2013 -2015 Business Plan

21 October 2012

Internet Society

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I.   Introduction and Executive Summary

The Internet Society drives to be the world's trusted independent source of Internet leadership, and remains committed to the vision that "The Internet is for Everyone." As a unique platform for innovation, creativity, and economic opportunity, we unequivocally believe the Internet has made the world a better place.

With the aim of ensuring the Internet's continued growth and evolution, we promote open dialog on Internet policy, technology, and future development among users, companies, governments, and other organizations. Building on our successes and impacts from the past year, we will continue to work with our Members, Chapters, and partner organizations to ensure people around the world have access to an open global Internet.

Engagement with the broader Internet community has provided key inputs to developing the 2013-2015 business plan. Staff engaged with community members during the 2012 Global INET to garner input on issues of priority, including during our Global Chapters Workshop. Chapters and Advisory Committee members participated in targeted planning surveys, and staff engaged with Chapters and community members throughout the year to share information about, and gather input for programme-level activities and impacts.

2013-2015 Agenda and Business Plan Framework

In order to achieve our mission the Internet Society (ISOC) must be an organization of global influence and action. As such, we focus our work around key objectives and impacts that will make a substantial difference globally. The Internet Society's vision, mission, and principles serve as our foundation and remain at the core of our positions and activities.

Grounded in the Key Success Factors established by the Board of Trustees in 2011 (and shown in the graphic below), the Internet Society established four strategic, cross-organizational objectives in advance of the 2012-2014 planning cycle. These Strategic Objectives are multi-year in nature and are supported by specific annual impact statements and supporting goals. This framework provides a concise means of communicating the issues of central importance to staff and to the world at large. In addition, it helps forge alignment across goals while recognising the cross-disciplinary and cross-organizational nature of our work.

2013 – 2015 Business Plan Outline	
Vision	The Internet is for Everyone
Mission	To promote the open development, evolution, and use of the Internet for the benefit of all people throughout the world
Key Success Factors	Maintain Leadership Role, Exert Influence as Trusted Voice, Adherence to Principles & Values, Financial Sustainability, Well Functioning Organisation
Strategic Objectives	Foster an open, innovative, and trusted Internet worldwide — Advance policies and strategies that strengthen the Internet's growth and evolution — Enable a vibrant organisation and vital global community to advance the Internet's future — Empower people through unencumbered Internet use
Impacts	Each strategic objective is supported by impact statements and goals.
Programmes / Investment Areas	Our organisational programme areas and departments advance our Strategic Objectives, Impacts, and Goals

Strategic Objectives

Flowing from our Vision, Mission, and Key Success Factors, the Strategic Objectives of the Internet Society are to:

A. <u>Foster an open, innovative, and trusted Internet worldwide.</u> We are committed to advancing the underlying open and interoperable architecture of the Internet, and its distributed and collaborative means of management and development, as these principles are essential for fostering a stable, open, and trusted Internet upon which innovation can flourish.

B. <u>Advance policies and strategies that strengthen the Internet.</u> We aim to educate and inform policy makers, civil society, industry, and others so they join us in advancing Internet policies and strategies that uphold the critical principles of openness, user-centricity, and stakeholder participation.

C. <u>Enable a vibrant organization and vital global community to advance the Internet.</u> We strive to further engage members, chapters, and the public to maximize our collective impact, as well as to help a new generation of Internet leaders, contributors, and innovators emerge.

D. <u>Empower people through unencumbered Internet use</u>. We aim to advance the access and use of the Internet on an open, non-discriminatory basis, and empower individuals and communities, including the vulnerable and underserved, to maximize the transformative opportunities the Internet enables.

An overview of the impacts we aim to achieve and our major programmatic areas appear in Section II *Fulfilling Our Mission* of the Business Plan. In addition, more detailed programmatic overviews appear in Appendix B.

2013 Financial Overview

As a cause-based organization, the Internet Society strives to put all available resources to work in the fullest possible pursuit of our mission. We do this after careful consideration of future funding streams, continuity reserve requirements, operational requirements, and strategic needs. The Public Interest Registry (PIR) is the home of the .ORG top-level domain (.ORG TLD) and is a supporting organization of ISOC. Our ability to meet future requirements is supported through our relationship with PIR and growth in ISOC-generated revenues, while our continuity reserves are intended to support us in any significant downturn. Our desired Operating Surplus level is determined after careful consideration of all the factors above.

Summary - Statement of Activities and Change in Net Assets 2013 Budget							
	2013 Budget	2012 Budget	'13 vs.'12 Budg	% Chnge	2012 Forecast	'13 vs. '12 Frcst	% Chnge
Unrestricted Revenues (including IETF)							
Memberships and Contributors	2,150,000	1,790,000	360,000	20%	1,623,000	527,000	32%
Sponsorships and Grants	4,440,150	2,976,000	1,464,150	49%	2,949,476	1,490,674	51%
Registration and Fee Revenue (incl IETF)	2,434,250	2,687,000	(252,750)	-9%	2,577,476	(143,226)	-6%
PIR Contribution to ISOC	28,000,000	26,500,000	1,500,000	6%	26,500,000	1,500,000	6%
Project 94 from PIR sale of 1-2 character domains	1,000,000	-	1,000,000		-	1,000,000	
PIR Restricted Funds (2010) Applied for Directed Use	1,000,000	1,000,000	-		500,000	500,000	
Total Revenues (Unrestricted)	39,024,400	34,953,000	4,071,400	12%	34,149,952	4,874,448	14%
ISOC Functional and Program Expenses							
Subtotal Operations Group	17,428,754	15,287,550	2,141,204	14%	14,338,578	3,090,176	22%
Subtotal Strategic Group	14,187,620	12,827,008	1,360,612	11%	12,311,143	1,876,477	15%
Total Functional Expenses	31,616,374	28,114,558	3,501,816	12%	26,649,720	4,966,654	19%
Other Program Expenses							
NDSS Expenses	90,000	80,000	10,000	13%	96,800	(6,800)	-7%
Global INET/Hall of Fame Events (formerly Comms)	210,000	1,000,000	(790,000)	-79%	1,453,743	(1,243,743)	-86%
Internet Advertising Award Expenditures	480,000	-	480,000		230,000	250,000	109%
Strategic Planning and Board Governance/Retreat	600,000	-	600,000		-	600,000	
Total Functional and Program Expenses (excl IETF)	32,996,374	29,194,558	3,801,816	13%	28,430,263	4,566,111	16%
IASA/IETF Expenses (excluding Capital)	5,274,858	5,408,000	(133,142)	-2%	5,247,000	27,858	1%
Total Unrestricted Expenses	38,271,232	34,602,558	3,668,674	11%	33,677,263	4,593,969	14%
Net Operating Surplus (Deficit)	753,168	350,442	402,726	115%	472,689	280,479	59%
Other Revenue (Expense)	500,000	400,000	100,000	25%	400,000	100,000	25%
ISOC Unrestricted Surplus (Loss) or Change in Net Assets	$ 1,253,168	$ 750,442	$ 502,726	67%	$ 872,689	$ 380,479	44%
Balance in Unrestricted Net Assets, Beginning of Period	$ 14,573,566	$ 12,341,682			$ 13,700,877		
Balance in Unrestricted Net Assets, End of Period	$ 15,826,734	$ 13,092,124			$ 14,573,566		
ISOC-Generated Revenue	9,024,400	7,453,000	1,571,400	21%	7,149,952	1,874,448	26%
ISOC-Generated Revenue Excluding IETF	5,678,650	4,190,000	1,488,650	36%	4,800,765	877,885	18%

The proposed Budget for 2013 (summarized above and further detailed in the main Business Plan and in Appendix A) reflects overall Revenues of $39 million and Expenses of $38.3 million, representing 14% annual revenue growth from the 2012 forecast. (Note: In the chart above we also show 2012 Budget for information, but use the 2012 Forecast for comparative analysis).

We expect to increase our ISOC-generated (non-PIR) revenues from $7.1 million forecast for 2012 to $9.0 million in 2013. As discussed further in Section III *Funding our Mission*, we have carefully isolated specific revenue sources, as some of this ISOC-generated revenue is available only in 2013. Additionally, nearly $900,000 of this revenue is from grants already in hand or applied for.

While the majority of our funding continues to come from PIR, the percentage of ISOC-generated funding is budgeted to increase significantly from 18% in 2011, to 21% in 2012 and to 23% in 2013. As increasing revenue diversity remains one of our top priorities, we also have a 2013 internal stretch goal of 25%.

This Business Plan and Budget also takes into careful consideration the recent Board Resolution to double the level of our Continuity Fund Reserves. While approaches to doubling our reserve level will be discussed separately by the Board, the current plan takes into account the Board Resolution while working to ensure a timeline that balances the impact of current operational needs with the reserve requirements.

Revenues

In 2013, we project total revenues at $39 million including ISOC-Generated revenues at $9.0 million. This compares to a total of $34.2 million forecasted in 2012 (14% growth). A total of $28.0 million is planned from normal PIR contributions, with $1 million made available from previously restricted funds from PIR (2010), and $1 million anticipated from PIR "Project 94" revenues.

