

D60A10 State Archives

Executive Summary

The State Archives is the central depository for government and designated private records of permanent value.

Operating Budget Data

(\$ in Thousands)

| | <u>FY 18</u> <u>Actual</u> | <u>FY 19</u> <u>Working</u> | <u>FY 20</u> <u>Allowance</u> | <u>FY 19-20</u> <u>Change</u> | <u>% Change</u> <u>Prior Year</u> |
|------------------------------|-------------------------------|--------------------------------|----------------------------------|----------------------------------|--------------------------------------|
| General Fund | \$5,347 | \$6,285 | \$6,814 | \$530 | 8.4% |
| Adjustments | 0 | 35 | 148 | 113 | |
| Adjusted General Fund | \$5,347 | \$6,320 | \$6,962 | \$642 | 10.2% |
| Special Fund | 3,186 | 2,593 | 2,195 | -398 | -15.3% |
| Adjustments | 0 | 6 | 22 | 16 | |
| Adjusted Special Fund | \$3,186 | \$2,599 | \$2,217 | -\$382 | -14.7% |
| Federal Fund | 4 | 15 | 0 | -15 | -100.0% |
| Adjustments | 0 | 0 | 0 | 0 | |
| Adjusted Federal Fund | \$4 | \$15 | \$0 | -\$15 | -100.0% |
| Adjusted Grand Total | \$8,537 | \$8,934 | \$9,179 | \$245 | 2.7% |

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. The fiscal 2020 allowance does not include general salary increases.

- The adjusted fiscal 2020 allowance increases \$245,000, or 2.7%, from the adjusted fiscal 2019 working appropriation, primarily due to higher personnel costs for general salary increases.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

| | <u>FY 18</u> <u>Actual</u> | <u>FY 19</u> <u>Working</u> | <u>FY 20</u> <u>Allowance</u> | <u>FY 19-20</u> <u>Change</u> |
|------------------------|---|--|--|--|
| Regular Positions | 62.50 | 63.00 | 63.00 | 0.00 |
| Contractual FTEs | <u>11.60</u> | <u>10.50</u> | <u>10.90</u> | <u>0.40</u> |
| Total Personnel | 74.10 | 73.50 | 73.90 | 0.40 |

Vacancy Data: Regular Positions

| | | |
|---|------|-------|
| Turnover and Necessary Vacancies, Excluding New Positions | 1.24 | 2.14% |
| Positions and Percentage Vacant as of 12/31/18 | 3.00 | 4.76% |

- There are no changes in regular positions in fiscal 2020.

Key Observations

- The agency's budget has remained relatively stable. In fiscal 2018, there were emergency mold remediation efforts taken in the main Archives building. Since then, steps have been taken by the Department of General Services to address maintenance issues, and it is expected that repairs will be completed in fiscal 2019. The building still needs a new roof, and no funding has been allocated for the roof repair.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

D60A10 State Archives

Operating Budget Analysis

Program Description

As the State's legally and constitutionally mandated historical agency, the State Archives is the central depository for government and designated private records of permanent value. Holdings date from 1634 and include colonial and State executive, legislative, and judicial records; county probate, land, and court records; publications and reports of the State, county, and municipal governments; business records; and special collections of maps, newspapers, photographs, records of religious bodies (particularly as they relate to the records of births, deaths, and marriages), businesses, and private individuals.

Maryland is unique in that the State Archives is responsible for permanent records from all three branches of government and all levels of government, including municipal and local governments. As a result, the State Archives is one of the largest state archives in the country.

Only a small percentage of the records created by the government are considered permanent records that the State Archives is mandated to preserve for posterity. The records transferred to the State Archives have been found to have permanent historical, educational, and administrative value through the records scheduling and retention process. Developing records retention and disposition schedules is a collaborative process involving the originating agency, the Department of General Services (DGS), and the State Archivist. Agencies are responsible for drafting retention schedules that are consistent with State laws and regulations. These schedules must be approved by DGS, the State Archivist, and ultimately, the Hall of Records Commission. The State Archives does not accept the transfer of records series unless the records have been determined by schedule to be of permanent value. Permanently valuable records are transferred to archival custody when no longer needed for current agency business.

The State Archives seeks to preserve and make records available in original form and electronically to provide reliable information about Maryland State, county, and municipal government in a continuously compiled, updated, and accessible environment. Other publications and the index to various collections are available on the Internet and in digital format. The *Maryland Manual On-Line*, including photographs, is available online and updated daily.

