

**Supercomputing Challenge Board of Directors**  
**Meeting Minutes May 30<sup>th</sup>, 2013**  
**UNM EPSCoR Office, Albuquerque**

1. 10:07 AM - **Call to Order**

2. 10:09 AM - **Quorum Achieved; Board Members Present:**

Ed Angel	Present	
Bill Blackler	Present	
Bob Bolz	Present	
Tom Bowles	Present	(will call in at 10:30 AM)
Ron Davis	_____	
Celia Einhorn	Present	
Betsy Frederick	Present	(by phone)
Tony Giancola	Present	
David Kratzer	Present	
Lorie Liebrock	Present	(by phone)
Patty Meyer	Present	
Richard Oliver	_____	
Bob Robey	Present	
David Rogers	_____	(at a meeting at SNL, with Tom B.)
Tim Thomas	Present	
Teri Roberts	Present	(on phone)

Others Present: Jordan Medlock

3. 10:10 AM - **Approval of Agenda**

**Change:** Tom B. will call in at 10:30 to discuss the business plan.

Tim moves, Celia seconds; **approved** unanimously. Final agenda is:

1. (10:00 am 5 min) Call to Order
2. (5 min) Quorum
3. (5 min) Approval of Agenda
4. (5 min) Approval of Previous Minutes
5. (15 min) Board membership issues: resignations, additions, nominations
6. (20 min) Business Plan -- Tom Bowles
7. (30 min) Treasurer's report / IRS Form 990 / 2013-14 Budget Proposal -- Bill Blackler, Betsy Frederick
8. (11:00 am, 20 min) Recent Activity and News / Related activities (Teacher education) -- Ed and Irene?
9. (20 min) Fundraising Committee Report / Fundraising Proposal / NSF Proposal -- Bob & David

10. (20 min) Activity Report: April Expo/Awards, Expense Report
11. (12:00 20 min) Lunch
12. (20 min) Summer Teacher Institute, Budget, Plans and Schedule
13. (1:00) Adjourn

4. 10:12 AM - **Approval of Previous Minutes**

- a) Bill Blackler: Sunshine Laws require that we report any donation of \$5K or greater.
- b) It was noted that some donors prefer to remain anonymous.
- c) It was suggested that we include consolidated info from the treasurer's report into future Minutes.
- d) Separately, the IRS can receive all the details that they need.
- e) The discussion was tabled until the treasurer's report for the purposes of approving the minutes.
- f) **Motion:** Ed moved to approve the Minutes as is, Celia seconded; **approved** unanimously.

5. 10:14 AM - (15 min) **Board membership issues: resignations, additions, nominations**

- a) Slate of Officer Candidates:  
Bob Robey - President  
Terry Roberts - Vice President  
Tim Thomas - Secretary  
Bill Blackler - Treasurer
- b) **Motion:** Lori moved to approve the Slate, Bob B. seconded; **approved** unanimously.

Additions, nominations:

- c) Jordan Medlock would like to join the Board as a non-voting member. Jordan is the winner from two years ago. He has participated in the Challenge throughout high school and is interested in continuing his participation, attending when he can and helping in any way that he can.
- d) There was at one point a motion to have him join as a full-fledged Board member; a concern is that this obligates him to come to every meeting, impacting the quorum. As a non-voting member, he can come when he can. (The same issue exists with teachers.)
- e) It is reasonable for non-voting members – esp. students, whose primary responsibility is to study! – to not be required to attend all the meetings, since the meeting location moves around (e.g., Socorro, Albuquerque, Santa Fe.)
- f) It was pointed out that there needs to exist in the bylaws a concept of a Non-voting Board Member.
- g) **Action Item:** Bob R. will check the bylaws.

- h) Lori opined that it is very important for this student role to be formalized and for young people to get credit for such contributions to a Board.
- i) Ed commented that such a non-voting member can act as a representative for any other non-Board members who might show up to a meeting, to regulate discussion in such cases.
- j) An idea for a reasonable responsibility associated with this position: a monthly or quarterly Alum Newsletter. Jordan can take the information from the Board Meetings and transfer it outward through such a Newsletter.
- k) **Motion:** Bill moved to approve Jordan as a non-voting member, subject to confirmation that it is allowed in the bylaws; Tim seconded; **approved** unanimously.

Resignations:

- l) Ed had intended to step down from his VP position but not resign from the Board, so he simply didn't seek further nomination. He remains on the Board.
- m) The Minutes show that Irene had submitted a letter that she intended to resign from both the Presidency and the Board, but the Board has not yet accepted her resignations so as not to be without a President for a time.
- n) Irene wants to remain on the Board email list, and this can be done – she can be referred to as a past or emeritus member.
- o) **Motion:** Bill moves to accept Irene's resignation from the Board, and moves that we continue to distribute info to her so that she can remain involved; Tim seconded; **approved** unanimously.
- p) The Board would like to thank Ed for his participation in the past and his continued participation on the Board in the future.
- q) The Board recalls that it had similarly thanked Irene for her service as President. The Board looks forward with pleasure to her continued involvement.

6. 10:29 AM – **Business Plan**

- a) Observation: it talks only about the present situation... but where do we want to be three to five years from now? What should the budget look like? How many people will we serve?
- b) Those are elements of a *Strategic Plan*, which is different and separate: a business plan is something demonstrating that we are financially viable over a period of maybe five years out... something you could take to the bank.
- c) Bob B. suggested that it would be nice to have an Executive Summary / Overview coalesced out of this: a 1.5 to 2 page elevator pitch for, e.g., a legislator.

d) Bob R. has quite a few specific comments, based on his reading of the plan:

- (1) Primary sponsorship should flat-out stated as \$50K.
- (2) State PED should be a primary sponsor; they certainly receive a benefit at that level.
- (3) There is no category for National Level tech organizations (e.g., Google).
- (4) We should recognize the resources of our volunteers and consultants; there should be recognition categories (e.g., Polo shirt level) ...all this is as important to us as money. (We used to give plaques to the sponsors. Jordan suggested we give belts, as in Karate!)
- (5) We need to expand / develop a lot of data / metrics.
- (6) Tom pointed out that we are missing categories in our financial tracking; e.g. there should be an Admin category that should include Marketing; along those lines, Bob suggests that we also need a percentage for Financial Management and Performance Data Collection. We do not now have these categories or spend money in them, and we need to; again, having these data give us the ability to defend the operation.
- (7) An important issue is viability as a function of scale: Do we have enough funding resources *in State* to be sustainable? Must we go national in order to remain viable? This is tough. NM is dominated by Federal agencies; they have a hard time cutting a check; commercial entities have an easier time doing this... but there are tradeoffs.

e) This last point is very important: with the State backing out, our funding is coming increasingly from singular sources.

[NOTE: At this point, the conversation drifts for a while into matters that should have been discussion in the Fundraising Committee item...]

- f) Since 2008, our funding as been trending down through the \$400K level; we are now below \$100K in cash contributions, with an expected 10% to 20% decline this year; we have been hitting our reserves very heavily, and we now have only about enough there to run the program for one more year, if we are very careful. Some of us do not see chances of substantial contributions. We must expand our funding base, or we will soon not be viable... and all this should be in the Business Plan.
- g) There are individuals around the state who have very significant financial resources; they might be willing to give us substantial support, but we have not been able to make an effort to approach them; e.g., Bill Gates (who - Celia recalled - made good use of the Albuquerque Public Schools' DEC 10 late at night) was approached and could be again; Paul Allen helped pay for the Natural History Museum history of computing exhibit; the Flying 40 in Albuquerque; Northrup Grumman, SAIC, Virgin Galactic, but we have deliberately avoided approaching these folks...
- h) We need to get our ducks in a row: keep cleaning up the financials, develop this Business Plan and a Strategic plan, etc.

