

# THE IMPORTANCE OF FINANCIAL ANALYSIS OF ARCHIVAL PROGRAMS

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Financial aspects of archival administration can be divided into two basic areas—regular institutional support and special grants for limited term projects. As such, financing is an essential element of any archival program, but it has been widely neglected in the professional literature. While much ignored, the budget is central to the operation of any archives. It provides salaries for staff and covers the cost of equipment and supplies. It dictates the types of programs that the archives can pursue. Grants for special purposes are also important since, with more repositories relying on them for supplemental support, their preparation and administration constitute a growing segment of the archivist's duties. This essay argues that the major functions of an archives can be measured on a cost-per-unit basis, and that detailed studies in these terms can be an important administrative tool when dealing with both budgets and grants. It examines the development and measurement of both regular operating budgets and grants, and it suggests areas for further study by archivists. Although this article has been influenced by experience in college and university archives, the financial considerations it delineates have a broader application.

Despite the obvious importance of financial support for archives, the subject has received inadequate attention in the professional literature. Theodore Schellenberg's *Management of Archives* and *Modern Archives* do not cover the financing of programs. Kenneth Duckett's *Modern Manuscripts* provides a good general survey of funding and budgeting, but reviews of the book have generally neglected Duckett's discussion of funding in favor of the technical chapters on preservation, finding aids, and public services.<sup>1</sup> Nevertheless, the purpose of these basic texts is to supply information on archival methodology and techniques. They are probably less appropriate forums for discussion of finances

than the periodical literature. Yet even the latter has neglected financial questions, and one is hard-pressed to find information on the subject. Frank Evans' *Modern Archives and Manuscripts: A Select Bibliography*, and the annual updates in the *American Archivist*, do not even include categories on budgets, financing, grants, or other monetary matters. The bibliography in the most recent issue of *Archivum* shows that finances and general administration have been neglected in other countries as well.<sup>2</sup> Generally if financing is mentioned in archival publications in the United States, it is normally as part of a discussion of the activities and purposes of the National Historical Publications and Records Commission (NHPRC). These notices, and the more recent reports in the *Newsletter* of the Society of American Archivists on grants made by the NHPRC and the National Endowment for the Humanities (NEH), have focused on special grants made for particular projects.<sup>3</sup> While these grants are important, they should not obscure the need for addressing the problems of ongoing financing of archives. Other publications and bibliographies reveal similar lacunae regarding the financial aspects of archives. *Library Literature* does not include "Finances" as a subheading under "Archives," although it has similar headings under such categories as "Special Libraries." Moreover, a search through *Library Literature* revealed nothing specifically on archives under the headings where financial topics appear.<sup>4</sup> Some articles concerning budgetary problems of libraries and the methods librarians have adopted to pursue outside support can be stretched to apply in part to archives.<sup>5</sup> These articles, however, are of limited value to archivists who confront different problems than do librarians. Archivists, for example, are not constrained by the inflation of book prices, but they need sound advice on such problems as the advisability of an acquisitions program when funds are insufficient to process a large backlog of previous accessions. Still, library-oriented articles discussing the preparation of budgets may provide the closest available models for archivists. In the area of special grants, however, these articles do not address the particular interests of archivists. They often go no further than describing the best format for proposals, listing sources of grant money, and giving elementary pointers on "grantsmanship."<sup>6</sup>

It is difficult to explain the lack of literature on archival financing, but several factors deserve consideration. For many years, the National Archives and Records Service (NARS) has exercised a strong

influence on American archival literature.<sup>7</sup> Since the late 1960s, this has changed somewhat. Authors employed by NARS, for example, accounted for 28 percent of the articles in the *American Archivist* for the period 1963-1968, but only 18 percent for the period 1969-1974. Because of NARS's unique institutional background, there was little need to discuss budgetary matters. To a large extent, the Society of American Archivists has replaced NARS as the source of professional literature, especially through its basic manual series. While it has not yet covered financial questions and basic problems of program management, its forthcoming manual on the administration of archives by Robert M. Warner may fill this gap.

Another important reason for the lack of attention to financing may be that the profession has focused too heavily on techniques. A survey of broad categories of subjects covered at the last four annual meetings of the SAA illustrates this. In these panels, workshops, and seminars, techniques and problems in servicing collections accounted for 60 percent of the sessions, whereas administration accounted for 5.6 percent, grants 4.5 percent, and regular budgeting 1.0 percent (the remaining 29 percent concerned general matters, such as uses of archival materials, education, and the status of the profession). Finances also may be ignored because archival budgets, on first examination, do not seem to differ from ordinary budgets, and discussions of archival techniques appear to be far more interesting. However, several important issues related to finances need to be addressed by the profession. Literature on this subject must rely heavily on the actual experience of archivists, and thus may be as varied as the number of archival programs. Yet, some important generalizations can help focus the study of budgetary operations.

