, history, science), while the procedures for procurement of museum artifacts have updated, enhanced and applied across the board;
- (b) museum staff are reminded from time to time of the need to adhere strictly to the laid down guidelines and procedures. Senior museum staff conduct surprise checks to ensure compliance with the procedures;

- (c) Museum Operation Manual has been updated to incorporate the recommendations made by CPD/ICAC and the QA Section of LCSD;
- (d) Apart from the inventory record, museums are required to submit monthly reports on all new acquisitions to the directorate for monitoring purposes. Proper stocktaking and surprise check mechanisms has been established;
- (e) we have invited the Crime Prevention Bureau of the Hong Kong Police to inspect the museum stores and give advice on areas for improvement. To ensure the safe custody of all the collection items in the museums, security measures in the collection stores have been strengthened;
- (f) control of entry into museum stores and retrieval or return of collection items have been tightened up; and
- (g) action has been expedited to clear the backlog of collection items pending accession for three museums which have backlogs (i.e. Museum of History, Heritage Museum and Film Archive). As at 1 September 2009, about 99.7%, 87% and 64% of the backlogs of Museum of History, Heritage Museum and Film Archive have been processed respectively. The backlogs are expected to be completely cleared in 2010.

On-going and Long-term Commitments

23. The last decade saw a flourishing development of public museum services with the opening of six new museums, tremendous increase in visitor number from 3.4 million in 2000 to 4.8 million in 2008 and the mounting of many well-acclaimed blockbuster exhibitions. While attention has been focused on the provision of quality museum services to meet increasing public expectations, the care of museum collections, which have increased from about 240,000 in 2000 to 1,200,000 in 2009, as a fundamental professional responsibility should not be neglected.

24. Notwithstanding the efforts made to implement improvement measures in the past few years, we are committed to further enhancing, among other things, the acquisition and management of museum collections. Specifically, we will implement the following improvement

measures as an on-going and/or long-term commitment:

- (a) Ongoing reviews of rules and procedures: While the rules and procedures now adopted by the Department are considered to be comprehensive, effective and sufficient in safeguarding our historical objects and artworks, we will continue to invite ICAC and our own QA Section to conduct periodical reviews to identify areas where further improvements can be made;
- (b) Enhancing compliance and accountability: We will continue to foster a strong sense of compliance and accountability among all levels of museum staff involved in the procurement and management of museum collections through training and workshops. We will also constantly review our registration, checking and safekeeping systems for museum collections to ensure that they remain relevant, effective and up-to-date;
- (c) Hardware development: LCSD is facing an acute shortage of museum storage space. Many museums have to store their collections at off-site premises which has made management of museum collections difficult. Recently, LCSD has identified a suitable site in Tin Shui Wai with a total floor area of approximately 5 000 m² for the construction of a central repository for museum collections items. LCSD is actively pursuing the proposal of constructing a central repository as a long-term solution to the storage problem; and
- (d) Increasing exposure for museum collections: LCSD will continue to establish closer partnership with the private sector, NGOs and Government departments for displaying artworks and artifacts in public spaces, government offices and shopping malls to provide the public with more opportunities to appreciate the valuable museum collections. Efforts will also be made to explore more opportunities for exhibiting the collections at museums and galleries outside Hong Kong.

Acquisition of artifacts for Dr Sun Yat-sen Museum

The Acquisition

From the late 1990s to early 2000, the Government actively pursued the setting up of the Dr. Sun Yat-sen Museum in Hong Kong. Apart from the search of a suitable site for the proposed museum, LCSD had also made a lot of efforts to acquire artifacts related to Dr. Sun Yat-sen given that the Hong Kong Museum of History (HKMH) had only four items on Dr. Sun Yat-sen in its collections before 2001.

2. In August 2000, the HKMH was approached by an old lady residing in Los Angeles (LA) who offered to donate a number of artifacts related to Dr. Sun and his family members, in particular those of Sun Wan, daughter of Dr. Sun. The artifacts were mainly letters, documents, printed matters, household ware, photos and books and their historical value varies. The following points about these artifacts should be made clear –

- (a) The donation was made with a custodial fee in recognition of the donor's effort of placing the artifacts in safe custody over the years;
- (b) The real value of the whole lot of artifacts is well above the custodial fee (US\$130,000). To maintain the integrity of the collection, it was agreed that the acquisition should not be made on an itemized basis; and
- (c) The then HKMH's Honorary Advisors (renamed Museum Expert Advisers in 2008), who were consulted on the donation, recommended that the Museum should acquire this precious collection in view of its enormous historical value. Photos of selected items currently shown in "Icon of an Era: the Dr Sun Yat-sen Mausoleum 1929.6.1" Exhibition are at Appendix.

