

D60A10 State Archives

Operating Budget Data

(\$ in Thousands)

	<u>FY 09</u> <u>Actual</u>	<u>FY 10</u> <u>Working</u>	<u>FY 11</u> <u>Allowance</u>	<u>FY 10-11</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$2,621	\$2,112	\$2,528	\$416	19.7%
Contingent & Back of Bill Reductions	0	0	-79	-79	
Adjusted General Fund	\$2,621	\$2,112	\$2,449	\$337	16.0%
Special Fund	5,796	6,788	6,509	-279	-4.1%
Contingent & Back of Bill Reductions	0	0	-40	-40	
Adjusted Special Fund	\$5,796	\$6,788	\$6,469	-\$318	-4.7%
Federal Fund	30	20	0	-20	-100.0%
Adjusted Federal Fund	\$30	\$20	\$0	-\$20	-100.0%
Adjusted Grand Total	\$8,447	\$8,919	\$8,918	-\$1	0.0%

Note: For purposes of illustration, the Department of Legislative Services has estimated the distribution of selected across-the-board reductions. The actual allocations are to be developed by the Administration.

- The fiscal 2011 allowance for the Maryland State Archives (MSA) decreases \$1,000 below the working appropriation.
- Increases include \$103,000 to adjust the turnover rate and \$100,000 to adjust for across-the-board reductions. The allowance also reflects decreases in the area of information technology for items such as data processing equipment, computer maintenance, and software.

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

For further information contact: Flora M. Arabo

Phone: (410) 946-5530

Personnel Data

	<u>FY 09 Actual</u>	<u>FY 10 Working</u>	<u>FY 11 Allowance</u>	<u>FY 10-11 Change</u>
Regular Positions	47.50	47.50	47.50	0.00
Contractual FTEs	<u>53.50</u>	<u>54.90</u>	<u>55.20</u>	<u>0.30</u>
Total Personnel	101.00	102.40	102.70	0.30

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.95	2.00%
Positions and Percentage Vacant as of 12/31/09	0.00	0.00%

- The fiscal 2011 allowance includes a 0.3 increase to contractual full-time equivalents (FTE). This reflects 2.2 FTE State House visitor guides that were transferred from the Department of Business and Economic Development to MSA. The increase is offset by 1.9 vacant FTEs that were eliminated in the fiscal 2011 allowance.
- There were no vacant positions as of December 31, 2009.

Analysis in Brief

Major Trends

The Ratio of Documents Managed to Storage Capacity Continues to Increase: The ratio of documents managed to storage capacity exceeded full capacity in fiscal 2009, with no additional space in 2010 to accommodate new records.

Annapolis and Peabody Collection Conservation: In fiscal 2009, the percent of Annapolis fine arts and works of paper items classified as being in good condition was maintained at 39%, while the percent of Peabody fine arts and works of paper items classified as being in good condition increased slightly to 36%.

Recommended Actions

	<u>Funds</u>
1. Reduce general funds for turnover.	\$ 69,613
Total Reductions	\$ 69,613

D60A10 – State Archives

D60A10
State Archives

Operating Budget Analysis

Program Description

As the legally and constitutionally mandated historical agency for Maryland, the Maryland State Archives (MSA) 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. MSA 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, and accessible environment.

MSA preserves, describes, and makes accessible the government general public records deemed to have a permanent historical, educational, and administrative value. MSA 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.

