Welcome!

CSAAM Webinar - Deaccession and Direct Care

Hosted via Zoom May 27, 2020

PRESENTED BY THE COLLECTIONS STEWARDSHIP PROFESSIONAL NETWORK OF AAM
Zoom Logistics

- PLEASE KEEP YOUR MICROPHONE MUTED
- THE WEBINAR IS BEING RECORDED

- ZOOM TROUBLESHOOTING
  - ZOOM HELP CENTER HTTPS://SUPPORT.ZOOM.US/HC/EN-US
  - LAST RESORT - SEND MESSAGE IN CHAT BOX OR LINDSAY’S EMAIL
    LPALAIMA@CALACADEMY.ORG
Speakers

- ROBIN LAWRENCE - Manager of Curatorial Affairs at the Indianapolis Museum of Art at Newfields, the Deaccessions Chair of the Collections Stewardship Professional Network, and a member of the Deaccession Task Force for AAM
- ANNE YOUNG - Director of Legal Affairs and Intellectual Property at Newfields
- JENNIFER RIGSBY - Associate Registrar for Collections at Newfields
Disclaimer

Any discussion of legal issues today may not be construed as or relied upon as direct legal advice.

Always seek legal counsel for your institution’s questions.

Robert Israel, Lawyer, 1970. Indianapolis Museum of Art at Newfields, Director’s Discretionary Fund, 74.238 © Robert Israel
Newfields' Approach to Deaccessioning

Consistent
• Deaccession at each Art Committee meeting, which takes place 4 times per year
• Groups are prepped for deaccession on a continual basis

Goal-oriented
• Refine collection
• Create more space in storage and thus provide direct care to the remaining works
• Acquire high-level works and works by under-represented artists

Measurable
• Collection Ranking Project data

Transparent
• Deaccession Policy is posted on our website
• Deaccessioned objects remain on the collection website, along with necessary provenance data
### Object Information

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>nationality</td>
<td>Chinese</td>
</tr>
<tr>
<td>materials</td>
<td>Pagodite</td>
</tr>
<tr>
<td>dimensions</td>
<td>9 1/2 x 5 1/4 in. (without base)</td>
</tr>
<tr>
<td></td>
<td>12 1/2 x 6 in. (with base)</td>
</tr>
<tr>
<td>accession number</td>
<td>12.79</td>
</tr>
<tr>
<td>credit line</td>
<td>Gift of Mrs. H.E. Smith</td>
</tr>
<tr>
<td>copyright</td>
<td>Public Domain</td>
</tr>
<tr>
<td>collection</td>
<td>Asian Art</td>
</tr>
<tr>
<td>deaccessioned on</td>
<td>05.31.2018</td>
</tr>
<tr>
<td>reason</td>
<td>John Teramoto, Curator of Asian Arts, recommended deaccession because the piece is superfluous to the collection. No foreseeable display in galleries.</td>
</tr>
<tr>
<td>Criteria for Assigning Rank</td>
<td></td>
</tr>
<tr>
<td>-------------------------------------</td>
<td></td>
</tr>
<tr>
<td>A Superior in artistic quality, rarity, historical significance, and desirability. This rank extends to collections and archives that are unique to the IMA.</td>
<td></td>
</tr>
<tr>
<td>B Demonstrable museum caliber, fine and representative works by noteworthy artists, superior works by lesser known artists, collective works.</td>
<td></td>
</tr>
<tr>
<td>C Useful for context, as adequate representatives of noteworthy artists, schools, eras, or types unrepresented elsewhere in the IMA.</td>
<td></td>
</tr>
<tr>
<td>D Of little utility, by virtue of duplication, redundancy, inferiority, commonness, or condition.</td>
<td></td>
</tr>
<tr>
<td>I Incomplete documentation currently prevents ranking.</td>
<td></td>
</tr>
</tbody>
</table>

**Rank/Comment**

Curator

Date
Building the Groundwork

  • Lenders must notify museum if their address changes or ownership changes in writing
  • Loan is considered abandoned if no communication has happened within 7 years after arrival (formerly no clause existed in the law)
  • Museum can send written notification to terminate loan to last known address and if no response is received in 60 days, title is transferred to the museum (formerly 3 years)
  • Abandoned property (FICs) must be held by museum for 3 years (formerly 7 years) before publishing a public notice
  • After public notice to claim title is published for abandoned loans or FICs, the museum must be contacted within 60 days or title transfers (formerly 1 year)
Abandoned Loans and FIC objects