3. The donor then provided a handwritten list (in Chinese) of about 2700 pieces of artifacts and some photographs. She indicated in the list that “因為種類繁多，老年人力不從心，每事要親力親為，眼力也勉強支持，寫得不好，或有錯漏”。 The handwritten list was later typed by HKMH and sent back to the donor for verification but she never

confirmed.

4. As artifacts related to Dr. Sun Yat-sen were very scarce in the market, the HKMH considered that they should take decisive action to acquire this lot of artifacts.

5. In early December 2001, a staff member at Curator rank of HKMH went to LA to take over the artifacts and oversee their packing by the shipping contractor. The staff examined the artifacts one by one when the donor passed them to him and he in turn handed them to the shipping contractor for shipment to Hong Kong. He had checked the items against the list and noted that there were possible discrepancies, i.e. there were some items that were not shown on the list but at the same time some items on the list were not presented to him. However, as he had to supervise the packing by the shipping contractor concurrently, he could not conduct detailed checking and recording of the extra items nor the missing items. Besides, some descriptions on the list were very general thus making it difficult to match every item against the description. He also considered that the artifacts were donated in one lot and that the most important items were included.

6. On arrival of the shipment in Hong Kong, the HKMH set up a special team to register the individual collection items received. Upon completion of the registration in April 2002, a total of 3928 pieces of artifacts were recorded, instead of 2700 pieces as mentioned in the original list. The additional pieces belonged to 485 items of artifacts. However, the discrepancies were not reported to the Department at that time.

The Investigation

7. In end 2005, the Audit Commission (AC) conducted a value for money audit on the provision of public museum services. When checking the artifacts related to Dr Sun acquired in 2001, the AC found that there were discrepancies between the original list provided by the donor and the final register of the stock of artifacts in the museum storage. There were 21 items missing whilst 485 additional items were found in the register. The 21 items included historical photos and documents, postal stamps, wooden stamps, clothing, fountain pens, books, household items and a pistol. The AC forwarded its draft observations on the case, among others, to HAB and LCSD for comments in January 2006. The LCSD then set up an investigation team to look into the case and, in

consultation with HAB, suggested to AC to re-consider whether the artifacts case should be quoted in the final report as it was still under investigation.

8. LCSD set up an investigation team in April 2006 to establish if there were irregularities in the artifacts case and, if so, whether there was evidence of misconduct in connection with AC's observations. The investigation team completed its work in July 2006 and, after receiving comments from the relevant bureaux/departments, submitted the report to HAB and copied to AC, Civil Service Bureau (CSB) and the Independent Commission Against Corruption (ICAC).

9. On the unavailability of the 21 items of artifacts for audit examination in 2005, it was noted that the case involved a large number of artifacts which were mostly household and small items. It was appreciated that the museum staff concerned had difficulties in checking each and every item on site in LA by himself. It was also noted that the donation with a custodial fee of US\$130,000 was indeed for the whole collection of over 2700 pieces and that given the manpower and time constraint, the staff had focused mainly on those items with the greatest historical value. There was neither evidence nor a reasonable basis to doubt the staff's claim that he had exercised his professional judgment to ensure that the important items were received, thus ensuring the value of the acquisition. However, it was considered that the staff should have – (a) exercised greater care in ensuring the accuracy of the records of the transactions; and (b) reported the possible discrepancies to his museum head as soon as practicable when he noticed that some items on the list were not presented to him so that suitable action could be taken to reconcile the discrepancies. On the other hand, the Department should have assigned more staff to assist in the taking over of artifacts abroad and the oversight of packing of the artifacts. It should also put in place a system to ensure early identification of possible discrepancies between the items offered and received. Subsequently, the donor advised that some of the “missing” items actually never existed (e.g. a photo with Song Ching-ling's autograph, some fountain pens engraved with Dai En-sai's name, and the “pistol” which was only a pistol licence) and she could not confirm the existence or otherwise of the others.

