

*Marking out the future - Report on Boomalli Aboriginal Artists Co-Operative*

# **Report on Boomalli Aboriginal Artists Co-Operative Ltd.**

*Marking out the future*

Prepared by Frank Panucci & Associates on behalf of the NSW Ministry for the Arts (MfA), Aboriginal and Torres Strait Islander Services (ATSIC) and the Aboriginal and Torres Strait Islander Arts Board (ATSIA) of the Australia Council.

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## **1. Background**

The NSW MftA, ATSIA and ATSSIS are the three major sources of government funding to Boomalli. The major funder is ATSSIS which provides approximately \$150,000 per annum (which previously had been approx \$175,000) in operational funding. In 2003 the NSW MftA approved \$35,000 for Boomalli and ATSIA provided a grant of \$10,000. These two bodies base their funding predominantly on the basis of the program of exhibitions that Boomalli submits on an annual basis.

Boomalli's funding for 1999, 2000 and 2001 from MftA was made up of two amounts: \$25,000 'program' (core) costs and \$12,500 'establishment' funds as part payment for a curator position. The latter was a three year sunset arrangement.

In 2002 the MftA combined these amounts and grew the 'program' (core) funding to \$37,500. This represents an increase in core funding and maintenance of the overall level of financial support. For 2003 the MftA approved \$35,000 to Boomalli.

Over the last two years the NSW MftA has required Boomalli to submit revised programs/budgets given the poor quality of the applications. The Visual Arts and Crafts Committee of the NSW MftA informed Boomalli that they considered the 2003 application as unsatisfactory for a range of reasons, including the artistic standards as represented in the program, artistic leadership of the company and the staff roles, budget disparities, and issues regarding governance and the role of office bearing positions. Following these concerns they advised Boomalli they would release funding for 2003 on the condition that a review take place of Boomalli's activities.

ATSIA had also raised concerns in regard to the quality of applications which were submitted by Boomalli for funding of aspects of its annual program of activities. For 2003 ATSIA approved \$10,000 for Boomalli, which was less than in previous years. ATSIA's decision was based on what was considered a low quality application and a lack of clarity in terms of artistic quality and direction. ATSIA had also raised concerns over the quality of previous applications from Boomalli requiring revisions. ATSIA also noted that Boomalli were often late in submitting grant acquittals.

ATSSIS in the main were of the view that applications from Boomalli had met their requirements and their reporting had been adequate.

It is clear that Boomalli is moving through a period where their activities and direction are being assessed less positively than in the past by the NSW MftA and ATSIA, which has led them to receiving reduced funding.

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On the other hand, the NSW MftA, ATSIA and ATSSIS are committed to assisting Boomalli review its operations and activities, so as to mark out a future which benefits contemporary Indigenous culture and artists.

## **2. The Review**

The NSW MftA, after expressing its concerns to Boomalli and its intention to undertake a review, approached ATSSIS and ATSIA to consider the possibility of a joint review. Boomalli had considered that it be important that ATSSIS be involved as they provide the largest level of support. The agencies considered it would be more appropriate and equitable for Boomalli if they coordinated their activities. The three agencies then approached Boomalli about defining a set of agreed terms of reference. This led to detailed consultation and negotiation between the four parties, and finally MftA, ATSIA, ATSSIS and Boomalli agreed to the terms of reference for the Review which covered the following broad areas:

### GOVERNANCE, MANAGEMENT STRUCTURES AND PLANNING PROCESSES

- To evaluate the company's constitution and the role and membership of the board in relation to the company's core objectives.

Where necessary, identify and recommend opportunities for improving the company's effectiveness through revisions to its Constitution and/or board structure.

- To evaluate key staff roles and position descriptions in light of the company's key objectives.

Where necessary, identify and recommend opportunities for improving the company's effectiveness through revised staffing roles and responsibilities.

### SERVICE PROVISION

- To consult internal and external stakeholders including artists, curators, cultural institutions, community representatives and funding bodies regarding the company's service delivery.
- To evaluate the strengths and weaknesses of the company's artistic direction and programming and to advise upon strategies to secure the company's future success.
- To identify the necessary resources to deliver the company's core activities.

