

**D60A10
State Archives**

Operating Budget Data

(\$ in Thousands)

	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 02-04 Change</u>	<u>FY 05</u>	<u>FY 04-05 Change</u>
Operations	\$4,958	\$4,996	\$7,669	\$2,711	\$7,487	-\$182
Contractual Services	294	439	3,163	2,869	2,940	-223
Grants	17	13	0	-17	0	0
Contingent & Back of Bill Reductions	0	0	0	0	-20	-20
Adjusted Grand Total	\$5,268	\$5,448	\$10,832	\$5,563	\$10,406	-\$425
General Funds	2,805	2,658	2,415	-\$390	2,450	36
Contingent & Back of Bill Reductions	0	0	0	0	-13	-13
Adjusted General Funds	\$2,805	\$2,658	\$2,415	-\$390	\$2,437	\$22
Special Funds	2,463	2,643	8,288	\$5,824	7,976	-312
Contingent & Back of Bill Reductions	0	0	0	0	-7	-7
Adjusted Special Funds	\$2,463	\$2,643	\$8,288	\$5,824	\$7,969	-\$319
Federal Funds	0	147	129	129	0	-129
Adjusted Grand Total	\$5,268	\$5,448	\$10,832	\$5,563	\$10,406	-\$425
Annual % Change		3.4%	98.8%		-3.9%	

- Cost containment reduced \$115,000 in the general fund budget in fiscal 2002, \$164,542 in fiscal 2003, and \$195,821 in fiscal 2004.
- State Archives continues to operate in a survival mode with an austere 2005 budget that is \$425,026 below the fiscal 2004 level.
- State Archives is ultimately responsible for the archival, preservation, and repository of land records, and this is reflected in the \$7.1 million land record work for Judiciary supported by the \$20 land recordation surcharge approved in the Budget Reconciliation and Financing Act of 2003.

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

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Personnel Data

	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 02-04</u> <u>Change</u>	<u>FY 05</u>	<u>FY 04-05</u> <u>Change</u>
Regular Positions	47.0	44.5	44.5	-2.5	44.5	0.0
Contractual FTEs	47.0	42.2	37.7	-9.4	43.0	5.3
Total Personnel	94.0	86.7	82.2	-11.9	87.5	5.3

Vacancy Data: Regular Positions

Turnover Expectancy	1.07	2.41%
Positions Vacant as of 12/31/03	0.00	0.00%

- The fiscal 2005 budget indicates an increase of 5.3 full-time equivalent contractual positions primarily to support the plats and land record initiatives.
- There were no positions vacant on December 31, 2003.

Analysis in Brief

Major Trends

More Archived Material in Electronic Format: Archived electronic records have increased substantially from 1,082 gigabytes in fiscal 2003 to 43,023 gigabytes in fiscal 2005.

Recommended Actions

1. Concur with Governor's allowance.

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Operating Budget Analysis

Program Description

As the legally and constitutionally mandated historical agency for Maryland, State Archives is the central depository for government and certain designated private records of permanent value. Holdings date from 1634 to the present. These 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 recording of births, deaths, and marriages), businesses, and private individuals. State Archives seeks to preserve and make available the permanent records of the past in original form and electronically, while providing reliable information about Maryland State, county, and municipal government in a continuously compiled and updated, web-enabled, accessible environment.

State Archives preserves, describes, and makes accessible the government general public records deemed to have a permanent historical, educational, and administrative value. State Archives maintains an archival microfilm copy of all land and court records and prepares and normally publishes the *Maryland Manual* every two years. Other publications and the index to various collections are available on the Internet and on CD ROM. The *Maryland Manual*, including photographs, is available on the Internet.

In February 1995 State Archives established an Internet site (<http://www.mdarchives.state.md.us>). In January 1997 the agency also took responsibility for the Maryland Electronic Capital (MEC) web site (<http://www.mec/state.md.us>). State Archives is the web master for the MEC web page, the home page of Maryland State government, and provides the home page links to Maryland State government web sites.