- i) Observation: There are no members of the fund-raising committee present at this meeting.
- j) **ACTION ITEM:** We need to get the funding-raising group re-established and active, while proceeding with caution until our financials ducks are neatly in a row.
- k) **Motion:** The Board would like to thank Tom Bowles for his efforts in creating this framework; this was quite a difficult job, and the product it is a great start; the subcommittee associated with origination of this framework should now use it as a starting point and move forward, soliciting input from the Board as needed, etc. Tim moved; <missed> seconded; **approved** unanimously.

[NOTE: Tom B. called in at 10:49 AM, during the Treasurer's Report. Record of that second discussion has been moved to this section for continuity. We quickly reviewed for Tom the essential items from the first part of the discussion. Additional points from the continued discussion follow...]

- n) Tom agreed that before the next meeting (Aug), we need to approach some potential big new sponsors: SNL, Intel, etc. They make their decisions in the early fall about their support during the coming fiscal year.
- o) Tom asked for a list of everyone who is willing to participate: Ed Angel, Bob Bolz, and Bill Blackler were mentioned as members of the subcommittee.
- p) Bob R. reviewed his action item to revitalize the fundraising committee. He emphasized that we should make some initial inquiries to better understand what potential funders want to see to be able to decide to fund our organization.
- q) Betsy suggested that a staff member be kept in the loop, possibly by being present at meetings, for any committees in the scope of the current discussion. People generally agreed that this is a good idea. The committees and staff members are: Business Plan development (David), Fund-raising (Celia), and Finance (Betsy).
- r) Tom volunteered some of his time this summer and fall to participate where ever it might be most effective; e.g., the fundraising committee. Terry Roberts would also like to be on that committee. The Board appreciates both these efforts, which will be very helpful.
- s) Tim: Where / when does a Strategic Plan fit in? Bob R., Ed, Bill: conceptually, the strategic plan comes first, then business plan – the former sets out the goals, the latter then addresses how to achieve those. Bob B. suggested to finish the business plan first, then form a new committee. Bob R. pointed out that potential funders are going to want to see both, but especially the strategic plan. Ed opined that since there are elements of a strategic plan within the current draft business plan, and since we need both, the subcommittee should do both; no additional committee should be needed. Celia recalled that there are existing materials in the Google drive from previous work on strategic plan development, under Bill's leadership. People should review those.
- t) Bob B. and Bob R. emphasized Tom's suggestion for more marketing and agreed that we must spend money on this.
- u) Tom's other meeting (why he called in a little late) connects to our mission; Tom will send out an email to the Board about this. A few points:
  - We really need a cyber-enabled workforce for manufacturing.

- Just having students take courses in CS and engineering, etc. doesn't develop the type of people industry needs; these are people who can think critically, work in teams, set goals and timelines for themselves, etc. (Tim noted Tom Freidman's recent editorial in the New York Times, 'How To Get A Job', which addresses related themes.)
  - The Council on Competitiveness will hold a major forum later this year to discuss these matters. We should pay attention.
- v) Bob B. made a **Motion**: people should send the Board comments on the business plan by the end of next week. Bill seconded; **approved** unanimously.

