

APPENDIX VII:

**UNIVERSITY OF ARIZONA
PRESENTATION AND ASSOCIATED DOCUMENTS
20 JULY 2017 PUBLIC FORUM, PHOENIX, ARIZONA**



SB 1418 CRM Forum

20 July 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

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

Structure of the Forum:

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

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.

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.

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.

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.

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

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.

ASM Response (cont.):

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

ASM Project Quote Process:

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

Discussion

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.

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.

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%

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.

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.

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.

Discussion

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.

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).

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.

ASM Repository Manual Policy

1.7.1 Collections from State Lands:

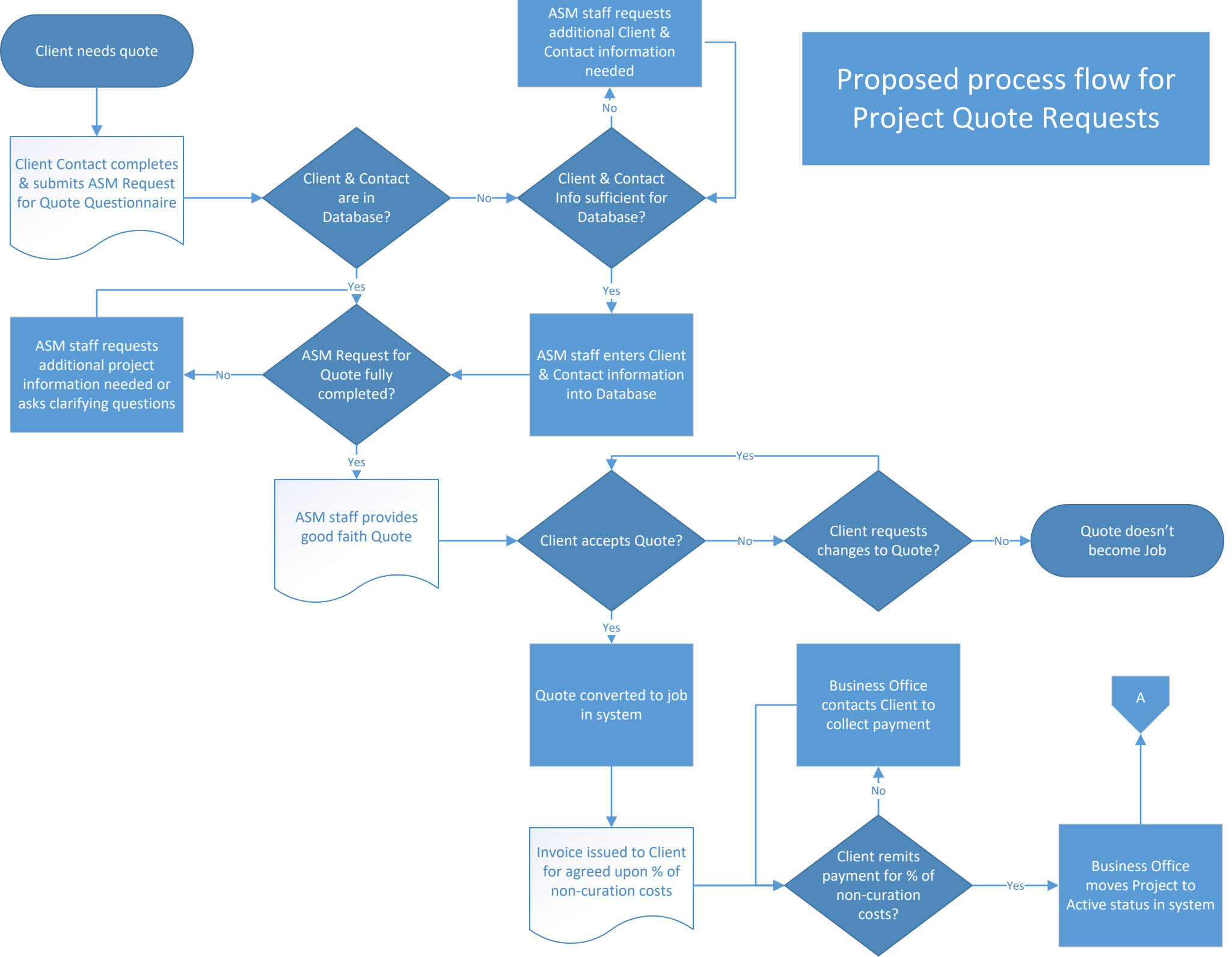
- Archaeological projects may not unilaterally discard or otherwise dispose of survey or excavated collections from State lands or any part of them. The Director of the Museum must approve disposal of any cultural material, no matter how trivial in appearance or apparent significance, from any surveys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

