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OAKLAND MUSEUM OF CALIFORNIA ANNOUNCES ORGANIZATIONAL TRANSFORMATION AND STAFF REDUCTIONS DUE TO FINANCIAL CHALLENGES CAUSED BY IMPACTS OF YEAR-LONG CLOSURE

Following a Three-Month All-Staff Inclusive Redesign Process, New Operational Structure Advances OMCA's Commitment to Becoming an Anti-Racist and Equitable Multicultural Organization

(OAKLAND, CA) April 2, 2021—Oakland Museum of California (OMCA) today announces an **organizational transformation and staffing reductions** required to ensure its financial sustainability due to the impacts of the year-long closure caused by the COVID-19 pandemic. OMCA has remained closed to the public since March 13, 2020.

Along with a reduction in staff positions, OMCA will implement a new staffing structure, compensation philosophy, and internal processes to **advance its commitment to becoming an anti-racist and equitable multicultural organization** as it prepares to reopen in the coming months. Staffing reductions are being made at every level of the organization, including senior management, ensuring that frontline staff and lowest-paid workers are not adversely impacted. In addition, a new compensation philosophy will **increase base-level pay for the lowest-paid staff positions**, raising pay levels to four times the federal poverty level, which is an increase of approximately \$9 per hour.

The financial imperative for the Museum in this **restructure is to reduce its annual operating budget from approximately \$16.6 million to \$14 million**. Downsizing from approximately 126 full-time equivalent positions to 106 full-time equivalent positions (about a 15% total reduction) will reduce approximately \$1 million in payroll costs. To date, OMCA has lost around \$2.5 million in earned revenue as it remains closed to the public. The Museum anticipates an

additional approximately \$2.3 million in total revenue losses in the upcoming fiscal year. Staffing-related costs make up more than 70% of OMCA's overall expenses.

"I have so much gratitude for everyone's full participation in this process, and feel fortunate that we've been able to keep our staff employed up to this point during such a difficult year," **said OMCA Director and CEO, Lori Fogarty**. "Beyond the unfortunate reality of a reduction of staff positions, this new structure will shift the ways we work together, and we are implementing staff recommendations related to advancing our commitment to becoming an anti-racist, equitable, multicultural organization. This organizational redesign is intended to make the Museum more relevant to our community, and is consistent with our vision for our social impact — building trust, connection, and understanding between people and groups."

Nearly a year ago, on April 15, 2020, OMCA received a Paycheck Protection Program (PPP) loan, an important source of short-term funding to keep all staff fully employed through June 10, 2020. After the PPP loan funds were expended, all staff reduced their working hours, enabling the Museum to avoid layoffs for all part-time and full-time staff through December 31, 2020. As OMCA realized the long-term impacts of the prolonged closure, staff resumed previously budgeted hours in January of 2021 in order to participate in the all-inclusive redesign process, including over 30 workshops focused on the Museum's business model, compensation philosophy, and overall structure.

Reopening plans

OMCA has taken the past year to reimagine what type of organization it will be and what impact it can have on its community when the Museum reopens to the public. By being closed to the public, staff have had the opportunity to engage in a series of conversations and workshops as part of the organizational transformation. As this new staff and organizational structure is implemented this spring, the Museum will continue its work to enhance its new onsite safety protocols, coinciding with the full completion of the campus and garden renovations. OMCA anticipates to re-open in June of 2021, with more details to follow soon.

ABOUT OAKLAND MUSEUM OF CALIFORNIA

Oakland Museum of California (OMCA) tells the many stories that comprise California, creating the space and context for greater connection, trust, and understanding between people. Through its inclusive exhibitions, public programs, educational initiatives, and cultural events, OMCA brings Californians together and inspires greater understanding about what our state's art, history, and natural surroundings teach us about ourselves and each other. With more than 1.9 million objects, OMCA brings together its multi-disciplinary collections of art, history, and natural science with the first-person accounts and often untold narratives of California, all within its 110,000 square feet of gallery space and seven-acre campus. The Museum just celebrated its 50th anniversary as a leading cultural institution of the Bay Area and a resource for the

research and understanding of California's dynamic cultural and environmental heritage for visitors from the region, the state, and around the world.

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