### FINANCIAL MANAGEMENT

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- To evaluate the core business of the company, as reflected in its financial operations, and to assess financial management systems.
  1. Identify and describe how the company currently manages its budgeting, financial controls and financial reporting to its management and third parties.
  2. Where necessary to identify and recommend opportunities for improving the company's effectiveness in its budgeting, financial controls and financial reporting.

### **3. Context**

As an initial part of the Review the consultants undertook some background research, including documents search and analysis.

The consultants became aware that Boomalli:

- had been the subject of one ATSI(S) regular Major Reviews in June 2000, that was conducted by Senatore Brennan Rashid.
- had recently received funding from ATSI(S) to engage a consultant to develop a Strategic Plan which was in an advanced draft stage when this Review was commissioned. The plan was being developed by Incite Management Group Ltd.

The Major Review and Strategic Plan covered a number of areas which were outlined in the terms of reference for this Review. There were also a series of recommendations and suggestions which addressed some of the areas of concern outlined in the terms of reference for this Review.

At the commencement of this Review Boomalli also nominated an interim Chair, Bronwyn Bancroft. This was decided mainly due to the ill health of the current Chair, Michael Riley. The appointment of an interim Chair was seen by Boomalli as a means of facilitating the review process and ensuring that the Board was actively engaged.

Another factor which set the context under which this review is taking place is a \$50,000 capital grant given to Tullagulla from the NSW Ministry for the Arts. There were some differences of views between the MftA and Boomalli regarding the intent of that funding. The MftA were of the view that they had made their intentions clear that the funding was for the Boomalli gallery space within the Tullagulla building in Flood Street. On the other hand, the Boomalli coordinator, who was the principle contact for the Tullagulla application, was of the view that the money had been granted to Tullagulla for utilisation as required in the general refurbishment of the building. Tullagulla then submitted a new application for capital funding to the MftA for next year and the MftA had to ask it to be resubmitted because it did not conform to the

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guidelines. Although this was not part of this Review it provides another contextual layer to the relationship between the MftA and Boomalli.

On 15 June a meeting was called of NSW Indigenous artists to consider issues regarding the representation and role of NSW artists "to assert their bloodline rights in their own countries". Although the meeting was not called or organised by Boomalli, one of the contact numbers was Boomalli, the principal organizer was Bronwyn Bancroft, the interim chair of Boomalli, and the meeting was held at Boomalli. Once again this issue was not part of the Review, however it does create the possibility of clouding the waters.

#### **4. General Observations**

This section is presented in a manner which canvasses general observations which cover the terms of reference areas in a more holistic manner.

##### *1. Two sides to every story*

Through the consultation process it became clear that there are very strong and divergent views held on the operation and effectiveness of Boomalli over recent years. A number of people who had previously been, and are currently, members of Boomalli were very critical. Critical comments were also expressed by representatives of organisations which had dealings with Boomalli and felt that Boomalli had missed opportunities that were presented to them.

Some of the views were based on what were considered the decline of Boomalli from its past, when it was a vibrant and innovative force in the contemporary Indigenous visual arts sector. It had assisted artists to achieve a level of success as well as influencing institutions to collect and exhibit contemporary Indigenous art.

However, irrespective of these views, all of those consulted were of the belief that Boomalli had an important and crucial role to play in contemporary Indigenous culture. They saw this role as being at the regional, State, national and international level.

*There is an underlying good will to see Boomalli succeed and this level of remaining good will should be taken into account and built upon.*

On the other hand, there were those of the view that Boomalli was operating well under difficult circumstances. Some the issues raised included:

- The difficulties surrounding the identification and purchase of the premises under the Tullagalla consortium – where Boomalli played a leading role.
- The funds available for operational activities were limited given the recent decisions of funding bodies to reduce funding or reject applications for

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specific purpose funding aimed at addressing operational issues, such as business development and equipment.

- A number of ex Boomalli members/employees had left on non positive terms and had acted against the interests of Boomalli for their own benefit.
- The view that they had been reviewed many times, however there never seemed to be any forward movement and no resources to implement the recommendations of the reviews.

How real or objective these issues are, is difficult to assess, however, as in most cases, the veracity is not the main point. Rather, the strength of the perception among people is the key factor. It is clear that people directly involved in Boomalli feel that the organisation is under stress and this leads to people on the outside make critical comments without understanding the situation within which they operate. This has also created a sense of defensiveness in dealing with agencies and outside groups which may be seen as critical, even if this is done in a spirit of support.

