

4 June 2017

2017 Financial Update

Board of Trustees Meeting

Nairobi, Kenya



Sandy Spector
Chief Financial Officer
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2017 Financial Activity

Statement of Activities

	Q1 Actual	Q1 Budget	Variance	Annual Budget
Unrestricted Revenues				
ISOC Generated (incl IETF)	\$2,313,405	\$2,537,616	\$(224,211)	\$10,423,765
PIR Contribution to ISOC	7,375,000	7,375,000	-	29,500,000
Total Unrestricted Revenues	9,688,405	9,912,616	(224,211)	39,923,765
Expenses				
Departmental Expenses	\$5,936,403	\$7,334,304	\$1,397,901	\$32,555,121
Board Governance	8,500	5,150	(3,350)	300,000
IETF	1,814,366	1,948,815	134,449	7,068,644
Total Expenses	7,759,269	9,288,269	1,529,000	39,923,765
Net Surplus (Deficit) before Interest	\$1,929,136	\$624,347	\$1,304,789	\$-
Other Revenue - Interest and Currency	479,682	125,000	354,682	500,000
Net Unrestricted Surplus/(Deficit)	\$2,408,818	\$749,347	\$1,659,471	\$500,000

Net Surplus

Positive Net Surplus before Interest projected to decrease during 2017 as we increase our program work with Access & Trust.

Expenses

First quarter budgeted numbers assumed more aggressive start to program work and hiring. Therefore, actuals are under spent to this date. May YTD actuals show increase in program spending.

Other Revenue

Investment earnings in first quarter increase, primarily in our Continuity Fund .

2017 Mid Year Forecast

Mid Year Forecast ramping up after Board meeting. At that time we will review our 2017 agenda and programs. realigning financial resources accordingly.



2017 Financial Update

Revenue

	Q1 Actual	Q1 Budget	Variance	Annual Budget
Revenues				
Organizational Members	\$349.6	\$402.5	\$(52.9)	\$1,744.9
Individual Member Dues & Donations	26.3	0.5	25.8	8.0
Meeting & Other Sponsorships (excl IETF)	56.0	51.5	4.5	1,719.3
Grants & Contributions	309.9	346.2	(36.3)	1,862.5
Registration and Fee Revenue (excl IETF)	241.0	220.0	21.0	220.0
IETF Meeting Hosts & Sponsors	588.4	634.7	(46.3)	2,190.1
IETF Meeting Registration & Other Revenue	742.2	882.2	(140.0)	2,679.0
Total ISOC-Generated Revenues	\$2,313.4	\$2,537.6	\$(224.2)	\$10,423.8
PIR Contribution to ISOC	7,375.0	7,375.0	-	29,500.0
Total Unrestricted Revenues	\$9,688.4	\$9,912.6	\$(224.2)	\$39,923.8

Organizational Membership

Tracking lower than budget due to allocation of Platinum members. Re-organization and fundraising plan in motion to resolve shortfalls.

Grants & Contributions

Equipment donors corporate donation program eliminated. \$760K revenue budgeted. No impact on Net Income.

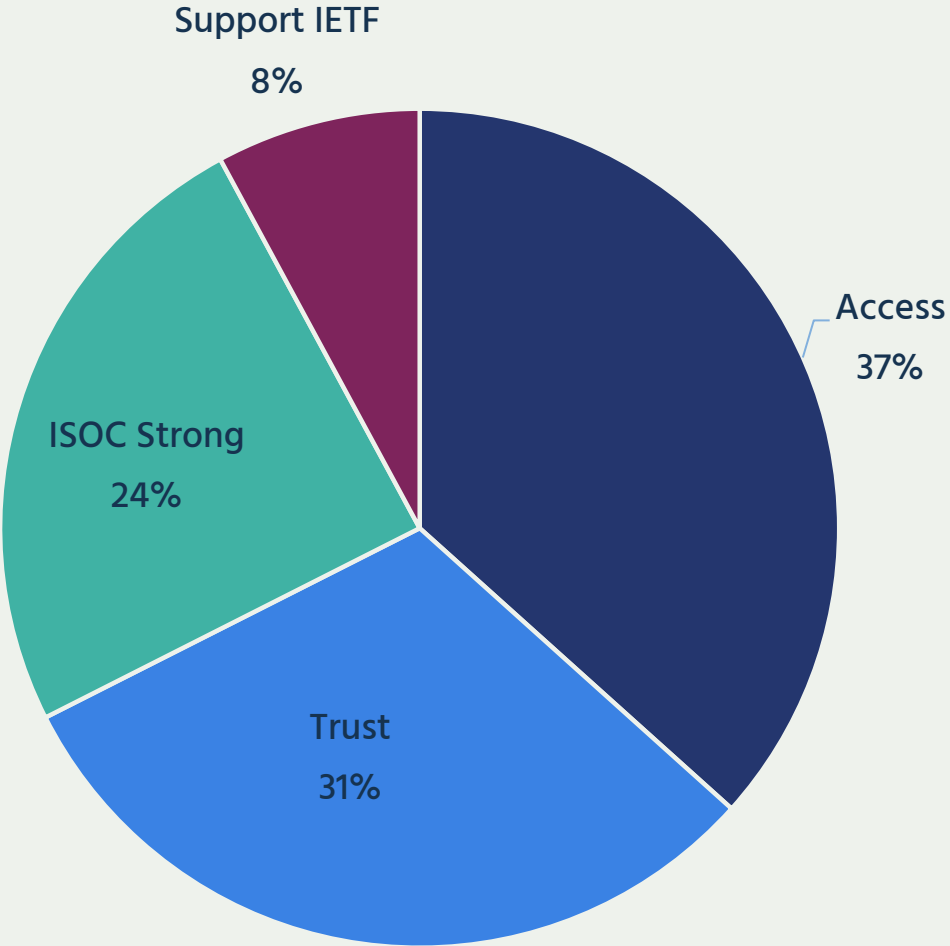
EU Grant of \$440K budgeted in 2017, not materializing. No impact on Net Income.

