BILL & MELINDA GATES foundation

Opportunity Online Hardware Grant Program: **Round 3 Grant Closeout Summary**

February 2013

Overview

This memo provides an overview of the results of the Bill & Melinda Gates Foundation's Opportunity Online Hardware Grant. It focuses on the third of three rounds of grants to 11 states and is designed to summarize both the results of the grant program as well as identify factors critical to its success. It also identifies the foundation's lessons learned through this grant program.

Background

The Global Libraries initiative of the Bill & Melinda Gates Foundation works with public libraries towards a vision of sustained public access to information to enable people who would not otherwise have access to create and use information in ways that improve their lives. As part of this, the Opportunity Online Hardware Grant (OOHG) program was intended to: 1) use incentives to drive sustained public investment in quality technology; and 2) build the advocacy skills of local library leaders.

A primary goal of OOHG grants was to increase the percentage of libraries regularly investing in and upgrading their computer hardware every four years. To that end, the foundation chose to focus on libraries that needed funding to improve technology access to low-income patrons, and needed to build greater capacity for generating sustainable funding streams. The grant program targeted hardware upgrades and advocacy training to reach those goals. Hardware upgrades provided funds to replace aging workstations with a projected cost of $2,600 per workstation, assuming a four year lifespan for hardware and peripherals, and cost of maintenance, software upgrades and training until the end of the life cycle. This became known as the total cost of ownership. In tandem, the foundation granted to the American Library Association's Public Library Association to develop an advocacy training program, available at in-person conference style training as well as online training modules to OOHG grantees, to support the capacity of staff to advocate directly in their communities to raise the required match. The training is called *Turning the Page*.

The Round 3 States (Intermediaries): Hawaii, Illinois, Indiana, Minnesota, Missouri, Nebraska, North Dakota (with Lyrasis), Ohio, South Dakota, Vermont (with Lyrasis) and Wisconsin.

Grantee	Participating Branches	Match Raised	Pop. in Poverty
Hawaii	43	$302,900	111,100
Illinois	120	$583,778	154,200
Indiana	52	$284,050	90,300
Lyrasis (N. Dakota)	24	$95,259	24,300
Lyrasis (Vermont)	22	$54,600	11,500
Minnesota	45	$217,100	66,100
Missouri	118	$568,100	163,300
Nebraska	38	$114,400	24,700
Ohio	154	$923,650	335,800
South Dakota	24	$78,000	13,200
Wisconsin	98	$422,500	127,100
TOTAL	**734**	**$3,644,337**	**1,121,600**

Results and Analysis

The foundation considers Round 3 a success. While seven percent fewer libraries than anticipated participated in the grant program for Round 3, those libraries that participated purchased 54% more computers than forecasted. $3.6M was raised in grant funding and 958 librarians were trained.

Program Component	Anticipated Results	Actual Results	Variance (%)
Number of participating branches	788	734	-7%
Computers purchased	3,939	6,073	+54%
Librarians trained in advocacy	775	958	+19%
Matching funds raised	$3.7M	$3.6M	-3%
Population served (overall)	8,529,300	8,098,300	-5%
Population in poverty served	1,188,300	1,121,600	-6%
Level of service [1]	689	141	+80%

Hardware Upgrades

Significantly, the foundation did not fund the full cost of the hardware. Rather, library systems received sub-grants from the intermediaries and were responsible for raising a two-year, escalating match (a 25% match in Phase 1, and a 50% match in Phase 2).

- Of the 523 library *systems* that participated in the grant program, 481 (92%) were successful in raising the match, **generating $3.6 million in match funds**.
- Of the 788 library branches that committed to participate in Round 3 of the OOHG program, 734 **(93%) successfully completed the program**.
- Fifty-four library branches (35 branches in Phase I; 19 branches in Phase II) did not complete the program. Of those, 74% (40 branches) were small libraries.
- In comparing the average successful and unsuccessful libraries, successful libraries had more staff (4 staff members vs. 2) and larger annual budgets ($196K v $101K).

Data from a grant-funded ALA/University of Maryland[2] survey reports:

- 75% of Phase I participants and 53% of Phase II participants revealed it was “easy” or “very easy” to raise the required match in each respective phase of the grant program.
- Roughly half of survey respondents revealed that “not (being) confident in raising the match” and “not (being) confident in meeting grant requirements” were the primary reasons for not participating in the grant program.

Advocacy Training

According to a conference evaluation conducted by Organizational Research Services, PLA’s *Turning the Page* advocacy training conference was often cited as the highlight of the grant program in interviews with grantees. The impact on the advocacy capacity of participating libraries was measureable.