## OPERATING BUDGETS

A budget can be defined as the regular allotment of funds upon which the continued existence of a program depends. Items such as staff, space, basic services, supplies, and equipment should be considered as integral parts of the budget. Any study of the structure of archival budgets must also include a comprehensive analysis of archival operations. All operations and services can be measured in terms of manpower and then converted into operating dollars. Thus,

while many archivists may not have an allocation in actual dollars, the staff and services that are provided for them should be seen as a budget. Archivists bear the responsibility for allocating budgeted resources within their programs, as well as for justifying their programs to obtain continued support.

While there is a wide variety of arrangements for the regular support of archives, they can be reduced to two basic alternatives: an independent budget and a dependent budget. Relatively few archival agencies, such as historical agencies and societies supported by public contributions, have independent budgets. This arrangement lessens the likelihood of arbitrary massive cuts in funding by distant financial administrators, but it does not guarantee stability. In fact, in agencies with an independent budget, slight fluctuations in the economy can cause major disruptions of resources and services. Thus, archivists with "independent" budgets will have to allocate carefully the money provided to them.<sup>8</sup>

The large majority of archives have a budget which is a part of a larger institutional or governmental budget. An example of this type is the budget of a state university archives, which may be part of the school's library budget, which in turn may be one item in the university's total financial needs statement as submitted to the state legislature for consideration as part of the overall state budget. Archivists may occasionally benefit from this situation because surplus funds sometimes appear within larger institutions. More often, they are confronted with the difficult task of justifying their programs to several administrators, each with different priorities. For example, an archivist within a university library may have to emphasize reference service to justify the program to the director of libraries, but emphasize the archives' public relations value to impress a university vice-president. Archivists must first determine which administrators hold the crucial authority over their budgets, and then use appropriate arguments to "sell" the program to each of these administrators. Few archives will ever be "cost-effective," but they will still be supported because of their administrative, research, and public service value. Unfortunately, unless archivists become better informed about the financial nature of their operations, they will be increasingly hard-pressed to justify their expenses. While many archivists with a research background may resent the application of financial measurements to their programs, they may well have to face such criteria when financial

problems beset their parent institutions.

Archivists must have a firm grasp of the cost of normal operations in order to justify the existence of their programs, and to establish guidelines for their activities. Maynard Brichford, archivist at the University of Illinois at Urbana, provided an example of such an analysis in a workshop at the 1976 annual meeting of the Society of American Archivists. Through the use of charts and graphs, he described the operations of the University of Illinois archives in terms of growth in budget, space, and holdings, productivity of staff, and the unit costs of processing and reference operations. The actual data on these charts may not apply to other institutions, but the theory behind such analyses may be valuable in most other programs.

The theory that all activities can be measured on a cost basis provides the foundation for an "operations analysis" of any archival program. If an accurate estimate of the cost of archival services is to be obtained, the archivist will have to examine carefully the basic archival operations to isolate the cost of each of his activities. Such an analysis should focus on three principal items supported by the budget—staff, equipment or supplies, and space. These factors must be studied in relation to the three main activities of archives—appraisal, including records management; processing; and reference use.<sup>9</sup> The archivist must first investigate the duties performed by all staff members, analyzing each position to determine the approximate percentages of time spent on reference service, processing, records management, appraisal, supervision, administration, research, clerical work, and moving and shelving of boxes. Such a study should reflect a differentiation in the activities of the staff according to their rank as professional, paraprofessional, clerical, student (or other part-time help), and volunteer.<sup>10</sup> Professional staff should concentrate mainly on administration, supervision of staff, research, appraisal, and records management. They should also participate in processing because it provides them with a firmer grasp of the content of their collections. Clerical staff should be responsible for office work as well as some administrative and supervisory duties; they may also handle some of the in-person reference service. Students, Comprehensive Employment and Training Act (CETA) workers, and other part-time or volunteer staff, can be employed in processing, moving, shelving, typing, and some reference work. An actual study of the division of these duties can increase greatly the efficiency of operations. Detailed time-motion

studies are, unfortunately, beyond the resources and desires of most archivists, but working averages can be calculated. As an example, at the University of Illinois at Urbana, surveys of staff activities during 1975-76 and 1976-77 reveal the following differentiation.

**TABLE I**  
PERCENTAGE OF TIME BY TYPE OF STAFF

Activity	Ass't.				
	Archivist	Archivist (half-time)	Clerical	Grad. Student	Under- graduate
Processing	20	20	5	92	22
Reference	15	20	25	3	0
Administration	15	10	10	0	0
Typing and clerical	0	0	40	0	68.5
Supervision of students	15	10	10	0	0
Research	20	10	10	1.5	4
Teaching	10	5	0	0	0
Records management	5	20	0	0	0
Moving & shelving	0	5	0	3.5	5.5

