

**D60A10
State Archives**

Operating Budget Data

(\$ in Thousands)

	<u>FY 10 Actual</u>	<u>FY 11 Working</u>	<u>FY 12 Allowance</u>	<u>FY 11-12 Change</u>	<u>% Change Prior Year</u>
General Fund	\$2,112	\$2,412	\$2,387	-\$25	-1.1%
Contingent & Back of Bill Reductions	0	0	-46	-46	
Adjusted General Fund	\$2,112	\$2,412	\$2,341	-\$72	-3.0%
Special Fund	5,574	6,426	6,302	-123	-1.9%
Contingent & Back of Bill Reductions	0	0	-16	-16	
Adjusted Special Fund	\$5,574	\$6,426	\$6,286	-\$140	-2.2%
Federal Fund	20	150	0	-150	-100.0%
Adjusted Federal Fund	\$20	\$150	\$0	-\$150	-100.0%
Adjusted Grand Total	\$7,705	\$8,988	\$8,627	-\$361	-4.0%

- The fiscal 2012 allowance decreases \$361,175 when adjusted for across-the-board and contingent reductions.
- Personnel expenditures increase \$154,349, primarily to restore employee furloughs, and are largely offset by decreases in other operating expenditures.

Personnel Data

	<u>FY 10 Actual</u>	<u>FY 11 Working</u>	<u>FY 12 Allowance</u>	<u>FY 11-12 Change</u>
Regular Positions	47.50	47.50	47.50	0.00
Contractual FTEs	54.20	55.20	54.70	-0.50
Total Personnel	101.70	102.70	102.20	-0.50

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.95	2.00%
Positions and Percentage Vacant as of 12/31/10	0.0	0.00%

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

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- The fiscal 2012 allowance includes no new regular positions, and contractual full-time equivalents (FTE) decrease by 0.5 FTEs.
- The turnover rate of 2.0% requires that the Maryland State Archives (MSA) maintain 0.95 vacant positions to achieve the necessary savings. However, as of December 31, 2010, MSA had no vacant positions.

Analysis in Brief

Major Trends

The Ratio of Documents Managed to Storage Capacity Continues to Increase: The ratio of documents managed to storage capacity reached 98% in fiscal 2010. In fiscal 2011 and 2012, the agency expects to reach 101% and 103% capacity, respectively.

Recommended Actions

1. Concur with Governor's allowance.

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 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.

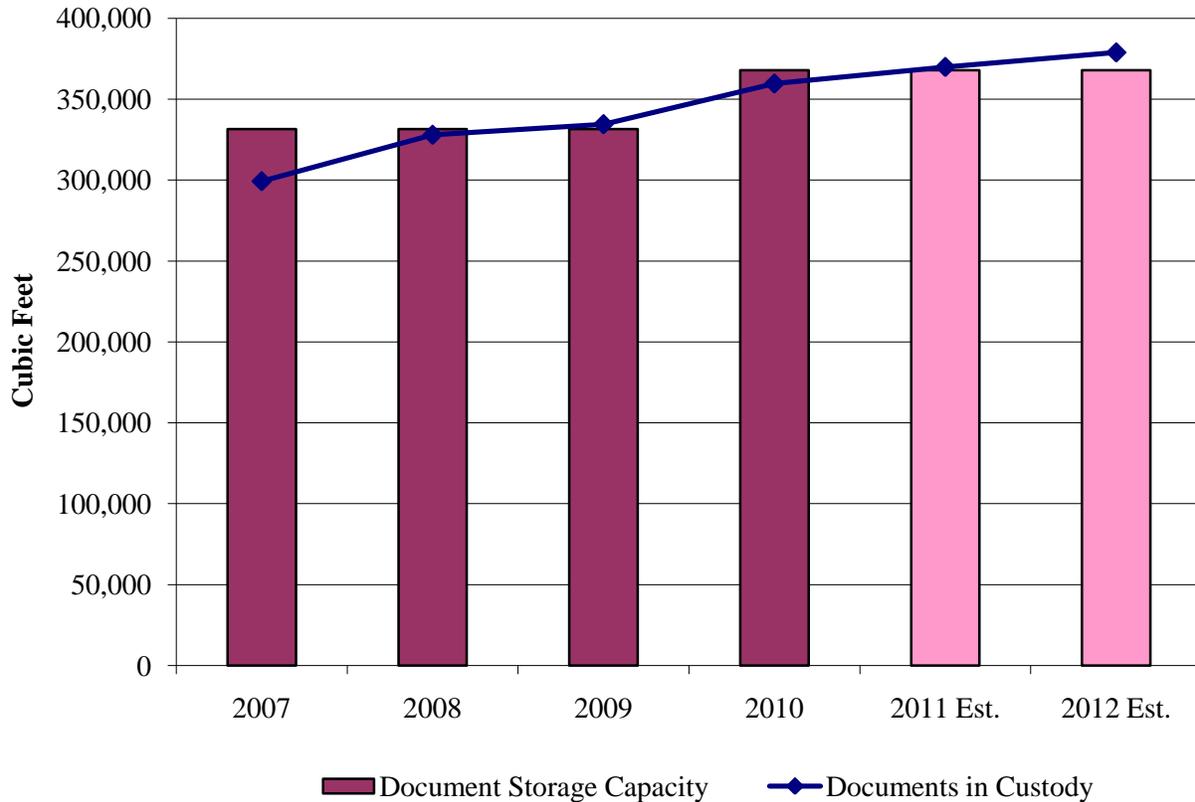
In February 1995, MSA established an Internet site (<http://www.mdarchives.state.md.us>). In January 1997, the agency also took responsibility for the Maryland Electronic Capital (MEC) website (<http://www.mec/state.md.us>). MSA is the Webmaster for the MEC webpage, the home page of Maryland State government,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