Discussion

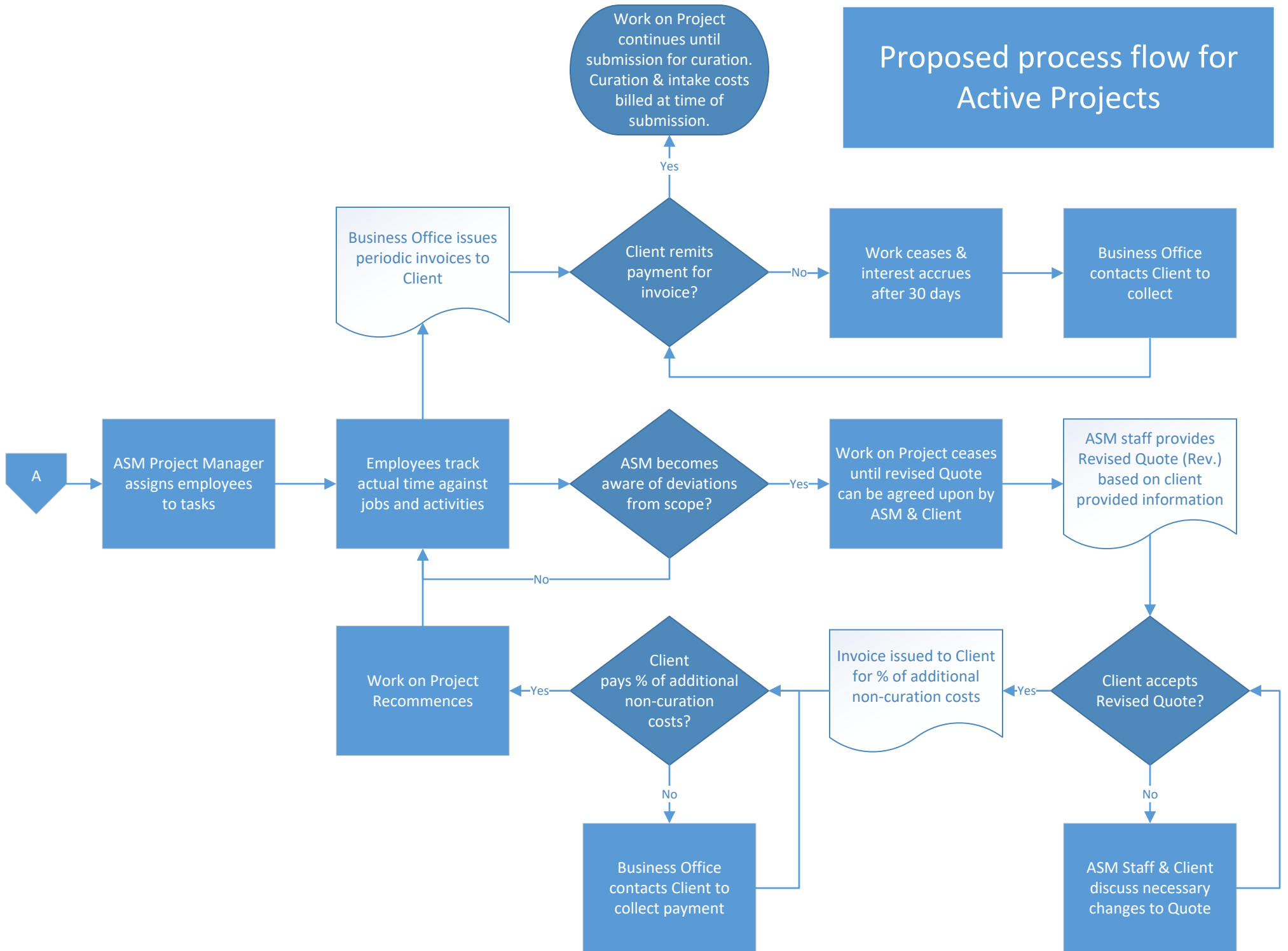
Summary of Today's Input

Thank you.

