

Finance Report

AZSITE Consortium Board Meeting, 2023-08-09



AZSITE
ARIZONA'S CULTURAL
RESOURCE INVENTORY

Fund Summary 8/5

Arizona State Museum: AZSITE Balance Summary

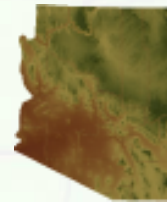
Run by: RII Business Center

Date run: 8/5/2023

Fiscal Year	Period Number	Account Number	Account Name	Sub Account Number	Accounting Category Group	Beginning Fund Balance	Total Income and Transfers In	Total Expense and Transfers Out	Encumbrances and Pre-Encumbrances	Current Fund Balance	Uncommitted Cash Expenditure
2024	02	2488860	ASM - AZSITE	-	01 - Balances	111,860	0	0	0	111,860	111,860
					02 - Income	0	7,300	0	0	7,300	7,300
					03 - Expenses	0	0	11,066	177,566	(11,066)	(188,632)
					- Total	111,860	7,300	11,066	177,566	108,094	(69,473)
2488860 Total						111,860	7,300	11,066	177,566	108,094	(69,473)

Server Migration

AZSITE Consortium Board Meeting, 2023-08-09



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Background

- ▶ AZSITE has 3 production servers in ASU UTO on-premise data center
- ▶ These servers, along with others managed by ISSR, were granted free hosting as a favor to the ISSR Director about 10 years ago
- ▶ 4th ‘working’ server in ASU Research Computing (RC) on-premise data center
- ▶ This summer, ASU UTO notified us that they would be decommissioning all on-premise servers by September 30
- ▶ We needed to migrate our production servers. The process needed to start ASAP to avoid AZSITE downtime.
- ▶ We compared two alternatives:
 - ▶ ASU Research Computing (on-premise)
 - ▶ Amazon Web Services (AWS) (cloud)

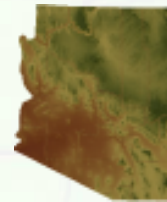
Cost Comparison

Server	RC Year 1	RC Year 2+	AWS Year 1	AWS Year 2+	5 Year, RC	5 Year, AWS	Description
azsite3	\$ 3,375	\$ 1,650	\$ 3,220	\$ 2,595	\$ 9,975	\$ 13,598	ArcGIS and Application server for Web/Attribute search users
azsitevdb	\$ 4,322	\$ 2,672	\$ 3,800	\$ 3,175	\$ 15,010	\$ 16,498	Database server
Mercator	\$ 4,150	\$ 2,425	\$ 4,717	\$ 4,092	\$ 13,850	\$ 21,083	ArcGIS Server for ArcPro and ArcGIS Desktop Users
All	\$ 11,847	\$ 6,747	\$ 11,736	\$ 9,861	\$ 38,835	\$ 51,178	

- ▶ RC was the selected alternative; server builds are in process
- ▶ RC is the cheaper option over multiple years, despite slightly higher costs in year 1
- ▶ RC also offers networking advantages (all four servers in same data center)

Fee Increase Proposal Survey Results

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Background

- ▶ Current fee structure implemented in 2021
 - ▶ Decreased fees for most user organizations
 - ▶ Increased fees for some user orgs w/ large number of users
- ▶ Since then:
 - ▶ Personnel costs have increased
 - ▶ Operational costs have increased
 - ▶ AZSITE has been operating at a deficit while improvements have been underway
 - ▶ Revenue from fees has increased each year, but not enough to cover cost increases
- ▶ At the Q2 Board meeting, an updated annual budget was presented along with a proposal for a 3-year phased increase to fees

AZSITE Annual Budget Estimate, April 2023

Section	Description	Budget Amount Requested	Comment
		Personnel	
Salaries	McGowan	\$ 64,703	
	Schmidt	\$ 46,766	
	Mann	\$ 4,082	
Subtotal		\$ 115,551	
ERE	McGowan	\$ 20,640	
	Schmidt	\$ 14,918	
	Mann	\$ 1,302	
Subtotal		\$ 36,860	
Personnel Total		\$ 160,032	anticipates 5% increase
		Operations	
General	3d Cart	\$ 330	
	Make	\$ 150	
	GRS Hosting & Maintenance	\$ 24,000	
	CC Fees	\$ 5,000	CC fees assumes 3% of 80% of receipts
Subtotal		\$ 29,480	
Travel/PD	Conferences, training	\$ 1,500	
Subtotal		\$ 1,500	
Operations Total		\$ 30,980	
Budget Total		\$ 191,012	
<i>UA IDC 2% on expenditures</i>		\$ 3,820.23	
Grand Total		\$ 194,832	
<i>UA 11% on income</i>		\$ 21,431.50	
Adjusted for UA 11% on income		\$ 218,912	

