ASOR Executive Director's Report
April 17, 2018

Fiscal Year 2018 has been a year of change for ASOR. In spite of significant change, it has been a year of successes.

Last year, I began my spring (April 2017) report by discussing three themes: finding successes, hitting our stride, and growing pains. All three phrases still apply today, but I have spent more of my time than ever on "growing pains" and the ASOR move. This time allotment has been necessary and productive, but there has also been an opportunity cost in what the ASOR officers, the other ASOR staff, and I have not been able to accomplish.

While we have experienced growing and moving pains this year, ASOR is a healthy society, and we continue to accomplish our mission like never before. Our journals continue to be recognized internationally—as was confirmed by having many publishers submit bids to partner with ASOR. Our Cultural Heritage Initiatives continue to make a difference in the work and to receive exceedingly high marks. Our Annual Meeting is a major event in our fields and has never been stronger. Our membership numbers remain at record high levels, and we anticipate moving even higher. We awarded a record number of grants and fellowships from endowed funds this year, and the total number of awards is consistent with previous years when annual gifts made up the majority (e.g., we awarded $42,000 in dig scholarships, $4,000 in grants to members, two Mesopotamian Fellowships of $8,000 each, and $10,000 in grants to excavation projects). In addition, we are raising funds for two new endowed funds (Mason and Geraty), and our current named funds continue to grow. Last, but certainly not least, we project a balanced budget once again—in spite of all of the changes and challenges.

Unfortunately, it is not all happy news. ASOR's decision to find a new home—certainly the right decision and a very positive move—will result in us saying goodbye to some loyal employees. I think that the move to Washington is necessary and what the organization needs to do. Yet, I need to stress near the beginning of my report that there are also losses that come along with this move. I am humbled by how my staff colleagues in Boston have reacted as professionals who remain loyal to ASOR and to their jobs. ASOR will move forward, but we need to recognize that this is not an easy move on a number of levels.

In the sections below, I will discuss a couple of topics that I think are relevant to the board as we plan for the immediate and long-term future…

Publications Partner

The office move served as a catalyst for the consideration of a publications partner. The staff and I had already identified the challenges involved in carrying out mission with regards to publications in the 21st century, and we had been struggling to maintain institutional subscriptions. When we had to start paying rent for the significant amount of space needed to support journal marketing and sales (not to mention journal fulfillment and claims), we knew that we had to at least explore partnership options in order to save up to 1,000 SF of office space.

Almost immediately during the proposal process, it became apparent how much a publishing partner could help us with our mission—namely, to disseminate knowledge. All of the proposals presented ASOR with likely means to expand the reach of our journals. We simply do not have the staff capacity to market our journals effectively to libraries, and JSTOR has not provided the support that we had expected. The proposals also discussed ways in which ASOR might consider enhanced online features in the future; again, this was something in our strategic plan that we have struggled to address.

It also became evident that the publishing partnership would benefit ASOR's bottom line. This is especially true in light of the staff turnover that we have experienced and will experience. The successful proposal from the University of Chicago Press includes support for marketing, billing, and fulfillment of our journals. Much of Selma Omerefendic's time in the past years has been spent processing journal subscription payments and making quarterly adjustments for payments received in advance. The billing portion of journal subscriptions also constituted most of Aviva's time and up to half of Inda's time. Because UCP will handle marketing, billing, and payment processing for ASOR, we will save much if not most of this staff time. In addition, we will receive quarterly royalties from UCP, so we will not have to undertake the timely tasks of quarterly adjustments and deferred revenue—we will book royalties payments as they are received, and UCP has agreed to a payment schedule that fits ASOR's fiscal year.

There are also membership savings in addition to staff time. At the present time, ASOR has to allocate membership dollars to pay for the costs of printing and mailing the journals to people who receive print copies as part of their membership. We have a very modest charge for members who elect to receive an online only version of the journals. All of these costs will disappear for ASOR in 2019. UCP has agreed to let ASOR keep 100% of the membership revenue (including institutional memberships), and UCP will provide print copies for all members who currently receive print copies. In addition, they have agreed to let the number of members who receive print copies increase by up to 7% per year. In return, ASOR has agreed to continue to incentivize members to receive online copies and to partner in good faith with UCP.

There is another advantage for membership and individual subscriptions. UCP has agreed to let ASOR convert all of our current print subscriptions to NEA to Associate Memberships. This will necessitate lowering the Associate Membership price to $40 (from $50), but it will mean that all of our Associate Members will receive an online or print copy of NEA without ASOR paying the printing or shipping costs. This reduction in shipping should make up for the lost revenue, and we hope to be able to expand our public membership program by offering Associate Memberships at the $40 level.

In short, all of these financial considerations also advance our mission and will help expand our membership.

Moreover, there are advantages with the royalty that we will receive from UCP. The proposal from UCP that is contained in your board materials lists guaranteed royalties. During the negotiation of the contract, UCP agreed to increase the guaranteed royalty for year one from $100,000 to $125,000. In return, ASOR agreed to lower the guarantees in Years 4 and 5 by a total of $15,000. We hope that UCP's projections are correct and that the actual royalties will be higher by Years 4 and 5. In either case, the additional $25,000 in calendar year 2019 will help ASOR with transition expenses are we relocate to Washington. The royalties and net savings of staff time will also benefit ASOR.

ASOR will give up some direct income, but the net income will still benefit ASOR. ASOR will see all of the institutional subscriptions and individual subscriptions to JCS flow through UCP (with ASOR receiving a 35% royalty). All of the licensing fees (except JSTOR back content) will also flow through UCP. We are particularly pleased that ASOR will retain the JSTOR back content revenue (about $30,000 per year). We also think that ASOR will be able to partner with UCP to expand the licensing revenue.

Finally, but by no means least important, the quality of the journals will remain the same. I should stress that this point (same quality and services for the journals) was the most important item to the journal editors and to COP. In light of the feedback from the editors, we stressed the need for continuity with UCP. I am pleased to share the UCP has agreed in the contract to continue printing and producing all three journals in a manner consistent with or better than current practice (i.e., paper quality, color allotment, page allotment, quality of covers, etc.). They also agreed to continue using (and UCP will pay for) Eisenbrauns for the typesetting of BASOR. UCP has also agree to continue using (and paying for) Lockwood Press (owned by Billie Jean Collins) to do the typesetting and copyediting of NEA and JCS. ASOR will have to continue to pay the editorial stipends ($13,000 each for BASOR and NEA) as well as paying for the editorial assistants and copyeditors for BASOR and NEA.

In summary, I am confident that the quality of our journals will be at least as good as they are today, and I suspect that the quality will increase. ASOR will also recognize a net financial benefit, which will also help us achieve our mission. The search for a publications partner has been time-consuming (especially challenging when we had many other spinning plates in the air), but the results will make our efforts worthwhile.

Relocation details

The relocation process, both our current move(s) within Boston and our planning for Washington or Alexandria, has also been extremely time-consuming. It is my hope and expectation that we will look back at this process a year from now and say that these efforts were even more beneficial than the efforts to final a publishing partner. At this time, the ASOR officers, the staff, and I are still busy with the details.

The staff and I are approaching the upcoming move with new-found wisdom from the last move. In other words, we have learned from the things that did not go easily last June and July. I underestimated the challenges of moving to a smaller space, and we relied too heavily on the movers to pack ASOR's belongings. The staff and I have already started to get rid of many unneeded items (and last year we disposed of literally two truckloads full of unneeded items). We are already in conversation about shipping the back issues of journals to UCP early so that we do not have to move them twice. We are disposing of paper files that we are not required to keep per our records retention policy. Thanks to the work led by ASOR President Susan Ackerman, we also finding a new (temporary for now) home for our archives.

We have also found that renting space in Boston has been more expensive than we budgeted. Part of the reason for the increased expense is that our landlord required ASOR to pay $20 per SF (up from $15 per SF) in order to grant us a lease extension of seven months. We have also had to pay more in shared building costs (utilities, taxes, cleaning, etc.) that we anticipated (or had been led to believe that we would need to pay). These costs haven't been huge, but our expected costs will likely be $50,000 rather than $35,000. On the positive side of things, we have gained invaluable experience about all of the costs associated with renting office space.

There is a possibility that ASOR may receive an extension at 650 Beacon Street for a couple of months. That may be very useful for us, but it will also come at cost of about $4,000 per month, so we need to be cautious. We will continue to pay lower rent at 665 Beacon, and we may decide to rent a little more space there. Again, we will need to be cautious about the net costs.

