

2016

Performance and Accountability Report



Institute of Museum and Library Services
Reimagine the Future



Institute of Museum and Library Services

Performance and Accountability Report Fiscal Year 2016

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Message from the Director

I am pleased to present the FY 2016 Performance and Accountability Report for the Institute of Museum and Library Services. This year's report comes as IMLS begins a yearlong celebration marking its 20th Anniversary. When drafting this historic legislation in 1996, lawmakers cited "great potential in an Institute that is focused on the combined roles that libraries and museums play in our community life." It was foreshadowing at its best.

In the 20 years that have followed, IMLS has worked to benefit libraries of all types: public, research, academic and tribal; and museums of all disciplines: history, botanic gardens, aquariums, science and technology centers, children's museums and zoos. With the help of a range of partners, we have inspired libraries and museums to advance innovation, learning and civic engagement. That work will continue into the coming years as we urge libraries and museums to "Reimagine the Future" and how they can best serve the communities in which they reside.

Those goals are reflected in this year's report as we continue to focus on creating a nation of learners by preserving and providing broad public access to collections and content; and promoting policies that ensure robust library, museum, and information services for all Americans.

This year, we have worked hard to promote real and thoughtful discussions around ways that libraries and museums can be more "catalytic forces" in their communities, sparking change, discussion and community revitalization. Our Community Catalyst Initiative is off to an outstanding start and has engaged new and exciting partners. We've started the work of pulling together an array of stakeholders to see how libraries and museums can best serve the vast number of veterans and military families in our communities. According to 2015 statistics from the Veterans Administration, there are about 21.6 million veterans in the United States. The potential to assist this population through the vast resources offered by libraries and museums is great, and one we plan to explore in-depth in the coming year as part of our Community Salute Initiative.

Additionally, we continue to work with libraries and museums to reach underserved and at risk populations in new and exciting ways. Working closely with public and private partners, we've expanded digital resources like e-books to students from low-income or military families. On the museum side, after great success we expanded what began as a pilot to allow low-income families to visit participating museums for a nominal fee. The response from the field has been extremely overwhelming and welcoming to the idea of expanding access to the arts for all.

We also awarded more than \$2 million in our first STEMeX grant category. This initiative seeks to examine the best practices in the field for using STEM experts as part of STEM programming and holds great promise for injecting new and innovative approaches into STEM learning across our field.

IMLS continues to be an outstanding steward of federal funds. We will continue to look for ways to achieve even greater impact on library and museum services throughout the United States.

I look forward to our continued efforts, partnerships, and strong connections with the museum and library fields.

Respectfully submitted,

Kathryn K. Matthew

Kathryn K. Matthew, PhD
Director

1. Management’s Discussion and Analysis (MD&A)

A. IMLS Overview and Mission

Beginning in 2016, IMLS is marking the 20th anniversary of the Museum and Library Services Act of 1996 which created the Institute of Museum and Library Services as an independent federal agency and set in place federal support that would further empower museums and libraries to support civic life and the wellbeing of the nation. It was the nation’s first effort at bringing together federal library programs established in 1956 and federal museum programs established in 1976. The MLSA law has been reauthorized several times since, each time recognizing the importance of enlisting libraries and museums in achieving policy outcomes in education, cultural preservation, early learning, and workforce development. It also recognizes the federal role in this effort and charges IMLS with advising the President and Congress on library, museum, and information services and supporting a wide range of programming that impacts the lives of millions of Americans.

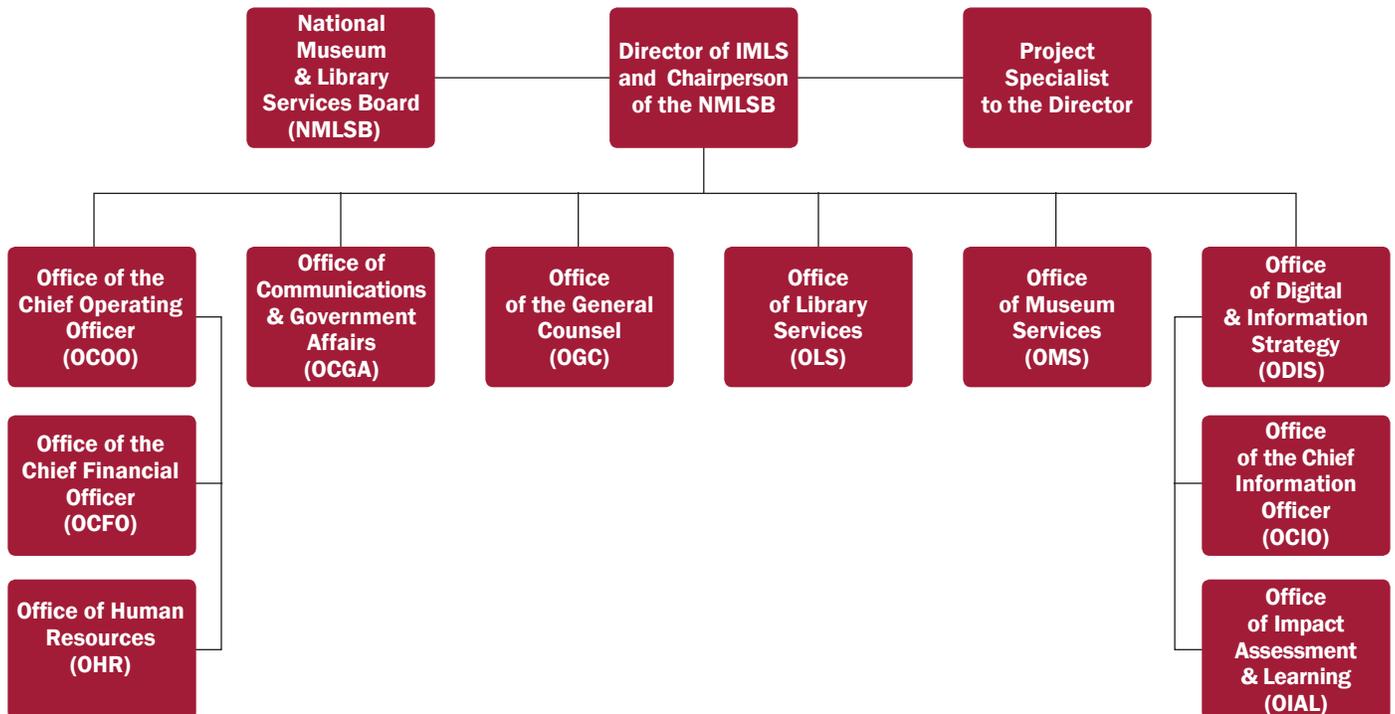
More specifically, IMLS supports library and museum services in the United States by:

- administering grant programs including population-based state formula grants for libraries, peer-reviewed competitive discretionary grants, cooperative agreements, and partnerships that support both libraries and museums;
- conducting policy research, analysis, and data collection that extend and improve the nation’s museum, library, and information services; and
- developing interagency collaborations that use our museums and libraries to achieve national policy.

Since that legislation, IMLS has operated under a vision of having a democratic society where communities and individuals thrive with broad public access to knowledge, heritage and lifelong learning. Indeed, IMLS continues to have a mission to inspire libraries and museums to advance innovation, learning, and civic engagement and to provide leadership through research, policy development, and grant making.

IMLS is led by a director who is a presidential appointee confirmed by the Senate and advised by the National Museum and Library Services Board (NMLSB). The NMLSB is a twenty-three-member advisory body that includes the IMLS director, the deputy director for libraries, the deputy director for museums, and twenty presidentially appointed individuals with expertise in, or commitment to, library or museum services. Based on its knowledge and experience, the NMLSB advises the IMLS director on general policy and practices and helps with the selections for the National Medals for Museum and Library Service.

IMLS Organizational Chart 2016



B. Strategic Goals

IMLS's five-year strategic plan, published in January 2012, closely aligns with the Museum and Library Services Act, as revised in December 2010.

The complete IMLS Strategic Plan is available at www.imls.gov/about-us/strategic-plan. To increase accountability and ensure continued focus and progress, the agency has established cross-agency teams to assess and streamline administrative and programmatic investments and develop work plans to implement the strategic plan.

Strategic Goal 1: IMLS places the learner at the center and supports engaging experiences in libraries and museums that prepare people to be full participants in their local communities and our global society.

Strategic Goal 2: IMLS promotes museums and libraries as strong community anchors that enhance civic engagement, cultural opportunities, and economic vitality.

Strategic Goal 3: IMLS supports exemplary stewardship of museum and library collections and promotes the use of technology to discover knowledge and cultural heritage.

Strategic Goal 4: IMLS advises the President and Congress on plans, policies, and activities that sustain and increase public access to information and ideas.

Strategic Goal 5: IMLS achieves excellence in public management and performs as a model organization through strategic alignment of IMLS resources and prioritization of programmatic activities, maximizing value for the American public.

C. IMLS Model for Evidence-Based Program Design

Step 1: Build Evidence

Over the past five years, IMLS has improved its capacity to monitor grant program investments and measure impact. The agency has reconfigured its policy and operational leadership structure, reorganized work units, and altered staffing allocations to build this capacity.

The agency's five-year strategic plan provides lessons learned from grant making, national initiatives, and policy research to inform future investments, share best practices, and build capacity across the library and museum sectors.

Step 2: Act on Evidence

IMLS' staff possess significant experience in museum and library services and the research and evaluation of informal learning organizations. IMLS regularly reviews its grant and project portfolios to increase administrative efficiency, monitor program performance, and develop more targeted grant guidelines. At the earliest stage of the grant process, library, museum, and education sector professionals perform a two-tiered peer review of applications to assure that project proposals follow best practices. All grantees report on their projects annually and on project outcomes at the conclusion of the grant period. In addition, third-party evaluations of IMLS grant programs have been conducted to measure program impact and review administrative functions and efficiency and program costs. Finally, IMLS is redesigning its grant reporting systems to emphasize better outcome reporting.

Staff work closely with state library agencies to use the State Program Report, a new reporting system that collects consistent outcome measures across all Grants to States projects for all states. IMLS is funding innovations in practice through small challenge grants to museums and libraries. For example, the Sparks! Ignition Grants program provides \$10,000 to \$25,000 for libraries, museums, and archives to test and evaluate service innovations.

In areas where effective practice is known, IMLS encourages applicants to align program efforts with these practices.

Step 3: Evaluate Effectiveness

IMLS emphasizes program-level performance assessment, and is monitoring efficiency and performance in its museum and library service grant programs. In addition to funding periodic third-party program evaluations, IMLS is working with stakeholders to develop more detailed program plans and assessment protocols.

Step 4: Support Knowledge Diffusion

IMLS requires all grantees to share findings through publicly accessible channels such as publications, conference presentations, journal articles, and websites. IMLS has also developed a new suite of performance reports to collect standardized data on project practices and outcomes so the agency can compare across grant programs. IMLS requires all research grantees to include data access plans.

Step 5: Revise Agency Programs and Services to Incorporate Best Practice

IMLS's strategic plan builds on the agency's resources to achieve positive public outcomes for communities and individuals; support the role of museums and libraries in preserving and providing access to collections and content; and promote library, museum, and information service policies that ensure access to information for all Americans. IMLS developed the five-year plan with significant public input via discussions with stakeholders through meetings and online, using social media tools. Since the plan's adoption, IMLS has revised its project and program activities to align with the plan's strategic goals.

D. Scope of Responsibilities

This section provides highlights of the Museum and Library Services Act and the African American History and Culture Act, key IMLS programs and activities, and the distribution of funds.

Library Services

All the programs support the following goals, as stated in the updated IMLS statute (20 U.S.C. § 9121):

- to enhance coordination among Federal programs that relate to library and information services;
- to promote continuous improvement in library services in all types of libraries in order to better serve the people of the United States;
- to facilitate access to resources in all types of libraries for the purpose of cultivating an educated and informed citizenry;
- to encourage resource sharing among all types of libraries for the purpose of achieving economical and efficient delivery of library services to the public;
- to promote literacy, education, and lifelong learning and to enhance and expand the services and resources provided by libraries, including those services and resources relating to workforce development, 21st century skills, and digital literacy skills;
- to enhance the skills of the current library workforce and to recruit future professionals to the field of library and information services;
- to ensure the preservation of knowledge and library collections in all formats and to enable libraries to serve their communities during disasters;
- to enhance the role of libraries within the information infrastructure of the United States in order to support research, education, and innovation; and
- to promote library services that provide users with access to information through national, State, local, regional, and international collaborations and networks.

Grants to States Process

The IMLS Library Grants to States program awards population-based formula grants to each State Library Administrative Agency (SLAA) in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands. 20 U.S.C. § 9131. The formula consists of a minimum amount set by law plus a supplemental amount based on population (dependent on annual appropriations). Population data are based on the information available from the U.S. Census Bureau website. The 2010 Act sets base allotments of \$680,000 for states and \$60,000 for Pacific Territories. The Act limits administrative costs at the state level to four percent and requires a 34 percent match from non-federal state or local funds. Programs and services delivered by each SLAA support the purposes and priorities set forth in the Library Services and Technology Act (LSTA). SLAAs set goals and objectives for their states regarding the use of Grants to States funds within the statutorily required five-year plan approved by IMLS. These goals and objectives are determined through a planning process that includes statewide needs assessments.

Use of Funds

SLAAs may use their funding for:

- expanding services for individuals of all ages to support such individuals' needs for education, lifelong learning, workforce development, and digital literacy skills;
- establishing or enhancing electronic and other linkages and improved coordination among and between libraries and entities
- providing training and professional development to enhance the skills of the current library workforce and leadership, and advance the delivery of library and information services; and recruiting future professionals to the field;
- developing public and private partnerships with other agencies and community-based organizations;
- targeting library services to individuals of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to individuals with limited functional literacy or information skills;
- targeting library and information services to persons having difficulty using a library and to underserved urban and rural communities, including low-income children
- developing library services that provide access to information through local, State, regional, national, and international collaborations and networks; and,
- carrying out other activities as described in the state library administrative agency's plan.

20 U.S.C. § 9141.

Support for Pacific Territories and Freely Associated States

Grants to the Pacific Territories and the Freely Associated States (FAS) are authorized under a Special Rule, 20 U.S.C. § 9131(b)(3), which authorizes a small competitive grants program in the Pacific region and the U.S. Virgin Islands. There are seven eligible entities: Guam (GU), American Samoa (AS), the Commonwealth of Northern Mariana Islands (CNMI), the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), the Republic of Palau (PU), and the U.S. Virgin Islands (VI). The funds for this grant program are taken from the allotment amounts for the FAS (FSM, RMI, and PU). The territories (GU, AS, CNMI, VI) receive allotments through the Grants to States program and, in addition, may apply for funds under the competitive program. Up to five percent of this program's funding is set aside for Mid-Continent Research for Education and Learning (McREL) to facilitate the grants review process. These projects support the LSTA purposes.

Discretionary Grants

The following Library Services Discretionary Grants Programs are established in 20 U.S.C. Sections 9161, 9162, and 9165: National Leadership Grants, Native American Library Services Basic Grants, Native American Library Services Enhancement Grants, Native Hawaiian Library Services, and the Laura Bush 21st Century Librarian Program.

National Leadership Grants (20 U.S.C. § 9162) support activities such as:

- building workforce and institutional capacity for managing the national information infrastructure and serving the information and education needs of the public;
- A) research and demonstration projects related to the improvement of libraries or the enhancement of library and information services through effective and efficient use of new technologies, including projects that enable library users to acquire digital literacy skills and that make information resources more accessible and available; and B) dissemination of information derived from such projects;
- preserving or digitizing of library materials and resources, giving priority to projects emphasizing coordination, avoidance of duplication, and access by researchers beyond the institution or library entity undertaking the project, including the development of national, regional, statewide, or local emergency plans that would ensure the preservation of knowledge and library collections in the event of a disaster; and
- model programs demonstrating cooperative efforts between libraries and museums.

The Native American Library Services Basic Grant funds are distributed equally among eligible applicants and may support existing library operations and maintain core library services. The Native American Library Services Enhancement Grant program is competitive and can be used for existing library services or to implement new services. Native Hawaiian Library Services grant projects are competitive and may be used for existing library services or to implement new library services. These programs support the same types of activities as the Grants to States program.

The Laura Bush 21st Century Librarian Program is also a competitive grant program. The statutory purposes (20 U.S.C. § 9165) of the program are:

- recruiting and educating the next generation of librarians, including by encouraging middle or high school students and postsecondary students to pursue careers in library and information science;
- developing faculty and library leaders, including by increasing the institutional capacity of graduate schools of library and information science; and
- enhancing the training and professional development of librarians and the library workforce to meet the needs of their communities including those needs relating to literacy and education, workforce development, lifelong learning, and digital literacy.

IMLS Grants to Libraries in 2016

Grants to States

	Number of awards	Funds awards	Awardee match
Grants to States	56	\$155,534,424	\$79,928,240
Grants to States for Pacific Territories, Freely Associated States and the Virgin Islands	7	\$244,388	\$99,783*

*Only includes match from the Freely Associated States; no match is required from the Territories.

Total for all Discretionary Programs

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
708	328	\$138,068,117	\$25,790,000	\$10,181,667

By Program

Laura Bush 21st Century Librarian Program

Number of preliminary proposals	Number of invited applications	Number of awards	Funds requested	Funds awarded	Awardee match
177	53	33	\$64,603,314	\$10,027,170	\$4,152,761

*National Leadership Grants for Libraries***

Number of preliminary proposals	Number of invited applications	Number of awards	Funds requested	Funds awarded	Awardee match
181	45	35	\$62,554,560	\$11,357,378	\$5,322,088

**The NLG grant program has common interests and is reflected in both the OLS and OMS charts

*Sparks! Ignition Grants for Libraries*1*

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
62	16	\$1,621,093	\$342,450	\$176,799

*Native American/Native Hawaiian Library Service Program**

	Number of applications	Number of awards	Funds requested	Funds awarded	Awardee match
Basic Grants (non-competitive)	229	227	\$1,692,000	\$1,697,000	N/A
Enhancement Grants	52	14	\$6,716,399	\$1,953,251	\$465,697
Native Hawaiian	7	3	\$880,751	\$430,0751	\$64,322
Total	288	244	\$9,289,150	\$4,063,002	\$530,019

*Matching funds are not required for these programs

*1Sparks! Ignition Grants for Libraries are in initiative under the National Leadership Grants Program and are funded by the NLG program

Museum Services

The Museum and Library Services Act (20 U.S.C. § 9171 et seq.) authorizes the IMLS Office of Museum Services to

- encourage and support museums in carrying out their public service role of connecting society to the cultural, artistic, historical, natural, and scientific understandings that constitute our heritage;
- encourage and support museums in carrying out their educational role;
- encourage leadership, innovation, and applications of the most current technologies and practices to enhance museum services through international, national, regional, State, and local networks and partnerships;
- assist, encourage, and support museums in carrying out their stewardship activities 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;
- 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;
- support resource sharing and partnerships among museums, libraries, schools, and other community organizations;
- encourage and support museums as a part of economic development and revitalization in communities;
- ensure museums of various types and sizes in diverse geographic regions of the United States are afforded attention and support; and
- support efforts at the State level to maximize museum resources and services.

Discretionary Grants

The Office of Museum Services offered four discretionary grant programs in FY 2016.

The Museums for America program supports projects that strengthen museums as active resources for lifelong learning, vital components of livable communities, and as good stewards of the nation's collections.

National Leadership Grants for Museums support projects that address challenges or needs of the museum field, have broad impact, and the potential to advance practices in the profession so that museums can improve services to the American public. The Sparks! Ignition Grants for Museums initiative offers a special opportunity within the National Leadership Grants for Museums program to expand and test the boundaries of museum services and practices.

The Native American/Native Hawaiian Museum Services program supports the capacity of Native American tribes and organizations that primarily serve and represent Native Hawaiians to sustain heritage, culture, and knowledge through exhibitions, educational services and programming, professional development, and collections stewardship.

The National Museum of African American History and Culture Act

This Act directs the Director of IMLS to consult with the Council and Director of the National Museum of African American History and Culture to establish grant opportunities for African American museums for improving operations, care of collections, and development of professional management, and for providing internship and fellowship programs.

IMLS Grants to Museums in 2016

Total

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
755	271	\$115,587,241	\$31,660,550	\$36,308,710

By Program

Museums for America

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
548	206	\$57,137,783	\$21,149,000	\$29,346,091

National Leadership Grants for Museums

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
67	16	\$24,106,597	\$5,681,752	\$4,781,299

Sparks! Ignition Grants for Libraries^{*1}

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
36	7	\$783,536	\$158,534	\$89,523

STEMeX Grants^{*1}

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
37	4	\$29,186,782	\$2,218,264	\$49,200

*Native American/Native Hawaiian Museum Services Program**

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
36	21	\$1,654,835	\$972,000	\$410,828

Museum Grants for African American History and Culture

Number of applications	Number awards	Funds requested	Funds awarded	Awardee match
31	17	\$2,717,708	\$1,481,000	\$1,631,769

* Matching funds are not required for these programs and initiatives.

^{*1}Sparks! Ignition Grants for Museums and STEMeX Grants are initiatives under the National Leadership Grants Program and are funded by the NLG program.

Museum and Library Cooperative and Interagency Agreements

IMLS has numerous cooperative and interagency agreements to support and enhance agency priorities and services to the library and museum community:

Community Catalyst

Reinvestment Fund – Philadelphia, PA

Community Catalyst is an initiative aimed at helping libraries and museums develop a deeper understanding of their role as enablers of community vitality and co-creators of positive community change. Through the Community Catalyst Initiative, IMLS and cooperator Reinvestment Fund are gathering input from the library, museum, and community revitalization fields to develop frameworks, tools, and resources to support staff skill-building needed to help transform the connections libraries and museums have with their communities.

Community Salute

FSG – Seattle, WA

Community Salute is a subset program of the Community Catalyst initiative and is aimed at strengthening the ability of libraries and museums to fulfill the unique and critical needs of veterans, service members and their families. Through this initiative, IMLS is gathering information from a variety of key stakeholders in the library, museum, and military communities to understand current needs and services; identify opportunities for enhancing community services; and develop frameworks, tools, and resources to strengthen the role libraries and museums have in addressing the specific needs of veterans and military families in their communities. The initiative comprises four key steps beginning with a landscape assessment to identify best practices, followed by continued research and engagement from stakeholders in the community. It will culminate with the development of a whitepaper, which will identify frameworks, approaches and opportunities.

Sundance Film Forward

Sundance Institute – Park City, UT

Film Forward is an international touring program designed to enhance greater cultural understanding and dialogue in both the United States and abroad by engaging underserved audiences, particularly 18-24 year olds, through the exhibition of films, workshops, and conversations with filmmakers. It is an initiative of the President's Committee on the Arts and Humanities and the Sundance Institute, supported by IMLS and the NEA.

Learning Labs Community of Practice

National Writing Project - Berkeley, CA

The National Writing Project (NWP) is a professional development network that reaches more than 100,000 teachers across the country. With IMLS support, NWP has partnered with the Association of Science-Technology Centers (ASTC) to build an open online Community of Practice (CoP) to expand access to peer-driven professional learning for educators both in and beyond the current network of Learning Labs, originally funded by IMLS and the MacArthur Foundation. Launched in January 2015, the YOUmedia Network CoP connects educators in libraries, museums, community organizations, and schools, and is free and open to share, learn, engage in discussions, and contribute resources and materials. More than 170 members have engaged in ongoing webinars, resource development activities, and cross-site support discussions. The NWP plans to expand the community in the next year and offer targeted resources and learning opportunities that support the creation and development of learning labs sites.

Clinic Networks and Early Learning

Reach Out and Read, Inc. – Boston, MA

IMLS funded Reach Out and Read to develop Prescription for Success, a year-long project aimed at helping more families benefit from museum and library services that foster literacy development in young children. As a national nonprofit organization comprised of doctors and nurses who encourage family reading habits, Reach Out and Read will explore new ways doctors and their staff can collaborate with museums and libraries. It will also survey and document current partnerships between its network and libraries and museums, create an online toolkit of best literacy practices, and further develop statewide library and museum collaborations in Colorado, Connecticut, and South Carolina.

Open Source eBook Platform

New York Public Library – New York, NY

The New York Public Library (NYPL), in close collaboration with the Digital Public Library of America (DPLA), and 19 partner libraries and library consortia from across the country used IMLS funds to expand and provide outreach for the Library Simplified open source eBook platform. Through this work, the partners aim to unify and improve the eBook borrowing and reading experience for library users across the country. The project directly supports technology development and implementation of the Open eBooks initia-

tive, an effort to make eBooks available to children and youth from low-income families. The project also supports a broader strategy to enhance open source software tools for public library systems across the country to provide access to eBooks.

One Card Convening

Urban Libraries Council – Washington, DC

The Urban Libraries Council (ULC) worked to identify strategies and define models for barrier-free access to learning for kids, from Universal Library Card adoption to fully integrated municipal One Card systems. On April 30, 2015, President Obama issued the ConnectED Library Challenge calling upon library leaders to work with their mayors, school leaders and librarians to create or strengthen partnerships so that every child enrolled in school can receive a library card. In response, ULC successfully rallied over 30 public libraries and their communities to answer the challenge. To ensure success, the cooperative agreement, which was extended in 2016, identified and shared leading practices for adoption of universal or one card systems. ULC continues to document successful programs and models so that other cities and counties across the United States can successfully implement a program that ensures a library card in every student's hand.

Sustaining and Advancing Indigenous Cultures

Association of Tribal Archives, Libraries, and Museums – Oklahoma City, OK

The Association of Tribal Archives, Libraries, and Museums (ATALM) is providing two annual conferences with continuing education programs targeted to the needs of tribal archivists, librarians, and museum staff; and will conduct a survey of tribal archives, libraries, and museums, followed by a report documenting activities, challenges, and needs. Funded activities will contribute to improving the informational, educational, and cultural programs and services available to the nation's 4.5 million indigenous peoples, and \$150,000 of award funds will be used to support conference scholarships.