Fee Increase Proposal

Account Type	Current \$/User	Proposed 2024	Proposed 2025	Proposed 2026
Standard I	\$550	\$650	\$750	\$825
Standard II	\$450	\$550	\$650	\$725
Government Standard I	\$450	\$550	\$650	\$725
Educational	\$100	\$110	\$120	\$120
30 Day	\$250	\$350	\$400	\$450

Fee Increase Proposal Survey

- ▶ Survey period: 7/5/2023 - 7/26/2023 (3 weeks)
- ▶ Emailed to point of contact for each active user org
- ▶ Email included org's 2023 billing total and projected billing totals under the proposed increase
- ▶ 39 responses / 113 orgs emailed (35%)
- ▶ Survey included a dropdown to select org
- ▶ Responses came from:
 - ▶ 20 private sector orgs (1-17 active users; mean 4; median 2)
 - ▶ 14 public sector orgs (1-5 active users; mean 3; median 3)
 - ▶ 3 educational/non-profit organizations (1-3 active users)
 - ▶ 2 unidentified respondents

Question 1:

If the proposed fee increases are adopted, how do you anticipate your organization's AZSITE participation would change?

Table 1: Anticipated AZSITE Participation Changes for Organizations with One Account Type Option

Organization Type	Responses	3+ More	1-2 More	About the Same	1-2 Fewer	3+ Fewer	Not Sure
Educational	3	0	0	3 (100%)	0	0	0
Government	14	4 (29%)	0	9 (64%)	0	0	1 (7%)
Unknown	2	0	0	2 (100%)	0	0	0

Table 2: Anticipated AZSITE Participation Changes by Account Type, Private Sector

Private Sector	Responses	3+ More	1-2 More	About the Same	1-2 Fewer	3+ Fewer	Not Sure
30 Day	16	0	0	15 (94%)	0	0	1 (6%)
Standard II	17	0	0	13 (76%)	2 (12%)	0	2 (12%)
Standard I	18	1 (6%)	1 (6%)	15 (83%)	0	0	1 (6%)

Question 1:

- ▶ Most respondents indicated they would request roughly the same number of AZSITE accounts under the proposed fee increase
- ▶ More respondents indicated that they intend to increase participation than indicated that they would reduce participation
- ▶ The private sector respondent org with the largest number of users (17) indicated they anticipated have fewer users
- ▶ About 40% of our 2023 revenue came from 7 organizations with 10 or more users

Question 2:

If the proposed fee increases are adopted, how do you anticipate your organization's AZSITE spending would change (select one)?

Table 3: Anticipated Spending Changes by Organization Type

Organization Type	Responses	Significantly More	Somewhat More	Try to Keep the Same	Try to Cut	Not Sure
Educational	3	0	2 (67%)	1 (33%)	0	0
Government	14	3 (21%)	8 (57%)	2 (14%)	0	1 (7%)
Private Sector	20	1 (5%)	14 (70%)	2 (10%)	1 (5%)	2 (10%)
Unknown	2	0	1 (50%)	0	0	1 (50%)

- ▶ Most orgs anticipate spending somewhat more due to the fee increase
- ▶ More orgs said they would try to keep spending flat in Question 2 (presumably by reducing the number of accounts) than said they would purchase fewer accounts in Question 1

Question 3:

What is your overall opinion on the fee increase proposal?

Table 4: Overall Opinion on Fee Proposal by Organization Type

Organization Type	Responses	In Favor Of	Neutral	Opposed
Educational	3	3 (100%)	0	0
Government	13	5 (38%)	8 (62%)	0
Private Sector	16	2 (13%)	12 (75%)	2 (13%)
Unknown	2	0	1 (50%)	1 (50%)

- ▶ Responses in keeping with those for Q1 and Q2, suggesting that user orgs are generally receptive to fee increases
- ▶ Several respondents declined to answer this question

Open-Ended Questions:

- ▶ Do you have any questions about the proposed changes?
- ▶ What enhancements or additions would like AZSITE to direct resources towards?
- ▶ Do you have any additional, relevant feedback on the fee increase proposal or AZSITE funding in general?

Highlighted Responses

- ▶ “It would be fairer to think in terms of percent increases rather than lump sums, which result in disparities between classes of users.”
- ▶ “[...]I do wish you could more proportionately pass on the increases to the different account types. For instance, the increase from 2023 to 2024 is 40% for 30 Day, 22.2% for Government Standard I, 22.2% for Standard II, and 18.18% for Standard II. The hit as a percentage is on average nearly twice as much for the 30 Day user. It's simply disproportionate.”