While a substantial portion of ISOC revenue continues to come from PIR, ISOC's efforts over the past several years to expand and broaden our funding base are paying off, particularly in the area of Sponsorships and Grants, as well as in Membership revenues. More detail is provided in Section III *Funding our Mission*.

Expenses

In 2013, we project total expenses of $38.3 million (vs. a forecasted $34.6 million in 2012). Many of our programmes are multi-year and the main increases in expenses occur in programmatic costs and personnel-related costs. In brief:

- Programme expenses increase $1.6 million (of which $0.6 million is funded by direct grants), however this is largely offset by a $1.2 million decrease in costs related to the Global INET and 20th Anniversary Celebration of 2012, and

- Personnel costs increase $2.9 million, comprising of $1.5 million for full cost of 2012 hires, $0.5 million for existing staff, and $0.9 million for 2013 hires (Additional detail provided later in this document and in Appendix A).

The result is a 2013 budgeted Net Operating Surplus of over $753,000. Since our Operating Surplus plus our Interest Income (expected to be approximately $500,000) roughly equates to our increase in available cash, we expect cash towards our Continuity Reserves to increase by approximately $1.2 million by the end of 2013. Further financial details are provided in Sections II *Fulfilling our Mission* and III *Funding our Mission* of this Business Plan.

Our 2013 budget builds on the sound growth we have experienced over the past 5 years. As in previous years, expenses will be well controlled and in line with annual funding expectations and our desired level of surplus.

Figure 1: Revenues vs. Expenses 2008-2015 Outlook in US$ Millions (before interest income)
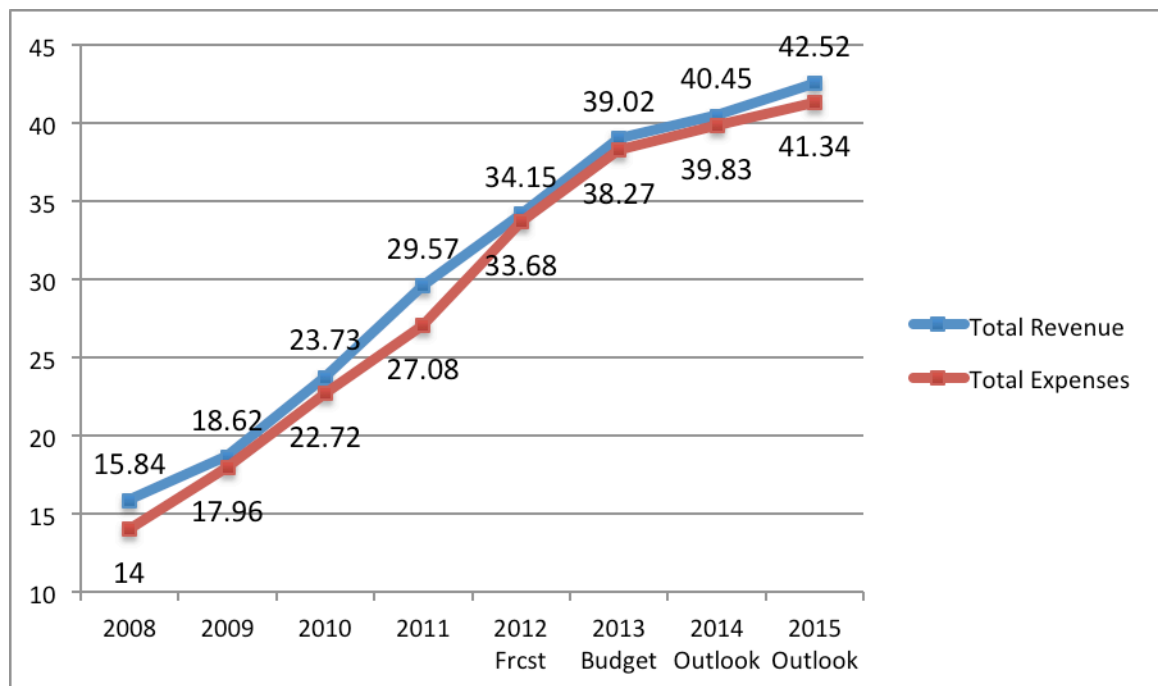
Public Support Test

As a public charity under Internal Revenue Code 501(c)(3), ISOC is measured against a series of tests to ensure broad public support and adherence to a charitable purpose. As anticipated, ISOC fell below the 33.33% test beginning with the filing of ISOC's 2007 tax return. ISOC's 2011 tax return (to be filed by November 15, 2012) will reflect a Public Support factor of 13.75%, precisely as projected. Consequently ISOC has filed with the US IRS under the 10% test with a "facts and circumstances" plan.

Current forecasts, based on this business plan and conservative future year assumptions show that the percentage calculation would ordinarily stabilize at this level, and begin to rise in future years (the test is a 5-year rolling average, dampening the speed of both the downward and upward movements of the test). However, should PIR make an additional non-recurring contribution to ISOC in 2013, the Public Support Test factor would fall to a low point of about 12.4%. Although the additional contribution in 2013 would delay ISOC's turn toward the 33% test, this projected level would still be comfortably above the 10% test.

2013 – 2015 Outlook

The 2013 – 2015 Three Year Outlook provides a strategic view of ISOC's financial prospects over the full three-year time horizon of the Business Plan. The Three Year Outlook is summarized here, with details in Appendix A.

Statement of Activities and Change in Net Assets 2013 - 2015 Three Year Outlook Summary								Internet Society
	2013 Budget	**2014 Outlook**	**'13-14 Change**	**% Chnge**		**2015 Outlook**	**'14-'15 Change**	**% Chnge**
Unrestricted Revenues (including IETF)								
Memberships and Contributors	$ 2,150,000	$ 2,640,000	$ 490,000	19%		$ 3,000,000	$ 360,000	14%
Sponsorships and Grants	4,440,150	5,368,680	928,530	17%		6,121,416	752,736	14%
Registration and Fee Revenue	2,434,250	2,441,000	6,750	0%		2,429,000	(12,000)	0%
PIR Contribution to ISOC	28,000,000	29,500,000	1,500,000	5%		31,000,000	1,500,000	5%
Project 94 from PIR sale of 1-2 character domains	1,000,000	-	(1,000,000)			-	-	
PIR Restricted Funds (2010) Applied for Directed Use	1,000,000	500,000	(500,000)			-	(500,000)	
Total Revenues (UNRESTRICTED)	39,024,400	40,449,680	1,425,280	4%		42,550,416	2,100,736	5%
ISOC Functional and Program Expenses (exl IETF)								
Subtotal Operations Group	17,428,754	18,390,392	961,638.61	5%		19,567,451	1,177,058	6%
Subtotal Strategic Group	14,187,620	14,745,582	557,962.34	4%		15,284,971	539,389	4%
Total Functional Expenses	31,616,374	33,135,975	1,519,600.95	5%		34,852,422	1,716,447	5%
Other Program Expenses								
NDSS Expenses	90,000	90,000	-	0%		90,000	-	0%
Global INET/Hall of Fame Events (formerly Comms)	210,000	800,000	590,000	74%		175,000	(625,000)	-78%
Internet Advertising Award Expenditures	480,000	480,000	-	0%		480,000	-	0%
Strategic Planning and Board Governance/Retreat	600,000	-	(600,000)			-	-	
Total Functional and Program Expenses (excl IETF)	32,996,374	34,505,975	1,509,601	4%		35,597,422	1,091,447	3%
Standards Development Organization Contributions	5,274,858	5,433,000	158,142	3%		5,807,000	374,000	7%
Total Unrestricted Expenses	38,271,232	39,938,975	1,667,743	4%		41,404,422	1,465,447	4%
Net Operating Surplus (Deficit)	753,168	510,705	(242,463)	-47%		1,145,994	635,289	124%
Other Revenue (Expense)	500,000	650,000	150,000	23%		650,000	-	0%
ISOC Unrestricted Surplus (Loss) or Change in Net Assets	$ 1,253,168	$ 1,160,705	$ (92,463)	-8%		$ 1,795,994	$ 635,289	55%

Several assumptions used in creating the 2013 Budget are applied to our financial outlook for 2014 and 2015:

- We expect and plan for PIR contributions to continue to grow, but at a slowing rate (caused by additional investment in .ORG marketing, registry industry changes, and investments over the next two years in .NGO, .ONG and 4 IDN TLDs).

- Some revenue sources in 2013 will not continue beyond 2013 or 2014, including the availability of the 2010 reserved contribution from PIR, and the "Project 94" funding (As discussed further in Section III).

- Some of our existing grants will need to be replaced in 2014 and 2015 as we complete current projects, which will be supported by our growing grant opportunity pipeline.

- ISOC will continue to support the Internet Engineering Task Force (IETF) operational needs at a slightly higher level in 2014-2015 ($2.4-$2.5 million including capital investment). This reflects slight annual increases in IETF costs while registration fees are maintained at the same rate first set in 2011.