Follow-up Actions

Disciplinary action

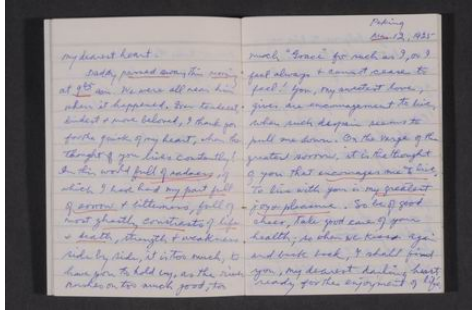
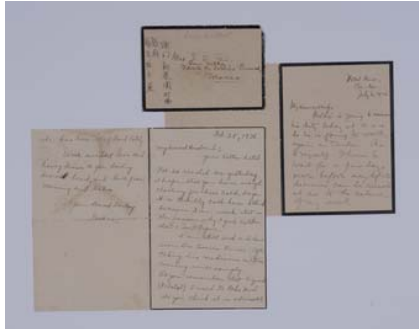

10. In commenting on the findings of the investigation, the Secretariat on Civil Service Discipline of CSB (SCSD) agreed that there was no evidence to suggest any malicious intent on the part of the museum staff concerned. After consulting the SCSD, the Department served a written warning on the staff concerned in May 2007 which had the effect of debarring him from promotion for one year.

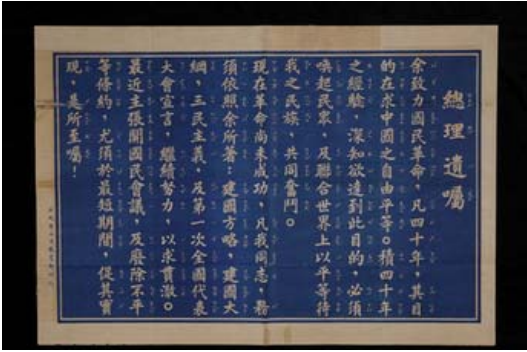


11. The investigation carried out by LCSD and endorsed by HAB did not find any evidence to support any theft, loss of government property or other criminal elements in the acquisition. The report was also copied to ICAC and AC and no further action had been taken in respect of this case.

Improvement Measures

12. To strengthen the procurement and stocking procedures/guidelines and to prevent recurrence of similar incident, LCSD has made its best endeavour to implement improvement measures. In addition to an audit review undertaken by its own Quality Assurance Section, the Department had invited the Corruption Prevention Department of ICAC to conduct an assignment study in December 2006. As a result, a comprehensive package of measures has been implemented since 2007 to improve the acquisition, management and safekeeping of museum collections and further efforts will be made as an on-going and long-term commitment. Details have been set out in paragraphs 22 and 24 of the paper.

現於孫中山紀念館「時代符號－中山陵 1929.6.1」展覽展出的部份文物圖片
Photos of selected artifacts currently shown in “Icon of an Era: the Dr Sun Yat-sen Mausoleum 1929.6.1” Exhibition at Dr. Sun Yat-sen Museum

	<p>說明 Description</p>	<p>圖片 Image</p>
1	<p>孫中山先生外孫女戴成功的記事簿，抄錄其父戴恩賽寫給妻子孫琬(孫中山先生次女)的信件，報告孫中山先生臨終時的情形。</p> <p>Dai Chenggong, Dr Sun’s granddaughter, copied into this notebook the letters that her father Dai Ensai wrote to her mother Sun Wan (Dr Sun Yet-sen’s second daughter) about Dr Sun’s final hours.</p>	
2	<p>孫中山先生次女孫琬及女婿戴恩賽在 1925 年至 1926 年間所寫的信件。</p> <p>Correspondence between Sun Wan, Dr Sun’s second daughter, and her husband Dai Ensai from 1925 to 1926.</p>	
3	<p>孫中山先生的遺像，印有孫中山先生的遺囑。</p> <p>Portrait of Dr Sun Yat-sen printed with his testaments.</p>	

4	<p>1930 年印行的總理遺囑。</p> <p>Dr Sun's national testament printed in 1930.</p>	
5	<p>《總理奉安實錄》，1930 年。</p> <p><i>Record of the Premier's Grand Funeral, 1930.</i></p>	
6	<p>《恭移總理靈柩送殯行列次序》，1929 年。</p> <p><i>Order of the Funeral Procession for the Removal of Dr Sun Yat-sen's Coffin, 1929.</i></p>	
7	<p>總理奉安證章，1929 年 6 月 1 日。</p> <p>An identity badge used at the grand funeral, 1 June 1929.</p>	