Proposed process flow for Project Quote Requests



Proposed process flow for Active Projects





DRAFT Framework for Data Points

Client Information:

- Client Name (CRM Firm Name)
- Contact Name
- Contact Email
- Billing Contact Information

Project Identifiers:

- Project Proponent
- Project Name
- Project Description
- Project ID (Client Primary Key)
- Estimated Start Date
- Estimated End Date

Project Inputs (some or all may be relevant, depending upon project type):

- Number of Sites and Person-Field Days at Pre-Hispanic sites?
- Number of Sites and Person-Field Days at Historic Period sites?
- Are any sites on private land? If so, how many?
- Will you be curating at ASM?
- How many half-boxes of bulk archaeological collections do you estimate will be submitted for curation?
- How many artifacts do you estimate will need to be catalogued individually?
- How many digital images do you estimate will be submitted for curation?
- How many linear inches of documentation do you estimate will be submitted for curation?
- How many sites will be monitored, tested, or excavated?
- How many total person-field days do you estimate for this project?
- How many acres will be surveyed?
- How many new sites do you estimate you will discover?
- How many sites do you estimate will require a site card update?
- Does the project fall within any of the following management areas?
 - Salt River Pima-Maricopa Indian Community
 - Gila River Indian Community
 - Tohono O'odham Nation
- Which tribe(s) and/or groups with cultural affinity will be involved?
- Is the work plan general or project-specific?
- Which land ownership category(ies) is (are) involved (State, Private or a combination)?
- How many sets of human remains do you estimate will be excavated?

Quotes will be binding, but for two potential exceptions:

- 1) Material deviation in scope of the project from that described within the initially submitted Request for Quote form.
- 2) Submission of collections for curation not in accordance with State Standards, per the [ASM Repository Manual](#).

General Facts:

Quote turnaround time is 2 business days of receiving the completed ASM Request for Quote.

There are no fees for quotes.

Quotes cannot be expedited.

REFERENCES:

Sources on the Archaeological Curation Crisis and Studies of Archaeological Repository Fees

Childs, S. Terry and Karolyn Kinsey

2003 *Costs of Curating Archeological Collections: A Study of Repository Fees in 2002 and 1997/98*. Studies in Archeology and Ethnography #1. Archeology and Ethnography Program, National Park Service, Washington, DC.

<http://digitalcommons.unl.edu/cgi/viewcontent.cgi?article=1056&context=natlpark>

Childs, S. Terry, and Seth Kagan

2008 *A Decade of Study into Repository Fees for Archeological Curation*. Studies in Archeology and Ethnography #6. Archeology Program National Park Service, Washington, DC.

<http://digitalcommons.unl.edu/cgi/viewcontent.cgi?article=1097&context=natlpark>

Childs, S. Terry, Karolyn Kinsey, and Seth Kagan

2010 Repository Fees for Archaeological Collections. *Heritage Management* 3(2):189-212.

available online **for a fee** at:

<http://www.tandfonline.com/doi/abs/10.1179/hma.2010.3.2.189>

Lyons, Patrick D., E. Charles Adams, Jeffrey H. Altschul, C. Michael Barton, and Chris M. Roll

2006 *The Archaeological Curation Crisis In Arizona: Analysis and Possible Solutions*.

Report Prepared by the Governor's Archaeology Advisory Commission Curation Subcommittee, State Historic Preservation Office, Phoenix.

https://d2umhuunwbec1r.cloudfront.net/gallery/asp-archive/committees/downloads/GAAC_Curation_Crisis_Full.pdf

SUMMARY OF COMMENTS SUBMITTED TO ARIZONA STATE MUSEUM (ASM) AND RESPONSES OFFERED AT STATE-AGENCY-FOCUSED SB 1418 CULTURAL RESOURCE MANAGEMENT FORUM SPONSORED BY ARIZONA DEPARTMENT OF TRANSPORTATION, PHOENIX, AZ, 20 JULY 2017

- Stakeholders appreciate ASM's efforts in being responsive to concerns by holding additional face-to-face meetings and postponing implementation of the new proposed fee and rate structure until 1 July 2018.
- Stakeholders see value in pursuing two parallel courses of action related to the new proposed fee and rate structure:
 - working with ASM to better tailor proposed business practices to the needs of stakeholders; and
 - working with ASM on a broad-based approach to addressing unintended consequences of increased costs associated with services provided by ASM.
- Stakeholders have questions/concerns about deposits and billing:
 - Will CRM firms be billed three times, or just twice?