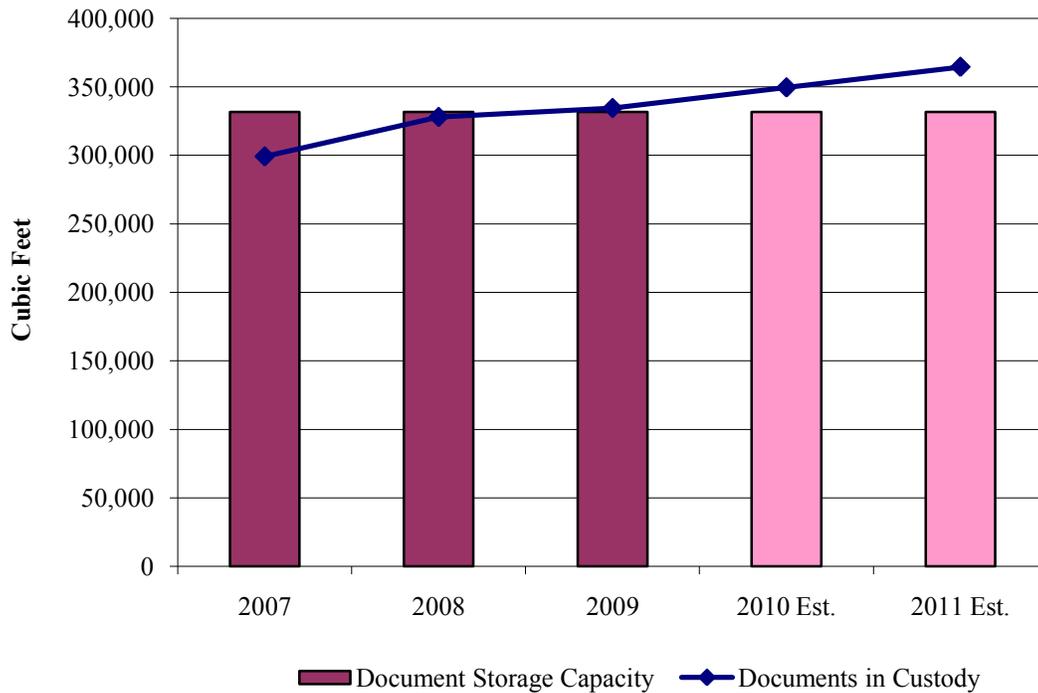
In February 1995, MSA established an Internet site (<http://www.mdarchives.state.md.us>). In January 1997, the agency also took responsibility for the Maryland Electronic Capital (MEC) web site (<http://www.mec/state.md.us>). MSA is the Webmaster for the MEC web page, the home page of Maryland State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

The 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 sculpture with national and international significance. The commission provides for the acquisition, location, proper care, custody, restoration, display, and preservation of these paintings and decorative arts.

Performance Analysis: Managing for Results

One of MSA's primary objectives is to monitor and assess requirements for the permanent storage of documents that are legally mandated to be transferred or backed up by MSA such as vital statistics (e.g., birth and death records). **Exhibit 1** illustrates MSA's annual storage capacity for physical documents, as compared to the amount of documents being managed by the agency. The ratio of documents managed to storage capacity reached 99% in fiscal 2008 and exceeded full capacity for the first time in 2009. In fiscal 2010 and 2011, the agency expects to reach 105% and 110% capacity, respectively. As a result, MSA indicates that records are not properly shelved and some are held on pallets on floor space.

