

TESTIMONY OF DAVID S. FERRIERO
ARCHIVIST OF THE UNITED STATES
BEFORE THE
SUBCOMMITTEE ON FINANCIAL SERVICES AND GENERAL GOVERNMENT
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES
MARCH 20, 2012

Madam Chair, Ranking Member Serrano, and Distinguished Members of the Subcommittee:

Thank you for inviting me to appear before you today to discuss the fiscal year (FY) 2013 budget request of the National Archives and Records Administration (NARA).

I would also like to thank you for your continued support of the National Archives through the Appropriations process. The funds you provide to NARA help to safeguard American democracy by preserving, protecting, and ensuring continued access to the essential documentation of the rights of American citizens and the actions of their government.

The Federal government records that we hold in trust form a diverse, personal, and very dynamic body of information that is the core of a transparent, open, and accountable government. The National Archives is a vital resource that provides citizens with the records that are necessary to establish their identities protect their rights, define their responsibilities, and access government benefits. We deliver documents that explain past decisions of the government, inform future policy, and ensure that our government is accountable to the

American people. We preserve and display the foundational documents of our democracy and inspire our citizens to explore, learn, and connect with our shared history.

Open Government and the explosive growth of electronic records in our public and personal lives reinforce the unique and important role of the archival profession. The government, the private sector, and individuals produce extraordinary volumes of paper and electronic documents, and our citizens face vast quantities of transient information, with little provenance to assure its accuracy and validity. Now more than ever, our nation requires dedicated information management professionals to sort through enormous amounts of data; capture and preserve records with permanent historical value; and make those records publicly available from a reliable and trustworthy source.

The greatest challenge facing the National Archives and archival institutions everywhere is keeping pace with the exponential growth of electronic records and public demand for transparency and accessibility. The organizational structures, processes, and archival theories that have served us well for delivering paper documents in brick-and-mortar facilities are no longer sufficient in the digital age. Adding to the challenge of delivering more information faster is our responsibility to ensure that the documents we release to the public are free of personally identifiable information and other sensitive data.

Today, the National Archives is taking aggressive action to meet this challenge. In FY 2011, we implemented an agency-wide reorganization to increase our efficiency and effectiveness and make NARA more agile and responsive to the needs of our customers. We

have completed development of the Electronic Records Archives (ERA) project and deployed it as an operational system. And we have launched a long-term effort to modernize our operations and transform our culture so that we can continue to fulfill our critical mission in a rapidly changing world.

NARA TRANSFORMATION

In FY 2010, we initiated a multi-year effort to transform the National Archives into a dynamic and modern agency. The NARA Transformation is a long-term initiative that will improve our core processes to more efficiently capture and provide faster access to increasing volumes of paper and electronic records. The Transformation will require NARA to develop new ways to engage our customers, advance new theories of archival science, and foster an organizational culture that accepts risk and rewards innovation.

We completed a significant milestone of the NARA Transformation in July 2011, by abolishing our legacy, stove-piped geographic structure and realigning into new organizations focused on customer segments. Our new organization is composed of six nation-wide programs that are headed by an Executive and dedicated to providing fast, meaningful, and responsive service to key stakeholder groups:

- Legislative Archives, Presidential Libraries, and Museum Services supports the records needs of the White House and Congress, researchers who use Presidential and Congressional records, and museum visitors, educators, and students;

- Research Services supports professional researchers and citizens wanting access to our records, and preserves archival holdings for the benefit of future generations;
- Agency Services leads our efforts to meet the records management needs of Federal agencies and provides oversight of classified and other interests in these records;
- The Office of the Federal Register fulfills NARA's responsibilities to publish the daily Federal Register, the Code of Federal Regulations, and other statutory requirements;
- Information Services supports NARA programs through the application of information technology and sound information management practices; and
- Business Support Services provides centralized administrative services to internal customers in NARA programs and supports NARA public-facing activities.

Our new organizational structure is a significant step forward in implementing the Transformation and increasing the efficiency and effectiveness of NARA operations. The reorganization increased our effectiveness by focusing our resources on delivering core services to key constituents. Our programs are more closely aligned to our basic mission and we are reengineering our work processes to provide a more consistent customer experience across the country. Most importantly, we have aligned our geographically dispersed staff into cadres of information management professionals to collaborate and develop innovative solutions to the most pressing challenges facing their programs and the National Archives.

PRESIDENTIAL MEMORANDUM ON RECORDS MANAGEMENT

The Administration is taking broad-based action to address the challenges of electronic records. In November 2011, the White House issued a Presidential Memorandum, *Managing Government Records*. The Memorandum calls on agencies to reform their records management practices and requires immediate actions to begin the transition from paper-based records management to a modern and efficient system for managing electronic records.

The Presidential Memorandum requires each head of agency to make records management a priority for their senior leaders and ensure that proper resources are allocated to records management. Today, every agency has named a senior official who is responsible for records management, completing the first task of the Memorandum. By the end of March, all agencies must report to NARA and the Office of Management and Budget (OMB) on their plans to improve or maintain their records management programs, including managing electronic records, and identify legal or other obstacles to adopting sound, cost-effective records management practices. Agencies are also asked to propose new policies and programs that would improve records management.

