

Summary of Corporate Plan, Operating and Capital Budgets

2012-2013 to 2016-2017

*"I am a Canadian, free to speak
without fear, free to worship in my
own way, free to stand for what I
think right, free to oppose what I
believe wrong, or free to choose
those who shall govern my country.
This heritage of freedom I pledge
to uphold for myself and all
mankind."*

*- John G. Diefenbaker, July 1, 1960.
From the Canadian Bill of Rights.*

Canadian Museum **FOR HUMAN RIGHTS**
Musée canadien **POUR LES DROITS DE LA PERSONNE**



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2.0 EXECUTIVE SUMMARY

About the Museum:

Currently under construction in Winnipeg, Manitoba, the Canadian Museum for Human Rights (“CMHR” or the “Museum”), the first national museum built outside the National Capital Region, will portray, promote and celebrate the history and evolution of human rights in Canada. It will effect a new era of Canadian and global human rights leadership, inspiring and empowering a new generation of human rights champions. Each element of the Museum, from the architecture to its programming, collections, exhibits and related events and activities, will play an essential and interdependent role in achieving these goals.

The Museum’s mission is cause-focused and action-oriented. It will invite people to examine the evolution of human rights in Canada and abroad, to be inspired by people who have persevered in the fight for human rights, to focus on today’s human rights issues, and it will empower people with the necessary tools and skills to take a stand for human rights. The Museum will be inclusive, exploring the themes and issues faced everyday by people around the world.

The Need for the Museum:

The Canadian Museum for Human Rights is the first museum solely dedicated to the evolution, celebration and future of human rights in Canada. It will be a destination attraction that will meet the ever-growing expectations of tourists. It will offer solutions to educators that complement curriculum and meet the needs of an evolving and more engaged student body. It will offer a seamless, rewarding experience to museum visitors in the digital age who expect mobile resources to enhance learning opportunities, make connections, and provide opportunities for civic and social engagement. Perhaps most importantly, the Museum is positioned to help create tens of thousands of future human rights champions committed to taking a stand for human rights. The Museum aspires to deliver in all of these areas while operating in a manner that is mindful and responsive to the nation’s current economic realities.

The Plan to Make it Happen:

This 2012/2013 Summary Corporate Plan reflects the priorities and actions required to achieve a 2014 opening as well as to align the project with the long-term goals, aspirations and expectations of Canadians. To that end, the focus of 2012/2013 and 2013/2014 will be on four priority areas:

1. Support Friends of the Canadian Museum for Human Rights’ fundraising campaign that will assist with capital costs and long term programming and operations;

2. Complete construction and service the building;
3. Build museum exhibits and programs; and
4. Establish museum operations and presence.

Deliverables for this plan period include: base building substantially completed by the close of 2012; plan for building occupancy; contracting of exhibit fabrication and audio-visual integration work; commencement of exhibit fit-up in the building; further cost-containment initiatives to realize additional cost savings and efficiencies without subjecting the project to undue delay; engagement of an independent project director; development of an enterprise content management system; design of exhibit graphics; text-writing; procurement of images and artifacts; and diligent management of capital costs and adherence to the project schedule, resulting in a suite of inaugural exhibits and programming that will resonate with Canadian and international audiences and contribute directly to the promotion and advancement of human rights.

The Corporation will work in close partnership with the Museum's fundraising arm, the Friends of the Canadian Museum for Human Rights ("Friends"), to expand private sponsorship and to affirm Friends' position as one of the most successful cultural fundraising organizations of its kind in Canada. There will be significant fundraising opportunities that will be pursued with an expanded Friends campaign. Initiatives will include dedicating named spaces for major donors within the Museum, approaching past donors for increased donations, more aggressive fundraising outside of Manitoba and Canada and marketing the benefits of the exhibit and programming contributions to corporate sponsors. The Friends have planned several donor cultivation events across Canada.

In 2011, due to additional requirements directed by the architects and engineers, it became evident that the \$310 million project budget was not sufficient to complete the project. A risk assessment of all remaining aspects of the project, including base building, fit-up and exhibits, has been completed and vetted by the base building contractor, architects, engineers and exhibit designers. With an appropriate contingency added, the total approved project budget has been revised to \$351 million. Due to the increase in capital requirements, the project schedule was adjusted to reflect an inaugural opening in 2014.

While Friends have raised an additional \$25 million in pledges for a total of \$130 million as of April 2012 and the City of Winnipeg has committed an additional \$3.63 million, there is a timing gap between the schedule of installment contributions from donors and the construction payments coming due.

The Government of Canada has provided the Museum with flexibility in order to address cash flow challenges.

While federal funding for the CMHR respects the terms of the overall funding agreement, namely, \$100 million in capital contributions and \$21.7 million annually for operating, this flexibility allows the Museum to use a total of \$45 million that had been designated for operating funds for use towards the capital project as follows:

- The use of \$10 million in operating appropriations for capital that was re-profiled from 2011/2012 to 2012/2013 due to the deferral in content and programming development costs and other aggressive reductions in non-urgent spending in 2011/2012; and
- A one-time, \$35 million advance against future parliamentary appropriations to the Museum, to be repaid through reductions in future appropriations.

This does not represent additional federal funding for the Museum.

Financing through the Friends of the Canadian Museum for Human Rights, secured by a guarantee from the Province of Manitoba, will provide the balance of the funds required.

Not just a Museum; An Investment in Canada's Human Rights Leadership:

The Museum has made considerable strides developing exhibits and content, staffing plans, IT requirements, policies and space planning for all areas of earned revenue (rentals, catering, restaurant, retail, ticketing, memberships), fostering partnerships with schools and universities, expanding marketing and tourism opportunities, and nourishing an inclusive dialogue with Canadians to widen public support, trust and confidence in the institution.

The economic benefits of the project are already being realized. The construction project alone has created 6,000 full-time equivalent jobs and the Museum has attracted academics who now have adjunct or professional affiliate appointments at Canadian universities. Professionals from small business, the public sector, private industry, and cultural institutions from across Canada have joined the team to build on the promise that the Museum holds for Canada.

The Canadian Museum for Human Rights is a part of Canada's human rights story. It is a part of our country's challenge, and it will represent a meaningful part of Canada's success.

3.0 CORPORATE PROFILE

The Canadian Museum for Human Rights is unique among national museums in Canada in that it evolved into a partnership between the Government of Canada, the Province of Manitoba, the City of Winnipeg, the Forks North Portage Partnership and the Friends. In an unprecedented grass-roots fundraising effort, people from across Canada adopted the vision of the Museum as their own. Through their donations, volunteer efforts and support, the Friends have raised a total of \$130 million in private sector funds towards the capital campaign as of April 2012. As per the Definitive Agreement signed by all parties in 2007, the Government of Canada has contributed \$100 million, the Province of Manitoba \$40 million, and the City of Winnipeg \$20 million toward the capital costs of the Museum. It is the first national museum in Canada's history to be built and developed by all levels of government in partnership with the private sector.

Winnipeg, Manitoba is where some of Canada's greatest human rights' struggles in the areas of women's rights, French language rights, and labour rights have been fought and won. It is one of Canada's most diverse communities, attracting immigrants from around the world, and is strengthened by significant Francophone, First Nations, and Métis populations. Winnipeggers are building plans and partnerships to become the world's destination for human rights dialogue, learning, and advocacy. As a significant cultural destination, Winnipeg is also currently integrating human rights themes and threads into its world-class dance, theatre, art, and music productions.

