

LSC Greenbook

Analysis of the Enacted Budget

Ohio Historical Society

Brian Hoffmeister, Senior Budget Analyst
Legislative Service Commission

July 2011

TABLE OF CONTENTS

OVERVIEW	1
Agency Overview.....	1
Appropriation Overview	1
Major Initiatives	2
Collections Learning Center.....	2
Management of Historic Sites	2
Recommendations of the Legislative Commission on the Education and Preservation of State History	2
ANALYSIS OF ENACTED BUDGET	4
Education and Collections (360501)	4
Site and Museum Operations (360502)	4
Ohio Preservation Office (360504).....	5
National Afro-American Museum (360505).....	5
Hayes Presidential Center (360506).....	6
State Historical Grants (360508).....	6
Outreach and Partnership (360509).....	6

ATTACHMENT:

Budget Spreadsheet By Line Item

Ohio Historical Society

- Appropriations of \$8.5 million in FY 2012 and \$7.8 million in FY 2013
- 48 historic sites now managed in cooperation with partner organizations
- All state support for OHS is through the GRF

OVERVIEW

Agency Overview

The Ohio Historical Society (OHS) is a state-chartered nonprofit corporation dedicated to the preservation, interpretation, and study of Ohio's history. While the Society is not a state agency, it receives general revenue funds for purposes prescribed in state law, including the operation of the Ohio History Center, the State Archives, the Ohio Historic Preservation Office, and the maintenance of the state's network of designated historic sites and museums. OHS also acts as the state's lead entity for federal historic preservation programs delegated to the state through the National Historic Preservation Act. Through these various channels, OHS operates educational programming, manages historical collections, and provides other services to promote the preservation, investigation, and appreciation of Ohio's historical and archaeological heritage. OHS is governed by a board of trustees currently consisting of 19 members, as well as 12 ex officio members that include members of state history groups, legislative leaders, and members of the Governor's cabinet. OHS has a staff of 177 full-time equivalent employees, with slightly more than half of these paid from state funds.

Appropriation Overview

The budget appropriates OHS approximately \$8.5 million in FY 2012 and \$7.8 million in FY 2013, entirely from the GRF. The FY 2012 appropriation is 7.3% higher than actual FY 2011 spending of \$7.9 million, as indicated in the table below. In contrast, the FY 2013 appropriation of \$7.7 million is \$750,000 (8.8%) lower than the FY 2012 appropriation due to a one-time increase in line item 360508, State Historical Grants, for FY 2012.

Fund Group	FY 2011*	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
General Revenue	\$7,932,431	\$8,512,091	7.3%	\$7,762,091	-8.8%
TOTAL	\$7,932,431	\$8,512,091	7.3%	\$7,762,091	-8.8%

*FY 2011 figures represent actual expenditures.

Typically, OHS derives over half of its funding from state appropriations, with the remainder coming from nonstate sources. In FY 2010, OHS reported total revenue and support of \$17.2 million, of which state funds comprised \$10.3 million (59.9%), including dollars appropriated through the Cultural Facilities Commission in the state capital budget. Nonstate income is derived from federal grants and contracts and private contributions, as well as operating revenues such as admissions and parking fees, program service charges, sales, memberships and subscriptions, fees for special events and the use of facilities, and other sources.

Major Initiatives

Collections Learning Center

OHS recently began work on renovations to exhibit space in the Ohio History Center that will update the facility as a Collections Learning Center. The project is expected to be completed over the course of three years and will replace current permanent exhibit space with visible storage of OHS's collections of three-dimensional artifacts. State capital funding totaling \$415,000 was appropriated for the project through the Ohio Cultural Facilities Commission in H.B. 462 of the 128th General Assembly, the capital reappropriations bill for FY 2011 and FY 2012.

Management of Historic Sites

In the FY 2012-FY 2013 biennium, OHS will continue efforts to partner with local organizations or other third parties to operate state historic sites. Currently, a total of 48 sites are managed in cooperation with outside groups. Of these, OHS has entered into management agreements with 39 local organizations to manage 44 sites. The remaining four sites are nature preserves or archaeological sites managed in cooperation with the Department of Natural Resources. In addition to these locations, OHS staffs two additional sites, the Johnston Farm and Indian Agency in Piqua, Miami County, and the Wahkeena Nature Preserve in Fairfield County. During FY 2012 and FY 2013, OHS intends to continue pursuing local partnerships to manage these sites.