## 7. 10:29 AM – Treasurer's Report

- a) There were some problems with the CPA's original report, then there were communications confusions. In any case, the corrected version is what was passed around at this meeting.
- b) Between January 1 and March 31 we spent about \$18K.
- c) From profit-and-loss statement, budget versus actuals: total donations, budgeted \$70,800; received \$143,227, thanks to Bob B. sending out the letter to prompted the LANS folks to send the contribution they were going to send this summer in January... so some of this has to carry over.
- d) Total grants – about \$3K short of what we expected.
- e) Participation fees are about 50% of what was expected.
- f) We still don't have a handle on the in-kind. It shows we've received none this year, which we know is incorrect. (David K: between October 15<sup>th</sup> and May 13<sup>th</sup>, we have about \$44,520K of documented volunteer in-kind.)
- g) Bob R. We really need to complete formal reports, resolve any discrepancies, and enter those into the minutes as the official number.
- h) Looking at the expenses: the total expense budget was \$247K; through the end of march we spent \$115K
- i) We need to break out what has been paid off the checkbook, then add to what we've already included in the checkbook, which is the \$115K, to understand where we are.
- j) Bob R: we have budget numbers that are off by factors of 2 – we need to be able to control this better. With 23 years of experience, we should be able to get this to 10%.
- k) But we don't have control over situations such as when a hotel is right now... and this has to change. We can't go to donors with that sort of operation. We are always on the verge of tracking this, but we never finish; we never have the software, etc.
- l) There are some cash projections (the "shoe box"): as of today, we have \$73,942 in savings, \$102,360 in checking; thus total assets of \$176,302.
- m) (Amy Zimmer is working with Irene to get us some social media on Facebook; we now have 50 alums on Facebook. She will give us an invoice soon, for under \$1000. She is moving to NYC to start grad school.)
- n) David K.'s group, HPC3@LANL, has not yet received the Holliday Inn Express bill from Awards Day, but all hotel costs were about \$15K; with the ~24% LANL tax, it cost that group \$18K to \$20K; so zero from the checkbook for hotels.

## Worksheet for the budget...

- a) Betsy anticipates the same amount of money for next year as for this year, but Bob R. expects that this is not going to happen.
- b) If we expect to spend approximately \$30K on STI, then we are down to \$90K at the beginning of the school year, which is not enough money to get through the school year; it's every penny of our buffer.
- c) So the Board should realize that we have a ~10% chance of not making it thru the school year. This does happen every year, but we want to get away from this. And the buffer is going to zero, which is new.
- d) A discussion needs to take place among the members of the finance committee re. income projections before we start to prepare the budget. Some issues:
  - We have 73 people interested in attending STI, including 18 from Irene; we will be limiting to about 60 people.
  - Bill looked at recent STI history: there were about 11 new people, but only three new sponsored teams appeared. This is a concern. If people come to STI and then don't sponsor teams, we won't be able to get a funding agency to support this.
  - Ed: who comes to STI? You have people who come to do SC Challenge. (This should be everyone.) You have people who come to do GUTS, but we are talking about not allowing that. Then you have 'advanced' people from Irene's grant, then *new* people (cohort 2) from Irene's grant...?
- e) Back to the overall Treasurers Report... If we had our books better in order, it would actually reduce our accounting costs.
- f) Betsy points out that Gary gets all the detailed accounting info, at least regarding what goes through the checkbooks.
- g) **Motion** (by Tim; Ed seconds): to improve reporting quality, a draft event report should be presented at the Board meeting after an event occurs, and then a final event report should be presented at the Board meeting after that, and we will deal – via amendments – with the issue that the accountant's reporting period does not coincide with our event schedule. Finally, Board members need to be able to go to one place to get at this final information. **Passed** unanimously.
- h) Ed suggests quick books; Terry sent a list of 8 free or low-cost accounting software suggestions.
- i) **Motion** (by Tim, Bob B. seconds) to select QuickBooks as the official tool - **Passed** unanimously.

- j) Per the earlier tabled discussion, which took place during the approval of the Minutes, let it be noted here that our future goal is to put a concise summary of the financials into the Minutes.