- ISOC-Generated Revenues will increase approximately $1 million annually over the remainder of the three-year planning period (2014-2015), including growth in all three revenue lynchpins: membership, sponsorships, and grants. This trend excludes IETF-related revenue, which will remain fairly stable, and year-to-year variance caused by the bi-annual Global INET (2014).

- Staff growth in 2014 and 2015 will be dependent on programme needs and is likely to slow.

- Contributions from PIR are expected to grow modestly ($1.5 million annually) throughout the planning period.

- ISOC plans to hold a Global INET in April or May 2014, as this is critical to ISOC building a strong community and for showing leadership and building greater awareness of our mission and activities. Sponsorships and attendance fees will offset a major portion of this cost.

- We continue to grow our Continuity Reserve funds.

All these factors are reflected in our Three Year Outlook.

ISOC-Generated revenues are key to ISOC's growth. Several factors give us confidence in the pace of growth of our revenue forecasts for 2013 – 2015. In particular, our full revenue team will be in place, we have a heightened focus on marketing and advance event and sponsorship planning, and our successful record of grant funding and the growing pipeline of opportunities and relationships with grant organizations.

Further, as ISOC's reputation has grown as an independent thought leader and influencer, interest in ISOC membership among different industry segments has also gained traction, particularly as we grow our regional presence. Membership retention and engagement is now supported by a robust Membership Services programme, which continues to build recognition and value for current and prospective members, and we begin 2013 with an impressive pipeline of new members. Sponsorships are also a central component to our revenue projections. Increasingly we see local organizations step forward to sponsor local and regional events as well as global sponsorships. Being fully staffed allows us to get an earlier start on planning cycles, and a strong focus on marketing and the proven quality of ISOC events will help us drive strong growth in sponsorships. Events like the Global INET and the Internet Hall of Fame have already generated excitement and interest in financial support from prospective sponsors.

The most important year in this Outlook will be 2014. In that year, the final portion of the 2010 Restricted Funds from PIR will be absorbed, and we expect to hold a bi-annual Global INET. Revenue growth, particularly in important areas such as membership and grants and sponsorships are expected to make significant contributions to our efforts. Progress on these funding sources will be carefully monitored throughout the 2013-2015 planning cycle.

Summary

2013 - 2015 will be important years for the Internet Society. Many of our most important activities leverage and depend on multi-year efforts, for example the Trust and Identity (T&ID) programme (particularly given the rise of "big data"), maturing of Deploy360 (critical deployment of key technologies has never been more important), our Public Policy thrust (particularly in light of growing challenges to the Internet and including key areas such as Digital Content), and expansion of our Internet Leadership programmes (IETF Fellows, the Policy Makers at the IETF programme, IGF Ambassadorships, etc.). All of these programmes require thoughtful evolution as we further expand our global position through our Regional Bureaus and Chapters.

At the same time, we recognise the importance of prudent financial management in the midst of programmatic opportunities. We have taken into account PIR's forecast of slowing growth in contributions and recognize the need to increase ISOC-generated revenues while planning for any concurrent expenses (including costs to deliver on grants, as well as efforts to strengthen our funding channels). And, we continue to critically examine, prioritize, evolve, and where appropriate transition or sunset programmes.

All this is important context for our 2013-2015 Business Plan.

II.   Fulfilling our Mission

The Internet Society takes on many of the most important and challenging issues facing the Internet – and we do so on a global level. With the engagement and involvement of our Chapters, Members, and other community partners, we are able to advance a range of key programmes and impacts at a depth and reach remarkable for an organization of our size.

Given the complexity, cross-disciplinary, and global nature of the issues we address, the Internet Society advances its work on a cross-organizational, geographically broad basis. This allows us to apply a range of knowledge, expertise, and capacities to advance our objectives.

We will continue to advance the impact areas set forth initially in our 2012-2014 Business Plan. The ambitious work the Internet Society will be advancing in 2013, is summarized below at a high-level including where we plan to add additional emphasis. More extensive functional overviews and additional details appear in Appendix B.

Objective A: Foster an open, innovative, and trusted Internet worldwide

■ **Impact 1: Accelerate the deployment of key Internet technologies and IETF standards.**

 The widespread deployment and implementation of new technologies and IETF standards, such as IPv6 and DNSSEC (among others), is key to ensuring the future of the Internet as an open, innovative, and trusted platform. Internet Society efforts such as our Deploy360 Programme, our ION Conference series, and local and regional standards seminars advanced by our Regional Bureaus and Chapters, disseminate current best practices, implementation information, and resources to the global operations community and bring local experts and practitioners together with leading industry experts to advance the implementation of key technologies.

 In 2013, we will continue our work to scale the uptake of critical technologies and IETF standards. Among our continuing global and regional efforts, we will deepen the implementation of the Deploy360 Programme by continuing to expand content offerings (including on IPv6, DNSSEC, and secure routing) with the aim of making the web portal the most complete resource for deployment information available anywhere in the world.

■ **Impact 2: Advance solutions that enhance privacy and identity while safeguarding user choice and global Internet interoperability.**

 The collection and use of identifying data and related online privacy issues are among the top matters of concern to Internet stakeholders globally, including the Internet Society's membership. Our key priorities include advancing technical solutions, tools, and practices that promote trusted data transactions and user-centric privacy management, increasing collaboration and cooperation amongst stakeholders, and championing the adoption of sound privacy principles, approaches, and guidelines in a range of public policy and multistakeholder forms, including at the global and regional levels.

 In 2013, in addition to advancing existing initiatives, we will take a stronger leadership role in educating and empowering users to make informed choices about the use of their identifying data, raising substantive ethical questions in technical and policy forums, and engaging industry and developers on the consequences of implementation choices. This work will be advanced on a cross-organizational basis, combining efforts of our Trust and Identity, Public Policy, Internet Leadership, and Communications teams.

■ **Impact 3: Advance implementation of solutions that enhance Internet infrastructure and data security, while working to preserve the open, global Internet.**

 As the Internet continues to evolve, so do the challenges of maintaining the vibrancy and health of the global network. The Internet Society aims to ensure the continued collaborative support for and sound technical evolution of the open, global Internet, including engaging a range of stakeholders, such as technical engineers, business, operators, researchers and policy makers, among others, to address today's challenges as well as identify and develop solutions to future-looking issues.

 In 2013, we will elevate our work aimed at ensuring a more resilient Internet routing system by raising awareness of issues and promoting collaborative steps to deploy securing technologies, such as industry-

adopted practices for routing resilience measurement and implementation. Growing user demand for high bandwidth has recently fuelled heated debate across the technology and policy spheres as industry grapples with related challenges of bandwidth management and provisioning. As such, we will increase our focus in this area, including working with the network operators, content, and policy communities, among others, to improve the ability of the Internet to support diverse traffic profiles without requiring invasive network management techniques or prescriptive policy measures.

Objective B: Advance policies and strategies that strengthen the Internet's growth and evolution

- **Impact 1: Achieve a ubiquitous, reliable, and sustainable Internet in developing countries that is on a par with the rest of the world.**

    Since our founding, assisting countries to grow and sustain Internet capabilities and expand access has been central to the Internet Society's mission. Driven on a cross-organizational basis by our Regional Bureaus, Strategic Development, and Public Policy departments, and supported though collaborations with our Members, Chapters, and Internet community partners, the Internet Society delivers impact by extending technical knowledge, skills, and best practices in developing regions, working with communities to improve and implement networks and key infrastructures, fostering and supporting communities of practice, and advancing policy and regulatory approaches that support Internet growth.

    In 2013, we will deepen our investment in Internet development, particularly through grant-funded programmes such as the AXIS project award from the African Union, which supports IXP development efforts, launching additional multi-year programmes (such as ccTLD capacity building, including DNSSEC deployment training), increasing our engagement in key development forums (such as ITU-D, among others), and advancing studies, research, and reports on key Internet development topics. Further, we will deepen our policy support through our Regional Bureaus to more effectively address Internet development topics of local and regional concern.

- **Impact 2: Spearhead advocacy for the fundamental principles of the Internet Model and Internet Ecosystem.**

    Our global advocacy on Internet governance and topical issues emerging at the intersection of policy and technology is a cornerstone of the Internet Society's work. In collaboration with experts across a range of disciplines and geographies, including our Chapters and Members, we aim to advance technologically sound and user-centric principles and positions in the outputs of key international and regional governmental and multistakeholder forums, and in national policy decisions and approaches.

    In 2013, this work will continue as a critical focus area as we advance our reach and advocacy on a range of contemporary policy issues. The ITU's World Telecommunication Policy Forum (WTPF) will represent a major engagement for the organization in 2013. We will reach broadly across our Members, Chapters, the Internet Community, and other partners to develop positions and advance advocacy. Furthermore, with our Public Policy team championing efforts, we deepen our cross-organizational approach, including expanding advocacy through our Regional Bureaus and Chapters, and our education and outreach capacity though our Communications Department and our Internet Leadership programmes.

- **Impact 3: Advance the understanding of the value and benefits of open Internet standards to key Internet influencers and increase engagement in open standards processes.**

    Open, non-proprietary standards underpin the ability of devices, services, and applications to work together across the global Internet. Many Internet stakeholders, influencers, and decision-makers, however, are unaware of how open standards and their participatory means of development are critical to the current and future success of the Internet.