Located in the centre of the city at The Forks, where the Red and Assiniboine rivers meet on Treaty One territory, the Museum sits on land that has been a meeting place for thousands of years, at the doorstep of the historic site of the Métis occupation of Upper Fort Garry and Louis Riel's provisional government that gave birth to the Province of Manitoba as we know it today.

The partners of the CMHR have expectations of the CMHR to not only deliver on the mission and purpose as outlined in this summary plan, but also to deliver economic and social benefits to the community in which the Museum operates and to deliver on these expectations in a fiscally and socially responsible manner.

This Summary Corporate Plan focuses on how the CMHR will deliver on these expectations.

3.1 MISSION

“To explore the subject of human rights, with special but not exclusive reference to Canada, in order to enhance the public’s understanding of human rights, to promote respect for others and to encourage reflection and dialogue.”

Museums Act

The mission of the Canadian Museum for Human Rights is both cause-focused and action-oriented; to help create a world in which everyone is respected and valued. To that end, the Museum is being carefully conceived with a journey designed to inspire and empower people to change human rights through thought and action. As such, each element of the Museum – from its architecture, to its programming, to its exhibits and all parts of the visitor experience – plays an essential and interdependent role in achieving this mission. The CMHR will engage visitors from Canada and abroad in an immersive, interactive experience that offers both the inspiration and tools to take a stand for human rights. It will welcome visitors as partners on a journey to erase barriers and create meaningful, lasting change in the lives of others.

3.2 ENVIRONMENTAL SCAN

The Canadian Museum for Human Rights must be responsive, adaptive, and connected to the environment in which it operates. Many environmental factors have the potential to impact the success of the Museum in both in the short and long term. Changes in the fields of education and programming, developments in technology and museum collections, and trends in tourism all present opportunities and challenges for the Museum.

The Museum can build on visitors’ quest for knowledge and identity by creating interactive exhibits that provide people with greater independence while delivering emotionally-charged and playful experiences. The global shift towards public awareness and action related to human rights provides the Museum with an opportunity to complement and expand on programs and provide people with options to learn more and take action. Current trends in technology and museum collections focus on providing a seamless experience both in person and virtually and the Museum has the opportunity, as a start-up, to implement these trends into its strategic design. With the advent of experiential tourism and niche tourism, the Museum can build incorporate experiential programs as well as theme-specific programs to draw visitors to the CMHR.

3.3 CHALLENGES & OPPORTUNITIES

Challenges

Although the feasibility and achievability of a 2014 opening within the defined budget of \$351 million has been confirmed, the Museum is acutely aware that there is virtually no margin for additional costs or cushion in the revised schedule for delays. A number of critical success factors were identified that will be implemented.

While we have had much success in positively engaging a multitude of representative groups from communities across Canada, there are some communities who have not expressed the same level of support for the Museum. We will continue to build bridges with these communities and will work with them wherever possible to try to alleviate their concerns.

The Museum will also need to:

- Manage the capital costs to ensure that base building and exhibit construction is completed within the \$351 million budget;
- Manage the Master Project Schedule to ensure that all key milestones are achieved on target for a 2014 inaugural opening;
- Manage stakeholder expectations and promises made related to opening date, the composition and content of the galleries, the stories included in the Museum and the way in which they are told, and the economic and social impact promises;
- Restore and retain public confidence, developing and sustaining momentum and support until opening and beyond;
- Establish a firm opening date in 2014 to begin securing earned revenue for the Museum from rental bookings, membership revenue, and retail as well as economic opportunities for the community at large;
- Continue to recruit and retain skilled, experienced, bilingual staff to meet schedule requirements; and
- Address misperceptions about the Museum.

Opportunities

- The Museum's iconic architecture has the potential to become an international symbol of Canada's commitment to human rights;
- The Museum has the capacity to become a great social attractor, given the great relevance of its offer to the aspirations and motivations of Canadians.

- The Museum has the opportunity to build on a dominant trend in Canadian identities which are globally focused and value respect for human rights;
- Current trends in fundraising such as a renewal in major and planned giving, online/multimedia/technology initiatives, collaborative asks, corporate partnerships, and new prospect markets present an opportunity for both Friends and the Museum to target and complement marketing efforts;
- Friends' highly successful private fundraising history provides an important foundation for achieving the next fundraising goals;
- Strong national networks – particularly in Manitoba and Winnipeg – can enable and support Friends' fundraising strategy and build confidence in the Museum;
- The attraction of a world-renowned exhibition designer, Ralph Appelbaum Associates, together with the iconic architecture of Antoine Predock will help position Winnipeg as an international tourism and human rights destination;
- The Museum's internationally significant theme combined with its mission to create change has the potential to attract human rights conferences, events, and symposia;
- The Museum's ability to create jobs, attract tourists and be a human rights destination will provide significant economic benefits to Winnipeg, Manitoba and Canada; and
- Partnerships can be a significant tool to leverage the brand, create cost efficiencies and broaden the reach of the Museum.

4.0 PRIORITIES, INITIATIVES AND PERFORMANCE MEASURES FOR 2012/2013

4.1 Priority #1:

SUPPORT FRIENDS' FUNDRAISING CAMPAIGN TO ASSIST WITH CAPITAL COSTS AND FUTURE PROGRAMMING

Program Activity Architecture (PAA):

Stewardship and Corporate Management

Overview:

Source of Funds and Projected Cash Flow

In order to address the capital cost increases, Friends has increased its commitment beyond what was originally outlined in the Definitive Agreement. As of April 2012, Friends has raised an additional \$25 million for a total of \$130 million raised from the private sector through confirmed pledge commitments, of which \$105 million in cash has been collected to date. The City of Winnipeg has committed an additional \$3.63 million to the project.

There are enough firm or potential contributions to cover the full cost of the capital project. However, there is a timing difference between when donor pledges are raised and collected and when the funds are required for construction. As such, the Museum was facing a substantial cash flow pressure on the requirements to complete the project for a 2014 inaugural opening.

While federal funding for the CMHR respects the terms of the overall funding agreement, namely, \$100 million in capital contributions and \$21.7 million annually for operating, this flexibility allows the museum to use a total of \$45M that had been designated for operating funds for use towards the capital project as follows:

- The use of \$10 million in operating appropriations for capital that was re-profiled from 2011/2012 to 2012/2013 due to the deferral in content and programming development costs and other aggressive reductions in non-urgent spending in 2011/2012; and
- A one-time, \$35 million advance against future parliamentary appropriations to the Museum, to be repaid through reductions in future appropriations.

This does not represent additional federal funding for the Museum.

Financing through the Friends of the Canadian Museum for Human Rights, secured by a guarantee from the Province of Manitoba, will provide the balance of the funds required.

With these sources of funding in place, the Museum will have sufficient cash on hand to complete the capital project which includes construction of the base building, exhibit fit-up, exhibit fabrication, and exhibit installation.

Operating Funds

With funding now secured and a definitive opening year determined, the Museum will be able to actively augment its appropriation with earned and contributed revenue. In advance of opening, the Museum will actively pursue retail and program sponsorship opportunities. Once a specific opening date in 2014 is finalized, revenue from rentals and memberships will be generated. At opening and beyond, ticketing, admissions, group sales, donations, services and sponsorships will further augment the earned revenue budget.