• Museum has been able to claim title to 1,170 FIC objects
  • Began advertising in 2016 and finished last group in 2019
  • 714 FIC objects have been sold
• Storage space!
• Registrars are currently working through Abandoned Loans
  • Auditing all receipts and finding pieces through inventory
  • Time consuming tracking down heirs
    • Ancient Egyptian and Roman collection of 586 pieces
      • On site since 1914
    • 9 Abandoned Loans that have been accessioned
Tracking Deaccession Funds

- Each Department has a specific fund for the proceeds received from sale
  - IMA Fund tab is used to track Fund Restrictions
  - Fund Earnings tab records any deposit made into the fund and where the money came from
    - If a work of art sold for $10.00 it is tracked here along with the credit line that will be transferred to any new purchases
    - We track every work of art sold even if it only sold for 0.01¢

### EXAMPLE OF Fund Earnings

<table>
<thead>
<tr>
<th>Donor Name</th>
<th>Amount</th>
<th>Date of Donation</th>
<th>Restrictions</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC Auction Company</td>
<td>$500.00</td>
<td>5/15/2020</td>
<td>Contemporary</td>
<td>$500 check 2123 dated 05/15/2020, Sale 111 May 01, 2020, lot 01, CREDIT LINE by exchange</td>
</tr>
</tbody>
</table>
Tracking Deaccessioned Funds continued

- Fund Allocations tab is used to track any payments made and links to the specific work of art purchased
- Finance department also tracks fund

<table>
<thead>
<tr>
<th>Fund Allocations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Object ID</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>2020.25</td>
</tr>
</tbody>
</table>
Updating Newfields' Deaccession Policy and Defining Direct Care in the Use of Proceeds

Per the Collecting Plan, the funds received from the sale of works of art will be used to improve stewardship of the collection through the acquisition or deaccession of works of art or the direct care of the collection. Deaccession funds may be used on a case by case basis to cover the following:

1. The purchase price of new works of art for the Permanent Collection.
2. Payment for specific costs directly associated with such acquisitions after operating funds have been reviewed and/or exhausted.
3. To support the direct care of collections, including but not limited to framing, mounting, photography, conservation, staffing, packing, transportation, evaluation, and sales fees.

Works of art purchased with deaccession funds will be publicly credited to the original donor(s) in a similar manner as follows, “Gift of [donor's original credit] by exchange” or “Through prior gift of [donor's original credit]” or “[fund name] by exchange.” For works of art originally purchased using unrestricted art purchase funds, the deaccession funds will revert back to the general deaccession art purchase fund.
# Professional Organizations on Deaccessions

## American Alliance of Museums (AAM)
- **Direct Care of Collections: Ethics, Guidelines and Recommendations**
  - First issued in 2016; updated in March 2019 to reflect FASB
  - Allows for use of proceeds for direct care from the sale of deaccessioned collections
  - **RECOMMENDATION:** Include direct care language and use of deaccession funds in institution's deaccession policy.

## Financial Accounting Standards Board (FASB)
- **Topic 958, Definition of Collections** (previously in FASB 116)
  - Updated in March 2019 to align with AAM White Paper
  - "...use of proceeds from items that are sold to be for the acquisition of new collection items, the direct care of existing collections, or both."
  - **REQUIREMENT:** Have and disclose the institution's definition of direct care in its deaccession policy.

## Association of Art Museum Directors (AAMD)
- **Resolution to Provide Additional Financial Flexibility to Art Museums During Pandemic Crisis**
  - Issued April 15, 2020 and only effective through April 10, 2022
  - "...may use the proceeds from deaccessioned works of art...to support the direct care of the museum's collection."
  - **REQUIREMENT:** Must have board-approved policy that defines direct care and policy publicly available.
Considering a Deaccession Policy Update?

1. Gather the cross-departmental brains

2. Write or update a deaccession policy as part of collection management policy

3. Clearly define direct care in the deaccession policy

4. Present deaccession policy to governing body for review and approval at a:
   a. Regularly scheduled meeting OR
   b. Hold an emergency proxy vote

5. Make good decisions and be good stewards

6. Act in good faith to balance current needs with future needs
Again, many thanks!

Questions?