

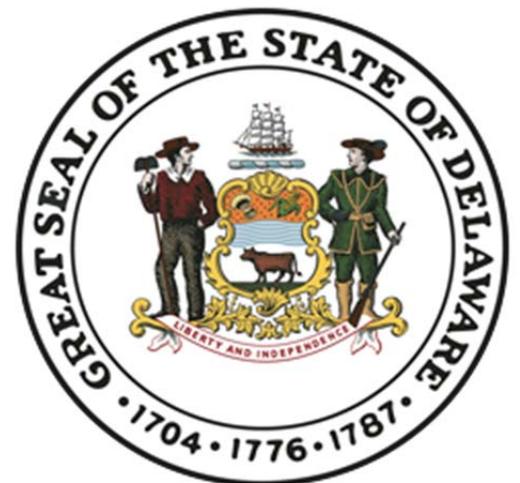
**State of Delaware
Office of Auditor of Accounts**

State Loses Donated Kerman Carpet

Special Investigation

**Fieldwork End Date: August 22, 2012
Issuance Date: August 30, 2012**

R. Thomas Wagner, Jr., CFE, CGFM, CICA
Auditor of Accounts





State of Delaware
Office of Auditor of Accounts
R. Thomas Wagner, Jr., CFE, CGFM, CICA

At a Glance

Working Hard to Protect YOUR Tax Dollars

Why We Did This Review

The Office of Auditor of Accounts (AOA) received an allegation that the State of Delaware is unable to locate a Kerman carpet, valued at \$12,000, at the time of donation.

The carpet was donated to the Governor's House (Woodburn) in 1998 and has been missing since 2000.

Background

In 2000, the donor contacted the State and learned that the carpet could not be located. On May 28, 2009, the donor contacted the State Division of Historical and Cultural affairs requesting help to locate the rug. On October 21, 2009, after many years of correspondence and a thorough investigation, the State issued a letter to the donor stating that all attempts to locate the carpet have led to dead ends. AOA subsequently received a letter dated June 3, 2011, from the donor requesting AOA take an additional look to locate the carpet.

For further information on this release, please contact:

Kathleen O'Donnell
(302) 857-3919

What We Found

AOA was unable to locate the donated Kerman carpet; therefore, Citizens should be forewarned that donated items may not be used as intended.

AOA conducted inquiries and interviews and could not find anyone within the State who knew its current whereabouts. We also determined the State's computerized collections system is not properly updated for the location of the State's antiquities.

Therefore, the Citizens of Delaware should consider these risks prior to donating valuables to the State.

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The conclusion of the allegation is defined as follows:

Substantiated:	The allegation has been verified by competent evidence.
Partially Substantiated:	A portion of the allegation has been verified by competent evidence; however, competent evidence to verify the entire allegation could not be provided by the agency or obtained by AOA, or competent evidence was found to dispute a portion of the allegation.
Unsubstantiated:	Competent evidence was found to dispute the allegation.
Unable to Conclude:	Competent evidence to verify the allegation could not be provided by the agency or obtained by AOA.

Background

Since the early 17th century, Kerman carpets have been exported to western markets where they have consistently ranked among the best of the best in Persian rugs. The history of carpet weaving and textile production began in the city Kerman in southeast of Iran. The earliest carpet artifacts from Kerman date back to the 1500s, but depictions of opulent carpets decorating the courts of Persian emperors date back more than 2,500 years.¹ Kerman carpets are highly prized because of the quality of their design and colors. They are handmade of fine, lustrous wool, and colored soft red, green, blue, yellow and ivory.²

The Governor's House (Woodburn) has served as the official residence of the Governor of Delaware since it was purchased by the State in 1965³. Serving as an exhibition and gathering spot for Delaware residents and visitors, Woodburn hosts thousands of public tours and legislative lunches. Woodburn is furnished with antiques, portraits, and many other items spanning three centuries of Delaware history. These items are currently obtained from the Delaware Division of Historical and Cultural Affairs (HCA). In order to maximize public access to the state's collections, HCA manages a program that places collection objects in government offices and public buildings across Delaware. They are also responsible for maintaining an accurate record system for all acquisitions and subsequent transactions of objects and collections, and their safekeeping⁴. The majority of the antiquities are donated by individuals and local businesses. HCA rarely purchases an antique for display.

Donating items to a local museum, a historical state building or historical society is seen as an act of altruism. Citizens capture the history of their people and State by donating historical pieces to state government. Donations help the State continue providing quality research libraries, excellent museum collections, and interesting exhibits. The collection of items allows the story of Delaware to be told through furniture, domestic and household items, clothing and textiles, fine and decorative arts items, and archaeological materials.

Although the State's collections are featured prominently in Division-sponsored exhibits, the sheer number of items makes it impossible for all of the materials to be formally displayed at one time. Items not on display are stored at two State-maintained facilities.