Digital Skills for Digital Librarians

Mozilla Foundation – Mountain View, CA

The Mozilla Foundation, in collaboration with The Technology and Social Change Group (TASCHA) at the University of Washington Information School, has refined and launched an open source curriculum, training, tools, and credentials for a library audience to learn web literacy skills and develop digital competencies. The project intends to empower library staff to provide patrons with opportunities to develop the digital skills they need for better success in such areas as education, workforce development, and civic engagement. The project is identifying core digital literacy badges for library professionals that include technical and 21st century skills aligned with Mozilla's Web Literacy Map. The team is piloting the resources in five public library systems representing geographic, demographic, and experiential diversity. Emphasis will be placed on underserved communities, and populations will be selected for testing. In addition, one school of library information studies will also be selected to test curriculum, training, and credentials.

Performance Partnership Pilots for Disconnected Youth

U.S. Department of Education - Washington, DC

IMLS is one of six federal agencies contributing to Performance Partnership Pilots (P3), a newly authorized federal program. Other participating agencies include the U.S. Departments of Education, Labor, Health and Human Services, and Justice, as well as the Corporation for National and Community Service. From the first year's applicant pool, agencies announced up to 10 pilots from states, localities, tribal governments, and their partners to test strategies for reaching "disconnected youth." The initiative allows awarded pilots to blend funds that they already receive from participating agencies, request waivers around those federal funds, and receive supplemental start-up grants of up to \$700,000. The P3 program is intended to break down silos and improve educational and workforce outcomes for disconnected youth.

Museum Assessment Program

American Alliance of Museums – Arlington, VA

The Museum Assessment Program (MAP) helps museums assess their strengths and weaknesses, and plan for the future. A MAP assessment requires the museum staff and governing authority to complete a self-study. Following the study, a site visit is conducted by one or more museum professionals, who tour the museum and meet with staff, governing officials, and volunteers and produce a report evaluating the museum's operations, making recommendations, and suggesting resources. Three types of MAP assessments are offered: Organizational; Collections Stewardship; and Community Engagement. In FY 2016, the Museum Assessment Program received 126 applications and funded 113 museums in 38 states. MAP is offered to the museum community through a cooperative agreement with the American Alliance of Museums.

Collections Assessment Program for Preservation

Foundation of the American Institute for Conservation of Historic and Artistic Works (FAIC) – Washington, DC

The Collections Assessment for Preservation (CAP) Program is a new technical assistance program that provides partial funding toward a general conservation assessment for small or mid-sized institutions. The assessment covers all of the institution's collections, buildings, and building systems, as well as its policies and procedures relating to collections care. Administered through a cooperative agreement with FAIC, an initial deadline for participants is anticipated for winter 2017, following the development of program parameters and application materials.

Museums for All

Association of Children's Museums-Arlington, VA

The Association of Children's Museums is working with IMLS to establish a nationwide museum access program that encourages visitation at all types of museums. Following a successful pilot with children's museums, the signature program is now being expanded to include all types of museums. Museums for All invites low-income families to visit participating museums for free or greatly reduced admission fees. By promoting affordable museum experiences, ACM and IMLS are encouraging families of all backgrounds to visit museums regularly, building lifelong museum habits that bolster museums' role as community anchors.

National Arts and Humanities Youth Program Awards

President's Committee on the Arts and the Humanities - Washington, DC

The National Arts and Humanities Youth Program Award is the Nation's highest honor for out-of-school arts and humanities programs in museums, libraries and other youth-serving organizations. The awards recognize and support excellence in programs that open new pathways to learning, self-discovery, and achievement for young people.

National Book Festival

The Library of Congress – Washington, DC

This effort supports the Library of Congress National Book Festival's "Pavilion of the States," which highlights the work of State library agencies and regional library services. Representatives from State Libraries and Centers for the Book across the country interact with festival attendees (adults and children) and provide information on their state's literary heritage and its local libraries, book festivals, activities dedicated to promoting local authors and reading, and careers and opportunities in library and information science. The "Pavilion of the States" is one of the most highly attended activities at the National Book Festival with a diverse audience of families, teachers and students.

Chief Officers of State Library Agencies (COSLA) – Lexington, KY

This grant funds the participation of representatives from throughout the United States and the U.S. territories in the National Book Festival. Representatives use this opportunity to talk about the enormous variety of reading programs around the country and the critical role of libraries in the community.

National Digital Stewardship Residency Program

The Library of Congress – Washington, DC

The program, administered by the Library of Congress and supported by IMLS, allows 10 recent master's program graduates in relevant fields to complete a nine-month residency at various institutions in the Washington, D.C. area. Accepted residents attend an intensive two-week digital stewardship workshop at the Library of Congress. Thereafter, residents move to a host institution to work on significant digital stewardship projects.

In collaboration with the Library of Congress, the IMLS developed the National Digital Stewardship Residency (NDSR) to give recent library and information school graduates practical experience in digital curation projects. All ten members of the first NDSR cohort received jobs in the field by the end of the residency. IMLS and the Library renewed the project in 2014 for two more cohorts. IMLS funded similar NDSR programs in Boston and New York. These efforts will increase the capacity of the library and archives professions to manage, preserve and provide access to the nation's cultural heritage in digital formats.

National Medal for Museum and Library Service: StoryCorps Recordings

StoryCorps - Brooklyn, NY

This cooperative agreement highlights the contributions that IMLS National Medal for Museum and Library Service award winners have made to their communities. A team from StoryCorps visits each award winner and conducts interviews with community members about how the library or museum affected their lives.

National Student Poets Program

Alliance for Young Artists and Writers – New York, NY

Along with the NEA on behalf of the President’s Committee on the Arts and Humanities, this agreement supports the National Student Poets Program, a national initiative that highlights the work of young poets for a national audience. The program also tries to inspire other young people to excellence in their creative endeavors and showcase the role of writing and the arts in academic and personal success.

STEM Video Game Challenge STEM Video Game Challenge

Joan Ganz Cooney Center at Sesame Workshop - New York, NY

This award helped museums and libraries in the STEM Video Game Challenge, sponsored by the Joan Ganz Cooney Center and other funders, by holding workshops at 20 institutions for youth to develop students’ ability to participate in the Challenge. IMLS also sponsored the 2014 STEM Video Game Challenge.

Supporting Making in Museums and Libraries

Children’s Museum of Pittsburgh-Pittsburgh, PA

Supporting Making in Museums and Libraries is designed to build the capacity of libraries and museums to develop effective maker spaces and related programs. Working with the Exploratorium, Maker Education Initiative, Chicago Public Library and North Carolina State University Library, the Children’s Museum is developing a framework to guide the development of effective maker spaces that support learning, in addition to a website, downloadable publication, and additional tools and resources.

Interagency Collaboration

The Museum and Library Services Act (20 U.S.C. § 9103) authorizes the IMLS Director to support interagency collaboration:

- initiatives, materials, or technology to support workforce development activities undertaken by libraries;
- resource and policy approaches to eliminate barriers to fully leveraging the roles of libraries and museums in supporting the early learning, literacy, lifelong learning, digital literacy, workforce development, and education needs of the people of the United States; and
- initiatives, materials, or technology to support educational, cultural, historical, scientific, environmental, and other activities undertaken by museums.

The Act also authorizes the Director to coordinate the policies and activities of IMLS with the policies and activities of other agencies and offices of the Federal government having interest in or responsibilities for the improvement of museums, libraries, and information services. The statute expressly requires the Director to coordinate with other agencies to improve literacy through school libraries and through programs supported by the Head Start and Workforce Investment Acts. It also authorizes the Director to ensure that IMLS policies and activities are coordinated with federal programs and activities that increase the capacity of libraries and museums to participate in economic and community development, education and research, improving digital literacy skills, and disseminating health information.

IMLS has a wide range of interagency partnerships, including advancing broadband adoption, coordinating early learning activities, supporting the effective delivery of workforce development services, and distributing federal information impacting the health and well-being of Americans.

Policy Research, Analysis, Data Collection, and Dissemination

The Director of IMLS is authorized (20 U.S.C. § 9108) to conduct policy research, analyses, and data collections annually with (1) SLAAs; (2) national, state, and regional library and museum organizations; (3) other relevant agencies and organizations.

20 U.S.C. § 9108 also mandates that IMLS should:

- identify national needs for and trends in museum, library, and information services;
- measure the impact and effectiveness of museum, library, and information services including the impact of federal programs authorized under this chapter;
- identify best practices; and
- develop plans to improve museum, library, and information services and to strengthen national, state, local, regional, and international communications and cooperative networks.

IMLS provides reliable and objective data and analysis to inform policy decisions. It is a source of information about library and mu-

seum service trends, including analysis of market conditions that affect the financial health of the museum and library sectors.

Over the past year, IMLS has made its data more available to the public. The agency's data catalog makes it easy for laypeople to access and analyze IMLS data and create charts, graphs and maps. The catalog also provides an application program interface (API) for every dataset, providing developers programmatic access to IMLS data.

E. Summary of Strategic Goals, Objectives & Results

Libraries and museums are tremendous national assets with infrastructure, expert staff, technology and collections. IMLS has four priorities: 1) integrating the early learning work in libraries and museums with comprehensive early learning strategies; 2) preparing libraries and museums to lead in the maker space movement; 3) establishing federal partnerships to serve citizens better; and 4) improving accountability and outcome reporting for the Grants to States program.

Early Learning

Libraries and museums have a long history of serving young children and are crucial to early learning

In FY 2016, IMLS built upon an estimated \$11.1 million investment between 2013 and 2015 through museum and library discretionary grants for an array of projects and initiatives including:

- Funding a \$295,010 effort with the New York Public Library to develop and deliver a blended learning early literacy staff training in partnership with the New York City Early Childhood Professional Development Institute at the City University of New York. Building on the existing early literacy expertise of children's librarians, the training is helping librarians learn from the research-based practices of early childhood educators. New York Public Library is developing four training modules: Foundational Training; Enhanced Storytimes; Family Literacy Workshops; and Daycare/Pre-K Support. The modules will be piloted with 150 New York Public Library staff and the refined curriculum and instructional materials will be disseminated nationally through a public-facing website and outreach for adaptation and use by other library systems.
- Awarding a grant of \$148,559 to ECHO, Leahy Center for Lake Champlain to implement an Early Science Learning Initiative to address the need for an improved early-science learning program for youth across the state of Vermont. Partnering with three local early learning providers, the program is building school science readiness by connecting young children and preschool educators to high-quality science training materials and learning experiences. Project staff are working with educators from partner preschools to strengthen classroom curricula, implement professional development workshops, and provide partner preschools the opportunity to attend classes and family science festivals at ECHO.
- Providing \$128,538 to the Hoh Tribal Business Council and the Hoh Tribal Library to support the development of early literacy skills in children, ages birth through eight, by starting a library home visiting program; increase culturally-based children and parenting materials, events and activities available through the library to respond to community needs and recommendations from state and national studies on early literacy development. Through this IMLS-funded effort, the library aims to enhance its early literacy program as it moves into its third year of operation by connecting babies, toddlers, and children up to eight years old and their adult caregivers to a variety of learning experiences to increase children's pre-reading skills and parent/caregivers' awareness of those skills. The project is based on a research-based program, Raising a Reader, which integrates the latest research in early literacy and infant brain development with traditional Native American storytime elements.
- Awarding \$141,012 to The Children's Museum of Tacoma to expand its "Partnership: Play to Learn" program to address the need for better access to high-quality early learning experiences for young children and better prepare parents and caregivers to support early learning. The project goal is to underscore the museum's position as a community anchor, increasing its capacity to engage and serve Pierce County families by bringing this school readiness program to scale across the county. The museum will deepen programmatic partnerships with Pierce County Library and other community partners to develop a partnership model for joint program delivery, leading to a piloted approach at eight branches across Pierce County. The museum will engage an additional partner to pilot the program at five additional locations. These collaborations will allow the museum to extend the reach of its services by offering the program at more locations, thus increasing its impact on young families.
- Funding an effort by the Urban Libraries Council, in partnership with the Council of the Great City Schools, to convene a national forum on public libraries expanding access to educational opportunities for K-3rd grade students from low-income communities. The forum aims to foster conversation among public library leaders, school leaders, local community leaders, and national school networks and national community development organizations that have a shared concern for the educational achievement of low-income children. The Forum is helping library, school, and community leaders identify on-going strategies, local partnerships, and resources to ensure early-grade children from low-income communities receive literacy supports and learning opportunities available via public libraries. The Campaign for Grade-Level Reading is serving as a strategic advisor on the project.
- Awarding \$93,033 to the Dallas Heritage Village to work with longtime partner Vogel Alcove, an organization that provides childcare and other family support services to homeless children, to transform an underutilized building on the museum's grounds into an ideal safe place for toddlers and preschool visitors. The space, Play Village, is the home base for Vogel Alcove visits, providing a familiar starting place for young children before they explore other parts of the museum complex. The museum hopes to

increase its ability to provide effective early childhood education programs through the Play Village, and will use the services of the Center for Research and Evaluation at Southern Methodist University to evaluate the programs while also establishing tools, guidelines, and best practices for early childhood education within museums.

STEM Education and Makerspaces

IMLS helps libraries and museums to deliver 21st Century skills. Combining strengths in traditional and digital learning, libraries and museums are well-positioned to build the skills Americans need in the 21st century. In 2016, IMLS continued to build upon an estimated \$32.5 million in STEM related projects between the years 2013-2015. These efforts include:

- “Supporting Making in Museums and Libraries,” an initiative with the Children’s Museum of Pittsburgh, the San Francisco Exploratorium, the North Carolina State University Libraries, and the Chicago Public Library continues to develop a framework for guiding the development and refinement of effective maker spaces that support learning in museums and libraries. The project is producing an online publication and other resources that will be disseminated broadly to the field.

- In 2016, IMLS awarded \$311,676 to Toledo’s Imagination Station to develop Prime Time, a preschool network to promote early STEM learning in partnership with University of Toledo, Toledo-Lucas County Public Library, The Early Learner’s Collaborative, Aspire, Polly Fox Academy, and Summit YMCA Head Start. Prime Time aims to advance the capacity of the field to plan, implement, and evaluate a model of complementary learning for children under kindergarten age, where, rather than operating discretely, these various educational experiences work in tandem as components of a larger STEM education system. The proposed program will align educational resources in the community to address the learning needs of young children and emphasize family engagement in education.

- IMLS and the Mozilla Foundation are helping libraries and museums to collaborate with other community organizations to host maker parties—volunteer-led events that teach web literacy through play and hands-on making. This partnership is to teach the culture, mechanics, and citizenship of the web—key skills for the future. Mozilla trained 100 librarians and museum professionals via online training as digital literacy skills trainers.

STEMeX

In 2016, IMLS launched the STEMeX grant initiative, part of a new effort to help create a foundation for increasing STEM learning in museum and library programs. Three universities and a museum received awards totaling \$2,218,264. The program sought proposals for design-based research projects to study public programs delivered by non-traditional STEM experts to children, ages 6-10, and their families in museum and library settings. The initiative is working to use the awarded projects to understand the types of narratives and storytelling that best engage and inspire kids and their families.

The four STEMeX grant recipients are:

- **High Desert Museum**, Bend, Oregon. With its \$251,547 grant, the museum and its partners, Oregon State University and the Deschutes Public Library, will examine how the processes of inquiry and problem solving are embedded in the life stories of experts and what specific story components best shape family conversations during inquiry-based activities. The partners will collect data to examine changing STEM attitudes, engagement, and perception of the expert.

- **George Mason University**, Fairfax, Virginia. The university will use its grant of \$660,008 to identify design principles for projects that combine STEM experts and making activities. In partnership with the KID Museum and Montgomery County Public Libraries, university researchers will conduct several lines of inquiry, including an investigation into the use of linguistic tools to understand how families talk as they learn STEM.

- **Loyola University of Chicago**, Illinois. Using its grant of \$717,816 the university, with partners, the Chicago Children’s Museum and the Evanston Public Library, will examine different approaches for engineering experts to incorporate objects and oral narratives into family STEM programs. The researchers will create a set of codes for practitioners to use while observing children and families during programs. The codes will help library and museum staff understand the STEM learning process by highlighting the ways children and families talk about key concepts.

- **Pennsylvania State University**. The grant of \$588,893 involves researchers from Penn State’s College of Education, the Schlow Centre Region Library, the Centre County Library, Discovery Space of Central Pennsylvania, and Shaver’s Creek Environmental Center. With STEM experts from Penn State University, local businesses, and a rural county agency, the

partners will present family workshops covering a variety of personally relevant scientific themes. Research will show where and how museums and libraries can use STEM experts' stories within programs; how to engage parents in their children's learning; and how to position children as knowledge builders in STEM content areas.

Federal Partnerships

Americans depend upon libraries and museums to deliver a wide range of public services.

As more and more government services are only available online, museums and libraries have an increased role in the delivery of federal information and services. In the past three years, federal agencies are increasingly seeking partnerships with IMLS, as they recognize the power that libraries and museums have in reaching the American public.

Three years ago, the U.S. Citizenship and Immigration Services (USCIS) signed a memorandum of understanding with IMLS pledging to support local libraries' services to new immigrants. More than 55 percent of people who immigrated to the United States within the last 15 years use the public library at least once a week and more mock naturalization interviews take place at public libraries than at any other community institution. IMLS has worked with USCIS to conduct a webinar series to help librarians meet the needs of new immigrants and to provide libraries with resources on citizenship and immigration. To date, nearly 1,000 people have participated in the webinars which cover a range of USCIS products and services of interest to libraries. The effort between the two agencies was expanded in 2016 to include museums as well.

IMLS is one of six federal agencies contributing to Performance Partnership Pilots (P3), a newly authorized federal program. Other participating agencies include the U.S. Departments of Education, Labor, Health and Human Services, and Justice, as well as the Corporation for National and Community Service. The P3 program is intended to break down silos and improve educational and workforce outcomes for disconnected youth through programs offered by states, localities, tribal governments, and their partners.

IMLS continues to work with the Consumer Financial Protection Bureau (CFPB) to help libraries access and use financial education tools. In 2015 CFPB continued its financial literacy webinars for libraries, established partnerships at the individual library and state-wide level, and worked with IMLS on plans for future dissemination of financial education information to libraries.

In 2016, IMLS continued working with the Office of Career, Technical, and Adult Education (OCTAE) at the U.S. Department of Education to encourage effective collaborations between libraries and federally funded adult education programs. The goal of this joint effort is to enhance the skills, employability, and quality of life of youths and adults with low skills.

IMLS participates in the International Visitor Leadership Program (IVLP) run by the U.S. Department of State, Bureau of Educational and Cultural Affairs, which brings international visitors to the U.S. to learn about cultural organizations. As part of the program, IMLS met visitors from a number of countries in 2016, including a team from Belarus.

IMLS participates in the multi-agency Informal Science Education Forum, which brings together Federal agency representatives to share information and resources on STEM-focused programming.

IMLS administers a sub-initiative of the White House Let's Move! program called Let's Move! Museums and Gardens to help millions of museum and garden visitors learn about healthy food choices and promote physical activity through interactive exhibits and programs. Over 700 museums participate in the Let's Move! Museums and Gardens program.

IMLS has an ongoing partnership with the President's Committee on the Arts and the Humanities, and the Alliance for Young Artists & Writers to present the National Student Poets Program, the nation's highest honor for young poets (grades 9-11) presenting original work.

In June 2016, IMLS partnered with the Congressional Maker Caucus to organize the second Capitol Hill Maker Faire, a celebration of making in the Nation's Capital, which was held in conjunction with the National Week of Making. It was a fun and interactive event for members of the public, including members of Congress and their staff. Preceding the faire, there was a series of panel discussions with leaders of the Maker movement discussing its impact on the economy, education, and community development. Additionally,

IMLS program staff actively participate in an interagency working group focused on advancing making that is organized by the White House Office of Science and Technology Policy.

IMLS continued work with the White House in 2016 on several initiatives, including the Open eBooks initiative and ConnectED Library Challenge, which strengthen student learning by improving access to public libraries and reading materials, particularly for children from low-income families. IMLS was represented in the president’s new interagency Broadband Opportunity Council (BOC) charged with developing a framework of recommendations to support broadband deployment and adoption.

F. Brief Analysis of Financial Statements

Underlying the agency’s many programmatic achievements is its commitment to organizational excellence and sound financial management. IMLS has a fiduciary and stewardship responsibility to manage its federal funds effectively and efficiently and comply with federal financial management guidance. As part of this responsibility, the agency prepares annual financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The principal financial statements have been prepared to report the financial position and results of operations for IMLS. The FY 2016 financial statements and accompanying notes are presented in accordance with OMB Circular A-136, Financial Reporting Requirements, and are shown in comparative formats.

To ensure the integrity and reliability of the annual financial statements, IMLS subjects them to an annual independent audit.

Figure 1 below summarizes the IMLS financial position in FY 2016. Figure 2 summarizes the FY 2016 grant award obligations by Strategic Goal.

Figure 1: IMLS FY 2016 Financial Position

The significant percent change from the prior year in the liabilities below is primarily attributable to the grant accrual amount decreasing due to the cumulative impact of slightly lower annual funding levels from prior years. The increase in the net position is primarily due to an approximately \$2.2M increase in appropriations received in FY 2016 and a \$1.4M increase in the beginning balance of unexpended appropriations. The dollar and percent changes to the asset and the net cost of IMLS were insignificant.

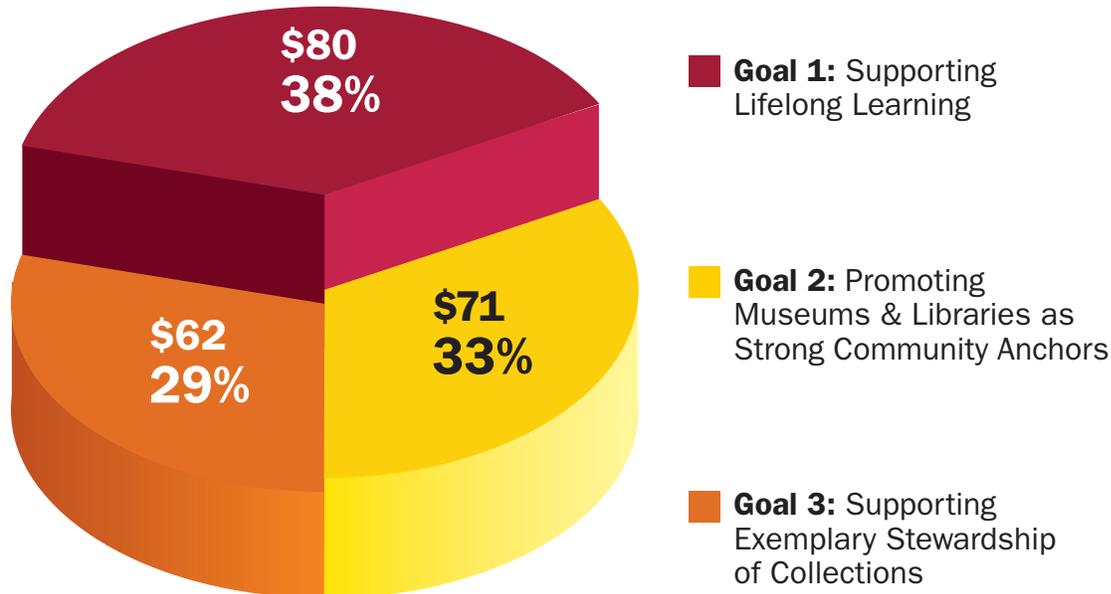
Net Financial Condition	FY 2016	FY 2015	Increase/Decrease	Change (%)
Assets	\$288.3M	\$285M	\$3.3M	1.1%
Liabilities	\$38.2M	\$40.3M	(\$2.1M)	(5.2%)
Net Position	\$250M	\$244.7M	\$5.3M	2.2%
Net Cost	\$222.8M	\$224.4M	(\$1.6M)	(.44%)

Stewardship Investments

IMLS investments in research and development yield long-term benefits to the public. Over the past three years, IMLS has invested \$528K to redesign its State Program Reporting (SPR) system for the Grants to States program. In fiscal years 2016 and 2015, these costs amounted to \$165K and \$146K, respectively.

Figure 2: FY 2016 Grant Obligations

FY 2016 Grant Awards issued by Strategic Goal (\$ in millions)



G. Limitations of Financial Statements

IMLS has prepared the principal financial statements to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. 3515(b). While the statements have been prepared from the books and records of the entity in accordance with Generally Accepted Accounting Principles (GAAP) for federal entities and the formats prescribed by the Office of Management and Budget (OMB), the statements are in addition to the financial reports used to monitor and control budgetary resources which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity.

H. Management Assurances

Overall Internal Control

IMLS recognizes the importance of establishing and maintaining adequate controls over its programs and administrative functions. Management continues to evaluate and modify existing controls – and establish new ones as appropriate – to ensure accountability of federal funds and resources. IMLS also recognizes technology can enhance effectiveness and efficiency and ensure an adequate degree of internal control and compliance with applicable laws and regulations. Consistent with operating procedures and pursuant to the Federal Managers' Financial Integrity Act of 1982 (FMFIA), the Chief Financial Officer requested each office head to conduct an internal review of their activities to identify possible deficiencies in management controls. IMLS senior executives closely reviewed these plans and provided written statements of their findings. The results are reported here, within the agency's FY 2016 Performance and Accountability Report, consistent with the provisions of the Reports Consolidation Act of 2000. Based on the review process described above, IMLS provides the following assurances:

IMLS management is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act (FMFIA). IMLS conducted its assessment of the effectiveness and efficiency of operations and its compliance with applicable laws and regulations in accordance with OMB Circular A-123, Management's Responsibility for Internal Control and Enterprise Risk Management. Based on the results of this evaluation, IMLS can provide reasonable assurance that its internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations as of September 30, 2016 was operating effectively and no material weaknesses were found in the design or operation of the internal controls.

