

**Supercomputing Challenge Board of Directors
Meeting Minutes November 14th, 2013
Home of Harry Henderson, teacher sponsor**

1. 4:12 PM - **Call to Order**

2. 4:12 PM - **Quorum Achieved; Board Members Present:**

Ed Angel	Present	
Bill Blackler	Present	
Bob Bolz	Present	
Tom Bowles	Present	(will call at about 5:20 PM)
Ron Davis	Present	(by phone)
Celia Einhorn	Present	
Betsy Frederick	Present	(by phone)
Tony Giancola	Present	(by phone)
David Kratzer	Present	
Lorie Liebrock	_____	
Patty Meyer	_____	(can't be with us today)
Richard Oliver	_____	
Bob Robey	Present	
David Rogers	_____	
Tim Thomas	Present	
Teri Roberts	Present	(on phone)

Others Present: Incoming Board Members Matthew Curry and Scott Chadde

3. 4:03 PM - **Approval of Agenda**

4:00 pm

1. Call to Order
2. (5 min) Quorum
3. (5 min) Approval of Agenda
4. (5 min) Approval of Previous Minutes
5. (10 min) Board membership issues: resignations, additions, nominations
 - o Matthew Curry, Sandia
 - o Scott Chadde/Lorie Liebrock, NM Tech
 - o Richard Oliver
6. (20 min) Treasurer's report 2013-14 Budget Proposal -- Bill Blackler, Betsy Frederick
7. (15 min) Scholarship & Internship Initiative

5:00 pm

8. (20 min) Kickoff Report
9. (20 min) Marketing Updates
 - o Legislative Initiative
10. (20 min) Accounting Initiative

- o Monthly time reporting
- o Property Req'ts
- o DCAA Req'ts

6:00 pm

11. (20 min) Upcoming Events (Proposal Review, School Visits, Evaluations, Expo, STI)
12. (15 min) Conflict of Interest Policy
13. (25 min) Other Recent Activity and News
14. (7:00) Adjourn
15. (7:00-8:00) Committee meetings

4. 4:13 PM - Approval of Previous Minutes

- a) We briefly discussed repairs needing to be made to the draft Previous Minutes.
- b) Since the number of fixes was anomalously high and not all issues could be resolved right away, Tim proposed to defer accepting the Minutes.
- c) (As it turned out, we did not accept the Minutes during this meeting... so **we should do it at the next one.**)

5. 4:15 PM - Board membership issues: resignations, additions, nominations

- a) (We start with Scott, since he's more familiar with us...)
- b) **Scott Chadde** of NM Tech is taking over **Lori Liebrock**'s responsibilities.
- c) Scott teaches freshman and sophomore classes at Tech, where he has been for seven years.
- d) He has experience from both the government and commercial sectors, as well as teaching experience in community college settings. He is very interested in helping out with K-12 education in the State.
- e) **Motion** (Ed; seconded by Tim) to have Scott replace Lori on the Board → **unanimous.**
- f) Welcome, Scott!
- g) **We thank Lori for her participation and contributions, and we look forward to his continued support and involvement as he is able.**
- h) Richard Oliver, who has not been able to attend board meetings recently, has tendered his resignation.
- i) **Motion** (Betsy; seconded by Bob B.) to accept Richard Oliver's resignation → **unanimous.**
- j) **We thank Richard for his participation and contributions, and we look forward to his continued support and involvement as he is able.**
- k) **Matthew Curry** has been at **Sandia Labs** since 2010 and works in the Scalable System Software Department.
- l) There was not much STEM education where he grew up back in small-town Alabama; high school level activities didn't exist. He was excited to find it active here and has been involved with it since he arrived.

- m) He is interested in making contributions at a couple of levels: he wants to volunteer his expertise in the domain, but he also is interested in the business side - what goes into running an organization like this.
- n) **Motion** (Tim; seconded by Scott) to have Matt join the board → **unanimous**.
- o) Welcome Matt!

