

**Statement of Anne-Imelda M. Radice,
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Before the Subcommittee on Federal Financial Management, Government
Information, and International Security
U.S. Senate Committee on Homeland Security and Governmental Affairs
Hearing on “Museums and Federal Funding”
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Chairman Coburn, Ranking Member Carper, members of the Subcommittee, thank you for the opportunity to testify before you today about federal funding of museums. As you have requested, my testimony will focus on museum funding trends in recent years and the role of the Institute of Museum and Library Services in awarding and administering such funds.

The Institute of Museum and Library Services is the primary source of federal support for the nation’s non-federal museums, which number more than 15,000. The Institute supports the full range of museums, including art, history, science and technology, children’s, natural history, historic houses, nature centers, botanical gardens, and zoos. Through its grant making, convening, reports, and research, the Institute builds the capacity of museums to be community leaders. It supports activities that enhance learning in families and communities, sustain cultural heritage, build twenty-first-century skills, and provide opportunities for civic participation.

Although the agency in its current configuration is relatively young --created in 1996--, the Museum Services Act it administers is nearly thirty years old and the library program dates back to 1956. The purposes of the Museum Services Act are as follows:

- To encourage and support museums in carrying out their public service role of connecting the whole society to cultural, artistic, historic, natural, and scientific understandings that constitute our heritage
- To encourage and support museums in carrying out their educational role, as core providers of learning and in conjunction with schools, families, and communities
- To encourage leadership, innovation, and applications of the most current technologies and practices to enhance museum services
- To assist, encourage, and support museums in carrying out their stewardship responsibilities to achieve the highest standards in conservation and care of the cultural historic, natural, and scientific heritage of the United States to benefit future generations
- To assist, encourage, and support museums in achieving the highest standards of management and service to the public, and to ease the financial burden borne by museums as a result of their increasing use by the public
- To support resource sharing and partnerships among museums, libraries, schools, and other community organizations

Museum Funding Trends 2000 – 2005

The Bush Administration supports libraries and museums because these institutions are part of the educational infrastructure of our country, for everyone at every age and stage of life. They are essential institutions that facilitate the free flow of information and ideas upon which a democracy depends.

Museums need to adapt their programs and services to meet the changing needs of the public, while remaining true to their mission of caring for collections, supporting scholarship, and providing public programming. Museums, along with other non-profits, must meet a greater demand for accountability. They face the challenge of using technology to increase efficiency and to expand access to services. To effectively fulfill their missions, they increasingly seek partnerships with businesses, schools, and community organizations.

The Institute of Museum and Library Services has responded to these needs by continually adapting its grant program emphases and providing tools and services that help museums plan and evaluate programs, create new partnerships, and increase accountability. All of these are skills museums need to be sustainable today.

In nearly all cases, federal funding is a very small part of the overall budget of museums in the United States. The Institute's grant programs are designed to maximize return on investment. Our strategy is to act as a catalyst for excellent museum management. We build the capacity of libraries and museums so that they can stay current and relevant and meet changing societal needs, thereby leveraging support from other public and private sources. This can be done most effectively by supporting library and museum programs that are grounded in sound methodology, solid planning, and rigorous evaluation.

Care of Collections

Conservation of museum collections has a significant public purpose: to ensure that the ideas and knowledge that museum collections hold is available for future generations. Our country's cultural, scientific, historic, and artistic heritage is preserved and protected only when museums have the proper resources and support to fulfill that critical mission.

Through its Conservation Project Support and Conservation Assessment Programs, the Institute raises the visibility of conservation as a cornerstone of museum practice. These programs take a comprehensive view of conservation practice that builds from assessment to treatment. The need for this type of activity was underscored by a study recently released by Heritage Preservation. With the support of the Institute and others, this study provides the first comprehensive look at the state of the nation's collections. The results are sobering.