Internal Control over Financial Reporting

IMLS conducted an assessment of the effectiveness of internal control over financial reporting, which includes safeguarding of assets and compliance with applicable laws and regulations, in accordance with OMB Circulars A-123, Management’s Responsibility for Internal Control and Enterprise Risk Management, and A-136, Financial Reporting Requirements. Based on the results of this evaluation and the audit report on our financial statements, IMLS can provide reasonable assurance that its internal control over financial reporting as of September 30, 2016 was operating effectively and that no material weaknesses were found in the design or operation of the internal control over financial reporting.

Dr. Kathryn K. Matthew
Director, IMLS

2. Measuring Performance: Key Results for 2016

A. Performance Goals, Objectives and Assessments

1. Assessing Progress in Meeting Goal 1 Objectives

Strategic Goal 1: IMLS places the learner at the center and supports engaging experiences in libraries and museums that prepare people to be full participants in their local communities and our global society.

To succeed in our rapidly changing society and economy, individuals must understand relevant events and trends, develop perspective and judgment, remain current in their occupations, and update their skills. Everyone is welcome at our nation’s libraries and museums, giving these institutions the capacity to reach underserved audiences and to develop learning experiences in every discipline, including science, engineering, and business, and basic literacy in digital, health, and financial literacy.

Through their collections, exhibits, programs (onsite, offsite, and online), and partnerships, these institutions provide opportunities for lifelong, “life-wide” learning from young children to adults.

The chart summarizes progress in meeting the goal’s objectives.

Objective 1.1: Invest in projects that provide inclusive and accessible learning opportunities to individuals of diverse geographic, cultural, special needs, and socioeconomic backgrounds.	Met
Objective 1.2: Support communities of practice that draw on current research and evaluation literature to develop effective informal and formal learning experiences in museums and libraries.	Met
Objective 1.3: Facilitate partnerships among museums, libraries, and other education providers to expand learning opportunities for the public.	Met
Objective 1.4: Support the training and development of museum and library leadership to meet the needs of diverse publics in a rapidly changing environment.	Met

IMLS has demonstrated its commitment to supporting accessible programs targeted at underserved communities has developed tools to share best practices, worked with other groups. IMLS supports professional development of the library and museum workforce by analyzing past efforts and developing new models for sharing the results.

Objective 1.1: Invest in projects that provide inclusive and accessible learning opportunities to individuals of diverse geographic, cultural, special needs, and socioeconomic backgrounds.

FY 2016 Associated Activities from the Strategic Plan:

- Assess progress and develop recommendations to guide future strategies for IMLS investments.

FY 2016 Benchmarks and Assessing Progress:

- Complete an assessment of efforts to promote and support inclusive and accessible learning opportunities with recommendations for the following five years.

FY 2016 Evidence of Progress for Objective 1.1:

Discretionary Grants

Cooperative Agreements

IMLS and the Association of Children's Museums (ACM) are expanding access to museums for lower-income families. The project, "Museums for All," allows the use of electronic benefit transfer (EBT) cards to provide free or nominal admission to participating museums.

FY 2016 Grant Examples:

Explora Science Center & Children's Museum of Albuquerque - Albuquerque, NM

Award: \$171,784

Program: National Leadership Grants for Museums - Learning Experiences

Explora is partnering with the New Mexico Autism Society in a three-year project to develop new resources to help children and families affected by autism use the museum's STEM exhibits and programs more effectively. The project is creating a toolkit, including social stories, visual schedules, sensory maps, and suggestions for tools such as visual timers and noise-canceling headphones.

The toolkit is intended for small museums to adapt for use in their communities. Explora will work with three pilot sites - Omaha Children's Museum, Sciencenter in Ithaca, NY, and The Works in Minneapolis - to test, revise, and refine both the toolkit's resources and the co-creation process. In a dissemination phase, Explora will train teams of staff from ten small museums on both the toolkit and community co-creation process. The grants will provide museum professionals with strategies to support STEM exploration among families affected by autism and, as a result, benefit these children and families through increased STEM interest and participation in museum-based STEM activities.

Museo de Arte de Puerto Rico- San Juan, PR

Award: \$25,000

Program: Museums for America-Learning Experiences

The Museo de Arte de Puerto Rico will continue its Art and Technology for Youth at Risk initiative which provides learning opportunities for at-risk young adults by integrating museum programming and exhibits, and partner organization programming, into an afterschool program. This initiative offers students a space for developing lifelong learning skills that encourage productive citizenship. In collaboration with the Puerto Rico Judicial Branch, a school serving low-income families, and the YWCA, the afterschool program will bring together a team of educational professionals to provide opportunities for the development of students' art, technical, interpersonal, and motivational skills. Program activities and outcomes, such as using technology to create art, literacy narratives, and photography, will be driven by academic standards, including math, fine arts, written communications, and reading comprehension and analysis.

Brookfield Zoo- Brookfield, IL

Award: \$149,984

Program: Museums for America-Learning Experiences

The Brookfield Zoo will expand its "A Zoo for All" initiative which serves individuals with intellectual and developmental disabilities and their families through programs and resources hosted at their Play Zoo, a hands-on exhibit surrounded by outdoor discovery gardens featuring more than 300 animals. The primary purpose of the project is to ensure the inclusion of children, adult caregivers, and families of all abilities in early learning, family programs, and nature play experiences. The project will develop access and inclusion advisory councils; add an inclusion specialist to zoo staff; add a resource center and quiet spaces to the site; assess and revise existing programs; host public open houses; engage in ongoing evaluation to gauge the effectiveness of programs and activities; and communicate and disseminate results.

Florida State University

Program: Laura Bush 21st Century Librarian Program – Early Career Development

Award: \$382,650.00

Florida State University will conduct a research study, PROJECT A+: Students with ASD in the Academic Library: Coaching to Enhance Implementation of Librarian Professional Development. The study's goal is gathering findings that can be used to inform current practice in the enhancement of library programs, facilities, and services to autism spectrum disorder (ASD) patrons. The

project team will investigate knowledge and attitudes along with plans for implementing changes after training as well as anxiety levels and perceptions to answer the questions: What professional development strategies are more likely to lead to librarians' successful implementation of interventions and supports for students with ASD in different types of academic libraries? How do students with ASD describe their experiences in these libraries? What resources are being described as needed for implementing a successful library experience for academic library users with ASD? Findings will be shared at professional conferences for the library and autism communities, through a webinar, and via an implementation guide featuring embedded videos and photographs that show how academic librarians implement what they have learned through training and coaching over time.

Board of Trustees of University of Illinois

Program: National Leadership Grants for Libraries – Learning in Libraries

Award: \$49,994.00

The Mortenson Center for International Programs at the University of Illinois and the American Library Association will partner to develop recommendations and an action agenda for libraries on information resources, services, training, and research needed to support the resettlement and integration of refugees and asylum seekers in the United States. Project Welcome planning grant activities include consultation with librarians and refugee organizations to produce a thought paper; a two-day meeting to explore solutions; a project website with refugee-related resources and project activities; and a report with recommendations. Project Welcome will benefit public libraries and refugee organizations by strengthening the collective impact of libraries and other community anchors to support resettlement and integration.

Independent School District I-29

Program: National Leadership Grants for Libraries – Learning in Libraries

Award: \$540,388.00

Norman Public Schools and its University of Oklahoma library and information science and educational psychology research partners will conduct a three-year design-based participatory action research study that builds knowledge on participatory learning in K-12 school libraries. The purpose of the research is to design and test the viability of integrating a “learning by making” approach, focused on design, creativity, problem solving, and hands-on application and transfer of knowledge, into the regular K-12 curriculum through the school library when Guided Inquiry Design (GID) is applied. GID is a framework for designing inquiry learning through eight phases to give students the time and the guidance to identify inquiry questions. In addition to professional development for teachers, 570 elementary, middle, and high school students will participate. The project will impact multiple communities such as, school libraries, public libraries, museums, and afterschool clubs, and inquiry and makerspaces, helping to transform the role of school librarians as designers, researchers, and leaders redefining K-12 learning.

Objective 1.2: Support communities of practice that draw on current research and evaluation literature to develop effective informal and formal learning experiences in museums and libraries.

FY 2016 Associated Activities from the Strategic Plan:

- Require current and future IMLS grantees to share information to improve informal learning and formal education opportunities.
- Develop stronger incentives for IMLS grantees to conduct formative and summative evaluation of informal learning and formal education projects, aligned with evaluation plans of the affected IMLS programs.
- Assess progress and develop recommendations to guide future strategies for IMLS investments to further Americans' opportunities to better pursue lifelong learning and formal education through museums and libraries.
- Convene grantees and other stakeholders to review lessons learned and identify future directions to improve outcomes from informal and formal learning in museums and libraries.

FY 2016 Benchmarks and Assessing Progress:

IMLS has achieved these benchmarks. The Measuring Success initiative, which identifies best practices in informal learning and shares that information with all SLAAs, was rolled out to all states, DC, PR and VI (95%) in FY 2015. The three remaining Territo-

ries were introduced to the framework in FY 2016. Standard formats for interim and final reports for discretionary grants are being used by 100% of grantees and require identification of best practices, formative and summative assessments.

- Develop a set of detailed funding and project priorities to be addressed in informal and formal learning experiences in museums and libraries in the following five years based on stakeholder input through convenings and social media outreach.

FY 2016 Evidence of Progress for Objective 1.2:

Library Grants to States

Measuring Success identifies common service areas, including formal and informal learning, and measures their impact. IMLS worked with 16 pilot SLAAs to share effective practices and report lessons learned using the new system, and another 37 were trained on the framework behind the new system in FY 2015. In addition to webinars, IMLS held a convening for all states around this topic in April 2015 and 2016, in which pilot states were paired with non-pilots in mentor relationships.

Cooperative Agreements

With a grant of \$425,192 the Children's Museum of Pittsburgh and the North Carolina State University Library, the Exploratorium, Chicago Public Library, and the Maker Education Initiative, continued to work on creating a framework for effective maker spaces for learning in museums and libraries along with a downloadable publication and other resources to support both existing and emerging makerspaces.

The National STEM Video Game Challenge is a national competition aimed at supporting community youth, especially those who are underserved to learn and practice videogame design skills. In 2016, this cooperative agreement with the Joan Ganz Cooney Center helped museums and libraries with targeted outreach, workshops, national promotion, and documentation/evaluation activities in support of developing students' ability to participate in the Challenge, which attracted some 5,000 entries from across the United States. Over 500 students attended IMLS workshops, which early findings' suggest supported students' STEM learning and team-work skills while building local institutions' STEM capacity. IMLS served as the National Community Program Sponsor.

Discretionary Grants

IMLS revised its instructions for applications for discretionary museum grants to request information that demonstrates how the proposed activities, technologies, and /or methodologies are informed by appropriate theory and practice.

Communications

IMLS uses its website and social media platforms to promote and share project outcomes. Through its blog, feature stories on successful grantees and active twitter and Facebook accounts, IMLS engages thousands of museums and library professionals. The agency has more than 15,000 fans on Facebook, more than 14,000 Twitter followers, and thousands of subscribers to both the UpNext blog and the monthly newsletter, Primary Source. The agency continues to work to expand the audiences for its digital channels as well as increase accessibility and simplify the ability to manage content.

FY 2016 Grant Examples:

Carnegie Science Center – Pittsburgh, PA

Award: \$473,677

National Leadership Grants for Museums - Community Anchors

The Carnegie Science Center (CSC) along with a consortium of five other science centers, will expand its STEM Excellence Pathway as a proof of concept for its broad applicability. The Pathway helps science centers support and empower schools and districts to assess their STEM programs, identify needed improvements, and create sustainable plans for addressing them. It is customized to school priorities and complies with Common Core and Next Generation Science Standards. CSC will extend the program to its consortium members, each working with ten schools, by providing both workshops and other training for the science centers and Pathway tools, extensive online resources, and a robust suite of training materials and professional development opportunities to use with their school partners. The project will measure the extent to which program partners are better prepared to work with districts and schools to increase the quality of STEM programming and will allow science centers and museums to become catalysts for STEM education improvements in their communities.

Zoo Atlanta – Atlanta, GA

Award: \$106,574

Program: Museums for America-Learning Experiences

Zoo Atlanta will expand its collaboration with the Fulton County School System by providing educational programming and training to support five Title I elementary schools' journeys toward STEM Certification. This project will allow the zoo to better serve its public by strengthening its relationships with the metro Atlanta school systems and by broadening access to those who would normally not be able to visit the zoo. Each of the five partner schools will receive the following in each year of this three-year project: a professional development workshop, educator access to an online classroom portal; three visits from the Zoo Mobile Outreach Program; a transportation stipend; and three Zoo Field School programs. The zoo will measure the success of this program by evaluating the extent to which this project supports communities of practice by increasing the zoo's ability to collaborate with underserved school audiences and encourage educators to explore the zoo's role in supporting classroom learning.

John Michael Kohler Arts Center – Sheboygan, WI

Award: \$150,000

Program Categories: Museums for America-Learning Experiences

The John Michael Kohler Arts Center will implement a new art-making initiative to foster innovative, scholarly work and to deepen public awareness of art environments. This multi-component initiative will take an interdisciplinary approach to the understanding and interpretation of art environments. An onsite exhibition series will be integrated into a yearlong research and response program culminating in an international conference. The exhibition will include seminal art environments in the collection. A cohort of ten scholars, writers, artists, and curators will work in pairs to respond to and reinterpret one of the exhibited art-environment builders. A three-day international conference in partnership with the Kohler Foundation, Inc., and the National Center for Preservation Technology and Training will include white papers and artistic responses to art-environment builders and an interactive website. Online source materials documenting the collection generated and disseminated throughout the initiative and a virtual, online recreation of the anniversary year exhibition will incorporate the new scholarship and responses.

OCLC Online Computer Library – Small Libraries Create Smart Spaces

Program: National Leadership Grants for Libraries – Learning in Libraries

Award: \$249,710.00

OCLC, in partnership with the Association of Small and Rural Libraries, will guide a cohort of fifteen libraries serving populations less than 25,000 through planning and implementation of flexible spaces which support participatory learning and underscore libraries' role as critical community anchor organizations. Participating libraries will be introduced to the principles of placemaking, community engagement, and human-centered space design. After conducting community input, action planning, and prototype activities, the libraries will implement a learning space using a starter set of materials. In partnership with their local communities, these libraries will reimagine and reconfigure their spaces to support socially engaging and active programming. Resources, process, and experiences of the cohort will be evaluated for effectiveness and scalability; case studies and associated content will be shared broadly on WebJunction.

University of Maryland

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$509,841.00

The University of Maryland iSchool will expand the Lilead Fellows Program from the current long-term professional development opportunity offered only to a single cohort to a sustainable program available to all leaders in school libraries across the country. The expanded program, based on lessons learned from the first iteration of the Fellows Program, will feature online professional development for school library leaders and a second cohort of 25 library supervisors who seek to be activists and advocates for school libraries at the district level. The project focuses on professional development using strengths-based leadership, transformational change, effective communication, and evidence-based practice. Activities include three in-person meetings at the beginning, middle, and end of the program; virtual progress meetings throughout the program; and four short online courses.

American Library Association

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$305,085.00

The American Library Association's Young Adult Library Services Association (YALSA) will create a training program for library staff around college and career readiness services for middle schoolers. Working in partnership with the Association of Rural and

Small Libraries, the project is geared to library staff in libraries with a service population of 15,000 or fewer, as well as libraries that are 25 miles or more from an urbanized area. Initially, the project will train 80 library staff through a highly collaborative and inquiry-based process before adapting the training into self-paced eLearning modules that are freely available to the library community. Additionally, YALSA will support a community of practice within its existing Teen Programming HQ to promote peer-to-peer learning and will develop, test, and refine a suite of college and career-readiness resources for libraries to adapt based on individual community needs.

Objective 1.3: Facilitate partnerships among museums, libraries, and other education providers to expand learning opportunities for the public.

FY 2016 Associated Activities from the Strategic Plan:

- Revise selected IMLS program and grant guidelines to incentivize the use of best practices for learning partnerships.
- Foster partnerships with other federal agencies, foundations, and the private sector that support comprehensive approaches to learning at the state and local levels.
- Continue to assess the impact of partnerships on the effective delivery of informal learning in IMLS grant programs and other agency initiatives, including efforts undertaken in the Grants to States program.
- Assess the impact of grant-making and make recommendations for the future.

FY 2016 Benchmarks and Assessing Progress:

- 80 percent of IMLS grantees working in partnership with formal education and other community providers will adopt identified best practices.
- Complete reassessment of effectiveness of partnerships that have used best practices and make recommendations for the following five years.

FY 2016 Evidence of Progress for Objective 1.3:

Cooperative Agreements

IMLS is supporting several library and non-profit partners in the ConnectED Library Challenge which leverages the extensive resources of the nation's public libraries to help kids develop a love of reading and discovery by making library services broadly available. As part of the challenge, more than 30 communities have committed to work to put a library card into every student's hand as soon as they enter school. Data analyzed by IMLS shows that children who visited the library during kindergarten had higher achievement scores in reading and science in third grade, particularly for children in households with low income and low parental education. IMLS, in partnership with the American Library Association and the Urban Libraries Council, hosted a national convening in FY 2016 to identify best practices in reaching universal library card use among public school students. A report was developed and distributed to the field. A follow-up effort is underway for 2017 through a supplemental cooperative agreement with the Urban Libraries Council.

Three years ago, the U.S. Citizenship and Immigration Services (USCIS) signed a memorandum of understanding with IMLS pledging to support local libraries' services to new immigrants. More than 55 percent of people who immigrated to the United States within the last 15 years use the public library at least once a week and more mock naturalization interviews take place at public libraries than at any other community institution. IMLS has worked with USCIS to conduct a webinar series to help librarians meet the needs of new immigrants and to provide libraries with resources on citizenship and immigration. To date, nearly 1,000 people have participated in the webinars which cover a range of USCIS products and services of interest to libraries. The effort between the two agencies was expanded in 2016 to include museums as well.

IMLS is one of six federal agencies contributing to Performance Partnership Pilots (P3), a newly authorized federal program. Other participating agencies include the U.S. Departments of Education, Labor, Health and Human Services, and Justice, as well as the Corporation for National and Community Service. From the first year's applicant pool, agencies are announcing up to ten pilots from states, localities, tribal governments, and their partners to test strategies for reaching "disconnected youth." The initiative allows awarded pilots to blend funds that they already receive from participating agencies, request waivers around those federal funds, and receive supplemental start-up grants of up to \$700,000. The P3 program is intended to break down silos and improve educational and workforce outcomes for disconnected youth.

FY 2016 Grant Examples:

Brooklyn Historical Society –Brooklyn, NY

Award: \$129,599

Program: Museums for America-Learning Experiences

The Brooklyn Historical Society (BHS), in partnership with the Brooklyn Movement Center and Weeksville Heritage Center, will establish Voices of Crown Heights, a multidimensional project that will mark the twenty-fifth anniversary of the August 1991 Crown Heights riot by exploring the history and future of Crown Heights. Grounded in the oral history concept of listening, the project will focus on unheard stories by exploring overlooked narratives in existing collections, and collecting new oral histories of previously overlooked populations. BHS will present these narratives on multiple platforms, including oral history interviews and workshops, a web-based listening portal, and podcasts. The project will address the need for listening as a vital tool for creating empathy and learning, noting the importance of critically examining history in understanding current events. Program success will be tracked through questionnaires, interviews, consultations, and reflective journaling by program staff to capture their work in relationship-building skills with the intent to model practices for community members' relations.

National Aquarium – Baltimore, MD

Award: \$150,000

Program: Museums for America-Learning Experiences

The National Aquarium will partner with Baltimore City Public Schools to implement an experiential afterschool learning program at select middle schools to address the area's lack of science/STEM educational opportunities, lack of information about STEM career pathways, and the need to conserve aquatic resources. Students will gain exposure to science in a structured way through hands-on activities guided by the program curriculum and fieldtrips. They also will learn about STEM career pathways by interacting with near-peer mentors and aquarium staff, and engage directly in the conservation of local aquatic environments through activities and fieldtrips.

ECHO, Leahy Center for Lake Champlain - Burlington, VT

Award: \$25,000

Program: Sparks! Ignition Grants for Museums

ECHO, Leahy Center for Lake Champlain, will collaborate with a network of community organizations to develop and launch an on-line platform that provides shared services for creating a new culture of clean water. Past efforts to help clean up the Lake Champlain Basin have been fragmented and unsuccessful. This new effort will enable network participants to establish a shared measurement of success, host a dashboard of community level indicators, and share stories articulating the values of clean water. The project's process and results will provide guidance for institutions that are exploring the value of engaging a network of partners addressing a shared social, cultural or environmental community challenge. With ECHO as the backbone organization, this project will serve as a model that demonstrates how to strengthen museums and libraries as essential partners in addressing the needs of their communities.

University of Montana – Missoula, MT

Award: \$474,619

National Leadership Grants for Museums - Community Anchors

The University of Montana's Broader Impacts Group with its spectrUM Discovery Center will partner with the Missoula Food Bank and the Missoula Public Library to create a Family Learning Area at the food bank. The Family Learning Area will serve as a space where young learners and their families can experience hands-on exhibits, read and listen to stories, develop literacy skills, work on homework, interact with educational and career role models, and have access to nutritious meals and snacks. The partners will provide a permanent science exhibit with visiting STEM role models, a rotating book selection, weekly storytime programs and activities, and visits from a mobile computer lab. The project will provide a replicable model for collaborations between museums, libraries, and food banks to close opportunity and achievement gaps, engage underserved community members in hands-on learning experiences, and inspire youth to pursue higher education and rewarding careers.

Providence Public Library – LibraryU

Program: National Leadership Grants for Libraries – Learning in Libraries

\$529,997.00

Providence Public Library and its local and national partners will develop, implement, and disseminate a high-impact teen workforce development collective impact program model called LibraryU. Locally, the project will support more than 600 underserved teens who will receive free, accessible, high-quality competency-based learning opportunities, leading to digital credentials (that acknowledge participant achievement in a topic), academic credit, exposure to the world of work, and entry into education and career pathways. The project will demonstrate the important leadership role public libraries can play in communities to provide teen workforce education and increase employment and will disseminate this new model nationally, including program tools, curricula, and guidance needed to extend the program in other libraries.

Hartford Public Library - Linking, Learning, Belonging, and Community

Program: National Leadership Grants for Libraries – Learning in Libraries

Award: \$595,204.00

In partnership with Hartford Public Schools and other community agencies, Hartford Public Library will implement the “Linking, Learning, Belonging and Community” program. Over the course of the three-year project, HPL and its partners will develop an interdisciplinary curriculum for immigrant and refugee youth, ages 17-21, focused on English language acquisition, digital/information literacy skills, leadership development, cultural competency, and social action. Locally, 180 youth will participate in the program over nine cycles and may earn academic credit for their participation. The Hartford Public Library will disseminate the following project deliverables to the broader library and K-12 professions to encourage broad adoption: the project’s curriculum, online creative commons for sharing youth projects; and professional development resources to support adoption of the model, including training for staff and volunteer mentors, as well as strategies for recruitment and outreach.

Urban Libraries Council - National Forum on Closing the Opportunity Gap for Early Readers

Program: National Leadership Grants for Libraries – Learning in Libraries

\$94,435.00

Urban Libraries Council, in partnership with the Council of the Great City Schools, will convene a national forum on public libraries expanding access to educational opportunities for K-3rd grade students from low-income communities. The forum will foster conversation among public library leaders, school leaders, local community leaders, and national school networks and national community development organizations that have a shared concern for the educational achievement of low-income children. Together, these leaders will identify areas of opportunity, gaps in knowledge, and strategic school-library-community partnerships that lead to increased access to and attainment of literacy supports and learning opportunities by children most in need of these resources. The Forum will help library, school, and community leaders identify on-going strategies, local partnerships, and resources to ensure early-grade children from low-income communities receive literacy supports and learning opportunities available via public libraries. The Campaign for Grade-Level Reading will serve as a strategic advisor on the project.

Arizona State University - COMPUGIRLS: Engaging Libraries in Culturally Responsive STEM Programming

Program: National Leadership Grants for Libraries – Learning in Libraries

Award: \$249,999.00

In partnership with the University of Michigan School of Information, the Center for Gender Equity in Science and Technology at Arizona State University will provide professional development to twelve public librarians across three systems using the CompuGirls program model. CompuGirls is a well-established, evidence based, and culturally responsive program for young women of color to help them develop computational thinking skills. Over the two-year grant period, 180 girls will participate in the program across the three library systems. Based on feedback from partner libraries, the team will modify the existing curriculum to develop a library-specific model that is purposefully low-resource (cost, expertise, time). Partner libraries include Ypsilanti Public Library (MI), Imperial County Public Library (CA), and Tempe Public Library (AZ).

Objective 1.4: Support the training and development of museum and library leadership to meet the needs of diverse publics in a rapidly changing environment.

FY 2016 Associated Activities from the Strategic Plan:

- Convene museum and library leaders in professional education and training with practicing professionals in the museum and library field to evaluate current investments and identify high-priority learning needs for current and future professionals.
- Assess impact of projects and make recommendations for future investments.

FY 2016 Benchmarks and Assessing Progress:

- Complete assessment of the effectiveness of funded professional development projects in addressing the high-priority learning needs of the fields.

