

S50B01
Maryland African American Museum Corporation

Executive Summary

The mission of the Maryland African American Museum Corporation (MAAMC) is to be a resource regarding the lives of African American Marylanders by collecting, preserving, interpreting, documenting, and exhibiting contributions that represent their history.

Operating Budget Data

(\$ in Thousands)

	FY 18	FY 19	FY 20	FY 19-20	% Change
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>	<u>Prior Year</u>
General Fund	\$1,959	\$1,959	\$1,959	\$0	
Adjustments	0	0	0	0	
Adjusted General Fund	\$1,959	\$1,959	\$1,959	\$0	0.0%
Adjusted Grand Total	\$1,959	\$1,959	\$1,959	\$0	0.0%

Note: The fiscal 2019 appropriation includes deficiencies, a one-time \$500 bonus, and general salary increases. The fiscal 2020 allowance includes general salary increases.

- The fiscal 2020 allowance is unchanged from the fiscal 2019 working appropriation. The corporation's budget is comprised of the State grant as well as other privately earned income. A Memorandum of Understanding between MAAMC and the Department of Budget and Management stipulates that the State grant is to support no more than 50% of the corporation's operating costs.
- The corporation does not report personnel data through the State budget system because its employees are not considered State employees. The corporation reports that it has 21 employees.

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

For further information contact: Jason A. Kramer

Phone: (410) 946-5530

Key Observations

- In fiscal 2018, MAAMC met a requirement to raise private revenue equal to the amount of its State grant for the first time since fiscal 2014.
- Attendance at the Reginald F. Lewis Museum of Maryland African American History and Culture has grown from a recent low of 32,974 in fiscal 2013 to 47,580 in fiscal 2018, despite concerns about competition from the Smithsonian National Museum of African American History and Culture in Washington, DC.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

S50B01
Maryland African American Museum Corporation

Operating Budget Analysis

Program Description

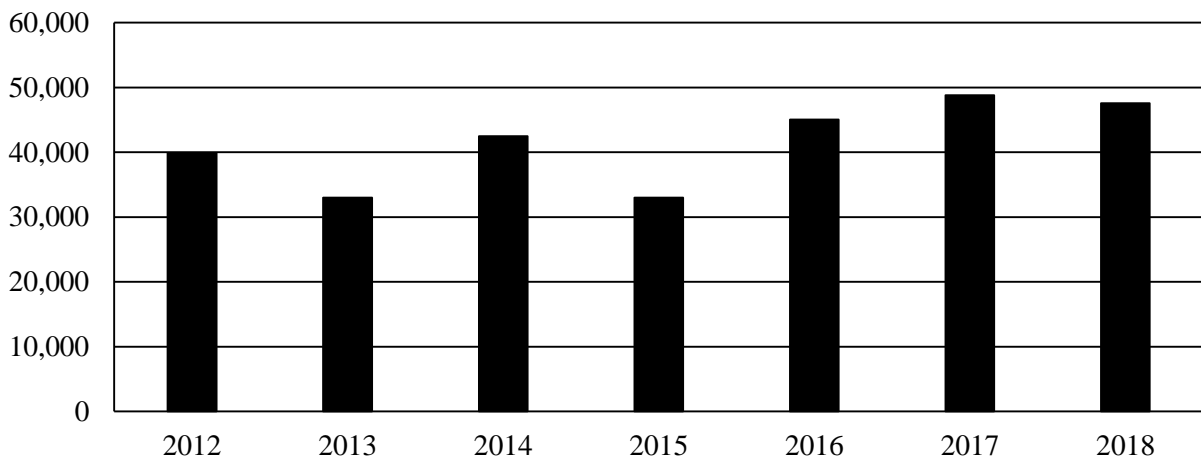
The Maryland African American Museum Corporation (MAAMC) was created by Chapters 428 and 429 of 1998 to plan, develop, and manage the Reginald F. Lewis Museum of Maryland African American History and Culture in Baltimore City. MAAMC’s mission is to be a resource regarding the lives of African-American Marylanders by collecting, preserving, interpreting, documenting, and exhibiting contributions that represent their history. The corporation is a public instrumentality and an independent unit of the Executive Branch. A 37-member board of directors manages the corporation’s affairs.

Performance Analysis: Managing for Results

1. Attendance Declines Slightly

Shown in **Exhibit 1**, attendance at the Reginald F. Lewis Museum of African American History and Culture decreased slightly in fiscal 2018 to 47,580 visitors, a 2.5% decrease. However, the small decline comes after two years of significant increases in attendance.

Exhibit 1
Visitor Attendance
Fiscal 2012-2018



Source: Maryland African American History Museum Corporation

S50B01 – Maryland African American Museum Corporation

While there was some concern about the opening of the Smithsonian National Museum of African American History and Culture in Washington, DC in September 2016 negatively impacting the Baltimore City museum, attendance does not appear to have been seriously affected. The Reginald F. Lewis Museum is a Smithsonian affiliate, which gives it access to select Smithsonian programs, materials, and participation for reduced or no costs. In addition, members can become Smithsonian members for only \$20 annually.