- p) Concerning **David Rogers**: he is presently not on the mailing list because his SNL address has stopped working and his LANL one was not known, but David K. had informed him about this meeting. It is not clear if he wants to remain on the Board. There are already three other LANL Board members. It is hoped that he will remain involved in any case; he has given the kids lots of feedback on their technical writing.

6. 4:24 PM - **Treasurer's report 2013-14 Budget Proposal** - Bill Blackler, Betsy Frederick

- a) Bill passed around the **P&L statement**. (2012 FY ended June 30; this was all last year's financials.)
- b) \$334K income budgeted; received \$194.9K; the budgeted amount include \$210K of in-kind; this really should be shown as off balance sheet. We received \$70.9K more than we budgeted.
- c) Back in May we noted that LANS contributed \$50K in January, which was to be expended in the current FY. So the revenues are inflated from last year, but since we are on a cash basis we have to report it when we get it.

- d) Bill passed around the **balance sheet**.
- e) If one compares the checking account balance at the end of FY2011 with the balance at the end of June of this year, one sees that some of the \$50K got used in the previous fiscal year, or we had to take money from our reserves.
- f) Going back to the P&L statement: we budgeted \$247K in expenses; we actually spent about \$156K. What's not evident in the budget numbers is that some of the expenses were paid directly by outside entities. We did not make clear what was the in-kind and what was the cash. → It was hard to analyze what actually took place.
- g) So the numbers on the balance sheet indicate a net income of \$38.8K (last number at bottom of page.)
- h) While we used about \$12K of the LANL money, we earned \$15K from NMT EPSCoR for work we did in previous years, but we didn't get that money until this year. So it's a wash.
- i) Bob R: what this shows is *two* \$50K checks from LANL; one for last year and one for next year... (David K: We got one in about February and one in the summer.) ...so we're getting money across year boundaries; we're either \$38K over or \$12K short.
- j) So we might actually be in trouble, but it's what we already know: we are in a difficult fiscal environment, and we need to continue to try to find new sources of funding.
- k) Bob R: **For those new to the Board**, we recognize it is difficult to follow the financials, because we are on a cash basis and because we get a lot of in-kind. At least we have not expended our reserves since the 2008 crisis. We never want to expend our reserves down to the point where we can't commit to a program at the beginning of a season.

- l) Bill: “Jumping ahead to reserves”... He passed around the reserves printout... as of today, the balances are \$51,112.52 in **checking** and \$73,987.93 in **savings**.
- m) David K: this is good; we don’t have debt (scholarships, etc.); kick-off bills are paid.
- n) Betsy: We did pay for the facilitator (\$1200); it will come in the 2nd rather than the 1st quarter.

- o) Bill then passed around the **financials for the first quarter of this year**.

- p) A discussion emerged about the nature of “attachments” to the Minutes: the question is, should any given document be located on a public site or a private site. As long as the public documents summarize what is in the private documents, we’re in compliance. It’s a matter of level of detail.

- q) Back to discussion of the 1st quarter) P&L: we budgeted \$140.9K for cash income for the entire year (2nd column of numbers, about 1/3 down the page.)
- r) Recall that we have not adopted a budget, so this could change. We had to give Gary [our CPA] some numbers; this is what we gave him. We think these are realistic.
- s) \$25,000 of this (from Google Rise plus Google CS4HS grants) is questionable; it might only be \$115K; we already received \$92K of that amount.
- t) For expenses, we budgeted \$209,710... so this puts us \$68,810 in the hole; but we’ve got the \$50K from LANL for our reserves, so that’ll make up the majority of it. None the less, **this is showing a grim situation that we need to correct**.
- u) We had budgeted to spend \$172K for the first quarter - due to the STI, one of three major events that we fund during the course of the year. This does not include the scholarships. For the KO, we paid \$10K to NMT for food and facilities and \$5300 for tee shirts, plus what we pay for Celia and Betsy and Patty; CCS paid for hotels.
- v) So - we have enough money in the checkbook and reserves to get us through the end of the year. After that... well, this behooves us to get out there and generate more income.
- w) Celia: we are told that EPSCoR will not be coming through until the end of their grant, which will not be this year.
- x) Bob R: Note that we went over budget on STI by \$15K; we also may have gone over on the KO (budgeted \$30K.)