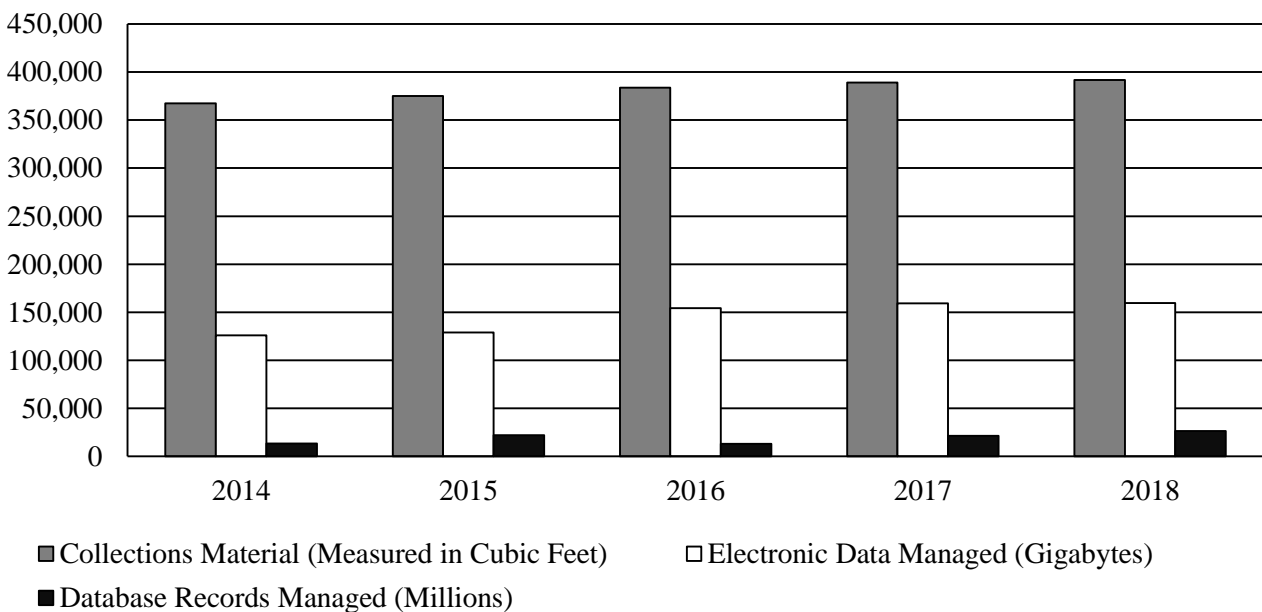
The Maryland Commission on Artistic Property is the official steward of all valuable paintings and other decorative arts that comprise the State-owned art collection. Since the first acquisition in 1774, the collection has evolved into a historically and artistically important collection of paintings, decorative arts, and sculptures with national and international significance. The commission oversees the acquisition, location, proper care, restoration, display, and preservation of these paintings and decorative arts.

Performance Analysis: Managing for Results

1. Managed Archives

The State Archives serves to determine which local, county, and State records are of permanent value and then develop and facilitate processes for collecting and maintaining these records on behalf of the State. **Exhibit 1** shows the number of physical and electronic records currently maintained. As the use of technology becomes more prevalent, the extent of records maintained electronically has increased.