The Governor’s Fiscal 2020 Budget Books do not include a Managing for Results (MFR) section with MAAMC’s budget information. Additionally, the corporation’s annual report does not include attendance by type of visitor as required by statute nor does it include the number of volunteers and total hours contributed to the museum’s operation, as required by statute. **The Department of Legislative Services recommends that MAAMC report on museum attendance by type of visitor and volunteer hours contributed in the MFR section of the Governor’s Fiscal 2021 Budget Books or in its statutorily required annual report.**

Proposed Budget

The fiscal 2020 allowance of \$1,959,000 is unchanged from the fiscal 2019 working appropriation. The Governor’s Fiscal 2020 Budget Books include information about the corporation’s budget, including privately raised revenue, shown in **Exhibit 2**.

Exhibit 2
MAAMC Budget Book Data
Fiscal 2018-2020

	Actual <u>2018</u>	Estimate <u>2019</u>	Estimate <u>2020</u>
Salaries and Wages	\$1,660,247	\$1,809,513	\$2,004,237
Technical and Special Fees	142,684	165,089	98,873
Fuel and Utilities	278,054	286,000	293,880
Contractual Services	976,079	1,355,318	1,347,508
Other Operating Cost	426,376	547,564	586,293
Total	\$3,483,440	\$4,163,484	\$4,330,791
General Funds	\$1,959,000	\$1,959,000	\$1,959,000
Privately Raised Revenue	2,127,770	2,274,701	2,456,677
Total	\$4,086,770	\$4,233,701	\$4,415,677

MAAMC: Maryland African American Museum Corporation

Source: Governor’s Fiscal 2020 Budget Books

S50B01 – Maryland African American Museum Corporation

MAAMC’s State budget is comprised of a general fund grant. The corporation’s financial statement also provides an accounting of all of its revenues and expenditures, as shown in **Exhibit 3**.

MAAMC and the Department of Budget and Management have a Memorandum of Understanding that the State grant may not support more than 50% of MAAMC’s operations. The corporation raised \$2.1 million in private revenue in fiscal 2018, the first year since fiscal 2014 that the corporation matched the State grant as required. In prior years, when the private match was not met, the grant was not withheld or reduced. **MAAMC should comment on its effort to continue to meet the private revenue match going forward.**

Exhibit 3
Maryland African American Museum Corporation Financial Statement
Fiscal 2014-2018

<u>Expenses</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Collections and Exhibits	\$895,726	\$592,921	\$662,110	\$639,980	\$566,930
Education and Public Programs	472,174	683,837	691,029	621,105	627,185
External Affairs	636,758	521,128	685,246	377,070	498,688
Management, Building, and Security	1,856,645	1,882,522	1,943,802	1,767,924	1,790,637
Total	\$3,861,303	\$3,680,408	\$3,982,187	\$3,406,079	\$3,483,440
Revenue and Support					
Grants	\$2,574,597	\$2,330,196	\$2,377,069	\$2,180,917	\$2,549,309
Contributions	737,065	167,721	442,115	179,875	251,036
Admissions	183,385	99,449	143,801	154,330	130,955
Membership Dues	65,156	46,047	47,866	66,435	67,277
Investment Income	89,734	143,984	119,280	86,413	112,937
Realized Gain (Loss) on Endowments	426,126	1,734	-310,274	1,221,088	0
Unrealized Gain (Loss) on Endowments	643,701	123,613	-544,535	-558,934	517,585
Other Income	76,016	191,936	158,168	156,743	457,671
Net Assets Released from Restriction	0	0	0	0	0
Rental income	92,696	0	0	0	0
Total Revenue and Support	\$4,888,476	\$3,104,680	\$2,433,490	\$3,486,867	\$4,086,770
General Funds	\$2,000,000	\$1,959,000	\$1,959,000	\$1,959,000	\$1,959,000
Privately Raised Revenue	\$2,888,476	\$1,145,680	\$474,490	\$1,527,867	\$2,127,770

Source: Maryland African American Museum Corporation

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

Appendix 1
Current and Prior Year Budgets
Maryland African American Museum Corporation
(\$ in Thousands)

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Reimb.</u> <u>Fund</u>	<u>Total</u>
Fiscal 2018					
Legislative					
Appropriation	\$1,959	\$0	\$0	\$0	\$1,959
Deficiency/Withdrawn					
Appropriation	0	0	0	0	0
Cost					
Containment	0	0	0	0	0
Budget					
Amendments	0	0	0	0	0
Reversions and					
Cancellations	0	0	0	0	0
Actual					
Expenditures	\$1,959	\$0	\$0	\$0	\$1,959
Fiscal 2019					
Legislative					
Appropriation	\$1,959	\$0	\$0	\$0	\$1,959
Budget					
Amendments	0	0	0	0	0
Working					
Appropriation	\$1,959	\$0	\$0	\$0	\$1,959

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 was unchanged.

Fiscal 2019

The fiscal 2019 working appropriation is unchanged from the legislative appropriation.

Appendix 2
Object/Fund Difference Report
Maryland African American Museum Corporation

<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>
Objects					
12 Grants, Subsidies, and Contributions	\$ 1,959,000	\$ 1,959,000	\$ 1,959,000	\$ 0	0%
Total Objects	\$ 1,959,000	\$ 1,959,000	\$ 1,959,000	\$ 0	0%
Funds					
01 General Fund	\$ 1,959,000	\$ 1,959,000	\$ 1,959,000	\$ 0	0%
Total Funds	\$ 1,959,000	\$ 1,959,000	\$ 1,959,000	\$ 0	0%

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.