

Supporting Statement for
“Cooperative Agreement to Assess Effectiveness of Various Methods
Used to Distribute Public Funds to U.S. Museums”

Museums provide a complex set of public services. They house our heritage as collectors and conservators; serve as points of public access for cultural programming; and function as educational institutions. Because direct public funding of museums is relatively small, it is important to wield these resources in a highly informed, targeted way. Nevertheless, systematic information about how public funds are used to lead and support museums in fulfilling their public service roles is lacking. This request for review and approval by the Office of Budget and Management under the Paperwork Reduction Act is to conduct a one-time data collection effort, anticipated to take place in 2007, by the Institute of Museum and Library Services (IMLS). The proposed study on the role of funding mechanisms in the maintenance and development of museum services will survey by Internet a random national sample of museums to measure the amount and types of public funding they receive, what these funds are used for and how important these funds are to various aspects of museum financing and programs. The study will also undertake field-based case studies of a small number of museums and public agencies and organizations that fund and support museums to assess in-depth their experiences, successes and challenges in helping museums to fulfill their public service roles. The study will produce reports and other materials for use by a broad audience, but the main use of the study is to determine the extent to which IMLS is fulfilling the expectations of its authorizing mandate, which directs IMLS:

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

A. Justification

A1. Need and Legal Basis

Museums are financed by a variety of sources including private and foundation philanthropy, endowments, memberships, admissions, merchandising, government support and other sources. Research indicates that these financing mechanisms may have important influences on the programming and administrative structures of museums.¹ However, there has been very little research that can inform the field about museum financing in relation to public funds. For example, knowledge about whether the proportion of income from various sources is similar across different types of museums is lacking. It may be the case that for some museums, public sources of income are extremely important to their financial survival. Further, there has been no systematic, representative study of the ways in which public financing of museums influences or might influence their programs and administrative structures. It may be the case that public financing is particularly important in supporting capital improvements or educational programs of museums or that public financing is critical to underwriting structures through which museums can share resources and apply new technologies. In order to fully understand how public funds can be most effectively employed to support the contributions museums make to their broadest public constituency, a comprehensive study of the scope and characteristics of public financing of museums, as well as professional attitudes toward public financing, is essential.

In response to this need, the Institute of Museum and Library Services (IMLS) developed a set of questions targeted toward understanding the role of public funding and the mechanisms used to deliver public funding to museums in providing quality museum services. The study addresses the following questions to learn more about the role of public financing in the delivery of museum services:

- What mechanisms are currently used to deliver public funding from federal, state, county and local government to museums?
- For what purposes are public funds allocated to museums?
- How do delivery mechanisms impact the quality of museum services? Are there gaps?
- Would alternative funding models, make a significant impact in addressing any identified gaps in museum services?

With these questions guiding the data collection process, IMLS through its cooperator, the Urban Institute, will implement a nationally representative survey of museums and 6-8 case studies of museums and public funders of museums. The lessons learned from this study will assist IMLS in ensuring that it provides national leadership, conceiving and implementing public funding mechanisms that effectively enable museums of all types

¹ Alexander, Victoria. 1996. *Museums and Money: The Impact of Funding on Exhibitions, Scholarship and Management*. Bloomington, IN: Indiana University Press.

and sizes, serving constituencies in the diverse communities around the country to effectively and consistently fulfill their public service roles.

A2. Information Users

The materials developed from the analyses of this data collection effort are intended to reach multiple audiences—IMLS staff, policymakers at the state and federal levels of government, museum professionals, academic researchers, and others interested in understanding the nature of public funding for American museums. The purpose of these materials is to better understand the mechanisms currently used to deliver public funding to museums from federal and state governments, what types of museums receive public support and how these funds are used. The report will be written in a non-technical style, and statistical information will be presented in easy-to-read graphics and tables. The materials produced (a final report on the findings from the survey and the case studies) will be issued jointly by the Urban Institute and IMLS, and ultimately be posted on the Urban Institute and the Institute of Museum and Library Services websites to ensure wide distribution of the findings.