The Museum's annual parliamentary appropriation is \$21.7 million – an amount that was determined from a comprehensive, yet preliminary, business plan commissioned by Friends and completed six years ago in February 2006. The business plan assumption was that the Museum would be a private museum and, therefore, did not account for payments-in-lieu-of-taxes (PILT), a program reserved for federal institutions. Payments to the City of Winnipeg are required under *Payments in Lieu of Taxes Act*, although the full amount of these payments has not yet been determined. To date, Public Works and Government Services Canada (PWGSC) have paid \$225,000 in aggregate for 2009, 2010 and 2011 on the Museum's behalf.

Key Initiatives 2012/2013:

- Enhance funding opportunities for the Museum:
 - ✓ Support Friends by providing use of CMHR facilities, guided site tours, speakers for public engagements, and materials related to Museum content and exhibits.
 - ✓ Develop and deliver a marketing strategy to promote the Museum that will be complimentary to, as well as supportive of, Friends fundraising and marketing efforts including:
 - Naming opportunities within the Museum for major donors;
 - Donor cultivation events across Canada;
 - Marketing the benefits of exhibition and programming contributions to corporate sponsors; and
 - Supporting the Friends as they implement more aggressive fundraising strategies outside of Manitoba and Canada.
- Generate sponsorship and in-kind capital & operating investment:
 - ✓ Generate corporate and other sponsorships to reduce or supplement capital costs and to assist in funding pre-opening programming and opening events.

Performance Measurements and Outcomes:

ANTICIPATED SHORT AND LONG TERM OUTCOMES		
Short Term (2012/2013)	Mid Term (2013 – 2014)	Long Term (2014 and beyond)
Support provided to Friends to enhance funding opportunities. Marketing strategy delivered.	Plan to generate sponsorships and in-kind operating investments functional.	Support provided to Friends to generate funding for student programs and other programs.

4.2 Priority #2:

COMPLETE CONSTRUCTION AND SERVICE THE BUILDING

Program Activity Architecture (PAA):

Accommodation

Overview:

Within this strategic priority are four distinct, overarching objectives. The Museum will develop and deliver:

- the capital construction of the new Museum building;
- a plan for building operations that meets LEED Silver targets and projected efficiencies;
- inclusive design principles; and
- temporary accommodation for the staff until the new building is complete.

Rigorous value-engineering controls and reductions have resulted in measurable efficiencies and savings of \$12 million. However, there have been areas where cost increases have occurred and in 2011, due to additional requirements directed by the architects and engineers, it became evident that the unanticipated cost increases exceeded the contingencies within the original \$310 million project budget.

Throughout the course of construction, expenses required to address unforeseen poor soil and bedrock conditions, additional structural reinforcement and concrete required by the structural engineers, mechanical design required by the mechanical engineers, and additional materials required for the construction of the mountain wall exceeded the contingencies within the original base building budget. Additional costs associated with exhibit design, development, fabrication and fit-up have also been identified.

With an appropriate contingency added, the total approved project budget has been revised to \$351 million.

A risk assessment of all remaining aspects of the project, including base building, fit-up and exhibits, has been completed and vetted by the base building contractor, architects, engineers and exhibit designers. All assumptions made in determining the capital budget have been tested and the Board and Management believe that with considerable efforts and a strengthened process with which to oversee the completion of the remaining phases of the capital projects, the total project budget of \$351 million is achievable. Consistent with what has been presented in previous corporate plans, this revised project budget does not allocate funds to complete the Museum's temporary gallery and theatre. The Museum will pursue opportunities through partnerships with the private sector to complete these elements.

The Museum is working towards inauguration in 2014 and has aligned project and work plans accordingly. The Museum is currently implementing an aggressive project management framework that will ensure this schedule is feasible and achievable.

The construction of the new Museum building commenced in April 2009 and is 80% complete as of March 31, 2012. Significant progress has occurred in 2011/2012 and the base building is expected to be substantially complete towards the end of December 2012.

Key Initiatives 2012/2013:

- Finalize and manage base building construction:
 - ✓ Tender and award all remaining base building contracts;
 - ✓ Tender and award exhibition fit up contracts;
 - ✓ Complete all building construction (dust free);
 - ✓ Complete building commissioning and obtain occupancy permit;
 - ✓ Regular review of the budget forecast/risk matrix; and
 - ✓ Plan for occupancy of the building.

- Develop and implement a Facility Management Plan:
 - ✓ Continue development of policies and procedures for facilities management; and
 - ✓ Monitor negotiations between PWGSC and City of Winnipeg with respect to Payment-in-Lieu of Taxes to ensure the best interests of CMHR are considered.

- Create a secure environment:
 - ✓ Identify specific security requirements for the Museum;
 - ✓ Research best practices in security and facilities management and develop a permanent operational plan for the new building; and
 - ✓ Develop related policies and procedures for operations.

- Prepare for building operations:
 - ✓ Continue development of multi-departmental operational plan for a variety of functions including:
 - Visitor experience and services;
 - Events management;
 - Learning and Programming;
 - Temporary Exhibits; and
 - Changing Exhibits.

- Build and install IT infrastructure:
 - ✓ Design external website infrastructure so that the corporate Web v3 can be deployed;
 - ✓ Design the IT Infrastructure to support the administrative environment (internal) in the new building;
 - ✓ Develop an IT Operation Plan for the new building; and
 - ✓ Design and maintain the IT infrastructure in the temporary office space.

Performance Measurements and Outcomes:

ANTICIPATED SHORT AND LONG TERM OUTCOMES		
Short Term (2012/2013)	Mid Term (2013 – 2014)	Long Term (2014 and beyond)
Substantially complete base building complete by end of 2012.	Open to public in 2014.	Building is operational, fully accessible and meets LEED Silver targets and projected efficiencies.
IT infrastructure designed to accommodate all operating and exhibit needs.	IT infrastructure installed and operating.	IT infrastructure fully supports operations and meets all quality standards and needs.
Facility and operations management requirements identified and integrated in project plan.	Facility and Operations management fully operational, staffed and capable of handling opening year.	Museum is operated efficiently, responsibly and responsively.

BUILD MUSEUM EXHIBITS AND PROGRAMS

Program Activity Architecture (PAA):

Museum Content and Program

Overview:

Within this strategic priority are four distinct, overarching objectives. The Museum will develop and deliver:

- Accessible and Engaging Exhibits;
- Educational Programming that supports the mission of the Museum;
- National Outreach, Engagement and Service; and
- Sound Research and Scholarship.

The Museum will engage the services of an independent project director to drive the integration of base building and exhibits, adherence to the integrated project schedule and the delivery of the Base Building and Exhibits as a whole. In addition, a process to move forward with the exhibit fit-up and fabrication projects will be fully initiated in June 2012.

The Museum's Vice President of Museum Practice will lead the completion of the research, design and content of the exhibitions and ready the Museum for successful operations.

Educational Programming that supports the mission of the Museum

One of the primary objectives of the Museum is to educate Canadians about human rights and to grow a new generation of human rights leaders. To this end, the Museum is working to develop accessible, relevant and engaging museum education programming that serves students, teachers and learners of all age. The Museum will not only offer programs to local and regional school groups, but will also provide a menu of online and outreach educational opportunities for Canadians from coast to coast to coast. A key focus will be the development of a national student program encouraging students from across Canada and around the world to travel to Winnipeg to experience the Museum and participate in an intensive human rights educational program.

In addition to educational programming designed to complement provincial and territorial curricula, the Museum is also developing public programming that will provide families, adult visitors and organized groups with opportunities for discovery, learning, engagement, dialogue, and reflection.