The Commission on Artistic Property, created in 1969, is charged with keeping an accurate inventory of valuable paintings and other valuable artistic property in State custody, except for those in the Government House (the Governor's official residency). The commission may accept gifts and loans of paintings and other artistic property. The commission, with approval of the Governor, may accept money from any source, public and private, and administers the funds according to the conditions and terms of the gifts. In June 1996 the commission assumed custody of the Peabody Art Collection. In 1993 legislation established the State Archive Endowment Fund to receive gifts for the study of biography and geography and to promote original records for use in schools.

Performance Analysis: Managing for Results

State Archives is charged with preserving the public record of the government of the State. The goal of State Archives is to make this accessible to the public electronically on the Internet. **Exhibit 1** indicates that the number of electronic files of the public record has grown exponentially from 463 gigabytes in fiscal 2002 to 43,023 gigabytes projected in fiscal 2005.

Exhibit 1 State Archives – Electronic Data Fiscal 2002 – 2005 (Gigabytes)

<u>State Archives Information Technology Data Input</u>	<u>Fiscal 2002</u>	<u>Fiscal 2003</u>	<u>Fiscal 2004</u>	<u>Fiscal 2005</u>
Archives of Maryland	55.9	64.7	202.0	220.0
Biographical Files	4.3	4.5	5.1	6.4
Reference Files (msaref.net)	10.5	31.0	98.0	310.0
Topical Research Files (ecpclo.net)	23.2	40.0	57.0	82.0
Legal Reference Files on Potomac River (mdag.net)	4.4	5.5	5.5	5.5
State House Files (mdstatehouse.net)	6.5	7.6	9.1	10.7
Special Collections	34.1	48.0	70.0	102.0
Land Survey Files (martenet.org)	43.9	56.0	69.0	92.0
Slavery Commission	31.0	42.0	48.0	49.0
Land Records, State Highway Administration, Estates	14.5	241.5	13,442.5	36,453.5
Other Records	234.8	541.2	1,843.8	5,691.9
Total Files Stored	463.0	1,082.0	15,850.0	43,023.0
Beginning Gigabytes Stored	190.0	463.0	1,082.0	15,850.0
Land Records, State Highway Administration, Estates	14.5	227.0	13,201.0	23,011.0
Other Government	273.0	392.0	1,567.0	4,162.0
Data Deleted	-14.5			
Ending Gigabytes Stored	463.0	1,082.0	15,850.0	43,023.0
Capacity Beginning	500.0	800.0	4,300.0	31,000.0
Capacity Added	300.0	3,500.0	26,700.0	27,000.0
Capacity Ending	800.0	4,300.0	31,000.0	58,000.0
Excess (Deficit)	337.0	3,218.0	15,150.0	14,977.0

Source: State Archives

State Archives has hosted the Maryland home page Gateway to Maryland State Government since it first established a web presence in February 1995. While electronic files grew from 463 gigabytes in fiscal 2002 to 1,082 gigabytes in fiscal 2003, only a fraction of the electronic files of State

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Government had been archived through fiscal 2003. This included some notable successes – the Plats Online Initiative (PLATO), an initiative to place all subdivision plats online at *plats.net*, the electronic *Maryland Manual* and the *Archives of Maryland* series. Fiscal 2003 through 2005 indicates a substantial increase in archived records. State Archives is the repository for all land records, a responsibility it shares with the Judiciary Clerks of the Court land record offices. State Archives, in a project supported by the Judiciary, began electronic archiving of Maryland Land Records (MDLANDREC or *mdlandrec.net*) that are older than 10 years in late fiscal 2003. This effort accelerated dramatically with the backfile conversion of the remaining 11 county land record offices that had not converted to electronic land record images (ELROI).

State Archives has been successful in bringing access to the State record and history to the people via the Internet, but much remains to be accomplished. State Archives estimates that electronic storage of government records into an imaged environment would require 902,582 gigabytes of storage capacity. Recognizing that this is an expensive and formidable task, State Archives is concentrating on those records with the highest return on investment and where there is a source of State funds to support the effort, hence the PLATO and MDLANDREC initiatives funded by the land record recordation surcharge. Electronic imaging of Register of Wills records will be the next major undertaking.

