

D60A10 State Archives

Program Description

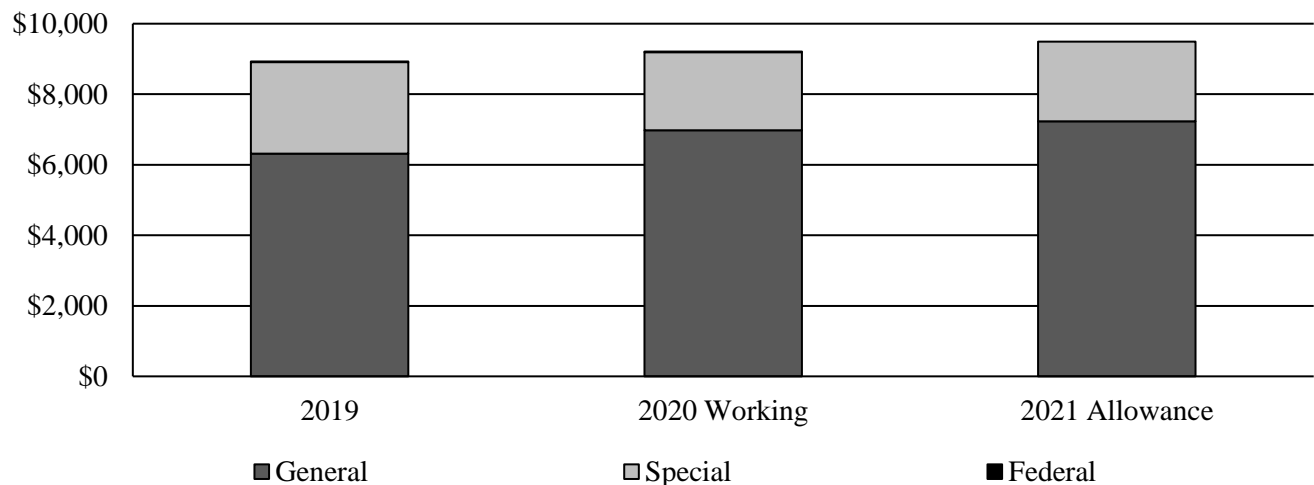
The State Archives is Maryland’s central depository for government records of permanent value and is one of the largest state archival organizations in the country. Its holdings date from the State’s founding in 1634 and include the following key assets:

- Maryland’s colonial and State executive, legislative, and judicial records;
- State and county publications, reports, probate, land, and court records;
- business and church records; and
- special collections of maps, newspapers, and photographs as well as private papers from individuals.

The State Archives is also the official custodian of over 3,500 valuable paintings and other decorative arts owned by or loaned to the State and provides for these items’ acquisition, preservation, and proper care – an endeavor that accounts for nearly 400,000 cubic feet of collected material. In addition, the agency provides access to key public records online and via its headquarters in Annapolis.

Operating Budget Summary

Budget Increases by \$282,254 or 3.1% to \$9.5 Million in Fiscal 2021 (\$ in Thousands)

