



ARIZONA STATE LIBRARY,
ARCHIVES AND PUBLIC RECORDS

A DIVISION OF THE ARIZONA SECRETARY OF STATE

GLADYSANN WELLS, DIRECTOR

PROVIDING ACCESS
Preserving Arizona

Fiscal Information 2007

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1700 W. Washington, Suite 200 • Phoenix, Arizona 85007 • Home Page: <http://www.lib.az.us>
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STATE OF ARIZONA

FY 2008

Appropriations Report

July 2007

JLBC

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Director: GladysAnn Wells

JLBC Analyst: Dan Hunting

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Approved	FY 2009 Approved
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	114.8	115.8	115.8	115.8
Personal Services	4,052,800	4,858,600	5,004,300	4,858,600
Employee Related Expenditures	1,260,800	1,618,200	1,742,200	1,634,200
Professional and Outside Services	152,700	121,600	121,600	121,600
Travel - In State	14,300	8,000	8,000	8,000
Travel - Out of State	39,800	15,500	15,500	15,500
Other Operating Expenditures	1,372,900	807,100	803,200	787,500
Equipment	146,800	25,000	25,000	25,000
OPERATING SUBTOTAL	7,040,100	7,454,000	7,719,800	7,450,400
SPECIAL LINE ITEMS				
Grants-in-Aid	560,800	651,400	651,400	651,400
Statewide Radio Reading Service for the Blind	97,000	97,000	97,000	97,000
AGENCY TOTAL	7,697,900	8,202,400	8,468,200^{1/2/3/}	8,198,800^{1/2/3/}
FUND SOURCES				
General Fund	7,063,700	7,540,600	7,787,600	7,536,300
Other Appropriated Funds				
Records Services Fund	634,200	661,800	680,600	662,500
SUBTOTAL - Other Appropriated Funds	634,200	661,800	680,600	662,500
SUBTOTAL - Appropriated Funds	7,697,900	8,202,400	8,468,200	8,198,800
Other Non-Appropriated Funds	1,043,200	342,400	342,400	342,400
Federal Funds	3,446,700	3,262,400	3,262,400	3,262,400
TOTAL - ALL SOURCES	12,187,800	11,807,200	12,073,000	11,803,600

AGENCY DESCRIPTION — The agency is the archival authority and the designated repository for historical records and documents of state and local government, as well as a designated federal document regional repository. Other responsibilities include: the Braille and Talking Book Library; coordination of statewide planning and development of library services; the State Capitol Museum and the Carnegie Center and a general research and State Law Library.

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006	FY 2008
	Actual	Actual	Actual	JLBC
• Customer satisfaction rating (Scale 1-8)	7.6	7.6	7.4	7.4

Operating Budget

The budget includes \$7,719,800 and 115.8 FTE Positions for the operating budget in FY 2008 and \$7,450,400 and

115.8 FTE Positions for FY 2009. These amounts consists of:

	FY 2008	FY 2009
General Fund	\$7,787,600	\$7,536,300
Records Services Fund	680,600	662,500

1/ This appropriation is a continuing appropriation and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations. (General Appropriation Act footnote)
 2/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.
 3/ All Records Services Fund receipts, including prior year fund balances, received by the Arizona State Library, Archives and Public Records in excess of \$680,600 in FY 2008 and \$662,500 in FY 2009 are appropriated to the Arizona State Library, Archives and Public Records. Before the expenditure of Records Services Fund receipts in excess of \$680,600 in FY 2008 or \$662,500 FY 2009, the Arizona State Library, Archives and Public Records shall submit the intended use of the monies for review by the Joint Legislative Budget Committee. (General Appropriation Act footnote, as adjusted for statewide allocations)

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These amounts fund the following adjustments:

Statewide Adjustments

The budget provides an increase of \$265,800 in FY 2008 and a decrease of \$(3,600) in FY 2009 for statewide adjustments. These amounts consist of:

General Fund	247,000	(4,300)
Records Services Fund	18,800	700

(Please see the Statewide Adjustments section at the end of this Appropriations Report for details. The annualization of these adjustments for FY 2009 will be addressed in the 2008 budget process.)

Special Line Items

Grants-in-Aid

The budget provides \$651,400 from the General Fund for Grants-in-Aid in FY 2008 and FY 2009. These amounts are unchanged from FY 2007. Monies in this Special Line Item are used to fund a portion of the state match that is required for receipt of federal dollars under the Library Services and Technology Act (LSTA). Receipt of LSTA monies is dependent on the state's ability to meet a maintenance-of-effort requirement, which is tied to the state contribution made in each of the 3 prior years.

Wide Radio Reading Service for the Blind

The budget provides \$97,000 from the General Fund for Statewide Radio Reading Service for the Blind in FY 2008 and FY 2009. These amounts are unchanged from FY 2007. Monies in this Special Line Item are used to provide information access services for blind and visually impaired individuals. Services include radio information broadcasts, a telephone and web-based news reading service, and internet radio broadcasting for individuals who are outside the range of the radio broadcast.

