

The Iowa Children's Museum, IMLS: Museums for America Grant Narrative

Statement of Need

Our nation is facing critical economic challenges, not just in Washington but in the homes of hundreds of thousands of families across the nation. Daily news headlines clearly indicate that the inability of such families to understand and manage money are having critical ramifications to the economy. Many of the problems stem from a population of adults who simply don't understand how money works. The statistic that only 25% of Americans feel well informed about their ability to manage household finances is staggering. In 2004, the Government Accountability Office (GAO) hosted a forum to develop recommendations on the role of the Federal government to improve financial literacy among consumers. A report was issued (GAO-05-93SP Financial Literacy Forum) that expressed the need for financial literacy in America including the following key statements.

- The personal savings rate has fallen dramatically, declining from nearly 7 % of gross domestic product in the 1970s and 1980s to around 2% in recent years.
- Household debt as a percentage of income hovers at record high levels. In addition, bankruptcy rates have more than quadrupled in the past 20 years.

The GAO report made recommendations to improve consumer financial literacy stating that special efforts need to be made to educate certain groups. Specifically cited were young people, "...who need to learn how to make responsible financial decisions as adults". Research from the National Council on Economic Education makes it clear that "K-12 education is the most effective setting to teach basic economic principles and sound financial decision-making."

Today's world is filled with resources about money management. In fact, if you Google "Teaching Kids About Money", you'll get **225 million** hits on everything from games to gadgets to summer camps, all aimed at educating youth about saving, budgeting, investing, and the economy. With that much information available to parents and educators at the touch of a mouse, the question begs to be asked "Where **do** children get their education on financial literacy?"

The Council on Economic Education found that nearly 90% of students depend upon their parents for information, while 80% of parents believe that schools are teaching financial education to their students. From all of the research that has been conducted about financial literacy, we know two things for sure. **Personal financial education should begin early and families need to be involved. That's where The Iowa Children's Museum can make an important impact!**

To improve the economic education of children, The Iowa Children's Museum has designed an innovative project based on the principles of financial literacy education. This project will attract a diverse audience and provide unique hands-on economic education opportunities for children and families found nowhere else in our region. We are requesting IMLS Museums for America grant funding to put **Money Works!** into action in our 28,000 square foot informal learning environment.

Money Works! will incorporate a learning by "doing" theme. Swiss psychologist Jean Piaget, well-known for his work with children and their need to "construct" their own meaning, believed that children learn most efficiently when they are able to take new information and integrate it into their previous knowledge and experiences, constructing a new knowledge base each day. **Money Works!** encourages the cognitive development of children by providing experiences that use real world applications of money in a pretend city environment transforming 5,500 square feet of creative play exhibit space into a dynamic economics-centered learning environment.

How does the project fulfill MFA goals to strengthen the museum's ability to serve the public effectively with high-priority activities that advance our mission and strategic goals?

Money Works! engages the community in educational activities by providing financial literacy experiences through interactive exhibits and family programs that support learning and appeal to diverse aspects of the community. The museum has received enthusiastic community support for the proposed program as evidenced by strong letters of support from the University of Iowa Community Credit Union, Iowa City and Cedar Rapids Community School Districts, and the Corridor Business Journal. The mission of The Iowa Children's Museum is to inspire every child to imagine, create, discover, and explore through the power of play. *Money Works!* will fulfill that mission by addressing an educational subject that greatly needs the support of the informal learning community to strengthen the abilities of families to help their children get an early start on developing healthy financial literacy skills.

The museum's 2013 Strategic Plan is an instrumental tool used to guide staff, volunteers, and board members in fulfilling our mission efficiently and effectively. The museum's strategic planning process is detailed in the attached Strategic Plan Summary. As part of our 2013 Strategic Plan, the museum's board of directors, staff, and community members identified three high priority goals. The proposed *Money Works!* project significantly addresses all three of these goals as follows:

Strategic Goal #1: To Strengthen Financial Stability

Money Works! specifically addresses this goal's tactic of "*Increasing Museum Attendance 5%*" by adding economic content targeting children in the 4-10 age range, developing strategic community partnerships, enhancing the visitor experience, creating opportunities for increased media coverage, and expanding the visibility of the children's museum throughout the Midwest. This project is anticipated to attract a broad audience impacting admissions, memberships, and school group attendance numbers. In addition, financial literacy education presents new opportunities for donor funding and sponsorships.