Interest in this research is broad but direct users of the information may include:

- Institute of Museum and Library Services
- National Science Foundation
- National Endowment for the Arts
- National Endowment for the Humanities
- National and regional museum associations
- State and local government agencies that provide support for museums

The data collected and analyzed through this study will be used by public agencies to better their support for American museums, and to assist museums to work more effectively with government.

A3. Improved Information Technology

The Museum Survey of Public Support will be implemented through a web-based system. This method for fielding the survey is considered the most appropriate choice to reach the intended audience and minimize the burden on respondents. In addition, we have reduced the burden on the respondent by asking only the minimum number of questions to answer the research questions. The questions were designed so that respondents would not need to reference outside resources that would take additional time, and skip patterns will be used through the web-based technology to help move the respondent through the questions in an efficient manner.

We will not use any improved or advanced technology for the case study interviews, as it is not appropriate for the face-to-face discussions to gather detailed perspectives from museum administrators and museum funders.

A4. Duplication of Similar Information

A number of steps were taken to ensure that this study would not duplicate other data collection efforts that are planned or currently underway. Through literature reviews, and consultations with leaders in the museum field, we were unable to identify studies that collected detailed data on both the receipt and use of public monies across a wide variety of museum types. Identified studies of museum finance tended to be limited in scope or failed to distinguish between the relative contributions of different levels of government.

The two sources of information that come closest to addressing these issues are the data from the IRS Form 990, held by the National Center for Charitable Statistics at the Urban Institute and the American Association of Museum's (AAM) study of museum finance². Unfortunately, neither source provides sufficient information to address the key questions of this research effort in a comprehensive manner. The NCCS database of IRS Form 990 filers contains 7,169 museum records in its 2005 file and provides, for each record, detailed financial information on revenues and expenditures for the reporting year. However, the NCCS data suffer from two important problems that limit its usefulness as a single source of data for an analysis of museum public support. First, the Form 990 for nonprofit entities does not require reporting agencies to disaggregate the public support dollars listed under the "Government contributions (grants)" line item (Part 1, Item 1c). With all government monies represented in this single figure, there is no way to distinguish whether or not the government revenue reported by museums on the IRS Form 990 come from local, state or federal sources. A second limitation relates to the entities contained in the database. The IRS only requires Form 990 filing for registered not-for-profit entities with gross receipts over \$25,000 dollars annually. This universe of IRS Form 990 filers therefore, does not contain public museums, tribal museums or small museums below the \$25,000 dollar threshold. However, all three of these museum types are eligible for support from the Institute of Museums and Library Services and therefore of interest for this study. Like the NCCS data, the American Association of Museum's Museum Finance Survey provides information related to this study, but in limited form. The AAM survey, which includes a nationally representative sample of museums and is concerned primarily with the financial health of these institutions, includes three questions that require respondents to report sources of public support separately for local, state and federal dollars received. However, the AAM survey does not ask for what purposes the money is used, an important question we hope to address in the current research effort.

Based on our review of previous research and available data, we have determined that there is no duplication of effort in this study.

A5. Small Businesses

The web survey and the case study interviews will contain some small museums. For the web-based survey, all organizations will respond to the same questionnaire and no short

² Merritt, Elizabeth ed. 2006. *Museum Financial Information 2006*. Washington DC: American Association of Museums.

form was created for this survey. However, the web-based survey is designed to ensure that all respondents will be able to complete the instrument in no more than 20-30 minutes without needing to go to resources outside their agency for answers. Furthermore, skip patterns in the questionnaire will allow museums that do not apply or receive public support to answer fewer questions. To the extent that small museums were less active in applying or receiving this support, they will be asked fewer questions, thereby minimizing burden.

Respondents will only be required to participate in one round of the web-based survey, and only a few museums per site (approximately 6) will be selected **to participate in** the case study interviews. The case study instruments will ask the same questions of all respondents and will take approximately 45 minutes to 1 hour to complete. The information requested in both the web-based survey and the case study data collection efforts has been held to an absolute minimum required to answer the research questions and minimize the burden on the respondents.

A6. Less Frequent Collection

This data collection is a one-time effort to better understand the public funding mechanisms of American museums. This study will provide a baseline for understanding the breadth of public funding to museums and we do not need to collect data more than one time.

A7. Special Circumstances

There are no special circumstances that apply to this data collection.

A8. Federal Register Notice/Outside Consultation

A notice was published in the Federal Register vol. 72, no. 108 Wednesday, June 6, 2007, Notices, page 31351, to solicit comments on the study to Assess Effectiveness of Various Methods Used to Distribute Public Funds to U.S. Museums prior to submission of this OMB clearance request. One letter was received in support of the study. It was signed by twenty-three organizations representing national, regional, state, and specialized museum services groups. The letter, attached as Appendix G, encourages investigation into areas addressed by this study.

A9. Payment/Gift to Respondents

This study will not provide respondents to the survey or the case study with any form of payment or gift for their participation. While payments or gifts have been found to increase participation in previous research, we feel that the museum professional staff targeted for both the survey and the case study research are sufficiently motivated to provide the information without incentive payments and do not believe that remuneration will be a crucial element in achieving an unbiased sample of respondents.

A10. Confidentiality

The Urban Institute has taken steps, as dictated by the Urban Institute Institutional Review Board (IRB) guidelines, to offer respondents the assurance that the information they provide is considered private and will not be shared with any identifiers outside of the research team. Prior to collecting data, each sample organization and respondent will be provided with the pertinent privacy information, an explanation of the nature of the study, and a description of the time necessary for participating in the study. Respondents will be asked if they understand what is being asked of them and if they agree to participate under these conditions. Please see Attachments A, C, D for the privacy statements for each respondent. We have also attached a Respondent Consent form, which will be used for the museum administrator and funder interviews (Attachement F).

Respondents to the web survey and participants in the case study interviews will be knowledgeable staff or volunteers (such as executive directors, finance directors, public funders of museums, etc.) of the sampled museums. In the survey questionnaire and the discussion guides, questions are designed to elicit information about the museums, not the individual respondent. We will ask respondents their name, job position, for purposes of clarifying institutional information that may be been unclearly represented in the completed survey. No other personal information will be asked of survey respondents. During the analysis phase, no personal information on the respondent will be included nor reported as a part of this study.

The Urban Institute IRB will review the study's methods, procedures, and all data collection instruments. The Urban Institute established an IRB to make certain that its research practices and procedures effectively protect the rights and welfare of human subjects according to the requirements in Title 45, Part 46 of the Code of Federal Regulations. As a first step in our responsibilities, we complete the Urban Institute's required Screening Form for an initial determination as to whether a project is subject to human subjects' protection. It is then determined whether or not our proposed research involves risks to human subjects and plans are developed to mitigate such risks and ensure the privacy of the individuals and families who have their information recorded in the data. The Urban Institute has developed *Guidelines for Data Security* to ensure that delivery mechanisms, access to data, computer file storage, and analyses remain secured and protected.

A11. Sensitive Questions

No sensitive questions of a personal nature will be asked during this data collection.

A.12. Estimate of Hour Burden

The estimated respondent burden for the web-based survey is 500 hours for fiscal year (FY) 2007. This is based on an average 20-minute survey completion time for each of the 1,500 individual respondents. This estimate is based on the time required to answer the questions in Museum Survey of Public Support.

The respondent burden estimate for the case study interviews is based on an expected respondent pool of: a) approximately 36 museum administrators selected from six case studies (6 per site); and an estimated 18 directors or staff of federal, state and local government agencies that provide funding to museums (3 per case study site). The estimated burden for case study interviews, based on 60-minute interview completion time for 54 respondents, is 54 hours for fiscal year (FY) 2007.

For both estimates, the actual respondent burden is dependent upon the range of public support received by the responding institution. There is no cost to respondent other than the time to take the survey.

A13. Capital Costs

There are no costs to respondents other than their time needed to respond.

A14. Cost to Federal Government

The estimated cost to the federal government of this data collection effort to examine the role of public funding of museums is \$195,953.00, which will be borne by the IMLS.

A15. Program or Burden Changes

This is a new data collection.