Budgeting for staff must also be studied in terms of the principal services rendered by archives, such as appraisal, including records management; processing, including conservation; and reference service. To achieve the most efficient allocation of staff-time, and to justify activities most effectively, the archivist should measure the unit cost for each of these services. Because the time required for records management varies greatly with the material being scheduled, it is difficult to determine the exact cost of scheduling a cubic foot of records unless careful time accounts are kept for an extended period and then averaged. The cost of time spent on records management

should always be balanced against the value of storage space saved by the archivist's records schedules. Perhaps the most important financial measurement of records management activities would be a calculation of the amount of dollars that records scheduling has saved an institution in storage costs. Space conscious institutions will look favorably on any program that can prove that it has saved valuable office space, or has increased the efficiency of normal operations. To determine the monetary value of records management savings, the archivist first totals the volume of the annual accumulations of all records currently scheduled for destruction. This volume is then multiplied by the amount of floor space required to hold a cubic foot of records. In many institutions, a ratio of one cubic foot per one square foot, while less efficient than records center storage, will be most accurate because of the inefficient storage of most inactive office records. The resultant amount of square feet should be multiplied by the annual cost of space, a figure that can usually be obtained from the physical plant and space offices. At the University of Illinois at Urbana, the annual cost of space is \$5.00 per square foot.<sup>11</sup>

Archivists who are not involved in the scheduling of current records should regard their appraisal activities in similar financial terms. Judicious application of techniques of selectivity, sampling, and weeding will help insure the retention of the important records of events without unnecessary documentation. A good example of the application of such appraisal techniques is the case of large collections of personal papers of politicians.<sup>12</sup> This careful evaluation can result in substantial space savings. Thus, both records management and appraisal offer archivists an opportunity to justify their programs on the basis of financial savings.

One should also carefully monitor the rate of processing, which can then be used to determine the cost of processing a cubic foot of records. This will enable the archivist to use resources effectively so that collections are promptly made available for research. First, the archivist must determine what percentage of the budget can be allocated to processing, and then decide how much of that money should be spent on labor and processing supplies.<sup>13</sup> While it is not often possible to transfer currently budgeted money from supplies to salary funds, combining both salaries and processing supplies as part of overall processing costs will enable the archivist to establish guidelines for future budget and grant requests.

Monitoring, of course, requires that a time study be made to establish the appropriate amount of processing time per cubic foot. One could also determine approximate costs of processing based on annual report statistics if the archivist has kept adequate accounts of both hours spent by processing staff and the growth of processed holdings over a period of years. An estimate of the amount of professional supervisory time should be added to this before arriving at an actual cost per cubic foot. Different collections will, of course, require varying amounts of time. It is the professional responsibility of the archivist to adjust the processing rate according to the physical condition, type (e.g., office records, personal papers), and subject content of the records. Nevertheless, an average cost can be determined. Generally speaking, labor is the predominant expense in processing. The following chart illustrates the calculation of labor costs for processing at the University Archives of the University of Illinois at Urbana during 1976-77.

**TABLE II**  
**PROCESSING COSTS BY TYPE OF STAFF**

<b>Staff</b>	<b>Total Hours Annually</b>	<b>×</b>	<b>Percent Time Processing</b>	<b>×</b>	<b>Hourly Rate</b>	<b>=</b>	<b>Cost of Processing</b>	
Archivist	1824	×	20%	×	\$12.68	=	\$4626	
Ass't. Archivist (half-time)	912	×	20%	×	6.90	=	1258	
Clerical	1904	×	5%	×	4.48	=	427	
Grad. Student	1548	×	92%	×	2.75	=	3916	
Undergraduate	1328	×	22%	×	2.50	=	730	
Total Labor Cost:								\$10,957

This amount is then divided by the total volume of records processed in 1976-77 (583 cubic feet) to obtain the average cost of labor for processing a cubic foot — \$18.79.<sup>14</sup> Such an estimated cost per cubic foot should enable the archivist to determine the amount of processing

that the annual budget will allow. If this estimate can be based on several years' experience, it will be a valuable tool in establishing time limits on processing so that backlogs will not develop. Careful supervision of staff is then necessary to insure that these goals are reached.

Reference service can and should be measured on a cost-per-unit basis. The time required for a reference question will naturally vary depending on the complexity of the question and the status of the patron, but by keeping records of approximate time spent on each, archivists can determine an average cost per inquiry. At the University of Illinois, during 1976-77, there were 3,346 reference uses in the University Archives. Approximately 978 staff hours and \$6,912 were spent on these inquiries. This averaged 18 minutes or \$2.05 per reference use.<sup>15</sup> Experience will show the archivist that reasonable time limits can be established, such as twenty to thirty minutes per written inquiry, five to fifteen minutes for in-person inquiries. One must, however, take care not to reduce service merely to cut costs because the aim of such flexible guidelines (aside from budgetary justification) is to improve service to all users.

Equipment, such as shelving, card catalog, typewriters, microfilm equipment, and tape recorders, is important but generally forms only a small percentage of the regular budget of established programs. Assuming that processing supplies (e.g., folders, boxes, mylar) have been separated from general office supplies, equipment and supplies do not require special analysis by archivists except insofar as they have direct bearing on other archival activities. For example, money allocated to the purchase of shelving should be carefully spent on the most space-efficient shelving; the purchase of computer hardware can have a direct effect on reference service. Generally, however, such equipment is not a regular annual expenditure, and thus is not a major part of the analysis of budgets. Space, on the other hand, is often ignored as a consideration since many archives are not directly billed for the space they occupy. Because of the constant growth of holdings, and because many archives are located within overcrowded institutions (especially libraries), the acquisition and retention of space often can be as difficult as the acquisition of operating funds. For this reason, the archivist may find it productive to obtain estimates for the cost of space occupied for inclusion in the operations analysis. Accounting for annual storage costs may be most useful when appraising the research value of collections, since increasing holdings indiscriminately over a

period of time may impede the future acquisition of important larger collections.