- In Round 3, a total of 958 participants completed the *TTP* training.
- As a result of the training, 95.7% of participants reported more confidence in their ability to advocate on behalf of their library, and 95.5% were more excited about doing advocacy work.

[1] Each new workstation was forecasted to serve 689 persons in poverty; with 54% more computers purchased than anticipated, each workstation now serves 141 persons in poverty, or an 80% improvement over the anticipated results.

[2] ALA/UMCP grant - Public Library Funding & Technology Access Study, surveyed annually 2006-2012.

According to an evaluation conducted by PLA, six months after the Round 3 *Turning the Page* training the impact was significant.

- Over 90% of libraries are engaged in the types of advocacy activities for which they were trained at the conference, including three-quarters who are specifically engaged in goals related to the Opportunity Online hardware program.
- A vast majority of conference participants indicate that they can identify the people or groups they need to engage, persuade and motivate to help raise local matching funds (86.7%), and two-thirds indicate that they have communicated messages to target audiences using a parking lot speech, formal presentation or another method (65.7%).

Availability of Quality Technology for People in Poverty

- Successful libraries in Round 3 **offer improved access to over 1.1 million persons in poverty**.
- Because 74% of unsuccessful libraries were rural, the successful libraries (93% of participating branches) were able to reach **94% of the persons in poverty** intended to be served by Round 3.
- **Level of Service (LOS)** – defined as the number of up-to-date workstations per persons in poverty served – **improved** significantly across all library sizes, reaching well beyond the LOS targeted by the grant program.

Summary Exhibit

Level of Service (# of people in poverty per computer) by Library Size

	Before	Target	After*
Small	449	150	84
Medium	805	300	191
Large	1,920	600	347

*The successful libraries were awarded funds to purchase 3,939 computers. However, each state purchased many more computers than allocated, reaching a total of 6,073 computers (54% more than allocated) and a higher level of service. (See Tables 4 & 5).

- The biggest improvement in LOS is among the large libraries where up-to-date workstations now range from 155-722 persons per workstation down from the median 1,920 persons per workstation prior to the grant program.

Interviews with Intermediaries

Global Libraries used a third party to conduct oral interviews with grantees as an alternative to the grantee writing a formal final narrative report. Intermediaries participated in one 90-minute conference call between Organizational Research Services, the contractor, and staff members involved with the program. This was a more anonymous approach to providing the foundation with feedback through a robust set of interview questions and allowed ORS to summarize key findings across all grants.

Success Factors for Completion

When interviewed by ORS, many State Library representatives pointed to the skills and personalities of library directors as being key to successfully completing grant requirements and were particularly important for raising match funds. Directors who had advocacy skills prior to the grant or gained skills through participating in *Turning the Page* were well-positioned to raise matching funds. Similarly, a supportive and proactive board facilitated success in meeting the match. (For example, board members reaching out to their colleagues in community groups - e.g., Kiwanis, Chamber of Commerce and Rotary Club - or speaking at city council meetings to obtain the match.)

Those libraries that had existing relationships with community leaders and decision makers or who were willing to get out in their community and forge those relationships tended to be more successful. State Library representatives noted that motivation was tempered by the reality in which library directors operated. Those who lacked resources, time or skills to advocate struggled to raise the matching funds. Supportive community and community institutions also played a role in the ease with which matching funds could be raised.

Participants shared factors that helped libraries successfully manage the technology portion of the grant. As in previous findings, intermediaries and State Library representatives interviewed downplayed the importance of library size in contributing to successful management of technology. They stated that size was less important than having an IT staff although they noted that larger libraries tend to have greater access to this resource. Interviewees also mentioned that having a forward-thinking library director and/or staff who were savvy about technology was key to successful technology management.

Early Signals of Sustainability

Although the true measure of sustainability will be revealed in the years that follow the end of the grant program, there are promising signs for the future sustainability of improved, quality access to technology in grantee libraries.

Two potential early indicators of sustainability include the following:

- 64% of OOHG Round 3 grantees responding to the ALA/UMCP survey indicated that their annual library budget has funds for ongoing replacement/maintenance of public computers. An additional 10% expected that next year's budget would include such funds.
- 50% of OOHG Round 3 grantees are "confident" or "very confident" in their ability to maintain their computers.

Additionally, State Library representatives have reported that required technology planning, community pressure and continued use of advocacy will sustain the hardware replacement cycle in the future in a manageable way.