- y) Moving on to the **2013-2014 budget proposal**, which Bill handed out...
- z) These are the numbers reported to Gary. We budgeted \$155,900 of income...
 - aa) Bigbyte and Vandyke are pretty solid.
 - bb) For businesses and individuals less than \$1K, we expect \$5500, which is solid.
 - cc) United Way is solid.
 - dd) Got the \$30K from Carol/LANL (not LANS; this can get confusing.)
 - ee) SFI – budgeted \$18.5K; got \$24K.
 - ff) UNM EPSCoR is solid (for this year, but not for next year.)
 - gg) We already got the \$15K from NMT EPSCoR (for work done in previous years.)
 - hh) Google Rise is a little iffy; we should hear by December.
 - ii) We’re guessing LANL CCS will give \$15K of scholarship money.
 - jj) Lockheed-Martin should be solid; we should hear in December.

- kk) Registration fees may be somewhat optimistic; 300 participants times a \$40 entry fee. Last year we collected about 50%; in previous years we've gotten a greater percentage.
- ll) **SUMMARY:** Out of the \$155K; \$25K from Google is suspect; maybe \$5-6K of registration fees are suspect.

mm) **Expenses budgeted:**

- nn) \$1800 for market research; we don't necessarily have to spend that.
- oo) If push comes to shove, we could replace the plaques.
- pp) Consultants: Bill upped the budget for Betsy and Celia, who haven't had a raise in five years.
- qq) Insurance, meals and snacks are pretty realistic.
- rr) Rooms: probably higher (\$7800) than what we'll spend; LANL will pick up some of this.
- ss) We will need to pay for lodging for the consultants going to Newcomb and Bloomfield.
- tt) Scholarships (\$42K): we don't spend what we don't get.
- uu) Bob R. has a concern: **we have fallen back from the initiative we had at the last Board meeting. We need to move away from micromanagement and the current level of detail.** We would like to see a budget per event and manage toward that in order to adhere to CAA auditing standards... it's the total per column that the Board wants to deal with. We should move details into the budget committee; only the sums should appear in Board discussions. Also, as we've discussed before, moving to an accrual basis is critical.
- vv) Ed: We need an equivalent 'short cash flow statement' that would make that \$50K appear.
- ww) **Motion** (Bob B. moved; Tim seconded) to accept to the total expenses line as our budget for the 2013-2014 fiscal year → **unanimous.**
- xx) **Motion** (Bob B. moved; Scott seconded): to have a budget for 2014-2015 submitted by the Feb. Board Meeting → **unanimous.**

7. 5:05 PM - **Scholarship & Internship Initiative**

- a) Bob R intro: This initiative exists because our student support funding is declining, and we want to find a way to re-build that, through both scholarships and internships, and we want to encourage, support, and reward the people who put in hundreds of hours during the year to provide and support these activities. We are also using this as a springboard for marketing.
- b) Bob Bolz spoke about the details...
- c) JD Bridges has offered to make available free storage and cloud tools via his company, OSSDS.
- d) A couple of weeks ago, David K. freed up 'supercomputingchallenge.com'; Bob B. now has that URL registered via OSSDS; he will use Joomla to implement the site. So we'll now have both .com and .org sites, which will allow us to not interfere with the current

(LANL-based) web site; to separate out our marketing initiatives (to the .com site); for contracts other than the Challenge; etc. We will have to have connections between the sites so that visitors don't get confused.

- e) Bob B. also set up the 'Sugar' CRM (Contact/Customer Relationship Management) tool, which is useful to maintain contacts and manage/match scholarship/internship providers and applicants, do marketing follow-ups, etc.
- f) Tom Bowles has been thinking intensively about how these tools can be used and what paths we should take; Bob B. has been doing the footwork to set things up; e.g., working with JD on security issues, which is very important; while we don't do SSNs, there will be names, addresses, transcripts, etc.
- g) There is a notion to have an intern help with programming on these sites.
- h) Bob welcomes any and all input from the board.

