

ACCREDITATION COMMISSION POLICY

Management Agreements and Memorandum of Understanding

The following policies apply in situations of joint governance or when a museum has an operational relationship with a (non-parent) organization that holds or shares key assets or responsibilities that are crucial to the museum's operations.

- » **Joint Governance:** A governance structure in which two or more entities share governance of the museum. This involves dividing or sharing basic governance responsibilities such as determining mission and purpose; hiring, supporting, and evaluating the director; strategic planning; obtaining and managing resources; and monitoring the organization's programs and services. An example is a museum jointly governed by a city government, which owns the collections and the building and employs the staff, and a private nonprofit, which determines museum policy and operates the museum. Another example is a university that owns and manages a museum but delegates responsibility for determining programs and services to an advisory board. Does not automatically include museums that have separately incorporated friends organizations, unless the friends organization has significant responsibility for governance of the museum delegated to it in writing.
- » **Management agreement:** Legal agreement between two organizations, whereby an organization that governs a museum contracts with another organization to manage the museum (i.e., be responsible for day-to-day operations).
- » **Memorandum of agreement/memorandum of understanding:** written agreement spelling out the terms of the relationship between two entities, such as a museum and a support organization, or a museum and a municipality. Signed by the governing authorities of the organizations.
- » **Museums that have joint governance** are required to have a memorandum of understanding or management agreement in place detailing the governance roles and responsibilities of each party.



- » Museums in which a separately incorporated organization or government entity holds or shares key assets or responsibilities that are crucial to the museum's operations must also have a memorandum of understanding or management agreement in place that delineates the roles and responsibilities in this relationship (e.g., for ownership and management of the building, land, collections, staff, financial assets; level and terms of financial support; maintenance of facilities; advocacy; interpretative activities; fund-raising; volunteer service).
- » In cases of joint governance or a relationship which involves shared ownership or responsibilities for collections, the MOU or management agreement *must* address collections ownership and responsibilities, including decision-making authority for acquisition, accessioning, deaccessioning, and disposal.
- » While it may be signed by individuals representing the museum or the other organization, the documentation must be approved by the corpus of the governing authority of each organization.
- » If an MOU or other agreement is not feasible, the museum must provide documentation that shows a history of support from the organization (e.g., financial reports) that demonstrates for the Commission that there is a precedent for future support; as well as show evidence of efforts on the museum's part to address the contingency of a significant reduction or loss of this support.

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Mergers and Other Organizational or Physical Changes at Accredited Museums

In order to best fulfill their missions, remain viable, and stay relevant to their audiences and communities, accredited museums may find it necessary to make significant changes to their organizational structure, mission, and identity. This can include:

- » merging or consolidating with another accredited or non-accredited museum
- » separating into one or more new entities
- » entering into a management agreement with another organization
- » changing the museum's governance type or structure (e.g., municipally governed museum becoming a private nonprofit)
- » dramatically changing the museum's mission
- » joining, leaving, or creating a museum system
- » moving to an entirely new facility and/or location

It is the responsibility of each accredited museum to inform the Alliance's Accreditation Commission and program staff of such changes. The Accreditation Commission and program staff will then assess each situation on a case-by-case basis. Potential changes in a museum's accredited status as a result of large-scale institutional changes will depend on whether the museum still exists as essentially the same entity that the Commission originally accredited.

Circumstances will determine how or if accredited status is affected and the timing of the museum's next scheduled review. Museums in the process of seeking accreditation for the first time that undergo a

merger, consolidation, or separation, are required to withdraw from participation in the program and re-apply as the new entity(ies).

It is generally true that:

- » Accreditation is not automatically transferable: when an accredited museum and a non-accredited museum merge, consolidate, or engage in some other type of arrangement, accreditation is not automatically “inherited” by the non-accredited entity.
- » Change by itself does not necessarily affect accredited status—what matters is the degree to which:
 - the museum still resembles the organization as it was last reviewed by the Commission, and
 - the museum continues to meet Accreditation Program’s eligibility criteria and the Characteristics of an Accreditable Museum.