FY 2016 Evidence of Progress for Objective 1.4.:

Cooperative Agreements

In collaboration with the Library of Congress, IMLS continued the National Digital Stewardship Residency (NDSR) to place recent library and information school graduates in host institutions in digital curation projects. In addition to the Library of Congress's residency program, over the past several years IMLS has awarded grants to institutions replicating the NDSR model through the Laura Bush 21st Century Librarian Program. One such IMLS-funded model is focused on the preservation of audiovisual materials.

The Mozilla Foundation, in collaboration with The Technology and Social Change Group (TASCHA) at the University of Washington Information School, has refined and launched an open source curriculum, training, tools, and credentials for a library audience to learn web literacy skills and develop digital competencies. The project intends to empower library staff to provide patrons with opportunities to develop the digital skills they need for better success in such areas as education, workforce development, and civic engagement. The project is identifying core digital literacy badges for library professionals that include technical and 21st century skills aligned with Mozilla's Web Literacy Map. The team is piloting the resources in five public library systems representing geographic, demographic, and experiential diversity. Emphasis will be placed on underserved communities, and populations will be selected for testing. In addition, one school of library information studies will also be selected to test curriculum, training, and credentials.

Communications

IMLS held a convening with experts from Museum Studies Programs to learn what each institution is doing to develop and train the next generation of museum professionals, which museums they are actively working with, as well as what challenges and opportunities they are experiencing or foreseeing in the field. Since Museum Professional Development is one of the current special interests for the Office of Museum Services at IMLS, this dialogue was extremely timely and critical.

FY 2016 grant examples:

Black Archives, History and Research Foundation of South Florida - Miami, FL

Award: \$142,894

Museum Grants for African American History and Culture

Black Archives, History and Research Foundation of South Florida will address a need for trained, local archival staff by enhancing the professional and technical skills of current staff and implementing an immersive college and university internship program to introduce a new generation of students to the field of archival management. Grant funds will support the hiring of an assistant archivist and the establishment of an archival management team, which will allow expanded public access to the holdings of the Black Archives. Greater accessibility will sustain the Black Archives as an enduring public resource that educates and enriches the community.

Brookfield Zoo - Brookfield, IL

Award: \$313,686

National Leadership Grants for Museums - Learning Experiences

The Brookfield Zoo will scale up its established NatureStart professional development program to create a network that expands the availability of this training for informal educators working in museums that provide early childhood programming based in nature and the environment. The project will work with an expert advisory council to develop training sites and training teams in four regions of the country; adapt NatureStart professional development for institutions beyond zoos, aquariums, and nature centers; design and pilot a blended learning model for NatureStart professional development that includes on-line learning opportunities and regionally-based intensive workshops; and evaluate and disseminate the new learning opportunity.

Harvard Museums of Science and Culture – Cambridge, MA

Award: \$68,323.00

Program: Museums for America-Learning Experiences

The Harvard Museums of Science and Culture will create professional development opportunities for its staff and volunteers to foster a culture that engages in and values reflective practice and evaluation strategies. The training will be developed in collaboration with an external audience research firm. The project will include multi-day workshops, the development of an Impact Planning Framework and Evaluation Plan with associated data collection instruments and protocols for ongoing activities, and ethics training. The project intends to provide the museum staff the resources and skills to effectively design, implement, manage, and complete data analysis for ongoing evaluation projects and to actively share information and use audience research data to direct decisions.

American Library Association - Libraries Transform: Community Engagement Models for Change

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$243,922.00

American Library Association's Public Programs Office will develop and deliver web-based and in-person workshops that equip librarians with skills like coalition-building and dialogue facilitation so they can better understand, support, and engage with their communities. To meet this goal, the American Library Association will collaborate with the National Coalition on Dialogue and Deliberation to create a broader offering of free community engagement resources for exploration learning by library professionals. Training will be provided through a series of free webinars and three in-person pre-conference trainings. American Library Association will also offer 25 travel scholarships for small and rural librarians to participate in the in-person training.

Illinois State Library - Targeting Autism: A Comprehensive Training and Education Program for Libraries

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$522,871.00

The Illinois State Library will develop and deliver an autism spectrum disorder (ASD) training program to improve library service and programs for the ASD community. Librarians will learn how to design physical spaces, provide necessary accommodations, and create library services and programs that support the resource and recreational needs of individuals with ASD of all ages. The project will provide in-library site visits and consultations to libraries throughout the state to better inform the development of library ASD service plans and will deliver a train-the-trainer, in-person workshop to 1-2 representatives from 50 libraries in Illinois through a partnership with Dominican University. Illinois State Library will also partner with Syracuse University to create a cluster of customized online ASD learning modules for the existing Project ENABLE website that will be available to library professionals nationwide. Finally, Illinois State Library will hold two annual forums for ASD practitioners, multi-type librarians, and other stakeholders to educate, strengthen collaboration, and build on the national network of support for expanding ASD library services.

University of North Carolina At Chapel Hill - Project READY - Reimagining Equity and Access for Diverse Use

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$569,583.00

The University of North Carolina at Chapel Hill's School of Information and Library Science will create a professional development curriculum for school librarians, classroom teachers, and school literacy coaches focused on cultural competence and equity literacy. The university and its partners - the School of Library and Information Sciences at North Carolina Central University and Wake County Public Schools - will pilot the curriculum through a design-based research approach, provide support to the trained librarians and collaborators as they implement learned techniques, and create an online version of the curriculum for librarians nationwide. The project will directly educate 90 Wake County Public School librarians, classroom teachers, and literacy coaches, in employing cultural knowledge and awareness in developing effective instruction for the diverse populations of youth that they teach. The three pilot cohorts, one each comprising librarians, classroom teachers, and literacy coaches, will then be used to refine the curriculum and develop online modules that will be freely available to other school districts or individuals across the nation.

2. Assessing Progress in Meeting Goal 2 Objectives

Strategic Goal 2: IMLS promotes museums and libraries as strong community anchors that enhance civic engagement, cultural opportunities, and economic vitality.

Healthy, thriving, sustainable communities need institutions that strengthen civic life, understand and respond to community needs, and provide common experiences that knit together diverse interests. Museums and libraries are community-based organizations that can serve as anchor institutions. They connect people to information and ideas. They encourage the participation and dialogue that are crucial to creating a sense of place and strengthening the link between individuals and their communities. They are more than just safe places for community gathering; they provide a center for community vitality, a connecting point for community services, and a venue for cultural expression and lifelong learning. Programs and services at libraries and museums enhance civic discourse, increase scientific literacy, and connect communities to information regarding health, education, job seeking and training, digital literacy, and early and intergenerational learning.

IMLS identifies innovative services developed in one community, sharing the strategies and approaches with similar service providers. Targeted federal investments can optimize use of private, state, and local funds; ensure that underserved populations are reached; and provide links to practice, research, and data. This chart summarizes progress in meeting this goal.

Objective 2.1: Invest in projects that strengthen the role of libraries and museums as core components of a broader community learning and service infrastructure.	Met
Objective 2.2: Partner with other federal agencies to leverage the resources of libraries and museums in advancing national priorities, including education, health, disaster preparedness, digital literacy and economic and workforce development.	Met
Objective 2.3: Ensure that public and private sector leaders have the information they need to make strategic policy and investment decisions that leverage the infrastructure and expertise of museums and libraries.	Partially Met

Objective 2.1: Invest in projects that strengthen the role of libraries and museums as core components of a broader community learning and service infrastructure.

FY 2016 Associated Activities from the Strategic Plan:

- Require IMLS grantees to include community needs assessments for projects designed to address a local service issue, and to carefully evaluate those community-based projects. Convene grantees and other stakeholders to review lessons learned and identify future directions to better integrate community needs assessment into library and museum service planning.
- Review current investments and align targeted investments in community-based museum and library services with best practices and community needs assessment-based planning.
- Assess impact of grant-making and make recommendations for the future.

FY 2016 Benchmarks and Assessing Progress:

- 70 percent of funded museum and library community engagement projects will incorporate best practices in evaluation that align with measurable agency objectives.
- IMLS will convene grantees and other stakeholders to review lessons learned from funded initiatives for addressing high-priority community needs.
- Assess the effectiveness of grant-making to address identified community needs and make recommendations for the following five years.

FY 2016 Evidence of Progress for Objective 2.1:

Needs Assessment

Over the past three fiscal years, IMLS has published tools for library and museum professionals to examine their social and economic indicators in their communities. These resources can be found at: www.imls.gov/research/data_analysis_tools.aspx. IMLS worked with Census to develop a set of tools that combined Public Library in the United States data, collected annually by IMLS, with data from the American Community survey, an annual data collection of social demographic data conducted by Census.

Community Catalyst

In 2016, IMLS launched Community Catalyst, an initiative aimed at helping libraries and museums develop a deeper understanding of their role as enablers of community vitality and co-creators of positive community change. Through the Community Catalyst Initiative, IMLS and cooperator Reinvestment Fund are gathering input from the library, museum, and community revitalization fields to develop frameworks, tools, and resources to support staff skill-building needed to help transform the connections libraries and museums have with their communities. A subset program of Community Catalyst is Community Salute, aimed at strengthening the ability of libraries and museums to fulfill the unique and critical needs of veterans, service members and their families. Through this initiative, IMLS is gathering information from a variety of key stakeholders in the library, museum, and military communities to understand current needs and services; identify opportunities for enhancing community services; and develop frameworks, tools, and resources to strengthen the role libraries and museums have in addressing the specific needs of veterans and military families in their communities. The initiative comprises four key steps beginning with a landscape assessment to identify best practices, followed by continued research and engagement from stakeholders in the community. It will culminate with the development of a whitepaper, which will identify frameworks, approaches and opportunities.

FY 2016 Grant Examples:

Queens Museum of Art - New York, NY

Award: \$150,000

Program: Museums for America –Community Anchors

The Queens Museum of Art will develop Corona, Queens: A Dignified Neighborhood for Immigrants, a project aimed at creating new opportunities through an arts and cultural lens for civic engagement by equipping emerging immigrant neighborhood leaders with necessary tools for community engagement. The project positions Corona as a model neighborhood where residents' concerns are addressed through education, dialog, and institutional support. The museum will provide non-English speaking community members with tools to create a beautiful neighborhood, and the advocacy skills to enable them to create a better city environment. Activities include facilitating improvements to Flushing Meadows Corona Park; building local leadership in the community through the museum's arts and education center; and continuing civic engagement in Corona through participation in active design improvements and through New York City's participatory budgeting process.

Desert Botanical Garden – Phoenix, AZ

Award: \$147,336

Program: Museums for America-Community Anchors

The Desert Botanical Garden will partner with Cultivate South Phoenix and Phoenix area schools to develop a community space that will serve as a food hub and a center for community education programs, arts programming, and place-making activities. The project addresses health and wellness issues affecting many residents of the south Phoenix area, and it will develop and test a new place-based youth education program that will prepare students for continued education and workforce readiness. Participating students will develop stronger ties to their community, enhance their appreciation for the natural world, and create a heightened commitment to serving as active, contributing citizens while building their science and environmental literacy.

MASS MoCA - North Adams, MA

Award: \$140,540

Program: Museums for America-Community Anchors

MASS MoCA will develop an annual thematic-based community engagement framework entitled, "A Responsive Museum" (ARM), which will include a community consortium, planning meetings, community forum, free programs, and professional development for visitor services staff, tour guides, fellows, and interns on social justice issues. Focusing on the economically challenged communities of North Adams, Adams, and Pittsfield, the museum will use contemporary art to help build awareness of social issues, inspire visitors, create a forum for community dialogs, and foster deep intellectual and personal connections. This project will build capacity for museum staff and community to co-develop programs and generate opportunities for meaningful and transformational engagements with the arts.

Free Library of Philadelphia (Free Library Foundation) - Transforming Library Services to the Jobseeker through Collective Impact

Program: National Leadership Grants for Libraries – Learning in Libraries

Award: \$543,618.00

The Free Library of Philadelphia, in partnership with nine community agencies, will develop a model for how public libraries can fully integrate their work with the broader systems of workforce development and adult education. The project will utilize a collective impact approach, emphasizing mutually reinforcing activities, shared measurement systems, and continuous communication, to drive social change. The work of the partners will be centered in the Paschalville neighborhood in Southwest Philadelphia, which is characterized by extreme poverty, high unemployment, and low levels of educational attainment. The project will have a special focus on serving the needs of residents from immigrant/refugee communities or who have a history of incarceration. Building on a prior planning grant, the Free Library and its partners will share the model nationally with the library profession and social service sector.

City and County of Denver - Sunrise Programs

Program: Sparks! Ignition Grants for Libraries

Award: \$23,687.00

To enrich the lives of Denver adults experiencing homelessness and poverty, Denver Public Library will develop ten months of programming that targets creativity, encourages empathy, and facilitates connections with the broader community. Inspired by research-based creative therapies, Sunrise Programs will include storytelling through writing, and sharing; art creation and discussion; knitting workshops; interactive theatre and movement classes; and share sessions. Denver Public Library staff will also host a monthly Coffee & Conversation session to talk with homeless customers one-on-one and learn their stories. The Sunrise Programs project design plans for an average of ten programs per month for ten months with a goal of averaging ten participants per weekly or monthly program and 50-100 participants at each share session for a total of 1,700 participants. Community resource specialists will also strive to make three to five new contacts at each event and encourage the use of appointments and walk-in assistance.

Califa - The Get Involved Collaborative: A Multi-State Approach to Increasing Volunteer Engagement

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$231,595.00

The “Get Involved Collaborative: A Multi-State Approach to Increasing Volunteer Engagement” proposes to replicate the successful California State Library’s trained volunteer initiative by using a scalable three-level matrix developed by the state libraries of California, Idaho, Arizona, and Texas via a 2014/15 IMLS National Leadership Grants for Libraries Planning Grant. This three-year continuing education initiative will change the perception of the use of volunteers, improve volunteer engagement practices, and teach new methods to recruit skilled volunteers by training over 360 librarians across Idaho, Arizona, and Texas. Skilled volunteers can provide support to libraries in areas such as topical expertise, marketing, fundraising, and succession planning, serving as a valuable resource to libraries that may be lacking financial and human resources.

Shift Design, Inc. - Digital Memory in Rural Tribal Libraries: A Program for Technology Training & Memory Gathering

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$48,743.00

Historypin, a free international platform for sharing culture and heritage, will work with tribal libraries in New Mexico and California to develop an online and in-person community memory program. The program will aim to build capacity, strengthen communities, and decrease social isolation through technology training and intergenerational programming around shared cultural heritage. The planning process will engage a diverse group of communities, moving toward a simple and scalable digital program with training and evaluation modules that can be conducted within the limits of under-resourced rural tribal libraries. Project partners include the New Mexico State Library’s Tribal Library Program and the University of California, Riverside, who will contribute to state-level planning and coordination activities.

Objective 2.2: Partner with other federal agencies to leverage the resources of libraries and museums in advancing national priorities, including education, health, disaster preparedness, digital literacy, and economic and workforce development.

FY 2016 Associated Activities from the Strategic Plan:

- Develop action plans to reduce barriers and maximize opportunities for state and local coordination of services that include formal partnerships, interagency agreements, complementary grant programs, or other formal interagency collaborations.
 - Assess progress made and develop recommendations for the next five years.
- FY 2016 Benchmarks and Assessing Progress:
- IMLS will assess progress made in formal collaborations; identify barriers to progress and develop strategies to address those barriers.
 - Assess the effectiveness of its interagency collaborations and develop recommendations for the following five years.

FY 2016 Evidence of Progress for Objective 2.2:

IMLS has continued working with other federal agencies in FY 2016, including maintaining several key partnerships previously developed. The agency now boasts a diverse portfolio of interagency working relationships, including aiding new Americans, providing financial information to citizens who need it and collaborating with other agencies to promote Making across the country. Most recently IMLS hosted its second Capitol Hill Maker Faire which included a panel of several federal agencies sharing what resources they offered in the area of making.

U.S. Citizenship and Immigration Service (USCIS)

In June 2013, IMLS and USCIS signed a memorandum of understanding to establish a structure to distribute educational materials and training resources on immigration and citizenship. In FY 2016, activities included webinars for librarians presented by USCIS and IMLS staff, an IdeaScale campaign to solicit additional ideas for the webinar series, and targeted social media posted jointly by IMLS and USCIS. IMLS and USCIS initiated contacts with the museum community to gauge interest in future opportunities to disseminate information and awareness of these resources.

Consumer Financial Protection Bureau (CFPB)

In August 2013, IMLS and CFPB signed a memorandum of understanding to develop financial education tools. In April 2014, IMLS formalized a partnership with the CFPB, the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Chicago, and USDA's Cooperative Extension System to make financial information and educational resources available to the library-going public. In FY 2016 CFPB continued its financial literacy webinars for libraries, established partnerships at the individual library and statewide level, and worked with IMLS on plans for future dissemination of financial education information to libraries. IMLS also participates in the Financial Literacy and Education Commission (FLEC). In August 2013, IMLS and CFPB signed a memorandum of understanding to develop financial education tools. In April 2014, IMLS formalized a partnership with the CFPB, the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Chicago, and USDA's Cooperative Extension System to make financial information and educational resources available to the library-going public. In FY 2016 CFPB continued its financial literacy webinars for libraries, established partnerships at the individual library and statewide level, and worked with IMLS on plans for future dissemination of financial education information to libraries. IMLS also participates in the Financial Literacy and Education Commission (FLEC).

U.S. Department of Education, Office of Career, Technical and Adult Education (OCTAE)

IMLS and OCTAE have been working together since 2014 to encourage effective collaborations between libraries and federally funded adult education programs. The goal of this joint effort is to enhance the skills, employability, and quality of life of youths and adults with low skills. In 2015 IMLS and OCTAE conducted a series of webinars.

U.S. Department of Labor, Employment and Training Administration (ETA)

IMLS works with the Department of Labor to address workforce development challenges. In October 2014, IMLS, ETA, and OCTAE presented a webinar to libraries around the new Workforce Innovation and Opportunity Act (WIOA) and discussed ways that public and community college libraries could receive funding for employment skills training and job search.

The Office of the First Lady: Let's Move! Museums & Gardens

More than 700 museums and gardens from all 50 states are participating in the First Lady's Let's Move! initiative. IMLS encouraged and promoted museums and gardens in their work to create a healthier generation using interactive exhibits, outdoor spaces, gardens, and programs that encourage families to eat healthy foods and increase physical activity.

OER - NSF & Department of Education

Open educational resources provide substantial learning opportunities for people across the country and around the world. As more federal agencies begin to follow the lead set by the Department of Labor by requiring open licensing for educational content created with federal funding, this body of content will continue to expand. Because libraries and librarians have extensive expertise in curating information, facilitating access, and connecting users to the right resources, they play a key role in ensuring that investments in open educational resources will have the greatest impact possible. IMLS and the Department of Education participated in a National Science Foundation-hosted OER Research Convening in June 2016 to identify potential research questions and partnerships around the use of OER in K-12 schools. IMLS also worked with colleagues in the Departments of State and Education to draft the Federal Open Licensing Playbook, in support of #GoOpen.

Interagency Task Force on Making

Libraries and museums across the country have established and are implementing maker spaces and maker programming. These spaces serve as sites of learning. IMLS has actively participated in the Maker Interagency Working Group; we co-hosted the Capitol Hill Maker Faire, and have supported making and innovation across the country through grants and the production of resources for libraries and museums. This year, with IMLS support, the Children's Museum of Pittsburgh published a framework to guide and grow the capacity of museum and library professionals as they create the conditions for learning to unfold within and through making experiences.

Promise Zones

Promise Zones are high poverty areas in urban, rural, and tribal settings. While IMLS has not formalized a competitive preference process for Promise Zones, we have developed an Agency Task Force to engage with leaders in these communities who often pursue outcomes that intersect with libraries, such as summer programming, adult literacy, immigrant integration, school readiness, workforce engagement, STEAM, and broadband. The Task Force provides programmatic expertise to Promise Zones upon request by phone, and assesses the viability of targeted outreach or visits to Promise Zones as part of our grantmaking activities.

Objective 2.3: Ensure that public and private sector leaders have the information they need to make strategic policy and investment decisions that leverage the infrastructure and expertise of museums and libraries.

FY 2016 Associated Activities from the Strategic Plan:

- Develop research products targeted to public and private sector leaders, to identify successful practices and partnerships among museums, libraries, and public and private partners that address key national issues and highlight the value of museum and library participation in community-wide services.
- Increase information sharing with city, county, and state officials as well as private funders and the general public about results of IMLS-funded projects that address community-wide issues.
- Promote research and best practice assessments that demonstrate to state and local policy makers in coordination with stakeholders in the museums and library sectors the key role that museums and libraries play.

FY 2016 Benchmarks and Assessing Progress:

Continue engagement with the field through convenings, focus groups and listening sessions.

FY 2016 Evidence of Progress for Objective 2.3:

Maker Movement

In collaboration with the Congressional Maker Caucus, IMLS hosted the second Capitol Hill Maker Faire in June 2016, in the Rayburn House Office Building. Preceding the faire was a series of discussion forums open to the public, including Congressional staff and Members of Congress. There, IMLS discussed how a new movement driven by hobbyists, tinkerers, crafters, and innovators is changing the face of informal learning at community institutions, and breathing new life and innovation into American manufacturing. The faire itself featured maker activities from museums, libraries, academic, community, and social institutions.

Additionally, IMLS program staff actively participate in an interagency working group focused on advancing making that is organized by the White House Office of Science and Technology Policy.

Measuring Success

Measuring Success profiled Grants to State program investments using a framework to describe library projects and associated activities. Projects were categorized by intended outcomes, such as supplementing formal learning and improving the discovery of information resources, by topical area (e.g., STEM), associated activities (e.g., instructional program), partner types (e.g., institutions of higher education), and target populations served (e.g., rural). Using common terms makes projects comparable across the states and allows the agency to highlight and monitor the impact of these investments.

Convenings and Social Media

IMLS held a host of information sharing efforts in 2016 for grantees and grant applicants including webinars, Twitter chats, Facebook Live postings and other efforts through our digital channels. Our UpNext blog features grantees and best practices throughout the field on a weekly basis. Two town halls were held as well as accompanying focus groups around the Community Catalyst and Community Salute efforts. In 2016, IMLS convened experts in the Museum Services field to hear firsthand about issues related to the field. A separate convening was held with gaming experts to assess and gather information on field efforts and opportunities in that arena.

Research

In 2015, IMLS issued “Research Brief No 6: First Grade Student Library Card Ownership Linked to Library Visitation,” which helped support the case for President Obama’s ConnectED Library Challenge to put a library card in every student’s hand through partnership initiatives. In January 2016, mayors, county executives, school superintendents, and library leaders from approximately 50 cities and counties met in Washington, DC, as part of this national initiative to connect students to public library system resources. The information from the summit and information gathered as part of this first stage of the ConnectED Library Challenge will be used in the development of a national report which will be widely distributed.

FY 2016 Grant Examples:

Alaska SeaLife Center - Seward, AK

Award: \$455,119

Program: National Leadership Grants for Museums - Community Anchors

The Alaska SeaLife Center (ASLC) is leading the Association of Zoos and Aquariums’ (AZA) effort to create and sustain a large, nationwide network of zoo and aquarium professionals trained to respond to oil spills and other disasters affecting wildlife. Over a three-year period, ASLC, in collaboration with the Oiled Wildlife Response Program at the University of California Davis, will develop and deliver training courses, as well as a mutual aid framework and searchable database, to facilitate rapid identification and deployment of appropriately trained specialists in the event of a disaster. Courses will meet certification requirements for those participating in disaster response and dealing with hazardous material. ASLC will also develop a system for rapid deployment to areas of need including a database of individuals with training, specific skills, and certifications. The project will result in a fully developed system that can be handed off to AZA for administration and maintenance.

Field Museum of Natural History - Chicago, IL

Award: \$346,001

Program: National Leadership Grants for Museums - Collections Stewardship

The Field Museum of Natural History will lead a project to research, explore, develop, and implement thoughtful and forward-thinking practices for the ethical care of North American human remains currently under museum stewardship. Proposed activities include a symposium bringing together leaders from North American communities, museum professionals, and scientists to identify issues, discuss perspectives, and develop solutions; refining and implementing a standard of ethical care for human remains; and creating a web portal to disseminate sample inventory sheets, presentations, publications, examples of research and data-collection tools, and designs for boxes and other re-housing essentials. The project will promote improved stewardship of human remains in North America; create guidelines for respectful care of human remains; foster dialogue about scientific techniques; disseminate information to a broad community of collections-holding institutions, universities, descendent communities, and the public through online resources; and train students and recent graduates in scientific techniques, data collection, and appropriate procedures in human remains curation.

Imagination Station - Toledo, OH

Award: \$311,676

Program: National Leadership Grants for Museums - Community Anchors

Imagination Station will develop Prime Time, a preschool network to promote early STEM learning in partnership with University of Toledo, Toledo-Lucas County Public Library, The Early Learner's Collaborative, Aspire, Polly Fox Academy, and Summit YMCA Head Start. Prime Time aims to advance the capacity of the field to plan, implement, and evaluate a model of complementary learning for children under kindergarten age, where, rather than operating discretely, these various educational experiences work in tandem as components of a larger STEM education system. The proposed program will align educational resources in the community to address the learning needs of young children and emphasize family engagement in education. Through the project, Imagination Station will research, analyze, and design features, materials, and mechanisms focused on enhancing and redesigning exhibit space to improve the quality of visitor experience, as well as teach parents, program staff, and volunteers how to promote inquiry and engage in high quality discourse. The project will result in a replicable, scalable model with evaluation findings, videos, and professional development material to help other science centers enhance the STEM education of young children, especially those who are at risk.