Based on input from stakeholders, ASM will not require a 15% deposit (as originally proposed) and, instead, has proposed a two-bill cycle for each project, assuming that collections are submitted in accordance with state standards: (1) an initial bill for 100% of costs for ASM tasks to be completed prior to the submission of collections for curation (project registration, preparation of a burial agreement), to be due when a quote is accepted and the job commences; and (2) a bill for all curation costs, including collections intake and curation in perpetuity, to be issued when collections are submitted to ASM.

If necessary, revisions to the initial quote will be made at the time collections are submitted for curation. Revisions will be necessary if there is a material variance (an increase or decrease equal to or greater than 10%) between the scope of the job, as defined in the Request for Services Form submitted by the client, and what is actually submitted for curation. Once any necessary revisions are completed, the second bill will be issued.

If collections submitted are found to be non-compliant with state standards, a third bill will be issued after intake is completed. This bill will be based upon the time ASM staff recorded while bringing the collection up to standard and the relevant hourly rates for their time. ASM is committed to holding additional workshops, throughout the state, designed to help CRM firms minimize costs by submitting collections according to standards.

This is the billing cycle as proposed in the ASM SB 1418 CRM Forum of 13 June, and for which ASM requested feedback as to how well it would articulate with CRM firms' business practices and cash flows.

- CRM firms, in particular, are concerned about billing because project proponents (including agencies) sometimes take a long time to reimburse firms for expenses paid to ASM. CRM firms are also concerned about a quick turn-around from ASM, i.e., being able to start projects right away rather than wait for ASM to complete a long task list.

The proposed two-bill cycle described above (which does not involve a 15% deposit), will allow CRM firms to start work as soon as the first bill (the portion of the quote for 100% of costs

associated with ASM tasks completed prior to the submission of collections for curation) is paid. This first bill would recover costs associated with project registration and preparation of a burial agreement (if needed). This is essentially the same as the system that has been in place for many years.

ASM suggests a follow-up session or sessions, specifically focused on billing and asked for stakeholder volunteers to participate in tests of the new quote and billing system, now under development, once it is up and running.

- Stakeholders had many constructive comments regarding how to address unintended consequences:
 - There was discussion of a possible two-tiered approach to archaeological data recovery (i.e., some sample of a site from which resulting collections are curated entirely and a sample that is subject to culling or some other procedure that limits the size of collections). The consensus was that culled collections are problematic in that they are severely limited in terms of research potential, and preserving research potential is at the heart of what we do in the cultural resource management community. If a two-tiered approach moves forward, overarching guidelines must be developed, based on input from many different kinds of experts.
 - Some discussions of this topic touch on the question of what might be the “ideal” minimal proportion or percentage of a site to be excavated, assuming curation of all materials recovered. ASM’s approach to the review of research designs (mitigation plans) does not focus on percentages of sites to be excavated. Instead, the focus is on the appropriateness of the proposed research questions and the goodness of fit between these questions, the nature of the resource(s) involved, the size and location of the APE (area of potential effects) relative to the resource(s) involved, the proposed data recovery techniques, and the classes of data to be recovered. These same principles show up in the state reporting standards issued jointly in 2009 by the State Historic Preservation Office (SHPO), ASM, and the Arizona State Land Department (ASLD):

http://www.statemuseum.arizona.edu/media/statemuseum/file/az_report_standards_2009.pdf

That document can be a good model of how to move forward together as a group of state agencies and as a larger cultural resource management community.

