

Questions for the Record
Senate Subcommittee on Federal Financial Reform
May 10, 2006

The Honorable Anne-Imelda Radice
Director
Institute of Museum and Library Services
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Washington, D.C. 20036

1. When considering a grant application, does IMLS consider their endowment to see if they could fund the project themselves?

We do not consider an applicant's endowment when reviewing the application. The criteria we use for museum applications include:

- *Assessment of Need:* Applicants must show that they have clearly defined the project's audiences and researched relevant projects completed by other institutions.
- *Project Design:* Applicants must provide clear project descriptions and must demonstrate that the project supports the Institute's grant program goals.
- *Budget, Personnel and Management:* Applicants must demonstrate that they will effectively complete the project activities through the deployment and management of resources including money, facilities, equipment, and supplies.
- *Sustainability:* The project's benefits must continue beyond the grant period, either through ongoing institutional support of project activities or products, or through broad long-term access to project products.

- *Dissemination:* The applicant must show that the results, products, models, findings, processes, or benefits of their project will be made transparent and accessible through effective professional communication channels and elsewhere.
- *Impact and Evaluation:* The project must reflect an understanding of current issues related to museum services, creatively address issues facing museums of similar size or discipline, and envision change in the field that could result from the project. The application must contain evidence that the evaluation plan ties directly to project goals through measurable project outcomes, products, or other findings, and that the evaluation will provide reliable information on which to judge impact.

2. Has IMLS ever pulled a grant or asked for a refund because a grantee didn't comply with the award conditions?

- How many times has this happened?
- Does that disqualify the recipient from ever applying for a grant?

The Institute has almost never had to rescind a grant because of noncompliance. We monitor grant progress closely and have almost always been able to correct problems before they became irreparable. We do, however, have clear procedures in place for such an occurrence.

If IMLS determines that a grantee has failed to comply with the terms of the award, we may suspend or terminate it. This action normally will be taken only after the grantee has

been notified of the deficiency and given sufficient time to correct it, but this policy does not preclude immediate suspension or termination when such action is required to protect the interests of the government.

In the event that an award is suspended and corrective action is not taken within 90 days of the effective date, the Institute may issue a notice of termination. No costs that are incurred during the suspension period or after the effective date of termination will be allowable except those that are specifically authorized by the suspension or termination notice or those that, in the opinion of IMLS, could not have been reasonably avoided.

When all reasonable efforts have been made to obtain overdue reports or the refund of award monies, the Institute will issue a letter declaring the grantee ineligible to receive further IMLS funding until the required reports are submitted. Ineligibility is effective for three years or until the required report is submitted. Those organizations that owe funds to IMLS either because they did not spend all the award funds during the award period or costs have been disallowed as a result of an audit, will remain ineligible until the funds are repaid to IMLS.

We monitor grantees that have had serious administrative or financial problems that IMLS staff become aware of either through an audit of the organization or through problems they encounter in administering the award. These problems would include such things as ineffective oversight of project activities, failure to report promptly significant changes or problems in carrying out project activities, habitually late reporting, an

inadequate financial management system, or the lack of compliance with fundamental grant management responsibilities. Such organizations will not receive new awards from the Institute until we are confident the past problems have been resolved

Do you deny awards to those who are past recipients?

No. But if a museum has an active Museums for America award it cannot reapply until that award period ends. We have implemented this policy to help ensure that the greatest number of museums is served by this program, which is the largest federal source of museum funding.

4. How do you handle cost overruns if recipients return for more money?

We do not accept requests for cost overruns.

5. Is the expanding role of digital technology one reason museum attendance is declining?

The American Association of Museum's 2006 Museum Financial Information Survey found that attendance held steady from 2000 to 2005.

However, if there is a drop in museum attendance, it is likely attributable to cyclical economic conditions and not declining public interest. In its 2006-2007 Occupational Outlook Handbook, in a section on museum professionals, the Bureau of Labor Statistics states, "Museum and zoo attendance has experienced a drop in recent years because of a

weak economy, but the long-term trend has been a rise in attendance, and this trend is expected to continue. There is healthy public and private support for and interest in museums...”

Whatever the trend, museum attendance is not negatively affected by digital technology. On the contrary, anecdotal evidence suggests that the public’s ability to access museum resources online increases its interest in visiting a physical museum. Moreover, in the twenty-first century, providing digital resources is *per se* a museum service.

Museums today serve their audiences in many new ways that do not show up in visitorship statistics. Museums provide offsite resources at schools, community centers and libraries, and produce online exhibits, interactive programming, and other services that do not necessarily result in the user entering a museum building. But these services are as essential to the public value of today’s museum as its physical exhibits.

Many of the grants awarded by IMLS help recipients adjust to and make the most of digital technology.

6. How do we get communities and people involved and excited about museums again?

People are involved with and excited about museums. According to the American Association of Museums, one-third of Americans say they have visited an art museum,

history museum, aquarium, zoo, botanical garden, or science and technology center within the past six months. Museums rank in the top three family vacation destinations.

Support from IMLS helps museums maintain and expand their public value and appeal. Museums for America grants support projects and activities that strengthen museums as active resources for lifelong learning and key players in the establishment of livable communities. They can be used for ongoing museum activities, research and other behind-the-scenes activities, planning activities, new programs or activities, purchase of equipment or services, or other activities that will support the efforts of museums to upgrade and integrate new technologies into their overall institutional effectiveness. National Leadership Grants spur innovative thinking and the dissemination of successful strategies. Through these programs and others, the Institute helps museums remain current and relevant, strengthening their ability to serve the public.

7. In your testimony you mention that the Institute provides technical assistance and training for measurement of outcomes for the grantees. If the grantee received the award, why should taxpayers subsidize even further the way they report their results to you so they can be compliant?

- Shouldn't the grant project and the results speak for themselves?

Our Outcomes-Based Evaluation (OBE) training is not intended merely to help applicants be compliant. It is an important means of protecting the taxpayers' investment in libraries and museums. The OBE workshops we provide help grant recipients to design their projects in a way that will yield measurable results and produce best practices that can be shared throughout the field. The program is essential to ensuring that the spending of taxpayer money creates public value.

8. On the final page of your testimony you outline the dollar amounts of your earmarks and competitive grants. It looks like in some cases \$ for earmarks exceeds the \$ for competitive grants. Will you comment on this?

The dollar amounts members of Congress are directing to museums and libraries in their states and districts provide a strong indication of the value these institutions provide to their communities and the nation and of the high regard in which they are held by members and their constituents. As I said in my testimony, the overwhelming majority of these earmarks go to quality institutions doing valuable work. Museums and libraries are key democratic institutions that provide opportunities for learning throughout a lifetime for families and communities in nearly every neighborhood in the country.