A16. Publication/Tabulation Dates and Analysis Plan

This data collection effort will commence immediately after OMB approval. We request that we receive approval for a 4-month data collection period from OMB. The timetable for key activities, demonstrating this need, follows:

after	Number of weeks
Activity	OMB approval
<i>Preparation for conducting the web-based survey</i>	<i>Weeks 1-2</i>
Prepare/mail advance letters	
Prepare web-based survey system with approved questionnaire	
<i>“Field” web-based survey</i>	<i>Weeks 3-7</i>
Field survey	
Monitor survey progress through weekly reports	
Clean data file and develop frequencies	
<i>Clean data file and develop frequencies</i>	<i>Weeks 7-9</i>

Run series of cross-tabulations for analysis	
<i>Select and prepare for case studies</i>	<i>Weeks 1-2</i>
Draft memo recommending potential sites for in-depth study	
Finalize list of sites for in-depth study	
<i>Conduct case studies</i>	<i>Weeks 3-8</i>
Schedule and conduct site visits and focus groups	
Write interview notes; analyze data	
<i>Develop and disseminate final report</i>	<i>Weeks 9-13</i>
Draft outline for final report	
Draft final report	
Submit final report and briefing materials	
Presentation of findings to IMLS	

We anticipate that the questionnaire will be fielded beginning in the fall 2007 over 5 weeks with the case studies fielded concurrently in the fall 2007. The data collection and analysis will take place over a 13-week period. Analysis of the survey questionnaire data will occur in fall 2007 and winter 2008 and analysis of the case study data will occur in winter 2008.

Once the web-based questionnaire has been fielded, we will clean the data and produce a fully documented and labeled dataset in either SPSS or SAS. We will also produce a “topline” questionnaire, i.e., an annotated questionnaire that shows weighted frequencies to all questions.

The report of the survey findings will include the survey methodology and the quality of the data, a description of the sampling frame and sampling procedures, a full disposition of all sampled museums, a discussion of problems encountered in administering the survey, and a calculation of standard errors for statistical tests based on the survey findings. The response rate will be reported, along with all of the raw data used to calculate the rate. The response rate will be calculated as a product of three individual rates: the contact rate, the cooperation rate, and the completion rate.

It is anticipated that a final report will be submitted to IMLS by January 31, 2008. Copies of the report will be provided on the IMLS and Urban Institute websites after final approval and release by IMLS.

A16.1. Analysis Plan

Our analysis will use both the quantitative data obtained primarily from the survey, and the qualitative data obtained primarily from the case study interviews. Some administrative and program data may be obtained during site visits and will be used to provide context and clarification of data collected, such as publicly available data on program support for museums by different federal agencies.

A16.1.1. Analysis of the Web-based Survey Data

Analysis of the web-based survey will primarily use quantitative statistics to provide descriptive information on the range and types of public support provided to American museums by local, state and federal government. In short, the analysis will identify the types of museums that receive public support, the level of support received, what purposes these supports serve, and in anticipation of the case studies, how the various streams complement each other (or alternatively, work across purposes) in certain contexts. The web-based survey will provide descriptive data to address in part each of the four broad research questions, and to generate correlates between organizational characteristics, museum type and size, and type and amount of public support. For example, it will provide descriptive data on which museums types, if any, are more likely to garner federal support, which are more likely to receive state and local support only, and which receive both.

The web survey data will be analyzed to identify the museum types that are more or less likely to receive public support. Potential breakout categories (sometimes called “control variables”) are likely to include the size of institution, type of museum, and its geographic location (e.g., urban/rural; region of the United States). For example, we might examine whether large art museums located in the Northeast of the United States are more likely to receive public support than smaller, children’s museums in the same geographic region. The survey data might also be used to examine the degree to which public support is concentrated in certain regions of the country or in certain types of museums.

A16.1.2. Analysis of the Case Study Data

As noted earlier, cases will be selected to illustrate different state-level funding systems, in order to explore key purposes for which public funds are allocated to museums and to suggest whether alternative public funding models might address any gaps in museum services. The case studies will primarily use qualitative methods to explore perceptions about how museums best serve the public, the ways in which public funding supports museums in delivering those services, and the effectiveness of public support for museums. We will pay particular attention to how these perceptions may differ according to differences in funding system, geography, in a museum’s discipline, size, mission, and setting in an urban or rural area.