- An alternative, related, or parallel strategy would involve better stratifying recovery samples, i.e., better prioritizing of sites to be excavated based on, for example, rarity and research potential (in the context of existing gaps in knowledge). Stakeholders discussed making better use of SHPO Historic Contexts (the group identified this as a “good starting point”) and the possibility of developing overarching mitigation plans like those used by the Bureau of Land Management in New Mexico (The Fruitland Project Mitigation Plan and the Permian Basin Mitigation Program). For more information on the Permian Basin Mitigation Program, see:

http://www.nmacweb.org/My_Homepage_Files/Download/NewsMAC_2010-1.pdf

http://www.sricrm.com/news/BLM_Permian_Basin.html

http://www.nmhistoricpreservation.org/assets/files/press-releases/permian_basin_moa.pdf

<http://www.saa.org/portals/0/saa/publications/amantiq/articleschlanger.pdf>

<https://www.cambridge.org/core/services/aop-cambridge-core/content/view/196A11A758BEEA4C5EFE6BF1269DBFAB/S232637680000735a.pdf/div-class-title-the-permian-basin-programmatic-agreement-after-seven-years-of-implementation-div.pdf>

<https://www.cambridge.org/core/journals/advances-in-archaeological-practice/article/div-classtitlevalues-based-management-of-archaeological-resources-at-a-landscape-scalediv/FC7AAE375D4CFEFD0DD479437C12185B>

- Stakeholders also discussed the benefits of alternative mitigation strategies such as working with existing collections.
 - There was some discussion regarding whether the community should reconsider how eligibility is determined/applied, and whether managers should be more conservative in this area. Consensus settled on the notion that the use of eligibility is related to a conservation approach to the archaeological record and that we, as a community, should focus on how to resolve adverse effects (e.g., through alternative mitigation) rather than the issue of eligibility.
 - Stakeholders suggested including more academic archaeologists in future discussions and also highlighted the importance of tribes being engaged meaningfully in this process.
- Why do individual agricultural producers have to pay ASM fees related to curating the records resulting from archaeological surveys conducted in advance of improvements on state lands they lease? Why can't these records be curated by some other agency, e.g., ASLD?
 - A foundational tenet of federal and state cultural resource management law is that the proponents of development on state or federal lands are responsible for the costs associated with managing cultural resources that may be affected by those projects, including curation of project records. No state agency will accept this responsibility free of charge. Such subsidizing or gifting is prohibited by state statute and by the Arizona State Constitution. Splitting up records (e.g., filing survey results with agencies other than ASM) is contrary to extant law and regulations and also defeats designed efficiencies that already exist. Having all such records in one place saves time and money for archaeologists and agencies, reducing costs passed on to project proponents.
 - Some stakeholders are apparently under the mistaken impression that the estimates for charges in ASM's posted rate and fee proposals are set prices. The examples provided in ASM's posted proposals are based on average time to complete sets of related tasks (e.g., project registration, preparation of a burial agreement, collections intake). The only set charges in the new system are curation of objects in perpetuity (per half-box) and curation of documents in perpetuity (per linear inch). ASM will bill based on the final, revised and accepted quote for all other services.
 - Will ASM accept federally owned object collections for curation in perpetuity?
 - ASM will accept projects that it has already agreed to accept. Federally owned collections generated by future projects will only be accepted for curation under the terms of 5-year or ten-year renewable repository contracts. ASM will no longer curate in perpetuity non-state-owned materials.

- Stakeholders asked if, as had been discussed at the ASM SB 1418 CRM Forum of 13 June, ASM should be afraid that funds collected to cover curation costs in perpetuity might be “swept” by the legislature.
 - The University of Arizona (UA) uses interest-bearing accounts for many different kinds of projects and services. This is a new funding model in the CRM field but not at UA. This is a common business tool, and without it, ASM will not be able to cover costs/provide services. Furthermore, the majority of funds collected for curation costs will be mirrored on the books by a liability (unearned revenue), which will not be completely amortized for approximately 180 years from the time of collections intake. Were these funds to be swept, a substantial unfunded liability would result. This would be fiscally irresponsible, and is highly unlikely, as only unencumbered cash is ever subject to such “sweeps.”
- If CRM firms can make site landownership more readily apparent in treatment plans/research designs, time and money will be saved, as reviews by ASM will be streamlined. ASM will add discussion of this topic to upcoming workshops focused on collections processing standards (and how to minimize costs associated with submissions to ASM).