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 records (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 98% in fiscal 2010. In fiscal 2011 and 2012, the agency expects to reach 101% and 103% capacity, respectively. As a result, MSA indicates that records are not properly shelved and some are held on pallets on floor space.

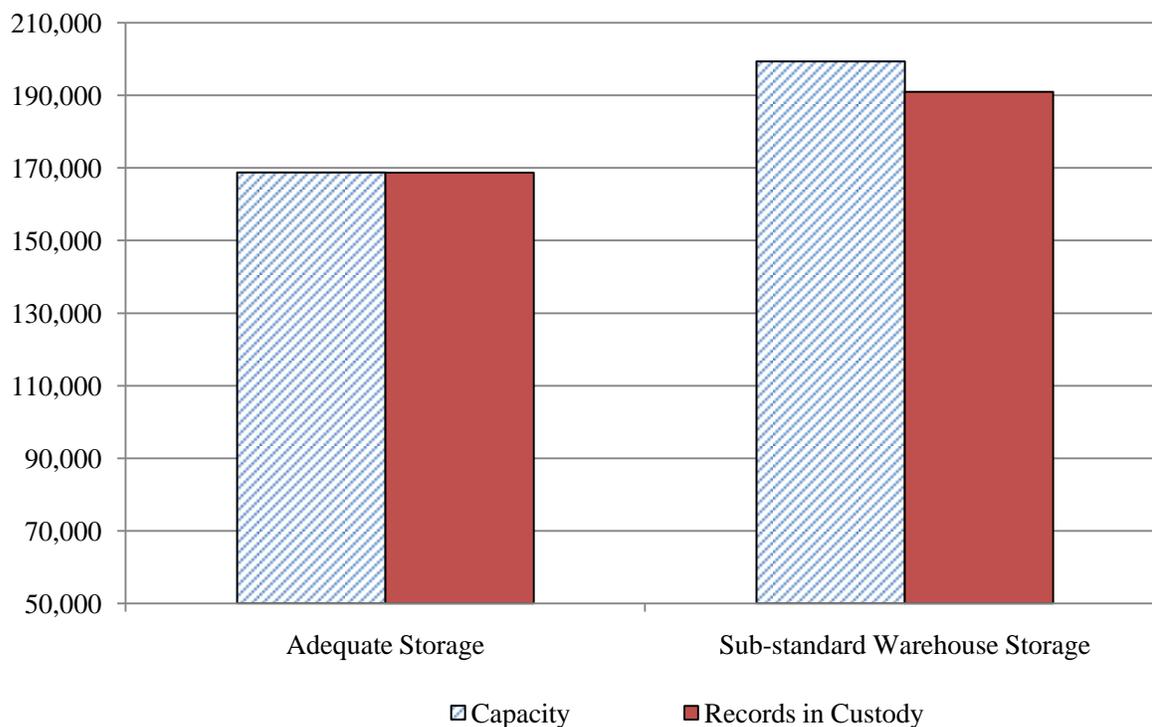
**Exhibit 1
Permanent Storage of Tangible Records
Fiscal 2007-2012**