The Museum is working in collaboration with a wide variety of organizations to develop all aspects of museum education and public programming. It is forging relationships with the Manitoba Department of Education as well as Departments across the country, with national organizations such as the Canadian Teachers Federation, with school officials, educators and with students themselves. In addition, the Museum has strengthened its relationships with the University of Manitoba, University of Winnipeg, Université de Saint-Boniface and Red River College. For public programming, the Museum is reaching out to a wide variety of community groups and partners, with a special emphasis on building relationships with Aboriginal partners.

National Outreach, Engagement and Service

In 2009/2010 the Museum embarked upon an extensive engagement initiative to involve Canadians in the development of the CMHR's inaugural exhibits. Since that time, the Museum has continued to develop and implement a number of critical strategies to engage with communities and individuals. The Museum will continue this engagement leading up to and beyond inauguration.

The Museum will continue to build a strong foundation of inclusion, participation, and respect with Aboriginal communities. The Museum will work to build and strengthen its relationships with local Aboriginal Peoples and communities across Canada. This will include meeting with Indigenous governments and exploring partnerships and dialogue with institutions to identify and advance mutual objectives such as training, programming and learning.

Sound Research and Scholarship

Exploring the subject of human rights requires significant in-house content expertise, intensive participatory inquiry, engaging with communities and individuals whose stories the Museum is telling, including Indigenous peoples, focused exploration of archival, library, and museum holdings, critical engagement with and evaluation of source materials, oral history interviewing, consultation with outside experts, and thorough and ongoing public and stakeholder consultation. This supports sound research practices and facilitates the development of original – and cutting-edge – human rights-based research practice and scholarly output.

Oral histories will play an important role in the Museum's research and collection development and in the preservation and sharing of human rights experiences. They will enable the visitor experience to be engaging, interactive and contemporary and they will enhance and inform programming initiatives.

Accessible and Engaging Exhibits

Exhibits: Woven together by master exhibit designers Ralph Appelbaum Associates, the Museum galleries take visitors on a fascinating and meaningful journey to explore the topic of human rights through stories, first person accounts and narratives. While the exhibits will use a variety of mediums to tell stories, the focus will always be on people and how they interact with

each other. The Museum will embrace technology and use it to enhance the storytelling and interactive experiences.

Collections: The Museum is a national institution with no founding collections, providing us with a rare opportunity to develop, from scratch, robust collections that will be essential to upholding the responsibilities we have committed to as a national museum. Our collections will include archives, art, artefacts, and published materials housed in our library. A reference centre, currently under development, will provide museum visitors with the opportunity to further explore the ideas encountered on their journey through the Museum. The Centre, open to all Museum staff and visitors, will provide access to a world-class collection of primary and secondary human rights source material. The Reference Centre will allow the Museum to be actively engaged with the community through programming and outreach, and will serve as hub for human rights study, scholarly research, dialogue, and engagement.

Significant digital holdings within our collections, and the management of those media and digital assets is a unique aspect of the Museum that will enable institutional efficiencies that other museums do not have, or have only in part. Tracking mechanisms for the use, authorship, copyright, production, delivery and reception of digital assets are being designed at the outset to operate at an enterprise level. This will enable a "store once, reference often" approach; an approach which will allow the Museum to store all of its digital information in one central location while allowing that information to be accessed, used, referenced and featured in a multitude of ways. This will ensure long-term efficiency and scalability with what the Museum is designing, producing, and serving to its audiences.

In addition, the Museum's strategic design of infrastructure, workflow and process will ensure the Museum can afford to evolve and change in perpetuity.

Accessibility: The Museum is committed to employing an inclusive design approach to its content, delivery mechanisms, programming, operations and services. Inclusive design represents an equal experience for people of all ages, all abilities and all cultures. It not only helps increase usability of all that the Museum does, but also engages its visitors in the development of design solutions. In addition, from an experience delivery and cost containment perspective, it allows the Museum to more fully engage its visitors and be sustainable and more efficient. The Canadian Museum for Human Rights aspires to be a leader in inclusive design.

New Technologies: A large challenge faced by the New Media and IT teams involves the design and implementation of the infrastructure that will govern and manage information. Recognizing the potential perpetual benefits, the CMHR has begun the development phase of its Enterprise Content Management System project. The goal of the Enterprise Content Management System project is to create a system which will house all Museum-related information, including digital collections, and which will form the basis for exhibit interactivity, the Museum's program for mobile devices and the Museum's website. Where other museums have implemented content management systems for specific products, business, and use cases, the CMHR's New Media and IT teams have leveraged the experience and advice of peer institutions like the Indianapolis

Museum of Art, the Metropolitan Museum, the Smithsonian, and others to vet design concepts for an enterprise solution. They have also presented concepts and initial schematic designs at international conferences for peer critique and input. The result will be a new model for museums to efficiently manage information, content, and collections across their entire enterprise.

The New Media and IT teams continue to adapt their initial design so that the Canadian Museum for Human Rights will not only be the most interactive museum in the world when it opens but that the systems and methodologies used will allow for the constant growth of the gallery exhibits, the online content and the efficient adaptation to new technologies in a cost effective manner.

Key Initiatives 2012/2013:

- Prepare and deliver inaugural content based on sound research and scholarship:
 - ✓ Continue to collect and preserve oral histories required for Museum inauguration;
 - ✓ Complete expert /peer review of remaining gallery approaches;
 - ✓ Prepare preliminary exhibition text for all galleries;
 - ✓ Complete artefact and image research and establish plan for acquisition;
 - ✓ Customize and implement Archives, Library and Museum management software;
 - ✓ Finalize and implement Art Policy and develop related procedures;
 - ✓ Develop a lending and borrowing strategy for collections (incoming/outgoing loans) in preparation for inaugural exhibit requirements;
 - ✓ Establish and implement Collections 3 Year Development Plan to support CMHR activities and programs to inaugural and beyond;
 - ✓ Provide opportunities for human rights dialogue;
 - ✓ Support academic outreach by the Museum's research department; and
 - ✓ Establish partnerships with local, national and international academic institutions.

- Design and deliver accessible and engaging exhibits:
 - ✓ Contract the exhibit fabrication and graphics production to realize the 100% design development completed in 2011;
 - ✓ Develop an Enterprise Content Management solution that is scalable, allows for a strict separation of content and presentation, supports a 'store once and reference often' methodology, meets the inclusive design directive, and provides an interactive experience not found elsewhere in the museum industry;
 - ✓ Develop exhibit operations and maintenance plan;
 - ✓ Establish a data network including access to databases and distributed network from exhibits, kiosks, website and 3rd party web platforms through multiple devices; and
 - ✓ Implement evaluation protocols for the Museum including audit, prototyping, exhibition, program evaluation and usability.

- Develop and deliver educational/transformational Canadian programming:
 - ✓ Integrate education and programming into gallery design;
 - ✓ Assess the major attractions for school groups and the key galleries for focus;
 - ✓ Identify the physical needs of learning and programming within each gallery (i.e. space to gather, sound requirements etc.);
 - ✓ Through partnerships with external organizations such as provincial Departments of Education and universities, develop programming and curricula-related activities and resources for use by formal education communities;
 - ✓ Finalize vision and accessibility framework for educational programs;
 - ✓ Develop pilot projects for educational programs;
 - ✓ Prepare a framework for Canada’s National Student Program; and
 - ✓ Analyze other educational models, available resources and feasibility.