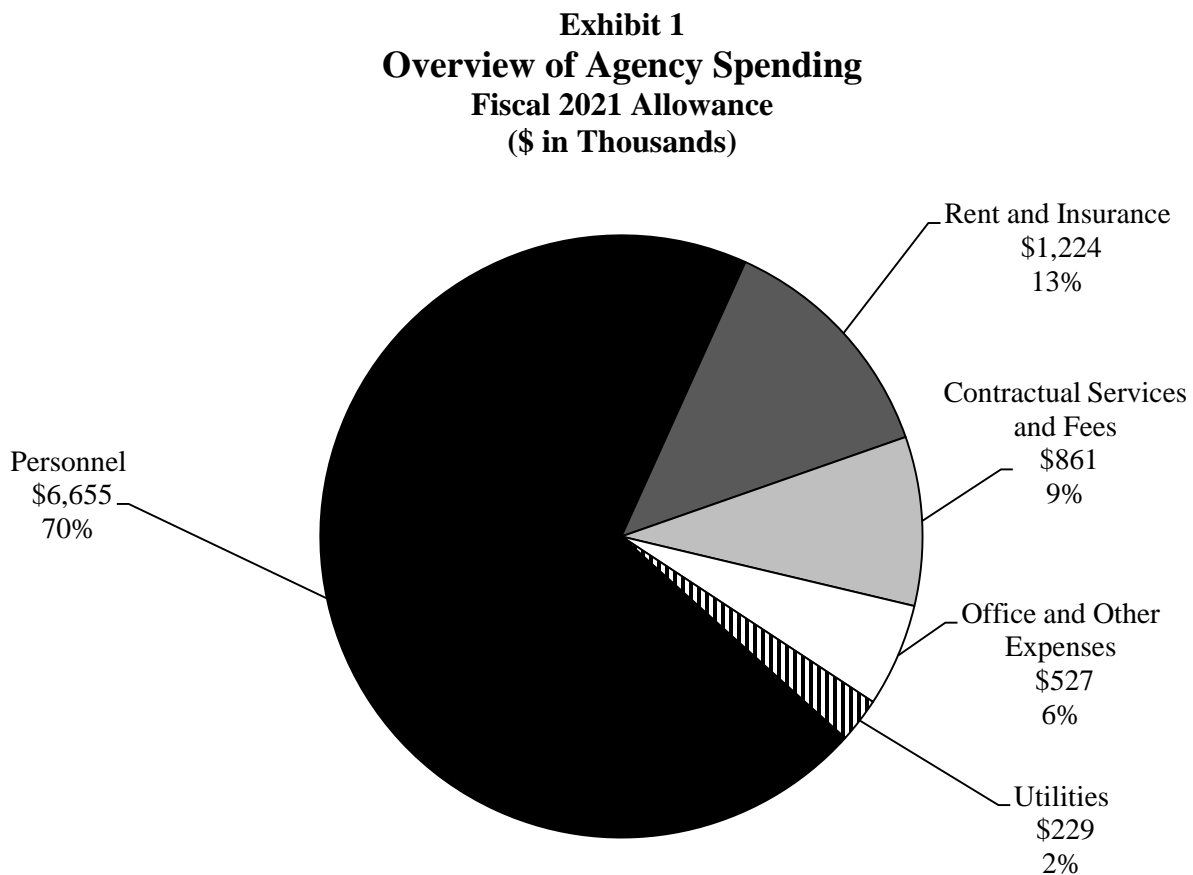


Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

- Overall, the budget for the State Archives increases by 3.1%. The vast majority of the change is attributable to increases for rent and insurance related to the agency’s collections storage warehouse; the remainder is due to a decrease of \$108,000 for data server equipment.

Fiscal 2021 Overview of Agency Spending

As depicted in **Exhibit 1**, the State Archives budget largely consists of personnel spending (70%). Other significant allocations are for rent and insurance costs related to the agency’s Woodlawn warehouse, which stores archival items (13%), with contractual, office, and utility spending making up the remainder.



Source: Department of Legislative Services

Proposed Budget Change

As shown in **Exhibit 2**, the fiscal 2021 allowance for the State Archives increases by 3.1%, or \$282,254 from the adjusted fiscal 2020 working appropriation.

**Exhibit 2
Proposed Budget
State Archives
(\$ in Thousands)**

How Much It Grows:	General Fund	Special Fund	Federal Fund	Total
Fiscal 2019 Actual	\$6,320	\$2,592	\$15	\$8,926
Fiscal 2020 Working Appropriation	6,977	2,216	20	9,213
Fiscal 2021 Allowance	<u>7,236</u>	<u>2,260</u>	<u>0</u>	<u>9,495</u>
Fiscal 2020-2021 Amount Change	\$259	\$43	-\$20	\$282
Fiscal 2020-2021 Percent Change	3.7%	2.0%	-100.0%	3.1%