Exhibit 1
Data Managed by Collection Type
Fiscal 2014-2018

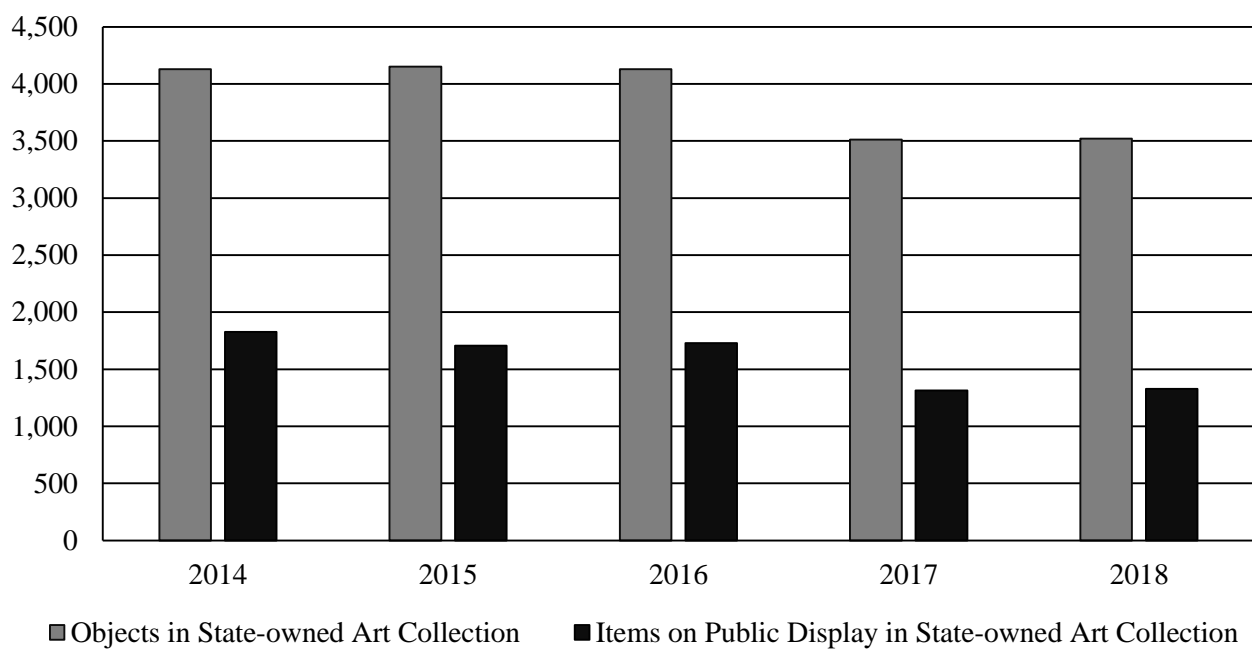


Source: State Archives

The Maryland Commission on Artistic Property was formed to serve the public as the official custodian of the State-owned art collection. The collection is comprised of those works that document the history of Maryland through subject, maker, or place of origin. **Exhibit 2** shows the number of objects in the State-owned art collection and the number of items from the collection currently on display. There has been a decrease in the number of objects in the art collection because the method of counting collection pieces has changed. With the transfer of most items in the collection to the new Woodlawn facility, the opportunity came to reassess and enhance storage methods. There are

reproductions and duplicates of some pieces that were not of the same standard or value as the other pieces in the collection. As a result, the Collections Advisory Committee approved of the removal of 623 items in fiscal 2017 resulting in a decrease in objects owned. The State Archives added 7 new pieces to the art collection in fiscal 2018. SB 27 of 2019, if passed, would provide an exemption to current procurement law for the State Archives for the acquisition of fine or decorative art to be owned by or loaned to the Commission on Artistic Property.