- Engage stakeholders in gallery and program development:
 - ✓ Develop the public engagement plan for 2012/2013 and beyond, with priority given to research and content needs;
 - ✓ Meet with the Youth Advisory Board in order to gain youth perspectives throughout the development of the Museum including but not limited to content, programming and visitor experience;
 - ✓ Develop a framework and policy for Inclusive Design implementation in exhibits, new media, collection resources, and programs; and
 - ✓ Develop and deliver an Aboriginal engagement plan and strategy.

Performance Measurement and Outcomes:

ANTICIPATED SHORT AND LONG TERM OUTCOMES		
Short Term (2012/2013)	Mid Term (2013 – 2014)	Long Term (2014 and beyond)
Exhibits designed, programming framework completed and, in some cases, piloted.	Exhibits built and tested with programming beginning to roll out locally and nationally.	<p>The Museum is recognized as a national and international venue for the exploration and dialogue of human rights issues.</p> <p>The Museum’s exhibitions are at the forefront of new media applications.</p> <p>The Museum is nationally and internationally recognized for the innovation, quality and scope of its education, training, learning and community programming.</p> <p>The Museum is recognized for the quality, integrity, balance and impact of its research and scholarship.</p>

ANTICIPATED SHORT AND LONG TERM OUTCOMES		
Short Term (2012/2013)	Mid Term (2013 – 2014)	Long Term (2014 and beyond)
		<p>The Museum will be seen as a national institution that reaches Canadians and international audiences through its programming and services.</p> <p>The Museum’s Reference and Collections Centre will be of the highest calibre and will operate in keeping with professional standards and best practices.</p>

ESTABLISH MUSEUM OPERATIONS & PRESENCE

Program Activity Architecture (PAA):

Stewardship and Corporate Management

Overview:

The focus from 2012 to 2014 will be to bring the inaugural opening project to a successful conclusion while gearing up for operations post-opening. To that end, the Museum will engage the services of an independent project director to ensure the major deliverables and milestones are met and that all functions related to the project are integrated and coordinated. In addition, the Museum will gear up for operations, preparing the staffing, training, volunteer recruitment, systems management, visitors services, website, programming and galleries for opening day and beyond.

An integral part of Museum operations post opening will be in the mutually beneficial partnerships that will be developed now to leverage the Museum's education, programming, marketing, structural, IT support and others in order to expand the Museum's reach and to ensure Museum resources are used as effectively and efficiently as possible.

Key Initiatives 2012/2013:

- Increase CMHR's visibility and awareness:
 - ✓ Establish and implement a strategy for high profile international and national partnerships;
 - ✓ Launch a national public awareness marketing campaign to increase awareness, knowledge and support of the Museum among Canadians;
 - ✓ Support Friends in delivering positive messaging to donors and prospective donors;
 - ✓ Develop brand asset value metrics to measure and monitor;
 - ✓ Develop a roll-out plan for human rights iconography that will help to communicate the values and virtues of the CMHR to its audiences; and
 - ✓ Prepare and distribute market-ready collateral (print and digital) for each focus market (tourism, general promotion, promoting human rights) and revenue channels (shop, admissions, rentals, membership, travel trade, school groups).
- Generate earned revenue through admissions, memberships, facility rentals, and retail sales:
 - ✓ Establish policies, procure IT systems, confirm staffing plans and identify space/fit up requirements for retail, rentals, ticketing/admissions, food services, and visitor services;
 - ✓ Implement revenue generating campaign globally (travel trade, meetings and conventions, travel media and leisure marketplaces) in key geographic target areas;

- ✓ Participate with tourism partnership selling initiatives regarding industry familiarization tours, sales missions and co-op marketing;
 - ✓ Establish revenue generating entities as strategic business units within the corporation to ensure profit targets; and
 - ✓ Establish membership categories and benefits programs.
- Implement a marketing strategy that includes destination marketing, human rights awareness, marketing the architecture and earned revenue marketing. The Marketing & Sales plan will begin to position the CMHR to:
 - ✓ Build and increase the CMHR's Brand value in areas of awareness, knowledge, relevance and integrity;
 - ✓ Attract new and diverse audiences and achieve visitor attendance and program participant numbers to the CMHR, both in person through an expanded perimeter tour program and on the web through a carefully developed human rights identity project;
 - ✓ Create, maintain, and increase public awareness around CMHR sites/programs/services and events; and
 - ✓ Maximize earned revenue where possible.
- Proactive engagement:
 - ✓ Continue to consult with communities to further support Museum research;
 - ✓ Continue to build relationships with community organizations in an effort to respond to potential concerns and garner increased support for the Museum;
 - ✓ Hold the second Annual Public Meeting in December 2012; and
 - ✓ Mobilize Museum supporters to reach a broader audience.
- Transition to operations seamlessly:
 - ✓ Establish departmental plans to align with corporate plan;
 - ✓ Develop an operations implementation plan;
 - ✓ Identify requirements for a customer relationship management system; and
 - ✓ Develop and deliver inauguration strategy.
- Continue to hire key positions and develop a high performance workplace:
 - ✓ Promote effective labour relations and participate in the collective bargaining process towards the establishment of the Museum's first collective agreement:
 - ✓ Monitor the workforce and staffing plan to meet the needs of the organization;
 - ✓ Develop a plan to transition staff from project management focus to operations;
 - ✓ Develop a volunteer recruitment and retention framework and make recommendations regarding external mentorship, internship, training and partnerships strategy;
 - ✓ Integrate Organizational Values throughout the organization;
 - ✓ Continue building towards "a human rights culture" in the workplace;
 - ✓ Implement the Official Languages Policy;
 - ✓ Implement the CMHR Diversity Blueprint which will create a workforce that is representative of the communities in which we live and serve;
 - ✓ Continue to offer training and development opportunities for staff; and

- ✓ Implement key health & safety policies and training, as per respective legislation and in conjunction with Health and Safety Committee.
- Operate transparently and adhere to standards of good governance:
 - ✓ Provide thorough orientation to the new Chair of the Board and to any other new Board appointments as required;
 - ✓ Assist the Board in developing a tool to assess board effectiveness;
 - ✓ Assist the Board in its review of the Museum's corporate policies;
 - ✓ Implement a program to manage the Corporation's obligations under the *Access to Information Act*;
 - ✓ Establish a records management strategy to organize and account for corporate knowledge;
 - ✓ Establish key partnerships and objectives with federal Crown corporations and agencies; and
 - ✓ Establish criteria and implement a process to identify partnerships and objectives with non-governmental organizations, scholarly organizations and intergovernmental organizations.
- Establish Customer Relationship Management (CRM) System for the Museum:
 - ✓ Prepare white paper on CRM; and
 - ✓ Develop feasibility study and analyze the degree to which CRM can be implemented.
- Ensure Information Security:
 - ✓ Engage third party to perform an audit of the Information Security Program;
 - ✓ Develop policies and procedures within the information security framework to ensure the integrity, availability, and confidentiality of information assets while addressing the needs of the Corporation; and
 - ✓ Establish Information Security Awareness Training Plan.
- Deliver powerful, memorable opening ceremonies and inauguration events:
 - ✓ Complete the strategic plan;
 - ✓ Recruit advisory and task group members;
 - ✓ Secure sponsorships; and
 - ✓ Develop partnerships.
- Implement a corporate performance management process that allows for on-going course correction, risk management and effective reporting:
 - ✓ Implement Standards on Quarterly Financial Reports as required by Treasury Board; and
 - ✓ Establish Corporate Key Performance Indicators (KPIs);
- Establish the Museum as a Human Rights Research Centre of Excellence:
 - ✓ Continue to develop and manage CMHR collections (Permanent Collections; Library Collections; Working Collections) in all media; and

- ✓ Support CMHR activities and programs by providing efficient, effective access to CMHR collections.