Exhibit 1
Permanent Storage of Documents
Fiscal 2007-2011

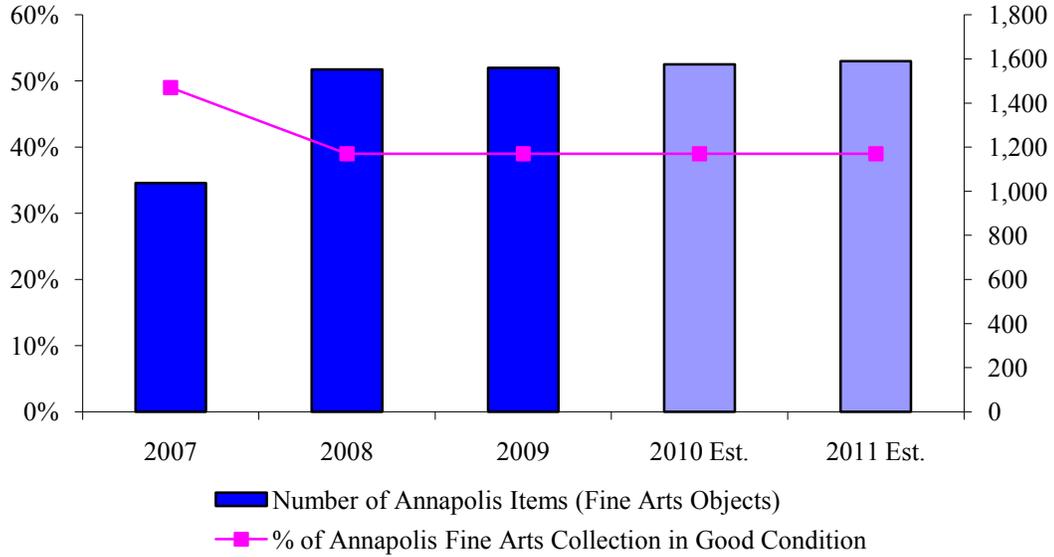


Source: Maryland State Archives

While MSA is rapidly moving into the electronic age, it continues to have custody of other State records such as the Annapolis and Peabody fine arts collections. **Exhibits 2 and 3** illustrate the number of items in both the Annapolis and Peabody collections as compared to the percentage of items classified as being in good condition. MSA classifies an item in one of three conditions: poor, fair, or good. Items classified as being in poor or fair condition are conserved and then reclassified. Theoretically, a work of art that has undergone treatment would at least be classified as in good condition, depending on the extent of its treatment and its prior condition. MSA’s goal is to conserve 100% of the State-owned art classified as being in poor or fair condition by fiscal 2012. In fiscal 2009, the percent of Annapolis fine arts and works of paper items classified as being in good condition was maintained at 39% as the result of an increase to the total number of objects in the collection. The percent of Peabody fine arts and works of paper items classified as being in good condition increased slightly to 36%.

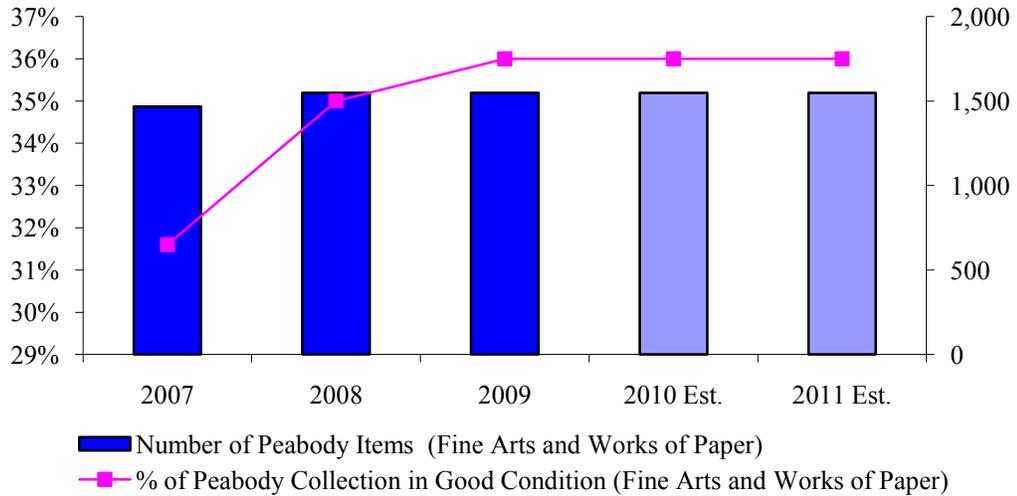
MSA should comment on its ability to adequately preserve and maintain the State’s records in light of current space constraints. MSA should further comment on its plans to acquire additional space or expand existing warehouses.

Exhibit 2
Annapolis Fine Arts Collection
Fiscal 2007-2011



Source: Maryland State Archives

Exhibit 3
Peabody Fine Arts Collection
Fiscal 2007-2011



Source: Maryland State Archives

Fiscal 2010 Actions

Impact of Cost Containment

In July, August, and November of 2009, the Governor proposed and the Board of Public Works (BPW) adopted reductions to the fiscal 2010 appropriation of \$657,063. Cost containment actions specific to the MSA include \$507,456 to replace general funds with special funds for salaries and various operating expenses and \$75,663 in general funds and \$73,944 in special funds for the statewide furlough.