Exhibit 2
Art Collection Owned and Displayed
Fiscal 2014-2018

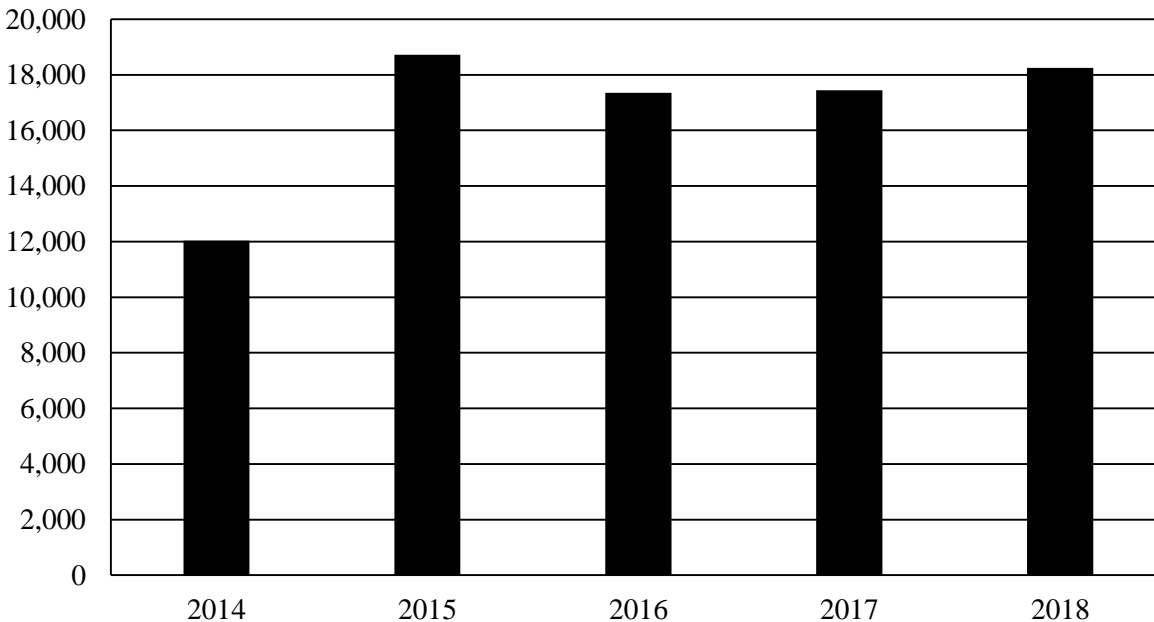


Source: State Archives

2. *Maryland Manual On-line*

The State Archives is responsible for managing and updating the *Maryland Manual On-Line*. The *Maryland Manual On-Line* is a guide to the organizational structure of the State. It also shows agency budgets and organizational charts; lists mandated reports; and provides the origin, historical evolution, and functions of government agencies. **Exhibit 3** shows the number of files added annually to the manual from fiscal 2014 to 2018.

Exhibit 3
Files Added to the *Maryland Manual On-line*
Fiscal 2014-2018

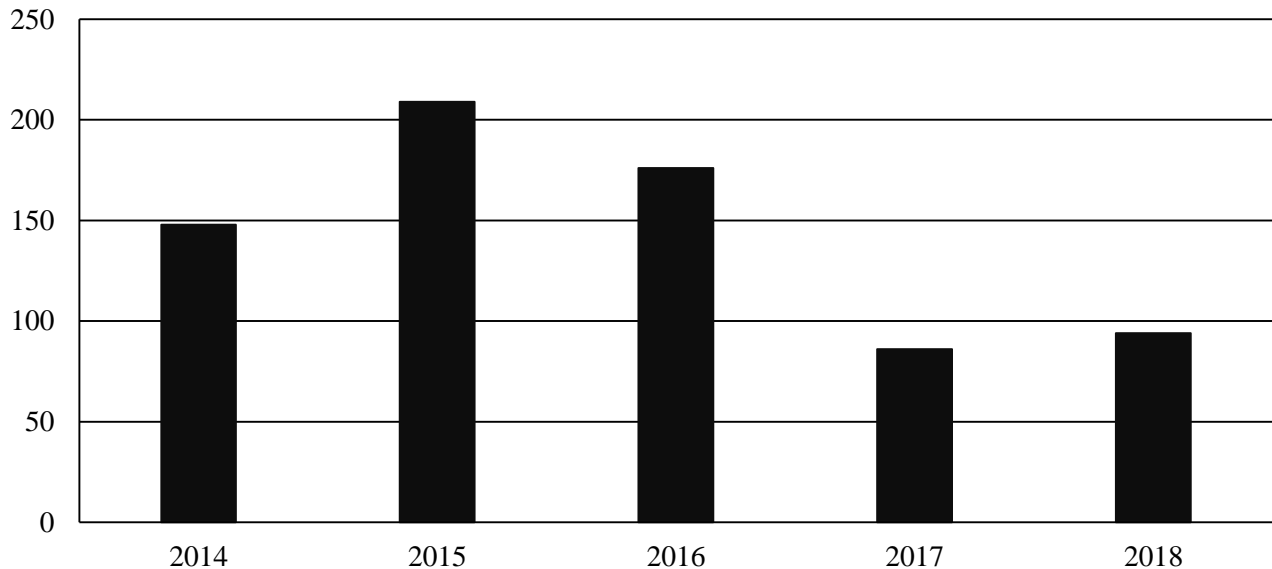


Source: State Archives

3. Public Programs

The State Archives offers several programs annually to help citizens learn more about the services provided by the State Archives and how to more effectively navigate their collections. Events include workshops on how to search for historical information and their Annual Family History Festival. **Exhibit 4** outlines the number of programs offered by the State Archives annually. The number of events held declined significantly from 176 events in fiscal 2016 to 86 in fiscal 2017. This decline is, in large part, because of the mold remediation efforts that took place in the State Archives building. Many of the State Archives research functions were relegated to their lobby, as the building underwent major remediation renovation efforts for several months. Since the completion of the mold remediation efforts, the State Archives has had a slight increase in the number of programs offered.