Strategic Goal #2: To Maintain Continuous Improvement as a Guiding Principle

This program is a direct result of our Strategic Plan's tactic to "*Create an Assessment Tool to Evaluate Museum Exhibits*". The museum's permanent CityWorks exhibit underwent assessment in August 2010 by museum staff, board, community members, and museum users resulting in a recommendation to enrich the quality of the exhibit's learning experience by developing financial literacy, health/nutrition, and fitness elements to enhance City Works with important, relevant educational opportunities.

Strategic Goal #3: To Be the Regionally Recognized Leader of Innovative, Educational, Interactive, and Accessible Play

This project addresses the tactic of "*Educating Museum Users about the Power of Play*" by:

- Reaching out to neglected markets within the museum's core audience (i.e., after-school programs will engage the expanding Latin American population of Iowa residents, "Girls Only Financial Literacy Nights" will be offered to upper elementary age females and their parents, and outreach programs will be delivered to local schools serving a significant population of low-income minority students)
- Providing *Money Works!* museum field trips important to school groups and home-school families
- Increasing collaborative partnerships with local community groups to enrich the proposed project (i.e., collaborative work with the local community credit union to offer financial literacy parenting workshops)

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Institutional Capacity:

By carrying out this program, the museum will fulfill an important part of our mission to educate children about their world. *Money Works!* is an investment in our institutional capacity that will:

- Provide financial literacy education for hundreds of thousands of museum visitors
- Attract increased, new audiences to our facility
- Create a venue for community partnerships with local organizations and groups that are invested in financial literacy education

Who is the intended audience and how will this project serve this audience?

The museum's audience reaches across ethnic boundaries, income levels, and abilities to offer a place where families can come together and experience the joy that learning can and should provide. The target audience for the museum is children under the age of twelve and their families, caregivers, and educators. The unique location of The Iowa Children's Museum within the Coral Ridge Mall at the intersection of Interstates 80 and 380 in Coralville, Iowa, has allowed the museum access to over ten million visitors each year. The number of adults and children visiting the museum has grown 85% in the past ten years reaching 131,500 in Fiscal 2010. The proposed *Money Works!* program is anticipated to attract an even greater number of visitors who are searching for high quality educational experiences that contribute to the financial literacy of their children. The target age of this project is preschool through fourth grade (ages 4-10). The primary resident market area extending 125 miles from the museum's location has 1,425,380 residents. One-third of the state of Iowa's population resides within sixty miles of the museum. Linn and Johnson counties, from which the museum's primary attendance stems, include a population base of nearly 121,000 households (2000 Census). The most recent demographic data for Iowa (Kids Count 2004) shows 24% of the state's population to be children under the age of eighteen. Iowa Census 2000 reports that 19% of the area's population is age 0-14.

The *Money Works!* project is based upon the need to improve the financial literacy of the aforementioned market as determined by informal assessments with museum visitors, formal visitor surveys, and interviews with school and social service personnel; as well as the national economics research. Museum survey results indicate that while visitors are generally satisfied with their museum learning experience, they would visit more frequently if offered new exhibits or special programming (78%). *See attachment for survey details.* This assessment of museum attendees indicated that our visitors strongly desire new exhibits and programs to serve as learning opportunities for their families. In addition to a safe, stimulating environment in which to play and bond as a family, our constituents voice a need for increased exhibit and programming opportunities addressing diverse topics relevant to the challenges of raising children in today's complex world.

The museum contracted the LG Group (business consultants) in 2005 to analyze how effectively we were achieving this charge from our constituents. The top two action steps recommended include changing exhibits and engaging school-age children. In addition, the museum completed the IMLS Museum Assessment Program in 2008. One observation included in our Institutional Assessment Report states that "*Programs must be unique, meet Iowa or the national core curriculum, and provide an experience that the classroom teacher could not duplicate.*" The proposed *Money Works!* project is just that -- by using a simulated city exhibit to teach financial literacy, we are able to provide an active learning experience that cannot be easily duplicated in school classrooms or homes. Past increases in museum attendance have related directly to our ability to offer new exhibits and programs.

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We anticipate *Money Works!* to increase the number of traditionally under-represented children we serve by offering accessible financial literacy programs targeted to minorities, females, and persons with disabilities. In 2007 the museum completed an institutional evaluation program with the Center for Creative Play that assisted the museum in our ability to better serve children and adults with special needs. *Money Works!* is designed to engage visitors of all backgrounds and developmental levels reaching out to groups of people who are traditionally underserved.

