

D60A10 State Archives

Operating Budget Data

(\$ in Thousands)

	<u>FY 02</u> <u>Actual</u>	<u>FY 03</u> <u>Approp.</u>	<u>FY 04</u> <u>Allowance</u>	<u>FY 03 - 04</u> <u>Change</u>	<u>FY 03 - 04</u> <u>% Change</u>
General Funds	\$2,805	\$2,822	\$2,658	-\$164	-5.8%
FY 2003 Cost Containment	0	-138	0	138	-100.0%
Contingent & Back of Bill Reductions	0	-2	-16	-14	621.5%
Adjusted General Funds	\$2,805	\$2,682	\$2,642	-\$40	-1.5%
Special Funds	2,463	2,322	2,013	-309	-13.3%
Contingent & Back of Bill Reductions	0	0	-5	-5	0.0%
Adjusted Special Funds	\$2,463	\$2,322	\$2,008	-\$314	-13.5%
Adjusted Grand Total	\$5,268	\$5,004	\$4,650	-\$353	-7.1%

- State Archives is operating in a survival mode with an austere fiscal 2004 budget that is \$353,268 below the fiscal 2003 adjusted budget.
- Effective preservation and archival of land records is dependent on the increase from \$5 to \$15 in the land recordation surcharge.

Personnel Data

	<u>FY 02</u> <u>Actual</u>	<u>FY 03</u> <u>Working</u>	<u>FY 04</u> <u>Allowance</u>	<u>Change</u>
Regular Positions	47.00	44.50	44.50	0.00
Contractual FTEs	47.00	48.50	35.90	-12.60
Total Personnel	94.00	93.00	80.40	12.60

Vacancy Data: Regular Positions

Budgeted Turnover: FY 04	1.56	3.50%
Positions Vacant as of 12/31/02	0.00	0.00%

- Due to budget constraints there is a significant reduction in contractual positions that provide assistance and reference services to the public. However this is offset by material available on the State Archives web site.

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

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Analysis in Brief

Major Trends

More Archived Material Is in Electronic Format: Archived documents will increase substantially from 463 gigabytes in fiscal 2002 to 4,190 gigabytes in fiscal 2004.

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 190 gigabytes in fiscal 1999 to 4,190 gigabytes projected in fiscal 2004.

Exhibit 1

**State Archives – Electronic Data
Fiscal 2001 through 2004**

<u>State Archives IT Data Input (gigabytes)</u>	<u>FY 01</u>	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04 Est.</u>
Archives of Maryland	46.9	55.9	64.7	73.7
Biographical files	4.1	4.3	4.5	4.7
Reference files (msaref.net)	n/a	10.5	31.0	51.0
Topical research files (ecpelio.net)	6.0	23.2	40.0	57.0
Legal ref files on Potomac River (mdag.net)	3.5	4.4	5.5	5.5
State House files (.mdstatehouse.net)	n/a	6.5	7.6	7.6
Special collections	20.0	34.1	48.0	62.0
Land survey files (martenet.org)	15.5	43.9	71.0	99.0
Slavery Commission	n/a	31.0	32.0	33.0
Total files stored	96.1	213.7	304.3	393.5
Beginning gigabytes stored	80.0	190.0	463.0	2,056.0
Land records, State Highway Admin. Estates		14.5	990.0	567.0
Other Government	110.0	273.0	603.0	1,567.0
Data deleted		-14.5		
Ending gigabytes stored	190.0	463.0	2,056.0	4,190.0
Database inputs not listed	13.9	73.8	1,288.7	1,740.5
Capacity beginning	100.0	500.0	800.0	2,500.0
Capacity added	400.0	300.0	1,700.0	2,000.0
Capacity Ending	500.0	800.0	2,500.0	4,500.0
Excess (Deficit)	310.0	337.0	444.0	310.0

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 have grown from 190 gigabytes in fiscal 2001 to 463 gigabytes in fiscal 2002, only a small portion of the electronic files of State government

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have been archived. This includes some notable successes – the *plat.net* initiative to place all subdivision plats online, the electronic *Maryland Manual* and the *Archives of Maryland* series. Fiscal 2003 and 2004 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, will begin electronic archiving land records that are older than ten years.