Exhibit 4
Public Programs Offered
Fiscal 2014-2018



Source: State Archives

Fiscal 2019 Actions

Proposed Deficiency

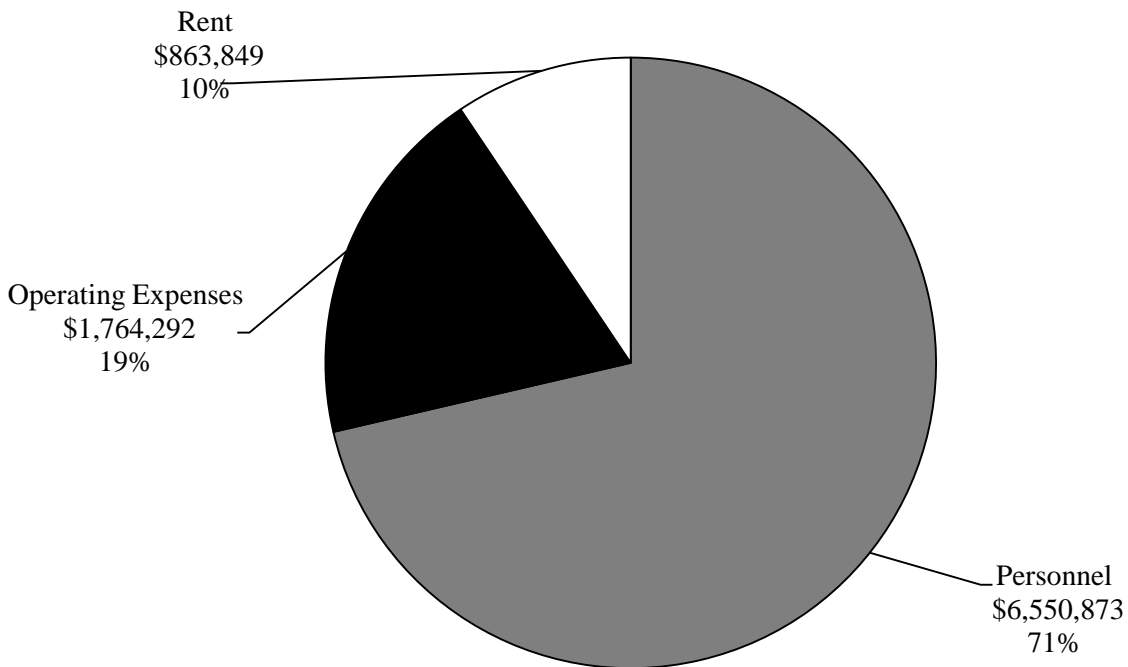
The State Archives will receive \$40,667 (\$35,025 in general funds and \$5,642 in special funds) in centrally budgeted funding for costs associated with the April 1, 2019 one-time \$500 bonus and 0.5% general salary increase.

Fiscal 2020 Allowance

Overview of Agency Spending

The fiscal 2020 allowance for the State Archives is \$9.2 million. As shown in **Exhibit 5**, the budget is largely personnel (71%) with a significant percentage of operating costs (10%) for rent that includes rent for the Woodlawn warehouse.

Exhibit 5
Programmed Expenditures by Purpose
Fiscal 2020
(\$ in Thousands)



Source: State Archives

Proposed Budget Change

As shown in **Exhibit 6**, the adjusted fiscal 2020 allowance for the State Archives increases \$245,000 from the adjusted fiscal 2019 working appropriation.

Exhibit 6
Proposed Budget
State Archives
(\$ in Thousands)

| How Much It Grows: | <u>General Fund</u> | <u>Special Fund</u> | <u>Federal Fund</u> | <u>Total</u> |
|-----------------------------------|----------------------------|----------------------------|----------------------------|---------------------|
| Fiscal 2018 Actual | \$5,347 | \$3,186 | \$4 | \$8,537 |
| Fiscal 2019 Working Appropriation | 6,320 | 2,599 | 15 | 8,934 |
| Fiscal 2020 Allowance | <u>6,962</u> | <u>2,217</u> | <u>0</u> | <u>9,179</u> |
| Fiscal 2019-2020 Amount Change | \$642 | -\$382 | -\$15 | \$245 |
| Fiscal 2019-2020 Percent Change | 10.2% | -14.7% | -100.0% | 2.7% |