The National Archives and OMB, in coordination with the Department of Justice, will review agency submissions, solicit input from the public, and issue new records management guidance by July 2012. Our guidance will provide agencies with specific steps to improve their records management practices, develop a more efficient government-wide records management framework, and find more effective means to manage electronic records in the digital age.

FY 2013 BUDGET REQUEST

NARA's FY 2013 budget requests \$387 million in appropriations and \$370 million in net budget authority. Our net budget authority does not include \$17 million in appropriations for payments on principal ("redemption of debt") for financing of the Archives II facility in College Park, MD.

NARA requests an appropriation of \$372 million for our Operating Expenses in FY 2013. Funds requested in FY 2013 provide for the operation of the Federal government's archives and records management activities, including the salaries of 1,660 full-time equivalents (FTE), operating costs of NARA facilities that house and protect our permanently valuable historical documents, and operations and maintenance of the Electronic Records Archives (ERA) system.

NARA requests \$4.1 million for the Office of Inspector General in FY 2013. Funds requested in FY 2013 are essential to assure the integrity of NARA programs, ensure that NARA fulfills its responsibilities to safeguard and preserve Federal records, and combat fraud, waste, and abuse.

NARA requests \$8 million for Repairs and Restoration of NARA-owned Federal buildings. Funds requested in FY 2013 will provide for renovations to NARA buildings necessary to maintain health and safety standards for the occupants, preserve archival documents stored in NARA facilities, and protect the value of government real property assets.

NARA requests \$3 million for the National Historical Publications and Records Commission (NHPRC) Grants Program in FY 2013. Funds requested in FY 2013 will be used to support the preservation and public availability of historical documents held by non-Federal archives across the United States. NHPRC awards matching grants that support projects that increase public access to historical documents of national significance and interest, spur innovation in archives and records management techniques, devise and revise national and international standards and best practices in the field, and train professionals in carrying out this work.

ACTIONS TAKEN TO CONSTRAIN COSTS

The FY 2013 request of the National Archives is a responsible budget. We have asked for the minimum resources necessary to maintain our core mission while demonstrating progress on electronic records and supporting the reform of Federal records management. We have made efficiency improvements and deferred planned investments in order to prepare a request that is \$5 million below our FY 2012 enacted level, and 11 percent below our FY 2011 funded level.

Since FY 2010, our budget has contracted by \$87 million, a reduction of nearly 18 percent. When adjusted for inflation, our FY 2013 request is equivalent to our FY 2006 funding level. The majority of this reduction has come from completing systems development funding for ERA and limiting facility renovation projects to our most critical needs.

We have also taken a number of steps to reduce operating costs by increasing our efficiency and focusing our resources on delivering our core mission. We have reduced employee recruitment, retention, and relocation incentives, both in the number of employees receiving them and the amounts provided; reduced travel by 15 percent across-the-board; reduced spending on IT infrastructure by almost \$1 million; and increased our use of shared services for information systems solutions. We have carefully reviewed the office space we rent from GSA and recently canceled two small leases. We are currently examining our motor vehicle fleet and will be taking steps to dramatically reduce our fleet in FY 2012.

We have also instituted an agency-wide hiring freeze. This was a difficult decision but is necessary to contain our spending, since 90 percent of our budget is composed of people and the relatively fixed costs of buildings and IT. Since November 2011, the National Archives has frozen all new hires, including attrition replacement. We have permitted only a very limited number of new hires, and only for positions that are critical to meet customer requirements and that cannot be filled by reassigning existing employees.

I am particularly excited about how the work we do is being enhanced by engaging the public through social media. On December 23, 2011, the National Archives deployed the Citizen Archivist Dashboard, a web portal that allows the public to work with our records through activities such as “tagging” our records with descriptions that make them searchable on the web, transcribing hand-written documents, and editing articles about our records. In January, the Dashboard’s first full month of deployment, our online catalogue had the highest number of web visits in its history and tagging of archival materials increased by 46 percent. In one week,

120 documents were transcribed and, as a result, the full text of these permanently valuable historical documents is now publicly available on-line.

The Citizen Archivist Dashboard is a unique expression of Open Government. Our Dashboard allows citizens to see and use the records of our nation, provides a channel of feedback to the National Archives, and imparts the public with knowledge and a sense of ownership in critical historical information. The Dashboard uses social media to connect an interested public with the information management professionals and the archival tools of the National Archives, including public access components of the Electronic Records Archives (ERA), our flagship information system for permanently capturing and preserving electronic government records.

ELECTRONIC RECORDS ARCHIVES

Our FY 2013 budget requests \$31 million for ERA. Our request provides for the operations and maintenance of the deployed system, and includes a small amount for corrective and adaptive software maintenance. Corrective and adaptive activities are a necessary component of our electronic records systems implementation strategy, because they allow us to address shortcomings and enhancements identified by our customer Federal agencies and ensure the long-term usability of the system.