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 18,000 gigabytes of State government electronic data needs to be archived.

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**.

Exhibit 2

State Archives Key Indicators

	FY 01	FY 02	FY 03	FY 04	FY 03 - 04	FY 03 - 04
	<u>Actual</u>	<u>Actual</u>	<u>Est.</u>	<u>Est.</u>	<u>Change</u>	<u>% Change</u>
Public Record Archives						
Paper and film records in custody (in cubic feet)	220,638	231,035	241,535	252,535	11,000	4.6%
Web site visits (in millions)	34.6	53.4	73.7	101.7	28	38.0%
Web site requests (hits on servers in millions)	8.3	11.5	12.9	14.2	1.3	10.1%
Artistic Property						
Annapolis collection	850	857	867	880	13	1.5%
Peabody Art collection	368	368	368	368	-	0.0%
Annapolis collection conserved	3	2	22	35	13	59.1%
Peabody collection conserved	5	2	3	52	49	1,633.3%

Source: Governor's Budget Books; Managing for Results submission

Fiscal 2003 Actions

The Board of Public Works approved cost containment reductions that reduced the State Archives fiscal 2003 budget \$138,284. The reductions eliminate printing of the *Maryland Manual* (\$31,000) and reduce funds for research on the effects of slavery in Maryland (\$49,800). Cost containment also reduced operating expenses (\$57,000) to eliminate travel funds and to reduce funds for communications, fuel, utilities, supplies, and technical and special fees.

Impact of Cost Containment

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The *Maryland Manual* covering the newly elected State officials and the legislature will not be printed but will be available in electronic form on the Internet. In addition, fiscal 2003 cost containment reflects the reversion of appropriations to support free transit ridership for State employees, contingent upon enactment of a provision in the Budget Reconciliation and Financing Act (BRFA) of 2003. This is a \$2,178 item in the State Archives budget.

Governor's Proposed Budget

The austere State Archives' allowance for fiscal 2004 is a survival mode budget. The overall allowance is a 7.1% decrease of \$353,268 from the adjusted fiscal 2003 budget after cost containment as indicated in **Exhibit 3**. General funds decrease \$39,517 while special funds decrease \$313,751. The significant item is the reduction in contractual payroll in support of the Plats Online Initiative (PLATO), and reference services. The allowance does not include a significant project to archive electronic land record images (ELROI) for the Judiciary in the budget.

Exhibit 3

Governor's Proposed Budget					
State Archives					
(\$ in Thousands)					
	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 03 - 04</u>	<u>FY 03 - 04</u>
	<u>Actual</u>	<u>Approp.</u>	<u>Allowance</u>	<u>Change</u>	<u>% Change</u>
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Adjusted Grand Total	\$5,268	\$5,004	\$4,650	-\$353	-7.1%

Where It Goes:

Personnel Expenses

Health insurance	\$67
401(k) match	21
Prior cost containment fiscal 2003 restored.....	152

Where It Goes:

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Reduction in turnover expectancy	20
Other adjustments.....	-139
Contractual	
Contractual payroll reduction of 11.6 FTEs	-254
Operating Expenses	
Communications.....	-20
Travel.....	-10
Office assistance.....	-95
Supplies and materials.....	-71
Other operating expenses	-24
Total	-\$353

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

Impact of Cost Containment

Fiscal 2003 cost containment action is continued with additional reductions taken in fiscal 2004. The significant item is the loss of contractual personnel that provide assistance and reference services to the public, which has a net reduction of 6.30 FTEs (\$181,340). The remaining reduction in the contractual payroll reflect completion of PLATO Phase I now that all subdivision plats have been scanned and are available online. Archives will continue to maintain and add new plats to PLATO, but this will require fewer people.

In addition, the fiscal 2004 allowance reflects the elimination of the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in the 2003 BRFA. This is a \$20,654 item in the allowance.

Land Record Improvement Fund Projects

This current budget allowance includes approximately \$900,000 from the Judiciary to support the digital land record project. State Archives has a \$400,000 Memorandum of Understanding (MOU) to provide a digital index to land records and conservation imaging on records in danger of being lost (\$400,000). State Archives also receives \$500,000 for continued maintenance of the PLATO application.