However, there is a strength among people involved in Boomalli that lies in the level of commitment they have to its aims of providing support and opportunities for contemporary Indigenous artists.

*The underlying level of commitment is a platform from which to mark out a vibrant future for the benefit of contemporary Indigenous artists in NSW.*

## *2. Relationships with the funding agencies*

### *A funding agency perspective*

As stated above, MftA and ATSIA had expressed concerns regarding the quality of the artistic programs submitted and delivered by Boomalli in recent years. From reviewing the applications to the MftA over the last three years, it appears that the VAC Committee were "flexible" in their application of criteria and granting of support. The VAC decision reflects a commitment to the view that Boomalli has an important strategic role to play for the future of NSW's Indigenous contemporary artists.

The MftA has also regularly provided extensions to Boomalli to submit applications after the "closing date" as well as seeking supplementary information so that a minimum of information was provided for assessment purposes.

An assessment of Boomalli applications to ATSIA reflects a similar story. The quality of the applications was not of high standard. However, ATSIA supported Boomalli, even if at reduced levels, because there was an acceptance of the potentially strategic role Boomalli plays both on the NSW and on the national stage. This was reflected, as mentioned earlier, by ATSIA approaching Boomalli with the possibility of submitting a triennial application

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in 2002 for funding in 2003. Boomalli did not submit the application as they maintained that they did not have the resources to meet the turn around time required to prepare and submit it.

The level of ATSIA's commitment to the potential of Boomalli is demonstrated by the fact that they once again approached them to submit a triennial application in 2003 for funding in the 2004 calendar year. It is my understanding that a meeting recently took place between ATSIA representatives and Boomalli to discuss and finalise a triennial application under the Key Organisations Category which is to be submitted by 1 September 2003. The draft application was positively received by ATSIA and they commented on the substantial progress made in terms of developing an artistic program and proposed structure.

Another issue relates to the timeliness and standard of acquittal and reporting on grants. An assessment of acquittal reports to the MftA and ATSIA has shown that the reports often lack the detail that would be expected in terms of demonstrating the outcomes of exhibitions and related activities. It was also noted that the acquittals were lodged late and extensions were often requested and granted.

ATSIC(S) were of the view that Boomalli had met the standards required in terms of applications and reporting. In some cases ATSSIS were of the view that some aspects of Boomalli's reporting on performance was excellent.

Boomalli provided the consultant with a range of documentation including correspondence exchanges between ATSSIS and Boomalli regarding a number of issues. In reading through the exchanges it is noted that at times that there were times instances where extra information was requested of Boomalli and there were issues regarding the timeliness of responses.

The concerns of the various funding agencies have been communicated to Boomalli through a range of means, including informal feedback, formal meetings with the coordinator and/or Board representatives, and in correspondence.

Although all the agencies had concerns with Boomalli, prior to developing the terms of reference for this Review, it does not appear that the funding agencies have consulted closely. This is exemplified by the fact that, even after developing the terms of reference for the review, no reference is made to the ATSSIC funded Major Review of Boomalli in 2000 or that they had provided support for the development of a Strategic Plan which was taking place at the time the Review was commissioned.

*Boomalli's perspective*

The above assessment needs to be balanced by attempting to take a view from Boomalli's perspective.

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Boomalli has been through a period where it has received reduced funding. For an organisation the size of Boomalli this has a significant impact both in terms of capacity to deliver exhibitions, services to members and generally meeting its objectives as well as for the administration of the day to day activities. It is not possible to disassociate these factors from issues regarding the quality of applications, reports and timeliness.

During this period Boomalli has been through what can only be described as a saga regarding the identification/purchase of a permanent site through the Tullagalla consortium. The issue has been around for a long time and the toing-and-froing between ATSIC, the NSW Government and Boomalli has obviously taken physical, financial and intellectual resource away from Boomalli's capacity to deliver against its day to day activities and exhibitions program.

Boomalli has also seen the curatorial staff turn over on regular basis. The reasons for this are varied, however, suffice to say that these regular changes have also impacted upon both the applications, quality of the exhibitions and reporting. This is compounded in a situation where a member run organisation does not have an effective curatorial committee in operation which would provide some sense of continuity and overarching vision.