If the archivist wishes to be aware of the amount of money and time allocated to cover staff, equipment, and space, the compilation of statistical data will be necessary. While statistics-keeping is often criticized as a cause of inefficiency, such compilations are essential for the effective management of any archival program. They provide a solid basis for three areas of archival administration that relate to the budgeting process: evaluation, operations improvement, and financial justification. By evaluating the operation of an archives according to the factors of staff, equipment, and space, the strengths and weaknesses of one's program can be determined. For example, if the growth of holdings consistently exceeds the processing of these holdings, or the capacity to house the collections under archivally acceptable conditions, there may be an inherent defect in planning. Certainly there will be years in which new collections outstrip processing, but over a five-year period, a successful program should keep pace. Conversely, the program may be chronically under-supported, thus tying the hands of even the most brilliant archival administrator. In either case, the archivist must make the adjustments necessary to insure that all services — appraisal, including records management; processing; and reference — are maintained at levels that efficiently use the available resources.

At the present time, it is doubtful that many archivists would embrace these criteria as the basis on which professional or granting agencies judge their programs. They are, however, extremely useful not only for internal evaluations, but also for formulating future budget requests. A professional literature on budgeting in this area would be most welcome.

Moreover, the above considerations can be used as justifications for programs and budgets within one's own institution. A careful analysis of all operations, and of the costs of these operations, can provide a solid basis for the defense of budgets. This will enable archivists to deal with potential cuts as well as plan for future growth. If archivists have kept a careful record of all of the types of services they have provided, they are in a position to tailor their budget justifications to the interests of parent institutions. For example, business archives (or university archives located within administrative offices) might profit by emphasizing their productivity in terms of space saved through

records management services; archivists within libraries may want to emphasize the number and types of reference services provided. Because most archives have several different constituencies, they must analyze carefully their whole program in order to respond effectively to each.

## GRANTS

Many of the considerations used in analyzing budgets and costs can be applied to special grants. An archivist who can demonstrate a clear grasp of processing and administrative costs will be in a good position to apply for, obtain, and administer grants. With the information gained from financial analysis, the archivist can isolate those projects which are too costly to be a part of the regular budget, and would thus be good candidates for grant funding. However, the variety of funding sources and types of projects sponsored makes generalizations about grants difficult. Thus, before applying for grants, archivists must know not only the financial aspects of their activities, but also a considerable amount about the agencies which award money to archival programs. Who grants money to archives? How large are the grants? What types of activities are supported?

Some of the answers can be found in the professional literature. Duckett's *Modern Manuscripts* contains a survey of agencies and foundations which might fund archival activities, and William Alderson provided practical suggestions for grant applicants in the December, 1972, issue of *History News*.<sup>16</sup> The *American Archivist* of July, 1977, reported on the January, 1977, funding priorities conference, but this conference focused more on the use of grant money than its role in the profession. There are three main published sources of information concerning special grants for archives — the bimonthly *Newsletter* of the Society of American Archivists, and the promotional publications of both the National Historical Publications and Records Commission and the National Endowment for the Humanities. Of the three, the SAA *Newsletter* perhaps provides the best information for analysis of grants. Since 1976, it has published regular lists of grants made by the NEH and the NHPRC to archival projects.<sup>17</sup> In May, 1978, it printed an introductory bibliography on fund-raising, and noted that the SAA is planning to publish a manual on fund-raising by Larry

Hackman. *Annotation*, the quarterly newsletter of the NHPRC, includes articles on projects currently being funded, lists of grants awarded, and comments on problems and methods involved in the NHPRC-sponsored activities.<sup>18</sup> The NEH's counterpart, *Humanities*, is broader in scope because the overall focus of the Endowment is more extensive.<sup>19</sup> Together these publications can provide the archivist with an indication of grant proposals that might be accepted as well as examples of those that have been accepted.<sup>20</sup>

Most of this literature has concentrated on lists of granting agencies, pointers on writing proposals, and lists of grants made. What is needed, however, is a more thorough analysis of the grants themselves. Some of this is beginning to appear. Larry Hackman presented a brief analysis of the NHPRC grants in the September, 1978, *SAA Newsletter*; Michael Kohl described his research on funding patterns of the NHPRC in some detail at the 1978 annual meeting of the SAA. More scrutiny is needed, especially a comparison of the NEH and the NHPRC grants, a critique of the role of grants and agencies in the profession, and an analysis of the grant process as another facet of the archivist's administrative duties. The following is a brief outline of the issues involved in these areas.