Intermediary Experience

- Intermediaries noted some **differences in outcomes for larger systems compared with small** to medium libraries. Larger systems had more existing capacity (i.e., knowledge, processes, resources and dedicated staff) to devote to managing technology and advocating. Smaller libraries had much more room for growth due to fewer resources, however data suggest that individual characteristics of library staff and board members are what really drive advocacy capacity, especially for smaller libraries.
- **Strong impact on intermediaries to advocate at all levels** - A strong theme emerged from this round of the OOHG program that *Turning the Page* impacted the field broadly and at many levels. Intermediaries noted a number of examples:
    - State Libraries indicate they communicated more frequently and shifted their conversations to sustainability and advocacy throughout the program, improving their overall relationships with each other. State Library agencies became less of a regulatory body and more of a support system to local libraries.
    - Libraries that had existing relationships with community leaders and decision makers or who were willing to get out of their community and forge those relationships tended to be more successful in the program.
    - The OOHG program added capacity in the field through the *Turning the Page* training. Intermediaries acknowledged that citing the foundation's name helped convey the importance of libraries in the community to decision makers and community members. After the training, agencies were more likely to provide on-going resources to libraries than they had prior to the program, including providing communications templates, hosting technology training and Webinar IT trainings, etc.
    - However, maintaining the energy and enthusiasm from the *Turning the Page* in-person training will be a challenge, but state library representatives are optimistic in their plans to support their libraries to continue to position themselves as vital access points in their community.

- Finally, State libraries feel the increased advocacy capacity better positions libraries for future funding, because those libraries 'will continue to meet with decision makers and keep their boards involved. They'll teach their boards to advocate.'

Key factors identified for increased investments in library technology

The state-level intermediaries provided additional insights in their final interviews. Critical to sustaining technology in the future are the presence of several key factors.

- Importance of technology planning – at both the library branch and state levels, the grant program increased the level of emphasis on implementing technology plans, getting grounded in technology needs, and continuing to provide support through training and other resources.
- Adequate broadband – the interview process gleaned strong responses to the discussion about high connection speeds. Increased broadband infrastructure and Internet access were mentioned by most State Library representatives as necessary to sustain access to technology in the future. State library representatives likened the need to build a connectivity infrastructure to 'Carnegie's investment in library buildings at the turn of the 20th century or the U.S. government's investment in the interstate roadways in the 1950's.'
- Training for library staff (technology and advocacy skills) – Libraries need additional training and opportunities for peer learning to stay current on technology and be able to teach patrons how to use technology. Additionally, training in advocacy is considered highly important, specifically, ongoing access to advocacy training resources.
- Characteristics of library staff drive capacity - Libraries that tended to be the most successful advocates had staff and board members who were willing to promote the library and ask for support, were 'go-getters' and had leadership and advocacy skills.

Foundation lessons learned

- Libraries created a higher level of service than was anticipated in the design of the program by purchasing more computers than forecasted in the grant. (The grant program provided $2600 per workstation to cover an all-in, total cost of ownership over the life of the computer, including peripherals, training and tech support). This higher level of service (from 20-60% more) seems to be driven by several factors:
    - The demand for free access to technology soared with the economic downturn. Libraries bought a higher number of computers to respond to that demand.
    - Among libraries that purchased more computers than forecasted, especially among regional library systems, technology maintenance is an ongoing service currently provided. These libraries felt the work station cost allocation estimated by the foundation was irrelevant.
    - While most libraries understood the 'total cost' of the computers was built into the funds from the foundation, many expressed concern that money left over or carrying into a new fiscal year would get swept into the general fund. They opted to spend out the entire grant on initial purchases rather than set money aside in support of their technology maintenance plan.
- In both the ALA/UMCP survey comments as well as interviews with grantees, participating libraries expressed a strong interest in the foundation playing a role in 'beating the drum' about the value of libraries at the state, regional and national level, as well as providing ongoing training both in advocacy and technology.
- The foundation received suggested changes regarding the grant requirements. Some interviewees felt the eligibility requirements were not well-received by many libraries. The Level of Service was pre-determined with no appeals process, which created some ill will.

- The funding structure drew some feedback as well. The interviewees suggested the foundation disaggregate funding support to provide hardware and maintenance separately. This suggests the total-cost-of-ownership concept as envisioned by the foundation was not achievable. Finally, feedback from one State Library Agency expressed frustration that the foundation did not assume 100% success. While the foundation was realistic in assuming some branches would not complete the program, perhaps we should have structured and/or messaged the expected attrition differently.

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