Performance Measurement and Outcomes:

ANTICIPATED SHORT AND LONG TERM OUTCOMES		
Short Term (2012/2013)	Mid Term (2013 – 2014)	(2014 and beyond)
The Museum has identified and procured all necessary elements and requirements to ensure exemplary visitor services.	Visitors are welcomed and accommodated in a timely, inclusive manner and wait times are minimal.	Visitor Services operates with the highest efficiency and becomes an integral part of the brand experience.
The Museum has policies and procedures in place to build a diverse, motivated workforce with a Collective Agreement in place.	Labour relations are positive, the Museum’s first employee survey is launched, and high staff retention levels are maintained.	The Museum is recognized as a good place to work as evidenced by positive trending in the results of employee surveys and other HR metrics related to diversity and retention.
The Museum generates interest from tour operators and potential visitors across Canada and in the catchment area to be a destination.	The Museum hits its target of 250,000 guests in first year of operations.	The Museum is recognized as a prime tourist destination.
Visitor feedback mechanisms are reviewed, including customer relationship management systems and procedures.	The Museum has integrated a comprehensive feedback and research mechanism and customer information is managed carefully, securely and strategically.	The Museum has comprehensive visitor knowledge enabling an unparalleled visitor experience that delivers on the Museum’s brand promises.

5.0 PERFORMANCE AGAINST 2011-2012 OBJECTIVES

The Museum's 2011-2012 to 2015-2016 Corporate Plan established objectives and key results for each Program Activity and committed the Museum to numerous key activities to be completed before April 1, 2012. The Museum is largely on track to achieve its plans as described. The following highlights the Museum's performance against objectives.

Program Activity 1: Museum Content and Program

Objective: *That the Museum's content and programming is objective, innovative and accessible and affects the way people think and behave towards the rights of others, and that it is developed through ongoing community engagement.*

Key Accomplishments

Significant achievements have been made in the area of Museum Content and Program. The goals set for 2011/2012 have largely been met.

The following are key accomplishments:

- Drafting of exhibit text is being completed by gallery; preliminary drafts for all galleries were completed by March 2012;
- A concrete design concept for an Enterprise Content Management System was completed by March 2012. Design concept is being developed into fully functioning product with a July 2013 estimated completion date for beta version;
- In January 2012, a new Director of Learning & Programming joined the leadership team to help further the development and delivery of accessible and engaging programming – educational, public and artistic – that reflects the national mandate of the museum and promotes reflection and dialogue;
- A permanent Oral History Program was created following the successful completion of the Oral History Pilot Project in 2010/2011. The Oral History Program is a critical component of the Museum's research and collections. With sixty-nine interviews conducted in 2011/2012, a total of one hundred and nine oral histories have been captured and preserved to date featuring both famous human rights defenders as well as lesser-known individuals who have experienced human rights tragedies and triumphs. Footage from these interviews will not only support inaugural exhibits, but will also foster the preservation and sharing of human rights experiences;
- A peer-review process for gallery content was established and approach papers for 9 of the 10 galleries were vetted by expert panels of peer reviewers;
- Fifteen key functions of the ticketing area were identified and plans put in place for staffing, process and systems for the management of visitor services;
- A cross-functional working group was established to determine best practices for group tours – either participants in the school program, tour groups or other;

- A Youth Advisory Board was established to gain youth perspectives on topics such as content, programming and visitor services. The first meeting of the Youth Advisory Board will be held in 2012/2013;
- The CMHR established an Inclusive Design Advisory Committee (IDAC) comprising 8 members from across Canada who represent a variety of communities with different abilities, access, and universal and inclusive design interests. IDAC will advise the Museum on how to best achieve its objective of being universally inclusive and accessible. The first IDAC meeting was held in Winnipeg in September 2011;
- Completed contracting for Archives, Library and Museum (ALM) software for managing archives and collections; and
- The Museum continues to engage with local, regional and national community groups and individuals to help guide museum content, to foster ongoing relationship and to identify potential partnerships. Communities were engaged in accordance with the priorities and schedules established in the 2011/2012 Public Engagement Plan.

The following represent key plans that the Museum is currently working on and is expected to carry forward into the 2012/2013 fiscal year:

- A draft Art Policy to define the roles and uses of art in programming, collections, exhibitions and the profile of the Museum was commenced and will be further developed in 2012/2013;
- Image and artefact research and acquisition were not completed as scheduled as staffing and budget resources had to be directed to other priority areas;
- Ongoing research priorities were not defined as the required focus on inaugural exhibitions development has precluded consideration of and development of research plans past opening;
- A framework for education programming for Early and Middle Years students has been carried over to 2012/2013 and beyond as a decision was made to initially focus on Senior Years programming; and
- A seasonal tour program consisting of guided tours of the perimeter of the CMHR construction site was repeated in 2011. The tours focus primarily on the history, architecture, and purpose of the Museum, yet continue to evolve to include content related to the exhibits and programs as information becomes available. The fully accessible tours are an outreach initiative meant to motivate dialogue, donations, and a general interest in human rights. The 2011 tour program increased tours by 39% and participants by 195% over 2010 due to strategic and pro-active marketing and communications initiatives including the addition of a QR self-guided component. Our partners and the media continue to thirst for these kinds of products and we already have plans on how to take things to the next level in 2012.

Program Activity 2: Permanent Building and Temporary Accommodation

Objective: *That all aspects of the Building Construction Project are managed in a fiscally sound, transparent and accountable manner, ensuring environmental stewardship and employing effective project and risk-management practices throughout.*

Key Accomplishments

The base building is projected to be completed by December 2012. Reports from all parties involved in construction to date have expressed great satisfaction with the quality of work being completed. The following are key accomplishments made with respect to the Permanent Building and Temporary Accommodations:

- As of March 31, 2012, 100% of the base building has been tendered;
- Structural steel was completed in December 2011;
- Installation of the cloud glazing was completed in March 2012;
- Masonry on the exterior mountain wall and the roof tips is on schedule to be completed in summer of 2012;
- All major mechanical equipment has been put in place and piping and ductwork for the equipment has been completed on lower levels;
- Major electrical equipment is in place and permanent power was turned on in February 2012;
- A commissioning plan was developed and commissioning of the new building will begin in 2012/2013; and
- Construction of the base building is on schedule at 80% complete and is expected to be substantially completed as planned in 2012.

Program Activity 3: Stewardship and Corporate Management

Objective: *That the Museum adopts sound and efficient governance and stewardship practices that facilitate the alignment of resources with priorities and full accountability and transparency to Canadians for results; and that the Museum recruits and retains the necessary human resources both for the start-up and the longer-term.*

Key Accomplishments:

The Museum continued to build on governance and stewardship practices and the goals set for 2010/2011 have in large part been achieved.