The principal agencies currently supporting archival work are the National Historical Publications and Records Commission, and the National Endowment for the Humanities. The NHPRC has two principal programs — the Records Program and the Publications Program. Since the Publications Program is aimed at the explication and dissemination of material already processed in repositories, it has limited program applications for archivists.<sup>21</sup> On the other hand, the Records Program is intended to support work that will, "preserve and make available for use those records, generated in every facet of life, and further an understanding and appreciation of American history."<sup>22</sup> Each of its five types of projects provide funds for archival programs through the support of: 1) surveying and accessioning of records; 2) preservation and reproduction projects intended to protect important records from deterioration; 3) "records use projects" involving the whole range of processing to establish intellectual control over records; 4) development or publicizing of techniques related to preservation and accessibility of records; 5) feasibility projects as preliminary studies for projects in the other four areas. These grants are awarded to individual institutions, or to several

cooperating institutions on a state, regional, or national basis; they may be either outright grants, matching grants, or a combination.

There are, however, a number of problems with the NHPRC support which prevent it from being an "archivist's bonanza." First, it has the normal bureaucratic problems involved with all grants. Second, the administration of the NHPRC is truly federal — each state governor must appoint a State Historical Records Coordinator and a State Historical Records Advisory Board, which reviews each grant proposal from within that state. Their approval or rejection is then forwarded to the National Commission, a standing board under the direction of the Archivist of the United States. The National Commission then either accepts or rejects the state's decision on the proposal (although it is unlikely that they would accept a project rejected by a state board). The problem with this decentralized review process is that individual archivists and state boards have their own perceptions of what needs to be funded, which may not coincide with those of the National Commission. Thus, in some states, few projects have received funding because of the differences in priorities between the state and national review boards. A related problem has been that many states delayed appointing the Records Coordinators and Boards. Institutions from states without them could not, until recently, apply for the NHPRC grants. This problem has largely been solved; as of June, 1978, forty-eight states have cooperated in the programs.<sup>23</sup>

A third, and final, problem, which raises serious questions about the NHPRC, concerns its appropriations. The NHPRC is administratively part of the National Archives and Records Service which in turn is part of the General Services Administration. In 1976 and 1977, Congress increased the appropriation to NHPRC at the expense of NARS's budget.<sup>24</sup> The result of this juggling of figures, especially if such decreases in the NARS budget are sustained over a number of years, will be the weakening of the National Archives. While many non-federal archivists appreciate the NHPRC grants for local purposes, few really want to support their own programs to the detriment of the largest archival establishment in the country. The appropriations issue raises an important financial question: assuming that Congress continues to manipulate appropriations in this way, should federal revenue go to a national archives or to a program for state and local agencies? It is perhaps a reflection of the politics of the 1970s that Congress, as a "representative of public opinion," is reorienting the

country's archival activity toward regional and local agencies, and away from the central government. Archivists should play a more effective role in these important governmental decisions. Before the profession can assert clarified goals and priorities, however, there must be a more thorough discussion of professional responsibilities and the grant process.

The National Endowment for the Humanities, the other major source of archival grants, funds several types of archival projects through the Research Collections Division. This division supports microfilming for preservation or collection-building, surveys of records, processing and description of records, "systems development" and automation, some oral history projects, and a few related grants for problems of interest to archivists.<sup>25</sup> The NEH also provides education grants, fellowships, and challenge grants, which often can be of great value to archivists. Its guidelines are more flexible, and the administration more centralized, than those of the NHPRC. The NEH uses the traditional academic research review procedures, such as those used by the National Science Foundation and the National Institutes of Health. These agencies use national experts in specific fields as reviewers for each grant proposal. Unlike the NHPRC, the NEH is not administered primarily for and by archivists; thus, archival projects may face stiff competition for NEH money. The recent appointment of John Fleckner, of the State Historical Society of Wisconsin, to the Research Collections Division does, however, reflect a growing desire to involve archivists in the administration of the NEH.

Considering the extent of archival work being supported by the NHPRC and the NEH, the professional literature contains surprisingly little analysis of their grants. Archivists need to know what projects are being funded, for what purposes, and by whom. Only with such information will they be able to clarify the relationship between special grants and the regular operation of their programs.<sup>26</sup> The following tables suggest the direction this analysis might take. The survey of the NEH and NHPRC grants awarded in archival areas, based on information contained in the SAA *Newsletters* of 1977, is not meant to be an exhaustive study. It is, however, a representative sampling of both the NEH and NHPRC grants.<sup>27</sup> The tables focus on three aspects: amount of grant, type of recipient, and purpose of grant.

**TABLE V**  
**PURPOSE OF GRANT**

Activity	NHPRC (56 grants)		NEH (43 grants)	
	Number of Grants	Per-centage	Number of Grants	Per-centage
Processing*	13	23.2	21	48.8
Guide#	2	3.6	7	16.3
Preservation/Restoration	12	21.4	0	0.0
Professional**	8	14.3	0	0.0
Survey of Records	8	14.3	3	7.0
Microfilming (for collection or preservation)	5	8.9	1	2.3
“Basic Support”##	3	5.4	5	11.6
Collection	0	0.0	2	4.7
Combination	4	7.1	3	7.0
Other	1	1.8	1	2.3

**Legend:** \*Processing here includes the entire range of rehabilitation, arrangement, description and other steps necessary to make material available to researchers.