Highlighted Responses

- ▶ “Please note that the micro-purchase threshold governs how much a federal employee is allowed to spend on a purchase card. The value must be calculated as a total (as in all accounts in that office), rather than split up by individuals [...] With the proposed fee changes, [we] would still be able to pay for two accounts, but other federal agencies with larger cultural resources staff may not be able to [...] because the cost could exceed the micro-purchase threshold. I'm not sure how much revenue AZSITE generates from federal agencies, but this is something to be mindful of for future rate hikes.”

Highlighted Responses

- ▶ “With the increase fees, Arizona would have the most expensive SHPO access fee in the west half of the nation.”
- ▶ “It would be better if the State of Arizona provided funding for AZSITE development and maintenance, but the costs are still relatively low. Also, it would be better if AZSITE charged for data requests that are otherwise attainable through Mercator access.”
- ▶ “[...]I would like to see a more detailed white paper or report on how the money will be spent and where we can see it benefiting us.”

Highlighted Responses

- ▶ “Appreciate you taking users input into consideration, but as an out-of-state user with limited options to obtain data, we'd generally have to pay the fee at whatever price point is set if we wish to continue working in the state.”
- ▶ “With all due respect, I don't see that the feedback we are providing will affect the fee increases. A proposal suggests negotiating. No one is ever in favor of a fee increase. Costs are rising, so be it. Cheers :)”
- ▶ “That's a pretty substantial hike in fees, but we understand that it has to happen to account for operating costs. Thank you.”
- ▶ “The relatively modest fee increases seem reasonable if it helps AZSITE data entry get caught up and stay current and eliminate need for ARO searches.”

Open-Ended Feedback Takeaways

- ▶ Timing of the fee survey and new app deployment was unfortunate
- ▶ Concern about data latency between ARO and AZSITE for new ASM fee structure items
- ▶ AZSITE's fees are high compared to similar programs in other states, but users are committed to AZSITE and somewhat resigned to fee increases
- ▶ Respondents asked for more transparency on how AZSITE fees are used to benefit the users.

Survey Conclusions

- ▶ Proposed fee increases relatively well-received by orgs that responded to the survey
- ▶ Responses suggest we would not experience a long-term, significant drop in participation if the proposal is implemented
- ▶ Maintaining and ideally increasing participation is critical for fees to cover AZSITE's annual personnel and operating costs
- ▶ Maintaining AZSITE's staffing will allow us to continue improving AZSITE data, bringing in new sources of data, working with the ARO to reduce data latency, and pursuing grant funding for specific enhancements, such as web-based data submission
- ▶ AZSITE will provide more updates on AZSITE staff efforts

Survey Conclusions

- ▶ Since the fee increase proposal and survey were distributed, the need to increase revenue has become more urgent due to an unexpected increase in hosting costs
- ▶ UA pay raises were also slightly higher than predicted
- ▶ Propose accelerating the fee increase schedule:
 - ▶ Implement the original CY 2025 proposed increase for CY 2024
 - ▶ Plan for another increase in CY 2025, to slightly higher rates than originally proposed for CY 2026, to cover increased costs.
 - ▶ CY 2025 rates can be finalized in 2024 after considering FY 2024 revenues.

AZSITE Annual Budget Estimate, August 2023

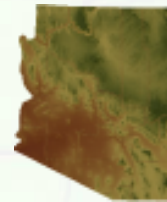
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		Personnel	
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	Schmidt	\$ 50,335	
	Mann	\$ 4,597	
Subtotal		\$ 123,409	
ERE	McGowan	\$ 21,913	
	Schmidt	\$ 16,107	
	Mann	\$ 1,471	
Subtotal		\$ 39,491	
Personnel Total		\$ 162,900	6.9% increase
		Operations	
General	3d Cart	\$ 330	
	Make	\$ 150	
	GRS Hosting & Maintenance	\$ 35,847	Server migration year 1; \$30,747 in subsequent years
	CC Fees	\$ 6,000	CC fees assumes 3% of 80% of receipts
Subtotal		\$ 42,327	
Travel/PD	Conferences, training	\$ 1,500	
Subtotal		\$ 1,500	
Operations Total		\$ 43,827	
Budget Total		\$ 206,727	
<i>UA IDC 2% on expenditures</i>		\$ 4,134.54	
Grand Total		\$ 210,862	
<i>UA 11% on income</i>		\$ 23,194.77	
Adjusted for UA 11% on income		\$ 236,923	

Updated Fee Increase Proposal

Account Type	Current \$/User	Proposed 2024	Proposed 2025
Standard I	\$550	\$750	\$860
Standard II	\$450	\$650	\$760
Government Standard I	\$450	\$650	\$760
Educational	\$100	\$120	\$125
30 Day	\$250	\$400	\$500

Additional ARO Data Layers

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Consolidated ASM Sites Layer

- ▶ At the Q2 AZSITE Board Meeting, SHPO requested a GIS layer for pre-consolidation ASM site boundaries
- ▶ This would help SHPO assign pre-consolidation NRHP eligibility recommendations and determinations to specific areas or features of post-consolidation ASM sites.
- ▶ This layer will also be helpful for the ARO when reviewing past decisions to consolidate ASM sites.
- ▶ ARO has proposed that this layer be created and made available to ARO and SHPO personnel to assist with records reviews
- ▶ This could be accomplished with the Mercator GIS server
- ▶ ASU GRS has estimated \$250 of their time (2 hours) to implement this, after AZSITE develops the dataset.

Inactive Historic ASM Sites Layer

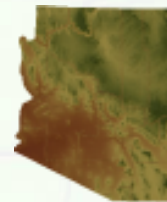
- ▶ ARO has also proposed a separate a layer for inactive historic ASM site boundaries
- ▶ This layer would contain previously recorded ASM site boundaries—or portions thereof—that the ARO has reviewed and determined to be:
 - ▶ in-use historic sites (per ASM's (2016) Policy and Procedures Regarding Historical Sites and Features);
 - ▶ historic waste piles (per ASM's (2021) Policy and Procedures Regarding Historical-Period Waste Piles); or
 - ▶ projected site boundaries based solely on historic/archival research (i.e., they were never observed during archaeological fieldwork, and therefore do not meet the standards outlined in ASM's (1993) Archaeological Site Recording Manual).
- ▶ The ARO has proposed that this layer be available to all AZSITE users
- ▶ This would be accomplished via the web applications and Mercator GIS server
- ▶ ASU GRS has estimated \$1,250 of their time (10 hours) to implement this, after AZSITE develops the dataset.