While State Archives is rapidly moving into the electronic age, it continues to have custody of other State records and the Peabody Art Collection as noted in **Exhibit 2**. In fiscal 2001, \$30,000 was appropriated for the conservation assessment of the Annapolis art collection, and in fiscal 2002 another \$30,000 was provided to assess the Peabody collection. While both of these surveys indicated a critical need for conservation, only a very limited amount of general funds is available to continue the conservation as reflected in the virtual halt of the conservation effort in fiscal 2004 and 2005. State Archives is attempting to raise funds privately and obtain federal grants to restart the conservation program.

**Exhibit 2
Program Measurement Data
State Archives
Fiscal 2001 – 2005**

	<u>Actual 2001</u>	<u>Actual 2002</u>	<u>Actual 2003</u>	<u>Est. 2004</u>	<u>Est. 2005</u>	<u>Ann. Chg. 01-03</u>	<u>Ann. Chg. 03-05</u>
Public Record Archives							
Paper and film records in custody (in cubic feet)	220,638	231,035	239,254	254,254	269,254	4.1%	6.1%
Web site visits (in millions)	34.6	53.4	60.8	76.0	95.8	32.6%	25.5%
Artistic Property							
Annapolis Collection	850	857	914	930	945	3.7%	1.7%
In poor condition	186	186	189	193	200	0.8%	2.9%
Collection conserved	3	2	12	0	0	100.0%	-100.0%
Peabody Art Collection	368	368	368	368	368	0.0%	0.0%
In poor condition	149	149	149	149	149	0.0%	0.0%
Collection conserved	5	2	3	0	0	-22.5%	-100.0%

Source: State Archives

Fiscal 2004 Actions

Impact of Cost Containment

The Board of Public Works (BPW) action, approved July 30, 2003, reduced the general fund budget \$195,821. Four general fund positions (\$177,880) were shifted to special funds, and new warehouse shelving was reduced by \$17,941.

Governor's Proposed Budget

Fiscal 2005, as indicated in **Exhibit 3**, is another austere year for State Archives. General funds increase \$22,267, but special funds decrease \$318,577, and federal funds decrease \$128,746 for an overall decrease of \$425,056, or 3.92% in funds available to the agency. Special funds are a significant part of the State Archives budget; in particular land record improvement funds received from the Judiciary in support of the PLATO and MDLANDREC initiatives. State Archives received

Exhibit 3
Governor's Proposed Budget
State Archives
(\$ in Thousands)

	<u>FY 03</u> <u>Actual</u>	<u>FY 04</u> <u>Approp.</u>	<u>FY 05</u> <u>Allowance</u>	<u>FY 04-05</u> <u>Change</u>	<u>FY 04-05</u> <u>% Change</u>
General Funds	\$2,658	\$2,415	\$2,450	\$36	1.5%
Contingent & Back of Bill Reductions	0	0	-13	-13	
Adjusted General Funds	\$2,658	\$2,415	\$2,437	\$22	0.9%
Special Funds	\$2,643	\$8,288	\$7,976	-\$312	-3.8%
Contingent & Back of Bill Reductions	0	0	-7	-7	
Adjusted Special Funds	\$2,643	\$8,288	\$7,969	-\$319	-3.8%
Federal Funds	\$147	\$129	\$0	-\$129	-100.0%
Adjusted Grand Total	\$5,448	\$10,832	\$10,406	-\$425	-3.9%

Where It Goes:

Personnel Expenses

Increments and other compensation	\$40
Employee and retiree health insurance	17
Cost containment and turnover adjustments	49
Other fringe benefit adjustments	-9

Other Changes

Contractual payroll	47
Telecommunications	63
Contractual Services	-223
Equipment	-806
Supplies and Materials	80
Rent	315
Other changes	2

Total **-\$425**

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

\$7,101,937 in fiscal 2004 and expects to receive \$7,001,937 in fiscal 2005. The decrease in contractual services indicated in Exhibit 3 reflects in part the reduction of \$180,000 in software licenses in support of the MDLANDREC project for licenses bought in fiscal 2004. The \$805,562 decrease in equipment purchases reflects the purchase of servers and mass storage in fiscal 2004 to

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upgrade electronic storage from 4,300 gigabytes to 31,000 gigabytes in fiscal 2004 as noted in Exhibit 2. In fiscal 2005, \$1,094,500 is provided to increase storage to 58,000 gigabytes.