Proposed Budget

The MSA's fiscal 2011 allowance decreases by \$1,000, as illustrated in **Exhibit 4**. Personnel expenses increase due to several factors including adjustments for turnover (\$103,000) and across-the-board reductions (\$100,000), the employee retirement system (\$71,000), and health insurance (\$60,000). Personnel increase are offset by decreases for operating expenditures including \$620,000 for items related to information technology such as data processing equipment, computer maintenance, and software. Additionally, the fiscal 2011 allowance will reduce MSA's capability to provide film images for land records and to conserve pieces in its artwork collection, both of which are core functions of the agency.

Impact of Cost Containment

The fiscal 2011 budget reflects several across-the-board actions to be allocated by the Administration. This includes a combination of employee furloughs and government shut-down days similar to the plan adopted in fiscal 2010; a reduction in overtime based on accident leave management; streamlining of State operations; hiring freeze and attrition savings; a change in the injured workers' settlement policy and administrative costs; and a savings in health insurance to reflect a balance in that account. For purposes of illustration, the Department of Legislative Services has estimated the distribution of selected actions relating to employee furloughs, health insurance, and the Injured Workers' Insurance Fund cost savings.

**Exhibit 4
Proposed Budget
State Archives
(\$ in Thousands)**

How Much It Grows:	General Fund	Special Fund	Federal Fund	Total
2010 Working Appropriation	\$2,112	\$6,788	\$20	\$8,919
2011 Allowance	<u>2,528</u>	<u>6,509</u>	<u>0</u>	<u>9,037</u>
Amount Change	\$416	-\$279	-\$20	\$117
Percent Change	19.7%	-4.1%	-100.0%	1.3%
Contingent Reductions	-\$79	-\$40	\$0	-\$118
Adjusted Change	\$337	-\$318	-\$20	-\$1
Adjusted Percent Change	16.0%	-4.7%	-100.0%	-0.0%

Where It Goes:

Personnel Expenses

Turnover adjustments	\$103
Adjustments for across-the-board reductions	100
Employee retirement system	71
Employee and retiree health insurance	60
Social Security	16
Workers' compensation	7
Unemployment compensation	6

Other Changes

Data processing equipment	-411
Restore one-time cost containment actions	297
Computer maintenance and software	-209
Transfer contractual full-time equivalents from DBED	95
Rent	-60
Film images for land records	-38
Artistic property – conservation of artwork	-21
One-time federal grant	-20
Other	3

Total **-\$1**

DBED: Department of Business and Economic Development

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

Recommended Actions

	<u>Amount Reduction</u>	
1. Reduce general funds for turnover. This action deletes general funds to increase the turnover rate from 2 to 4%.	\$ 69,613	GF
Total General Fund Reductions	\$ 69,613	

Current and Prior Year Budgets

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

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2009					
Legislative Appropriation	\$2,804	\$7,180	\$0	\$0	\$9,984
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	44	21	50	0	115
Cost Containment	-227	-47	0	0	-274
Reversions and Cancellations	0	-1,358	-20	0	-1,378
Actual Expenditures	\$2,621	\$5,796	\$30	\$0	\$8,447
Fiscal 2010					
Legislative Appropriation	\$2,696	\$6,862	\$0	\$0	\$9,558
Cost Containment	-584	-74	0	0	-658
Budget Amendments	0	0	20	0	20
Working Appropriation	\$2,112	\$6,788	\$20	\$0	\$8,920

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

Fiscal 2009

MSA completed fiscal 2009 \$1.5 million below its legislative appropriation.

General Funds: Actual fiscal 2009 general fund expenditures were \$183,000 below the legislative appropriation. A budget amendment provided \$43,788 for a cost-of-living adjustment (COLA). However, cost containment actions enacted by BPW totaled \$226,945.

Special Funds: Actual fiscal 2009 special fund expenditures were \$1.4 million below the legislative appropriation. Although a budget amendment provided \$20,583 for a COLA, BPW reduced \$46,850 for cost containment, and the agency cancelled \$1.4 million because actual revenues were below the estimate and expenses were reduced accordingly.

Federal Funds: MSA did not receive a legislative appropriation for federal funds. However, the agency later received a \$50,000 federal grant to study the underground railroad in Montgomery County. \$20,000 was cancelled due to the lack of a research archivist, but the grant has been extended to fiscal 2010 at which time the remaining funds will be expended.

Fiscal 2010

In fiscal 2010, the working appropriation for MSA is \$658,000 lower than the legislative appropriation. This is primarily due to cost containment actions taken by BPW that resulted in a decrease of \$583,717 in general funds and \$73,977 in special funds. A budget amendment provides a \$20,000 federal fund appropriation. This reflects the remainder of a fiscal 2009 federal grant to study the underground railroad in Montgomery County, as discussed above.

**Object/Fund Difference Report
State Archives**

<u>Object/Fund</u>	<u>FY09 Actual</u>	<u>FY10 Working Appropriation</u>	<u>FY11 Allowance</u>	<u>FY10 - FY11 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	47.50	47.50	47.50	0	0%
02 Contractual	53.50	54.90	55.20	0.30	0.5%
Total Positions	101.00	102.40	102.70	0.30	0.3%
Objects					
01 Salaries and Wages	\$ 3,736,583	\$ 3,251,315	\$ 4,029,635	\$ 778,320	23.9%
02 Technical and Spec. Fees	1,664,501	2,016,770	2,111,584	94,814	4.7%
03 Communication	250,495	333,060	316,183	-16,877	-5.1%
04 Travel	19,452	21,268	16,637	-4,631	-21.8%
06 Fuel and Utilities	25,687	40,943	27,091	-13,852	-33.8%
07 Motor Vehicles	4,665	6,437	7,311	874	13.6%
08 Contractual Services	912,163	1,239,661	1,023,356	-216,305	-17.4%
09 Supplies and Materials	184,965	241,122	207,010	-34,112	-14.1%
10 Equipment – Replacement	436,041	674,990	503,750	-171,240	-25.4%
11 Equipment – Additional	462,840	400,000	160,000	-240,000	-60.0%
13 Fixed Charges	749,416	693,857	633,984	-59,873	-8.6%
Total Objects	\$ 8,446,808	\$ 8,919,423	\$ 9,036,541	\$ 117,118	1.3%
Funds					
01 General Fund	\$ 2,620,942	\$ 2,111,786	\$ 2,527,560	\$ 415,774	19.7%
03 Special Fund	5,795,833	6,787,637	6,508,981	-278,656	-4.1%
05 Federal Fund	30,033	20,000	0	-20,000	-100.0%
Total Funds	\$ 8,446,808	\$ 8,919,423	\$ 9,036,541	\$ 117,118	1.3%

Note: The fiscal 2010 appropriation does not include deficiencies.

**Fiscal Summary
State Archives**

<u>Program/Unit</u>	<u>FY09 Actual</u>	<u>FY10 Wrk. Approp.</u>	<u>FY11 Allowance</u>	<u>Change</u>	<u>FY10 - FY11 % Change</u>
01 Archives	\$ 8,113,316	\$ 8,505,758	\$ 8,704,623	\$ 198,865	2.3%
02 Artistic Property	333,492	413,665	331,918	-81,747	-19.8%
Total Expenditures	\$ 8,446,808	\$ 8,919,423	\$ 9,036,541	\$ 117,118	1.3%
General Fund	\$ 2,620,942	\$ 2,111,786	\$ 2,527,560	\$ 415,774	19.7%
Special Fund	5,795,833	6,787,637	6,508,981	-278,656	-4.1%
Federal Fund	30,033	20,000	0	-20,000	-100.0%
Total Appropriations	\$ 8,446,808	\$ 8,919,423	\$ 9,036,541	\$ 117,118	1.3%

Note: The fiscal 2010 appropriation does not include deficiencies.