Areas of Consideration:

The Accreditation Commission and program staff will examine whether the museum is still essentially the same entity that was accredited before the changes occurred or whether it has changed so much that its accredited status needs to be re-evaluated. To ascertain the effect of the changes, the Commission and program staff consider the nature of the changes, their impact, and to what degree they changed the following:

- » Mission
- » Name and public identity
- » Location and physical facility
- » Programming and services
- » Governance, including, resulting governing authority(ies), status and composition of the governing authority, and any changes to legal incorporated status
- » Increase or decrease in the size of budget, collections, staff, or facilities
- » Addition or deletion of a discipline (science, art, history, etc.)
- » Leadership, management, and staffing structure

- » Internal operations and administration (e.g., what services are shared/centralized, how budgets are managed)
- » Ownership of and stewardship responsibilities for collections

Examples of possible outcomes:

Depending on the results of this review, the entity that was originally accredited may:

- » retain its status as long as some changes are made (e.g., the rest of the museum system enters the Accreditation Program)
- » retain its accredited status, which will be assessed at the next regularly scheduled accreditation review date
- » be required to undergo a subsequent review earlier than originally scheduled
- » be required to provide selected materials and information to the Accreditation Commission or program staff to confirm the museum still meets program eligibility criteria and/or the Characteristics of an Accreditable Museum
- » be asked to update its Self-Study Questionnaire and resubmit documents (if in an active review)
- » be required to include newly acquired sites in its next review cycle
- » lose accreditation--the new entity(ies) may reapply to the Accreditation Program

The program policy requiring previous participants to wait one year before being eligible to reapply will be waived for museums that lose their accredited status as a result of the above circumstances. Depending on the situation, the new entity(ies) applying may also be exempt from having to go through the interim approval process required of new applicants.

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Statements of Support from Parent Organizations

Parent organization: A larger organization within which a museum operates. Examples of parent organizations include: colleges or universities; tribal, municipal, state, or federal governments; state historical societies supervising multiple sites; corporate foundations, etc.

A museum that operates within a parent organization relies on that parent organization for some or all of its human, physical, and/or financial resources. Levels and kinds of support from the parent will vary from organization to organization, and may vary from year to year.

The Accreditation Commission requires museums operating within a parent organization to submit evidence (issued/approved by the parent organization's governing body) documenting:

- » the importance of the museum, and the collections in its care, to the parent organization
- » the parent organization's commitment to use its resources to support the museum and its mission, and to protect the museum's tangible and intangible assets held in the public trust
- » the nature of the parent organization's support and relationship with the museum

This evidence must articulate that the parent:

- » values the museum as an intellectual and educational resource
- » sees the museum and its collections as essential components of what it does
- » is committed to the museum's continued success in fulfilling its mission and meeting its public trust responsibilities, especially with regard to the collection (if one exists)
- » is committed to following AAM and museum field standards, particularly with regard to the museum's collections, the use of deaccessioning proceeds, and collecting and gift-acceptance policies

This evidence can take a variety of forms:

- » a resolution passed by the parent organization's governing body
- » internal parent organization policy or agreement between the parent and the museum
- » section of the parent organization's bylaws, other organizing or governance documents or policies (i.e., parent organization document that describes its administrative and organizational structure and operations, and how the museum fits into that structure)
- » a section of the parent organization's formally approved institutional plan that addresses the museum
- » other evidence that shows a history of support from the parent organization (e.g., financial reports) and demonstrates for the Commission that there is a precedent for future regular and stable support
- » a resolution stating the parent organization's commitment that it will **not** consider the museum's collections as disposable assets

The Commission considers it a best practice, and strongly prefers, for the evidence to be approved by the corpus of the ultimate governing authority, not by an individual representing this governing body, or to whom authority for oversight of the museum has been delegated. The evidence must be a document(s) approved by the parent organization, not just by the museum.

The governing authority can write and approve its own statement that meets these requirements or utilize the template on the next page and insert additional information to personalize it to fit the museum's unique circumstances.



Template: Statement of Support from a Parent Organization

On behalf of the governing authority of the [*insert Parent Organization name*], the parent organization of the [*insert museum name*], I certify that it:

- values the museum as an intellectual and educational resource.
- sees the museum and its collections as essential components of what it does.
- is committed to the museum's continued success in fulfilling its mission and meeting its public trust responsibilities, especially with regard to the collections.
- is committed to following AAM and museum field standards, particularly with regard to the museum's collections, the use of deaccession proceeds, and collecting and gift-acceptance policies.

Optional: In addition, [*insert Parent Organization name*]:

...insert any additional statements explaining the relationship with, and nature of the support for, the museum.

Signature

Date

Printed Name

Title

Optional: If the statement has been approved by the corpus of the governing body, indicate the name of the approving body and the date of approval here:

Name of Approving Body

Date