Chief Officers of State Library Agencies (COSLA, Inc) : Measures That Matter

Program: Laura Bush 21st Century Librarian Program

Award: \$249,999

This project will help public libraries address the proliferation of surveys aiming to gather timely, reliable, comparable and meaningful data on public libraries. Current, numerous surveys aiming to collect qualitative and quantitative decision-making information are placing a burden of increased data collection beyond the capacity of many libraries. Data collection efforts are not coordinated and that the data collected does not reflect the needs nor tell the story of libraries in the 21st century. COSLA will work with IMLS to create an action plan for the collection, storage, use and dissemination of public library data and service outcomes that validates the purpose and value of public libraries. The plan will build bridges between current data collection activities to ensure sustainability and long-term access, resolve concerns related to duplication of efforts and result in a comprehensive and cooperative approach to library data that addresses the importance of outcomes in addition to outputs and indicators.

San Jose University Research Foundation: Libraries Leading in Digital Inclusion and Disaster Response via TV WhiteSpace Wireless Connections

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$249,998

This project will help libraries explore dramatically expanding internet access in their communities by using TVWhiteSpace (TVWS), a new low-cost wireless technology. This project will be led by San Jose State University's School of Information. Key collaborators, including the Gigabit Libraries Network, the School, Health, & Libraries Broadband Coalition, the National Digital Inclusion Alliance, and the Information Technology Disaster Resource Center, will explore dramatically expanding digital access/inclusion, related policies, and infrastructure to provide connectivity as part of disaster preparedness.

Colorado Library Consortium: Research Institute for Public Libraries (RIPL): The Second Wave

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$248,979.00

The Colorado Library Consortium will expand the work of the Research Institute for Public Libraries begun in 2015 to train 102 librarians in a variety of public library evaluation topics including community needs assessment, outcome-based evaluation, and data use for planning, management, and demonstrating impact. Developed in partnership with Colorado State Library, this project will create and deliver three formats of the training: 1) a full-scale national institute; 2) a regional, two-day training; and 3) a day-long training suitable for pre-conferences. During the grant, Colorado Library Consortium will offer one National Institute in Atlanta, Georgia; four Regional Institutes in California, Maine, Texas, and New York; and two pre-conferences at the annual conferences of the Association for Rural and Small Libraries and through the Public Library Association. The funds will also support evaluation and refinement of the curriculum, the creation of an online community of practice, and scholarships to support the training of staff from small and rural library systems.

3. Assessing Progress in Meeting Goal 3 Objectives

Strategic Goal 3: IMLS supports exemplary stewardship of museum and library collections and promotes the use of technology to facilitate discovery of knowledge and cultural heritage.

Too many U.S. library and museum collections are at risk and are in need of proper storage, emergency planning, and conservation treatment. IMLS helps these institutions to digitize and share their collections and develop new standards and protocols to preserve and provide access to “born digital” data and objects.

The collections held in public trust in our museums, libraries, and archives are our national memory; they connect us to the cultural, artistic, historical, natural, and scientific understanding of our heritage. In order to provide wide access, high standards and best practices in collections management and preservation are essential.

IMLS shares and promotes effective practices across states and other entities. IMLS programs supplement local dollars and support management, care, and access to collections. IMLS made significant investments over the last five years to foster best practices in collections management, preservation, and digitization. IMLS must now develop effective regional and national strategies for collections care and access to content. This chart summarizes progress.

<p>Objective 3.1: Support the care and management of the nation’s collections, both material and living, to expand and sustain access for current and future generations.</p>	<p>Met</p>
<p>Objective 3.2: Develop and implement a nationwide strategy to expand public access to the information, meaning, and content found in museum and library collections.</p>	<p>Met</p>

These activities include the traditional priorities of its library, museum, and archive constituencies. IMLS is the primary federal agency providing support for collections care at the local level. This work is critical to the success of museums and libraries, and IMLS has the knowledge to provide this support and assistance. Based on the review of completed projects, IMLS is developing an action plan for collections care training. To support digital and virtual collections, IMLS will evaluate existing activities and encourage more cost-effective and efficient use of technology to share resources, collections, and infrastructure.

Objective 3.1: Support the care and management of the nation’s collections, both material and living, to expand and sustain access for current and future generations.

FY 2016 Associated Activities from the Strategic Plan:

- Continue to support a comprehensive approach to collections care that includes assessment and prioritization, collections management, environmental controls, and treatment.
- Work with relevant organizations to publish and share best practice guidelines for the digital curation (management and preservation) of collections.
- Sustain and expand funding for the digitization of museum, library, and archive collections with an emphasis on the adoption of standardized best practices.
- Partner with other federal agencies and public and private organizations to expand support for museums and libraries in carrying out stewardship to achieve the highest standards in care of collections.

FY 2016 Benchmarks and Assessing Progress:

- IMLS will develop an action plan to support training in collections care with measurable outcomes.
- IMLS will identify and share guidelines on the digitization and digital curation of collections.
- Complete an assessment of progress made on digitization, digital curation, and staff development objectives, and make recommendations for the following five years.

FY 2016 Evidence of Progress for Objective 3.1:

Heritage Health Information 2014: A National Collections Care Survey was conducted to measure the state of collections care and conservation in museums, libraries, and archives throughout the nation. A questionnaire similar to the Heritage Health Index 2004 survey was developed in 2014 to capture longitudinal data trends. It also included an expanded set of digital-related questions. Following data validation and analysis, the survey results will be released to the public in FY 2017.

FY 2016 Grant Examples:**Jazz Museum in Harlem - New York, NY****Award: \$35,428**

Program: Museum Grants for African American History and Culture

The National Jazz Museum in Harlem will create a customized digital asset management system and web interface design for managing the museum's digital assets and sharing the museum's curated digital content. The museum's digital assets include audio, video, photographs, manuscripts and sheet music. This system will enable on-site visitors to learn about and experience jazz and its rich history in Harlem by using new interactive touchscreens in the visitors center with curated digital content that complements the exhibition. The system will also provide a global audience with online access to the museum's collections via mobile and web applications. The digital content will significantly improve the museum experience for on-site and off-site visitors, enhancing their knowledge of jazz and its rich history in Harlem.

Hawaii Dept of Land and Natural Resources - Wailuku, HI**Award: \$49,976****Program: Native American/Native Hawaiian Museum Services**

The Kaho'olawe Island Reserve Commission (KIRC) of the Hawaii Department of Land and Natural Resources will develop a virtual museum to enable access to artifacts and documents related to Kaho'olawe, an island that is preserved and protected for Native Hawaiian cultural and spiritual purposes and generally inaccessible to the public. KIRC will work with a software development team to design an interactive web interface and mobile application presenting a fully functioning map of Kaho'olawe that will enable users to virtually explore the island and link to their collection of digitized archival documents. By sharing this collection, the virtual museum will preserve and share cultural heritage and make available currently inaccessible archival materials.

Norris Center for Natural History, University of California, Santa Cruz – Santa Cruz, CA**Award: \$99,917****Program: Museums for America-Collections Stewardship**

The Norris Center for Natural History at the University of California, Santa Cruz, will rehouse and digitize records from the Randall Morgan insect collection which consists of 70,000 insects from multiple threatened and biologically diverse habitats in Santa Cruz County. Project activities include: 1) rehousing the collection in new cabinets and drawers; 2) sorting 18,000 insects into taxonomic families; 3) labeling 3,000 insects; 4) identifying major pollinator groups to species; 5) digitizing 30,000 pollinator specimens and uploading the data to a widely-used database; and 6) disseminating results to the scientific, natural history education, and land management communities. The project will result in a searchable online database, and an established data digitization workflow that can be used in digitizing other center collections.

Wexner Center for the Arts, The Ohio State University – Columbus, OH**Award: \$150,000****Program: Museums for America-Collections Stewardship**

The Wexner Center for the Arts at The Ohio State University will develop an open-access digital catalog and archive of 400 media artworks created by 300 artists in its Film/Video Studio over the last 25 years. Works will be digitized in a consistent, high-quality format on a platform with the capacity to stream films, and the collection's long-term preservation will be ensured. Conducted in consultation with metadata and digitization specialists at OSU Libraries and the History of Art department as well as colleagues across the country, the project will put into place not only a process for building on this archive but also a road map for other kinds of cataloging and digitization at the center and other museums. The archive will constitute a cross-section of the trends, patterns, and concerns of contemporary media artists for use by students, museums, libraries, artists, filmmakers, film aficionados, and the general public.

University of Wisconsin System: Shippable A/V and Digital Data Rescue: PROUD and PRAVDA**Program: Sparks! Ignition Grants for Libraries****Award: \$20,772.00**

The University of Wisconsin (UW) will build, document, and test two portable, shippable equipment kits. One kit will be used to digitize at-risk audio and video formats commonly held in cultural heritage institutions, and the other kit will be used to rescue data from common obsolete digital storage media. The kits could be used by institutions without in-house equipment, as well as to provide hands-on experience to online LIS students. The project will produce detailed written and video documentation on building and using the kits to allow other institutions to replicate the model. The kits and documentation will be tested at UW's School of Library and Information Studies, as well as with partner organizations across Wisconsin.

Regents of the University of California: Cobweb: A Collaborative Collection Development Platform for Web Archiving

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$244,894

The California Digital Library, in partnership with the Harvard and UCLA Libraries, will develop Cobweb, an open-source collaborative collection development platform for creating comprehensive Web archives by coordinating the activities of the Web archiving community. The shared curatorial decision-making enabled by Cobweb will benefit the libraries and archives already engaged in Web archiving as well as those that have not yet started, and it will help them make more-informed decisions regarding the allocation of finite resources.

Northwestern University: Beyond the Repository: Integrating Local Preservation Systems with National Distribution Services

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$49,114

Northwestern University Libraries, in collaboration with the University of California San Diego Library, will explore issues related to the integration of local services with distributed preservation networks such as the Digital Preservation Network (DPN), Chronopolis, and the Academic Preservation Trust (APTrust). To ensure the research is useful to a range of institutions, a targeted group of organizations representing a variety of types of libraries, archives, museums, and preservation solutions, will be surveyed. The project team will explore questions related to digital object curation, versioning and metadata in dark preservation systems, and interoperability of various systems, in order to develop broadly-applicable solutions and design patterns.

Objective 3.2: Develop and implement a nationwide strategy to expand public access to the information, meaning, and content found in museum and library collections.

FY 2016 Associated Activities from the Strategic Plan:

- Convene public and private organizations to address global issues relating to digital content management and access.

FY 2016 Benchmarks and Assessing Progress:

- Publish a nationwide strategy with measurable objectives and regional benchmarks for progress in improving the nation's care for and access to museum and library collections.

FY 2016 Evidence of Progress for Objective 3.2:

Special Initiatives

From 2007 to 2012, IMLS conducted the Connecting to Collections Initiative to raise public awareness of the importance of caring for our treasures. IMLS then awarded Heritage Preservation a grant to analyze the Statewide Planning Grants, collections care and management, including emergency preparedness plans. Fifty-seven Statewide Planning Grants were awarded in 2008, 2009, and 2010. While individual states and territories used varied approaches in their Planning Grants, this analysis identified several common themes: an ongoing need for more quantitative data on the state of collections; a recognition that emergency and disaster preparedness must be addressed by all institutions; and a desire to broaden the base of support for collections care to ensure that future generations have access to the cultural record that has been so painstakingly collected. The full report is now available through the IMLS website.

IMLS provided supplemental funding in 2015 to the SHARE (SHared Access Research Ecosystem) project, run by three higher education associations: Association of Research Libraries, Association of American Universities and Association of Public and Land-Grant Universities. SHARE will build a Notification System that tracks and integrates reports of progress across the research life cycle, from proposals to execution to results. The SHARE Joint Working Group was established this year and its subset task groups made progress on a range of activities.

FY 2016 Grant Examples:

Foundation of the American Institute for Conservation of Historic & Artistic Works, Inc – Washington, DC

Award: \$247,400

Program: National Leadership Grants for Museums-Collections Stewardship

The Foundation of the American Institute for Conservation of Historic and Artistic Works (FAIC) will expand and enhance their existing web resource, "Connecting to Collections Care," a website focused on providing information, training, and support for those who care for collections in the United States. Key project components include online public forums on collection care issues; an expanded monthly webinar series; courses for topics requiring more in-depth exploration; and digital badges for program completion. The site will include links to resources that are curated and updated by experts, archives of webinars, courses, and material with improved search and retrieval capability. The project will benefit over 7,100 registered users as well as many more who use the site's tools to help care for collections. Surveys will inform continual improvements to the site's content and delivery.

Atlanta Botanical Garden – Atlanta, GA

Award: \$148,456

Program: Museums for America-Collections Stewardship

The Atlanta Botanical Garden (ABG) will implement DNA barcoding of its world-class collection of 2,000 orchid species in collaboration with barcoding experts at Columbus State University (CSU). This project will use existing DNA tools for documenting and verifying plant species to increase the scientific value of the collection, making it more accessible to a wider audience. As a result of this project, DNA barcodes, species images, and collections information will be accessible in an open access database, and herbarium vouchers of the living collection will be deposited at CSU. Additionally, a training program in DNA barcoding for high school and undergraduate students and teachers will be developed and implemented at ABG to support training in this technology and its applications. This project will serve as a model for documenting other plant collections at ABG and collaborating institutions.

Lower East Side Tenement Museum – New York, NY

Award: \$499,894

Program: National Leadership Grants for Museums-Learning Experiences

The Lower East Side Tenement Museum will scale up its experimental “Your Story, Our Stories” website into a national program that asks visitors to upload images of, and extended captions for, objects that reveal elements of their personal and family immigration narratives. Immigration scholars and museum curators from across several partner sites will engage in online conversation with website visitors, offering multiple academic perspectives on immigration as a contemporary and historical phenomenon. The museum will integrate a new content management system into its existing website, incorporate a crowd-sourced mapping function and a digital repository, collect new stories at partner sites, and create dynamic programming that draws upon the growing website content. The project will help museums better understand how they can present and interpret authentic narratives to further the national conversation on immigration.

Regents of the University of Minnesota: SimplyE for Consortia: Three Clicks for All Your Ebooks

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$695,000

Minitex, in partnership with the Massachusetts Library System (MLS) and Reaching Across Illinois Library System (RAILS), will enhance SimplyE, an open source e-reader designed specifically to make the access and discoverability of e-books easier for all library users. SimplyE, which is currently designed to provide a seamless user experience for public library users, will be modified to support academic, public, and school library users. The project partners will represent the needs of a broad range of library users, enabling the design and development of features to allow for the participation of schools, research libraries, and consortia with shared e-book collections. In addition, this project will address the viability of expanding interlibrary loan (ILL) of e-books by exploring ILL policies and functionality for SimplyE.

University of Wisconsin System: Creating digital library (DL) design guidelines on accessibility, usability and utility for blind and visually impaired (BVI) users

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$495,600

The University of Wisconsin and partners will collaborate to develop digital library design guidelines on accessibility, usability, and utility for blind and visually impaired (BVI) users. The project is motivated by the belief that approximately 20.6 million Americans with significant vision loss cannot use digital libraries effectively due to sight-centered design. Accessibility guidelines exist but fail to address help-seeking situations of blind and visually impaired (BVI) users. Consequently, digital library providers are unable to reach the BVI community, and comply effectively with the Americans with Disabilities Act (ADA). This project will generate three products: 1) digital library design guidelines, organized by types of help-seeking situations associated with accessibility, usability, and utility; 2) a report on the current status of how digital libraries satisfy BVI users’ help needs; and 3) a methodology that can be applied to other underserved user groups to develop similar guidelines.

Washington State University: Mukurtu Hubs and Spokes: A Sustainable National Platform for Community Digital Archiving

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$641,832

Washington State University will extend the functionality of the free and open source platform Mukurtu, a content management system and community archive platform built with indigenous communities to manage and share digital cultural heritage. Working with a diverse group of partners, WSU will create a set of national Mukurtu hubs. Hubs will contribute to the ongoing development and deployment of the platform, as well as provide training and support to tribal archives, libraries, and museums. The project will expand the reach of the software and ensure its sustainability.

University of California, Los Angeles: Assessing the Use of Community Archives

Program: Laura Bush 21st Century Librarian Program – Early Career Development

Award: \$325,000

In this Early Career Development research project, Dr. Michelle Caswell will study several questions related to the use and users of community archives, centered on the needs of LGBTQ communities and communities of color. The research will investigate the impact of independent, community-based archives in Southern California on the individuals and communities they serve, as well as provide tools for such archives to assess and articulate their impact. Outcomes of the project will include an open assessment toolkit for community archives to study and assess their own users, as well as published research results.

4. Assessing Progress in Meeting Goal 4 Objectives

Strategic Goal 4: IMLS advises the President and Congress on plans, policies, and activities that sustain and increase public access to information and ideas.

Libraries and museums play essential roles in ensuring equitable access to information for everyone, a cornerstone of economic growth and a strong democracy. Technology is changing the ways that people access and use library and museum. IMLS can help ensure that decision makers have the data and analysis they need to improve and modernize their services.

Progress toward objectives under this goal is summarized below.

Objective 4.1: Promote federal policies that improve access to information services for underserved communities and help to remove barriers that prevent individuals from using these services effectively.	Met
Objective 4.2: Identify trends and provide consistent and reliable data on museum and library services and use to ensure that federal policymakers, public and private sector leaders, and the public are aware of the critical role that libraries and museums play in our democratic society.	Partially Met
Objective 4.3: Support and extend a national digital information infrastructure that leverages libraries and museums as key partners and providers of reliable, persistent, and widely available access to digital information and services.	Met

Through its statistical collection and analysis, its support of the National Digital Platform program, and other similar grants, IMLS provides public access to information. IMLS identifies and overcomes barriers to digital access and supports the development of a national digital infrastructure.

Objective 4.1: Promote federal policies that improve access to information services for underserved communities and help to remove barriers that prevent individuals from using these services effectively.

FY 2016 Associated Activities from the Strategic Plan:

- Evaluate the effectiveness of programs in removing barriers to information access for underserved communities and differently abled individuals.
- Advise the President, Congress, and other federal agencies and encourage collaboration on the federal level to promote fully equitable public access to information.

FY 2016 Benchmarks and Assessing Progress:

- IMLS will produce follow-up reports monitoring change in information access for underserved communities and differently abled individuals.
- IMLS will complete initial evaluation of the effectiveness of strategies and develop recommendations for the following five years.

FY 2016 Evidence of Progress for Objective 4.1:

Broadband Opportunity Council

IMLS is one of 25 federal agencies comprising the president's new interagency Broadband Opportunity Council (BOC) charged with developing a framework of recommendations to support broadband deployment and adoption. The BOC was established by the president in March 2015, pursuant to a Presidential Memorandum, to develop a framework of recommendations to explore ways to remove unnecessary regulatory and policy barriers, incentivize investment, and align funding policies and decisions to support broadband access and adoption. IMLS completed a survey, the first deliverable of the BOC, identifying relevant IMLS programs and policies to support broadband. In addition, the council issued a request for comment in the Federal Register for public input to get a better understanding of the challenges facing communities that lack adequate access to broadband. IMLS encouraged libraries and museums to submit their comments and attend a related BOC webinar.

Grants:

University of Maryland

Program: National Leadership Grants for Libraries – Learning in Libraries

Award: \$426,256.00

The University of Maryland, partnering with the Maryland State Department of Education's Division of Library Development & Services (DLDS), the American Library Association's Center for the Future of Libraries (CFL), and CASA de Maryland, will identify privacy and security challenges librarians and families of low socioeconomic status face using internet and communication technologies. After conducting an evaluation of the challenges facing librarians, families of low socioeconomic status, and information intermediaries within families such as the children and young adults who serve as information brokers, the partners will develop a suite of educational and professional development resources for librarians and families to enhance privacy-related digital skills and to minimize risks to the security of individuals' personal information. Up to 50 local families and 40 librarians will participate in the study while data, research reports, and resources will be made accessible to the broader field through a project website, webinars, conference presentations, stakeholder talks, and social media.

Makah Indian Tribe of the Makah Indian Reservation

Program: Native American Library Services Enhancement Program

Award: \$149,973.00

The Makah Tribe's Makah Cultural and Research Center's Makah Guardian Project will promote stewardship of library collections, provide policy direction, preserve and protect archaeological, linguistic and cultural resources of the Makah Tribe, enhance engagement and cultural opportunities, and provide education about Makah culture, heritage and language of the Makah Tribe. The Guardian Project responds to a community mapping exercise that revealed underutilized community assets and addresses barriers to the audio collections that limit sharing of information and resources to intended audiences. Project activities include: expanding and improving access to audio collections; finalizing digitization and digital policies and procedures; and creating digital recordings of respected Makah tribal leaders to document Makah tribal lore, tradition and knowledge. Audio recordings will be made available through CDs and the Mukurtu Content Management System (CMS).

Karuk Tribe

Program: Native American Library Services Enhancement Program

Award: \$150,000.00

The Karuk Tribe's Xahvik: Digital Enhancement for Karuk Tribal Libraries' Web (Xahvik = Web in the Karuk Language) two-year project will address the need to expand the content and augment the capacity and continuity of the Karuk Tribe's integrated library program through professional development; expansion of data capacity and technical support as well as development of a digital strategy policy; populating the collections related to the Karuk language, culture, resource management practices, and traditional knowledge and skills; and providing for lifelong learning through technology training for 27 staff members. Making culturally relevant materials accessible to the greater community will promote Karuk language learning; return traditional ecological knowledge to the tribal community; and support an informed collaborative stewardship of the area by the Tribe and outside partners to promote Karuk cultural revitalization.

University of Maryland

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$396,052.00

The University of Maryland's College of Information Studies, in partnership with the College of Education, will use its grant to develop and deliver a post-master's certificate in Youth Experience (YX) design. The university will work with the American Library Association's Young Adult Library Services Association and Office for Information Technology Policy to design and administer a 12-credit online post-master's certificate program focused on learning sciences including topics like adult mentorship, participatory design, and design thinking. IMLS funds will be used to develop the curriculum, educate 15 library professionals, and execute a series of evaluation activities to inform further development of the curriculum. The certificate program includes a 12-week capstone for participating librarians to apply the skills and knowledge they have learned and a series of workshops and webinars for other library information science schools to learn how they can establish a similar certificate program.

Objective 4.2: Identify trends and provide consistent and reliable data on museum and library services and use to ensure that federal policymakers, public and private sector leaders, and the public are aware of the critical role that libraries and museums play in our democratic society.

FY 2016 Associated Activities from the Strategic Plan:

- Develop state and regional reports on service and financial trends in museum and library services.
- Disseminate IMLS statistical data in a variety of formats to ease accessibility and promote use by lay audiences.

FY 2016 Benchmarks and Assessing Progress:

- IMLS will broaden current statistical research to include periodic, cross-sectional surveys on priority topics.
- IMLS will implement national, regional, and state reports on the state of the museum sector.
- All IMLS statistical collections on library and museum services and use will be integrated into federal statistical repositories.
- IMLS will assess the ability of the agency and other decision makers to use the statistical information to make timely, informed decisions and will make recommendations for potentially altering the program in the following five years.

FY 2016 Evidence of Progress for Objective 4.2:

Data Collection Activities

Public Library Survey (PLS)

The Public Library Survey is conducted annually and provides information on key metrics of library health and services across the United States and outlying territories, and addresses a variety of key metrics, including visitation, circulation, collections, digital access, and revenue. The annual PLS report features performance indicators and examines differences in library service at different locality levels: city, suburb, town, rural and national. It also includes state-level analyses of key variables along with state profiles.

State Library Administrative Agency (SLAA) Survey

The State Library Administrative Agencies survey is conducted every two years and provides descriptive information about state library agencies such as: state library agency identification, governance, public service hours, service outlets, collections, library service transactions, library development transactions, services to other libraries in the state, allied operations, staff, income, expenditures, and electronic services and information. The biennial report provides a view of the condition of state library administrative agencies in the 50 states and the District of Columbia.

Chief Officers of State Library Agencies (COSLA, Inc) : Measures That Matter Program: Laura Bush 21st Century Librarian Program

Award: \$249,999

This project will help public libraries address the proliferation of surveys aiming to gather timely, reliable, comparable and meaningful data on public libraries. Current, numerous surveys aiming to collect qualitative and quantitative decision-making information are placing a burden of increased data collection beyond the capacity of many libraries. Data collection efforts are not coordinated and that the data collected does not reflect the needs nor tell the story of libraries in the 21st century. COSLA will work with IMLS to create an action plan for the collection, storage, use and dissemination of public library data and service outcomes that validates the purpose and value of public libraries. The plan will build bridges between current data collection activities to ensure sustainability and long-term access, resolve concerns related to duplication of efforts and result in a comprehensive and cooperative approach to library data that addresses the importance of outcomes in addition to outputs and indicators.

Colorado Library Consortium: Research Institute for Public Libraries (RIPL): The Second Wave

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$248,979.00

The Colorado Library Consortium will expand the work of the Research Institute for Public Libraries begun in 2015 to train 102 librarians in a variety of public library evaluation topics including community needs assessment, outcome-based evaluation, and data use for planning, management, and demonstrating impact. Developed in partnership with Colorado State Library, this project will create and deliver three formats of the training: 1) a full-scale national institute; 2) a regional, two-day training; and 3) a day-long training suitable for pre-conferences. During the grant, Colorado Library Consortium will offer one National Institute in Atlanta, Georgia; four Regional Institutes in California, Maine, Texas, and New York; and two pre-conferences at the annual conferences of the Association for Rural and Small Libraries and through the Public Library Association. The funds will also support evaluation and refinement of the curriculum, the creation of an online community of practice, and scholarships to support the training of staff from small and rural library systems.