# The production of a guide can certainly be considered as part of processing since it establishes intellectual control over, and thus access to, records. It has been separated from processing in those cases where the object was solely the production of a guide.

\*\*Professional grants are generally intended to support training in archival techniques or research in the area of archival practice (such as appraisal guidelines).

## “Basic support” includes larger grants which seek to establish a program or to provide substantial support for the general needs of ongoing programs.

Here again, the NHPRC exhibits a fairly even distribution of the types of projects it supports. Considering the stated purposes of the NHPRC, it is not surprising that 76.8 percent of its grants were spread over the areas of processing, preservation, surveying of records, and the advancement of the profession. By contrast, 65 percent of the NEH grants (when processing and guides are combined) were intended to process and prepare material for research use. With the sole exception of “basic support,” the NEH’s efforts in the other areas were limited. However, its willingness to give money for such support should be noted, especially since this type of grant is generally large

(the largest NEH grant reported in the SAA *Newsletter* during 1977 was a "challenge grant" of \$400,000 to the Schlesinger Library at Radcliffe).

Certainly, a thorough analysis of grants made over several years could be quite useful to archivists interested in tapping these sources. However, archivists need to take a critical look at the desirability of the grants themselves, especially those from the federal government. Despite the usual enthusiastic reaction to the NEH and NHPRC largess, archivists should be aware of the problems associated with awards. The selection of a potential granting agency and the completion of the application require a tremendous investment of time. Once the grant is awarded, further administrative duties include the adherence to compliance regulations and the filing of reports. Periodic questionnaires from the agency may solicit information, such as the ratio of square feet of reference space to office and storage space, or environmental conditions. Thus, if an institution has decided to pursue archival grants, it must realize that it is adding significantly to the duties of the archivist. In this sense, special grants are capable of changing the nature of the profession by increasing administrative burdens and shaping institutional programs to external priorities. Careful consideration must also be given to the fact that some institutions may deduct all or part of the grant money from the regular budget of the office receiving the grant. The wisdom of such a policy is dubious, but colleges, universities, and other institutions can become ruthless in their attempts to avoid financial problems. Research and development offices of large institutions can also impede the pursuit of grants since they act as a screening agency, and often have little interest in, or awareness of, archives. What is said here should not be construed as ingratitude for the generosity of the NEH or the NHPRC. They have brought national attention to archival needs, and without their grants, much important work in archives and manuscripts could not be done. They should, however, be regarded as only the beginning of the search for better financial support of archives.<sup>28</sup>

**TABLE III**  
**AMOUNT OF GRANTS**

	<b>NHPRC (56 Records Program grants totaling \$1,017,823)</b>		<b>NEH (43 grants totaling \$2,410,682)</b>	
	<b>Number of Grants</b>	<b>Per- centage</b>	<b>Number of Grants</b>	<b>Per- centage</b>
Less than \$5,000	9	12.5	3	7.0
\$5,000 to \$14,999	24	42.9	6	14.0
\$15,000 to \$29,999	17	30.3	6	14.0
\$30,000 to \$49,999	5	8.9	13	30.1
\$50,000 to \$74,999	2	3.6	7	16.3
\$75,000 to \$99,000	1	1.8	1	2.3
\$100,000 to \$200,000	0	0.0	6	14.0
Over \$200,000	0	0.0	1	2.3

Because 55.4 percent of the NHPRC grants were below \$30,000, and 65 percent of the NEH grants were above that amount, the NEH was clearly the source of more substantial support. With 58.9 percent of its grants below \$15,000 the NHPRC appears to be the agency to support more modest projects. More recent information, reported in the September, 1978, *SAA Newsletter* suggests a trend towards the NHPRC's sponsorship of more expensive projects since the average grant reported was \$20,000. NHPRC grants above \$50,000 now account for 12.3 percent of those made, according to this later survey, whereas grants above \$50,000 accounted for only 5.4 percent in 1977.

## TABLE IV

### TYPE OF RECIPIENT

Type of Institution	NHPRC (56 grants)		NEH (43 grants)	
	Number of Grants	Per-centage	Number of Grants	Per-centage
College and University	18	32.0	22	51.2
State Historical Agency	11	19.5	12	27.9
Local Historical Agency	5	9.0	0	0.0
Private organization*	11	19.5	8	18.6
Library (non-university)	6	11.0	0	0.0
Government Agency #	4	7.0	0	0.0
Combination	1	2.0	1	2.3

**Legend:** \*Private Organizations include professional societies, museums, groups which are establishing their own archives, and research foundations.

#Government Agencies are principally State Records Advisory Boards, state records commissions, and municipal records offices.

These figures represent only those grants actually awarded and thus should not be viewed as an indication of the relative success rates by each of these types of institutions. In the statistics presented above, colleges and universities account for the largest single group of recipients. The NHPRC shows a more even distribution of its money among various types of institutions. The NEH, with its academic orientation, seems to prefer colleges and universities and state historical societies, since nearly 80 percent of its grants went to these types of institutions.