Roughly 190 million objects held by archives, historical societies, libraries, museums, and scientific organizations are in need of conservation treatment; immediate action is needed to prevent the loss of millions of irreplaceable artifacts. The report concluded that

- sixty-five percent of collecting institutions have experienced damage to collections due to improper storage;

- eighty percent of collecting institutions do not have an emergency plan that includes collections, with staff trained to carry it out;
- forty percent of institutions have no funds allocated in their annual budgets for preservation/conservation.

Strategic Planning and Meeting Public Needs

Perhaps the most significant programmatic change during this period is the transition away from awards for general operating support to project-based grants founded on sound strategic plans. From 1978 until 2003 the signature program of federal museum funding was called General Operating Support. To receive an award a museum needed to demonstrate excellence in managing its resources to achieve its mission. Awards were equal to a percentage of the museum's operating budget up to a maximum amount. These awards were a catalyst for outstanding museum management. To continue to advance museum service, the Institute launched a new program in 2004. Museums for America maintains the focus on excellent museum management, but it now requires that museums develop sound strategic plans and identify a project that will further the institution's mission and demonstrate how that program will meet community needs. This approach has the added benefit of helping museums articulate how their activities are enabling them to meet their goals and overall mission, a necessary skill when approaching any public or private funding source.

Partnership – Building Alliances to Meet Community Needs

With its special mandate to encourage partnership among museums, libraries, and other educational and community organizations, the Institute has an important leadership role in encouraging collaborations to meet community needs.

Over the years the Institute has particularly encouraged museum collaborations with schools. It has issued two national reports identifying trends and quantifying museums' role in helping teachers teach and students learn. According to one study, museums spend over a billion dollars and commit more than 18 million hours to K-12 education programs. A recent Institute-supported conference of leaders in the library, museum, and K-12 fields demonstrated the vitality and innovation of partnerships among these groups.

To encourage partnerships among museums, libraries, and public broadcasters to meet community needs, the Institute has worked collaboratively with the Corporation for Public Broadcasting to provide professional development opportunities for museum, library, and public broadcasting staff, including a web site that provides tips and tools for partnerships.

Technology

Digital technology has affected nearly every aspect of library and museum services, from the automation of internal recordkeeping systems to the digitization of physical collections, and from the acquisition of new "born-digital" works of art or library publications to the use of technology to present collections and engage audiences.

Digital technology enables the full range of holdings in our museums, libraries, and archives—audio, video, print, photographs, artworks, artifacts, and other resources—to be

cataloged, organized, combined in new ways, and made accessible to audiences in new ways. Funding from the Institute has supported the digitization of many museum and library collections. Working with library and computer science experts at Indiana University-Purdue University at Indianapolis, the Institute is supporting the development of a collections registry that will enable users to search all of these collections simultaneously.

New telecommunications initiatives allow learners to access more than museum and library collections. They also bring learners “face-to-face” electronically with curators, scientists, artists, and scholars. Technology-based learning initiatives address different learning needs through customized programming and presentation. Digital technology connects more people to the resources and services that only museums and libraries can provide.

Recognizing the expanding role of digital technology in both formal and informal learning, IMLS is advancing its use in our nation’s museums and libraries through grant making, conferences, research, and publications.

Transparency

The Institute of Museum and Library Services carries out its grant-making mandate by administering several competitive grant programs each year. The program purposes include strengthening public service, caring for collections, enhancing professional development, providing national models and supporting research. Information about the Institute’s programs is available on grants.gov, a government-wide electronic system for grant announcements and applications, and on the Institute’s Web site. The Web site has all grant applications and is an excellent resource of tips and tools for applicants.

For nearly thirty years the Institute has developed and refined its competitive review process. Every application receives a thorough and objective review. A two-tiered process is used so that each application that is recommended for funding has received independent reviews from two different peer review processes before the Director makes a final determination. Reviewers, experts in their fields, are not Institute employees. A stringent conflict of interest policy ensures that reviewers are not associated with the applications they evaluate. Reviewers receive a modest \$200 honorarium for their service.