Project Design

Transforming the museum's current *CityWorks* exhibit into a interactive environment rich with financial literacy learning opportunities is the top priority of the *Money Works!* project. Whether it's a child and parent simply enjoying playing together, a teacher searching for a field trip that explores the concepts of how the economy works, or a grandparent in search of a way to help their grandchild learn to save money, *Money Works!* is all inclusive! The objective of this program is to teach financial literacy in a hands-on learning environment that makes sense to the learner. *Money Works!* connects economics to the applied context of a city environment where people live, work, play, and go to school. In the real world, preschool and elementary students aren't old enough to drive, work, vote, or be the boss. But that doesn't stop them from operating banks, managing restaurants, writing checks, opening a savings account, or officiating as "Mayor Moneyworks" at The Iowa Children's Museum!

The proposed *Money Works!* project is comprised of five distinct elements.

1. The installation of 12 interactive financial literacy exhibit components into the *CityWorks* exhibit:
Examples of the new exhibit components include:
 - Installation of "The Big Bank" financial literacy exhibit and curriculum purchased from the Betty Brinn Children's Museum. (The Betty Brinn Museum is well known in the industry for their exemplary exhibit design and production.)
 - An ATM station added to the City Center area to teach children about how deposits and withdrawals are made and how consumers manage their money using technology
 - A Cash Register and scanner added to City Grocery to teach children that different objects have different monetary values and how to make change
 - A Career Station added to the Children's Hospital, where children can act out the job of a doctor to earn a paycheck and make decisions about how their money will be used: Give, Save, or Spend.
2. Financial literacy programs to enhance the free play museum experience. Examples include:
 - Mayor MoneyWorks (museum staff person) "holding office hours" in City Hall to facilitate interactive financial literacy problem solving challenges
 - Choose to pay for your pizza in the World Pizzeria by using pesos, dollars, francs, or yen as you learn how money differs around the world.
3. Financial Literacy Family Workshops offered quarterly. Examples of programming include:
 - Parent Workshops to provide tools to assist parents in providing financial literacy education at home
 - Kid Activities that provide in-depth experiences with learn about saving and giving money
4. Evaluation of the effectiveness of *Money Works!* at improving financial literacy for children and the adults who care for them.
5. Presentation at the Association of Children's Museums 2013 annual conference to share the benefits of adding financial literacy educational components to the city/town exhibits that exist in the majority of children's museums across the United States.

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The *Money Works!* project has been designed by a team of museum professionals, representatives from financial institutions, and educators working to create a successful approach to improving the financial literacy of children. Using a team of community members with diverse expertise is important to achieving our project goals as well as building local ownership of the project.

The *Money Works!* Project Design/Fabrication Team includes:

- Dr. Vicki Burketta, University of Iowa math professor, with over twenty-five years of math education
- Eadie Fawcett Weaver, Director of Business Development, University of Iowa Community Credit Union
- Deb Dunkhase, Iowa Children's Museum Executive Director with over ten years experience in designing exhibits and programs for children's museums
- Bruce Kout, President of Farmers and Merchants Savings Bank
- Aspen Lohman and Bobbie Wegman, local elementary teachers
- Becky Hall and Phyllis Tucker, local preschool educators
- Kelly Moore, Museum Director of Education
- United Action for Youth, Cultural Youth Leadership Program
- Leonid Stepanov, Exhibit Fabricator with 20 years experience in exhibit design, development and fabrication
- Students representing preschool & elementary grade levels are involved as exhibit "testers"

Deb Dunkhase, Museum Executive Director with 15 years of extensive experience in education and exhibit design, will serve as the Project Director. Dunkhase has established a history of successfully managing and implementing projects including the 2010 *Take Flight!* exhibit with over \$1.2M dollars in grant funding from NASA, IMLS, and Rockwell Collins. Dunkhase's grant management experience also includes a \$1.5M National Science Foundation funded Science PALs Project, a \$500,000 State of Iowa Culture and Attractions Development Project, a \$2.8M Capital Campaign for facility construction, and numerous local grant awards. Though the significant portion of the *Money Works!* exhibit components will be purchased from an outside exhibit fabricator (the Betty Brinn Children's Museum); several of the exhibit enhancements will be designed and fabricated in-house by The Iowa Children's Museum, as are all of the museum's exhibits and programs. Field-testing of each individual exhibit component will insure both the safety of the visitor and the effectiveness of the methods used to promote financial literacy within this project. Each project component will also be "reviewed" by the design team's youth members to evaluate visitor impact before integration into the final design.

Money Works! is scheduled to open on July 1, 2012, as a permanent enhancement to The Iowa Children's Museum's CityWorks exhibit. School field trips to the exhibit will support local math curriculum and tie to National Math Education Standards. This project will help students understand important concepts and master complex skills and reasoning processes that are essential to financial literacy. Parents who accompany children in the exploration of *Money Works!* will become active participants in learning. Research has shown that parents are the strongest influence in their child's academic achievement, and this is best achieved when parents are directly involved in activities that support classroom instruction. Marketing plans to attract the intended audience include creating a *Money Works!* brochure to distribute to over 8,000 Iowa educators to promote participation in school field trips and outreach activities to attract Girl and Boy Scouts, local neighborhood centers, family resource centers, and social service agencies to reach the at-risk population of underserved students and their families. In addition, we will facilitate quarterly Family Financial Literacy Nights with special invitations to the 850 low-income families to whom we currently award free museum memberships.

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A comprehensive research plan will be developed to evaluate *Money Works!* The effectiveness of the exhibit and special programs will be assessed using both quantitative and outcome-based evaluation techniques. Surveys and personal interviews will be conducted to measure the exhibit's effectiveness in increasing visitor understandings of 1) basic money skills, 2) development of healthy spending habits and attitudes toward money management, and 3) ability of parents to teach and model financial literacy. The number of program participants and their demographic data will be collected to measure the inclusiveness of the project. Quantitative measures include tracking the number of children and adults that explore the exhibit and program elements and the length of time spent interacting with the different project components. In addition, we will test the message outcomes for *Money Works!* through the use of visitor exit interviews. The project will be deemed successful when participants surveyed are able to communicate accurate understandings of at least 75% of the project's goal messages. The museum is will review *Money Works!* quarterly through 2013 to implement revisions informed by the evaluation.

Project Resources: Time, Personnel, Budget

The *Money Works!* project design will be finalized by December 2011 with associated evaluation plans completed by March 2012. Installation and field testing of the project components will occur from January through June 2012 with the project Grand Opening scheduled for July 1, 2012. Please see the attached timeline for specific details.

The Iowa Children's Museum is very capable of implementing the *Money Works!* project. The museum has a highly effective administrative team that encourages collaboration and collective responsibility. Our staff has earned a reputation for creating outstanding exhibits and programs in-house with highly effective use of resources. Evidence of our success includes operating with a positive cash flow and no debt while creating over thirty-seven successful exhibits in the past twelve years. Our annual budget of \$1,111,650 is funded from two revenue sources: 1) earned income from admissions, memberships, gift shop sales, program fees, and facility rentals and 2) general contributions derived primarily from individual and corporate sources, and federal, state and local grants.

The level of professional commitment of The Iowa Children's Museum is well respected in the Iowa community. The museum's Executive Director, Deb Dunkhase, serving as project manager has been with the museum since its inception and is responsible for the general development of the museum including museum exhibits and programs. Dunkhase has overseen all past exhibit development projects. The Director of Education (position in existence just one year) currently assists in overseeing exhibit and program development and will take on additional management responsibility in Fiscal 2012. Leonid Stepanov, ICM Exhibit Fabricator, has a history of exemplary work for the museum with over twenty years of experience in exhibit development and fabrication.

During year one of the project, *Money Works!* will be the only major exhibit creation/renovation undertaken at The Iowa Children's Museum, thus allowing staff the time they will need to accomplish exhibit goals and activities. Many of the needed resources for exhibit fabrication are already successfully in place at the museum, i.e. fabrication shop, marketing, programming, and graphic design. We will also recruit University of Iowa student interns and other museum volunteers to take on portions of museum staff's regular workload in order to allow them to spend additional time with *Money Works!* The museum regularly recruits volunteer interns from the University of Iowa's Museum Studies program to assist with a variety of exhibit and program development/fabrication duties. The university has successfully provided interns for the past five years to assist with exhibit and program development.

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For the first time since the opening of The ICM in 1999, the museum began operating at a positive cash flow in fiscal 2002-03 and has held that position for seven consecutive years. The museum's board executive committee oversees a strict operating budget to ensure both the short and long-term financial stability of the museum. The museum received a \$1,850,000 charitable gift in the fall of 2005 that enabled us to fully retire a building construction loan. The elimination of this debt has decreased operating expenses by approximately \$96,000 annually. To insure long-term financial stability, the museum has worked to change our operating revenue statistics in regard to earned versus contributed income. In fiscal 2001, the museum averaged 70% contributed income and 30% earned income to meet our operating budget. This year 55% of our operating revenue derived from contributed income and 45% from earned income. Our goal as an organization is to continue to generate at least fifty percent or more of our operating budget from earned income and to lessen our need for contributions that are highly unpredictable in these times of economic instability. The opportunity to open a new financial literacy program with IMLS grant funding assistance would greatly aid our goal of increasing earned revenue through the admission fees and membership sales as a result of increased attendance.

Impact: What are the benefits of this project for the museum and its audience?

- Exemplifying the best practices in active learning, the proposed *Money Works!* project will provide a community of diverse learners with an engaging interactive exhibit experience to advance their financial literacy.
- This project will directly benefit The Iowa Children's Museum to increase its institutional capacity, by adding a permanent financial literacy program that is developmentally appropriate for preschool and elementary age children. In addition, the museum will provide quarterly family financial literacy workshops that help parents gain the necessary tools to guide their children to develop healthy money habits.
- Expenses associated with the ongoing costs of operating the *Money Works!* project permanently will be integrated into the museum's annual operating budget opening numerous new partnership possibilities with financial institutions for exhibit and program sponsorships.
- The evaluation results regarding the project's impact on financial literacy education in children's museums will be presented at the Association of Children's Museums 2013 annual conference by museum staff and community partners to disseminate findings to the museum community.

However, the **most significant benefit** resulting from *Money Works!* is the contribution this project will make to building a more financially literate population who is capable of making informed personal choices and shaping public policy, thus insuring the future of our world.

Money Works! will help today's children become the money smart leaders of tomorrow!

The Iowa Children's Museum: "Money Works!" Project Schedule of Completion

Name of Project Activity	Aug – Dec, 2011	Jan – March, 2012	April- June, 2012	July 1, 2012	July- Sept, 2012	Oct – Dec, 2012	Jan – March, 2013	April – July, 2013
Plan MoneyWorks! Project Activities (exhibit and program)	↔							
Design Project Evaluation	↔	↔						
Fabricate/Construct Exhibit Pieces		↔	↔					
Field Test Exhibit Pieces and Programming		↔						
Exhibit/Program Remediation Informed by Field Testing			↔					
Museum Staff Training			↔					
Grand Opening of MoneyWorks!				↔				
Facilitate Project Activities					↔	↔	↔	↔
School Field Trips and Parent Workshops						↔	↔	↔
MoneyWorks! Project Evaluation Data Collection					↔	↔	↔	
Analyze Evaluation Data and Write Final Grant Report								↔
Share Project Data at Association of Children's Museum annual conference								↔

BUDGET FORM: Section B, Summary Budget

	\$ IMLS	\$ Cost Share	\$ TOTAL COSTS
1. Salaries and Wages	\$25,733.00	\$23,573.00	\$49,306.00
2. Fringe Benefits	\$2,105.30	\$7,755.90	\$9,861.20
3. Consultant Fees	\$0.00	\$0.00	\$0.00
4. Travel	\$4,200.00	\$0.00	\$4,200.00
5. Supplies and Materials	\$79,500.00	\$38,000.00	\$117,500.00
6. Services	\$0.00	\$40,000.00	\$40,000.00
7. Student Support	\$0.00	\$0.00	\$0.00
8. Other Costs	\$0.00	\$0.00	\$0.00
TOTAL DIRECT COSTS (1-8)	\$111,538.30	\$109,328.90	\$220,867.20
9. Indirect Costs	\$6,230.74	\$16,399.33	\$22,630.07
TOTAL COSTS (Direct and Indirect)	\$117,769.04	\$125,728.23	\$243,497.27

Project Funding for the Entire Grant Period

1. Grant Funds Requested from IMLS	\$117,769.04
2. Cost Sharing:	
a. Applicant's Contribution	\$125,728.23
b. Kind Contribution	\$0.00
c. Other Federal Agencies*	\$0.00
d. TOTAL COST SHARING	\$125,728.23
3. TOTAL PROJECT FUNDING (1+2d)	\$243,497.27
Percentage of total project costs requested from IMLS	48 %

*If funding has been requested from another federal agency, indicate the agency's name: