



**GEMINI BOARD MEETING
HILO, HAWAII –9-11 MAY 2012**

DRAFT Resolutions Arising from the 9-11 May 2012 Gemini Board Meeting

2012.A.1. The Board appreciates the AOC-G report and its comprehensive discussion of findings and recommendations.

2012.A.2. The Board received the (draft) report of the STAC and appreciates its thoughtful and in places difficult recommendations. The Observatory is expected to consider the report in their planning and the Board looks forward to its response.

2012.A.3. The Board had extensive discussion of the Transition Plan 2.0 presented by the Observatory. The following three paragraphs present some background before the specific resolution points in 2012.A.3.1 through 2012.A.3.5.

The GFC was briefed by the Observatory on Transition Plan 2.0, with emphasis on its financial aspects. Apart from its recommendation on the CY 2012 budget, the GFC discussed the full plan in detail. One issue discussed was the sustainability of the Observatory post 2015. The sustainability of the Observatory was not obvious to the GFC for several reasons: (1) the reliance on past carry-forward to fund all current FDF activities (A&G, MCAO/GeMS) without an obvious allowance in the O&M budget or elsewhere to accommodate future expenses in the FDF component of the Observatory budget; (2) under the plan, and maintaining the 15% cap on the IDF funds to be devoted to staff-support of the instrument procurement efforts, the O&M budget is further strained to assume the planned additional labor charges arising from IDF activities; and (3) the plan utilizes nearly all of the identified carry-forward (leaving a ~ 2month operational carry-forward going into 2016). The final staff levels are some 9 FTE's higher than those in the original transitional plan.

Furthermore, in view of the upcoming NSF Portfolio Review and Gemini Partner Assessment Point, the AOC-G recommended that the directorate prepare a contingency plan for the Gemini Board identifying deeper reductions in operations cost should further budget cuts materialize for the period of 2015 and beyond.

Given a variety of factors, the STAC was not prepared to recommend moving forward with the GIROS concept at this time. Aside from the low number of white papers and lack of consensus, these included concerns that the costs for GHOS were not yet sufficiently understood, which might delay when funding was available for the next post-GHOS instrument, and because the funding envelope available for the post-GHOS instrument is not well-understood. Additionally, with the funding limitations that only 1-2 post-GHOS instruments are likely to be constructed by the end of the decade and the arrival of a new Director this coming August, it seemed appropriate to the STAC to delay committing to the next instrument until further discussions with the new Director.

The Board feels that Transition Plan 2.0 needs to be further advanced to take all of the above considerations into account. This does not entail a major revision but rather to a version 2.1 with the following specific elements:



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2012.A.3.1

Either the labor required to support the activities of the Gemini instrument development group needs to be reduced or the planned O&M budget of the Observatory going forward into 2016 and beyond must be adjusted to accommodate the labor requirements beyond the 15% cap that applies to the Partner Contributions for the Instrument Development fund.

As an example, the Partner contributions to the IDF in the 2011-2015 time-frame are projected to total ~\$25.0M in reasonably optimistic scenarios. In that case, the cap would allow up to \$3.75M (15%) to be used for labor related to the support of the new-instrument procurement program. In addition, the Board notes that some \$8.690M is formally available from IDF carry-forward. If that entire carry-forward is included, an additional \$1.30M may be used. Therefore the total amount available for program support labor from IDF earmarked funds would be \$5.05M in the worked example.

The Board notes that the Agency's intent in earmarking funds for the IDF was to procure new instruments. The present use of those funds (and similarly earmarked carry-forward funds from the previous "Aspen" program) to perform significant repairs and upgrades to existing instruments (including F2) was not intended. The "Transition Plan" includes such activities, and to the extent that the STAC and the Gemini Board concur that the activities are advancing the scientific capabilities of the Observatory, the use of IDF-earmarked funds for those purposes is permitted.

2012.A.3.2

The Observatory should be prepared to prioritize the O&M activities and describe to the Board the impact of accommodating the on-going labor support required by the Gemini instrument development group. Over the Transition period, "on-going" refers to activities in the Transition Plan beyond those covered by 15% of the partner funds contributed specifically under the IDF label. In the period beyond January 1, 2016 "on-going" should be interpreted as activities needed to maintain, repair and/or perform relatively minor upgrades to existing instruments, where "existing" includes instruments to be delivered under the procurements made possible by the current IDF funds.

The Gemini funding agencies may choose to decrease (or suspend entirely) explicit IDF support post-2015. Hence, the requirements for the on-going support of existing and currently planned instruments should be demonstrable within the core O&M budget as indicated by the 2015 partner contributions. If that core budget needs to be augmented to cover all essential activities independently of any funds made available for new instruments, the Observatory should be prepared to justify that requirement to the Gemini Board.

The exercise needed to accommodate on-going instrument group expenditures within the core O&M budget would also allow the Observatory to address the AOC-G recommendation to demonstrate how a decrease of Partner O&M funding post-2015 could be accommodated and what the impact would be. A suggested target for that contingency planning is a 5% reduction from the proposed level of partner contributions in 2015.