Where It Goes:	Change
Personnel Expenses	
Fiscal 2021 2% COLA effective January 1, 2021	\$51
Employee retirement system.....	40
Health insurance premium costs	30
Net annualization of fiscal 2020 1% COLA.....	26
Other fringe benefit adjustments	-4
Regular earnings	-28
 Other Changes	
Rent and insurance costs for the Woodlawn collections storage warehouse.....	287
Lighting upgrades at the Woodlawn warehouse.....	12
Other expenses.....	1
Contractual services.....	-25
Data servers and switches.....	-108
Total	\$282

COLA: cost-of-living adjustment

Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

Budget Growth from Rent Increases Due to Federal Tax Changes

Essentially, all of the \$282,000 increase in the State Archives budget can be attributed to higher rent payments and maintenance costs at the agency’s warehouse facility in Woodlawn. A portion of these higher payments is due to changes in the federal tax code that caused costs to the State Archives’ bond-financed facility to rise. More information on this issue is provided in the Key Observations section of this document.

Computer Equipment Costs Decrease

In fiscal 2019, the State Archives worked to replace its servers and data storage equipment in its Annapolis headquarters and Woodlawn warehouse facilities. With the conclusion of this project, funding for this purpose is not needed in fiscal 2021.

Personnel Data

	<u>FY 19</u> <u>Actual</u>	<u>FY 20</u> <u>Working</u>	<u>FY 21</u> <u>Allowance</u>	<u>FY 20-21</u> <u>Change</u>
Regular Positions	63.00	63.00	63.00	0.00
Contractual FTEs	<u>5.90</u>	<u>10.90</u>	<u>8.80</u>	<u>-2.10</u>
Total Personnel	68.90	73.90	71.80	-2.10

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	1.26	2.00%
Positions and Percentage Vacant as of 12/31/19	2.00	3.17%
Vacancies Above Turnover	0.74	

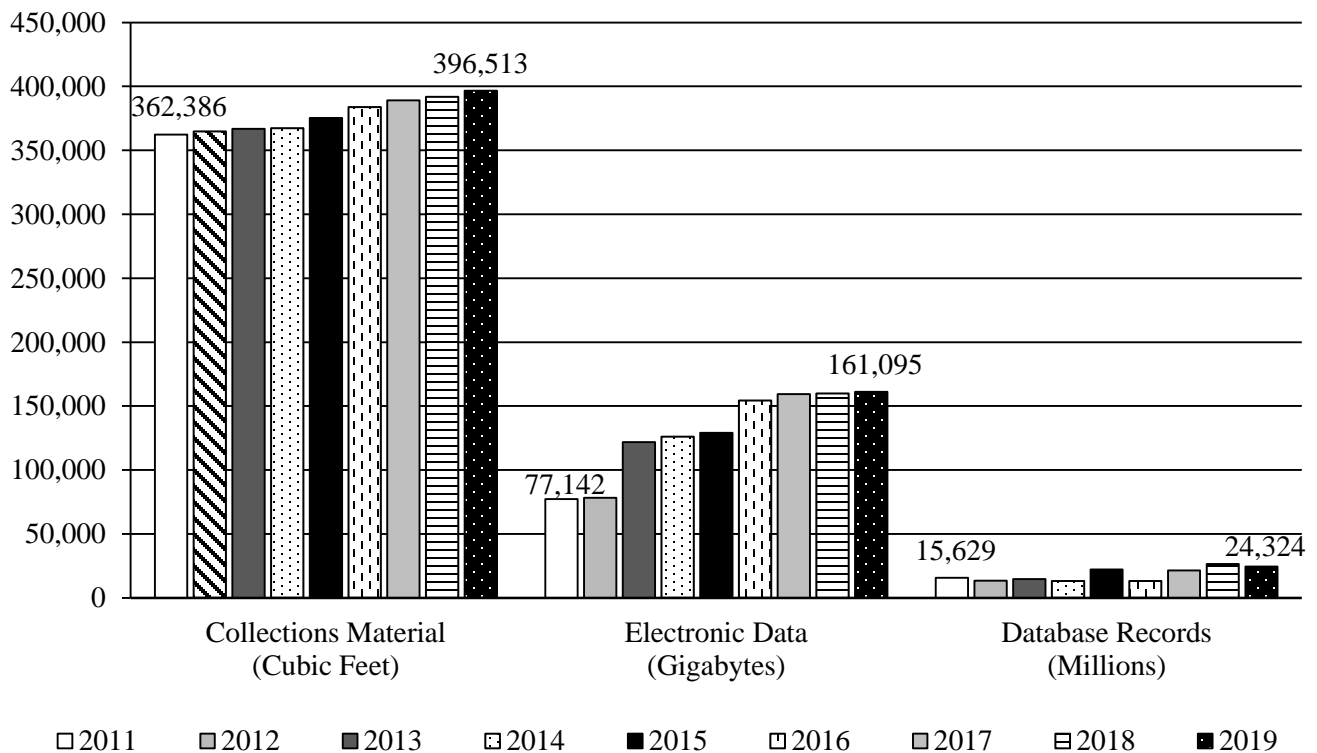
Key Observations

1. State Archives: Overview and Performance Measures

Agency Archives Continue To Grow; Electronic Data Grows 109% Since Fiscal 2011

During the course of each fiscal year, the State Archives determines which local and State records are of permanent value. From artwork and historical papers to citizen and governmental records, the agency collects and maintains these records and items on behalf of the State. Since fiscal 2011, the total number of both physical and electronic archives has continued to grow and is comprised of 24 billion database records, 160,000 gigabytes of electronic data, and nearly 400,000 cubic feet of space, as illustrated in **Exhibit 3**.

Exhibit 3
Archived Data by Type
Fiscal 2011-2019



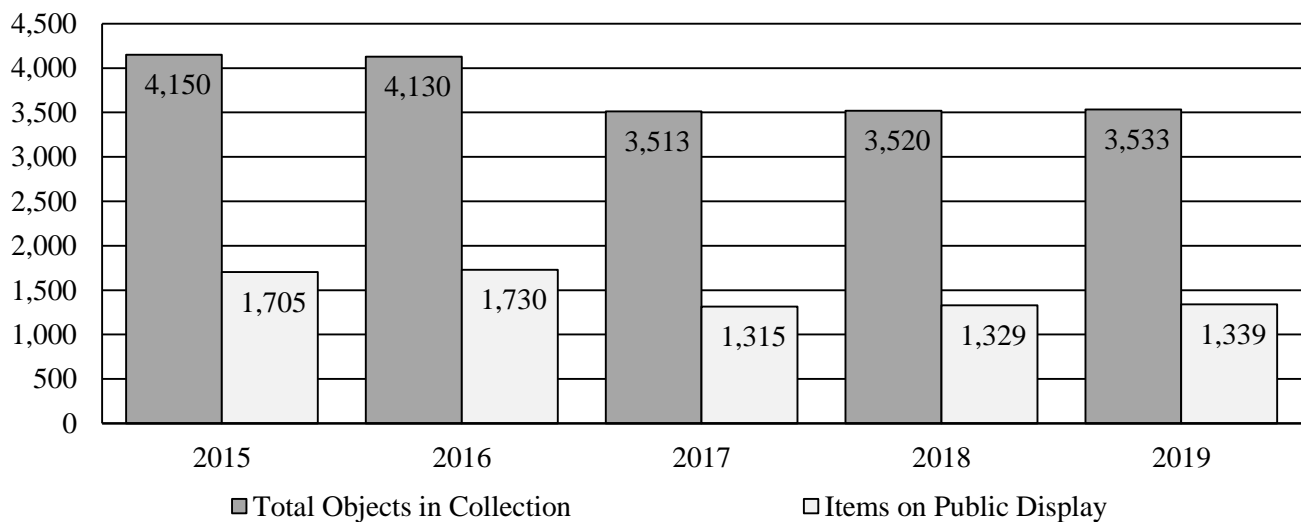
Source: Department of Budget and Management

- **Requests for Personal Documents (Related to REAL ID Drivers’ Licenses) Increases:** As the public relies on key personal records maintained by the State Archives, the agency has seen the number of personal records requested (and associated office duties) grow as well. Because of the requirement for REAL ID licenses for Maryland citizens effective October 1, 2020, Archives has seen an increase in the amount of traffic to its facilities and requests for personal files such as marriage certificates and divorce decrees, as these items document name changes.
- **Material and Document Searches:** Overall, the State Archives made 60,112 total materials available to its Annapolis search library patrons or via phone, email, mail, and interagency requests. This is a 76.5% increase from fiscal 2015 levels.
- **Criminal Background Checks:** The State Archives fulfilled 1,682 criminal background checks for various government agencies in fiscal 2019.

The Maryland State Archives Art Collection

The Maryland Commission on Artistic Property serves the public as the official custodian of the State’s art collection. The collection is comprised of works that document the history of Maryland through subject, maker, or place of origin. By reassessing and enhancing storage methods, the State Archives was able to remove more than 600 items (mainly reproductions and duplicates) in fiscal 2017. As a result, the number of objects in its warehouse storage facility decreased. Since then, the agency’s overall collection has increased slightly, with the State Archives most recently adding 13 new pieces to the art collection in fiscal 2019 and placing 10 additional items on display, as shown in **Exhibit 4**.

Exhibit 4
Art Collection – Items Owned and Displayed
Fiscal 2015-2019



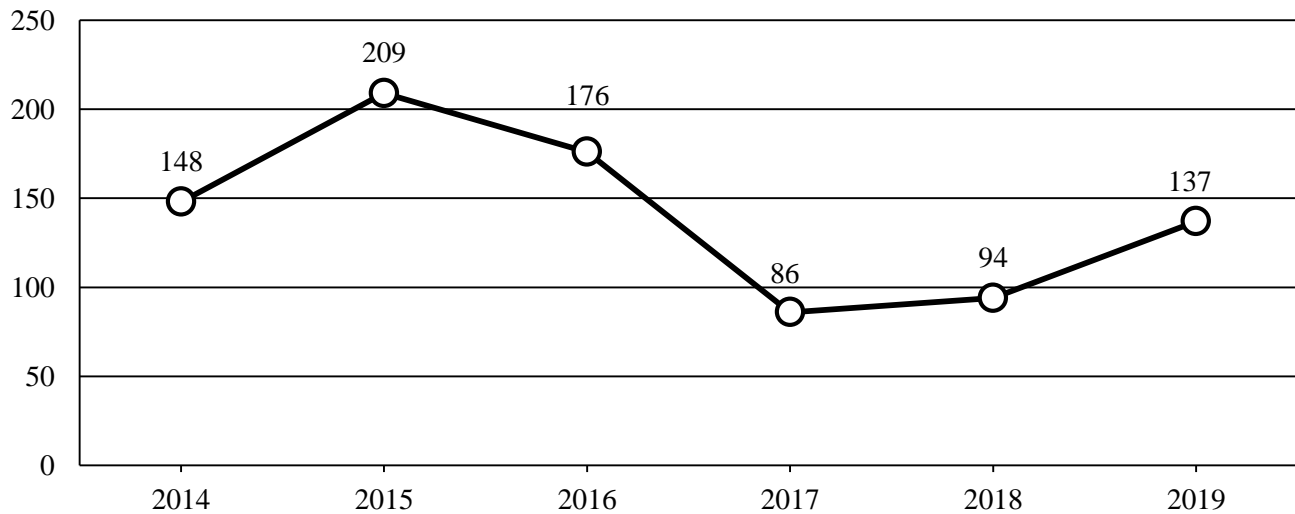
Source: Department of Budget and Management

- **Harriet Tubman and Frederick Douglass Statues:** These statues are currently at the State Archives’ foundry in the last phase of completion, when they will be cast in bronze. The statues are scheduled to be installed in the State House in early February with an official dedication during a special joint session of the Maryland General Assembly.

State Archives Public Programs Grow by 59% Since Fiscal 2017

To keep the public aware and informed about new art installments and other items of cultural significance, the State Archives has a variety of public programs. The State Archives holds multiple lecture series and focused programs, such as the Legacy of Slavery in Maryland. In addition, the State Archives offers genealogical sessions to assist family history researchers and conducts tours of the State House, Government House, and the State Archives building. Its permanent exhibit in the State House receives nearly 200,000 visitors each year. **Exhibit 5** outlines the number of programs offered each year. Due to mold issues at the State Archives, the number of programs offered declined significantly in fiscal 2017. Since the completion of the mold remediation efforts, programming increased and has grown over 59% since fiscal 2017.

Exhibit 5
State Archives Public Programs
Fiscal 2014-2019



Source: Department of Budget and Management

The agency notes that, unlike many organizations of its type, it does not currently have a comprehensive acquisition and conservation budget and that a modest amount of funding would allow the

agency to conduct long-term planning for artwork conservation, in order to secure key items that would be of cultural benefit to the State’s residents.

Given that the State Archives is the custodian of a wide variety of virtual data – from State land records to resident information – and cultural items of significant value, the agency should comment on its data and physical space needs, budget plans regarding items such as art acquisition funding, and any related issues.

2. Federal Tax Cuts Affect Agency Costs

In fiscal 2014, the State Archives was able to consolidate three of its leased facilities into one warehouse location in Woodlawn with the assistance of the Maryland Economic Development Corporation (MEDCO). The 134,000 square foot facility was purchased with the proceeds of MEDCO bonds. With these types of financial instruments, the bond financing is secured by the lease agreement and, in some instances, the property itself.

The federal Tax Cuts and Jobs Act of 2017 mandated reductions in the federal corporate tax rate. As a result, the value of certain types of bonds, such as those held in the MEDCO agreement, have a reduced value that caused an upward adjustment in rates; as a result, the agency had approximately \$55,000 in added expenditures. While the agency is required to pay these additional costs and has worked with the Department of General Services and other State agencies to ensure that the terms of the agreement and financing have been fulfilled properly, it would be prudent for the State Archives to update the committees on this issue. **The State Archives should comment on its bond financing as well as any expectations regarding changes at the federal level that may affect the agency’s budget.**

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

**Appendix 1
Object/Fund Difference Report
State Archives**

<u>Object/Fund</u>	<u>FY 19 Actual</u>	<u>FY 20 Working Appropriation</u>	<u>FY 21 Allowance</u>	<u>FY 20 - FY 21 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	63.00	63.00	63.00	0.00	0%
02 Contractual	5.90	10.90	8.80	-2.10	-19.3%
Total Positions	68.90	73.90	71.80	-2.10	-2.8%
Objects					
01 Salaries and Wages	\$ 5,787,319	\$ 6,150,086	\$ 6,187,342	\$ 37,256	0.6%
02 Technical and Spec. Fees	215,188	389,223	364,689	-24,534	-6.3%
03 Communication	156,294	137,200	137,200	0	0%
04 Travel	9,671	9,800	9,800	0	0%
06 Fuel and Utilities	143,454	216,600	228,600	12,000	5.5%
07 Motor Vehicles	7,293	10,620	10,620	0	0%
08 Contractual Services	720,954	874,648	861,327	-13,321	-1.5%
09 Supplies and Materials	57,606	65,114	65,114	0	0%
10 Equipment – Replacement	887,817	337,000	228,934	-108,066	-32.1%
11 Equipment – Additional	1,569	75,000	75,000	0	0%
13 Fixed Charges	939,148	922,014	1,223,761	301,747	32.7%
Total Objects	\$ 8,926,313	\$ 9,187,305	\$ 9,392,387	\$ 205,082	2.2%
Funds					
01 General Fund	\$ 6,319,556	\$ 6,954,195	\$ 7,146,000	\$ 191,805	2.8%
03 Special Fund	2,591,757	2,212,905	2,246,387	33,482	1.5%
05 Federal Fund	15,000	20,205	0	-20,205	-100.0%
Total Funds	\$ 8,926,313	\$ 9,187,305	\$ 9,392,387	\$ 205,082	2.2%

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.