IETF Revenue

Chicago Sponsorship & Registration lower than anticipated. Prague & Singapore meeting revenue being actively pursued.

2017 Financial Update

Program Spending to date



Access

- Deploying Trusted Infrastructure
- Community Development
- Empower Communities & Sustain Development
- Policy Promotion

Trust

- Trusted Ecosystems
- User Trust
- Technologies for Trust
- Trusted Networks

ISOC Strong

- Strengthen Identity
- Strengthen Communities
- Fundraising

Support IETF

- Sustainability
- Diversity



2017 Financial Update

PIR Non Recurring Funds - Balance

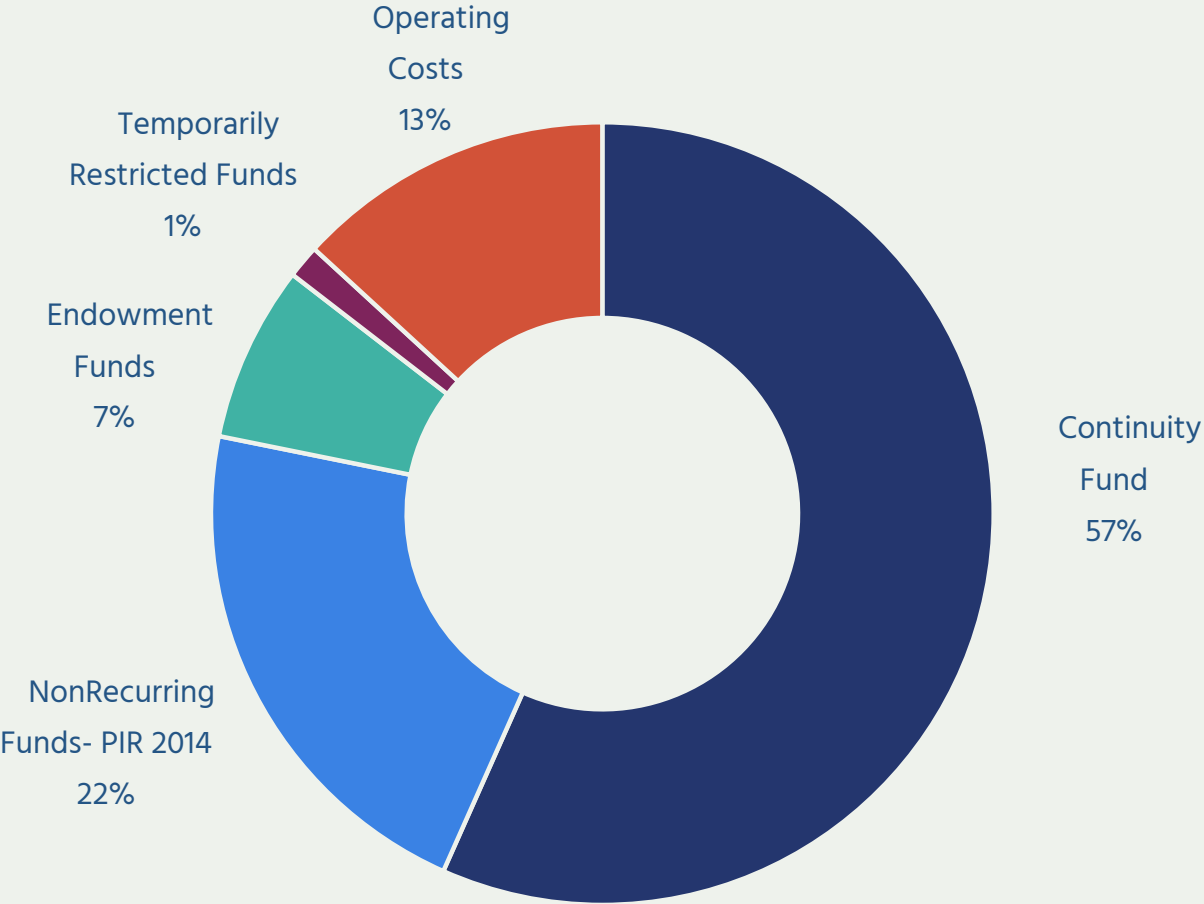
Beginning Balance	\$10,000,000
Board Designated Funds:	
3 Year Technology Plan	1,470,000
25th anniversary	1,000,000
Website Development	1,696,000
Diamond Key	380,000
	<hr/>
	\$4,546,000
Balance Remaining	\$5,454,000
Requested: Additional Website Costs	824,850
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	\$4,629,150



2017 Financial Update

Cash Balance – March 31, 2017

(in 000s)



Continuity Fund	\$17.12
Non-Recurring Fund - PIR 2014	6.50
Endowment Funds	2.20
Temporarily Restricted Funds	0.41
Operating Costs	3.98
Total Cash & Investments	\$30.2



2017 Financial Update

Other 2017 Financial Updates

Online Trust Alliance

- Membership information currently being integrated and contacted
- Cash transfer approximately \$400K
- Engaged 1 employee & 1 consultant

Digital Spaces

- Global Engagement Program
- 1 employee & 1 consultant from Enset
- Budget being compiled
- Money from PIR to cover costs to be transferred

2018 Planning

- Objective & Initiative Planning underway – May Executive Team Meeting
- Teams working closely to further align projects & resources in 2018
- Planning continues with July Executive Team/Regional Bureau Directors Meeting



Thank you.

Sandy Spector

Chief Financial Officer

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