Currently digital land record indices reside on the Judicial Information Systems (JIS) servers while many indices used by title examiners exist only in paper indices or as unique and irreplaceable bound volumes in courthouses. While current land record transactions are indexed in a digital format at the time they are recorded, there is no retrospective digital index of land records. Archives will scan and convert all existing indices into a digital format so that they will be accessible on *mdlandrec.net*. This will provide electronic archives indexing links to the Judiciary ELROI and to all land records that eventually are archived on *mdlandrec.net*.

State Archives supports the Judiciary *Plat.net* initiative. Under this initiative all sub-division and

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condominium plats were scanned into a digital file. Archives will continue to add new plats to the file and maintain the existing *plats.net* files. In addition to the Judiciary plats filed with the clerks of the court land record offices, Archives maintains the digital file of all State Highway Administration survey plats for highway rights-of-way.

Additional ELROI Support Not Included in the Fiscal 2004 Allowance

The Judiciary and Archives have agreed in principle to a MOU wherein Archives will participate in the accelerated implementation of ELROI in a number of significant ways. As a cost saving measure and to guarantee the development of timely security backups, the Judiciary has agreed to have Archives manage the creation of the archival computer output microfilm master negatives. State Archives will also coordinate the distribution of security microfilm or CD ROMs to the clerks' offices. Finally, Archives will perform the activities related to back file conversion for the 11 remaining ELROI installations. Not only will this save money and provide efficiencies, Archives will ensure that images to be placed in ELROI will be archived from the start. These initiatives are dependent on increasing the land record surcharge from the current \$5 to \$15.

Under the proposed plan, State Archives will digitally scan for the backfile conversion all existing land records for all 11 non-ELROI counties. Archives will do the backfile conversion of the following eight counties that will implement ELROI in fiscal 2004: Calvert, Caroline, Charles, Dorchester, Somerset, Talbot, Wicomico, and Worcester. The backfile conversion records will be placed on the Archives *mdlandrec.net* Server. Backfile conversion of these counties will cost \$1,250,000. The backfile conversion of the remaining three jurisdictions will be completed in fiscal 2005.

Archives will also provide archival storage for land records migrated off ELROI. Recordations older than 10 years will be transferred to permanent, less expensive storage and retrieval at Archives in a carefully designed security storage system, transparent to the user. State Archives and the Judiciary have signed off on a MOU to implement that component of the plan. ELROI will be used to record land instruments on a daily basis and store approximately 10 years of images. Recordations older than 10 years, as well as comprehensive index information, would be accessible on ELROI terminals from the *mdlandrec.net* system, without the user being aware that there are two complementary electronic image management systems at work.

The Maryland Judiciary will also provide Archives with ELROI image files needed to produce the archival microfilm and CD ROM backups. Archives will manage the development and quality control of the silver negative microfilm as well as the development of diazo copies and CD ROMs for distribution to the clerks' offices and other interested parties.

Archives has completed Phase I of the PLATO implementation. The anticipated annual cost for maintaining existing plats in the system is \$500,000 per year. The estimated cost for implementing Phase 2, which involves imaging and posting the remaining platted material including certificates of survey, chancery court material, etc., will be \$6,246,010.

The total estimated amount to be required for State Archives' portion of the Land Record

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implementation plan is roughly \$7.5 million, or 35% of the total amount available each year through 2010. (See Judiciary Land Record Improvement Fund Issue in the Judiciary budget analysis C00A00 for a complete discussion of the land records issue).

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 2002					
Legislative Appropriation	\$2,920	\$1,466	\$0	\$0	\$4,386
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	1,010	0	0	1,010
Reversions and Cancellations	-115	-13	0	0	-128
Actual Expenditures	\$2,805	\$2,463	\$0	\$0	\$5,268
Fiscal 2003					
Legislative Appropriation	\$2,822	\$2,322	\$0	\$0	\$5,144
Budget Amendments	-140	0	0	0	-140
Working Appropriation	\$ 2,682	\$2,322	\$0	\$0	\$5,004

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

Fiscal 2002 Adjustments

The \$115,000 general fund reduction is the cost containment approved by the Board of Public Works on November 14, 2001. The special fund amendments include:

- \$524,324 from the Judiciary for the *Plats.net* initiative to complete scanning of survey plats in Baltimore City and the remaining records for 19 jurisdictions;
- \$372,317 income from preservation and research services;
- \$112,361 from Internet billing reference services; and
- a reduction of \$7,000 for cost containment.

