



IMLS
Congressional Budget Justification
FY 2026

IMLS Strategic Priorities and Initiatives

The President's FY 2026 Budget proposes eliminating IMLS as part of the Administration's commitment to balancing the budget while providing adequate funding for critical nondefense discretionary priorities and resetting the proper balance between Federal and State responsibilities. As part of properly fulfilling its statutory mandate and properly sunseting the agency, IMLS is requesting a total FY 2026 budget of \$5.5M. IMLS will not make new grant awards in FY 2026 and will ensure the successful performance of active awards, including prior-year grants and cooperative agreements that support the celebration of America's 250th anniversary. These awards incentivize the research and celebration of our nation's great stories, ensuring all Americans have access to our shared culture as citizens. Additionally, IMLS will begin the orderly closeout of all grant awards and conduct operations to effectively and efficiently sunset the agency.

IMLS Administrative Costs for FY 2026

To properly support the President's FY 2026 Budget, IMLS will initiate the orderly shutdown of all active awards and contracts, interagency agreements, and other infrastructure expenses. The funding request and associated expenses below are required for IMLS to initiate a proper closeout of the agency, commencing in FY 2026. The request reflects current, ongoing activities that are legislatively mandated, as well as those activities that can be smoothly transitioned to other federal partners.

Personnel Compensation & Benefits

- **Amount Requested: \$3,500,000**

These object classes fund the salaries and benefits of all employees. The personnel benefits provide contributions toward employees' retirement, health, and life insurance plans, as well as costs for unemployment benefits and any workplace-related injuries. This funding request will support 13 full-time employees during FY 2026 to facilitate orderly procedures and activities and includes a reduction in staff anticipated for the final quarter in preparation for an agency shutdown. Additionally, funding in this category includes potential VSIP/VERA payouts, lump-sum leave payments, and if necessary, severance payouts and unemployment costs.

Real Estate (Rent for GSA space), Communications and Utilities, Equipment Rental, Telephone Services, Postage

- **Amount Requested: \$1,300,000**

This object class includes funding for the agency's office space through GSA; communication technology services, including data, voice, and cable services; equipment rental, and postage.

Contractual Services, Interagency Agreements, Equipment, Data Collection & Warehousing

- **Amount Requested: \$700,000**

This object class supports a wide range of contractual services and federal interagency agreements that are not covered in any of the preceding categories, as well as any termination and settlement costs associated with preparing for an orderly agency shutdown. Interagency agreements would be required to continue, on a reduced basis, in FY 2026 to initiate the orderly shutdown of the Agency. There will be increased costs in certain areas, including records management and NARA compliance, data migration activities, and the disposal of furniture, fixtures, and equipment.

Covered activities in this section include:

- The support and maintenance of agency information technology (IT) systems, including cybersecurity activities, IT software licenses and incidentals, and the IMLS website, among others;
- Cleaning and disposing of computers and servers;
- Data archiving and documentation management and/or transfers to other federal partners for historical purposes and public use;
- Partnerships and interagency agreements with and for:
 - Federal Aviation Administration - Enterprise Services Center (ESC) for financial management and reporting, financial system maintenance, and full accounting services;
 - Department of Interior (DOI) – National Business Center (NBC) for full payroll services and reporting;
 - Department of Interior for indirect grant cost proposal services,
 - General Services Administration (GSA) for HSPD-12 maintenance and grant audit clearinghouse services;
 - Federal Protective Services (FPS) for building security;
 - Office of Personnel Management (OPM) for personnel investigations, credit monitoring, and the system for electronic personnel document filing;
 - Department of Health and Human Services (HHS) for staff health services;
 - Equal Employment Opportunities (EEO); and
 - Other required government services.
- Independent financial and IT-related audits;
- Grants.gov related expenses;
- National Archives and Records Administration (NARA) management and disposition;
- General supplies;

Total Administrative Request: \$5,500,000