Source: Maryland State Archives

Exhibit 2 demonstrates the amount of existing storage capacity that is adequate or substandard. The adequate space represents MSA’s main facility on Rowe Boulevard in Annapolis. The substandard capacity represents four off-site warehouses and additional storage space received from the Baltimore City Archives in exchange for preservation services. As the exhibit shows, adequate storage at the Annapolis main facility was filled to capacity in fiscal 2010. While some space remained in substandard facilities, that space is expected to be filled during fiscal 2011 and 2012. Additionally, MSA notes that both the warehouses and the Baltimore City Archives lack environmental controls, adequate fire suppression, and security systems. In recent years, these facilities have been subjected to fires and break-ins.

**Exhibit 2
Adequate and Substandard Archival Capacity
Fiscal 2010**



Source: Maryland State Archives

MSA should comment on the status of its capital request to expand the Annapolis archival site and whether there are alternative approaches to the costly request for a new underground building. MSA should also comment on how it will adapt to increases in storage needs until new capacity is made available.

Proposed Budget

MSA’s fiscal 2012 allowance decreases \$361,175 when adjusted for across-the-board and contingent reductions, as illustrated in **Exhibit 3**. Personnel expenditures increase primarily to restore employee furloughs (\$110,198) and to reflect increases in health insurance (\$16,528) and employee retirement (\$27,017). Those increases are balanced with several operating reductions, including \$215,412 for information technology consulting services and scanning services, \$141,463 to reflect actual fiscal 2010 telecommunications expenses, and \$170,000 for equipment.

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

How Much It Grows:	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Total</u>
2011 Working Appropriation	\$2,412	\$6,426	\$150	\$8,988
2012 Allowance	<u>2,387</u>	<u>6,302</u>	<u>0</u>	<u>8,689</u>
Amount Change	-\$25	-\$123	-\$150	-\$299
Percent Change	-1.1%	-1.9%	-100.0%	-3.3%
 Contingent Reductions	 -\$46	 -\$16	 \$0	 -\$62
Adjusted Change	-\$72	-\$140	-\$150	-\$361
Adjusted Percent Change	-3.0%	-2.2%	-100.0%	-4.0%

Where It Goes:**Personnel Expenses**

Restoration of furloughs	\$110
Health insurance net of across-the-board and contingent reductions	17
Employee retirement system net of across-the-board and contingent reductions.....	27

Other Changes

Federal Grants – Beneath the Underground Railroad; Salvaging the Records of Baltimore City	-130
Information technology consulting services and scanning services	-215
Equipment	-170
Replacement equipment	150
Telecommunications.....	-141
Other	-9

Total **-\$361**

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

Recommended Actions

1. Concur with Governor's allowance.

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 2010					
Legislative Appropriation	\$2,696	\$6,862	\$0	\$0	\$9,557
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	0	20	0	20
Cost Containment	-584	-74	0	0	-658
Reversions and Cancellations	0	-1,214	0	0	-1,214
Actual Expenditures	\$2,112	\$5,574	\$20	\$0	\$7,705
Fiscal 2011					
Legislative Appropriation	\$2,412	\$6,426	\$0	\$0	\$8,838
Budget Amendments	0	0	150	0	150
Working Appropriation	\$2,412	\$6,426	\$150	\$0	\$8,988

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

Fiscal 2010

MSA completed fiscal 2010 \$1.9 million below its legislative appropriation.

General Funds: Actual fiscal 2010 general fund expenditures were \$583,725 below the legislative appropriation due to reductions enacted by the Board of Public Works (BPW) for cost containment purposes.

Special Funds: Actual fiscal 2010 special fund expenditures were \$1.3 million below the legislative appropriation, primarily due to \$1.2 million in unspent special funds. BPW cost containment actions accounted for an additional \$73,944 in savings.