Each year hundreds of experts representing a range of experience in management, education, scholarship, and collections care participate in the peer review process. In addition to expertise, the Institute seeks a balance of representation in terms of geography and institution size.

Reviewers evaluate each application based upon the criteria published in the program’s application guidelines. They review project methodology, evaluation plans, potential impact, and appropriateness of project budget.

All applicants, whether funded or not, receive reviewer comments about their applications. These comments can help applicants develop stronger subsequent grant applications; they are also used by grantees who use comments strengthen their projects.

Planning for Results

The Institute maintains a leadership role in providing tools, training, and resources that help museums and libraries measure not just the quality of their collections and numbers of people served, but also the impact of these services.

To assist all applicants and grantees the Institute provides online tools to assist with planning and evaluation. These tools help institutions articulate and establish clear program benefits (outcomes), identify ways to measure those program benefits (indicators), clarify the specific individuals or groups for which the program's benefits are intended (target audience), and design program services to reach that audience and achieve the desired results.

In addition, the Institute provides technical assistance and training for grantee measurement of outcomes. This year IMLS provided thirteen intensive two-day workshops for grantees, designed to strengthen skills for outcome-oriented planning and evaluation. These workshops served 264 participants from 94 grantees and 42 project partner organizations.

Accountability

Before a grant is awarded, IMLS staff conducts a cost analysis of the proposed project to determine the grant amount. This analysis includes an examination of the cost data in the project budget and the necessity, reasonableness, and allowability of the costs under applicable law and OMB guidance.

All Institute grantees must have the legal authority to apply for federal assistance and the institutional, managerial, and financial capability (including match) to ensure proper planning, management, and completion of the project described in their application. The Institute requires that grantees administer or supervise the administration of their grant and apply fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for federal funds. Discretionary grantees in the museum programs may not award subgrants.

In accepting a grant, the grantee assumes the legal responsibility of administering the grant in accordance with federal requirements and Institute policy. Specific terms and conditions are explained in materials provided to all grantees and posted on the agency's Web site for all applicants. Recipients of financial assistance must maintain documentation, which is subject to audit, of all actions/expenditures affecting the grant. Failure to comply with the requirements of an award can result in suspension or termination of the grant and recovery of grant funds.

Grant payments are made, upon request, on a reimbursable basis for grant project-related expenditures. Small advance payments can be requested and approved by the Institute.

Grant expenses must be consistent with the proposal that is approved for funding by the Institute. Any change to a grant project's programmatic scope, key personnel, or budget must first be approved by the Institute. All requests for a change to a grant project must be signed by the authorizing official and submitted to the appropriate program officer

Grantees are required to provide reports, generally on an interim and final basis.

Requests for extensions of the grant period can be made pursuant to OMB circulars. The Institute will not accept requests for cost overruns. Supplementary awards for ancillary activities are made on an infrequent basis.

Funding for Museum Programs

Year	# Awards	\$ Awards	# Apps	\$ Requested	# Institutions
2000	584	\$ 24,603,258	1529	\$ 112,526,078	540
2001	632	\$ 26,040,290	1516	\$ 125,388,300	601
2002	571	\$ 26,074,710	1578	\$ 187,378,791	541
2003	567	\$ 28,785,656	1695	\$ 140,729,386	533
2004	555	\$ 31,792,702	1506	\$ 129,077,028	517
2005	558	\$ 29,752,699	1293	\$ 116,132,269	522
All	3467	\$ 167,049,315	9117	\$ 811,231,852	2355

Earmarks

Year	# Awards	\$ Awards
2000	14	\$ 7,054,298
2001	39	\$ 21,007,000
2002	61	\$ 21,466,000
2003	89	\$ 27,484,191
2004	88	\$ 26,009,637
2005	101	\$ 32,082,272
All	392	\$ 135,103,398

Mr. Chairman and members of the Subcommittee, I very much appreciate this opportunity to appear before you this afternoon and welcome your questions and comments.