It is clear that Boomalli was aware of its capacity to deliver and had applied on a number of occasions to ATSIS for assistance to improve its infrastructure, such as computers, and also for funding for assistance in business planning and development. These requests were in the main refused until recently, when Boomalli was granted assistance for developing a strategic plan.

Finally, given the context addressed in point 1 of the findings as well as a series of reductions in funding, it is understandable that Boomalli could develop a defensive culture. It appears to perceive itself under "attack" and constant "scrutiny" from a range of sources which have a lack of understanding of the reality within which Boomalli operates, what they are trying to achieve, the rationale that drives them and a lack of appreciation of the work.

This has led to a situation where the comments and advice of the funding agencies are at first seen as criticisms and the "positive messages" are lost. This in turn has an impact on the nature and quality of Boomalli's applications, acquittals and communications to the funding agencies. For example, if Boomalli's relationship with the funding agencies was more constructive, it would have reported to MftA and ATSIA that it was developing a strategic plan and had a Major Review undertaken.

### *3. Relationship with other institutions*



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When Boomalli was first established there were very limited resources for contemporary Indigenous artists in NSW and nationally to receive support, advice, have their works exhibited and develop a coherent discourse relating to their art and cultural expression. Over the years, through the activities of Boomalli and the artists that came through it, there were some significant changes. Major institutions and private galleries commenced to collect and exhibit works of contemporary Indigenous artists.

Contemporaneously there were major changes in the way Indigenous visual arts were dealt with by major institutions and private galleries. This has led to Indigenous curator positions, collection and exhibition policies being established by most major institutions. Private galleries have increased the spaces for Indigenous arts given the demand from national and international collectors leading to Indigenous arts being the largest visual art industry sector (analysis of sales in the Myer Report).

Boomalli was regularly approached to develop shows for exhibition in other institutions and private galleries. Non visual arts bodies approached Boomalli to provide site specific shows, thematic exhibitions and designs for events.

One only has to look through the history of Boomalli's activities to gain a strong sense of the influence it has managed to exert and the role it has played in opening up opportunities for contemporary Indigenous artists. In particular Boomalli raised the profile of, and offered opportunities to, urban Indigenous practitioners and this marked it out from other Indigenous and non-Indigenous arts organisations.

Often the success of Boomalli has been measured by the number of artists and curators who have come through and achieved a high level of recognition and developed significant careers. The success of Boomalli should also be assessed in the manner in which it influenced the general visual arts sector and its capacity to effectively engage and develop partnerships with institutions. They became a reference point at a State, national and international level not only in terms of accessing artists but also for advice and assistance in developing effective Indigenous contemporary arts programs.

In recent times it appears that the strength of Boomalli's relationship with some institutions has waned to some extent. This could be due to the fact that there are other individuals and agencies which now operate in the area which was once exclusively Boomalli's domain. However, through the consultation process there appears to be other factors at play.

Developing and maintaining strong partnerships, networks and status of "leadership" is often the result of a strategic approach and capacity to deliver.

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Through the consultation process a number of instances were raised where Boomalli was seen as not delivering when opportunities were being presented to it.

One example was the case of an acquisition request from the National Gallery which took about 12 months to be completed. During this period requests were made of Boomalli to expedite the matter and to explain if there were any difficulties being encountered. Often there was no response from Boomalli and they had to be contacted on a number of occasions to receive some feedback. I am aware of the relationship and history between the people involved at the National Gallery and Boomalli. However, the issue that this example is trying to raise is not the relative merits of the parties involved. Rather it is an attempt to illustrate how easy it is for an organisation's standing to be diminished which can lead to institutions reconsidering future partnerships or collaborations. There were a number of other instances raised where organisations had approached Boomalli and were not completely satisfied with the response and delivery.

There are of course other agencies and organisations which have a positive relationship with Boomalli. However, if there are one or two cases where Boomalli is seen not to be delivering then a ripple effect starts and soon its reputation and standing is damaged. It appears that the ripple has started to spread however, there is still an underlying level of goodwill.

Boomalli should utilize this residual goodwill to undertake a concerted effort to rebuild partnerships and collaborations if it is to continue to both provide opportunities for its members and influence the broader policy and exhibition practices of institutions.

