

The Legislative Fiscal Division

Presents:

Profile of...

Montana Historical Society

State of Montana



Agency Profile

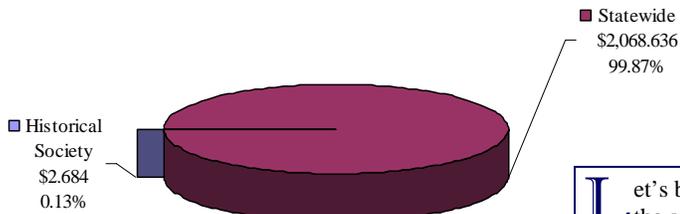
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This agency profile will discuss...

- structure and funding
- primary functions and
- historical expenditures

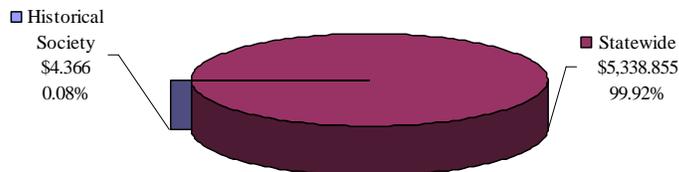
The profile also includes information on how decisionmakers can effect change in the agency's expenditures along with a listing of pertinent statistics. For an explanation of terms used in this profile, consult the "Background on the Agency Profiles" at: <http://leg.mt.gov/css/fiscal/default.asp>

**General Fund Statewide Comparison
FY 2008 (In Millions)**



Let's begin by putting the agency's size in perspective by comparing it to state government as a whole.

**Total Funds Statewide Comparison
FY 2008 (In Millions)**



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Section E
Education



What the Agency Does

The Historical Society of Montana was organized under the provisions of an act of the Legislative Assembly of the Territory of Montana in 1865. The society received its first appropriation from the State of Montana in 1891. "An act to Perpetuate the Historical Society of the State of Montana," approved in 1949, established the society as an agency of state government.

The Montana Historical Society (society) acquires, preserves and protects for future generations historical records, art, archival and museum objects, historical places, sites and monuments important to the understanding of Montana history. The Society conducts and facilitates historical research, including reference services. The society presents and provides educational services including public programs, workshops, exhibits, and publications that interpret Montana's past. In addition, the society provides technical assistance to all organizations that preserve and interpret additional historic resources for the public. A 15-member board of trustees, appointed by the Governor, directs the society. The Montana Historical Society is located in Helena, Montana, in the state capitol complex.

The society administers the original Governor's Mansion in Helena as an historic house museum. Guided tours are provided at the mansion on a regular basis as well as by appointment. Additional support is provided to the mansion by a volunteer citizen board that raises funds for restoration projects. Free guided tours of the Capitol are provided by the society on a regular basis with additional tours added during legislative sessions. The state owns a share of the building and collections of the Moss Mansion in Billings; sharing responsibility with the Billings Preservation Society in managing and preserving the historic resources. A leased facility near the Helena airport provides storage for the extensive Robert Scriver Collection.





, through a memorandum of understanding with the Department of Fish, Wildlife, and Parks, administers the preservation of all real property and artifacts and the provision of recreational and educational opportunities at 41 state parks, of which 16 possess predominant cultural value.

Society personnel work with a variety of volunteers who are trained in various capacities to assist staff with organizational tasks and office assistance. Volunteers provide group tours of the museum, transcribe oral histories, assist with events and programs. Volunteers contributed 6,000 hours to the society between April 2007 and March 2008.



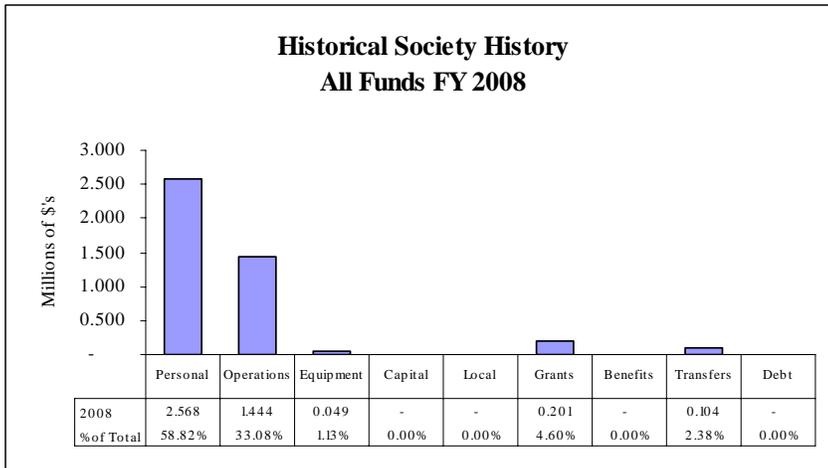
How Services Are Provided

The Montana Historical Society provides the following services through a structure consisting of six programs with a total of 61.1 FTE:

- **Administration** provides supervision and coordination for all programs of the society including: accounting, business management, financial reporting, museum store management, fundraising, marketing, membership, public information, and information technology. The administration program is also responsible for security, visitor services and building management.
- **Research Center Program** staff collects, organizes, and preserves historical photos, historical records, state records, and books and other printed materials. The Research Center operates the society's research library where staff assists the public in finding and using research materials. The program has three sections: library, archives, and photograph archives.