University of Texas at Austin: At the Edges of the National Digital Platform: Rural Library Hotspot Lending Programs

Program: Laura Bush 21st Century Librarian Program – Early Career Development

Award: \$496,586.00

Investigators at the University of Texas at Austin, in partnership with researchers at the University of Oklahoma and Oklahoma State University, will use their research grant to examine how rural libraries address the challenges of Internet connectivity with hotspot lending programs. The project will gather qualitative and quantitative data from 24 rural libraries with hotspot lending program experience, focusing on the librarians involved with the program, the users of the program, local community stakeholders, and non-users. Research outcomes will address the role of rural libraries in local information ecosystems, the impact of hotspot lending programs on users' quality of life and digital literacy, community outcomes of these programs, and practical requirements for offering hotspot lending programs. Deliverables for the project include a guidelines document on program implementation, a short report on rural Internet connectivity and libraries, and a final research report.

Objective 4.3: Support and extend a national digital information infrastructure that leverages libraries and museums as key partners and providers of reliable, persistent, and widely available access to digital information and services.

FY 2016 Associated Activities from the Strategic Plan:

- Identify necessary components and partners for a national digital information infrastructure, identify which parts already exist wholly or partially, and identify key gaps.
- Align and coordinate IMLS activities with external concurrent and complementary national and statewide efforts, and continue ongoing engagement with activities such as the National Digital Stewardship Alliance, the Interagency Working Group on Digital Data, and the Digital Public Library of America.
- Focus relevant grant programs and other activities to emphasize and encourage building and extending a national digital information infrastructure.

FY 2016 Benchmarks and Assessing Progress:

In FY 2015 IMLS met with experts for the second year in a row to identify necessary components and partners for a national digital platform and to identify which parts already exist wholly or partially. As a result, IMLS changed the National Leadership Grant for Libraries application guidelines and cycle for FY 2015, implemented similar changes for the Laura Bush 21st Century Librarian Program for FY 2016, and published a white paper based on its April 2015 National Digital Platform convening.

FY 2016 Evidence of Progress for Objective 4.3:

Open eBooks App Launches

Building on a 2015 announcement from President Obama of a new effort to strengthen student learning by improving access to digital content, the Open eBooks application officially launched in 2016. IMLS supported several library and non-profit partners to develop the Open eBooks initiative, making more than \$250 million in popular eBooks from major publishers available for free to children from low-income families via an app. The Open eBooks app was developed by the New York Public Library, in partnership with the Digital Public Library of America and First Book to curate and deliver the eBooks to students from low-income families.

FY 2016 Grant Examples:

Brooklyn Public Library: BKLYN Link

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$50,000

Through this planning project, Brooklyn Public Library (BPL) will pilot BKLYN Link, a community-driven mesh network providing free broadband access and a technology-based fellowship program for young adults. A mesh network is a wireless network that uses radio nodes and laptops, cell phones, and other wireless devices to provide reliable access to the Internet. BPL will conduct community asset mapping in three local low-income neighborhoods to identify which community is best positioned to host a mesh network; plan the technical structure of a mesh network and develop user policies and procedures; design a technology-based youth fellowship program that would teach young adults to install and maintain the mesh network; pilot a five-month abbreviated version of the fellowship; and develop a “playbook” of strategies and tools for deepening community engagement and launching a mesh network.

President and Fellows of Harvard College: Scaling Up Perma.cc: Ensuring the Integrity of the Digital Scholarly Record

Program: National Leadership Grants for Libraries – National Digital Platform

Award: \$782,649

The Harvard Law School Library Innovation Lab, in cooperation with the Berkman Center for Internet & Society and over 130 partner libraries will sustainably scale a tool - Perma.cc - to combat link rot in all scholarly fields. Link rot happens when a hyperlink on a webpage points to a website or online resource that is no longer available. It is a serious problem affecting as much as 70 percent of all scholarly articles in law, medicine, science, and technology, causing irreversible harm to the digital scholarly record. Through this project, the team will scale a proven technology and approach sustainability by designing, testing and launching a service that can subsidize the services offered to those supported by academic library partners.

University of Texas At Austin: At the Edges of the National Digital Platform: Rural Library Hotspot Lending Programs

Program: Laura Bush 21st Century Librarian Program – Early Career Development

Award: \$496,586

Investigators at the University of Texas at Austin, in partnership with researchers at the University of Oklahoma and Oklahoma State University, will examine how rural libraries address the challenges of Internet connectivity with hotspot lending programs. The project will gather qualitative and quantitative data from 24 rural libraries with hotspot lending program experience, focusing on the librarians involved with the program, the users of the program, local community stakeholders, and non-users. Research outcomes will address the role of rural libraries in local information ecosystems, the impact of hotspot lending programs on users’ quality of life and digital literacy, community outcomes of these programs, and practical requirements for offering hotspot lending programs.

University of Washington: Open Data for Public Good: Data Literacy Education for Public Information Professionals

Program: Laura Bush 21st Century Librarian Program – Continuing Education

Award: \$690,858

The University of Washington will develop an educational program to prepare both new students and practicing professionals to: curate collections of open data of value to local communities, build infrastructure and preservation environments needed to sustain open data collections, and collaborate with open data providers on advocacy and outreach activities. Project collaborators include the Seattle Public Library, Washington State Historical Society, Washington State Department of Transportation, and the Washington State Office of Technology. The project will benefit over 100 library and information studies students, through new course creation and practical field experience, and approximately 60 professionals, through webinars and open educational resources. The summative evaluation of the project will also include a study of broader workforce needs for public open data expertise.

5. Assessing Progress in Meeting IMLS’ Goal 5 Objectives

Strategic Goal 5: IMLS achieves excellence in public management and performs as a model organization through strategic alignment of IMLS resources and prioritization of programmatic activities, maximizing value for the American public.

IMLS continues its commitment to improve administrative efficiencies and focus on its high-quality stewardship of public funds and outstanding public service. With its strategic plan, IMLS accomplished many activities in FY 2016 and will advance these activities in the coming year.

Progress is summarized below.

Objective 5.1: Develop an exemplary model of efficient federal grants management.	Partially Met
Objective 5.2: Cultivate a culture of planning, evaluation, and evidence-based practice to maximize the impact of public investments.	Partially Met
Objective 5.3: Promote greater transparency and accountability of IMLS operations.	Met
Objective 5.4: Encourage and promote an engaged and energized IMLS workforce.	Met

Objective 5.1: Develop an exemplary model of efficient federal grants management.

FY 2016 Associated Activities from the Strategic Plan:

- Conduct process review of grant making across programs to identify efficiencies in IMLS grant review, grant management, and monitoring processes, and make appropriate changes based on the process review.
- Transition to an enhanced grants management system that will increase performance monitoring capability, improve communications with applicants and grantees, fast-track grant award processing, promote greater technical and financial stewardship, and reduce inefficiencies and costs associated with delayed project implementation and repeated project extensions.

FY 2016 Benchmarks and Assessing Progress:

- IMLS will achieve a 40 percent decrease in the time to process an application from receipt of proposal to decision; by FY 2016, it will achieve a further 10 percent decrease.
- IMLS will achieve a 15 percent decrease in amount of time staff spend processing grant applications; by FY 2016 it will achieve a further 20 percent decrease.
- IMLS will achieve a 20 percent decrease in number of grants that receive one or more extensions; by FY 2016, it will achieve a further 30 percent decrease.
- IMLS will establish baseline measures for grantee satisfaction with IMLS’s new grant management information system.
- IMLS will have established a customer satisfaction baseline for online report training and will establish new targets for succeeding years.

IMLS developed these specific benchmarks in FY 2011 for the IMLS FY 2012 – 2016 Strategic Plan. At that time IMLS anticipated transitioning to an enhanced electronic grants management system in FY 2012/2013; however this system is still under development and therefore these specific benchmarks have not all been met. IMLS has continued to increase communication and reporting to our grantees and establish timely closeouts. IMLS has also improved efficiencies in other areas of grants management, as noted below.

FY 2016 Evidence of Progress for Objective 5.1:

- The State Program Manual (“Extranet”) is an online resource for SLAA personnel who administer LSTA Grants to States program or the Competitive Grants to Territories and Freely Associated States. The Extranet includes statutory and regulatory requirements, yearly award guidance outlining new grant requirements, standard reporting forms and procedural information, complying with federal cost principles and other requirements, and evaluating projects and services. In FY 2016 IMLS used results from an OMB-approved survey to users of the Extranet to redesign the content for usability. IMLS also thoroughly evaluated this content in preparation for moving it from a password-protected space to the free web. New content was released throughout the year to support all states in adopting a new framework for the State Program Report system.
- IMLS streamlined its nomination process for the National Medal for Museum and Library Service in 2016. It refined questions relating to financial information, which eliminated the need for financial audits in the nomination packet. This allowed the program to move to an electronic submission process for the first time.
- IMLS established an interdepartmental group to respond to new government-wide grant requirements as outlined in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.” (78 FR 78590–78691) (“Grant Reform”). The working group created new formats to support the issuance of FY 2016 Notices of Funding Opportunities for all museum and library discretionary grant programs.
- IMLS implemented several substantive improvements in its application processing and grants management functions, resulting in greater efficiencies for program staff. These included changes to standard application forms for greater efficiency in the data entry process; full implementation of electronic award notices for all grant programs; and the development of a comprehensive reviewer database for museum programs.

Objective 5.2: Cultivate a culture of planning, evaluation, and evidence-based practice to maximize the impact of public investments.

FY 2016 Associated Activities from the Strategic Plan:

- Increase transparency and accessibility of IMLS data.
- Establish a data release and review policy.
- Redesign performance reporting forms for discretionary grant programs in a manner that limits reporting to outcome measures that align with program priorities and relieves the overall reporting burden on grantees.
- Work with State Library Administrative Agencies to develop a robust measurement system that tracks state (or local) progress toward the goal(s) of their five-year plans in alignment with IMLS’s strategic plan, identifies effective and ineffective strategies, and ensures that cross-state data are standardized.

FY 2016 Benchmarks and Assessing Progress:

- Planning and performance monitoring protocols will be implemented for 80 percent of the grant portfolio.
- First annual reports will be completed using new performance reporting protocols with the establishment of baseline measures for guiding future assessments.

FY 2016 Evidence of Progress for Objective 5.2:

In 2016 IMLS issued its five-year evaluation guidance to the State Library Administrative Agencies (SLAAs). IMLS will continue progress made through the standardization of its annual State Program Report system and work to regularize the five-year reporting and planning framework. This will allow IMLS to more easily compare benchmarks across different states, in alignment with the agency’s strategic plan.

We continued improvements to our Open Government page summarizing the agency’s commitment to open government and open data: www.imls.gov/open.

Measuring Success

IMLS successfully fully launched its Measuring Success Initiative for IMLS's Grants to States State Program Report (SPR). The new SPR support (1) improved reporting structure using branched, closed-ended survey format for synthesizing data across individual projects; (2) integration of the paper Financial Status Report into the automated SPR; and (3) data collection of project interrelationships to measure the lifecycles of new and existing initiatives.

Objective 5.3: Promote greater transparency and accountability of IMLS operations.

FY 2016 Associated Activities from the Strategic Plan:

- Develop a plan for sharing grant information with the public, including applications, grant performance reporting, and post-award analysis of success in meeting objectives.
- Initiate regular applicant and grantee customer satisfaction surveys with application and reporting guidelines.
- Develop and implement an improved, regularized customer satisfaction survey process for reviewers to monitor the efficiency of the review process and identify ways to improve IMLS grant making.

FY 2016 Benchmarks and Assessing Progress:

- at least 70 percent of reports from FY 2008 to FY 2013 will be posted on the IMLS website;
- IMLS will establish a baseline measure of applicant and grantee satisfaction with IMLS grant-making processes;
- IMLS will establish a baseline measure of reviewer satisfaction with IMLS grantmaking processes;

IMLS has partially achieved these benchmarks. We have not provided final grant reports on the IMLS website. We are planning to provide access to final grant reports when we implement the new online grant management system, eGMS, in 2017/2018. We have made many modifications to the grant application and reviewer process to facilitate a more positive experience for both audiences but have not established baseline satisfaction measures. We have made great strides in making IMLS processes and information as transparent and accessible as possible.

FY 2016 Evidence of Progress for Objective 5.3:

- Developed web pages to profile each state and highlight their IMLS-related information. The new pages consolidate each of the states' five-year plans, five-year evaluations, project examples, survey data, and allotments. They also feature exemplary grant-funded projects and link to newly published interviews with state librarians that discuss their five-year evaluations, five-year plans and lessons learned.
- Continued the use of DropBox as a means of distributing proposals to reviewers, reducing the time spent by IMLS staff and making access simpler and easier for reviewers, all at a minimum cost.
- Extended the range and number of reviewers to address the variety of applications received; IMLS continues to collect information about reviewers and their areas of expertise.
- Awarded all "green lights" by the Department of Justice for IMLS's Freedom of Information Act program.
- Proposed and published revisions to its regulations under the Freedom of Information Act to describe how IMLS processes requests for records under FOIA and reaffirm the agency's commitment to providing the fullest possible disclosure of records to the public.
- Explored increasing public disclosure of information regarding the IMLS Grants to States Program. Last year, IMLS drew information from a password-protected database of funded projects and made them available to the general public, and added a new section to its website on the measuring Success initiative. This year, IMLS has increased public access to information by developing new state-level profiles containing data on the use of Grants to States funds by each state.
- In support of the President's Executive Order on Making Open and Machine Readable the New Default for Government Information, IMLS maintains a data catalog at data.imls.gov.
- In 2016 IMLS continued to enhance the www.imls.gov website, which improved its usability and navigation.
- IMLS is developing a standard format for final reports from all IMLS discretionary grant program, with a goal of eventually making such reports publicly available. A standardized format will increase the usability and analysis of individual reports, and will support batch analysis of reports.

Objective 5.4: Encourage and promote an engaged and energized IMLS workforce.

FY 2016 Associated Activities from the Strategic Plan:

- Develop agency-wide training that is tied to agency mission and goals.
- Increase the use of IMLS staff library, museum, archive, and grant expertise to further excellence in agency operations.
- Centralize IMLS training priorities to promote greater personal learning and development, increasing our subject matter experts to further the agency's mission and goals.

FY 2016 Benchmarks and Assessing Progress:

- In 2016 IMLS continued expanding upon our Learning Management System and adoption for 100 percent of our staff, which links to the critical competencies measured and evaluated by OPM, OMB, and EEOC. The Agency met its statutory requirements such as No Fear Act, Ethics Training, Supervisory, Managerial, and Executive Training, and Computer Security Awareness.
- Many of the employee engagement's plan objectives are achieved.

FY 2016 Evidence of Progress for Objective 5.4:

- IMLS achieved full compliance with its annual ethics training requirements. The agency has been recognized previously by the Office of Government Ethics (OGE) for: (1) its leadership's concrete actions to demonstrate commitment to ethics and promote an ethical culture; and (2) its training content and delivery methods as model practices.
- In 2016 the Office of Human Resources (OHR) continued its efforts to adopt and cultivate knowledge management practice, capturing the current knowledge of our highly skilled and talented workforce to mitigate the operational gaps caused by voluntary or involuntary attrition. In 2016 IMLS continued the services of a resident Executive Consultant to reduce the gaps identified in our 2014 EVS and 2012 OPM Leadership 360™ results, and to work with the IMLS Executive Leadership Team. Supervisory Training Forums, covering topics such as Prohibited Personnel Practices, Merit Systems Principles, Performance Management, Equal Employment Opportunity, and Diversity & Inclusion were discussed.
- The IMLS Workforce Engagement (WE) Team planned activities to raise money for the Combined Federal Campaign (CFC), develop and train staff on Emergency Preparedness, coordinate team events for the 2016 Fed's Feed Families Campaign, in which IMLS donated 673 pounds to the Capital Area Food Bank, and supporting the First Lady's Let's Move! Initiative with creative and healthy activities such as the IMLS summer steps challenge.
- IMLS continues to promote greater personal learning and development amongst all staff, increasing their subject matter experts to further the agency's mission and goals through cross-cutting agency projects and initiatives, attendance in professional development conferences, and agency-wide training opportunities.

B. Additional Management Highlights

Agency Financial, Procurement, and Grants Management Operations

Office Relocation

In 2016, the Institute relocated its office space from 1800 M Street, NW to 955 L'Enfant Plaza North, SW Washington, DC. IMLS incorporated many sustainable practices in the design build-out and implementation, such as:

- 30% reduction in water usage in restrooms and kitchen areas;
- Advanced lighting controls, including daylight harvesting, occupancy sensors, and energy-efficient light emitting diodes with 15% reduced energy usage; and
- 75% of construction waste diverted from landfills.

This new space is also LEED-CI Certified. Furthermore, we reduced the footprint of our office space again with this relocation, and since 2013 the Institute has reduced its overall footprint by over 55%.

Financial

IMLS continued to use the Federal Aviation Administration – Enterprise Services Center (FAA-ESC) for its accounting and financial reporting requirements. Using a Financial Management Line of Business (FMLOB) Center of Excellence has significant benefits, including a reduction in the need for additional full-time employees and reduced overhead costs.

In addition, IMLS uses these other federal government shared service providers:

- Department of Transportation for E-travel services; where IMLS is fully operational in the new E2 solutions travel system.
- General Services Administration (GSA) for agency purchase and travel credit cards;
- Department of Interior – National Business Center for payroll services and the negotiation of indirect cost grant proposals.

These partnerships result in cost savings and operational efficiencies, access to timely budgetary and financial reporting, and information necessary for agency and programmatic decisions.

Grants

IMLS has entered into an Interagency Agreement with NEA and NEH on the deployment of NEH's new Electronic Grants Management System (eGMS). IMLS determined that best administration of grants will be accomplished by delaying transition to eGMS until the full system is operational. Based on this decision and NEH's most recently revised production schedule, IMLS anticipates being active in eGMS in FY 2017/FY2018. The agency continues to plan for providing access to final grant reports once we are utilizing the eGMS system. IMLS has successfully incorporated the new Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards into its grant operations. IMLS continues to emphasize the importance of training on the new requirements internally and externally.

Procurement

The number of obligations and total obligations increased significantly in FY 2016 to support the agency's relocation to 955 L'Enfant Plaza. The number of contract actions increased by 36 percent from 65 in FY 2015 to 101 in FY 2016. Additionally, our obligations increased by 7 percent from \$3.48 million to \$3.73 million, respectively.

IMLS commits to fiscal stewardship, dedication to its small business partners, and achieving cost savings where practicable. IMLS continued to minimize high-risk contract types (i.e., non-competitive awards of contract types other than firm-fixed price). The use of firm-fixed price contracts remained the same year-over-year, at 98 percent. While the number of competitive actions decreased, from 95 percent to 86 percent, over half those non-competitive actions were required by law (for example, mandatory sources, Section 8(a) of Small Business Act, and the Museum and Library Services Act).

Through consolidation, federal strategic sourcing, and negotiation, IMLS achieved a cost savings of 14 percent. IMLS achieved these costs savings while significantly exceeding the agency's small business goals. Compared to the Small Business Administration's goal to award 23 percent of awards to small businesses, IMLS increased its small businesses contracts from 53 percent to 67 percent in FY 2016.

Information Technology

In FY 2016, the Office of the Chief Information Officer (OCIO) focused on completing its annual FISMA audit and the IMLS move. The annual FISMA audit was completed and noted major steps in the development of the IMLS Information Security Continuous Monitoring (ISCM) Strategy program. The ISCM program consists of remediation of known weaknesses and unacceptable risks, ongoing selection and assessment of security controls, vulnerability assessment and reporting, and ongoing monitoring of security events and audit logs. The implementation of this program resulted in the implementation of: (1) a more robust continuous monitoring system that allows real-time insight into network vulnerabilities; (2) a solution that allows increased network scanning capabilities; and (3) a solution that allows IMLS to manage the security of mobile devices. We completed updates to the IMLS System Security Plan (SSP) and our policies and procedures to address any gaps found during our yearly review process.

IMLS' move to 955 L'Enfant plaza was a stepping stone for us to improve and increase accessibility and implement additional features to complement our current infrastructure. We've implemented increased bandwidth for the IMLS LAN and the wireless network and included upgrading our communications system to Voice-over-Internet-Protocol (VOIP) to increase staff responsiveness to constituents, increase productivity, and to supplement options available for our mobile workforce. We are continuing efforts for moving to the cloud to make a more collaborative work environment and increase availability of data and network resources. The move also kick started a project to review all of IMLS' onsite records, review file plans, and validate offsite and onsite storage needs. These efforts are key in meeting the NARA directive 2016 and 2019 deadlines. Our Records Management milestones have been identified and we plan to meet those milestones starting with the archiving of permanent email records.

3. Financial Information

A Message from the Chief Financial Officer

On behalf of the Institute of Museum and Library Services, it is my pleasure to join with Director Matthew in presenting the Institute's FY 2016 Performance and Accountability Report. This report is an integrated presentation of our programmatic, financial, and operational achievements during the past year.

The independent audit of our financial statements has been completed, and I am pleased to report that the Institute received an eleventh consecutive unmodified opinion, with no material weaknesses. This is evidence of the organization's continued emphasis on reviewing and strengthening internal controls in accordance with requirements from central regulatory bodies of the federal government such as the U.S. Treasury and OMB.

In Fiscal Year 2016, there were no significant changes or issues in the Institute's financial operations or systems. We continued our successful partnership with the Federal Aviation Administration – Enterprise Services Center (FAA-ESC) for our accounting and financial reporting services. The ability to partner with one of the Centers of Excellence designated by OMB affords us the opportunity to receive the numerous benefits a shared service provider can offer, at affordable costs. The agency leveraged the partnership to successfully meet the initial requirements of preparing for full implementation of the DATA Act in FY 2017.

In 2016 the agency signed a long-term occupancy agreement (OA) with GSA. The OA reduces the agency's annual rent expense moving forward and reduced our physical footprint. This facilitates the agency's ability to contain administrative costs while creating a new modern, collaborative working space for staff. The relocation required constant communication throughout the agency and successful transition into the new space was the result of the planning and logistical management of the operations, accounting, and information technology offices.

During Fiscal Year 2017, we will continue to improve operational efficiencies, strengthen internal controls, and optimize the use of improved technology. The agency is continuing to expand on opportunities to leverage the core competencies of our federal partners by engaging with the National Endowment for the Humanities in the deployment of a web-based grants management system and expand the partnership with FAA-ESC to transition the complete grantee payment function. The agency also plans to offer agency-wide training opportunities and continue leveraging our web-based staff training system to lower costs.

We are confident that our financial systems and operations will continue to support the Institute's mission to effectively and efficiently reach our intended outcomes. I want to extend my sincere thanks and appreciation to all of the dedicated staff at IMLS whose commitment and effort made this past year a success, your work is recognized and appreciated.



Christopher A. Catignani
Chief Financial Officer
November 10, 2016

Institute of Museum and Library Services

Audit of Financial Statements

**As of and for the Years Ended
September 30, 2016 and 2015**

Submitted By

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Independent Auditor's Report

Dr. Kathryn K. Matthew, Director
Institute of Museum and Library Services

We have audited the accompanying balance sheets of the Institute of Museum and Library Services (IMLS), as of September 30, 2016 and 2015, and the related statements of net cost, changes in net position, and budgetary resources (the financial statements) for the years then ended. The objective of our audit was to express an opinion on the fair presentation of those financial statements. In connection with our audit, we also considered the IMLS' internal control over financial reporting and tested the IMLS' compliance with certain provisions of applicable laws, regulations, contracts and grant agreements that could have a direct and material effect on its financial statements.

SUMMARY

As stated in our opinion on the financial statements, we found that the IMLS' financial statements as of and for the years ended September 30, 2016 and 2015, are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

Our consideration of internal control would not necessarily disclose all deficiencies in internal control over financial reporting that might be material weaknesses under standards issued by the American Institute of Certified Public Accountants. However, our testing of internal control identified no material weaknesses in financial reporting.

As a result of our tests of compliance with certain provisions of laws, regulations, and significant provisions of contracts and grant agreements, nothing came to our attention that caused us to believe that IMLS failed to comply with applicable laws, regulations, contracts or grant agreements that have a material effect on the financial statements insofar as they relate to accounting matters.

The following sections discuss in more detail our opinion on the IMLS' financial statements, our consideration of IMLS' internal control over financial reporting, our tests of IMLS' compliance with certain provisions of applicable laws and regulations, and management's and our responsibilities.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of IMLS, which comprise the balance sheets as of September 30, 2016 and 2015, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements.

Opinion

In our opinion, the financial statements referred to above present fairly, in all materials respects, the financial position of IMLS as of September 30, 2016 and 2015, and the related net cost, changes in net position, and budgetary resources for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. Such responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and pertinent provisions of OMB Bulletin 15-02, *Audit Requirements for Federal Financial Statements* (the OMB audit bulletin). Those standards and the OMB audit bulletin require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments in a Federal agency, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinions on the effectiveness of the IMLS' internal control or its compliance with laws, regulations, and significant provisions of contracts and grant agreements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

REQUIRED SUPPLEMENTARY INFORMATION AND REQUIRED SUPPLEMENTARY STEWARDSHIP INFORMATION

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and information about stewardship investments in research and development be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information and required supplementary stewardship information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

OTHER ACCOMPANYING INFORMATION

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The performance measures, Summary of Financial Statement Audit and Management Assurances, and reporting details related to the Improper Payments Improvement Act, as amended by the Improper Payments Elimination and Recovery Act, are presented for the purposes of additional analysis and are not required parts of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

OTHER AUDITOR REPORTING REQUIREMENTS

Report on Internal Control

In planning and performing our audit of the financial statements of IMLS as of and for the years ended September 30, 2016 and 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the IMLS' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the IMLS' internal control. Accordingly, we do not express an opinion on the effectiveness of the IMLS' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Because of inherent limitations in internal controls, including the possibility of management override of controls, misstatements, losses, or noncompliance may nevertheless occur and not be detected. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Report on Compliance

As part of obtaining reasonable assurance about whether the agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and significant provisions of contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations. We limited our tests of compliance to these provisions and we did not test compliance with all laws and regulations applicable to the IMLS. Providing an opinion on compliance with certain provisions of laws, regulations, and significant contract provisions and grant agreements was not an objective of our audit and, accordingly, we do not express such an opinion.