ERA was fully deployed as an operational system for use by all Federal agencies on October 1, 2011. The primary function of ERA is to serve as an electronic records repository,

which preserves and stores electronic records and their metadata. Metadata is information that describes and supports our records so that they can be properly organized, preserved, and made accessible. ERA also allows Federal agencies to transmit electronic records electronically – instead of transporting physical storage devices – and includes electronic records disposition schedules that allow agencies to manage their records transfers in the system. Finally, ERA includes a public access function, which allows the public to research ERA records after they have been screened for sensitive data, including national security, personal privacy, proprietary, and law enforcement information.

ERA is being used by NARA and our customer Federal agencies to preserve and provide public access to electronic government records. Currently, 29 of the 30 Departments and large independent agencies that are members of the CIO Council are using ERA. As of January 2012, ERA stored over 131 Terabytes of data, the equivalent of 33 billion pages. By the end of FY 2012, all agencies will be required to use ERA to submit permanent electronic records for transfer to our legal custody.

In FY 2013, the National Archives will focus on expanding Federal agencies' use of ERA and adapting the system to increase its usability. In particular, we will focus on ERA continuity planning and we will be working to ensure that ERA will be able to return to normal operations in an appropriate period of time following a natural or man-made disaster. We are also aware that many ERA records are not machine-searchable and not publicly available, in part because we are currently in the process of screening these documents for sensitive information.

We will continue to work with Federal agencies, researchers, and our Inspector General to improve system continuity and enhance system functionality to ensure that ERA remains an effective, lasting solution for storing, preserving, and providing permanent access to electronic government records.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

Our FY 2013 budget requests \$3 million for the National Historical Publications and Records Commission (NHPRC). The Commission was created in 1934 alongside the National Archives, as Congress recognized that large amounts of nationally significant archival materials are maintained by a network of state, local and private archives across the country. The NHPRC expands public access to the vast stores of seminal historical documents that exist outside of the collections of the Federal government by awarding grants to preserve, publish, and promote access to their holdings.

Over its long history, the NHPRC has ensured that hundreds of thousands of cubic feet of historical documents have been preserved and made available through these grants. Hundreds of new archives have been created at colleges and universities, Native American tribes, and a variety of non profits. State archives have received support that has enhanced their capacity to deal with their backlogs of holdings and the challenges of electronic records. Publications of historical documents produced through NHPRC grants number over 1,000 volumes, and we are leading an effort to put as much of this material online as we can. In addition, NHPRC plays a critical role developing and enhancing the capacity of the professionals who are responsible for

this work through its support for groundbreaking educational programs in electronic records, records preservation and management, and leadership.

The NHPRC is unique among grant making entities in focusing exclusively on the nation's archival documentation and legacy. As Chairman of the Commission, I can testify first hand to the enormous influence and importance Commission leadership, policies, and grant programs have had and continue to have among the nation's archives and history communities. I should also note that the NHPRC operates on the principle of public/private partnership with all of its grants, requiring a minimum of 50 percent matching funds for all awards made.

One of the greatest successes of the NHPRC is the development of the Founders Online initiative. This June, the National Archives, through a cooperative agreement between the NHPRC and the University of Virginia, will make public a comprehensive on-line edition of the papers of the key figures in the founding of the United States of America. For the first time, the letters and other writings of the central figures (George Washington, John Adams, Thomas Jefferson, James Madison, Benjamin Franklin, and Alexander Hamilton) in the formation of the United States will be freely available to anyone through one on-line resource. The initial release of Founders Online to the public takes place in June 2012.

CLOSING STATEMENT

The National Archives and archival institutions everywhere are at a critical point of inflection. The need for archivists and other information management professionals is greater

than ever. We must learn to manage electronic records and expand and accelerate public access to our holdings or we risk losing an entire generation of records and – with it – our national memory.

The National Archives is dedicated to preserving our national heritage through government records – paper and electronic – and ensuring continued access to them: To document the rights of citizens, to promote accountable government, and to inspire greatness in future generations of Americans. With your generous support, we have completed development of the Electronic Records Archives, and we are implementing more sophisticated methods to manage the electronic records in our custody. We appreciate the Administration's continued support of sound records management and look forward to supporting government-wide efforts to reform recordkeeping.

But between records management in the agencies and preserving electronic records already at the National Archives lies the incredible challenge of processing enormous volumes of records to identify documents with enduring historical value, protect sensitive and classified information, and speed delivery to the public. This is a challenge that requires us to transform our culture, modernize our business processes, and re-examine the core theories behind archival practice. Your approval of NARA's budget request is a crucial step towards ensuring that the National Archives can meet the challenges of the twenty-first century, preserve our relevance, and become the vital source for the essential government information that we hold in trust.

Madam Chair, this concludes my formal statement. I look forward to continuing this discussion of our FY 2013 budget request with you and the Members of the Subcommittee.