Object/Fund Difference Report
State Archives

Object/Fund	FY 02	FY 03	FY 04	FY 03 - FY 04	Percent Change
	Actual	Working Appropriation	Allowance	Amount Change	
Positions					
01 Regular	47.00	44.50	44.50	0	0%
02 Contractual	47.00	48.50	35.90	-12.60	-26.0%
Total Positions	94.00	93.00	80.40	-12.60	-13.5%
Objects					
01 Salaries and Wages	\$ 2,773,988	\$ 2,637,450	\$ 2,757,708	\$ 120,258	4.6%
02 Technical & Spec Fees	1,306,662	1,333,766	1,079,507	-254,259	-19.1%
03 Communication	220,570	206,035	186,528	-19,507	-9.5%
04 Travel	11,252	14,366	4,268	-10,098	-70.3%
06 Fuel & Utilities	5,565	9,122	3,400	-5,722	-62.7%
07 Motor Vehicles	3,836	7,387	200	-7,187	-97.3%
08 Contractual Services	293,665	378,938	151,543	-227,395	-60.0%
09 Supplies & Materials	97,048	130,415	59,527	-70,888	-54.4%
10 Equip - Replacement	103,073	48,257	80,489	32,232	66.8%
11 Equip - Additional	117,052	46,216	17,941	-28,275	-61.2%
12 Grants, Subsidies, Contr	17,280	12,700	0	-12,700	-100.0%
13 Fixed Charges	317,479	319,477	329,942	10,465	3.3%
14 Land & Structures	1,000	0	0	0	0.0%
Total Objects	\$ 5,268,470	\$ 5,144,129	\$ 4,671,053	-\$ 473,076	-9.2%
Funds					
01 General Fund	\$ 2,805,017	\$ 2,822,124	\$ 2,657,860	-\$ 164,264	-5.8%
03 Special Fund	2,463,453	2,322,005	2,013,193	-308,812	-13.3%
Total Funds	\$ 5,268,470	\$ 5,144,129	\$ 4,671,053	-\$ 473,076	-9.2%

Note: Fiscal 2003 appropriations and fiscal 2004 allowance do not include cost containment and contingent reductions.

Fiscal Summary
State Archives

<u>Unit/Program</u>	<u>FY 02 Actual</u>	<u>FY 03</u>		<u>FY 03 Working Appropriation</u>	<u>FY 02 – FY 03</u>		<u>FY 04 Allowance</u>	<u>FY 03 – FY 04</u>	
		<u>Legislative Appropriation</u>	<u>Appropriation</u>		<u>% Change</u>	<u>% Change</u>		<u>% Change</u>	<u>% Change</u>
01 Archives	\$ 5,133,318	\$ 5,006,715	\$ 5,006,715	\$ 5,006,715	-2.5%	\$ 4,556,524	-9.0%		
02 Artistic Property	135,152	137,414	137,414	137,414	1.7%	114,529	-16.7%		
Total Expenditures	\$ 5,268,470	\$ 5,144,129	\$ 5,144,129	\$ 5,144,129	-2.4%	\$ 4,671,053	-9.2%		
General Fund	\$ 2,805,017	\$ 2,822,124	\$ 2,822,124	\$ 2,822,124	0.6%	\$ 2,657,860	-5.8%		
Special Fund	2,463,453	2,322,005	2,322,005	2,322,005	-5.7%	2,013,193	-13.3%		
Total Appropriations	\$ 5,268,470	\$ 5,144,129	\$ 5,144,129	\$ 5,144,129	-2.4%	\$ 4,671,053	-9.2%		

Note: Fiscal 2003 appropriations and fiscal 2004 allowance do not include cost containment and contingent reductions.