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2012.A.3.3

The Transition Plan must address how on-going requirements now covered under the FDF budget line are to be accommodated within the on-going O&M budget as currently envisioned, i.e., the 2015 partner contributions to O&M. Here "on-going", refers to the maintenance, repair and/or minor upgrades to operating systems, which will include the A&G systems now being developed, the MCAO/GeMS system and any other related elements that are defined by Gemini to be within the FDF budget line.

2012.A.3.4

For planning purposes, the new instrumentation program should be planned within the partner contributions to the IDF for 2011-2015 (current estimate is ~\$25.M) and the defined IDF Carry-forward of \$8.690M, for a total currently estimated at ~\$33-34M. Pending reviews by partner agencies of the carry-forward, we suggest that it would be prudent to plan initially within an assumption that no more than 90% of the carry-forward would be available; this gives an IDF envelope of ~\$32M. From that envelope, 2011 spending (\$4.380M) and existing encumbrances (including GHOS costs when known) need to be subtracted. [For consistency, under this envelope, the program labor costs should be limited to \$4.8M, i.e., 15% of that envelope. The Board notes that the "IDF spending" in Transition Plan 2.0, including spending in 2011, is presently forecast to total \$35.452M.]

2012.A.3.5

The FDF forecast for 2012-2015 is aggressive in light of past experience on proceeding with the A&G replacement/upgrade program and the slow progress on MCAO/GeMS. This work is entirely funded from within the FDF and O&M carry-forward. Every effort will be made to preserve this funding but it is vital that the Observatory demonstrate that they have the capacity to complete the A&G and GeMS programs over the transition period.

2012.A.4. The Board approves the 2011 closeout budget as recommended by the Gemini Finance Committee.

2012.A.5. The Board also approves the revised Gemini 2012 Budget as recommended by the Gemini Finance Committee with the following breakdown. Note that this does not include the \$1.672M sought by the Observatory for (as-yet) unspecified development of future instrumentation.

Operations and Maintenance	\$ 30.36M
Facilities Development Fund	\$ 1.55M
Instrument Development Fund	\$ 8.41M
TOTAL	\$ 40.32M

2012.A.6. The Board appreciates the complete discussion of the planning for Base Facility Operations and related Eavesdropping and Remote Observing issues. Furthermore, the Board approves the proposal by the Observatory to implement remote observing and eavesdropping as a part of a comprehensive Base-Facility Operations Project. We look forward to a report on PDR at the November meeting.



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2012.A.7. The Board approves the proposed minimum science time of 147 nights, with the goal of 156 nights, for Gemini North in 2013A. For Gemini South in 2013A, the Board approves the target of 151 nights and recognizes the uncertainty the anticipated large amount of commissioning places on this number.

2012.A.8. The Board notes and expresses its concern about the on-going accumulation of funds contributed by the Gemini Partners that resulted in an uncomfortably large carry forward at the end of 2011. The Observatory is provided with funds to advance the scientific mission of the Gemini Observatory and the expectation is that these funds will be expended in a timely manner for the purpose for which they were allocated. The Board notes that the Transition Plan developed by the Observatory is based on the utilization of carry forward funds. The ability of the Observatory to spend according to the budget forecasts provided is an uncertainty that continues to be a concern to the Board. The rigor of the present plan adds confidence that this plan will be executed but the Board wishes to stay on top of this issue.

The Board recommends that the Observatory and NSF cooperate to develop a reporting tool that tracks partner contributions against authorizations for AURA/Gemini to spend with respect to the actual expenditures and, commitments (encumbrances) of the Observatory. A statement of financial position should be prepared quarterly and reported to the GFC. The position statement should include encumbrances and formal commitments for future payments..

2012.A.9. The Board approves the Observatory's proposed MOU with the University of Florida to award twelve (12) classically scheduled observing nights on Gemini over a period of 2 years with half of those nights to be used in the first year the instrument is available. These nights cannot be allocated from Chilean time.

2012.A.10. The Board approves the Observatory's recommendation that the GSAOI team be awarded 14 nights observing time. This recommendation which is between the 8 nights (which a strict interpretation of the contract yields), and the 20 nights requested by ANU is a reasonable compromise and keeps a precedent in place that there is a penalty for not meeting the terms of a contract. These nights cannot be allocated from Chilean time.

2012.A.11. The Board approves the Observatory's proposed time exchange agreement with the Subaru Observatory.

2012.A.12. The Board wishes to thank Dr. Fred Chaffee for his service as Interim Gemini Director and commends him on his efforts for the past year. The Observatory has made considerable progress in advancing Gemini user support and instrumentation under his leadership.

2012.A.13. The Board is delighted to affirm Dr. Mercedes Gomez as the new representative on the Gemini-CONICYT Fund Council.

2012.A.14. The Board welcomes Dr. Laerte Sodre as the new Brazilian representative on the Board.



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2012.A.15. The Board would like to thank Dr. Kepler de Oliveira for his service on the Board as well as the Gemini-CONICYT Fund Council. In particular, the Board appreciates his willingness to extend his service on the Board to complete the Gemini Director Search.

2012.A.16. The Board would like to thank Dr. Peter Quinn for his service on the Board. His forward looking leadership and his sound management skills have helped guide the Board and the Observatory through a challenging period. We would like to especially thank him for his work on re-structuring the GSC to what is now known as the Science and Technology Advisory Committee (STAC).