In connection with our audit, nothing came to our attention that caused us to believe that IMLS failed to comply with applicable laws, regulations, or significant provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the IMLS' noncompliance with applicable laws, regulations, or significant provisions of laws, regulations, contracts, and grant agreements insofar as they relate to accounting matters.

Restricted Use Relating to Reports on Internal Control and Compliance

The purpose of the communication included in the sections identified as "Report on Internal Control" and "Report on Compliance" is solely to describe the scope of our testing of internal control over financial reporting and compliance, and to describe any material weaknesses, significant deficiencies, or instances of noncompliance we noted as a result of that testing. Our objective was not to provide an opinion on the design or effectiveness of the IMLS' internal control over financial reporting or its compliance with laws, regulations, contracts or grant agreements. The two sections of the report referred to above are integral parts of an audit performed in accordance with *Government Auditing Standards* in considering the IMLS' internal control over financial reporting and compliance. Accordingly, those sections of the report are not suitable for any other purpose.

Agency Comments and Auditor Evaluation

In its response to the draft report, IMLS concurred with the facts and conclusions of the audit. A copy of management's response accompanies this report.

Leon Snead & Company, P.C.

November 10, 2016

Rockville, MD



Connecting People to Information and Ideas

November 10, 2016

Ms. Sue Chen
Senior Auditor
Leon Snead & Company
416 Hungerford Drive, Ste 400
Rockville, MD 20850

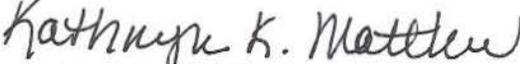
Dear Ms. Chen,

Thank you for managing the audit of the Institute of Museum and Library Services' fiscal year 2016 financial statements.

We concur with the facts and conclusion of your report, and are pleased to learn of the unmodified opinion on our financial statements and related notes. Your work helped validate the success of our continuing efforts to enhance IMLS' financial management systems and improve internal controls.

We appreciate the time and effort committed by you and your colleagues who worked on the audit. The professionalism of the audit team continues to be exemplary, and was instrumental in our efforts to complete the deliverables in a timely manner.

Yours truly,


Dr. Kathryn K. Matthew
Director

Cc: Chris Catignani, Chief Financial Officer

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
BALANCE SHEET
As of September 30, 2016 and 2015
(in dollars)

Assets:	<u>2016</u>	<u>2015</u>
Intragovernmental:		
Fund Balance with Treasury (Note 2)	\$ 281,492,475	\$ 279,214,206
Accounts Receivable	32,493	-
Other - Advances (Note 4)	<u>77,732</u>	<u>587,032</u>
Total intragovernmental	281,602,700	279,801,238
General property, plant and equipment, net (Note 3)	1,759,863	-
Other - Grant Advances (Note 4)	<u>4,889,986</u>	<u>5,231,128</u>
Total assets	<u><u>\$ 288,252,549</u></u>	<u><u>\$ 285,032,366</u></u>
Liabilities (note 5):		
Intragovernmental:		
Other (Note 6)	<u>\$ 688,730</u>	<u>\$ 283,168</u>
Total intragovernmental	688,730	283,168
Accounts payable	1,593,480	122,678
Other (Note 6)	886,060	736,898
Other - Grant Accrual (Note 6)	<u>35,056,513</u>	<u>39,168,404</u>
Total liabilities	<u><u>38,224,783</u></u>	<u><u>40,311,148</u></u>
Commitments and contingencies	-	-
Net position:		
Unexpended appropriations - All Other Funds	\$ 248,367,884	\$ 244,197,861
Cumulative results of operations - Funds from Dedicated Collections (Note 8)	146,272	141,182
Cumulative results of operations - All Other Funds	<u>1,513,610</u>	<u>382,175</u>
Total Net Position - Funds from Dedicated Collections (Note 8)	146,272	141,182
Total Net Position - All Other Funds	<u>249,881,494</u>	<u>244,580,036</u>
Total Net Position	<u><u>250,027,766</u></u>	<u><u>244,721,218</u></u>
Total liabilities and net position	<u><u>\$ 288,252,549</u></u>	<u><u>\$ 285,032,366</u></u>

The accompanying notes are an integral part of these statements

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
STATEMENT OF CHANGES IN NET POSITION
As of September 30, 2016 and 2015
(in dollars)

	2016			2015		
	Funds from Dedicated Collections (Combined (note 8))	All Other Funds	Consolidated Total	Funds from Dedicated Collections (Combined (note 8))	All Other Funds	Consolidated Total
Cumulative Results Of Operations:						
Beginning Balances	\$ 141,182	\$ 382,175	\$ 523,357	\$ 338,826	\$ 458,748	\$ 797,574
Adjustments:						
Changes in accounting principles	-	-	-	-	-	-
Corrections of errors	-	-	-	-	-	-
Beginning Balance, as adjusted	141,182	382,175	523,357	338,826	458,748	797,574
Budgetary Financing Sources:						
Appropriations Used	-	223,390,700	223,390,700	-	223,859,389	223,859,389
Nonexchange Revenue	-	-	-	-	-	-
Donations of Cash and Cash Equivalents (note 18)	176,000	-	176,000	(96,363)	-	(96,363)
Transfers in/out without reimbursement	-	-	-	-	-	-
Other	-	-	-	-	-	-
Other Financing Sources (Non-Exchange):						
Imputed financing	-	334,851	334,851	-	360,261	360,261
Total Financing Sources	176,000	223,725,551	223,901,551	(96,363)	224,219,650	224,123,287
Net Cost of Operations	170,910	222,594,115	222,765,025	101,281	224,296,223	224,397,504
Net Change	5,090	1,131,435	1,136,525	(197,644)	(76,573)	(274,217)
Cumulative Results Of Operations	146,272	1,513,610	1,659,882	141,182	382,175	523,357
Unexpended Appropriations:						
Beginning Balance	-	244,197,861	244,197,861	-	242,791,519	242,791,519
Adjustments:						
Changes in accounting principles	-	-	-	-	-	-
Corrections of errors	-	-	-	-	-	-
Beginning Balance, as adjusted	-	244,197,861	244,197,861	-	242,791,519	242,791,519
Budgetary Financing Sources:						
Appropriations Received	-	230,000,000	230,000,000	-	227,860,000	227,860,000
Appropriations transferred in/out	-	-	-	-	(300,000)	(300,000)
Other Adjustments	-	(2,439,277)	(2,439,277)	-	(2,294,269)	(2,294,269)
Appropriations Used	-	(223,390,700)	(223,390,700)	-	(223,859,389)	(223,859,389)
Total Budgetary Financing Sources	-	4,170,023	4,170,023	-	1,406,342	1,406,342
Total Unexpended Appropriations	-	248,367,884	248,367,884	-	244,197,861	244,197,861
Net Position	\$ 146,272	\$ 249,881,494	\$ 250,027,766	\$ 141,182	\$ 244,580,036	\$ 244,721,218

The accompanying notes are an integral part of these statements

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
STATEMENT OF NET COST
As of September 30, 2016 and 2015
(in dollars)

Program costs: (Notes 9 & 10)	<u>2016</u>	<u>2015</u>
Goal 1: Supporting lifelong learning		
Gross costs	\$ 85,647,187	\$ 87,262,331
Less: Earned revenue (note 10)	(158,391)	-
Net Program Costs	<u>85,488,796</u>	<u>87,262,331</u>
Goal 2: Promoting museums and libraries as strong community anchors		
Gross costs	\$ 61,762,895	\$ 63,949,750
Less: Earned revenue	(199,892)	-
Net Program Costs	<u>61,563,003</u>	<u>63,949,750</u>
Goal 3: Supporting exemplary stewardship of museum and library collections		
Gross costs	\$ 74,123,003	\$ 72,268,117
Less: Earned revenue	(37,129)	(1,004,686)
Net Program Costs	<u>74,085,874</u>	<u>71,263,431</u>
Goal 4: Sustaining and increasing public access to information and ideas		
Gross costs	\$ 1,632,845	\$ 1,921,992
Less: Earned revenue	(5,493)	-
Net Program Costs	<u>1,627,352</u>	<u>1,921,992</u>
Net Cost of Operations	<u><u>\$ 222,765,025</u></u>	<u><u>\$ 224,397,504</u></u>

The accompanying notes are an integral part of these statements

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
STATEMENT OF BUDGETARY RESOURCES
As of September 30, 2016 and 2015
(in dollars)

	2016	2015
	Budgetary	Budgetary
Budgetary Resources:		
Unobligated balance, brought forward, October 1	\$ 6,330,591	\$ 6,379,932
Adjustment to unobligated balance brought forward, October 1 (+ or -)	-	-
Unobligated balance brought forward, October 1, as adjusted	6,330,591	6,379,932
Recoveries of prior year unpaid obligations	2,309,396	2,526,946
Other changes in unobligated balance (+ or -)	<u>(2,262,805)</u>	<u>(2,294,269)</u>
Unobligated balance from prior year budget authority, net	6,377,182	6,612,609
Appropriations (discretionary and mandatory)	230,176,000	227,463,637
Spending authority from offsetting collections (discretionary and mandatory)	<u>181,000</u>	<u>324,181</u>
Total Budgetary Resources	<u><u>\$ 236,734,182</u></u>	<u><u>\$ 234,400,427</u></u>
Status of Budgetary Resources:		
Obligations incurred (Note 12)	\$ 231,211,296	\$ 228,069,836
Unobligated balance, end of year:		
Apportioned	2,560,420	2,959,016
Exempt from apportionment	69,605	70,832
Unapportioned	<u>501,016</u>	<u>3,300,743</u>
Unexpired unobligated balance, end of year	3,131,041	3,029,848
Expired unobligated balance, end of year	2,391,845	3,300,743
Total unobligated balance, end of year	<u>5,522,886</u>	<u>6,330,591</u>
Total Budgetary Resources	<u><u>\$ 236,734,182</u></u>	<u><u>\$ 234,400,427</u></u>
Change in Obligated Balance:		
Unpaid obligations:		
Unpaid obligations, brought forward, October 1	\$ 272,897,013	\$ 276,666,565
Adjustment to unpaid obligations, start of year (+ or -)	-	-
Obligations incurred	231,211,296	228,069,836
Outlays (gross) (-)	(225,796,831)	(229,312,442)
Actual transfers, unpaid obligations (net) (+ or -)	-	-
Recoveries of prior year unpaid obligations (-)	<u>(2,309,396)</u>	<u>(2,526,946)</u>
Unpaid obligations, end of year	276,002,082	272,897,013
Uncollected payments:		
Uncollected payments, Federal Source, brought forward Oct 1 (-)	<u>(13,398)</u>	-
Adjustment to uncollected payments, Federal Source, start of year (+ or -)	-	-
Change in uncollected payments, Federal Source (+ or -)	(19,095)	(13,398)
Actual transfers, uncollected payments, Federal Sources (net) (+ or -)	-	-
Uncollected payments from Federal sources, end of year (+ or -)	<u>(32,493)</u>	<u>(13,398)</u>
Memorandum (non-add) entries:		
Obligated balance, start of year (+ or -)	<u>\$ 272,883,615</u>	<u>\$ 276,666,565</u>
Obligated balance, end of year (+ or -)	<u>\$ 275,969,589</u>	<u>\$ 272,883,615</u>
Budget Authority and Outlays, Net:		
Budget authority, gross (discretionary and mandatory)	\$ 230,357,000	\$ 227,787,818
Actual offsetting collections (discretionary and mandatory) (-)	(338,378)	(344,964)
Change in uncollected customer payments from Federal sources (discretionary and mandatory) (+ or -)	(19,095)	(13,398)
Recoveries of prior year paid obligations (discretionary and mandatory)	176,473	34,181
Anticipated offsetting collections (discretionary and mandatory) (+ or -)	-	-
Budget authority, net (discretionary and mandatory)	<u><u>\$ 230,176,000</u></u>	<u><u>\$ 227,463,637</u></u>
Outlays, gross (discretionary and mandatory)	\$ 225,796,831	\$ 229,312,442
Actual offsetting collections (discretionary and mandatory) (-)	<u>(338,378)</u>	<u>(310,783)</u>
Outlays, net (discretionary and mandatory)	225,458,453	229,001,659
Distributed offsetting receipts (-)	<u>(176,000)</u>	<u>96,363</u>
Agency outlays, net (discretionary and mandatory)	<u><u>\$ 225,282,453</u></u>	<u><u>\$ 229,098,022</u></u>

The accompanying notes are an integral part of these statements

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
NOTES TO THE FINANCIAL STATEMENTS
As of September 30, 2016 and 2015
(in Dollars)

Note 1 Significant Accounting Policies

The Financial Statements are presented in accordance with the accounting principles, reporting standards, and circulars of the principal central agencies of the Department of Treasury (Treasury); the Government Accountability Office (GAO); and the Office of Management and Budget (OMB).

A. Basis of Presentation

The financial statements have been prepared to report the financial position and results of operations of the Institute of Museum and Library Services (IMLS) as required by the Accountability of Tax Dollars Act of 2002 (ATDA), Public Law No. 107-289. The statements have been prepared from the books and records of IMLS in accordance with the form and content for entity financial statements, as specified by OMB Circular A-136, Financial Reporting Requirements, and IMLS accounting policies, which are summarized in this note. This statement differs from agency financial management reports also prepared by IMLS pursuant to OMB directives that are used to monitor and control IMLS' use of budgetary resources.

B. Reporting Entity

IMLS is the primary source of federal support for the nation's 123,000 libraries and 35,000 museums. The mission of IMLS is to inspire libraries and museums to advance innovation, lifelong learning, and cultural and civic engagement. We provide leadership through research, policy development, and grant making. IMLS supports key issues of national concern.

The activities of IMLS are authorized by Chapter 72 of Title 20 of the U.S. Code (20 USC Section 9101 et seq.), which codifies the Museum and Library Services Act, as amended, as well as Section 80r-5(b) of Title 20 of the U.S. Code (20 USC Section 80r-5(b)), which codifies the National Museum of African American History and Culture Act.

C. Budgets and Budgetary Accounting

The activities of IMLS are authorized by Chapter 72 and Section 80r-5(b) of Title 20 of the U.S. Code. As a federal agency administering discretionary federal programs, IMLS receives its funding through the indefinite appropriation process. It is one of several independent agencies whose spending limits each year are established in the Labor, Health and Human Services, Education, and Related Agencies Appropriations Act. IMLS's function is to support museum and library services.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
NOTES TO THE FINANCIAL STATEMENTS
As of September 30, 2016 and 2015
(in Dollars)

D. Basis of Accounting

Transactions are recorded on an accrual accounting basis and budgetary basis. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of Federal funds.

E. Fund Balance with Treasury and Cash

Cash receipts and disbursements are processed by the U.S. Department of the Treasury. IMLS does not maintain cash in commercial bank accounts. Funds with Treasury are available to pay current liabilities and finance authorized purchase obligations.

F. Accounts Receivable

The agency reports an accounts receivable balance when amounts for revenue and expenses related to reimbursable agreements are accrued for reporting purposes.

G. Advances and Prepayments

IMLS records grant payments for work not yet performed at year-end as advances. As advances are liquidated in subsequent fiscal years, they are recorded as expenses.

H. Revenues and Other Financing Sources

IMLS receives funding through annual Congressional appropriations from the budget of the United States. In addition, IMLS was granted the authority to accept donations and to invest in interest-bearing accounts. These donations, which constitute funds from dedicated collections, may be restricted as to the purpose or time period for which they are provided.

I. Non-Entity Assets and Liabilities

Non-entity assets are defined as those assets that are held and managed by IMLS but are not available to finance IMLS operations. An amount equal to the non-entity assets is recognized as an entity liability under Other Liabilities.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
NOTES TO THE FINANCIAL STATEMENTS
As of September 30, 2016 and 2015
(in Dollars)

J. General Property, Plant and Equipment

IMLS' policy is to depreciate property, plant and equipment over the estimated useful life of the asset using the straight-line depreciation method. IMLS' capitalization threshold is \$75,000 for individual purchases and \$100,000 for aggregate purchases with a minimum \$2,500 per item. Estimated useful lives by asset class are as shown below:

<u>Asset Class</u>	<u>Useful Life</u>
Computer equipment & software	3 years
Office equipment	5 years
Furniture	7 years
Leasehold Improvement	Lease Term

K. Liabilities

Liabilities represent transactions or events that have already occurred for which IMLS will likely pay. No liability can be paid, however, absent an appropriation, or in some cases donated funds. Liabilities for which an appropriation has not been enacted are classified as not covered by budgetary resources, because there is no absolute certainty that the appropriation will be enacted. Also, liabilities can be abrogated by the Government acting in its sovereign capacity.

L. Accounts Payable

Accounts payable consists of amounts owed to other federal agencies and commercial vendors. Accounts payable to commercial vendors are expenses for goods and services received but not yet paid by IMLS.

M. Annual, Sick, and Other Leave

Annual leave is accrued as it is earned and the accrual is reduced as leave is taken. Each year, the balance in the accrued leave account is adjusted to reflect current pay rates and balances. To the extent current or prior year appropriations are not available to fund annual leave earned but not taken, funding will be obtained from future financing sources. Sick leave and other types of non-vested leave are expensed as taken.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
NOTES TO THE FINANCIAL STATEMENTS
As of September 30, 2016 and 2015
(in Dollars)

N. Retirement Plans

IMLS employees participate in the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). FERS was established by enactment of Public Law 99-335. Pursuant to this law, FERS and Social Security automatically cover most employees hired after December 31, 1983. Employees hired before January 1, 1984 participate in CSRS unless they elected to join FERS and Social Security.

All employees are eligible to contribute to the Thrift Savings Plan (TSP). For those employees participating in FERS, a TSP account is automatically established and IMLS makes a mandatory one percent contribution to this account. In addition, IMLS makes matching contributions, ranging from one to four percent, for FERS-eligible employees who contribute to their TSP accounts. Matching contributions are not made to the TSP accounts established by CSRS employees.

O. Imputed Benefit Costs

IMLS reports imputed benefit costs on Life Insurance, Health Insurance, and Retirement. The Office of Personnel Management (OPM) supplies certain cost factors that are applied to the Agency's records.

P. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes available, which could impact the amounts reported and disclosed herein.

The grant accrual amount is computed using the straight line method. The average monthly expenditure is calculated by dividing the available grant balance by the remaining months based on the grant end date, except for the LSTA Grants to States. The Grants to States accrual estimate is based on IMLS performing a data call to each State Library Agency to obtain their accrual estimates for the reporting period for all open grants. The Grants to States program alone represents over 72% of IMLS program funds and from a cost/benefit perspective is the only program that can employ the data call approach because of the lower volume of grants. This accrual also includes amounts for expenses related to reimbursable agreements which results in a small accounts receivable balance.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
NOTES TO THE FINANCIAL STATEMENTS
As of September 30, 2016 and 2015
(in Dollars)

Q. Federal employee and veteran benefits

There are no federal employee and veteran benefits liabilities that require disclosure.

R. Commitments and Contingencies

There are no commitments or contingencies that require disclosure.

S. Stewardship Investments

Stewardship investments are substantial investments made by the Federal Government for the benefit of the nation. Costs of stewardship-type resources are treated as expenses in determining the net cost of operations. For IMLS, such investments are measured in terms of expenses incurred in research and development.

T. Change in Accounting Principle

In the fourth quarter of FY 2016, TFM Bulletin 2016-07 changed the presentation of the Statement of Budgetary Resources (SBR) by adding new lines for Unexpired unobligated balance, end of year, Expired unobligated balance, end of year, and Recoveries of prior year paid obligations (discretionary and mandatory), to facilitate the reconciliation between the SBR and the SF133, Report on Budget Execution.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
NOTES TO THE FINANCIAL STATEMENTS
As of September 30, 2016 and 2015
(in Dollars)

Note 2 Fund Balance with Treasury

	2016		
Intragovernmental:	Entity	Non-Entity	Total
Trust Fund	\$ 149,605	\$ -	\$ 149,605
Annual Appropriated Fund	277,815,994	-	277,815,994
No Year Appropriated Funds	3,526,876	-	3,526,876
Treasury Misc. Receipts	-	-	-
Total	\$ 281,492,475	\$ -	\$ 281,492,475

	2015		
Intragovernmental:	Entity	Non-Entity	Total
Trust Fund	\$ 153,833	\$ -	\$ 153,833
Annual Appropriated Fund	274,413,238	-	274,413,238
No Year Appropriated Funds	4,647,135	-	4,647,135
Treasury Misc. Receipts	-	-	-
Total	\$ 279,214,206	\$ -	\$ 279,214,206

Status of Fund Balance with Treasury:	2016
Unobligated Balance	
Available	\$ 2,630,026
Unavailable- No Year / Admin	27,625
Unavailable- No Year / Program	473,390
Unavailable- Annual Funds	2,391,845
Unfilled Customer Orders Without Advance	(32,493)
Obligated Balance Not Yet Disbursed	276,002,082
Total	\$ 281,492,475

Status of Fund Balance with Treasury:	2015
Unobligated Balance	
Available	\$ 3,029,848
Unavailable- No Year / Admin	209,503
Unavailable- No Year / Program	650,970
Unavailable- Annual Funds	2,440,270
Unfilled Customer Orders Without Advance	(13,398)
Obligated Balance Not Yet Disbursed	272,897,013
Total	\$ 279,214,206

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Note 3 General Property, Plant & Equipment

Major Class	2016		
	Acquisition Value	Accumulated Amortization	Net Book Value
Leasehold Improvements	\$ 888,936	\$ 51,855	\$ 837,081
IT Equipment	425,347	82,609	342,738
Office Furniture and Equipment	631,727	51,683	580,044
Total PP&E	<u>\$ 1,946,010</u>	<u>\$ 186,147</u>	<u>\$ 1,759,863</u>

Major Class	2015		
	Acquisition Value	Accumulated Amortization	Net Book Value
Leasehold Improvements	\$ 937,598	\$ 937,598	-
Equipment	383,842	383,842	-
Total PP&E	<u>\$ 1,321,440</u>	<u>\$ 1,321,440</u>	<u>\$ -</u>

All capitalizable assets acquired prior to fiscal year 2016 have been fully depreciated. The leasehold improvements recorded in FY 2016 represent capitalized costs incurred as part of entering into new Reimbursable Work Agreements (RWA) with GSA and will be amortized on a straight-line basis over the life of the 10 year occupancy agreement at 955 L'Enfant Plaza. Both the IT equipment line and the office furniture and equipment line include the capitalized costs of acquisitions required to complete the relocation into the new space. These items will be depreciated in accordance with the agency's policy.

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Note 4 Other Assets

	<u>2016</u>	<u>2015</u>
Intragovernmental Advances	\$ 77,732	\$ 587,032
Grant Advances	<u>4,889,986</u>	<u>5,231,128</u>
Total Other Assets	<u>\$ 4,967,718</u>	<u>\$ 5,818,160</u>

The intragovernmental advances balance primarily consists of agreements between the Library of Congress and IMLS for the Residency Program in Digital Curation and the 2016 National Book Festival.

The grant advances with the public consist of payments made to grantees. Grantees are authorized by OMB to request advances toward grant awards. IMLS policy states that advances are limited to the recipient's immediate cash needs and must be fully disbursed within 30 days. Grantees are required to report on the status of funds paid in advance by submitting a Request for Advance or Reimbursement (SF-270) within 30 days of receipt. The amount in the Grant Advances line item represents the total amount of unliquidated advances requested and paid to grantees as of the year ended September 30, 2016.

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Note 5 Liabilities Not Covered by Budgetary Resources

	2016
Intragovernmental:	
Deferred rent expense	\$ 575,233
Other unfunded employment	34,286
Total intragovernmental	609,519
Accounts payable	-
Accrued unfunded leave	587,583
Misc. Receipts Payable to Treasury	-
Total liabilities not covered by budgetary resources	1,197,102
Total liabilities covered by budgetary resources	37,027,681
Total liabilities	\$ 38,224,783
	2015
Intragovernmental:	
Other unfunded employment	\$ 32,583
Total intragovernmental	32,583
Accounts payable	-
Accrued unfunded leave	536,091
Misc. Receipts Payable to Treasury	-
Total liabilities not covered by budgetary resources	568,674
Total liabilities covered by budgetary resources	39,742,474
Total liabilities	\$ 40,311,148

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Note 6 Other Liabilities

	2016		
	Non-Current	Current	Total
Intragovernmental:			
Deferred Rent Expense	\$ 511,318	\$ 63,915	\$ 575,233
Liability for Prepayments	-	-	-
Employer Contrib. & PR Tax	-	103,724	103,724
Unbilled Assets	-	9,773	9,773
Total Intragovernmental	<u>\$ 511,318</u>	<u>\$ 177,412</u>	<u>\$ 688,730</u>
Public:			
Accrued Pay and Benefits	\$ -	\$ 854,497	\$ 854,497
Employer Contrib. & PR Tax	-	11,563	11,563
Unbilled Assets	-	20,000	20,000
Grant Accrual	-	35,056,513	35,056,513
Total Public	<u>\$ -</u>	<u>\$ 35,942,573</u>	<u>\$ 35,942,573</u>
Total Other Liabilities	<u>\$ 511,318</u>	<u>\$ 36,119,985</u>	<u>\$ 36,631,303</u>
	2015		
	Non-Current	Current	Total
Intragovernmental:			
Liability for Prepayments	\$ -	\$ 198,761	\$ 198,761
Employer Contrib. & PR Tax	-	84,407	84,407
Total Intragovernmental	<u>\$ -</u>	<u>\$ 283,168</u>	<u>\$ 283,168</u>
Public:			
Accrued Pay and Benefits	\$ -	\$ 728,515	\$ 728,515
Employer Contrib. & PR Tax	-	8,383	8,383
Grant Accrual	-	39,168,404	39,168,404
Total Public	<u>\$ -</u>	<u>\$ 39,905,302</u>	<u>\$ 39,905,302</u>
Total Other Liabilities	<u>\$ -</u>	<u>\$ 40,188,470</u>	<u>\$ 40,188,470</u>

The deferred rent amount recognizes the expense the agency has accrued on a straight-line basis while in a 12 month rent abatement period since entering the new occupancy agreement with GSA in March of 2016. The decrease in the liability for prepayments from FY 2015 to FY 2016 was primarily driven by the completion of services on the reimbursable agreement that was entered into with the Department of Education in the fourth quarter of FY 2014.