## CONCLUSION

It is clear, then, that a thorough grasp of regular budgetary financing is necessary before the relative merits of special grants can be fully appreciated. By analyzing operations according to financial criteria, archivists will not only be able to improve the services they provide, but will also be able to defend their operations when threatened by budget cuts. If necessary, they will be in a better position to decide where cut-backs should first be made. In addition, by gaining a thorough knowledge of the different financial requirements of their particular collections, they will be able to select the most appropriate granting agencies for their needs with minimal disruption of their regular programs. Several other questions, of course, merit attention, such as methods of "selling" one's program, or the relative merits (from a financial standpoint) of administrative locations of archives.<sup>29</sup> Because financial support underlies all archival activities, the discussion of budgets is bound to encroach upon current debates about standards in specific areas, such as appraisal, conservation, finding aids, and uniform terminology. Ultimately, however, the study of archival financing will permit the archivist to serve more effectively as custodian of historical records and manager of institutional records. Until a solid understanding of the financial bases of archival practice is acquired, however, ambitious plans for processing, description, automation, and preservation will represent uncoordinated responses to current funding opportunities.

## FOOTNOTES

- <sup>1</sup>Theodore R. Schellenberg, *Modern Archives: Principles and Techniques* (Chicago: University of Chicago Press, 1957); *The Management of Archives* (New York: Columbia University Press, 1965); Kenneth W. Duckett, *Modern Manuscripts* (Nashville: American Association for State and Local History, 1975), Chapter II. For reviews of Duckett's book see: *American Archivist* 39 (January, 1976) 45-46; *College and Research Libraries* 37 (May, 1976) 276-77; *The Midwestern Archivist* 1 (1976) 57-59; *Georgia Archive* 4 (Summer, 1976) 150-54; and *Library Quarterly* 46 (July, 1976) 319-20.
- <sup>2</sup>Frank B. Evans, *Modern Archives and Manuscripts: A Select Bibliography* (Society of American Archivists, 1975); *American Archivist* 39 (April, 1976) 177-97; 41 (July, 1978) 307-27; *Archivum* 25 (1978) 49-52.
- <sup>3</sup>An example of this focus on special grants can be seen in an article by Larry J. Hackman, "A Progress Report on the Records Grant Program," *The Midwestern Archivist* 1 (1976) 21-27 which presents an outline of the NHPRC Records Grant Program.
- <sup>4</sup>*Library Literature: An Index to Library and Information Science* (New York: H.W. Wilson, 1972-1977). The categories searched include "Archives," "Budgets," "Finances," "Grants," "Gifts," and "Special Libraries."
- <sup>5</sup>For example: "The Preparation of a Budget," *Special Libraries* 63 (November, 1972) 517-27; "Budgeting for Libraries," *Special Libraries* 67 (January, 1976) 8-12.
- <sup>6</sup>For example: Robert A. Mayer, "Grantsmanship," *Library Journal* 97 (July, 1972) 2348-50. Wallace B. Edgerton, "What the NEH Has Done for Libraries," *Wilson Library Bulletin* 46 (January, 1972) 427-30. Andrew J. Eaton, "Fund Raising for University Libraries," *College and Research Libraries* 32 (September, 1971) 351-61. Brooke Sheldon, "A Proposal Primer," *Bowker Annual*, 20th ed. (New York: R.R. Bowker, 1975) 147-53.
- <sup>7</sup>H.G. Jones, *Records of a Nation* (New York: Atheneum, 1969), p. 20.
- <sup>8</sup>A good outline of accounting procedures for agencies with such independent budgets is provided in "Current Accounting Trends," by Roger W. Zaenglein in *History News* (January, 1976), issued as American Association for State and Local History *Technical Leaflet* 87.
- <sup>9</sup>This analysis could also apply to manuscript collections except insofar as they have no records management functions.
- <sup>10</sup>Herbert Finch has suggested that staff in large repositories be arranged similar to faculty in a university teaching department. Herbert Finch, "Administrative Relationships in a Large Manuscript Repository," *American Archivist* 34 (January, 1971) 21-25. A recent development that merits the attention of archivists is use of CETA employees to expand archives staff; *SAA Newsletter*, January, 1978.
- <sup>11</sup>University of Illinois at Urbana-Champaign, "University Archives Annual Report 1977-78," p. 8.
- <sup>12</sup>Such techniques are described in detail in Eleanor McKay, "Random Sampling Techniques," *American Archivist* 41 (July, 1978) 281-89; Lydia Lucas, "Managing Congressional Papers," *American Archivist* 41 (July, 1978) 275-80.