State Archives has maxed out its existing archival storage at the Annapolis facility and has rented warehouse space in Linthicum and Glen Burnie. There is a \$227,619 increase in special funds for rent and a reduction of \$11,882 in general fund rent for a net increase of \$315,737 in rent. The special fund rent increase has two components, a \$198,225 for the rent of commercial warehouse space and \$128,964 for the special fund assessment for State-owned buildings paid to the Department of General Services. The \$198,225 increase includes \$160,000 to rent 20,000 sq. feet of additional warehouse space, \$20,688 increased special fund payment on two existing warehouses and \$17,537 for storing artwork with a private storage vendor.

Impact of Cost Containment

The fiscal 2005 allowance reflects the elimination of the \$20,381 appropriation for matching employee deferred compensation contributions up to \$600 contingent upon enactment of a provision in the budget reconciliation legislation.

Land Record Improvement Fund Projects

State Archives expects to archive over 24,054 gigabytes of land record images through the *mdlandrec.net* initiative. In fiscal 2005 this number will increase by another 19,803 gigabytes. The *mdlandrec.net* initiative integrates the existing electronic land records maintained by the 13 jurisdictions that had fully implemented the Judiciary ELROI electronic imaging of land records in fiscal 2003. Records older than 10 years will be archived on *mdlandrec.net*

In conjunction with the Judiciary project to migrate the remaining 11 jurisdictions to ELROI, State Archives is doing the backfile conversion of the old records of those 11 jurisdictions that were on paper and microfilm. Both the fiscal 2004 and 2005 State Archives budget includes \$2,303,320 for the scanning of the millions of documents that constitute the input file for the backfile conversion of the 11 jurisdictions converting to ELROI as well as the archiving of the records over 10 years old that are migrating from the other 13 ELROI jurisdictions.

ELROI began electronic scanning of new land records in the Prince George's County Land Record Office in 1992. Records now on the 13 ELROI jurisdictions that are over 10 years old will electronically migrate to *mdlandrec.net*. As the remaining 11 jurisdictions come online with ELROI, these records under the current plan will migrate to *mdlandrec.net* at some point in time. A title searcher doing an electronic title search from a courthouse will access both the land records on the server at the land records office and the State archives *mdlandrec.net* servers. This electronic access to the complete Maryland land record files will be transparent to the user. State Archives has also scanned all paper and microfilm indices used to locate land records and will maintain this index electronically in the future.

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The second major initiative in support of the land record offices is PLATO or the *plats.net* initiative. Archives will have completed the scanning of all plats for the 24 subdivisions by the close of fiscal 2004 and will continue to maintain the electronic version of subdivision plats in the future. The PLATO web site is now a heavily used state-of-the-art archival and record delivery system.

Recommended Actions

1. Concur with Governor's allowance.

Current and Prior Year Budgets

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 2003					
Legislative Appropriation	\$2,822	\$2,322	\$0	\$0	\$5,144
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	646	147	0	793
Cost Containment	-164	0	0	0	-164
Reversions and Cancellations	0	-325	0	0	-325
Actual Expenditures	\$2,658	\$2,643	\$147	\$0	\$5,448
Fiscal 2004					
Legislative Appropriation	\$2,611	\$2,008	\$0	\$0	\$4,619
Cost Containment	-196	0	129	0	-67
Budget Amendments	0	6,280	0	0	6,280
Working Appropriation	\$2,415	\$8,288	\$129	\$0	\$10,832

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

Fiscal 2003

Two rounds of cost containment reduced the general fund budget \$164,542 in fiscal 2003. Archives also received an additional \$646,466 in special funds from the State Highway Administration (SHA) which was credited to the non-lapsing publication account. This additional revenue was attributable to increased fees charged for film duplication services, revenue generated from land record back-file conversion and archival storage, and increased attainable revenue associated with a SHA scanning project. The funds were used to compensate for unrealized employee turnover, cover costs associated with warehousing acquisitions from State agencies, and to cover costs associated with recordation and electronic archival storage records in Maryland.

