

August 29, 2008

Mr. Les Boles, Director
Office of the State Budget
1201 Main Street, Suite 870
Columbia, SC 29201

Dear Les:

Attached is the fiscal year 2009-10 budget request from the SC Department of Archives and History (H79).

We are submitting two priority requests and adding a proviso. The department is not requesting any capital funding or FTEs.

Sincerely,

Rodger E. Stroup, Ph.D.
Director

Enclosure

FISCAL YEAR 2009-10 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. **Agency Section/Code/Name:**

28/H79/Archives and History

B. **Statewide Mission:**

The mission of the Department of Archives and History is to preserve and promote the documentary and cultural heritage of the state through professional records, historic preservation, and education programs.

C. **Summary Description of Strategic or Long-Term Goals:**

To increase and enhance preservation of and access to South Carolina state and local government records.

D. **Agency Recurring Base Appropriation:**

State \$3,918,327

Federal \$1,129,176

Other \$2,058,670

E. **Efficiency Measures:**

During the past year, most of our efficient measures decreased, reflecting the loss of staff members in each of our programs. However, in some areas we managed to maintain our current effectiveness, which we consider increased effectiveness given the resources available. While the number of visits to our Reference Room has decreased, the number of email and phone queries continue to increase-reflecting an increased use of new technologies. (7.1). The % of state- or federally-funded or permitted projects reviewed within 30 days has increased while the number of projects has increased. Despite losing 25% of our staff in the Records Center, we were still able to provide a cost-avoidance to state agencies comparable with that in past years. (7.3d)

F. **Number of Proviso Changes:**

1 (addition)

G. **Signature/Agency Contacts/Telephone Numbers:**

Rodger E. Stroup, Ph.D.
Director
SC Department of Archives and History
8301 Parklane Road
Columbia, SC 29203-4905
803-896-6187 telephone
803-896-6186 fax
stroup@scdah.state.sc.us

Roy H. Tryon
State Archivist & Records Administrator
803-896-6120 telephone
tryon@scdah.state.sc.us

Elizabeth M. Johnson
Director, Historical Services
803-896-6168 telephone
emjohnson@scdah.state.sc.us

IIA. OPERATING BUDGET PRIORITIES

Agency Section/Code/Name: 15/H79/Archives and History

SUMMARY OF OPERATING BUDGET PRIORITIES FOR FY 2009-2010

OPERATING BUDGET PRIORITIES					FUNDING					FTEs			
Priority No.	Goal No.	Title	Activity Name	Activity No.	Non-Recurring State	Recurring State	Federal	Other	Total	State	Federal	Other	Total
1		General Operating Funds	Administration	865		250,000			250,000				0.00
2		Energy Surcharge	Administration	865		70,000			70,000				0.00
For additional rows, place cursor in this gray box and press "Ctrl" + "b". (You need to start in this gray box for each row needed or the formulas will not copy properly.)													
TOTAL OF ALL OPERATING BUDGET PRIORITIES					0	320,000	0	0	320,000	0.00	0.00	0.00	0.00

IIB. CAPITAL BUDGET PRIORITIES

Agency Section/Code/Name: 15/H79/Archives and History

SUMMARY OF CAPITAL BUDGET PRIORITIES FOR FY 2009-2010

CAPITAL BUDGET PRIORITIES					Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.	Project No.*	Project Name	Activity Name	Activity No.				
1								0
2								0
3								0
4								0
5								0
For additional rows, place cursor in this gray box and press "Ctrl" + "c". (You need to start in this gray box for each row needed or the formulas will not copy properly.)								
TOTAL OF ALL CAPITAL BUDGET PRIORITIES					0	0	0	0

*if applicable

III. DETAILED JUSTIFICATION FOR FY 2009-10 OPERATING BUDGET PRIORITIES

A. **Agency Section/Code/Name:**
28/H79/Archives and History

B. **Priority No.:** 1 of 2

C.

(1) **Title:**
General Operating Funds

(2) **Summary Description:**
The agency needs additional general operating funds to avoid using our microfilm facilities as a source of revenue rather than using it to film endangered historical records. With the budget cuts imposed in the FY08-09 budget the agency is totally dependent on generated revenue to pay for part of our rental charge and all other operating expenses.

Using the microfilm facilities as a revenue generator is compromising our primary mission of preserving the state's historical records.

(3) **Strategic Goal/Action Plan (if applicable):**

D. **Budget Program Number and Name:**
I / Administration and Planning

E. **Agency Activity Number and Name:**
865 Administration

F. **Detailed Justification for Funding:**

(1) **Justification for Funding Increase:**

Detailed Justification for Funding: Since FY '03 the agency has lost over 33% of our staff, have been forced to move seven positions in the state historic preservation office to federal funds, thereby decreasing our statewide grant program from over \$425,000 to less than \$100,000 per year, and drastically reduced all agency operating accounts. To help make up for the loss of other operating funds we marketed our microfilm program as a fee-based service to public and private sector entities to fund such basic operating expenses as supplies, travel, telephones, data lines, and in the current year a portion of our rent. This resulted in neglect of at-risk local government records that must be preserved on microfilm by the Archives, filming of our own holdings to conserve space, and upgrading our equipment to cope with the challenge of preserving digital records. Additionally, this revenue source shows signs of declining as more of our customers move from film to digital media and major purchasers, such as mortgage companies, reach the limit of their need for land and other records from our holdings.