- i) Bob R: the sites won't be as available as we'd like by Dec., so we're proposing to move the scholarship applications deadlines back to mid to end of Jan.; also want to ask applicants (and possibly alums) if they want internships. LANL and SNL need more lead time for scholarships and internships; we can't wait until April.
- j) Bob R: Some related background information - LANL/CCS had some royalty money for scholarships; at one point, they'd offered as much as \$90K for scholarships, but it's depleted now, down to \$10K-\$15K. Scholarships are incentives for students to participate, and internships are probably more valuable than scholarships.

- k) So: we've got people, we've got metrics... this will produce an incentive for donors to give us more money, and they may get back some good people as employees. It's a 'Value First' approach - get the sponsors good employees, connections within the local student market; be able to report to the donors what they are getting for their money. Then if they want to contribute more funding, they may be able to steer the program. We might see ourselves as filling the gap between schools and companies.
- l) One of the sites could be used for curriculum modules.
- m) If we did grow, paying JD for the resources could become a budgeted expense.
- n) Having a domain outside LANL is really going to help us.

8. 5:27 PM - Kickoff Report

- a) Summary: about 300 students and teachers and 100 volunteers.
- b) 429 students; 69 teachers have registered.
- c) About 450 to 500 people were there in total (those numbers from the Saturday lunch.)
- d) There were 17 electives Saturday night, most attended.
- e) 15 different schedules.
- f) 114 proposals submitted on the web site, many reviewed by scientists and feedback provided; there is still a potential for more teams coming in.
- g) (It might be a problem at Expo; there'll be attrition, but it's still going to be a challenge.)
- h) Celia reviewed how they are trying to get STI attendees who did not produce teams to follow up and work on other things.

- i) David K. had dropped 15 schools but added 17. Several of the new schools are the result of Janet being an MST (Master of Science for Teachers) student at Tech and spreading the word.
- j) There will be a new scheduling program for next year; a student is interested in working with Drew, Nick Bennett, and Stephen Guerin. Part of the problem is that we're having kids self-evaluate where they belong.
- k) David K: so... \$35K is what it cost if you don't count the burden; LANL (HPC-3) contributed \$17K (\$13K + overhead) for the hotels. NMT paid for most food. We ended up a little over budget.
- l) Thank you Scott [and Lori] and NMT for hosting the Kickoff!

9. 5:37 PM - **Marketing Updates**

- a) [Tom Bowles joined by cell phone, while driving to Florida. The call was very hard to hear, and the record below is rather sparse and probably inaccurate. Apologies – TLT.]
- b) Back in May, President Obama formed a Presidential Commission; signed an agreement that is basis for the formation of a U.S. Entrepreneurship Council, under which there are a number of efforts; one is U.S. Technology Commercialization, for which Tom was appointed the Chair... energy, aerospace, biotech, nanotech.
- c) Direct relevance to SC Challenge: need for an IT qualified workforce.
- d) Tom put forward a proposal to initiate an 'intelligent manufacturing' working group; the notion is the application of IT to all aspects of manufacturing; everything from processor R&D to social networking, interdisciplinary efforts, etc. Qualified IT skills workforce to be part of this.
- e) Will be finalized in the next day or so... will send a draft copy to us all in a few days, for discussion and input.
- f) Could get \$50K or \$100K this year for something like a Tech Fiesta to talk about how do you assemble an intelligent manufacturing initiative.
- g) 'Back at the ranch', how to get something for the Challenge: Tom talked to Rep. Carl Trujillo (D, Santa Fe county, district 46) about getting something from the NM legislative in the coming session.
- h) Bob R. gave an update on that - he got an email from Gary Esquivel: not much detail is available, but a bi-partisan effort is moving forward: Representatives Trujillo and Kelly Fajardo (R, Valencia county, district 7) are sponsoring a bill to get some funds for the Challenge, for one year. Rep. Trujillo wants \$65K and Rep. Fajardo wants \$100K.
- i) Bill: Celia invited all the members of the STTC committee to come to the KO. Rep. Fajardo, who is from Los Lunas and had a son in the Challenge last year, attended. Nice work, Bill and Celia!
- j) Tom pointed out that of course they want to get a sense of how this is benefitting their districts. Wherever we can make such connections, it is important to do so. More specifics on geographic distributions of Challenge activities would be quite important. We need to keep in mind that Tom will be offline during a critical period of the legislative session.