State Archives received two federal grants. One was for \$25,000 from the National Park Services for research on the underground railroad. These funds were fully expended in fiscal 2003. The second grant was \$250,662 from the U.S. Department of Education for research on the underground railroad. Only \$121,919 of this grant was expended in fiscal 2003. The remaining \$129,000 was expended in fiscal 2004. The U.S. Department of Education grant has since been increased to \$544,000.

Fiscal 2004

BPW cost containment approved July 30, 2003, reduced the general fund budget \$195,821. Two special fund amendments provided \$6,279,683. The first amendment transferred \$195,821 from the unappropriated special fund balance in the publication account to cover general fund cost containment actions. In addition State Archives received and added \$6,083,862 from the Judiciary land record recording fee to support the electronic storage of Maryland land records in *mdlandrec.net*.

**Object/Fund Difference Report
State Archives**

<u>Object/Fund</u>	<u>FY03 Actual</u>	<u>FY04 Working Appropriation</u>	<u>FY05 Allowance</u>	<u>FY04 - FY05 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	44.50	44.50	44.50	0	0%
02 Contractual	42.15	37.65	42.97	5.32	14.1%
Total Positions	86.65	82.15	87.47	5.32	6.5%
Objects					
01 Salaries and Wages	\$ 2,773,733	\$ 2,719,344	\$ 2,837,203	\$ 117,859	4.3%
02 Technical & Spec Fees	1,016,834	1,208,253	1,255,613	47,360	3.9%
03 Communication	188,689	172,780	235,463	62,683	36.3%
04 Travel	5,946	4,268	5,497	1,229	28.8%
06 Fuel & Utilities	7,833	3,400	7,833	4,433	130.4%
07 Motor Vehicles	3,232	200	2,290	2,090	1045.0%
08 Contractual Services	438,835	3,162,663	2,939,685	-222,978	-7.1%
09 Supplies & Materials	127,649	59,527	139,735	80,208	134.7%
10 Equip - Replacement	44,112	80,489	48,319	-32,170	-40.0%
11 Equip - Additional	469,802	3,010,683	2,205,121	-805,562	-26.8%
12 Grants, Subsidies, Contr	12,700	0	0	0	0.0%
13 Fixed Charges	336,523	329,942	650,115	320,173	97.0%
14 Land & Structures	22,069	80,000	100,000	20,000	25.0%
Total Objects	\$ 5,447,957	\$ 10,831,549	\$ 10,426,874	-\$ 404,675	-3.7%
Funds					
01 General Fund	\$ 2,657,582	\$ 2,414,866	\$ 2,450,490	\$ 35,624	1.5%
03 Special Fund	2,643,456	8,287,937	7,976,384	-311,553	-3.8%
05 Federal Fund	146,919	128,746	0	-128,746	-100.0%
Total Funds	\$5,447,957	\$ 10,831,549	\$ 10,426,874	-\$ 404,675	-3.7%

Note: The fiscal 2004 appropriation does not include deficiencies, and the fiscal 2005 allowance does not reflect contingent reductions.

**Fiscal Summary
State Archives**

<u>Unit/Program</u>	<u>FY03 Actual</u>	<u>FY04 Legislative Appropriation</u>	<u>FY04 Working Appropriation</u>	<u>FY03 - FY04 % Change</u>	<u>FY05 Allowance</u>	<u>FY04 - FY05 % Change</u>
01 Archives	\$ 5,311,967	\$ 4,506,187	\$ 10,718,795	101.8%	\$ 10,221,495	-4.6%
02 Artistic Property	135,990	112,754	112,754	-17.1%	205,379	82.1%
Total Expenditures	\$ 5,447,957	\$ 4,618,941	\$ 10,831,549	98.8%	\$ 10,426,874	-3.7%
General Fund	\$ 2,657,582	\$ 2,610,686	\$ 2,414,866	-9.1%	\$ 2,450,490	1.5%
Special Fund	2,643,456	2,008,253	8,287,937	213.5%	7,976,384	-3.8%
Federal Fund	146,919	-\$ 0	128,746	-12.4%	0	-100.0%
Total Appropriations	\$ 5,447,957	\$ 4,618,941	\$ 10,831,549	98.8%	\$ 10,426,874	-3.7%

Note: The fiscal 2004 appropriation does not include deficiencies and the fiscal 2005 allowance does not reflect contingent reductions.