As stated earlier, from Boomalli's perspective they could perceive they have valid resource issues which have impacted on the way these collaborations and relationships have developed. There are divergent power and cultural relationships which exist between major institutions and non Indigenous bodies and groups such as Boomalli which can lead to "cultural" miscommunications.

Also Boomalli consider that some of the personalities involved, including some ex Boomalli employees/members, are antagonistic towards the current Boomalli management. Therefore this antagonism is seen as affecting the level of professionalism from the other parties.

However, even we accept these issues, they would of themselves not appear to account for the failures of Boomalli to deliver to a higher standard. There have to be other factors at play, the specifics of which have not been identified, but we would surmise that they derive from broader management and operational questions.

#### 4. That elusive "quality" of the work

During the review and consultation process the vexed question of "quality" of the work exhibited at Boomalli was raised. Some were of the view that the "quality" had fallen away over recent years. Others held conflicting views. We recognize that often these views are subjective and influenced by particular areas of expertise, preference and so on, of individuals.

However, there was a fairly general consensus that the artistic direction of Boomalli was not as clear and strong as it had been. This is evidenced to a certain extent in the applications to Mfta and ATSIAs as well as the number of requests to tour and receive shows which appear to have reduced in recent times. Once again this may be explained by resource and the building related issues, which drew creative and physical resources away from Boomalli's main game. However, there are many Indigenous arts organisations which operate on a similar or smaller resource base and have achieved to maintain a strong artistic direction and program. In terms of the impact of moving into a new site and the disruption this has caused, we are aware of instances where organisations in a similar situation have negotiated with the funding bodies to cease programs during the change over period. It does not appear that Boomalli management attempted to negotiate a cessation or revision of the program, thus sending unclear messages about their level of operation.

It is interesting that during recent times the curatorial committee has not been operating and based on Board minutes there appeared to be some concern in terms of the decision making relationship between the curatorial committee and the curators of specific exhibitions.

Also it is noted that the Major Review in 2000 conducted by Senatore Brennan Rashid recommended that the coordinator either participate at Curatorial Committee meetings as an observer or preferably have an active role in the process and act as an intermediary between the Curatorial Committee and Governing Committee. This signifies that there were some concerns regarding the operation/role of the Curatorial Committee within the current structure. However, this appears to be raised more as an operational/management issue and not one relating to the "quality" of the work or the "artistic" direction.

We are aware that there are issues surrounding curatorial committees which can constrain the curator's role and views as does a lack of professional arts experience at the senior staff level.

A curatorial advisory group may provide some direction and assistance if it is within the framework of an agreed curatorial and artistic direction and it includes participation from outside of the membership.

In regard to the "quality", it was interesting to note that during the consultation process there was a generally positive views expressed in regard to the curators at Boomalli. This could be taken as a contradiction given the

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concerns about the "quality", as often in the visual arts, sector it is the curators who drive the direction, select, present and contextualize the "works". We would consider that there is no such contradiction, rather it is more related to the organisational positioning of the "artistic direction".

It is also necessary to point out that the curators were often brought in at an entry level in an environment lacking a strong artistic direction/program and there does not appear to have been any clear mentoring or development policy in place to assist them. This lack of development and structured mentoring, from either internally or externally, has meant that the curators have not been able to build on their talent and develop higher professional standards.

Quality is also measured by the role Boomalli has in representing artists, and this calls for specific skills. Artworks need to be handled, cared for and respected. There appears to have been lapses in this area which are apparent as one walks past the building and sees fragile and light sensitive artworks placed against the external window panes.

Concerns regarding the "artistic direction" and "quality" have been raised with Boomalli by MftA and ATSIA as well as individuals. Dealing with these perceptions or realities is something that Boomalli needs to address.

#### *5. Running the ship*

As mentioned previously Boomalli has had a Major Review undertaken of its operations in 2000 and is currently involved in a strategic planning exercise. These documents have made recommendations and suggestions regarding Boomalli's administration, management, governance and future directions.

This review does not intend to undertake a detailed analysis of the previous Major Review. Suffice to say that often the recommendations were accompanied by provisos relating to resources being made available to Boomalli to implement them. Furthermore, there does not appear to be an implementation time frame or protocol which was negotiated by Boomalli and ATSIC which was the funder of the Major Review.