Finally, it is nice to conclude with some good news about short-term rental space in Alexandria. We believe that we have identified a small amount of space (two or three offices) that ASOR can use for free or very cheap rent for six to eight months. The Executive Committee will discuss this possibility on Saturday morning, and we should be in a position to report further by the time of the board meeting. This arrangement (that is found in the budget) will be a tremendous help to ASOR as we consider purchasing an office.

Fundraising efforts (Annual Fund and New Office)

I am grateful to all of our trustees for the tremendous financial support that we have received to date this Fiscal Year. You will notice that our budget to forecast contains a figure of $115,000 for the Annual Fund. The reason for that forecast is that we have already received $99,000 for the 2018 Fiscal Year (ends June 30). We need to raise an additional $16,000 in order to meet our forecast (and balance the budget), but that amount is consistent with past years. Due to our many expected expenses this year, we are relying on the generosity of our trustees and donors more than ever.

Susan Ackerman has already alluded to the quiet phases of our building campaign, and I want to add a few comments and thoughts of my own…

First, I want to stress that I am eager, enthusiastic, and excited. Those three e's are not hyperbole. In the board meeting in November, several trustees made a passionate case for why purchasing a building is the right move for ASOR, right now. Tim Harrison said something to the effect that ASOR had "grown up," and that the time had come for us to move out of our parents' house. Jim Strange shared that the purchase of an office would allow ASOR continue to thrive after we are no longer here. I did not think that Jim would not be with us in Tucson, but his words (both during and following the meeting) continue to motivate and inspire me. Peggy Duly commented that this one-time expenditure would alleviate the need to raise operating funds to pay rent in the future. Many others chimed in, and I continued to be excited about this direction for ASOR.

Second, I admit that I'm nervous. I am typing this report in Alexandria, just a few days before the board meeting. My family and I are looking at schools for our daughter, and we are looking at possible condos and houses. I realize anew how much energy and time is involved in making a move, whether for a family or for an organization. Yet, I think that Richard Coffman was correct when he commented in the finance committee meeting that ASOR needed to focus on moving to Alexandria this summer and getting settled. The other items will become clearer then. I'm very pleased that ASOR has been offered free or reduced rent for an initial period. The move to University of Chicago Press will also help, and we may be able to have some of our current staff work remotely for the near term (just like Arlene Press is working remotely on the Annual Meeting).

The nervousness is not limited to the logistics. I am also nervous about our ability to raise the funds needed. Yet, this is where the three e's listed above come back into play. This is an extraordinary opportunity for ASOR, and I am confident that our donors and trustees will come through personally and with advocating this cause to other potential donors. I have heard from some trustees and donors that they do not normally support bricks and mortar. I can understand this, and I have personally been inclined to direct my giving towards programs rather than buildings. At the same time, I have come to conclusion that the office building is what ASOR needs right now to thrive. Amy and I have already made an initial pledge, and we will see if it is possible to increase that pledge. I hope that all of you will think (or rethink) about what you are personally able to contribute.

I spent much of January traveling to meet with people about gifts to the building fund during our initial quiet phase. In spite of all of the logistical needs facing ASOR, I will continue to allocate time in May, June, and July to similar trips—and the conversations that will take place during those trips. Ed Wright and the development committee will, of course, also lead in these efforts.

I ask that you as trustees consider what you might contribute, and I also ask that you think of people that you know who might be willing to consider a lead gift. Two trustees have already mentioned contacting potential donors outside ASOR's current circle of supporters, and I hope that all of you will help us achieve our goal by identifying other potential partners for this initiative.

I am indeed eager, enthusiastic, and excited. I hope that all of the trustees will rise to support this campaign just like we did with the Building a Foundation for ASOR Campaign. We need your support because our goal is even more ambitious than in the last campaign. At the same time, I am not only hopeful, but confident that we will meet and exceed our goal. More than a few people doubted that we would meet our last goal. It will take even more resolve, but I am eager to work towards what may be our biggest accomplishment to date.

Conclusion

It's hard to believe that I have served as executive director of ASOR for almost eleven years. Despite the current challenges, I am enjoying the job more than ever. ASOR's members and you as trustees are the reason for that satisfaction and enjoyment. I am deeply grateful, and I look forward to continuing to work with you all to advance ASOR in FY2019—ASOR's 119th year.