Key accomplishments are highlighted below:

- An all-employee meeting was held in June on the topic of “living our values”. The purpose of the meeting was visioning for the future and to seek feedback from staff as to what the organization should do the same / do differently / stop doing in order to achieve that vision, particularly with respect to our values. Plans are underway to conduct quarterly follow ups;

- Computer software for managing Access to Information Requests was purchased and a new Corporate Records & ATIP Officer was hired to ensure that access requests are responded to in a prompt and thorough manner;
- Respectful Workplace training of all current staff was completed in 2011/2012 and an Employee Code of Conduct was established;
- An Official Languages Advisory Committee was established and an Official Languages Policy was developed. The Committee will provide ongoing support to individuals and groups on the interpretation and application of the Policy;
- The Museum published its first series of online quarterly financials on the CMHR website;
- A partnership was established with the Canadian Tourism Commission to promote the Museum worldwide;
- The Museum held its first Annual Public Meeting in December 2011;
- Key areas of facilities management requiring operational plans and processes have been identified and appropriate staffing plans have been established. As the building continues to take shape we will continue to add to the complexity and detail of the identified plans;
- The Museum completed an RFP process for a new Enterprise Resource Planning (ERP) System in April 2011 that included: retail POS systems; E-commerce, ticketing, groups and events booking system with resource management; and membership database and management system. Conversion to the new ERP system began in October 2011. The conversion project is currently tracking on time and under budget;
- The Museum completed its conversion to Public Sector Accounting Standards and began quarterly reporting with the June 30, 2011 financial statements;
- Icons representing 25 rights and freedoms were developed for the Museum to help communicate the values of the CMHR. These icons will add concept, sensations and emotion to the branding system;
- The Museum completed a retail store business plan, including staffing plan, store design concept, product categories and retail avenues, and identified key elements required for success;
- The Museum established key store policies (bilingual policy, universal access policy, donation policy, web shipping policy) as well as guidelines and operating principles;
- The Museum continued to develop a retail product line with Canada-wide distribution through Museum Stores of Canada online and in their printed catalogue;
- RFP documents and process for a food & beverage and catering operator were finalized;
- The Museum completed a feasibility study and business plan for facilities rentals with pricing structure and staffing plan;
- Facility rentals policies and procedures were developed;
- A pricing strategy for tickets/admissions was developed and Museum public hours of operation were established; and
- A sales and promotions plan involving consumer-direct activities aimed at increasing awareness and sales of new programs and products to qualified/targeted buyers was developed and put into action. A focused and committed sales and promotions presence in CMHR's strategic execution channels, in particular Meetings & Events and the Travel Trade,

will provide the best possible return on investment at this stage of CMHR's development. To date, CMHR has had a strong presence and continues to build relationships at major marketplaces including the Canadian and American Societies of Association Executives, the National Tour Association, and Rendez-Vous Canada.

The following represent key plans that the Museum is currently working on and is expected to carry forward into the 2012/2013 fiscal year:

- Implementation of a Corporate Performance Management Regime and the establishment of non-financial corporate Key Performance Indicators have been carried forward to 2012/2013; and
- A Records Management working group was formed to establish a plan for the development and implementation of a Records Management Policy. While a scope of work was created, the hiring of a consultant to assist in developing a Records Management Strategy was deferred to the first quarter of 2012/2013.

6.0 FINANCIAL STATEMENTS

6.1 Pro-Forma Balance Sheet, March 31, 2011 to 2017 (in thousands of dollars)

	FY 2010-2011 Actual	FY 2011-2012 Actual	FY 2012-2013 Projection	FY 2013-2014 Projection	FY 2014-2015 Projection	FY 2015-2016 Projection
Assets						
Cash & cash equivalents	4,356	4,972	5,876	5,876	2,876	2,876
Accounts receivable and other current assets	1,727	1,584	1,084	1,084	1,084	1,084
Current portion of holdback account	4,114	9,884	-	-	-	-
Restricted cash & investments	83,280	31,454	3,494	4,394	-	-
Capital assets: in use						
Land	4,979	4,979	4,979	4,979	4,979	4,979
Building	-	-	283,290	283,590	284,000	284,000
Equipment and furnishings	2,565	3,006	6,006	6,006	6,306	6,306
Exhibits	-	-	-	-	52,700	52,700
Capital assets: under construction	143,318	227,464	32,614	50,514	-	-
Holdback account	2,305	-	-	-	-	-
Total Assets	246,644	283,343	337,343	356,443	351,945	351,945
Liabilities & Equity of Canada						
Accounts payable and other current liabilities	10,769	11,358	6,560	6,560	1,000	1,000
Current portion of holdback account	4,114	9,884	-	-	-	-
Deferred contributions (Note 1)						
Government of Canada	87,000	97,000	132,000	142,000	142,000	142,000
Province	40,001	40,001	40,001	40,001	40,001	40,001
City	18,898	18,898	20,000	20,000	20,000	20,000
Friends	67,172	88,332	117,882	125,282	125,282	125,282
Other Assistance	2,430	2,430	2,430	3,430	3,430	3,430
	215,501	246,661	312,313	330,713	330,713	330,713
Interest earned	2,961	4,281	4,311	4,311	4,311	4,311
Less: deferred / recognized	(143,196)	(227,251)	(315,690)	(333,190)	(335,024)	(335,024)
	75,266	23,691	934	1,834	0	0
Deferred contributions related to capital assets						
Government of Canada (Note 2)	65,009	96,104	143,161	152,961	155,857	155,857
Other than Government of Canada	80,873	134,367	178,749	187,149	187,149	187,149
	145,882	230,471	321,910	340,110	343,006	343,006
Holdback account	2,305	-	-	-	-	-
Net Assets:	8,308	7,939	7,939	7,939	7,939	7,939
Total Liabilities & Equity of Canada	246,644	283,343	337,343	356,443	351,945	351,945

Note 1:

Deferred contributions represent the contributions in cash and in kind by the parties to the Definitive Agreement. The contributions are transferred to the Deferred contributions related to capital assets as they are used to fund the Capital assets under construction.

Deferred contributions - Government of Canada - includes the WED funds of \$27 million and funding per the Definitive Agreement of \$70 million. Increases in 2012-13 and future years represent a total of \$45 million - \$10 million re-profiled from 2011-12 and a \$35 million advance to be repaid after opening.

Note 2:

This pro-forma balance sheet assumes the \$7 million soft costs (from operations) have been included in deferred contributions.

The deferred funding is amortized over the same period as the asset purchased. For the purposes of these pro-forma financial statements, no amortization of assets or deferred contributions taken into income have been considered for simplicity.

6.2 Pro-Forma Statement of Income and Retained Earnings, Years ending March 31, 2011 to 2017

(in thousands of dollars)

	FY 2010-2011 Actuals (Note 1)	FY 2011-2012 Actual (Note 1)	FY 2012-2013 Projection	FY 2013-2014 Projection (Note 2)	FY 2014-2015 Projection (Note 2)	FY 2015-2016 Projection (Note 2)
Government Funding						
Parliamentary Appropriations						
Main Estimates	21,050	21,700	21,700	21,700	21,700	21,700
Supplementary Estimates B	(5,200)	-				
Re-profile to 2012-13 capital use	-	(10,000)				
Subtotal	15,850	11,700	21,700	21,700	21,700	21,700
Amounts used to Purchase Depreciable Assets	(2,721)	(1,375)				
Amortization of Deferred Capital Funding and reimbursement of payroll expenditures	492	469				
Total Parliamentary Appropriation	13,621	10,794	21,700	21,700	21,700	21,700
Revenue of the Corporation						
General Admissions & Programs	-	-		150	1,250	1,500
Facility Rentals & Food Services	-	-			500	600
Retail Sales & Other	36	61	50	50	500	700
Donations	-	-		50	100	100
Other government assistance	-	-				
	36	61	50	250	2,350	2,900
Expenses						
Museum Content and Program	3,853	4,222	10,577	9,199	10,050	10,900
Accommodation	1,218	1,571	4,129	4,455	5,400	5,400
Stewardship & Corporate Management	5,264	5,128	7,044	8,296	8,600	8,300
	10,335	10,921	21,750	21,950	24,050	24,600
Variance	3,322	(66)	-	-	-	-

Note 1:

In 2009 the corporation requested and received approval for the operating funding reference levels for 2010-2011 to be \$15.85 million (\$21.05 million net of \$5.2 million re-profiled to 2009-2010) and 2011-2012 to be \$21.7 million. In 2011-2012, CMHR received approval to re-profile \$10 million from 2011-2012 to 2012-2013. In June 2012, Treasury Board approved the use for capital of the re-profiled \$10 million from 2011-2012 and also approved operational funding to the CMHR of \$21.7 million for the years 2012-2013 through 2015-2016.