Where It Goes:**Personnel Expenses**

| | |
|---|-------|
| General salary increase (3% effective July 1, 2019, and annualizing 0.5% increase effective April 1, 2019 | \$163 |
| Health insurance | 76 |
| Retirement contributions | 44 |
| Annualization of fiscal 2019 cost-of-living adjustment | 28 |
| Other fringe benefits | -16 |
| Fiscal 2019 \$500 bonus effective April 1, 2019 | -34 |

Other Changes

| | |
|---|-----|
| Rent paid to the Department of General Services..... | 14 |
| Department of Information Technology services allocation | -15 |
| Maintenance and service contracts related to the warehouse in Woodlawn..... | -20 |
| Other | 5 |

| | |
|--------------|--------------|
| Total | \$245 |
|--------------|--------------|

Note: Numbers may not sum to total due to rounding.

Issues

1. Mold Remediation

During the January 4, 2017 Board of Public Works meeting, the State Archives was approved for emergency funding to provide mold remediation in the amount of \$443,014. Staff was alerted to a mold issue when they found mold growing in their offices and in some of the State Archives books. Aside from the health risks associated with mold inhalation, the presence of mold is particularly disruptive to the core functions of the State Archives as it stores records of permanent value, many of which are paper records. During the initial investigations conducted by DGS, the cause of the mold was not determined. A contractor was hired in January 2017 to perform mold remediation and report their findings to DGS.

In addition to the mold remediation, DGS ordered an evaluation of the State Archives building and mechanical systems. Both evaluations resulted in several recommendations for the prevention of future mold growth. Recommendations regarding the building include replacing the roof on the State Archives building; installation of preventive mechanisms such as a French drain, head, and sill pan flashings beneath the paneling system; and flashing membrane replacement. It was also recommended that several joints of the building be repaired to prevent water migration and an epoxy coating be applied to the floor to prevent water vapor migration.

The State Archives search room was closed for four months while mold remediation and other repairs took place. Several of the recommended repairs have been completed, and the Archives building was placed on the DGS facilities maintenance list for fiscal 2019 for \$2.4 million in repairs; the project should be completed by spring 2019. While these repairs will resolve the current problems related to the mold growth and mitigate future mold spores from returning, the need for a new roof is still the primary cause for the water leakage that caused the mold. No funding has been allocated for the roof in fiscal 2020.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

Appendix 1
Current and Prior Year Budgets
State Archives
(\$ in Thousands)

| | <u>General Fund</u> | <u>Special Fund</u> | <u>Federal Fund</u> | <u>Reimb. Fund</u> | <u>Total</u> |
|---------------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|---------------------|
| Fiscal 2018 | | | | | |
| Legislative Appropriation | \$5,453 | \$3,606 | \$0 | \$0 | \$9,059 |
| Deficiency/Withdrawn Appropriation | -64 | -21 | 0 | 0 | -85 |
| Cost Containment | -35 | 0 | 0 | 0 | -35 |
| Budget Amendments | -7 | 0 | 4 | 0 | -3 |
| Reversions and Cancellations | 0 | -399 | 0 | 0 | -400 |
| Actual | | | | | |
| Expenditures | \$5,347 | \$3,186 | \$4 | \$0 | \$8,537 |
| Fiscal 2019 | | | | | |
| Legislative Appropriation | \$6,224 | \$2,586 | \$0 | \$0 | \$8,809 |
| Budget Amendments | 61 | 8 | 15 | 0 | 84 |
| Working Appropriation | \$6,285 | \$2,593 | \$15 | \$0 | \$8,893 |

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. Numbers may not sum to total due to rounding.

Fiscal 2018

The fiscal 2018 legislative appropriation for the Maryland State Archives decreased by \$523,000. General funds decreased \$106,000 with a withdrawn appropriation of \$63,678 in Section 19 of the fiscal 2019 Budget Bill due to a surplus in the health insurance account and \$34,559 for cost containment. There was also a \$6,947 decrease by budget amendment for telecommunications.

The special fund appropriation had a \$21,226 withdrawn appropriation for Section 19 of the fiscal 2019 Budget Bill. There was also \$399,000 in canceled special funds because special fund revenues were lower than anticipated.

The federal fund appropriation increased \$4,000 for the Maryland Board Programming Grant.