This is not a revenue source that can be depended on in the future—nor should it be since it inhibits our ability to fulfill our primary mission of preserving the state's historical records.

(2)

FY 2009-10 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Number of FTEs*		0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0
Program/Case Services	\$0	\$0	\$0	\$0	\$ 0
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$250,000	\$0	\$0	\$250,000

Total	\$ 0	\$250,000	\$ 0	\$ 0	\$250,000
* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.					

(3) **Base Appropriation:**

State \$1,313,045
Federal \$96,586
Other \$212,910

(4) **Is this priority associated with a Capital Budget Priority? No.**
If yes, state Capital Budget Priority Number and Project Name:

G. **Detailed Justification for FTEs**

(1) **Justification for New FTEs**

(a) **Justification:**

(b) **Future Impact on Operating Expenses or Facility Requirements:**

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

(3) **FTEs in Program Area per FY 2008-09 Appropriation Act:**

State 9.00
Federal 0.00
Other 2.00

Agency-wide Vacant FTEs as of July 31, 2008: 8
% Vacant 11%

H. **Other Comments:**

III. DETAILED JUSTIFICATION FOR FY 2009-10 OPERATING BUDGET PRIORITIES

A. **Agency Section/Code/Name:**
28/H79/Archives and History

B. **Priority No.:** 2 of 2

C.

- (1) **Title:**
Energy Surcharge
- (2) **Summary Description:**
For the past several years General Services has sent Archives and History a bill for additional costs of energy that the agency has not been able to pay.
- (3) **Strategic Goal/Action Plan (if applicable):**

D. **Budget Program Number and Name:**
I / Administration and Planning

E. **Agency Activity Number and Name:**
865 / Administration

F. **Detailed Justification for Funding:**

(1) **Justification for Funding Increase:**

When the Department of Archives and History moved into the new facility on Parklane Road in April 1998 the cost of operating the building for the first year was paid directly by the agency. At the beginning of year two, the operating and capital expenses were turned over to the Division of General Services. At that time General Services reviewed the cost of the first year of operation and determined the rent due from Archives and History. The agency requested an additional \$340,000 in our operating budget to cover the difference between the rent on the older, smaller building on Senate Street and the new facility. The additional funding was provided by the General Assembly and placed in the Archives and History budget. Several years ago we began receiving a bill from General Services for \$70,000 for additional energy charges. In each case the bill was submitted to Archives and History late in the fiscal year, and we indicated we did not have the funds to pay without laying-off additional staff members (between 2001 and 2004 the agency lost 30% of our staff due to budget cuts). If General Services is incurring additional expenses for operating the Archives and History Center, we would request that the necessary funds be allocated to the agency budget.

(2)

FY 2009-10 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Number of FTEs*		0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0
Program/Case Services	\$0	\$0	\$0	\$0	\$ 0
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$70,000	\$0	\$0	\$70,000
Total	\$ 0	\$70,000	\$ 0	\$ 0	\$70,000

* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.

(3) **Base Appropriation:**
State \$1,313,045
Federal \$96,586

Other \$212,910

- (4) **Is this priority associated with a Capital Budget Priority?** No.
If yes, state Capital Budget Priority Number and Project Name: .

G. Detailed Justification for FTEs

(1) **Justification for New FTEs**

(a) **Justification:**

(b) **Future Impact on Operating Expenses or Facility Requirements:**

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

(3) **FTEs in Program Area per FY 2008-09 Appropriation Act:**

State 9.00
Federal 0.00
Other 2.00

Agency-wide Vacant FTEs as of July 31, 2008: 8
% Vacant 11%

H. Other Comments:

IV. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

- A. **Agency Section/Code/Name:**
28/H79/Archives and History
- B. **Priority No. _____ of _____**
- C. **Strategic Goal/Action Plan (if applicable):**
- D. **Project Name and Number (if applicable):**
- E. **Agency Activity Number and Name:**
- F. **Description of Priority:**
- G. **Detailed Justification for Funding**

(1) **Justification for Funding Priority:**

(2)

Total Project Cost Estimates:	Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Total Project Cost*	\$0	\$0	\$0	\$ 0

** If additional annual operating costs from any source of funding are anticipated upon project completion, please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.*

H. **Justification for First Year Additional Future Annual Operating Costs:**

(1) **Will additional annual operating costs be absorbed into your existing budget?**

If not, will additional state funds be needed in the future?

If state funds will not be needed in the future, explain the source(s) that will be used.