- <sup>13</sup>Processing supplies—acid free folders, mylar, deacidification solutions, and other preservation supplies—should be seen as part of the processing budget and not as part of the equipment and supplies section of the archives' overall budget because they are an integral part of the cost of processing a cubic foot of records. Archivists will want to vary the use of these supplies according to the importance and condition of a given collection.
- <sup>14</sup>These calculations are based on the time survey mentioned above and the data in the Annual Report for 1976-77. The cost of processing supplies could be added to this average. At the University of Illinois, the average cost of processing supplies is less than \$2.00 per cubic foot. This figure is relatively low because of the use of a high ratio of inexpensive records center boxes, and because extensive re-folding with acid-free folders is not performed.
- <sup>15</sup>This estimate is based on the time survey mentioned above and statistics in the Annual Report for 1976-77. It is also possible to calculate an estimate for the total cost of processing, housing, and servicing the collections by totaling the annual processing costs, storage costs, and reference costs, and then dividing this figure by the number of reference uses. At the University of Illinois, servicing the records of the College of Engineering cost \$39.84 per reference use during 1977/78.
- <sup>16</sup>Duckett, *Modern Manuscripts*, pp. 37-43; William Alderson, "Securing Grant Support: Effective Planning and Preparation," *History News* (December, 1972), issued as American Association for State and Local History *Technical Leaflet* 62.
- <sup>17</sup>During 1977, the issues for January, March, July, and November noted a total of ninety-nine grants made by the NHPRC and NEH. During 1978, the issues of January, March, and July reported grants made by the NHPRC but not those made by the NEH.
- <sup>18</sup>For example, see *Annotation* 4 (October, 1976) and 6 (July, 1978).
- <sup>19</sup>Some issues of *Humanities* do, however, warrant the consideration of archivists; e.g., that of October, 1977, which outlined the NEH's Research Collections program.
- <sup>20</sup>The archivist would also do well to consult general guides to special funding sources. These include: *Catalog of Federal Domestic Assistance* (Washington, D.C.: Executive Office of the President, 1977); *Foundation Directory*, 6th ed. (New York: Foundation Center, 1977); *Foundation Grants Index 1977* (New York: Foundation Center, 1978); *Annual Register of Grant Support, 1978-79*, 12th ed. (Chicago: Marquis Academic Media, 1978); *Bowker Annual of Library and Book Trade Information*, 21st ed. (New York: R.R. Bowker, 1976) 468-80. Beyond references to programs of the National Archives and Records Service in the *Catalog of Federal Domestic Assistance*, these publications do not mention "archives" as a category in lists of grants available and of grants made. The sole exception, the *Bowker Annual*, only contains reference to three grants made to archives. One is still best advised to rely on the SAA *Newsletter* as the main reporter of archival grants.
- <sup>21</sup>*National Historical Publications and Records Commission: Publications Program* (Washington, D.C., 1976) 1.
- <sup>22</sup>*National Historical Publications and Records Commission: Records Program* (Washington, D.C., 1977) 1. A more detailed description of the Records Grant program is now available, the "Suggestions for Applicants," published in *Program Report, National Historical Publications and Records Commission* 78-2 (April, 1978).
- <sup>23</sup>*National Historical Publications and Records Commission: Records Program* (Washington, D.C., 1977) 6, "Suggestions for Applicants," (April, 1978). In the SAA *Newsletter* of September, 1978, it was announced that the NHPRC would now accept grants from the two states (Maine and Mississippi) in which advisory boards had not yet been appointed.

- <sup>24</sup>*Program Report, National Historical Publications and Records Commission* (September 26, 1977) 5.
- <sup>25</sup>*Humanities*, 7 (October, 1977).
- <sup>26</sup>Librarians have access to this type of literature through such articles as "Analysis of Foundation Grants to Libraries" (by Patricia Senn Brevils in *Bowker Annual*, 21st ed., 1976, reprinted from *Library Journal* 100 (December, 1975). This article studies grants awarded according to state, grantor, purpose of grant, type of recipient, etc.
- <sup>27</sup>The issues of January, March, July, and November, 1977, contain reports on grants of the NEH and NHPRC. The *Newsletters* for 1978 did contain lists of the NHPRC grants (January, March, and July), but not of NEH grants, and because of the lack of information on the NEH grants, the current survey ends in 1977. It is possible that an update would alter some of the findings. For example, Larry Hackman's survey of NHPRC grants in the September, 1978, *Newsletter* indicates a higher average of award than that reported here. Moreover, the current study includes only grants awarded and does not account for rejected applications, as Michael Kohl has done. In both instances, however, the inclusion of data for the NEH was deemed of overriding importance.
- <sup>28</sup>Of the 101 grants reported in the 1977 *Newsletter*, only two were from private foundations. The July, 1978, *Newsletter* reported seven grants from a private foundation. There are irregularities in the reporting of private grants, but archives do not figure as an area of interest in the major guides to grant money (e.g., *Foundation Directory* or *Annual Register of Grant Support*). Archivists are, however, probably in a good position to appeal to large numbers of foundations, even the ones which express no interest in history, manuscripts, or libraries, since the subject matter of certain records may attract donors. Engineering and architectural firms and societies may, for example, be willing to pay for the preservation of records relating to local landmarks.
- <sup>29</sup>Administrative location has been discussed, particularly in relation to college and university archives, but from a functional (not financial) perspective. See: Nicholas C. Burckel, "Establishing a College Archives," *College and Research Libraries* 36 (September, 1975) 3-15; "Proceedings of the Conference on Archival Administration for Small Universities, Colleges and Junior Colleges," *Occasional Papers*, 88 (Urbana: University of Illinois Graduate School of Library Science, 1967).