In regard to the Strategic Plan, it is still being finalised and the Board has had a series of meetings with the consultants involved in its development. We understand that the document should be in final draft form within a month. In the draft version we have noted that there are a series of objectives regarding optimum staffing structures, financial management and reporting.

During the process of this Review we have had occasion to review a range of financial reports as well as management and governance related documents. The Audited Financial Statements for the financial years ending June 30 2001 and June 30 2002 were unqualified and based on Australian Auditing Standards. The reports generated from Boomalli's internal financial systems

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are fairly standard and demonstrate a level of detail which may be expected. However, we have not undertaken any due diligence or detailed verification procedures or a detailed forensic audit of the accounts Boomalli provided us.

We have also reviewed documents provided by Boomalli including:

- the Rules of Boomalli Aboriginal Artists Cooperative Ltd – A Non-Trading Share Cooperative – Registered under the Co-Operatives Act of NSW;
- Board and AGM Minutes from 2001 to July 2003; and,
- Coordinator's reports from 2001 to 2003.

In reviewing the minutes and the coordinator's reports a number of issues were identified which we consider provide some insight into the operations of Boomalli.

At a Board meeting in October 2001 an issue of misappropriation of funds was raised by the Coordinator. The matter was referred to the police, the staff member who was responsible dismissed, was further discussed at the November 2001 Board meeting and also referred to the Insurance company to seek recouping of the losses. Our understanding is that the Insurance company made a payment of \$33,464.02 to cover the loss less \$1,000 as excess fee and it also included \$2,620 in auditor's fees. At the time of writing we were informed that the police report/investigation had not yet been completed.

We raise this matter not to apportion individual or collective liability but rather to explore management and governance issues.

In regard to the misappropriation issue, there were obvious procedural and oversight issues at the management level followed by governance responsibilities at the Board level. It appears that the Board was aware of its responsibilities and there are Board minutes which signify that the Board had considered certain authorization procedures were in place – then found out they had not been followed. The Board then aimed to introduce new signing and payment authorization procedures which may mitigate against future occurrences. It should be noted that in the Major review there were already recommendations regarding the authorization procedures - we were not able to ascertain if these were implemented or not. However, from reading the minutes there was no reporting of the incident to members through the next AGM in February 2002, given that we are dealing with approximately 10% of the income of the Company one would expect that the matter would be raised and actions taken to deal with it explained to the members.

Boomalli Board and Management also did not formally bring the matter to the attention of the funding agencies. Beside possible requirements under terms and conditions of grants, it would be considered good and transparent practice, to inform the funding agencies of the matter and the action undertaken to address the specific and broader procedural matters.

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There may be a range of reasons why Management and the Board decided to keep the matter confidential. These may have included the fear of the associated scandal and fear of losing ongoing support. It is also the case that for Indigenous organisations accusations of corruption/misappropriation are commonly laid and they appear to face more scrutiny and harsher penalties than non-Indigenous groups. This often creates the situation where things are addressed internally. However, these possible rationales cannot sustain the decision not to report the matter to the funding agencies.

There is a responsibility for the management and disbursement of public funds which has to be maintained by the Board. The failure of reporting signifies a failing in the management's and the Board's understanding of their responsibilities both in a legal and ethical sense.

In the Board minutes of May 2001 an issue of time in lieu payments to the coordinator was raised. It appears that amount involved was approximately \$10,000. Our understanding is that the request was documented and met requirements under the terms of the industrial laws covering the coordinator's employment. From a reading of the minutes it seems that the matter was not raised previously nor was there on going reports on the time in lieu liability that was developing. Once aging this issue is raised not to apportion fault but rather identify the underlying structural issues which needed to be addressed.

From reading though the minutes and based on discussions it appears that once again the issue is one of management, reporting and governance. The coordinator is responsible for the maintenance of personnel records and reporting to the Board. The Board and individual directors are responsible for ensuring that they are informed of the organisations operations and seeking out further information if it is not being provided.

It could be assumed that a growing time-in-lieu liability would have been brought to the Board's attention both from a financial as well as an industrial/occupational health and safety perspective. On a reading of the minutes and coordinator's reports this did not occur. It is also noted that after the May Board meeting there were requests for regular time in lieu updates.