Note 2:

As a Federal Crown Corporation CMHR falls under the Federal PILT Act and accordingly will pay property taxes to the City of Winnipeg. The final amount of PILT has not yet been determined and has not been included in previous budgets or operating cost estimates.

6.3 Pro-Forma Statement of Cash Flows, Year ended March 31, 2011 to 2017

(in thousands of dollars)

		FY 2010-2011 Actual (Note 1)	FY 2011-2012 Actual (Note 1)	FY 2012-2013 Projection (Note 1)	FY 2013-2014 Projection (Note 1)	FY 2014-2015 Projection (Note 1)	FY 2015-2016 Projection (Note 1)
Operating activities:							
Cash receipts (parliamentary appropriation)	(Note 1)	15,850	11,700	21,700	21,700	21,700	21,700
Cash paid (employees and suppliers)		(9,558)	(10,607)	(21,750)	(21,950)	(24,050)	(24,600)
Other income		36	51	50	250	2,350	2,900
		<u>6,328</u>	<u>1,144</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Investing activities:							
Investment in building project		(67,301)	(84,072)	(91,440)	(18,198)	2,896	0
Acquisition of property and equipment		(2,302)	(237)	0	0	0	0
Investments - (Increase)/decrease in restricted cash		3,283	50,873	26,692	(202)	(5,896)	-
		<u>(66,320)</u>	<u>(33,436)</u>	<u>(64,748)</u>	<u>(18,400)</u>	<u>(3,000)</u>	<u>0</u>
Financing activities:							
Parliamentary appropriation for the investment in building project and related income	(Note 2)	40,446	11,223	35,000	10,000	0	0
Restricted contributions from non-owners and related investment income		23,165	21,685	30,652	7,400	0	0
Other funding		-	-	-	1,000		
		<u>63,611</u>	<u>32,908</u>	<u>65,652</u>	<u>18,400</u>	<u>0</u>	<u>0</u>
Increase (decrease) in cash and cash equivalents		3,619	616	904	0	(3,000)	0
Cash and cash equivalents, beginning of year		737	4,356	4,972	5,876	5,876	2,876
Cash and cash equivalents, end of year		<u><u>4,356</u></u>	<u><u>4,972</u></u>	<u><u>5,876</u></u>	<u><u>5,876</u></u>	<u><u>2,876</u></u>	<u><u>2,876</u></u>

Note 1:

In 2009 the corporation requested and received approval for the operating funding reference levels for 2010-2011 to be \$15.85 million (\$21.05 million net of \$5.2 million reprofiled to 2009-2010) and 2011-2012 to be \$21.7 million. In 2011-2012, CMHR received approval to re-profile \$10 million from 2011-2012 to 2012-2013. In June 2012, Treasury Board approved the use for capital of the reprofiled \$10 million from 2011-2012 and also approved operational funding to the CMHR of \$21.7 million for the years 2012-2013 through 2015-2016.

Note 2:

In June, 2009, Treasury Board approved \$70 million of capital funding to be included in the reference levels over three years; \$20 million in 2009-2010, \$40 million in 2010-2011 and \$10 million in 2011 - 2012. In June 2012, Treasury Board approved an advance of operating appropriations of \$35 million in 2012-2013 and 2013-2014 to be used for capital which is to be repaid after opening.

6.4 Capital Budget, Years ending March 31, 2009 to 2017

(in thousands of dollars)

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Projection	FY 2013/14 Projection	FY 2014/15 Projection	Total
Projected Capital Expenditures:								
Base Building Construction	1,356	44,846	65,664	73,108	44,726	300	320	230,320
Architects, Engineers & other consultants	12,977	8,510	4,074	3,530	2,359			31,450
Permits and Fees	-	370	28	-	152			550
Contingency	-	-	-	5,280	12,310		90	17,680
Communication, Data Cabling, Interior F&F, Signage	-	-	-	20	6,980		300	7,300
Exhibit Space Fit Out	-	-	518	709	11,573	3,100		15,900
Exhibit Design & Construction	2,115	1,383	1,477	1,500	13,339	14,800	2,186	36,800
Total project in progress	16,448	55,109	71,761	84,147	91,439	18,200	2,896	340,000
Land (net cash)	2,500							2,500
Interest earned on investments	(6,212)	(460)	(740)	(1,291)	(30)			(8,733)
Contingency due to additional interest						733		733
Friends administrative and financing costs	16,000				500			16,500
Total project cost	28,736	54,649	71,021	82,856	91,909	18,933	2,896	351,000
Funded by:								
Government of Canada - Definitive Agreement	30,000	20,000	40,000	10,000	-			100,000
Operating funding to be used for capital					10,000			10,000
Operating funding to be used for capital	-	-	-	-	25,000	10,000		35,000
Operations - Soft costs			2,700	600	3,000	700		7,000
								152,000
Province of Manitoba	40,000	-	-	-	-			40,000
City of Winnipeg	18,500	370	28		1,102			20,000
Friends of CMHR	20,480	24,550	24,430	20,560	1,000			91,020
Amendment to Friends on CMHR payment schedule	-	-	(2,300)		2,300	-	-	-
MTS Gift in Kind	-	-	-	-	1,250	-	-	1,250
Friends administration costs	12,230	-	-	-	500			12,730
Additional commitment and restricted pledge	-	-	-	600	25,000	7,400	-	33,000
								138,000
Powersmart rebate						1,000		1,000
Total Sources	121,210	44,920	64,858	31,760	69,152	19,100	-	351,000
Annual net cash flow	92,474	(9,729)	(6,163)	(51,096)	(22,757)	167	(2,896)	
Cumulative cash available	92,474	82,745	76,582	25,486	2,729	2,896	-	- 37

Note 1:

The Total project cost is \$351 million. The difference between the Total project cost of \$351 million and the Total Project in Progress of \$340 million above are the in-kind contributions of Winnipeg for the land and the Friends operational and financing costs as well as the initial \$3 million contribution from Canada, paid by WED to Friends for the feasibility study and other initial costs prior to the museum being established, offset by interest income.

Note 2:

Canada has given the CMHR approval to use a total of \$45M that had been designated for operating funds for use towards the capital project as follows:

- The use of \$10 million in operating appropriations for capital that was re-profiled from 2011/2012 to 2012/2013 due to the deferral in content and programming development costs and other aggressive reductions in non-urgent spending in 2011/2012; and
- A one-time, \$35 million advance against future parliamentary appropriations to the Museum, to be repaid through reductions in future appropriations.

Note 3:

Financing through the Friends of the Canadian Museum for Human Rights, secured by a guarantee from the Province of Manitoba, will provide the balance of the funds required.