- **Museum Program** staff collects, organizes, and preserves fine art and historical, archeological and ethnological artifacts. They conduct research, produce exhibits, answer reference requests, and provide technical assistance to other museums in the state. The Museum Program operates the original Governor’s Mansion as an historic house museum.
- **Publications Program** staff plans, produces, publishes and promotes the quarterly production of Montana, The Magazine of Western History and publishes books under the Montana Historical Society Press, which produces titles on the history of Montana and the northern plains.
- **Education Program** staff conducts tours, produces public programs, manages the volunteer program, produces curriculum resources for teachers, and produces outreach resources. Outreach resources include hands on history footlockers, Montana history textbook, on-line teacher resources and CD programs for use in schools. They also plan and organize the annual Montana history conference.
- **State Historic Preservation Program** staff provides assistance to agencies, organizations and individuals trying to preserve prehistoric sites and historic buildings and sites. They manage the National Register of Historic Places Program, archeology services, cultural resource database, and provide regulatory oversight to projects that impact cultural resources in the state. Staff also distributes federal historic preservation grants to communities throughout the state.

The number of people paid to undertake the mandated duties drives the society budget. In the following chart, personal services represent 58.8 percent of the budget.





How Services Are Funded

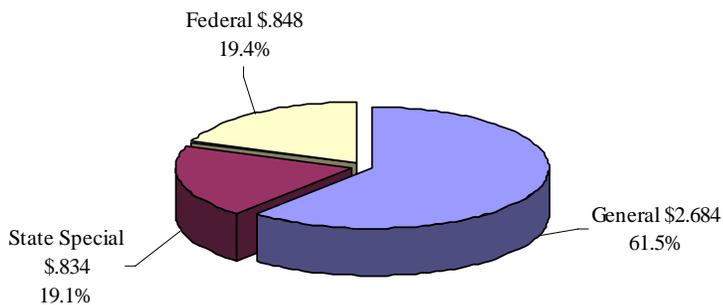
The general fund provides funding for most of the administrative program and segments of other programs for which specific funding services are not generated or available from the federal government.

State special funds include:

- Lodging facility use taxes from the Department of Commerce that fund historical interpretation, partial funding for the Scriver Collection, and the historic marker program.
- Entrance fees charged at the museum and original Governor's Mansion, sales of photographs, photograph reproduction fees, photocopies, books, magazines, and other merchandise sales. These funds support services of the programs generating the revenue.
- Undesignated donations and earnings from memorial trusts used to support operations. Donations may support exhibits, publications, historic preservation or other special projects as identified by the donor.

Federal funds include National Park Service funds for the preservation of sites with historical value. About \$100,000 is distributed annually to communities throughout the state, to professional organizations working on historic preservation projects, and through education grants. Other federal entities provide grants for special projects as designated by the grant proposals.

**Historical Society Funding by Source
FY 2008 (In Millions)**





Related Data & Statistics

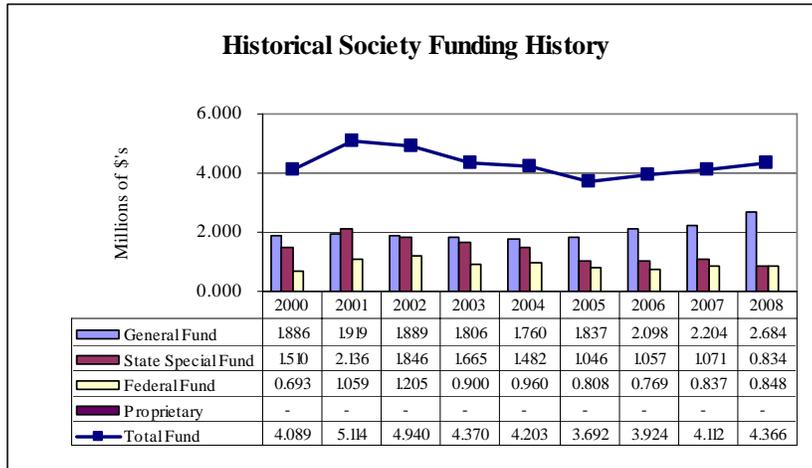
<i>Element</i>	<i>1996</i>	<i>2008</i>	<i>Significance of Data</i>
Museum visitors	83,697	46,782	Fees were not charged until Feb. 2002 – decreases beyond 2004 result in fewer fees
Visitors to archives, library, and photograph archives	3,550	12,408	Increased wear on equipment, increase in workload
Participants in public programs/outreach	42,829	53,336	Reflects increased workload and public interest in services
*Requests for archive, library, photo reproduction, and historical preservation	5,558	22,461	Increased workload/increased revenue
*Electronic requests	1,965	3,285	Reflects use of Internet
Historic preservation data base	32,076	47,118	Increased workload
** Current collections	2004		
Art & artifacts	56,084	62,000	These categories are the Historical Society's
Books, maps, historic oral interviews	118,000	58,298	Increases occur when new discoveries are made
Linear feet of archival materials	20,000	26,465	collections donated
Historic photographs	450,000	417,535	

* Museums and libraries are facing rapid change/growth in demand for digital data and use of electronic media. Reference services and electronic requests demonstrate a shift in how patrons locate and obtain data and information. National expectations are that this upward trend should continue with additional information available via web-based services.