    In 2013, we will leverage and deepen our established, robust platform of open standards advocacy and engagement. This includes championing the value and benefits of open Internet standards across the full range of Internet Society work and positions. Among specific activities, we will continue to hold "open standards" meetings and awareness events around the globe, to acquaint policymakers, business, and other audiences with the global Internet standards framework, standards organizations (most importantly the IETF, but others as well), and how standards contribute to global interoperability. We also will work to foster greater participation in the work of the IETF by technologists from emerging and developing economies and increase the exposure of policymakers to the standards-setting process by enhancing programmes that bring government stakeholders to IETF meetings.

- **Impact 4: Foster a digital content environment that respects the Internet's fundamental attributes and empowers user creativity, while providing reasonable mechanisms for managing creative rights.**

    The Internet's open architecture and generative nature have encouraged new forms of content creation by a greatly expanded range of actors. However, the manner in which ongoing tensions are resolved between digital content business models, intellectual property rights, technical solutions, and users' rights will have a fundamental impact on the future of the Internet. Across the business, policy and technical spheres, we are still far from solutions that reconcile the Internet's fundamental character and its empowerment of new forms of user creativity with the desire of content creators to manage rights associated with their works.

    In 2013, we will elevate digital content as a new Impact Area, given its growing and critical importance. Our objectives will be to advance national policy approaches and international regimes that support users' rights and recognize the borderless Internet environment, shifting the debate from enforcing intellectual property rights to promoting innovative business models or approaches adapted to the realities of the Internet. We also seek to spearhead multistakeholder dialogue in the debate on digital content and intellectual property rights. Our Public Policy, Regional Bureaus, and Standards and Technology, and Communications departments will play key roles, including working with our Chapters and Members to harness global perspectives.

Objective C: Enable a vibrant organization and vital global community to advance the Internet's future

- **Impact 1: Build a global cadre of Internet leaders who can skilfully advance complex issues at the intersection of policy, technology, and business.**

    For the Internet to thrive, there must be a strong and talented pool of key leaders and influencers who can effectively navigate complex policy and technology issues. Our Internet leadership and knowledge development programmes focus on reaching across a spectrum of today's current and emerging leaders and influencers, (including in civil society, policy, academic and technical communities) to bolster informed and educated engagement in Internet issues and governance processes.

    In 2013, we will develop a broad portfolio of end-user education materials, including video assets and online curricula, aimed at educating end users about the Internet and key issues at broad global scale, including tools and materials for Chapter use at the local level. We also aim to reach over 600 individuals across policy, technology, and business through targeted leadership development activities, including through our Next Generation Leadership component programmes (ISOC Fellowship to the IETF, IGF Ambassadors Programme, and multilingual eLearning courses). We will also expand programmes to train professionals, educators, and higher education students about Internet Governance and other issues that impact the future Internet, among other leadership engagements.

- **Impact 2: Provide the world a trusted independent source for Internet information and thought leadership.**

    Most of the issues we advocate for – whether in policy, technology, or development – require a diverse set of stakeholders to step up and take action to create positive outcomes for the Internet. Extending our positioning and reach as a global, independent source of Internet thought leadership and trusted information is essential, as it bolsters our ability to influence positions and accelerate action on key issues.

    In 2013, we will deepen engagement with existing and new audiences by further leveraging online tools such as social media, multimedia educational features, and video streaming. This will further sustain the influence of our internationally recognized papers, position statements, events, and conference engagements. Among other objectives, we aim to increase unique visits to our website by 150%, including targeting a 40% increase in non-English traffic, as well as increase visibility in the press by exceeding the number of original media placements by at least 10% over 2012 levels. We will also increase our focus on disseminating credible, objective measures on the state of the Internet and enhancing our positions with greater economic and data-driven analysis to our positions and to draw greater global attention to key issues.

- **Impact 3: Bolster the effectiveness of the Internet Society as an organization.**

    The Internet Society operates in an exceptionally fast-moving environment, taking on some of the most critical and complex issues facing the global Internet as they emerge. Just as the Internet continues to evolve, so does the Internet Society as an organization and community, and we continually work to ensure the effectiveness of our operations, as well as enhance our ability to engage the many Chapters, Members, partners, and other collaborators around the world that propel our work and mission. We also recognise that many stakeholders and communities depend on the continued work of the Internet Society (including our

important responsibilities to the IETF). Guided by the Key Success Factors established by our Board of Trustees, ensuring the financial stability of the organization is a top priority.

In 2013, we continue our strong tradition of fiscal responsibility growing our revenue base, controlling costs well within available resources, while building our Continuity Reserves. We will also focus on building our membership and chapter community, including providing additional tools, informational resources, and engagement opportunities to advance direct engagement in our mission. Growing our global presence through our Regional Bureaus also continues as a key priority, and in 2013 we will make additional investments to build our reach, as well as further developing our programmatic and organizational supporting functions.

Objective D: Empower people through unencumbered Internet use

■ **Impact 1: Advance the right of people across the world to access and use the Internet on an open, non-discriminatory basis, respecting the rule of law.**

The Internet is an important platform for the exercise of fundamental human rights, such as the right to freedom of expression and opinion and the right to peaceful assembly. As global events have thrust surrounding issues and threats into the forefront of international policy and civil society discussions, the Internet Society has taken a more active role in related advocacy. Our objectives include promoting and defending users' rights to "seek, receive, and impart information and ideas" through the Internet, demonstrating the linkages between the underlying architecture of the Internet and human rights, and ensuring governments uphold the duty to protect citizens' right to express themselves through unencumbered Internet use.

In 2013, we will continue our work in this area, including leveraging our ties and visibility with international, regional, and national fora to advocate for the recognition of an open and global Internet as essential for users' ability to exercise their rights online. We will also step up our engagement with Chapters and Members on these issues to understand their perceptions of the challenges and opportunities in the local environment, and how they can be advanced.

■ **Impact 2: Empower individuals and communities to maximize the transformative opportunities the Internet enables.**

The Internet Society engages in its work not just to advance the Internet for its own sake, but because of the benefits it brings to people and society. Our Community Grants Programme aims to ensure that the benefits of the Internet are spread to individuals and communities across the globe. Harnessing the local expertise and creativity of our Chapters and Global Members, the funding and partnership opportunities we provide help bring Internet access to remote villages, expand e-learning capabilities in rural schools, empower citizens around the world with Internet skills, and extend local culture digitally, among many other benefits.

In 2013, we will continue to extend local projects and partnerships opportunities through our Community Grants programme, as well as through collaboration with Internet community partners in regional empowerment projects around the globe.

Enabling Impact

Advancing the Internet Society's mission and building a strong future for the Internet requires the collaboration of people across a broad range of disciplines, interests, cultures, and geographies.

We work inclusively to convene and build understanding among stakeholders including governments, national and international organizations, civil society, the private sector, technical communities, and other parties so that sound, informed decisions and actions are taken that positively influence Internet directions. Our event strategy is built around this principle and the five-year schedule of ISOC events appears in Appendix B.

Our Chapters and Members play an instrumental role in these efforts, reaching out locally and contributing their diverse knowledge and expertise to advance the mission and goals of the Internet Society. Through our collective efforts, we help strengthen the multistakeholder approach that is necessary for the Internet to continue to thrive.

To do so, we build upon the Key Success Factors established by the Board of Trustees in 2011, including maintaining our leadership role and extending our influence as a trusted voice, while adhering to our core principles and values. Our advocacy work and engagement takes many forms: studies and papers, spearheading Internet public policy leadership, local outreach/advocacy through Bureaus, Chapters, forums, round tables, and thought leadership on some of the most difficult, nuanced and ground-breaking areas facing the world. We work to build communities in support of our mission but also to enable them to take full advantage of all that the Internet has to offer.

Resourcing our Work

We strive to put all available resources internally and externally (through partnerships and convening activities) to work in the fullest possible pursuit of our mission. And we do so with careful consideration of future funding streams, strategic, operational and continuity reserve requirements, and this determines the funds available for current operations.

Further, we continually revise our activities and plans to ensure our resources are aimed at the areas that matter most. We transition, scale down, or retire activities that have run their course, or that can be better done elsewhere. For example, in 2013, some of the areas include:

- Evolving our emphasis in Public Policy, including building up our digital content and Internet and human rights work, while more effectively leveraging our Regional Bureau and Chapter presence to extend our reach on regional and local policy issues. Some issues, such as Net Neutrality, have moved to a sustain and watch state,

- Increasing activities in routing and security through our Standards and Technology activities, while transitioning our IPv6 work to deployment activities and regional awareness/capacity building,

- Continuing our critical technical work and community building activities under our Trust and Identity portfolio work while increasing end-user outreach and tool deployment, and

- Retiring the "Laureates" component of our Next Generation Leadership programme, to focus on developing a more flexible and scalable e-learning platform and increase emphasis on policy maker leadership development activities, among other ongoing adjustments to programmes across the organization.

