

# **2014-2015 GRAND JURY REPORT**

## **Edward-Dean Museum of Decorative Arts**

### **Background**

The Edward-Dean Museum of Decorative Arts (EDMDA) was founded in 1958 in Cherry Valley by Edward Eberle and Dean Stout to showcase their collection of 17<sup>th</sup> to 19<sup>th</sup> century Asian and European furnishings and decorative arts.

Subsequent to a transfer agreement with Riverside County (County) dated August 28, 1964, ownership and operational responsibility of the EDMDA was transferred to the County. The agreement contains 12 conditions to include the management of grounds, buildings, personal property, and museum.

The management of the EDMDA has had several changes since 1964. It was originally its own museum department, then was placed under the Riverside County Regional Parks and Open Space District (Parks Department), and eventually returned to being its own department. On July 1, 1999, the Economic Development Agency (EDA) was charged with the management and operations of the EDMDA. The property and museum is managed by one full-time EDA employee, one part-time curator, and two part-time employees. Additional staffing is provided by members of Friends of the Museum and other volunteers. The 16-acre facility contains the museum building, a storage garage, the Kay Cenicerros multi-purpose building, a rose garden and gazebo, a covered pavilion, and a koi pond. The facility is available to rent for weddings and other special events. The rentals are typically weekend events. A small gift shop with consigned merchandise is located inside the museum building.

The museum is open to the public. The operating hours are 10am to 5pm, Thursday through Saturday. Docents and staff provide guided tours to the public and student groups.

### **Methodology**

The 2014-2015 Riverside County Grand Jury conducted its investigation as follows:

- Toured and photographed EDMDA
- Interviewed the on-site Senior Development Specialist Manager of EDMDA
- Interviewed the Principal Development Specialist of EDMDA
- Interviewed the Curator of EDMDA
- Reviewed the 1964 Agreement between J. Edward Eberle and the County of Riverside

- Reviewed the County of Riverside Internal Audit Report #2013-012 dated June 20, 2013
- Reviewed the County of Riverside Internal Auditor's Report 2008-006 dated June 24, 2008
- Reviewed the Riverside County Grand Jury Report 2000-2001 Edward-Dean Museum of Decorative Arts
- Reviewed the Riverside County Grand Jury Report 1998-1999 Edward-Dean Museum
- Reviewed the 1997 letter from American Association of Museums regarding withdrawal of accreditation
- Researched other rental facilities

## Findings

### Museum Board

1. The current staffing does not constitute a Museum Board as per the conditions in the 1964 Agreement. When EDA acquired operations in 1999, the Board of Supervisors (BOS) assigned the Museum Board responsibilities to the Community Services Division of EDA. This includes a Senior Development Specialist who manages the day-to-day functions of the museum and facilities, a three-quarter time curator, and three assistant positions, one of which is vacant. The Principal Development Specialist oversees the museum and all of the County libraries. Condition #2 of the 1964 Agreement states, in part:

*A Museum Board shall be created by said Board of Supervisors to advise the Board of Supervisors on policies relating to the operation of the Center, to consist of qualified people, and to meet at least quarterly... A competent and qualified curator shall be employed and shall, under the County's usual governmental administrative procedures, be in charge of the Center at all times...*

Note: The term, Center, refers to the name defined in Condition #1 of the 1964 Agreement which states, in part:

*Said property shall be known as the Riverside County Art and Cultural Center, including as a part thereof improved grounds, buildings and museum personal property which shall continue to be known as the Edward-Dean Museum of Decorative Arts, hereinafter respectively called "Center" and "Museum"...*

### Pavilion Kitchen/Restrooms

2. The kitchen, adjacent to the Pavilion, has been condemned for over 10 years due to the presence of asbestos and mold. The kitchen is locked and unusable. However, restrooms attached to the building are still in use. The Riverside County 2008-006 Audit report recognized the need to renovate the Pavilion kitchen, and EDA's reply stated that corrective action was estimated to begin in July of 2011 and end June of 2012. As of the date of this report, no renovation has been initiated.

### Pavilion

3. The Pavilion area needs cleaning and repair. The roof is dirty and the entire area needs paint and stucco work. There are cracks in the sidewalk which present serious trip hazards (see attached photos).

The 1964 Agreement Condition #9 states:

*The County of Riverside shall at its own expense provide for the maintenance and operation of the property, all repairs and all refurbishing.*

### Real Property

4. The property includes approximately 10 acres of unused land which currently has a few trees, some of which are dead (see Attachment #1).

There is an area utilized for the accumulation of trash, miscellaneous debris, dead vegetation, and a dumpster.

The 1964 Agreement Condition #12 states, in part:

*The County of Riverside shall have the right to use the portions of the real property not now improved with the Museum or its grounds for park and recreational purposes and related uses, or for agricultural purposes, either by its own activities or through appropriate leases to third persons or agencies...*

### Rental Price Structure

5. The Riverside County Auditor's report 2008-006 states that the rental rate of \$2,500 for a Saturday event was found to be competitive. Since then, the fee has increased to \$4,200 which is no longer competitive. The rental rate for day use of the facility includes the dining/reception hall or pavilion, as well as the gazebo, the pond or Legacy Garden. In addition, other services must be added, such as catering. Other venues include the use of the facility with the catering fee. There is no price structure for use of the reception hall only, nor is there flexibility in the system to allow for partial days or multiple events on the same day.

### Lack of Adequate Marketing

6. The EDMDA has been inadequately marketed. In the past two years, the 18-20 rental events per year have proven inadequate to make the Center financially self-sufficient.

There are very few EDMDA events that would attract residents from the Coachella Valley who live less than an hour away. Other western Riverside County communities are 30 to 45 minutes away, within easy driving time, but are not adequately targeted in its present marketing.

### Appraisals

7. Obtaining appraisals is the financial obligation of EDA. Appraisals are not conducted on a regular basis. They were completed in 1980, 2008, and 2015. Friends of the Museum paid Skinner Brothers Inc. to conduct the last two appraisals. The County cannot adequately insure the museum contents if it does not have current value. It was recommended in the Riverside County Auditor-Controller's 2013-012 Audit that appraisals of the museum contents be completed every five years.

### Security

8. There are cameras inside the museum with a DVR, but no outside cameras on the grounds to provide early detection of intruders or monitor activity that would be used as evidence. This will assist the County in refuting liability claims and protecting against loss of property.

### Museum Inventory

9. Inventory of the museum is being tracked by Past Perfect Museum Software which depends on accurate entry and upkeep of information, pictures, and other data. There is no cross-check system in place to verify the Past Perfect data.

### Backup Records

10. No backup records are stored off-premises. As of January 2015 the only current inventory record is maintained on the museum property.

### Venue Management

11. Crestmore Manor is another wedding venue located in Riverside County and owned by the County. This venue, which has a full schedule with more competitive rates, is operated by the Parks Department.

### Accreditation

12. Museum Accreditation was withdrawn in 1997 by American Association of Museums. In their letter to EDMDA dated August 4, 1997, the following deficiencies and areas of concern are noted:
  1. *Governing body's (County of Riverside Board of Supervisors) lack of understanding of its public trust responsibilities to the museum.*
  2. *Lack of institutional planning related to the museum's mission.*
  3. *Unresolved organizational structure.*
  4. *Casual adherence to professional practices regarding collections care, storage, and conservation.*
  5. *Lack of financial resources to sustain the museum.*
  6. *Lack of authority for the day-to-day operations given to the director.*

### Finances

13. EDMDA has a projected expense budget for fiscal year 2014-2015 of \$338,000 and a projected income of only \$262,000 (with \$104,651 of that coming from EDA to subsidize the operation). EDMDA revenue is derived from museum admissions, facility rentals, special grants, a few special events that provide income from parking and admission fees, commissions from gift shop consignment sales, and support from Friends of the Museum. The result is a \$76,000 deficit.

## Strategic Plan

14. EDMDA does not have a current strategic plan in place. The Grand Jury has been advised by EDMDA that “they are working on a plan.”

A Strategic Plan consists of a mission statement, an assessment of current state of business, a competitive landscape analysis, a plan of allocating time and financial resources, a plan on how the business will go about achieving goals, and a strategy for attracting customers. A strategic plan has a five-year timeline with yearly updates and goals.

## **Recommendations**

**Riverside County Board of Supervisors  
Riverside County Economic Development Agency  
Riverside County Auditor-Controller**

### Museum Board

1. The BOS shall appoint a Museum Board by November 1, 2015, consisting of qualified members who shall meet at least quarterly to advise the BOS consistent with the 1964 Agreement.

### Pavilion Kitchen/Restrooms

2. The EDA shall engage the services of a qualified contractor by November 1, 2015, to eradicate the asbestos and mold health hazards in the Pavilion kitchen and restrooms and to close the restrooms until repairs are completed.

### Pavilion

3. EDA shall, by November 1, 2015, clean or replace the pavilion roof, repair the stucco and cracked sidewalks, eliminate safety hazards, and paint to improve the appearance.

### Real Property

4. EDA shall remove debris, dead trees, and vegetation. The trash shall be moved to a location not visible from the activity areas by November 1, 2015. The vacant land could then be developed for a park, recreation, garden, or agricultural use.

### Rental Price Structure

5. EDA shall return the rental rate to the \$2,500 base price to be competitive with similar facilities. EDA shall provide options for rental of limited parts of the facility and offer other time options. EDA shall offer alternate packages.

### Lack of Adequate Marketing

6. EDA shall increase marketing efforts to caterers, wedding planners, bridal shops, meeting coordinators, party planners, and appropriate organizations. This would attract customers for weddings and other events such as business seminars and retreats, to utilize the facility on other days. Advertise through radio, television, regional magazines, sororities, and social media.

To better advertise the value of the museum, EDA shall promote it to colleges, universities, and cultural clubs. Other opportunities for promotion include an on-line video mini-tour of the museum to attract visitors. Another on-line video would provide a visual tour of the grounds and facilities for potential renters.

### Appraisals

7. EDA shall be responsible for obtaining appraisals, which shall be completed every five years.

### Security

8. EDA shall immediately upgrade the surveillance system to include multiple cameras on the grounds to be recorded on the DVR system. EDA shall establish an internet connection to enable the cameras to be monitored in the office and at remote locations. Early warning alarms shall alert management and police.

### Museum Inventory

9. Physical inventory of museum contents including basement and storage areas shall be taken quarterly and shall be verified against the Past Perfect software information.

### Backup Records

10. Since the inventory is managed by Past Perfect, a copy of the data shall be sent to EDA and Risk Management monthly as a backup to the computer in the museum office.

### Venue Management

11. Transfer management of the **non-museum** activity and rentals to the Parks Department. Keep the museum under EDA management in conjunction with the BOS appointed Museum Board.

### Accreditation

12. EDMDA shall contact American Association of Museums, Director of Accreditation and Museum Standards, in Washington D.C. to determine what action is necessary to regain accreditation.

### Finances

13. To ensure viability and resolve potential deficits, the County Auditor-Controller shall do a comprehensive cost analysis of the operation of the EDMDA.

### Strategic Plan

14. EDA, in conjunction with EDMDA, shall develop a strategic plan by December 15, 2015, to review and revise annually.