Interview notes will be cleaned and reviewed by members of the team involved in the site visit and used to produce site summaries. The purpose of careful and timely cleaning of raw notes is to resolve any discrepancies between researchers’ observations and to identify any need for clarification or additional data. Site summaries are intended to capture all relevant data collected during field investigation that address the research questions. The site summary of each case study, prepared using a consistent format, will present a descriptive “snapshot” of the central issues addressed in the visit, as well as relevant background information, to permit single site analyses and cross-site

comparisons.

The case study data will permit an in-depth analysis to address the key research questions and amplify the findings from the Internet survey. They will provide detailed information on the basic questions of what kinds and levels of public funding and other resources are available for museums and what public resources they actually receive, what those public resources are used for, and how public resources fit into the array of funding and other resources available to museums. For example, we will be able to describe in detail the different kinds of funding and resources that a museum must gather together in order to initiate a large new program or build a new facility, and will be able to clearly identify whether and how public resources were important to these projects. We will be able to describe in detail administrative structures, organizational experience, and inter-agency/inter-organizational relationships that make it possible for museums to secure public funding and other resources. We will also be able to identify characteristics of museums that have failed to secure public funding, as well as their perceptions about which public funding mechanisms might be most responsive to their needs.

Case studies will also enable us to examine the factors that shape the quality of museum services from the perspectives of both funders and recipients. For example, the analysis will address how directors and staff of government agencies that fund museums work with other parts of government to leverage support for museums, articulate the value of museum services and prioritize museum purposes in terms of public service. At the same time, the analysis will address how museums view their own public value, whether they see this value reflected in funding levels and priorities, and the degree to which they view public resources as central to their ability to maintain and develop their services.

Overall, the case study data will permit a nuanced understanding of how museums see and fulfill their public service roles and how public resources help them to do this. From this analysis, we can begin to draw inferences about how the availability and delivery of public resources to museums affects the nature, intensity, duration, and scope of services they deliver. We will pay particular attention to the question of whether public resources are able to effectively shape museum activities in ways that best serve their public roles. Because we will conduct interviews with respondents from museums of different disciplines, sizes, and missions, and in different settings and funding environments, we will be able to compare and contrast perspectives on the impact of public funding on the quality of museum services. Furthermore, we will be able to supply critical information regarding small, ethnic, rural, and underserved museums.

Finally, the analysis of the data obtained in the field-based investigations will be used to consider whether appropriate funding mechanisms are in place to fulfill IMLS's authorizing mandate. We may find, for example, that particular funding mechanisms are perceived to benefit certain kinds of museums and thus impact museum specific public service roles: e.g., block grants benefiting rural museums, thus impacting access to local history, or earmarks benefiting larger museums, thus impacting stewardship and conservation. We will also explore the relationship between the perception of

effectiveness and degrees of collaboration and collegiality among museum administrators and funders from government agencies. From cross-site analysis, we will develop models (or typologies) that describe the relationships between key characteristics of a public funding system (e.g., type of funding mechanisms, budget, number and types of institutions served, structure of agency/agencies) and the accomplishments and/or challenges faced by museums in providing museum services. The analysis will sharpen, sort, focus, and organize the data in ways that will permit hypotheses to be drawn and verified.

A16.2. Data Presentation

Various types of data display, primarily in the form of tables, matrices, and graphics, will be used to present information collected and formats will be developed that enhance the analysis and presentation. Wherever possible, these data displays will include the museum surveyed as well as those selected for site visits.

Overall, this is a descriptive study based on data collected from key stakeholders, e.g., the museum administrators surveyed and the administrators and museum supported interviewed in field-based case studies. It is not designed as an evaluation or impact study. The survey of museums will provide a vital baseline of quantitative information that will be explored along with case study data. In combination, the survey data and the field-based interviews will permit us to develop a rich picture of the range and type of public support garnered by museums of different sizes, and types, and the ways in which public agencies might better articulate their support for museums at the local, state and federal levels.

A17. Expiration Date

The OMB approval number and expiration date will be displayed on all survey instruments and discussion guides.

A18. Certification Statement

There are no exceptions to the certification.