In 2013, we will focus our efforts on building momentum and evolving work in critical areas, while increasing focus in select areas to address emerging issues of concern.
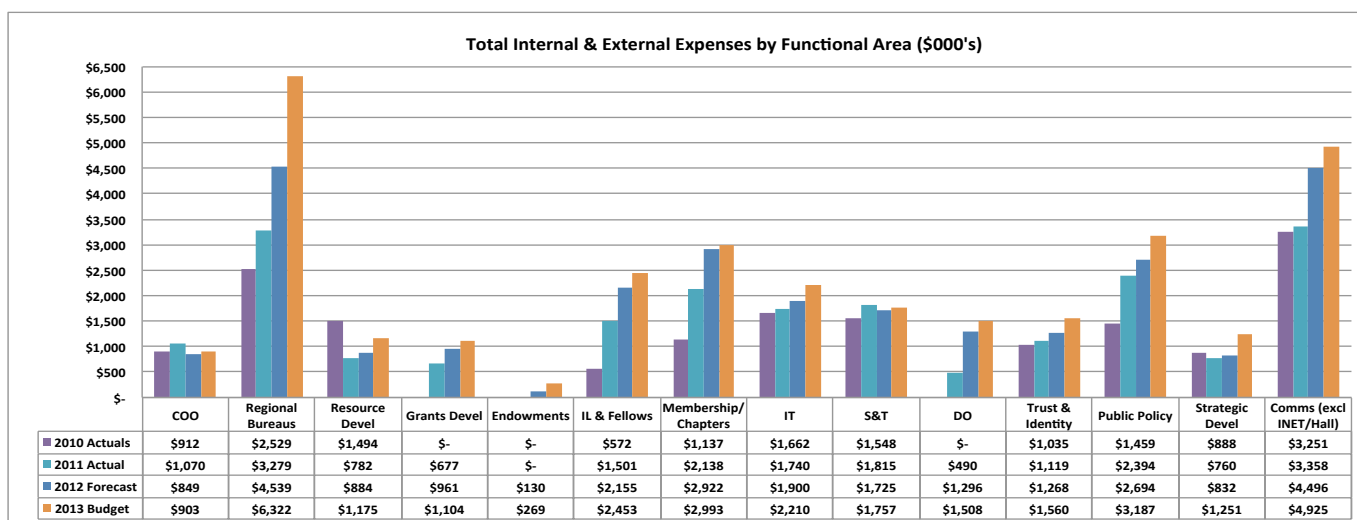
ISOC accomplishes its work largely through its interactions with people – Chapters, Members, policy makers, technologists, and the private sector – among many others. Even our Internet development programmes, such as our work to promote Internet exchange points around the world, require far more focus and attention on fostering

communities of practice and human capacity building than deploying hardware and other physical technology. As such, staff are a critical component of how we accomplish our mission.

In 2013, we propose to add staff more modestly as compared to recent years (9 proposed hires, as compared to 12 in 2012 and 16 in 2011). Some staff additions, however, are needed to leverage momentum and increase our impact in mission critical areas and many will help support and accelerate projects and programmes with current or prospective grant and sponsorship opportunities. Three of these staff additions will add to our Regional Bureau efforts, bringing the total Regional staff level to 16. Three new staff will enhance key programme activities and three staff additions will bolster key support elements to our overall efforts. Furthermore, overall departmental programme expenses will remain largely steady across most areas.

The Internet Society reports its expenses according to functional area, or department. Functional area expenses include both internal expenses (largely personnel costs and travel) and core external programme expenses. Total Functional expenses (excluding contributions to IETF) for 2013 are budgeted to be $31.7 million.

The graph below provides an overview of our resourcing plan by department compared to prior years.

Total Internal & External Expenses by Functional Area ($000's)

	COO	Regional Bureaus	Resource Devel	Grants Devel	Endowments	IL & Fellows	Membership/Chapters	IT	S&T	DO	Trust & Identity	Public Policy	Strategic Devel	Comms (excl INET/Hall)
2010 Actuals	$912	$2,529	$1,494	$-	$-	$572	$1,137	$1,662	$1,548	$-	$1,035	$1,459	$888	$3,251
2011 Actual	$1,070	$3,279	$782	$677	$-	$1,501	$2,138	$1,740	$1,815	$490	$1,119	$2,394	$760	$3,358
2012 Forecast	$849	$4,539	$884	$961	$130	$2,155	$2,922	$1,900	$1,725	$1,296	$1,268	$2,694	$832	$4,496
2013 Budget	$903	$6,322	$1,175	$1,104	$269	$2,453	$2,993	$2,210	$1,757	$1,508	$1,560	$3,187	$1,251	$4,925

The sections below summarize the Internet Society's key additional areas of investment in 2013. Appendix A contains additional detail (including category analysis) and further data and analysis on staff resources.

Areas of Additional Focus and Resource Commitment

While we anticipate only a modest increase in the level of expenditure for existing programmatic areas from 2012 to 2013, as noted, we will be making adjustments to reflect the evolution of issues and the work required to produce impact. There are a number of key areas that require increased focus from ISOC given their implications on the Internet or the opportunities they present for the organization.

Key areas for additional focus and resource commitment in 2013 include:

- Deepening our regionalization strategy;
- Building our membership and chapter community;
- Enhancing key programmatic and organizational capacities;
- Convening global and local communities, and
- Developing supporting functions.

■ **Deepening our Regionalization Strategy**

Our regionalization strategy, spearheaded by our Regional Bureaus and organized under our Global Services Department, extends ISOC's reach, influence, and reputation as a truly global organization by building our local relevance, legitimacy, and credibility, while strengthening our impact at the local level.

Regional Bureaus play a key role in driving a full range of operational activities such as policy, technology, capacity building, membership and business development in a manor tailored to unique local needs. They are also instrumental in building local collaboration and engagement in ISOC mission, including supporting the growth and empowerment of our Chapters.
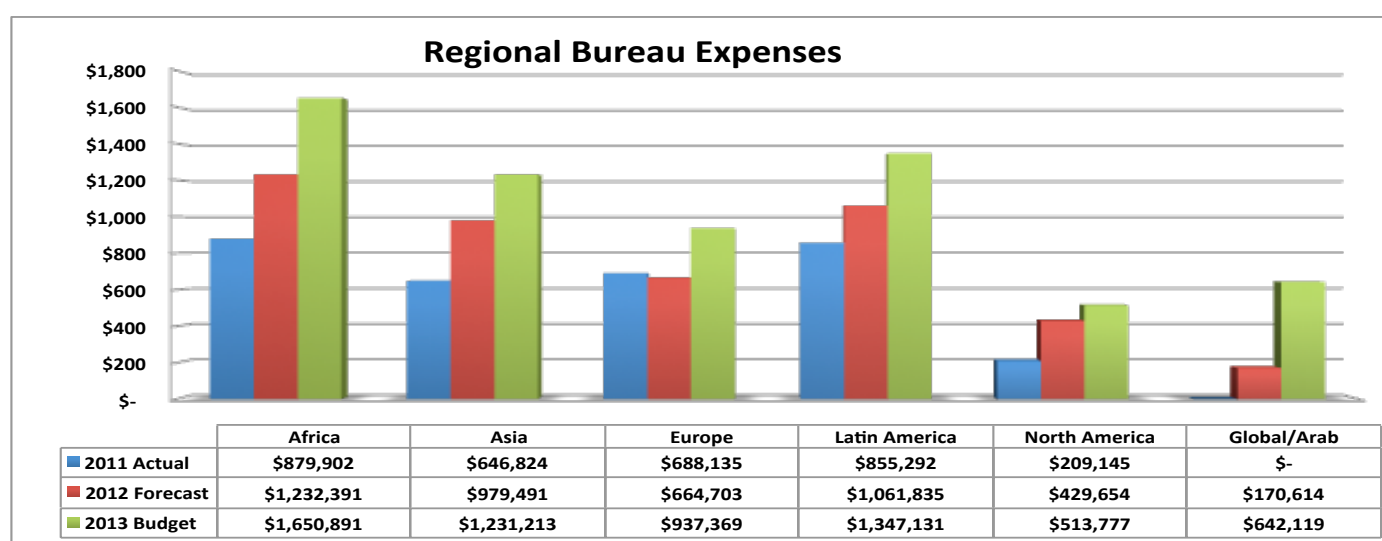
2013 Regional Priority Snapshot

As noted, our Regional Bureaus drive a range of key operational activities across a full spectrum of ISOC functions and programmes. At the same time, each Bureau also seeks to prioritize actions and activities that correspond to regional needs.

The table below provides a high-level snapshot of key issues that will receive heightened attention by our Regional Bureaus in 2013.

Regional Bureau	2013 Regional Priority Snapshot
Africa	Interconnection and traffic exchange (Including IXP promotion), ccTLD capacity building (including DNSSEC deployment), IPv6 deployment, Internet governance, access and infrastructure policy (including mobile)
Asia-Pacific	Internet governance, access policy, infrastructure and technical capacity building, cybersecurity
Europe	Internet governance, intellectual property and digital content, bandwidth/traffic management, privacy and data correlation, Internet and human rights
Latin America/Caribbean	Interconnection and traffic exchange (Including IXP promotion), IPv6 deployment, technical capacity building, Internet governance, network neutrality, Internet and human rights
North America	Internet governance, intellectual property and digital content, privacy and data correlation, Cybersecurity
Arab Region Engagement (Expanded focus for 2013)	Advance engagement in the Arab region through new Arab region Senior Advisor/Bureau Director position
Cross-Regional Functional Priorities	
Chapter empowerment and engagement, Multistakeholder and community relationship building (including technical, policy, and civil society), Membership development, Communications.	

The total budget for all five Regional Bureaus will be $6.3 million in 2013, up from a forecast $4.5 million in 2012. Over $600K of this increase is for programmes funded by external grants in Africa (AXIS grant to support IXP capacity building) and Latin America (Internet leadership and education activities). The chart below shows the annual growth in our Bureau investment over the past 2 years and our resourcing plan for 2013.

Regional Bureau Expenses

	Africa	Asia	Europe	Latin America	North America	Global/Arab
2011 Actual	$879,902	$646,824	$688,135	$855,292	$209,145	$-
2012 Forecast	$1,232,391	$979,491	$664,703	$1,061,835	$429,654	$170,614
2013 Budget	$1,650,891	$1,231,213	$937,369	$1,347,131	$513,777	$642,119

Given the critical nature of our regional presence, our 2013 resource request includes adding three new positions. We plan for a manager-level position to be added to both the Europe and Asia-Pacific Bureaus. Further, one of our key aims in 2013 will be to advance engagement in the Arab region. As such, we plan to

hire a Senior Advisor/Bureau Director for Arab Affairs to work with regional stakeholders to determine how best to engage with them as well as advance ISOC's mission in the region. This position will provide us additional insight to deepen our engagement immediately, while building the relationships and strategy that will allow us to launch a more robust and dedicated effort with the Arab States.

The table below summarizes the 2013 Global Services staff position additions and functions:

Headcount Addition		
Position	**Description**	**Location**
Senior Programme Manager – Europe Bureau	Support and expansion of European programmes, including a greater focus on CEE and CIS.	Europe
Programmes Coordinator – Asia Pacific Bureau	Support and expansion of Asia Pacific programmes	Asia-Pacific
Senior Advisor/Bureau Director – Arab Region Engagement	Advancing engagement in the Arab Region	Arab Region

■ **Building our Membership and Chapter Community**

The Members and Chapters of the Internet Society are highly valued communities that form a special core of support, information, dynamism and commitment for achievement of the Internet Society mission worldwide, advancing the Internet Model, and strengthening our ability to achieve our objectives. The role of the Membership and Services Department is to advance and support these important ISOC communities. The department will continue to work in 2013 to strengthen mutual engagement with Chapters, Organizational Members and Individual Members focusing on two high level goals:

• Further defining and delivering support to chapters, continuing to build Chapter Support services and fostering mutual engagement between ISOC and these key communities, and

• Proactively engaging, recruiting, and supporting Individual and Organizational Members.

The following tables provide a summary view of 2013 programmatic direction for our Membership and Services work:

Interdepartmental Initiatives	**Purpose**	**Departments**
Database and tools updating -	Bring ISOC database management, tools develop and use to 'best-practices' standards	IT, Resource Dev, Communications
Membership Campaign	Develop 12 – 18 month outreach and awareness campaign to draw new members and engagement	All departments including Senior Management

Organizational Membership	**Purpose**
Retain 92% or better of our organization members as of 31 December 2012	Develop on-going value and engagement between ISOC and our members organizations
Update Organization Membership Tiers	Provide additional value for financial support and underpinning for engagement in our mission
Provide resources and support for the Advisory Council	Strengthen mutual benefit and alignment with members

Individual Membership	**Purpose**
Redefine membership tiers and business rules	Renewing and new members will have opportunities to participate in a variety of ISOC events and programs, encouraging engagement and financial participation
Membership agreements with like-minded organizations	Develop relationships with Campus Party, Girl Geeks and other global organizations focusing on ICT to draw members and supporters

Chapter Support	Purpose
Chapter Event funding	Chapters to host events, engage local Internet eco system participants and build awareness of key Internet issues and ISOC positions
Chapter Travel Fellowships	Funding for Chapters to attend and participate in key ISOC events
Chapter Tool Kits Development	Chapters tools to train on and promote key ISOC issues/programmes
Chapter Administrative Support	Selected Chapters will receive support to administer members and projects
Chapter Agreements	All Chapters will have a written relationship document with the Internet Society defining reciprocal roles and responsibilities
Engagement Platform	Members and Chapters will have a simple, comprehensive platform for communication, program development and idea sharing

Overall direct Membership and Services department expenses will increase modestly as we leverage the staffing additions made in 2012 and extend programmes. The efforts of the Regional Bureaus will also be key to membership growth and Chapter outreach and support. Building on the success of the Global Chapter Workshop that took place concurrently with the Global INET in 2012, we will organize a series of Regional Chapter Workshops in each region around Regional INETs, as well as Business Roundtables, a program requested by the Advisory Council following the successful Global Business Roundtable at the Global INET.

- **Convening Global and Local Communities**

As discussed above, building a strong future for the Internet requires the collaboration of people across a broad range of disciplines, interests, cultures, and geographies. Convening to build understanding among stakeholders and communities is key to all our efforts and is a critical element of how the Internet Society creates positive change.

Guided by our integrated approach to global, regional, and local events, we foster engagement, leadership and discussions to advance Internet principles and values, in line with the Key Success Factors established by the Board of Trustees. It is imperative that we leverage our trusted voice in the Internet Ecosystem, which enables many communities to discuss, engage and execute the solutions that align with our mission and programmatic positions. Further Internet Society events continue to provide an excellent platform on how we communicate our principles and messages and to garner support and participation.

The Event Strategy Overview section in Appendix B expands upon this convening function and outlines our plans for key global, regional, and field events driven by ISOC in 2013 - 2015, including financial and revenue plans.

In 2013, our premiere global event will be the Internet Hall of Fame, which will be further leveraged by developing an online "virtual" Internet Hall of Fame to extend public understanding of the key principles and efforts that built the global Internet we enjoy today.

- Internet Hall of Fame Event and Programme Overview

The Internet Hall of Fame was established in 2012 by the Internet Society to recognize a distinguished group of visionaries, leaders, and innovators for their contributions to the development and advancement of the global Internet, and to inform and inspire the next generations to preserve and advance the Internet and its underlying models and principles. Far more than an annual recognition program, we envision transforming the Internet Hall of Fame into the premiere platform for preserving the history of the Internet and connecting people and communities around the world for generations to come.

The launch of the Internet Hall of Fame and the induction of its first 33 members was held in conjunction with the Internet Society's 20th anniversary celebration and Global INET in April 2012. It generated tremendous excitement worldwide, drawing much deserved recognition to the honourees and reminding all of us that the Internet has been, and continues to be, developed by people with vision, creativity, talent, and purpose, and that its continued growth and global nature, as well as its availability to all people, cannot be taken for granted. ISOC is the ideal organization to drive this on behalf of the global community.

The Internet Hall of Fame is also designed to serve as a virtual museum, accessible – appropriately – through the Internet. The website, www.internethalloffame.org, is the door to a personal encounter with the founders and developers of the Internet. Today it highlights the inductees and their accomplishments, and provides historical information along with relevant news articles and blogs. We plan to extend the "museum"

with additions such as permanent and rotating exhibits – featuring organizations, groups of individuals, and inspiring development stories, all of which will enable visitors to experience the rich history of the Internet, meet the inductees and hear their personal stories, and celebrate the global, open Internet in a very human personal way.

Our plans are based on several years of discussion and presentation including with past Boards, various Computer Museums, and other community inputs. They will be further developed over the coming years as we work in parallel to establish the Internet Hall of Fame and build it as a global resource with the necessary funding support. Our plans will leverage the tremendous momentum already created, and during the first several years, we will continue to focus on highlighting the work of well-known Internet contributors, as well as the "unsung heroes," many of whom faced great adversity and risk in pursuit of a global Internet.

The opportunities are numerous – from relationships with museums and other venues where people can see Internet artefacts and learn the history of the Internet and the people behind it, to potentially developing mentoring programs to facilitate connections between next generation innovators and the early Internet pioneers and thought leaders. The Internet Hall of Fame can stand as an epicentre for Internet history. We are seeking partners to join with us to preserve the past, celebrate the people who continue to form it, and advance the ideals of a free and open Internet for everyone. Further, we expect significant contributions of support to Internet Hall of Fame activities and have already received expressions of interest.

In 2013, we will advance the Internet Hall of Fame effort through the following actions:

- *2013 Internet Hall of Fame Event*: In 2013, we plan to open the nomination processes to the public to ensure diversity and global exposure. Following extensive research into the nominees, our Internet Hall of Fame Advisory Board will be instrumental in the selection of the inductees. In 2013, we anticipate 20-25 new inductees in our three established categories: Pioneers, Global Connectors, and Innovators. The celebration for the inductees will include public recognition (enhanced by the Virtual Hall of Fame activities), individual awards, and a reception/dinner for the honourees and key invited guests. We have included $160,000 in the 2013 budget for all Internet Hall of Fame event costs.

- *"Virtual" Internet Hall of Fame: Education and Online Development*: In 2013, we plan to extend the reach and educational potential of Internet Hall of Fame programme by expanding our portal at www.internethalloffame.org. In 2013, we will increase the content offerings to include educational sections, exhibits, articles and features that underscore key aspects of Internet history and development. These features will complement the profiles of each inductee that highlights individual accomplishments and serves as our current showcase. The website is a vital component in our sponsorship offerings, serving as a primary channel for sponsor recognition. Direct expenses budgeted for 2013 are $206,000 and cover expenses for administration and management of the programme, Internet Hall of Fame selection and induction research, PR and social media, and website enhancement.

Due to the cyclical nature of these costs associated with the Internet Hall of Fame and Global INET, we have broken out associated costs as a separate line item in our Statement of Operations. The complete Hall of Fame proposal can be found in Appendix B with details on the event rotation and budgets for the next five years.

- **Enhancing Key Programmatic and Organizational Capacities**

As indicated at the opening of Section II, we plan to enhance our scope and impact across key programmatic areas, including deepening our Trust and Identity portfolio of activities (including core projects and end-user awareness campaigns), expanding Internet Leadership and education activities, and increasing our leadership role in digital content issues, among other programmatic enhancements.

To do so, we will take advantage of full-year staffing from hires made in 2012, while making strategic, yet modest, additional investments to bolster our ambitious objectives. Key highlights include:

- Trust & Identity Project Manager: Given the critical nature and our growing emphasis regarding online identity issues, we will add a project manager to accelerate such efforts as identity plug-in tools, technical development activities, and partnership participation, as well as to help monitor contracted activities. This position will largely replace work done by contractors in 2012, allowing us to achieve more while maintaining largely stable funding levels in our Trust and Identity department.

- Strategic Product Manager (Cross-Organizational): Advancing ISOC's outreach, driving awareness campaigns focused on end-users for key issues, and developing informational tools and materials for our Chapters and Members will be a key priority across programme areas in 2013. This resource will be located in the COO area and serve on a cross-organizational basis.

- Senior Economist (Cross-Organizational): Nearly all of the issues that ISOC deals with across technology, policy, and development have an economic component. The impact of our recent African IXP study demonstrated the value in adding economic analysis to advance our thought-leadership on critical issues. We will leverage this position as a cross-organizational resource for economic analysis and position development. We are forecasting $300k in grants/sponsorships for studies and publications driven by this position, in addition to reducing consulting costs.

- Internet Leadership Programmes: Programmes in our Internet Leadership efforts will continue to expand, including deepening programmes that expose policymakers to the IETF standards-setting process, expanding regional and online Internet learning programmes. Notably, over $256K of project costs will be covered by grants in 2013.

- Public Policy: Public policy activities continue to be a mainstay of our work. In 2012, we added staff resources to our Public Policy department in the latter half of the year, which will be leveraged to extend our portfolio of public policy work, including expanding our coverage of digital content and Internet and human rights issues.

Further functional and programmatic detail appears in Appendix B.

The table below summarizes the 2013 positions we will add to leverage and support our programmatic activities:

Position	Description	Department
Trust and Identity Project Mgr.	Advancing current and increased 2013 focus on trust / digital identity work (replacing current contractors)	Trust & Identity
Strategic Product Manager	Advancing ISOC's outreach and driving campaigns focused on end-users for key issues, particularly increased emphasis on trust and identity, privacy and digital content, and other priority issues.	COO (Cross-organizational resource)
Senior Economist	Advancing economic analysis and support for issues across the organization (including policy, development, and technology), strengthening ISOC's ability to produce influential reports and quantitative analysis to advance key topics, including a prospective annual report on Internet health report.	Strategic Development (Cross-organizational resource)

- ■ **Developing Supporting Functions**

    Our supporting functions must be further developed to assist in ISOC's programmatic efforts. This includes efforts in IT, Communications Support, Resource Development, and Membership & Services.

    As such, our 2013 plan includes the following investments to bolster our effectiveness in select areas that support ISOC's overall activities.

- Donor Development Specialist: Funding from grants continues to grow as a key portion of our overall revenue base. We require additional resources to support grant application development, grant management and reporting, and to administer and support fundraising for the Open Internet Endowment campaign.

- Marketing Manager: Growing ISOC-Generated revenue continues to be a high priority for the organization. In order to achieve our ambitious revenue goals, we will bolster our marketing capacity to reach key audiences and potential mission sponsors. Located in the Communications department, a primary focus of this position will be to advance our brand awareness and support our revenue development activities globally. Importantly, this will include supporting our Regional Bureaus with timely materials and leveraging local media and PR support to help increase brand awareness and positioning.

- Systems Developer: As ISOC expands as an organization, so to do our information technology demands. Additional support is needed to develop our collaborative tools, chapter/member communications, and staff support.

The table below summarizes the 2013 positions we propose to support our functional activities:

Position	Description	Department
Donor Development Specialist	Supporting and advancing our grant efforts, donor programmes and the Open Internet Endowment	Resource Development/ Endowments
Marketing Manager	Build additional marketing support programmes to meet revenue targets, membership goals, messaging and Regional outreach programmes.	Communications
Systems Developer	Supporting IT services, database management, and related systems	Information Technology

Open Standards and IETF Support

Open standards are fundamental to the development of the Internet. ISOC advocates for open standards through various programmatic efforts and also supports open standard organizations. Chief among these is supporting the IETF, a fundamental component of our mission and organizational purpose.

ISOC's support of the work of the IETF has been requested at approximately the same level as the 2012 plan (including capital expenditures) of $2.2 million. The IETF Administrative Oversight Committee (IAOC) has submitted this budget for 2013 for approval by the ISOC Board of Trustees, as part of our overall 2013 budget.

Internet Society Statement of Activities and Change in Net Assets 2013 Budget						
	2013 Budget	2012 Budget	'13 vs.'12 Budg	2012 Forecast	'13 vs. '12 Frcst	2011 Actual
Meeting Registration Fees and Other	$ 2,304,500	$ 2,297,000	7,500	$ 2,431,730	(127,230)	$ 2,278,147
ISOC/IETF Sponsorships	1,041,250	966,000	75,250	1,123,793	(82,543)	1,052,695
Expenses (Excluding Capitalized Expenditures)	(5,274,858)	(5,408,000)	133,142	(5,247,000)	(27,858)	(4,874,452)
Contribution to Ongoing Activities	(1,929,108)	(2,145,000)	215,892	(1,691,477)	(237,631)	(1,543,610)
Capital Expenditures	(300,000)	(215,000)	(85,000)	(215,000)	(85,000)	(367,921)
ISOC's Contribution to IETF (incl Capital Exp)	(2,229,108)	(2,360,000)	130,892	(1,906,477)	(322,631)	(1,911,531)

Preparing for Our Future: Board Governance and Organizational Planning

Approximately every three years, ISOC engages in a more extensive Strategic Planning process that takes a longer-term look at the issues, opportunities, and strategic alternatives the organization needs to consider to advance our mission into the future. Importantly, broad stakeholder and community consultation is a critical part of this process, including with the Board, Staff, Chapters, Individual Members, Organizational Members, and of course our partners.

In July/August 2012, staff conducted a pre-planning exercise to refine the scope of work and hone in on the areas of focus for organization wide strategic planning efforts. This work, conducted with the support of the Bridgespan Group, included interviews with all members of the Board of Trustees and ISOC management staff. At the same time, the Board of Trustees also signalled its desire to undertake a series of Board governance activities, including strategic retreats in 2012 and likely 2013 as well.

While specific plans for both activities are being finalized, we have budgeted $250,000 to support the Board's governance and $50,000 for a Board strategic retreat in 2013.

Further, we have included $300,000 to advance the organization's strategic planning. As a result of the pre-planning work, Bridgespan found there was a high degree of alignment across the Board and ISOC management staff in three key areas including our mission, key sources of strength, and external drivers of change. As such, we are able to eliminate several resource intensive phases and therefore reduce costs quite significantly.

Among other areas, the organization's strategic planning work will provide a 2020 vision for our future, taking a critical look at where and how ISOC can have the most impact on its mission. At the end of the process, which will be conducted with the support of the Board of Trustees, we aim to have a refreshed and agreed high-level strategic plan that includes future-looking operational and organizational considerations. A broad-based community consultation will be critical to helping the organization develop a 5 – 10 year vision and plan for our future, and the work will include garnering input from Chapters, Members and others in our community as part of the process.

III.   Funding our Mission

Summary Overview - Revenues

We organize the revenues that fund our mission into two main categories: "ISOC-Generated Revenue" which derive from membership receipts, sponsorships and grants, and registration fees for ISOC and IETF activities; and "Contributions from PIR" which are received through our relationship with Public Internet Registry.

In 2013, we project that total revenues will be $39 million. ISOC-Generated revenue will increase from a forecast of $7.1 million in 2012 to a plan of $9.0 million in 2013. PIR contributions for 2013 will included $28.0 million from normal PIR contributions, $1 million from previously restricted funds from PIR (2010), and $1 million in sponsorship revenues from PIR's "Project 94".

Internet Society 2013 Budget - Revenue Details	2013 Budget	2012 Budget	'13 vs.'12 Budg	% Chnge	2012 Forecast	'13 vs. '12 Frcst	% Chnge	2011 Actual
Unrestricted Revenues (including IETF)								
Memberships and Contributors								
Organization Membership/Platinum Contributors	$ 2,050,000	$ 1,700,000	$ 350,000	21%	$ 1,553,000	$ 497,000	32%	$ 1,311,185
Individual Member Dues & Donations	100,000	90,000	10,000	11%	70,000	30,000	43%	10,740
Memberships and Contributors	2,150,000	1,790,000	360,000	20%	1,623,000	527,000	32%	1,321,925
Sponsorships and Grants								
Major Grants								
ITE Programmes (including AU AXIS)	561,000	370,000	191,000	52%	353,000	208,000	59%	196,380
Latin America Program	502,900	168,000	334,900	199%	174,910	327,990	188%	
Marketing Grants and Awards	480,000	-	480,000		230,000	250,000	109%	-
Other Grants & Awards	370,000	132,000	238,000	180%	313,000	57,000	18%	-
Total Major Grants	1,913,900	670,000	1,243,900	186%	1,070,910	842,990	79%	196,380
Sponsorships								
Regional INET & Business Roundtable Sponsorships	240,000	100,000	140,000	140%	52,500	187,500	357%	112,870
AFPIF	100,000	80,000	20,000	25%	90,250	9,750	11%	
ION Sponsorships	40,000	20,000	20,000	100%	40,000	-		-
NDSS Sponsorships	40,000	40,000	-	0%	31,000	9,000	29%	40,000
Global INET and Hall of Fame	200,000	500,000	(300,000)	-60%	411,023	(211,023)	-51%	
Other Sponsorable Programs	865,000	600,000	265,000	44%	130,000	735,000	565%	222,864
Total Sponsorships	1,485,000	1,340,000	145,000	11%	754,773	730,227	97%	375,734
IETF Sponsorships (incl new sponsorship opportunities)	1,041,250	966,000	75,250	8%	1,123,793	(82,543)	-7%	1,052,695
Sponsorships and Grants	4,440,150	2,976,000	1,464,150	49%	2,949,476	1,490,674	51%	1,624,809
Registration and Fee Revenue								
Other Registrations	10,000	-	10,000		-	10,000		-
Global INET Registrations/Hall of Fame	24,750	310,000	(285,250)	-92%	23,325	1,425	6%	15,701
NDSS Registrations	95,000	80,000	15,000	19%	122,421	(27,421)	-22%	80,718
IETF Meeting Registration & Other Revenues	2,304,500	2,297,000	7,500	0%	2,431,730	(127,230)	-5%	2,278,147
Registration and Fee Revenue	2,434,250	2,687,000	(252,750)	-9%	2,577,476	(143,226)	-6%	2,374,566
PIR Contribution to ISOC	28,000,000	26,500,000	1,500,000	6%	26,500,000	1,500,000	6%	24,250,000
Project 94 from PIR sale of 1-2 character domains	1,000,000	-	1,000,000		-	1,000,000		-
PIR Restricted Funds Applied for Directed Use (2010)	1,000,000	1,000,000	-		500,000	500,000	100%	
Total Revenues (UNRESTRICTED)	39,024,400	34,953,000	4,071,400	12%	34,149,952	4,874,448	14%	29,571,300
ISOC-Generated Revenue	9,024,400	7,453,000	1,571,400	21%	7,149,952	1,874,448		5,321,300

While a substantial portion of ISOC revenue continues to come from PIR, efforts over the past several years to expand and broaden our funding base are paying off. As indicated in the chart below, the proportion of revenues from ISOC-Generated Revenue is growing from 18% in 2011, to 21% in 2012 to a planned 23% in 2013, and this remains a top priority.

Growth in ISOC Revenues 2008 – 2013 Budget
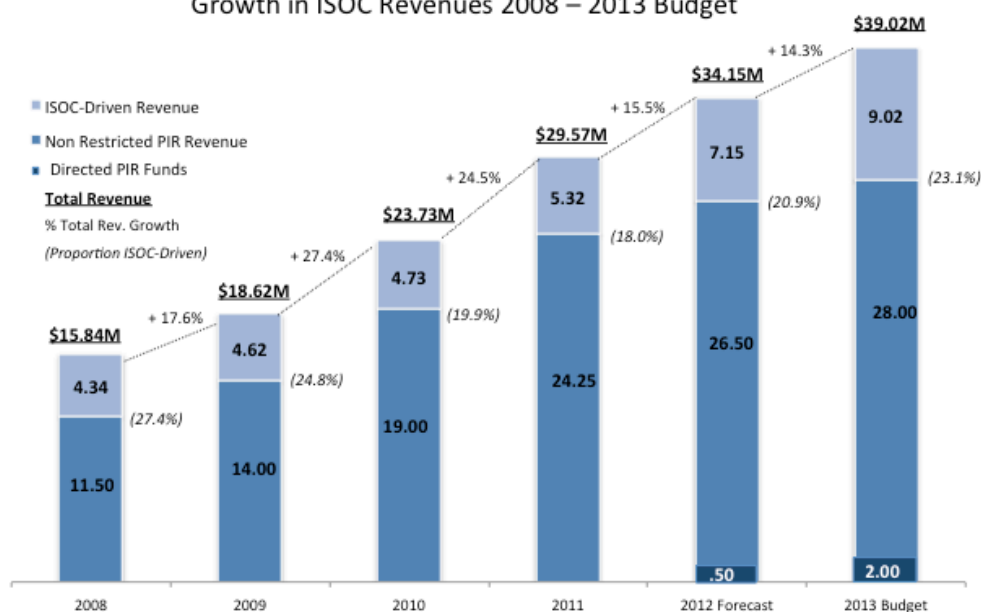
Below we provide further detail on each of our major revenue categories.

- **ISOC-Generated Revenue**

    Expanding ISOC-generated revenue will be a strategic objective for the organization. As shown in the graph below, ISOC expects to continue to make significant strides in the areas of Memberships and Sponsorships. We separate IETF revenue from these charts; however, ISOC is still responsible for generating IETF sponsorships and meeting host contributions.

Revenue Growth 2011 - 2013
(Excluding PIR Sourced Revenue)

	Membership & Platinum Sponsorships	Sponsorships & Grants - Non IETF	Sponsorships & Grants - IETF	Registration & Fee Revenue - non IETF	Registration & Fee Revenue - IETF
2011 Actual	$1,321,925	$1,052,695	$572,114	$96,419	$2,278,147
2012 Forecast	$1,623,000	$1,825,683	$1,123,793	$145,746	$2,431,730
2013 Budget	$2,150,000	$3,398,900	$1,041,250	$129,750	$2,304,500
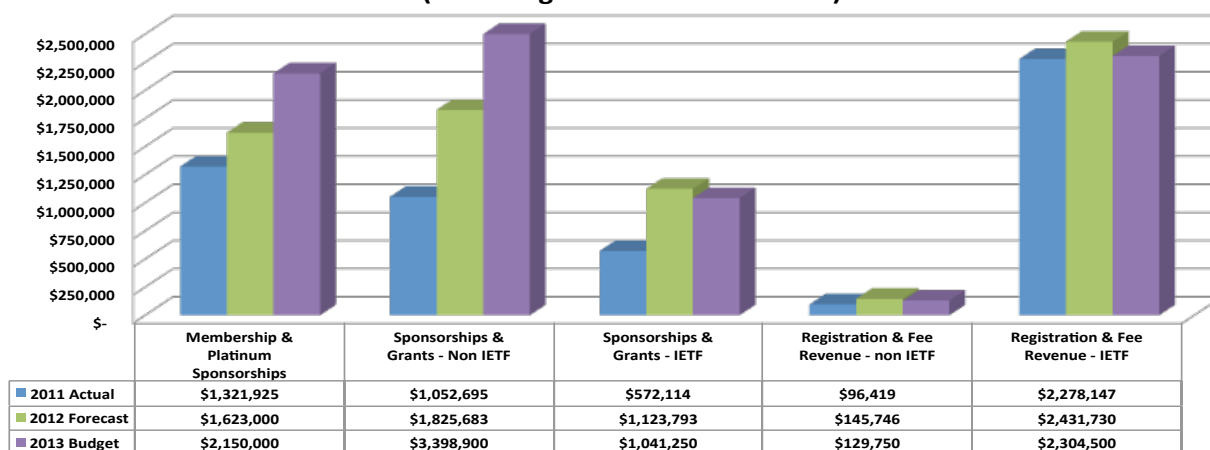
Our strategy for meeting our ambitious $9 million ISOC-generated revenue target in 2013 includes to:

- Target new industry sectors for membership and sponsorships to broaden ISOC's base of engagement and revenue opportunities, particularly the satellite, security, content, international operator, finance and gaming sectors.

- