



# SB 1418 CRM Forum

3 August 2017



## Introductions:

- **Patrick D. Lyons**, Director, Arizona State Museum, University of Arizona
- **R. Brooks Jeffery**, Associate Vice President for Research – Arts, Culture and Society, University of Arizona

## Purposes of the Forum:

- listen to and seek additional input from CRM stakeholders re: ASM's proposed new rate and fee structure
- improve articulation between ASM's proposed new business practices and the business practices of CRM stakeholders

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## Structure of the Forum:

- a moderated, focused discussion
- three two-part segments:
  - brief summary of stakeholder comment(s) already received and ASM's response
  - discussion
- brief summary of input received today

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## Structure of the Forum:

- Stakeholder Comments:
  1. Non-binding Estimates
  2. Billing Process  
DISCUSSION
  3. In-Perpetuity Curation Costs  
DISCUSSION
  4. Unintended Consequences  
DISCUSSION

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## Stakeholder Comment #1:

- CRM firms and agencies need binding estimates of ASM charges in order to budget for projects. The uncertainty associated with what have been called “non-binding” estimates is problematic.

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## ASM Response:

- ASM will issue **project quotes** that are **scope-dependent**.
  - ASM will honor a quote unless there is a material variance in the scope of the project, as measured between information received via the Request for Quote and collections actually submitted.

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## ASM Response (cont.):

- A change in project scope will oblige the CRM firm to contact ASM for a revised quote based on the new project scope.

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## Stakeholder Comment #2:

- Charges for Collections Intake account for a large proportion of any testing or excavation budget.
  - Uncertainty regarding these charges is a great cause for concern.
- Billing cannot go on indefinitely.
  - CRM firms and agencies must be able to close out projects.

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## ASM Response:

- **ASM** will honor quotes for charges related to Collections Intake tasks and **will bill for these costs on a one-time, up-front basis**, with two caveats:
  - material changes in project scope will entail the issuing of a new quote; and

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## ASM Response (cont.):

- quotes for these tasks are based on the assumption that CRM firms will turn in collections in accordance with state standards and that ASM will not have to incur additional costs in bringing collections up to standards.

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## ASM Response (cont.):

- CRM firms may be subject to additional costs in the future, if submitted collections are found to be non-compliant.

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## ASM Project Quote Process:

- Draft Proposed Process Flow for Project Quote Requests (handout)
- Draft web-based Quote Request Form (handout)

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## Billing Milestones:

- ASM will not require a 15% deposit and, instead, has proposed a two-bill cycle:
  - a bill for ASM tasks to be completed prior to the submission of collections, due when a quote is accepted; and
  - a bill for collections intake and curation in perpetuity, due when collections are submitted.

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# Discussion

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## Stakeholder Comment #3:

- ASM proposes to charge for curation of objects and documents in perpetuity, as required by state law.
  - Some refer to this as a 400% increase in the per-box rate and ask that ASM “phase in” this change.

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## ASM Response:

- The average cost of submitting a box of artifacts to ASM has increased from \$1,000 to \$4,325:
  - \$1,321 for Collections Intake, and
  - \$3,004 for Curation in Perpetuity
- Previously, ASM did not collect funds to cover costs of curation in perpetuity.

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## ASM Response (cont.):

- Study of 40 repositories over 10 years:
  - only one increased fees less than 100%
  - two thirds increased fees at least 200%
  - one quarter raised fees at least 300%
  - one tenth increased fees at least 400%
  - one increased fees more than 600%

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## ASM Response (cont.):

- More repositories are charging a one-time collections processing fee as well as **annual fees** to cover ongoing costs.
- The use of a one-time processing fee with ongoing **annual fees** is the dominant model in the eastern U.S.

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## ASM Response (cont.):

- To cover costs in perpetuity, a repository must:
  - charge a one-time collections processing fee **as well as an annual fee**; or
  - use a funding model akin to a perpetuity due linked to an **interest-bearing account**, as described in ASM's initial and revised draft proposals.

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## ASM Response (cont.):

- The use of an interest-bearing account actually allows ASM to charge project proponents **a lower one-time fee and less overall** for curation in perpetuity.
- There is no source of funding available to cover costs incurred during any proposed “phase-in” period.

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## Discussion

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## Stakeholder Comment #4:

- There will be unintended consequences, including reduced scopes of work for projects, the recovery of smaller samples, non-compliance with state laws, illegal culling of collections, and attacks on the state's statutory and regulatory framework.
  - ASM should develop a culling policy.

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## ASM Response:

- The cost of compliance should not be an excuse for noncompliance.
- ASM's extant regulations and policies represent *de facto* acceptance of the premise that, **if cost is an issue, archaeologists should excavate smaller samples but submit for curation all items collected** (except mass-produced objects).

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## **ABOR Policy 8-204(Q):**

- All collections of archaeological or paleontological specimens and all project records that are acquired under the authority of a permit or that result from permitted activities remain the property of the State of Arizona regardless of the repository institution.

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## **ASM Repository Manual Policy 1.7.1 Collections from State Lands:**

- Archaeological projects may not unilaterally discard or otherwise dispose of survey or excavated collections from State lands or any part of them. The Director of the Museum must approve disposal of any cultural material, no matter how trivial in appearance or apparent significance, from any surveys or excavations on State lands. This approval must be in writing.

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# Discussion

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# Summary of Today's Input

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**Thank you.**