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ARIZONA STATE
LIBRARY, ARCHIVES AND PUBLIC RECORDS

GladysAnn Wells, Director

PROVIDING ACCESS
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October 10, 2007

The Honorable Janet Napolitano, Governor
1700 W. Washington Street
Phoenix, AZ 85007

Dear Governor Napolitano:

Enclosed is the fiscal year 2009 budget request for the Arizona State Library, Archives and Public Records.

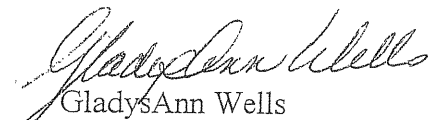
Out of respect for the current fiscal news and after consultation with the Library Board, we are submitting a straight line budget request.

This should not be construed as an indication of a lack of need, but rather as the acknowledgement of the realities that we all confront as we attempt to continue our programs and public service.

Despite an increase in demand for our services, we are facing challenges. Our fiscal situation is difficult due to increases in basic operational costs such as technology and book inflation.

Please contact me if any additional information is needed to consider this request.

Sincerely,


GladysAnn Wells
Director

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ARIZONA STATE
LIBRARY, ARCHIVES AND PUBLIC RECORDS

GladysAnn Wells, Director

PROVIDING ACCESS
*Preserving
Arizona*

October 10, 2007

Richard Stavneak, Director
Joint Legislative Budget Committee
1716 W. Adams Street
Phoenix, AZ 85007

Dear Richard:

Enclosed is the fiscal year 2009 budget request for the Arizona State Library, Archives and Public Records.


Out of respect for the current fiscal news and after consultation with the Library Board, we are submitting a straight line budget request.

This should not be construed as an indication of a lack of need, but rather as the acknowledgement of the realities that we all confront as we attempt to continue our programs and public service.

Despite an increase in demand for our services, we are facing challenges. Our fiscal situation is difficult due to increases in basic operational costs such as technology and book inflation.

Please contact me if any additional information is needed to consider this request.

Sincerely,


GladysAnn Wells
Director

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State of Arizona Budget Request

State Agency

Arizona State Library, Archives & Public Records

A.R.S. Citation: ARS §41-1331-1353

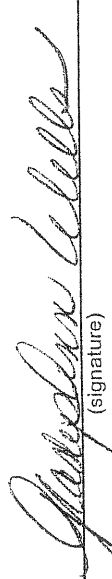
Governor Napolitano:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2009.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Agency Head: **GladysAnn Wells**

Title: **Director**


(signature)

Phone: **(602) 926-3808**

Prepared By: **Antonio J Sotelo**

Email Address: **tsotelo@lib.az.us**

Date Prepared:

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Appropriated Funds	FY 2008 Expd. Plan	FY 2009 Expd. Plan	FY 2009 Fund. Issue	FY 2009 Total Budget
General Fund	8,468.2	8,198.8	0.0	8,198.8
Records Services Fund	7,787.6	7,536.3	0.0	7,536.3
	680.6	662.5	0.0	662.5

Total Amount Requested:

Non-Appropriated Funds	FY 2008 Expd. Plan	FY 2009 Expd. Plan	FY 2009 Fund. Issue	FY 2009 Total Budget
Federal Grant Fund	3,630.1	3,630.2	0.0	3,630.2
State Library Fund	3,220.9	3,220.9	0.0	3,220.9
Gift Shop Revolving Fund	340.8	340.9	0.0	340.9
	68.4	68.4	0.0	68.4

Total Amount Planned:



Arizona State Legislature

1700 West Washington

Phoenix, Arizona 85007

December 12, 2007

Dear Director Wells:

As you are aware, the revenue collections to date are well below forecast, and we expect a total shortfall of \$800 million this fiscal year. This drop in revenue not only represents a true deficit in this year's budget, it likely foretells of an even bigger problem in the upcoming fiscal year.

One of the tools the Legislature will consider to address this shortfall is reductions to agency budgets, including our own. Like all other state agencies, we need to be prepared to cut our budgets to help resolve the shortfall. To that end, we request that you provide us information related to three potential budget scenarios:

- 1) What reductions can you take in FY'08;
- 2) What actions would you have to take to achieve a 5% cut in your total budget for FY'09; and
- 3) What actions would you have to take to realize a 10% cut in your total budget for FY'09?

Resolving the state's budget shortfall will be the Legislature's number one priority during the next session. You are in the best position to identify areas where we can cut while still maintaining your office's core functions. The information you provide us will help the Legislature lead by example when making the decisions necessary to achieve a balanced budget.

Thank you for your assistance. We look forward to hearing back from you.

Sincerely,

Handwritten signature of Timothy S. Bee in black ink.

TIMOTHY S. BEE
President of the Senate

Handwritten signature of James P. Weiers in black ink.