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Note 7 Lease

Office Space: IMLS reached the end of a 10-year occupancy agreement with the U.S. General Services Administration (GSA) at its previous location of 1800 M Street, Washington, DC, in April 2015 and entered into a one year extension through March of 2016. The short-term extension of the occupancy agreement with GSA for the 1800 M Street location provided occupancy until the relocation occurred. This agreement included a rental expense premium clause due to the short-term nature of the extension resulting in a monthly rental expense of approximately \$160,000.

The agency entered a 10-year occupancy agreement with GSA to occupy 27,714 square feet of office space at 955 L'Enfant Plaza, SW in the District of Columbia, and the agency relocated into the space in March of 2016. This occupancy agreement is cancellable, has a rent abatement clause through the first 12 months, and includes a tenant improvement allowance of approximately \$1.1M which covered improvements for occupancy by the agency. The probability of the agency terminating the occupancy agreement is remote, therefore no liability has been recorded for the unamortized tenant improvement allowance. The rent abatement period will extend into April 2017, and then the billing of the anticipated rental rate of \$100,000 per month will commence along with any necessary inflationary adjustments.

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Note 8 Funds from Dedicated Collections

IMLS has a dedicated collections fund for Gifts and Donations. The Treasury Symbol for this fund is 59X8080, Gifts and Donations, Institute of Museum Services. The DELPHI accounting system tracks the activity in this fund via a unique code.

Balance Sheet for the Year Ended September 30	2016	2015
ASSETS		
Fund balance with Treasury Investment	\$ 149,605	\$ 153,833
Other Assets	-	-
Total Assets	\$ 149,605	\$ 153,833
LIABILITIES and NET POSITION		
Other Liabilities	\$ 3,333	\$ 12,651
Cumulative Results of Operations	146,272	141,182
Total Liabilities and Net Position	\$ 149,605	\$ 153,833
 Statement of Net Cost for the Year Ended September 30		
Program Costs	\$ (170,910)	\$ (101,281)
Less: Resources	176,000	(96,363)
Excess of Donations Received Over Cost Incurred	\$ 5,090	\$ (197,644)
 Statement of Changes in Net Position for the Year Ended September 30		
Net Position Beginning of Period	\$ 141,182	\$ 338,826
Change in Net Position	5,090	(197,644)
Net Position End of Period	\$ 146,272	\$ 141,182

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Note 9 Intragovernmental Costs and Exchange Revenue by Program/Goal

	2016	2015
<u>Goal 1: Supporting lifelong learning</u>		
Intragovernmental costs	\$ 2,181,973	\$ 1,773,664
Public Costs	83,465,214	85,488,667
Less: Intragovernmental earned revenue	152,897	-
Less: Public earned revenue	5,494	-
Net Program Cost	\$ 85,488,796	\$ 87,262,331
 <u>Goal 2: Promoting museums and libraries as strong community anchors</u>		
Intragovernmental costs	\$ 1,617,322	\$ 1,389,222
Public Costs	60,145,573	62,560,528
Less: Intragovernmental earned revenue	194,398	-
Less: Public earned revenue	5,494	-
Net Program Cost	\$ 61,563,003	\$ 63,949,750
 <u>Goal 3: Supporting exemplary stewardship of museum and library collections</u>		
Intragovernmental costs	\$ 1,897,712	\$ 1,563,111
Public Costs	72,225,291	70,705,006
Less: Intragovernmental earned revenue	31,635	1,004,686
Less: Public earned revenue	5,494	-
Net Program Cost	\$ 74,085,874	\$ 71,263,431
 <u>Goal 4: Sustaining and increasing public access to information and ideas</u>		
Intragovernmental costs	\$ 198,417	\$ 896,700
Public Costs	1,434,428	1,025,292
Less: Intragovernmental earned revenue	-	-
Less: Public earned revenue	5,493	-
Net Program Cost	\$ 1,627,352	\$ 1,921,992
Net Cost of Operations	\$ 222,765,025	\$ 224,397,504

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Note 10 Suborganization Program Costs/Program Costs by Segment

	2016				
Program Costs:	Library State Grants	Library Other Grants	Museum Grants	Administrative	Total
Goal 1: Support Lifelong Learning					
Gross Costs	\$ 50,603,616	\$ 14,354,438	\$ 14,501,433	\$ 6,187,700	\$ 85,647,187
Less: Earned Revenue	<u>-</u>	<u>-</u>	<u>152,897</u>	<u>5,494</u>	<u>158,391</u>
Net Program Costs	<u>\$ 50,603,616</u>	<u>\$ 14,354,438</u>	<u>\$ 14,348,536</u>	<u>\$ 6,182,206</u>	<u>\$ 85,488,796</u>
Goal 2: Promoting museums and libraries as strong community anchors					
Gross Costs	\$ 50,603,615	\$ 2,835,910	\$ 3,800,416	\$ 4,522,954	\$ 61,762,895
Less: Earned Revenue	<u>-</u>	<u>97,199</u>	<u>97,199</u>	<u>5,494</u>	<u>199,892</u>
Net Program Costs	<u>\$ 50,603,615</u>	<u>\$ 2,738,711</u>	<u>\$ 3,703,217</u>	<u>\$ 4,517,460</u>	<u>\$ 61,563,003</u>
Goal 3: Supporting exemplary stewardship of museum and library collections					
Gross Costs	\$ 52,137,059	\$ 6,457,494	\$ 10,173,287	\$ 5,355,163	\$ 74,123,003
Less: Earned Revenue	<u>-</u>	<u>-</u>	<u>31,635</u>	<u>5,494</u>	<u>37,129</u>
Net Program Costs	<u>\$ 52,137,059</u>	<u>\$ 6,457,494</u>	<u>\$ 10,141,652</u>	<u>\$ 5,349,669</u>	<u>\$ 74,085,874</u>
Goal 4: Sustaining and increasing public access to information and ideas					
Gross Costs	\$ -	\$ -	\$ -	\$ 1,632,845	\$ 1,632,845
Less: Earned Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,493</u>	<u>5,493</u>
Net Program Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,627,352</u>	<u>\$ 1,627,352</u>
Net Cost of Operations	<u>\$ 153,344,290</u>	<u>\$ 23,550,643</u>	<u>\$ 28,193,405</u>	<u>\$ 17,676,687</u>	<u>\$ 222,765,025</u>

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	2015				
	Library State Grants	Library Other Grants	Museum Grants	Administrative	Total
Goal 1: Support Lifelong Learning					
Gross Costs	\$ 50,447,082	\$ 16,790,536	\$ 14,367,850	\$ 5,656,863	\$ 87,262,331
Less: Earned Revenue	-	-	-	-	-
Net Program Costs	<u>\$ 50,447,082</u>	<u>\$ 16,790,536</u>	<u>\$ 14,367,850</u>	<u>\$ 5,656,863</u>	<u>\$ 87,262,331</u>
Goal 2: Promoting museums and libraries as strong community anchors					
Gross Costs	\$ 50,447,083	\$ 4,764,729	\$ 4,619,906	\$ 4,118,032	\$ 63,949,750
Less: Earned Revenue	-	-	-	-	-
Net Program Costs	<u>\$ 50,447,083</u>	<u>\$ 4,764,729</u>	<u>\$ 4,619,906</u>	<u>\$ 4,118,032</u>	<u>\$ 63,949,750</u>
Goal 3: Supporting exemplary stewardship of museum and library collections					
Gross Costs	\$ 51,975,782	\$ 6,426,921	\$ 9,162,358	\$ 4,703,056	\$ 72,268,117
Less: Earned Revenue	-	-	1,004,686	-	1,004,686
Net Program Costs	<u>\$ 51,975,782</u>	<u>\$ 6,426,921</u>	<u>\$ 8,157,672</u>	<u>\$ 4,703,056</u>	<u>\$ 71,263,431</u>
Goal 4: Sustaining and increasing public access to information and ideas					
Gross Costs	\$ -	\$ -	\$ -	\$ 1,921,992	\$ 1,921,992
Less: Earned Revenue	-	-	-	-	-
Net Program Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,921,992</u>	<u>\$ 1,921,992</u>
Net Cost of Operations	<u>\$ 152,869,947</u>	<u>\$ 27,982,186</u>	<u>\$ 27,145,428</u>	<u>\$ 16,399,943</u>	<u>\$ 224,397,504</u>

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Note 11 Exchange Revenue

Exchange Revenue in the amount of \$400,905 and \$1,004,686 was recorded in FY 2016 and FY 2015, respectively. Exchange revenue related to an interagency agreement with the Department of Education was recorded for \$152,897. This agreement was entered into for the purpose of improving the retention of students in the Science, Technology, Engineering, and Mathematics (STEM) disciplines. Additional exchange revenue of \$194,398 was recorded due to reimbursable services provided on interagency agreements with both the National Endowment for the Arts and the National Endowment for the Humanities for the continuation of the Film Forward program.

Pricing policy – Generally, when providing products and services, IMLS sets prices to recover the full costs incurred unless otherwise noted in the interagency agreement.

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Note 12 Apportionment Categories of Obligations Incurred

The amount of direct and reimbursable obligations incurred against amounts apportioned under Category A, Administrative, Category B, by Project, and Exempt from Apportionment as of September 30:

	2016		
	No Year	Annual	Total
Obligations Incurred:			
Category A, Direct Obligations	\$ 540,611	\$ 15,903,013	\$ 16,443,624
Category B, Direct Obligations	110,704	214,281,363	214,392,067
Category B, Reimbursable	1	195,227	195,228
Exempt from Apportionment	180,377	-	180,377
Total obligations incurred	\$ 831,693	\$ 230,379,603	\$ 231,211,296

	2015		
	No Year	Annual	Total
Obligations Incurred:			
Category A, Direct Obligations	\$ 69,109	\$ 16,673,573	\$ 16,742,682
Category B, Direct Obligations	153,302	210,739,089	210,892,391
Category B, Reimbursable	-	290,000	290,000
Exempt from Apportionment	144,763	-	144,763
Total obligations incurred	\$ 367,174	\$ 227,702,662	\$ 228,069,836

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Note 13 Undelivered orders at the end of the period

	2016	2015
Administrative	\$ 3,066,303	\$ 4,214,289
Program	240,799,148	234,886,821
Exempt from Apportionment	76,667	70,349
Total undelivered orders	\$ 243,942,118	\$ 239,171,459

Note 14 Explanation of Differences between the Statement of Budgetary Resources and the Budget of the United States Government

The President’s Budget, which includes actual numbers for fiscal year 2016, has not yet been published. Actual numbers for fiscal year 2016 will be included in the President’s Budget for fiscal year 2018, scheduled to be released in February 2017. The budget can be found at <http://www.whitehouse.gov/omb> when it becomes available.

No material differences exist between the amounts reported in the FY 2015 Statement of Budgetary Resources and the 2015 actual amounts reported in the 2017 Budget of the United States Government. The Budget of the United States is displayed to the nearest million, while the Statement of Budgetary Resources is displayed in dollars. The difference noted under Budgetary Resources Available for Obligation is due to a combination of rounding and the expired unobligated balances from prior year annual funds that are reported in the Statement of Budgetary Resources and SF 133 but not in the Budget of the United States Government.

FY 2015 (in Millions of Dollars)	Budgetary Resources Available for Obligation	Obligations Incurred	Distributed Offsetting Receipts	Net Outlays
Budget of the U.S. Government	\$233	\$228	\$0	\$229
IMLS Statement of Budgetary Resources	\$234	\$228	\$0	\$229
Differences	\$1	\$0	\$0	\$0

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Note 15 Incidental Custodial Collections

Custodial collections made by IMLS are deposited and reported into a designated miscellaneous receipt account. At fiscal year-end all custodial collections are returned to the U.S. Treasury.

	2016	2015
Collections for IMLS projects funded in prior years	\$ 13,876	\$ 10,539
Disposition of collections:		
Transferred to Treasury (general fund)	\$ 13,876	\$ 10,539
Retained by the Reporting Entity	-	-
Net custodial revenue activity	\$ -	\$ -

Note 16 Explanations of Differences between Liabilities Not Covered by Budgetary Resources and Components Requiring or Generating Resources in Future Periods

Components that comprise liabilities not covered by budgetary resources represent the cumulative balance of the liability. By contrast, components requiring or generating resources in future periods included in the reconciliation of net cost of operations to budget represent the change in the liability created in the current year.

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Note 17 Reconciliation of Net Cost of Operations to Budget

	2016	2015
Resources Used to Finance Activities:		
Budgetary Resources Obligated		
Obligations incurred	\$ 231,211,296	\$ 228,069,836
Less: Spending authority from offsetting collections and recoveries	(2,666,869)	(2,851,127)
Less: Offsetting receipts	<u>(176,000)</u>	<u>96,363</u>
Obligations net of offsetting collections and recoveries	\$ 228,368,427	\$ 225,315,072
Other Resources		
Imputed financing from costs absorbed by others	<u>334,851</u>	<u>360,261</u>
Total resources used to finance activities	\$ 228,703,278	\$ 225,675,333
Resources Used to Finance Items not Part of the Net Cost of Operations:		
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided (+/-)	\$ 4,770,659	\$ (1,572,512)
Resources that fund expenses recognized in prior periods	568,673	-
Budgetary offsetting collections and receipts that do not affect net cost of operations:		
Other	36,159	49,095
Resources that finance the acquisition of assets	1,924,036	-
Adjustments to net obligations resources that do not affect net cost	<u>-</u>	<u>144,350</u>
Resources used to finance items not part of the Net Cost of Operations	7,299,527	(1,379,067)
Total resources used to finance items not part of the Net Cost of Operations	\$ 221,403,751	\$ 224,296,266
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:		
Components Requiring or Generating Resources in Future Periods		
Increase in Annual leave liability	\$ 587,583	\$ 16,134
Other (+/-)	<u>609,519</u>	<u>(7,194)</u>
Total components of Net Cost of Operation	\$ 1,197,102	\$ 8,940
Components not Requiring or Generating Resources:		
Depreciation and amortization	\$ 186,147	\$ 92,298
Gain/Loss on Disposal of Assets	\$ (21,975)	-
Other (+/-)	<u>-</u>	<u>-</u>
Total components of Net Cost of Operations that will not require or generate resources	\$ 164,172	\$ 92,298
Total components of Net Cost of Operations that will not require or generate resources in the current period	<u>\$ 1,361,274</u>	<u>\$ 101,238</u>
Net Cost of Operations	<u>\$ 222,765,025</u>	<u>\$ 224,397,504</u>

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Note 18 Contributed Capital

IMLS is authorized to solicit, accept, receive, and invest in the name of United States, gifts, bequests, or devices of money and other property of services and to use such property or services in furtherance of the functions of the Institute.

In FY 2016, IMLS has received \$176,000 in total contributions. In FY 2015, IMLS received \$144,350 in total contributions.

4. Required Supplementary Stewardship Information

RSSI – Investment in Research and Development (unaudited)

The Institute of Museum and Library Services through the Museum and Library Services Act of 2010 has unique federal responsibilities for the “development and implementation of policy to ensure the availability of museum, library and information services adequate to meet the essential information, education, research, economic, cultural and civic needs of the people of the United States”. The law charges IMLS with advising the President and Congress on library, museum, and information services and with supporting a wide range of programming that impacts the lives of millions of Americans. The Grants to States program was appropriated funds in the amount of \$155,789,000 in FY 2016 for library funding to all fifty states, the District of Columbia, the U.S. Territories and the Freely Associated States.

In fulfillment of those responsibilities, IMLS has invested research funding in the development of a redesign of the Grants to States Program Reporting (SPR) system to be used by the State Library Administrative Agencies (SLAAs). The SPR system will include technological and informational upgrades to the original reporting system. These upgrades will allow SLAAs to report directly into the SPR system to better categorize and share information. The benefits of improved capture and classification of data from the Grants to States program not only improves program-level evaluation, but offers the states a benchmarking tool for similar projects. Future investment is planned to increase data transparency even further by more broadly sharing the information with the research community and the public. One of the expected benefits for the public is the development of new or improved projects from recipients of IMLS funding.

The original reporting system for the Grants to States program was developed by IMLS in 2002. This legacy reporting system has outlasted all estimates of determinable life. The new SPR system which was fully rolled out to all users in FY 2016 will continue with the Phase III pilot stage for outcomes in FY 2017. The SPR will enhance efforts to quantify non-financial and financial data, offer the states increased reporting capabilities, and allow comparisons of more standardized data from the states. Continued investment in the SPR is planned in FY 2017 to achieve benefits in the area of data transparency, including a layer for search. The development expenses incurred to date for the upgraded SPR are included in the schedule below, and outcomes will be reported at the end of FY 2017.

Fiscal Year	Expenses Incurred
2016	\$165M
2015	\$146M
2014	\$217M
Total	\$528M

5. Other Information

Summary of Financial Statement Audit and Management Assurances (unaudited)

Table 1: Summary of Financial Statement Audit

Audit Option	Unmodified				
Restatement	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
None					
Total Material Weaknesses	0	0	0	0	0

Table 2: Summary of Management Assurances Audit

Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
None						
Total Material Weaknesses	0	0	0	0	0	0

Effectiveness of Internal Control over Operations (FMFIA § 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
None						
Total Material Weaknesses	0	0	0	0	0	0

Conformance with financial management system requirements (FMFIA § 4)						
Statement of Assurance	Federal Systems conform to financial management system requirements					
Non-conformances	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
None						
Total Non-Conformances	0	0	0	0	0	0

Compliance with Section 803(a) of the Federal Financial Management Improvement Act (FFMIA)		
	Agency	Auditor
Overall Substantial Compliance	Not applicable*	Not applicable*
1. System Requirements	Not applicable*	
2. Accounting Standards	Not applicable*	
3. USSGL at Transaction Level	Not applicable*	

*OMB Bulletin 14-02 states that agencies subject to the ATDA and Government Corporation Control Act are not subject to the requirements of FFMIA.

Improper Payments Information Act (IPIA)

Risk Assessment and Systematic Sampling Method

There are only four grant programs where the entire annual budget authority exceeds \$10 million. These are: Grants to States, Laura Bush 21st Century Librarians, Library National Leadership Grants, and Museums for America. Risk factors included in the review of these programs were:

Risk Factor	Response
Whether the program or activity reviewed is new to the Agency	No programs reviewed are new to the Agency.
The complexity of the program or activity reviewed	No program or activity within IMLS is deemed complex, particularly with respect to determining the correct amounts.
The volume of payments made annually	IMLS does not make a high volume of payments annually.
Whether payments or eligibility decisions are made outside of the Agency	No payments or eligibility decisions are made outside of the Agency.
Recent major changes in program funding, authorities, practices, or procedures	No recent major changes have been made for program funding, authorities, practices, or procedures.
Training for personnel	IMLS staff are adequately trained throughout the year on current grants administration practices and policies within the Federal Government.
Significant deficiencies in audit reports	There have been no significant deficiencies in any audit report that might hinder accurate payment certification.
Results from prior improper payment work	A review of improper payments is done each fiscal year and there have been no findings on significant improper payments.

None of these grant programs is considered susceptible to significant erroneous payments or qualifies as “risk susceptible” based on OMB guidance thresholds. The Grants to States program grants are awarded yearly to each of the 50 states, the District of Columbia, the U.S. Territories and the Freely Associated States. The recipient is the State Library Agency of each state or territory, and does not change from year to year. The other three programs follow the IMLS discretionary grant process and each institution is pre-determined for eligibility (as are applicants to all our grant programs).

To identify payments that were erroneously paid, a review of all FY 2016 grant payments was performed. In FY 2016 there were overpayments totaling approximately \$64,413 or 0.03 percent of the Agency’s outlays of \$208.11 million for grant programs. As of September 30, 2016, IMLS has recovered 32 percent of these payments. In FY 2015 there were overpayments totaling approximately \$29,889 or .01 percent of the Agency’s total grant program outlays of \$213.73 million, of which zero percent of the payments were recovered at September 30, 2015, but 100 percent of these payments were recovered as of September 30, 2016. There were no underpayments in the review of the FY 2016 and FY 2015 grant payments.

A review of administrative expenses in FY 2016 identified \$5,543 of improper payments. As of September 30, 2016, IMLS has recovered 67 percent of these payments. For FY 2015, there were no improper payments in administrative activities. In addition, there were no underpayments in the review of FY 2016 and FY 2015 administrative activity outlays. In accordance with the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA), the FY 2016 administrative expense review included vendor payments and employee travel costs, but did not include payroll costs because the actual disbursement of payroll costs to employees is fully the responsibility of our shared service provider. Interagency agreement payments are also not included.

Corrective Actions

While the Agency has determined that no programs are susceptible to significant erroneous payments, it has continued to strengthen its preventative controls prior to disbursement of grant and administrative payments. In FY 2016, IMLS, along with its financial management shared-service provider continued the use of the Batch Processing function of OMB’s Do Not Pay Solution. If a payment is paid in error and deemed improper, IMLS can immediately collect those funds. IMLS reviews 100 percent of reimbursement or advance grant payment requests before a disbursement is made.

Improper Payment Reporting Tables

Table 1: Improper Payment Reduction Outlook

Program or Activity	PY Outlays	PY IP%	PY IP\$	CY Outlays	CY IP%	CY IP\$
Grants	\$213.73M	0.01%	\$.029M	\$208.10M	0.03%	\$.064M
Administrative	\$4.15M	0.00%	\$.000M	\$5.72M	0.09%	\$.006M
Total	\$217.88M		\$.029M	\$213.82M		\$.070M

Program or Activity	CY+1 Est. Outlays *	CY+1 IP%	CY+1 IP\$	CY+2 Est. Outlays	CY+2 IP%	CY+2 IP\$	CY+3 Est. Outlays	CY+3 IP%	CY+3 IP\$
Grants	\$210.00M	0.02%	\$.042M	\$211.00M	0.01%	\$.021M	\$212.0M	0.005%	\$.011M
Administrative	\$5.00M	0.00%	\$.000M	\$5.00M	0.00%	\$.000M	\$5.00M	0.000%	\$.000M
Total	\$215.00M		\$.042M	\$216.00M		\$.021M	\$217.00M		\$.011M

*Outlays do not match to the President’s Budget due to payroll and interagency agreement outlays not reflected.

Table 2: Overpayments Recaptured Outside of Payment Recapture Audits

Agency Source: (Post-payment reviews)	Amount Identified (CY)	Amount Recaptured (CY)	Amount Identified (PY)	Amount Recaptured PY	Cumulative Amount Identified (CY+PYs)	Cumulative Amount Recaptured (CY+PYs)
Grants	\$.064M	\$.024M	\$.029M	\$.029M	\$.093M	\$.053M
Administration	\$.006M	\$.000M	\$.000M	\$.000M	\$.006M	\$.000M
Total	\$.070M	\$.024M	\$.029M	\$.029M	\$.099M	\$.053M

Agency Reduction of Improper Payments with the Do Not Pay Initiative

An important part of the IMLS’s program integrity efforts designed to prevent, identify, and reduce improper payments is integrating Treasury Department’s Do Not Pay (DNP) Business Center into our existing processes. IMLS utilizes the DNP Business Center to perform online searches, screen payments against the DNP databases, and augment OFM’s data analytics capabilities.

IMLS follows established pre-enrollment, pre-award, and pre-payment processes for all acquisition and financial assistance awards. Pre-enrollment procedures include cross-referencing applicants against General Services Administration’s (GSA) System for Award Management (SAM) exclusion records. We also review federal and commercial databases to verify past performance, federal government debt, integrity, and business ethics. As part of our pre-award process and prior to entering into an agreement, we require recipients of financial assistance to verify the entities they transact with are not excluded from receiving federal funds. For pre-payment processes, ESC verifies an entity against both SAM and the Internal Revenue Service’s Taxpayer Identification Number (TIN) Match Program before establishing them as a vendor in our core financial accounting system.

Using the DNP Business Center helps IMLS to improve the quality and integrity of information within our financial system. ESC engaged the DNP Analytics Services to match our vendor records with the Death Master File (DMF) which enabled them to classify the vendor records into risk-based categories for further evaluation. ESC deactivated the highest risk vendor records, thereby decreasing the likelihood of improper payments to deceased individuals.

The IMLS performs post-payment reviews to adjudicate conclusive matches identified by the DNP Business Center. The monthly adjudication process involves verifying payee information against internal sources, reviewing databases within the DNP Business Center, and confirming whether IMLS applied appropriate business rules when the payments was made.

The upgrade by the DNP Business Center to improve its capabilities by automating the adjudication process through the DNP portal and providing better matching against SAM in the prior year has resulted in efficiencies. ESC is up to date on reviews based on DNP’s automated adjudication process.

Table 3: Implementation of the Do Not Pay Initiative to Prevent Improper Payments

	Number (#) of payments reviewed for improper payments	Dollars (\$) of payments reviewed for improper payments	Number (#) of payments stopped	Dollars (\$) of payments stopped	Number (#) of improper payments reviewed and not stopped	Dollars (\$) of improper payments reviewed and not stopped
Reviews with the DMF and SAM	5,573	\$213.20M	0	\$0	0	\$0