- k) Bob R: Thanks, Tom, for getting this off the ground. It seems Representatives Trujillo and Fajardo are taking the lead on this; we just need to give them support. We're not trying ourselves to beat down the doors.

10. 5:50 PM - **Accounting Initiative**

- a) Bob R: In the past, the Challenge has a one-program organization, on a cash basis, often working month to month on income and expenses. The Board decided that we're going to transition this FY to the point where we can bid a federal contract.
- b) Recently, David K. and Bob R. submitted a proposal for an NSF grant to evaluate the SC Challenge program. We could not submit this through the Challenge because we could not meet Federal accounting standards; we have to be auditable.
- c) To continue that transition: under **OMB A110**, we need to have monthly time reporting from each of our staff; e.g., if someone is working on KO, we need to measure how much time. This will allow us to track expenses associated with outside programs that may develop in parallel.
- d) **Staff is defined as follows:** the Board is all-volunteer; they are not staff. David K. is the executive Director; under David are Celia (1/2 time); Patty and Betsy (share a 1/2 time). Then there are the consultants...
- e) We'll need to do **monthly time reporting**. These are not hourly reports; they are monthly reports (like a grad student; "50% on this project, 50% on that"). This will help Bill and Bob R with the financial budgeting.
- f) We have to fix and justify an **overhead rate**, as part of this process. SAIC, e.g., does this; with *every new contract*, they set a new rate.
- g) It bears repeating: we need to have auditable books. We need to be in a position where audits don't make us shake in our shoes. We may have to bring in a consultant, as Gary is not licensed for this sort of thing.
- h) Bill, pursuant to the Board's directive, has been investigating the **QuickBooks** software; they have a version specifically for non-profits. The SBA recommended consulting with Rio Rancho's **WEST** - Women's Economics Self-sufficiency Team [25% men], who have consultants - before purchasing said software. He also met with JD, who said he had a license for QB online, but Bill checked: the non-profit version is not available online. JD mentioned that QuickBooks does have an add-on, called 'easy DCCA'; if you work with **them (?)**, they will help us to achieve compliance, once they help get it set up with the government. In any case, this is all just getting off the ground.
- i) Bob R: Next, we want to look at all our **accountable property**. These should all be marked. We need to start thinking about what *is* our property. Ethernet cables, power strips, and donated screen. The majority of our property is the check and saving accounts. Tee-shirts and bags are 'expensible' property.
- j) DCAA says do **accounting on a project basis**. So this year, we'll try to treat each project separately, with a budget to which we manage. DCCA teaches you techniques for dealing with these things. Just put information in a common file/folder.
- k) An auditor will come in and examine first the largest expense – staff time. Then they'll look at big-ticket items. They are not going to look at \$1000 items. The auditor is really

going to look at time sheets. They need to be able to find things in a place they can easily audit.

- l) We'll need **policies** in place for when we do purchases. Purchasing policies; e.g., at what level do we need to take bids. We need a conflict of interest policy and form. The auditor will ask 'against what policy did you make this purchase?' We need to start looking at deliverables tracking, etc.
- m) We would like to be able to bid something and take an audit by the end of the fiscal year. We should take advantage of our cost structure.

11. 6:13 PM - **Upcoming Events** (Proposal Review, School Visits, Evaluations, Expo, STI)

NM TIE conference today – Tim at the table.

The Texaco, NM thing. (?)

Proposal reviews - we have only received about 50% of them back.