AZSITE Updates

Gabe McGowan, AZSITE Database Specialist

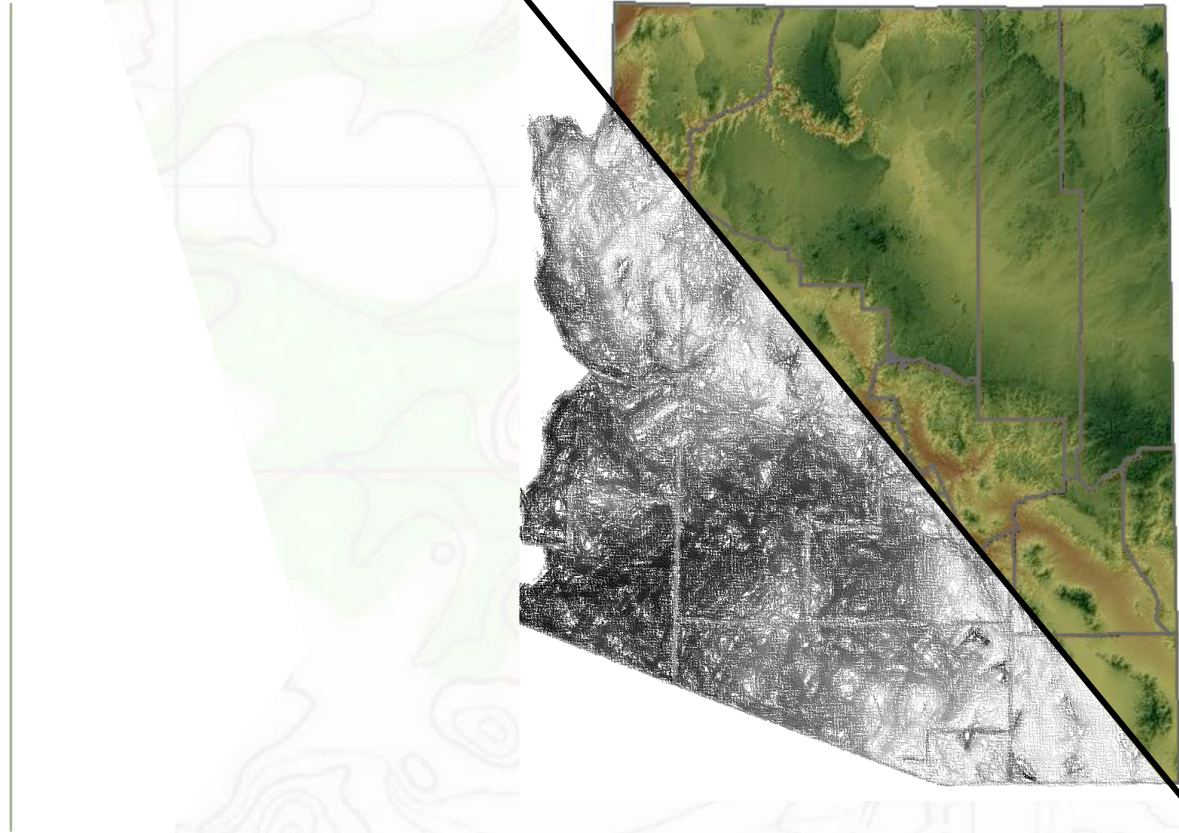
Carrie Schmidt, AZSITE GIS Technician

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Backlog Update



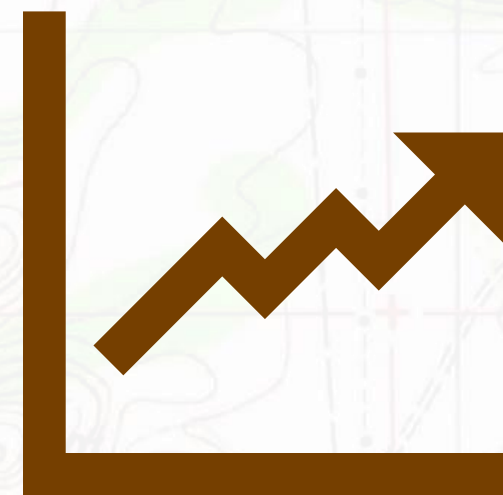
Backlog Update

- ▶ 2,546 ASM projects / 7,633 ASM original site recordings
 - ▶ Pre-2018 fee structure
 - ▶ Not known to be entirely on tribal land
- ▶ 2,432 projects uploaded (96%)
 - ▶ All with .shp submitted uploaded
 - ▶ 114 not uploaded
 - ▶ 159 uploaded w/o geometry (mostly non-survey)
- ▶ 7,395 sites uploaded (97%)
 - ▶ 256 not uploaded
 - ▶ 229 in advanced sites layer (3%)
 - ▶ ~40 site numbers that may be voided
 - ▶ 946 backlog site cards uploaded

Backlog Update

- ▶ 7,126 ASM site updates
 - ▶ Pre-2018
 - ▶ Not known to be on tribal land
- ▶ Full updates including boundaries - ARO
- ▶ Basic updates (project-site, reference-site, NRHP recs) scripted
- ▶ 5,992 basic+ uploaded (84%)

Summaries



Uploads - Overall

Mean Annual (past) Total Annual (current)	2004- 2009	2010- 2014	2015- 2019	2020	2021	2022	2023
Projects	1,061	840	109	452	2,225	172	192
New Sites	1,706	1,287	194	1,084	4,087	1,663	530
Site Updates	-	-	-	752	5,033	299	330
ASM PRFs	-	-	-	335	231	257	359
New/Updated ASM Site Cards	-	-	-	322	511	405	674
Fixes	-	-	-	73	316	48	105
ASM Reports	-	-	-	-	-	4	1,170
ASU Site Cards	-	-	-	-	-	117	32

Uploads - ARO New Fee Structure

	2018	2019	2020	2021	2022	2023
Projects Uploaded by Accession Year	95	199	145	117	31	0
Projects Uploaded by Upload Year	0	0	128	368	74	76
Sites Uploaded by Upload Year	-	-	167	140	177	14

User Applications and Billing

	2021	2022	2023
User Organizations	109	114	114
Users	331	356	363
Mercator Users	218	237	253
\$ Invoiced	\$126,075	\$138,350	\$144,500

Data Clip Requests

	2019	2020	2021	2022	2023
Requests	48	46	51	200	62

Other Updates



Application Development

- ▶ New Map Application & Attribute Search Application deployed on 8/4
 - ▶ User Guide
- ▶ User-side credential management is in final testing
- ▶ New Public Mapper in development

Next Steps

- ▶ Federal agency outreach
- ▶ Address project/site entries missing geometries
- ▶ Rectify ASM site boundaries with ARO maps
- ▶ Vogel collection “Hilltop” sites
- ▶ MNA and ASU materials
- ▶ Identify projects for grant proposals
- ▶ Work with SHPO on updating historic structures and districts datasets



Q&A