Fiscal 2019

To date, the fiscal 2019 legislative appropriation increased \$84,000. General funds increased \$41,086 and special funds increased \$7,530 for a general salary increase effective January 1, 2019, that was centrally budgeted. General funds also increased by \$20,000 transferred from the Rainy Day fund to support the publication of the history of old Senate and House chambers. Federal funds increased \$15,000 from a National Park Services grant for a project titled *Finding Freedom – The Study of the Legacy of Slavery in Southern Maryland, 1830-1880*.

**Appendix 2
Object/Fund Difference Report
State Archives**

| <u>Object/Fund</u> | <u>FY 18 Actual</u> | <u>FY 19 Working Appropriation</u> | <u>FY 20 Allowance</u> | <u>FY 19 - FY 20 Amount Change</u> | <u>Percent Change</u> |
|-----------------------------|-------------------------|--|----------------------------|--|---------------------------|
| Positions | | | | | |
| 01 Regular | 62.50 | 63.00 | 63.00 | 0.00 | 0% |
| 02 Contractual | 11.60 | 10.50 | 10.90 | 0.40 | 3.8% |
| Total Positions | 74.10 | 73.50 | 73.90 | 0.40 | 0.5% |
| Objects | | | | | |
| 01 Salaries and Wages | \$ 5,665,833 | \$ 5,859,720 | \$ 5,992,225 | \$ 132,505 | 2.3% |
| 02 Technical and Spec. Fees | 316,444 | 389,223 | 389,223 | 0 | 0% |
| 03 Communication | 144,604 | 206,470 | 137,200 | -69,270 | -33.5% |
| 04 Travel | 8,958 | 9,800 | 9,800 | 0 | 0% |
| 06 Fuel and Utilities | 216,309 | 216,600 | 216,600 | 0 | 0% |
| 07 Motor Vehicles | 4,211 | 10,620 | 10,620 | 0 | 0% |
| 08 Contractual Services | 752,929 | 817,181 | 854,793 | 37,612 | 4.6% |
| 09 Supplies and Materials | 66,645 | 65,114 | 65,114 | 0 | 0% |
| 10 Equipment – Replacement | 336,576 | 337,000 | 337,000 | 0 | 0% |
| 11 Equipment – Additional | 165,287 | 75,000 | 75,000 | 0 | 0% |
| 13 Fixed Charges | 858,804 | 906,226 | 922,014 | 15,788 | 1.7% |
| Total Objects | \$ 8,536,600 | \$ 8,892,954 | \$ 9,009,589 | \$ 116,635 | 1.3% |
| Funds | | | | | |
| 01 General Fund | \$ 5,347,255 | \$ 6,284,531 | \$ 6,814,178 | \$ 529,647 | 8.4% |
| 03 Special Fund | 3,185,801 | 2,593,423 | 2,195,411 | -398,012 | -15.3% |
| 05 Federal Fund | 3,544 | 15,000 | 0 | -15,000 | -100.0% |
| Total Funds | \$ 8,536,600 | \$ 8,892,954 | \$ 9,009,589 | \$ 116,635 | 1.3% |

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. The fiscal 2020 allowance does not include general salary increases.

**Appendix 3
Fiscal Summary
State Archives**

| <u>Program/Unit</u> | <u>FY 18 Actual</u> | <u>FY 19 Wrk Approp.</u> | <u>FY 20 Allowance</u> | <u>Change</u> | <u>FY 19 - FY 20 % Change</u> |
|-----------------------------|-------------------------|------------------------------|----------------------------|-------------------|-----------------------------------|
| 01 Archives | \$ 8,061,869 | \$ 8,496,163 | \$ 8,600,727 | \$ 104,564 | 1.2% |
| 02 Artistic Property | 474,731 | 396,791 | 408,862 | 12,071 | 3.0% |
| Total Expenditures | \$ 8,536,600 | \$ 8,892,954 | \$ 9,009,589 | \$ 116,635 | 1.3% |
| General Fund | \$ 5,347,255 | \$ 6,284,531 | \$ 6,814,178 | \$ 529,647 | 8.4% |
| Special Fund | 3,185,801 | 2,593,423 | 2,195,411 | -398,012 | -15.3% |
| Federal Fund | 3,544 | 15,000 | 0 | -15,000 | -100.0% |
| Total Appropriations | \$ 8,536,600 | \$ 8,892,954 | \$ 9,009,589 | \$ 116,635 | 1.3% |

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. The fiscal 2020 allowance does not include general salary increases.