School visits

- a) We used to visit every school, but now we only visit by request.
- b) Jed Crandall: has been doing some visits, taking himself and some grad students to Newcomb Evaluations.
- c) UNM is going to be tough because there are so many teams.
- d) Centennial's dozen teams.
- e) There is a team at Little Earth School.
- f) Bob R: recall that this year we were going to emphasize the reports... We are trying to level the playing field.
- g) We pride ourselves on given them the skills to go to the next level of the program.

Expo

- a) David: it's going to be a problem ... we may not be able to do the videotaping (it has to be LANL staff). David has a LANL camera that he gives to a LANL employee for the expo. That's why the award ceremony is done at a church.
- b) Parking is a problem on school days.
- c) David K. does a lot of work to coordinate all the constraints!
- d) John Noe may want to pass to Cristine Montoya (cybersecurity); see below.

STI

- a) For next summer, we are planning on doing CS4ALL a week before the STI (which will start the second week in July 13th - July 25th, though we may only do one week), so they'll be disjoint; if those teachers want to stick around for the second week to help teach STI, that's a possibility.
- b) Last year cost \$74K for a week on site and a week off site. EPSCoR pushed for mileage - \$5K for mileage.
- c) Neal Pickett at LANL is a cyber-defender. Cristine Montoya – a Challenge alum from Espanola, now with SNL cyber defense - and Jed Crandall are interested in cyber defense.
- d) Celia: Our theme next year will be cyber defense, and our grant to Google concerns this.
- e) Patty suggested a connection between cyber defense and Navajo code talkers.
- f) Tomorrow, Celia et al are submitting a proposal to Nevada State Innovative Tech... w/ Jenifer Hooten through Capital High, for another \$20K, for kids to attend the cyber defense.
- g) Bill: If we get money from the State, we may have to use it for STI.
- h) Background: we used to get O(\$100K) - it varied - from PED, but that shut down. PED wants to seed things; they don't want to do other kinds of things, where money has to move around.
- i) Celia: We'll know about those two grants in December.
- j) Bob R: Are we going to do a woman's program at the Expo? We may want to have a couple of people work that in order to improve it. In particular, Bob proposes Teri and himself. They need long lead time.
- k) Tim will try to talk to Gil about internships and/or scholarships. The former are higher value.
- l) Lydia Tapia, new faculty at UNM, is a Challenge Alum. Ed will ask her to support a summer student. Faculty with research grants can't give scholarships, but they can give internships.
- m) Bob R: We want a diverse set of positions; not just HPC. Web design, etc...
- n) Celia: **We are 25 years old next year...** what can we do? If you have fun ideas, contact her.
- o) Bob R: We need to publish at national conferences!
- p) Celia: there's a high school peer-reviewed journal.
- q) Matt: Is the Challenge represented at the SC Challenge pre-show?
- r) Bob R: David Rogers is very interested in raising our national profile.
- s) Ed: There was a recent issue of IEEE Computer on education.

KO date and reservation at the Macy Center nailed down.

12. 6:43 PM - **Conflict of Interest Policy**

Tabled; to be done by email.

13. 6:44 PM - **Other Recent Activity and News**

- a) Celia got Mayor Berry to declare CS Education week, Dec 9 through 13: see <http://csedweek.org>
- b) Parent group: The Rushes from Melrose were very enthusiastic!
- c) There was a video initiative: Jerry Esquivel and Kelly and Bill thought to have a contest, where kids make videos about their Challenge experience.
- d) There is now a Twitter account; we already have two Facebook accounts.
- e) We don't have a Youtube channel; we should make one.
- f) (There exists Teachertube.)
- g) (Eli's dad works for Google.)
- h) REU... summer program... tech track... Tim?? AAUW was looking to sponsor one of those.
- i) Bob R: There is a RFP for the Gene Golub Summer School; the SIAM committee makes the decision; one could approach Cleve/Mathworks, if we could identify a champion.

14. 6:55 PM - **Adjourn**

Ed moves to adjourn; Celia seconded; unanimous

15. 6:55 PM - **Committee meetings**

None took place.

We thank Teacher Sponsor Harry Henderson for kindly hosting us at his home!

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