** These categories are the core of the Montana Historical Society. Growth occurs when there is a new discovery, a permanent collection is



Expenditure History



Reasons for Expenditure Growth/Change

General Fund – the average growth rate for general fund expenditures was 4.5 percent for the period of 2000 through 2008. Funding from this area was increased to offset the interest lost from the Cultural and Aesthetics Trust Fund. FY 2006 increases are the result of pay plan increases and the addition of two state archivist positions. The legislature approved support for an additional 1.3 FTE for museum archivists and increased support for other FTE in FY 2008. Increased general fund was also provided for operating expenses.





State Special Funds – the expenditures funded by state special funds decreased by an average of 7.1 percent for the period of 2000 through 2008. An increase of \$219,000 occurred in 2002 mostly due to the funding of the Lewis and Clark Bicentennial Commission and to fund the lease for the storage of the Scriver collection. This funding came from an increase in the allocation of the lodging facilities use tax (bed tax). Bed tax provided to support the Montana Heritage Commission was eliminated in FY 2004 when the commission was moved to the Department of Commerce. Bed taxes were also reduced in FY 2006 at the conclusion of the work of the Bicentennial Commission. Decreases in Lewis and Clark license plate revenue occurred in beginning in FY 2005 continue to decrease as the interest in the bicentennial diminishes.

Federal Funds – the expenditures funded by federal funds increased an average of 2.5 percent between 2000 and 2008, mainly in FY 2001. The Department of the Interior provided additional funding for the National Historic Sites website property data base for historic preservation. Federal funding varies year-to-year due to grant amounts and availability.





Agency Functions, State Purposes, & Customers Served

The agency is structured to perform certain functions in support of general state government purposes.

The following lists the major functions, purpose of provision of the functions, and primary customers served.

State Purposes	Major Agency Functions	Customers
<i>The acquisition, preservation and interpretation of cultural resources</i>	A library and archive collects and organizes books and photos to allow access to these items by the public.	General public
	A museum collects fine art and artifacts and displays them for the public.	General public
	A publications department prints historical material for the public.	General public
	Historic preservation preserves historic and prehistoric buildings and sites.	General public, state and federal agencies, historical and cultural organizations, teachers, schools, researchers, and scholars
	Montana and western history education for current and future generations	General public



How the Legislature Can Effect Change



In order to change expenditure levels and/or agency activity, the legislature must address one or more of the following basis elements that drive costs.

In order to change expenditure levels and/or activity, the legislature might address statutes and policies:

- Governing the authority of the Montana Historical Society and its fee structure
- Governing the publication program and its costs versus service
- Impacting the staff, such as consultation with and support of local sites; applying for, accepting, and expending grant funds; and providing services for the public
- Governing the existence, definition, and location of the society, its collections and services, and equal access to information.

The legislature might also clarify and/or prioritize the activities, collection, and acquisitions of the society.

The legislature is less likely to control:

- Federal legislation impacting museums
- Initiatives or legislation responding to citizen action
- Citizen expectations of web-access museum services
- The amount of information generated, discovered, or donated, print or media, on a state, regional, or federal level that is to be maintained by the society
- The number of citizens needing society services





Statewide Factors With Impact

In addition to the factors above, a number of factors common to many agencies will also impact changes in expenditures over time.

The Historical Society equals people providing service; personal service costs are the primary factors that drive expenditures. These factors include the state pay plan and benefit compensation, and unemployment insurance.



Statutory References

The primary statutory references defining duties and responsibilities of the society are found at the following locations.

- 22-3-101 through 111, MCA, establish and guide the society
- 22-3-113 and 114, MCA Acquisitions Trust
- 22-3-202 and 203, MCA State Archives
- 22-3-211 and 212, 22-3-221, MCA Historic records network
- 22-3-421 through 442, MCA, duties and role of State Historic Preservation Office
- 24-3-420 through 432, MCA State Antiquities Act
- 15-65-121, MCA, governs the lodging facilities use tax
- 2-17-801, MCA, Capitol Complex Master Plan Act
- 15-35-108 (6), MCA Trust fund to protect works of art in Capitol and other cultural and aesthetic purposes
- 22-3-801 through 804, MCA Human Skeletal Remains and Burial Protection Act





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