Recommendations of the Legislative Commission on the Education and Preservation of State History

The Legislative Commission on the Education and Preservation of State History was created by H.B. 1 of the 128th General Assembly, the main operating budget for the FY 2010-FY 2011 biennium. The Commission was charged with reviewing the state of historic preservation and education services provided by OHS, the Western Reserve Historical Society, and the Cincinnati Museum Center. The Commission issued its report in September of 2010, which contained a number of recommendations for OHS and other historical organizations to improve funding, efficiency, and service delivery. These include a mix of measures that would require legislative approval, as well as

recommendations for action by OHS and other history groups. The recommendations include such items as the creation of an OHS operational endowment fund, an Ohio History license plate, and an income tax check-off for historic preservation activities. As of the publication of this Greenbook, S.B. 181 has been introduced in the 129th General Assembly, which, if enacted, would implement several (but not all) of these recommendations.

ANALYSIS OF ENACTED BUDGET

The seven GRF line items in the OHS budget are used to manage collections and historic sites and support historic preservation, education, and outreach services. The appropriations for these purposes in FY 2012-FY 2013 are shown in the table below.

Appropriations for the Ohio Historical Society				
Fund	ALI and Name		FY 2012	FY 2013
General Revenue Fund				
GRF	360501	Education and Collections	\$2,368,997	\$2,368,997
GRF	360502	Site and Museum Operations	\$3,926,288	\$3,926,288
GRF	360504	Ohio Preservation Office	\$290,000	\$290,000
GRF	360505	National Afro-American Museum	\$414,798	\$414,798
GRF	360506	Hayes Presidential Center	\$281,043	\$281,043
GRF	360508	State Historical Grants	\$1,140,570	\$390,570
GRF	360509	Outreach and Partnership	\$90,395	\$90,395
Total Funding: Ohio Historical Society			\$8,512,091	\$7,762,091

Education and Collections (360501)

The appropriations of approximately \$2.4 million in each fiscal year for this line item are 2.8% above FY 2011 spending of \$2.3 million for this purpose. Approximately \$540,000 of these funds in each fiscal year will provide the entirety of the funding for the State Archives, records digitization, and research services. About \$1.4 million annually will cover indirect administrative costs, such as financial management, information technology, human resources, public relations, and other such functions. The remainder will provide 50% of the support for preservation of and access to the state's collections of historical documents and artifacts and associated indirect costs. The other 50% of funding for these activities will come from nonstate sources.

Site and Museum Operations (360502)

This line item supports the operation and maintenance of 56 of 58 state historic sites, including 54 individual sites located throughout the state and the Ohio History Center and Ohio Village in Columbus (the National Afro-American Museum and the Hayes Presidential Center are also designated as state historic sites but receive separate line item appropriations in the OHS budget). Sites designated as state historic sites include those with state, local, national, and international significance in the areas of political, military, natural, and archaeological history. In all, there were over 350,000 visits to state historic sites in FY 2010. At the end of FY 2011, 48 of these sites were managed by or in cooperation with third parties under partnership agreements with OHS.

The budget provides \$3.9 million in each fiscal year for this line item, about 3.6% above actual FY 2011 spending of just under \$3.8 million. Approximately \$1.9 million of this amount will be used in each year to fund OHS staff support to partner organizations for various activities including curatorial services, technical assistance, maintenance support, and marketing, as well as direct subsidies to local site managers, as well as two OHS-staffed sites for which partnership agreements are being sought. About \$326,000 in each fiscal year will be used to provide access and programs at the Ohio History Center, while \$1.7 million will be used for operating costs such as utilities, maintenance, and security at the History Center and the OHS collections storage facility.

Ohio Preservation Office (360504)

The Ohio Historic Preservation Office (OHPO) is the division of OHS that carries out historic preservation responsibilities under federal and state law. These functions include nominating properties for the National Register of Historic Places, maintaining inventories of historically and archaeologically significant properties, administering historical reviews for the federal Rehabilitation Tax Credit and the state Historic Preservation Tax Credit programs, conducting Section 106 historical reviews of projects receiving federal funds, and administering Ohio's portion of the National Park Service's Certified Local Government Program. OHPO receives appropriations of \$290,000 in each fiscal year under the budget, about 27.1% above actual FY 2011 spending of \$228,246.