From a Board's perspective, in an organisation such as Boomalli, they often operate on a high trust level with senior management and thus assume they are being provided all the relevant information. While this is understandable the Board still has a responsibility to maintain an oversighting role, seek further information and regularly review the reporting regime from management.

We note that both a specific record of the misappropriated funds and the time-in-lieu payment do not appear as abnormal one off items in any of financial documentation that we have received, nor are there any accompanying notes in the audited financial statements which were

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unqualified for 2001 and 2002 Financial Years. This would appear to be a shortcoming in the financial reporting and management within the organisation.

The minutes also provide some insight into personnel management issues.

The people in the positions of Administrator, Curator and Assistant Curator have been acting for approximately 12 months. We also noted that the Coordinator had indicated in July 2002 that she would be leaving in December 2002 and sought that the Board develop a succession plan. The need for the development of a succession plan was noted both in the Major review and the draft Strategic Plan.

In management terms to have people acting for an extended period is not best practice. Extended acting can lead to morale and stability difficulties as well as industrial and ethical issues relating to the individuals who are in those positions.

In regard to the Coordinator flagging an intention to leave, the issue is not whether she has left or not, but rather it reflects the potential to reach burnout point without a clear succession plan this places the Board in a difficult position. It also reflects the lack of an ongoing performance review process by the Board where the stresses and concerns of the Coordinator can be identified at an early stage and not reach "crisis" or "burn out" point.

As part of the Review we sought copies of duty statements of the positions and contracts for the employees. We were provided with duty statements which we noted in minutes were discussed and amended at the July 2003 Board meeting of Boomalli. Employees do not sign either contracts or the duty statements to signify acceptance and understanding of their roles. Maintaining and approving duty statements and ensuring contracts are signed are governance issues which should be pursued and monitored by the Board.

All the duty statements state that the employee "will work with other staff and is accountable to the Board of Directors". This signifies there is no line of reporting and responsibility among the staff. This could create difficulties in the day to day management of Boomalli and could require the Board to undertake a daily human resources management role. It could also create difficulties in the way staff interact and this appears to have occurred in the past. Board minutes show that the Coordinator had raised issues of who has the responsibility of directing staff and the difficulty of management due to individual staff's direct relationships with Board members.

In the past twelve months or so it appears that staff meetings were neither regular nor structured and the Board has recently directed that regular weekly staff meetings take place.

*6. Since the Review commenced*

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Since the Review was announced we are aware that there have been a number of initiatives undertaken by Boomalli. These have included among others the decisions to:

- re-activate a Curatorial Committee and a Publications Committee;
- conduct a working bee at Boomalli on 6 September to clean up the gallery and office spaces;
- a fund raising auction to be conducted by Shapiro's who will advertise it in their catalogue;
- review the membership list and undertake a membership drive; and,
- completion of a triennial grant application to the Australia Council which includes an expanded exhibitions program and a proposed reorganisation of the staffing structure.

In general we have found Boomalli to be open to the review process and attempting to address concerns that they themselves had already identified.

## **5. Recommendations**

The recommendations listed below are based on addressing the concerns and issues presented in the general observations and have been grouped under the broad headings of the terms of reference.

### 5.1 Governance, management structures and planning processes

Boomalli's Cooperative structure provides both strengths and weaknesses. It ensures that Indigenous artists maintain control and direction of the organisation which is the central tenet of Boomalli's existence. On the other hand it limits the "pool" of skills available for the Board. At this stage we do not identify a need to change the company's cooperative structure. At present the rules allow for a five person Board (with two alternate directors) which is elected by the members at AGM. The constitution does allow for an Indigenous person who is a non active cooperative member (possibly up to two) to be elected to the Board if they have professional skills benefiting the organization (Rule 67).

Below are some interim recommendations regarding the composition of the Board of Boomalli. It is the view of this review that Boomalli needs to assess the effectiveness of the Cooperative structure to achieve its future business, cultural and community aims. This should take place as Boomalli develops a new strategic plan to ensure that the governance structures are the most effective for it to achieve its goals.

*Recommendation I:*

*That Boomalli consider a constitutional change, based on rule 67, to identify two elected Board member positions being identified as being for Indigenous people who are non active cooperative members with professional skills benefiting the organization.*



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*Recommendation II:*

*That Boomalli consider making constitutional changes to allow for the Board to co-opt Indigenous people as full members. In the first instance they should co-opt someone who is highly experienced in the legal and corporate responsibilities of directors and another who is highly experienced in financial management and analysis. Boomalli should consult with the funding agencies in identifying potential candidates.*

*Recommendation III:*

*That the Board of Boomalli establish an audit committee of the Board and that this includes one independent non-Board member with audit experience. The committee would be charged with overseeing financial, governance and other issues which regard the effective management and probity of the organisation.*

*Recommendation IV:*

*That the Board members be given specific and on going training by an external expert regarding their roles and responsibilities as directors and as part of this process the Board have an annual facilitated review of its performance.*

*Recommendation V:*

*That the Board oversee, with external expert advice if required, the development of a contract based on performance outcomes for its chief executive officer (or equivalent) and institute a performance review process on a six monthly basis.*

In regard to staffing it is necessary to see the recommendations in relation to achieving improvements in terms of service provision and financial management. Given that Boomalli's core business is supporting contemporary Indigenous art practice and that this should be the driver for defining key staff roles and structure. The recommendations regarding staffing will have to be considered within the context of financial capacity.

*Recommendation VI:*

*That Boomalli do not undertake any recruiting until they create a new position of Artistic Director as CEO of Boomalli.*

- *The position would have overall responsibility of the day to day management and implementation of the artistic direction. The other staff positions would report to the Artistic Director who in turn would report to the Board.*
- *A position description would be developed by the Board in consultation with external experts.*

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- *The position should be advertised on a national level in Indigenous media, mainstream and specialised press as well as computer based services such as Artshub and Koorinet.*
- *That there be external representation on the interview committee for the AD. The external members could be drawn for example from funding bodies, contemporary arts organisations, Indigenous arts organisations.*

*Recommendation VII:*

*That a new staffing structure be developed under the AD with positions that target the strengthening of financial management, audience development and curatorial capacity.*

*Recommendation VIII:*

*That all staff have clear duty statements and a performance management system be instituted, with appropriate mentoring and staff development policies and practices. That for all staff members a performance review process be undertaken on a six monthly basis.*

*Recommendation IX:*

*That a policy be adopted whereby positions will be recruited on a permanent or fixed term basis and acting will be limited to a maximum of 3 months.*

## 5.2 Service Provision

The establishment of the Artistic Director position should provide a strengthening of the artistic direction and its implementation. Delivering a strong artistic and development focus could also be supported by the recommendations regarding the governance and management.

*Recommendation X:*

*That support be given for the establishment of a publications committee by the Board of Boomalli.*

*Recommendation XI:*

*That Boomalli establish a curatorial advisory group including non members which would play a role as providing input on general policies and directions. The realization and implementation of the artistic direction will rest with the Artistic Director and the curator(s).*

*Recommendation XII:*

*That Boomalli develop audience and market development programs which also aim to increase the artistic and critical exchange with other artists and institutions.*

### 5.3 Financial Management

The governance and staffing recommendations should go some way to addressing financial management issues.

*Recommendation XIII:*

*That a detailed audit be undertaken of Boomalli's financial controls, reporting and budgeting by an independent expert. With the aim of developing a new set of policies and procedures.*

### 5.4 Funding Agency Recommendations

*Recommendation XIV:*

*That Boomalli be given a four week period to respond in writing to the Review and that the MftA, ATSIA and ATSIIS commit to a joint meeting with Boomalli to discuss Boomalli's response and develop an agreed detailed implementation plan.*

*Recommendation XV:*

*That the funding agencies commit to the provision of necessary funds for the audit as set out in Recommendation XIII.*

*Recommendation XVI:*

*That funding agencies commit to making resources available to ensure the effective implementation of the Review recommendations.*

*Recommendation XVII:*

*That the funding agencies commit to improved coordination and information sharing in dealing with Boomalli.*

### 5.5 Implementation

*Recommendation XVIII:*

*That an Implementation Committee be established with representation of the three funding agencies and Boomalli. The Implementation Committee would be charged with defining common agreement on the changes that need to be instituted and setting milestones and timelines.*

*Recommendation XIX:*

*That the Implementation Committee identify and appoint and interim CEO to come and steer the organisation during this period and through the implementation process.*

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