JAMES P. WEIERS
Speaker of the House

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ARIZONA STATE
LIBRARY, ARCHIVES AND PUBLIC RECORDS

PROVIDING
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Arizona

GladysAnn Wells, Director

December 28, 2007

The Honorable Tim Bee
Arizona State Senate

The Honorable James Weiers
House of Representatives

Dear President Bee and Speaker Weiers:

Thank you for the opportunity to work with you as you consider options to address our current budget shortfall. In this letter I will explain and identify FY08 reductions and FY09 suggestions for a 5% reduction. A second letter will outline necessary or possible statutory changes to achieve a 10% reduction.

The Library and Archives budget is unfortunately similar to our state budget. Much of our agency's budget is committed to maintaining core and statutory functions or is outside of our control. Even given these limitations, we have identified a cost savings of \$136,219, or 2.5% of our operating budget after the committed expenditures summarized below, to offer to help with our fiscal challenges in FY08. Specific FY08 cuts are also explained in more detail below.

Fiscal Year 08 Agency expenditures which are committed to support our functions by state or federal action:

Operations*	\$8,468,200
Braille and Talking Book Library Rent	(109,900)
Records Management Division Rent	(186,600)
Evans House Rent	(76,500)
Risk Management	(67,900)
Insurance Sweep	(687,100)
Arizona Federal Maintenance of Effort Required	(233,293)
State Grants-in-Aid	(651,400)
Statewide Radio Reading Service for the Blind	(97,000)
Sub-total Working General Remaining FY08	6,358,507
Records Services Fund (not General Fund**)	(680,600)
Annual Working General Fund for FY08	\$5,677,907

*Includes added 3% for state employee salary adjustments.

**Our Records Services Fund is earned through statutory provisions and is not General Fund.

Unknown items affecting remaining FY 2008 and FY 2009 expenses include decisions concerning the State Capitol Museum space, shifting of exhibits, storage cost to move materials out of proposed Legislative space and so forth, the continued work toward the Centennial, and preparation for moving materials from three expensive offsite storage facilities into the Polly Rosenbaum building. The costs associated with these major decisions are difficult to estimate.

However, we propose the following:

1. An Archives staff person is on extended medical leave and is not anticipated to be well enough to return to active duty. Meanwhile we must maintain her vacant position. We offer this one-time cost savings of \$56,219.
2. We have responsibly contained travel and operations expenditures given the fiscal news over the last several months. Through postponement of staff development and training, reduction in travel, use of grant funds for necessary and

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STATE CAPITOL

appropriate travel, and centralization of purchase of all office supplies, we anticipate and offer a one-time savings of \$30,000.

3. The single largest item in our budget after personnel costs is our Book and Collections budget of \$300,000. Inflation for 2007 for general library materials was 7.1% and for law materials it was 3.4% -- both well above the more familiar consumer price index. Most of the Book and Collections funds are committed on an annual subscription basis; but, we believe we can move some specific and appropriate items to one-time private grant funds for this fiscal year to contribute \$50,000 from the Book budget.

Fiscal Year 09 (5%)

Operations*	\$8,198,800
Braille and Talking Book Library Rent	(105,200)
Records Management Division Rent	(189,500)
Evans House Rent	(76,500)
Risk Management	(67,900)
Insurance Sweep	(687,100)
Arizona Federal Maintenance of Effort Required	(233,293)
State Grants-in-Aid	(651,400)
Statewide Radio Reading Service for the Blind	(97,000)
Sub-total Working General Remaining FY09	6,090,90.
Records Services Fund	(680,600)
Annual Working General Fund for FY09	\$5,410,307

* Does not include 3% for state employee salary adjustments.

A 5% reduction for Library and Archives would be \$270,515. We propose the continuation of our 2.5% reduction with one change and one caveat. We ask that the Archives vacancy be transferred from the General Fund to the Records Services Fund. We will seek an extension of the private grant funds to cover an additional \$50,000 reduction in the Book and Collections Fund.

In addition we propose the following:

1. With the opening of the Polly Rosenbaum History and Archives Building planned for early FY09, we anticipate moving materials from the offsite storage facility TOSS II (lease concludes in August 2008). The lease payments and utilities (approximately \$98,000) for that facility are paid from the Records Services Fund. Terminating the need for this facility will release funds to cover the position we have asked to have transferred, and the necessary new security position to be requested when the opening date of the Rosenbaum building is firm. We will then be able to open the Rosenbaum building without requesting a General Fund increase and with sufficient funds in the Records Services Fund to cover the two positions.

2. We could then apply the remaining Records Services Fund rental savings of \$12,300 to the ongoing records operations, allowing us to return an additional \$12,300.

3. We would increase our Records Services Fees to state agencies. We have not increased our fee structure for 10 years. We will establish a fee for the conservation and treatment services available from the Polly Rosenbaum Archives and History Building. That increased revenue would generate an estimated \$122,000, allowing us to release an additional \$122,000 of General Fund operating funds provided we would be allowed to transfer most of the rent payment for the Records Management Center to our Records Services Funds.

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These actions would result in a General Fund reduction for Library and Archives of \$270,519. We appreciate the severity of the situation and will work with you as needed toward resolving the state's budget shortfall. Please let me know if additional clarifications are needed.

Respectfully,

GladysAnn Wells
Director
Library, Archives and Public Records