Even with this increase in state funding, OHS is not expected to meet the federal matching requirement to receive its full share of support from the National Park Service's Historic Preservation Fund, which requires a 60%-40% federal-state match. In FY 2010, Ohio was awarded a Historic Preservation Fund grant of just under \$1.1 million, which would have required a state match of approximately \$729,000, or 40% of the state-federal total of about \$1.8 million. A similar federal award is expected in FY 2012. However, the appropriated amount of \$290,000 in each fiscal year represents only 39.7% of the required state match at the FY 2010 Historic Preservation Fund award level.

National Afro-American Museum (360505)

This line item provides state support to the National Afro-American Museum and Cultural Center, located in Wilberforce, Greene County. The museum provides exhibits and educational programs on African-American history and culture, and in recent years has narrowed its mission from a national scope to focus on Ohio and the Northwest Territory. The museum had over 8,600 visitors in 2010. The budget provides funding of \$414,798 in each fiscal year, the same level of support as in FY 2011. The state support will fund 90% of the museum's total operating costs.

Hayes Presidential Center (360506)

This line item provides a pass-through subsidy for the Rutherford B. Hayes Presidential Center in Fremont, Sandusky County. The Center includes the Hayes residence, a library, museum, and the tomb of President Hayes and his wife. The home and museum had a combined total of over 36,000 visitors in 2009. The Center is operated independently from OHS but is owned by the state. The budget appropriates \$281,043 in each fiscal year for the Hayes Presidential Center, flat funding from FY 2011. This amount is expected to support 20% of the Center's total operating expenses. Other funding for the Center comes from admissions and private foundations. At this level of state support, the Center is closed one day per week and operates at reduced hours.

The budget, like the FY 2010-FY 2011 budget before it, includes a temporary law provision allowing all or part of the operations and maintenance of the Hayes Presidential Center to be transferred to the U.S. National Park Service or another federal government agency if such an agency chooses to do so.

State Historical Grants (360508)

The budget appropriates about \$1.1 million in FY 2012 and \$390,570 in FY 2013 for this line item, which is used to pass through funds to local organizations for historic preservation activities. The budget earmarks \$195,285 in each fiscal year for the Cincinnati Museum Center, and the same amount annually for the Western Reserve Historical Society. While the FY 2012 appropriation includes an additional \$750,000 for awards not specifically designated in the budget, the FY 2013 appropriation covers only the earmarks mentioned above.

Outreach and Partnership (360509)

This line item is used to support OHS's Local History Office, which provides assistance to local historical societies and history-related groups and manages the state's historical markers program. The budget provides \$90,395 in each fiscal year, an 81.6% decrease from FY 2011 expenditures of \$492,547 for these purposes. Overall, this amount will support 50% of the operating costs of the Local History Office in the FY 2012-FY 2013 biennium, and costs that were supported by state funds in previous years will be funded from other sources in this biennium.

OHS.docx / th

FY 2012 - FY 2013 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Appropriations FY 2012	FY 2011 to FY 2012 % Change	Appropriations FY 2013	FY 2012 to FY 2013 % Change
Report For Main Operating Appropriations Bill			Version: Enacted					
OHS Ohio Historical Society								
GRF	360501	Education and Collections	\$ 2,304,228	\$ 2,304,228	\$ 2,368,997	2.81%	\$ 2,368,997	0.00%
GRF	360502	Site and Museum Operations	\$ 3,791,149	\$ 3,791,149	\$ 3,926,288	3.56%	\$ 3,926,288	0.00%
GRF	360504	Ohio Preservation Office	\$ 228,246	\$ 228,246	\$ 290,000	27.06%	\$ 290,000	0.00%
GRF	360505	National Afro-American Museum	\$ 414,798	\$ 414,798	\$ 414,798	0.00%	\$ 414,798	0.00%
GRF	360506	Hayes Presidential Center	\$ 281,043	\$ 281,043	\$ 281,043	0.00%	\$ 281,043	0.00%
GRF	360508	State Historical Grants	\$ 420,420	\$ 420,420	\$ 1,140,570	171.29%	\$ 390,570	-65.76%
GRF	360509	Outreach and Partnership	\$ 492,547	\$ 492,547	\$ 90,395	-81.65%	\$ 90,395	0.00%
General Revenue Fund Total			\$ 7,932,431	\$ 7,932,431	\$ 8,512,091	7.31%	\$ 7,762,091	-8.81%
Ohio Historical Society Total			\$ 7,932,431	\$ 7,932,431	\$ 8,512,091	7.31%	\$ 7,762,091	-8.81%