(2) **First Fiscal Year Additional Annual Operating Costs Are Anticipated:**

Will this fiscal year require a partial or full year's operating funds?

If a partial year's funds are required, what portion of the year does it cover?

(3)

Additional Annual Operating Cost	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Total Personnel Costs	\$0	\$0	\$0	\$0	\$ 0
Furniture/Equipment	\$0	\$0	\$0	\$0	\$ 0
Other Operating Costs	\$0	\$0	\$0	\$0	\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

I. **Justification for First Full Year Additional Future Annual Operating Costs (If Section H above represents a full year's operating funds, do not complete this section.)**

(1) **Will additional annual operating costs be absorbed into your existing budget?**

If not, will additional state funds be needed in the future?

If state funds will not be needed in the future, explain the source(s) that will be used.

(2) **First Full Fiscal Year Additional Annual Operating Costs Are Anticipated:**

(3)

Additional Annual Operating Cost	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Total Personnel Costs	\$0	\$0	\$0	\$0	\$ 0
Furniture/Equipment	\$0	\$0	\$0	\$0	\$ 0
Other Operating Costs	\$0	\$0	\$0	\$0	\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. **Other Comments:**

**VI. ADDENDUM
ASSESSMENT OF ACTIVITIES**

Agency Section/Code/Name: 15/H79/Archives and History

PRIORITY SUMMARY

TOP 5% PRIORITIES									
	Activity Name	Activity No.	General	Non-Recurring & Health Proviso	Capital Reserve	Federal	Other	Total	FTEs
1	Archival Services	857	737,838			141,586	65,500	944,924	19.00
For additional rows, place cursor in this gray box and press "Ctrl" + "a". (You must start in this gray box; otherwise, the programmed formatting will be altered.)									
	TOTAL HIGHEST:		737,838	0	0	141,586	65,500	944,924	19.00

BOTTOM PRIORITIES: 5% PLUS BUDGET REQUESTS DOLLAR AMOUNT									
	Activity Name	Activity No.	General	Non-Recurring & Health Proviso	Capital Reserve	Federal	Other	Total	FTEs
1	Old Exchange Building	1580	150,000					150,000	
2	National History Day	862	62,862				1,000	63,862	1.00
For additional rows, place cursor in this gray box and press "Ctrl" + "a". (You must start in this gray box; otherwise, the programmed formatting will be altered.)									
	TOTAL LOWEST:		212,862	0	0	0	1,000	213,862	1.00

**VI. ADDENDUM
ASSESSMENT OF ACTIVITIES**

Agency Section/Code/Name: 15/H79/Archives and History

DETAILS FOR LOWEST PRIORITIES

Activity Name: Old Exchange Building					Activity #: 1580	
Estimate of Savings:	General	Non-Recurring &	Capital Reserve	Federal	Other	Total
Number of FTEs						0.00
Personal Service						0
Employer Contributions						0
Program/Case Services						0
Pass-Through Funds	150,000					150,000
Other Operating Expenses						0
TOTAL LOWEST:	150,000	0	0	0	0	150,000

Reasoning for Lowest Priority Status:

This reduction would reduce by 100% the available funds for capital maintenance for the Old Exchange Building. During the past six years the Old Exchange has received \$900,000 from state and federal funds to complete several deferred maintenance problems. Each year the \$150,000 appropriation will be held in a separate account for capital maintenance needs. If minor problem areas are addressed as they occur rather than allowing them to become major problems, the facility can be properly maintained into the future.

Activity Impact (Describe the impact on the activity affected, including the impact on customers and clients.):

Activity Name: National History Day Program					Activity #: 862	
Estimate of Savings:	General	Non-Recurring & Health Proviso	Capital Reserve	Federal	Other	Total
Number of FTEs	1.00					1.00
Personal Service	47,544					47,544
Employer Contributions	15,318					15,318
Program/Case Services						0
Pass-Through Funds						0
Other Operating Expenses	1,000					1,000
TOTAL LOWEST:	63,862	0	0	0	0	63,862

Reasoning for Lowest Priority Status:

One of the missions of Archives and History is education. Our primary k-12 education program is National History Day, a year-long program where students are taught to complete in-depth research on a specific topic. After completing their research the students are required to analyze their research and present it in one of several formats. Beginning at the school level students progress through a series of competitions, with the best entries competing against students from across the contry at the national competition in June.

Activity Impact (Describe the impact on the activity affected, including the impact on customers and clients.):

Currently, over 9,000 students in 70+ schools participate in the National History Day program. Research indicates that those schools that participate in National History Day at all grade levels see a substantial increase in the test scores in the areas of research and analysis. If the program is cut, it would not be available for students to learn these important skills. In addition, South Carolina would be the only one of the states, besides West Virginia, that was not represented at the national contest. It is doubtful that another education program reaches 9,000 students with an expenditure of less than \$64,000.

For additional Low Priority Details, place cursor in this yellow box and press "Ctrl" + "p". (You must start in this yellow box; otherwise, the programmed formatting will be altered.)