11:52 AM - **Lunch**; will reconvene at 12:10 PM

### 501c3 paperwork

- a) Issue: re-registration with Attorney General's office re. 501c3 status. (Recent email from Bill.)
- b) We presumably got un-registered because any non-profit that generates more than \$500K, including direct and in-kind donations, must have an audit done, and in our FY 2008 (ending June 30, 2009) we generated \$568K. Technically, they should not have accepted our 990 as complete, but we were never notified. (And we have never made that much money since!) So we continued as though everything was OK.
- c) When we sent in the 990 for FY 2011, they kicked it back because we sent a paper report, and they now only want online report submissions. When we tried to go online, we found we were not in the system. We had to go all the way back to 2003, when we incorporated, and we had to provide them all sorts of documentation: articles of incorporation, bylaws, 990s, etc. (Note: we became a 501c3 - and registered with the State to that effect - in June 2006.) Problem: we can't come up with a signed copy of the 990 from 2008. Need to send \$57 and two forms to the IRS to get at this. A call from the IRS on Tuesday claimed that we had not paid the fee... but Betsy provided a copy of the cancelled check... but the IRS can't read their own endorsement on it! (This story goes on and on... no resolution yet.)
- d) So there are two things to do to get re-registered: (1) he expects the above issue will eventually resolve; (2) the audit is another matter: their system shows that we need an audit for the 2009 books... even though we didn't generate greater than \$500K that FY! Bill is trying to get quotes from local CPAs (he contacted seven) who can help respond to the request for another audit, but nobody has replied. Cindy Topliff and Gary estimate that one of the large CPA firms will cost \$7K - \$8K.
- e) Since it is a fiduciary responsibility of the Board to approve this sort of thing, we'll have to vote on that by email if it is needed.
- f) Terry has contacts at IEEE USA; they have industrial-level accounting experts who have dealt with this. Perhaps someone on that committee can give us some guidance; perhaps they could even help with the audit situation. There is synergy: Terry is treasurer of the local chapter of the IEEE.

### Other matters

- a) We also got a letter from the IRS saying we owe them money. This was a screw-up in their system; the name on the 990 doesn't match the name in their system. They sent the bill to get our attention. This was taken care of.



## 8. 12:30 AM - **Recent Activity and News**

- a) Bob R. would like to get written activity reports ahead of time; these can be added to the minutes, and a brief summary given in meetings.
- b) Celia: Terry was honored as the 'Outstanding Service Award Volunteer Extraordinaire' – she has been working with the Challenge for 12 years, and we wish to honor her for this! Celia will give the plaque to David K. to deliver.

[Note: At this point the meeting jumped ahead to agenda item #10, then jumped back; I've assembled all 'Recent Activity and News' items here, but the agenda continued out of order; please find agenda item #9 after #10...]

- c) Celia has started a parents' group; about 10 parents so far (Tim will join.) Bob R. wants data reporting from this.

### CS-for-All (Ed)

- d) Cohort 1 started with 32 teachers doing an online course that was provided all over the state this semester.  
18 finished the course, 16 did really well. Cohort 1 is now certified, with more solid computing skills.
- e) Each teacher was to recruit 20 or more HS students to do a dual-credit high school class (a new graduation requirement), to be run out of UNM; the teachers act as the local TAs. There will probably be over 400 students taking the online course this fall. This is an ideas course, and it could become part of the UNM core curriculum; it could also become a UNM-based MOOC.
- f) There are groups all over the State: Las Cruces, Rio Rancho, Gallup, Farmington, Northern NM, etc. Teachers out on the reservation want to put 125 students through. They may not be able to handle that many this year. It should be an interesting fall.
- g) This all ties back to the Challenge and to STI: Patty Meyer took the course as a Challenge person. Also, it's anticipated that this will eventually generate more participants in the Challenge.
- h) It was a massive amount of work to get this off the ground, but it's happening! Irene just got back from a meeting of all the NSF-sponsored programs under this initiative; others' completion rates are far worse than ours; we're looking good.
- i) On behalf of the board, Bob would like to commend Irene and Ed (and many others, Ed adds) for this work!
- j) Note: There is confusion re. 'CS for High School', which is unrelated. It is Google money for the first three days of STI, including a pre-service component.

#### 10. 12:33 PM - **Activity Report: April Expo/Awards, Expense Report**

- a) David passed out the program. Of the 59 teams that presented at the Expo, 21 teams received some kind of award, not counting the five people who got \$100 each from the random door prize. About 120 teams showed interest; 86 teams put in proposals; this dropped to 78 at the interims; 63 teams presented at the February evaluations; 58 teams submitted final reports; 57 showed up at the Expo. → A completion rate of 67%. 21 teams received some kind of award.
- b) It was related to the Board that an observer felt that the quality of the teams was weaker this year, esp. the mid and bottom levels. There were only about 12 to 15 good reports; many were only a couple of pages long. This is disappointing, but we're going to concentrate in the STI on the creation of longer (~10 pages) and higher quality reports.
- c) The easiest path into the finalist category or the awards category is a good quality report. It is much harder to come up through the ranks at the expo. More writing experience – longer reports – will help the teams. A big reason that Los Alamos teams almost always gets to the finalist category is that they do a lot more writing.
- d) We would like to see draft project reports done by the time of the project evaluations in February; perhaps we'll even start asking them for these then. The goal is for teams to have reports that they can be proud of.
- e) Report-writing skills will also be emphasized at this year's kick-off.
- f) David K. handed out a memo that he wrote to the 85 LANL employees, 11 Sandians, and 46 non-lab people, summarizing the activities of the Expo.
- g) In his draft report, David K. reported (bottom line) that the cost was \$22K, \$15K of which did not come out of the challenge checkbook. HPC3 paid about \$18K for the hotels; the LANL foundation gave \$1500; 85 LANL and 57 non-LANL people were in-kind.
- h) Thank you to Shaun and the expo awards ceremony crew. We feel they do the best award ceremony in any program any place in the country!

#### 9. 12:57 PM - **Fundraising committee report**

- a) Bob R. and Dave worked with Michelle Hall and Ben Sims (Ben's from LANL) on an NSF proposal: \$200K per year for three years. Very little money will come directly to the Challenge - it will be run by LANL staff; the grant is run out of the NM Consortium (lower overhead there) - but we will get data on what gets the most bang for the buck. Michelle Hall runs Café Scientifique and just a grant to expand it. She is very interested in this kind of data. The NSF was very impressed by our numbers, for a program that is targeting minorities... they want to know how we do this.
- b) Michelle says that she needs an 'impact file', and this should go into an annual report that the Challenge should be producing. Bill and Terry suggest reviewing the impacts documented in the Thank You letters.
- c) Celia: Matt Roybal, a new aid from Ben Ray Luján's office, is sending us a continuous feed of list of available grants.

11. (Lunch - already happened)

12. 1:13 PM - **SUMMER TEACHER INSTITUTE.**

- a) Headquarters is going to be Cramer Hall at NMT.
- b) Celia passed out a report: the '20' needs to be changed to '18' CS-for-All students (it's changing all the time.) They are being called 'Track C'. There are 62 total Challenge teachers: 'Track A'. There have 9 pre-service teachers. These are from NMSU, UNM and Northern. This is good start. 'Track B' are experienced teachers. Some of these are GUTS-only.
- c) We have 12 people on the waiting list; this is the first time we've ever had this good-to-have problem.
- d) Support is coming from Google and UNM (EPSCoR gave \$20K.)
- e) They're talking to Gadsden Independent School District: a total of 15 teachers want to come, but their superintendent said that they were not interested in giving \$10K; if they were interested, it would have to come from their administrators. Betsy is writing a letter asking the teachers to go to their administrators. They think Gadsden is begging for good professional development... but at the moment we are not going to accept additional people from Gadsden unless we get administrative support. Their main contact was Carl Bogardus, but he just retired.
- f) A decision will be made about Gadsden very soon.

13. 1:38 PM - **move to adjourn**

Respectfully submitted to the Board,  
T.L. Thomas, Secretary