Federal Funds: While MSA did not receive a legislative appropriation for federal funds, a budget amendment appropriated \$20,000 for a federal grant to support the Beneath the Underground Flight to Freedom: Montgomery County 1830-1860 program.

Fiscal 2011

The fiscal 2011 working appropriation is \$150,000 greater than the legislative appropriation. This is the result of a federal fund budget amendment to recognize grants from the U.S. Department of Education's Underground Railroad Educational and Cultural Program Community Development Block Grant, the National Archives and Records Administration, and the State and National Archival Partnership Grants.

Audit Findings

Audit Period for Last Audit:	December 19, 2006 – November 16, 2009
Issue Date:	June 2010
Number of Findings:	1
Number of Repeat Findings:	0
% of Repeat Findings:	0%
Rating: (if applicable)	

Finding 1: The State Archives did not record certain purchased equipment items and did not properly conduct nor reconcile the results of its physical inventories.

*Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report
State Archives**

<u>Object/Fund</u>	<u>FY 10 Actual</u>	<u>FY 11 Working Appropriation</u>	<u>FY 12 Allowance</u>	<u>FY 11 - FY 12 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	47.50	47.50	47.50	0.00	0%
02 Contractual	54.20	55.20	54.70	-0.50	-0.9%
Total Positions	101.70	102.70	102.20	-0.50	-0.5%
Objects					
01 Salaries and Wages	\$ 3,862,313	\$ 3,878,394	\$ 4,095,142	\$ 216,748	5.6%
02 Technical and Spec. Fees	1,696,202	2,193,797	2,063,694	-130,103	-5.9%
03 Communication	160,878	316,983	183,882	-133,101	-42.0%
04 Travel	13,412	20,715	15,358	-5,357	-25.9%
06 Fuel and Utilities	9,792	27,091	9,792	-17,299	-63.9%
07 Motor Vehicles	5,669	7,311	9,096	1,785	24.4%
08 Contractual Services	1,057,338	1,026,556	941,337	-85,219	-8.3%
09 Supplies and Materials	117,935	209,570	144,801	-64,769	-30.9%
10 Equipment – Replacement	2,850	503,750	653,798	150,048	29.8%
11 Equipment – Additional	89,752	170,000	0	-170,000	-100.0%
13 Fixed Charges	689,214	633,984	572,475	-61,509	-9.7%
Total Objects	\$ 7,705,355	\$ 8,988,151	\$ 8,689,375	-\$ 298,776	-3.3%
Funds					
01 General Fund	\$ 2,111,778	\$ 2,412,335	\$ 2,386,881	-\$ 25,454	-1.1%
03 Special Fund	5,573,610	6,425,816	6,302,494	-123,322	-1.9%
05 Federal Fund	19,967	150,000	0	-150,000	-100.0%
Total Funds	\$ 7,705,355	\$ 8,988,151	\$ 8,689,375	-\$ 298,776	-3.3%

Note: The fiscal 2011 appropriation does not include deficiencies. The fiscal 2012 allowance does not include contingent reductions.

**Fiscal Summary
State Archives**

<u>Program/Unit</u>	<u>FY 10 Actual</u>	<u>FY 11 Wrk Approp</u>	<u>FY 12 Allowance</u>	<u>Change</u>	<u>FY 11 - FY 12 % Change</u>
01 Archives	\$ 7,291,698	\$ 8,666,837	\$ 8,369,006	-\$ 297,831	-3.4%
02 Artistic Property	413,657	321,314	320,369	-945	-0.3%
Total Expenditures	\$ 7,705,355	\$ 8,988,151	\$ 8,689,375	-\$ 298,776	-3.3%
General Fund	\$ 2,111,778	\$ 2,412,335	\$ 2,386,881	-\$ 25,454	-1.1%
Special Fund	5,573,610	6,425,816	6,302,494	-123,322	-1.9%
Federal Fund	19,967	150,000	0	-150,000	-100.0%
Total Appropriations	\$ 7,705,355	\$ 8,988,151	\$ 8,689,375	-\$ 298,776	-3.3%

Note: The fiscal 2011 appropriation does not include deficiencies. The fiscal 2012 allowance does not include contingent reductions.