¹ Source: <http://nazmialantiquerugs.com/articles/history-of-kerman-rugs/>

² Source: <http://www.art-arena.com/kermanc.htm>

³ Source: Woodburn-The Governor's House: www.woodburn.delaware.gov

⁴ Source: About the Division of Historical and Cultural Affairs: www.history.delaware.gov/aboutagency

Allegation and Conclusion

Allegation

On June 15, 1998, a Delaware resident donated a handmade Kerman carpet, valued at \$12,000, at the time of donation, to the State of Delaware from her mother's estate. Since her parents were lifetime Delawareans with ancestry dating back to the 1600's, the donor thought it would be appropriate to gift a part of family history to the State. In January 1999, Woodburn acknowledged receiving the carpet and stated that, upon completion of a redecoration project, the donor could visit Woodburn to see the finished product. In 2000, the donor contacted the State to make this visit and learned that the carpet could not be located. On October 21, 2009, after many years of correspondence and a thorough investigation, the State issued a letter to the donor stating that all attempts to locate the carpet have led to dead ends. Auditor of Accounts (AOA) subsequently received a letter dated June 3, 2011, from the donor requesting AOA take an additional look to locate the carpet.

Conclusion – Allegation Substantiated

AOA was unable to locate the donated Kerman carpet.

During 2012, AOA conducted multiple inquiries and interviews with personnel at Woodburn, HCA, Delaware Surplus Services⁵, Facilities Management and Delaware Public Archives. None of the personnel that we spoke with had any recollection of the carpet at Woodburn after 2000. The personnel do not remember receiving a carpet from Woodburn nor could they provide any documentation from Woodburn pertaining to the carpet.

When the carpet was donated in 1998, all collected/donated items were administered and managed by the Woodburn staff. Woodburn assigned an item number to the carpet upon initial donation; however, no inventory records currently exist. In 2010, Woodburn's policy for donated items was changed to be the responsibility of HCA, but since the carpet was never sent to HCA as a collections item, HCA has no record of the carpet.

The carpet was donated during the Thomas R. Carper administration⁶ and, according to the Woodburn administrator at the time, was stored in the basement until renovations were completed. The subsequent administrator reported the carpet was brought to the third floor sometime between 1999 and 2000, deemed too big, and brought back to the basement. We could not find anyone with recollection of the carpet after this time. Based on the documentation provided by HCA, no one in the Ruth Ann Minner administration⁷ remembers seeing the carpet. During the Markell administration⁸, the basement where the carpet was stored was cleaned out. The current administrator told us there was no carpet in the basement then.

⁵ Managed by Office of Management and Budget (OMB)

⁶ January 19, 1993 – January 3, 2001

⁷ January 3, 2001 – January 20, 2009

⁸ January 20, 2009 – Present

AOA physically inspected multiple State locations, including Woodburn and the Hall House (a guest house adjacent to Woodburn), as well as all the carpets listed in HCA's database. HCA has a computerized collections system to manage the antiquities inventory. The system is capable of storing information such as accession number, description, donor/vendor, date received, and location of item. However, during our inspection, we found numerous inaccuracies, such as multiple carpets not at their designated premises and nine carpets that were not listed on the inventory list. The State should ensure that all records are kept up-to-date and appropriate inventories completed to reduce the risk of missing items in the future.

Appendix A

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Historical and Cultural Affairs

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The Division of Historical and Cultural Affairs (HCA) has reviewed the report of the Office of the Auditor of Accounts regarding the Kerman Carpet.

As cited in the report, the Kerman Carpet was donated to the State of Delaware in 1998 and has been missing since 2000. The object was received by the Department of Administrative Services in 1998 for use as furnishing at Woodburn. The object was never formally accessioned into the state's antiquities (museum) collection maintained and managed by HCA.

Also as cited in the report, HCA took over responsibility for Woodburn in July 2010 and has since instituted an inventory control system for all items in Woodburn. All items in Woodburn have been accounted for on a regular basis since July 2010.

HCA does acknowledge the deficiencies in its inventory control system cited by the report which resulted in discrepancies on locations for some objects during the course of the investigation.

Remedial actions taken to date include an external review of all operations by a pre-accreditation team from the American Association of Museums, as well as an external in-depth review of the collections management systems. Additionally, a review of the performance of existing curator personnel will be conducted and, if necessary, corrective personnel actions will be taken.

HCA expects an action plan will be published upon completion of the external reviews.

HCA maintains a large and complex collection of Delaware antiquities, comprising more than 90,000 historic artifacts and an estimated 4,000,000 archaeological items. Unlike

traditional museums which are contained within a single building, HCA's collection is disbursed throughout more than 90 locations in Delaware. Providing this level of increased public access to an important cultural asset carries with it some degree of risk; HCA will continue to work to eliminate that risk in its ongoing role as steward of these collections.

Sincerely,



Timothy A. Slavin
Director and State Historic Preservation Officer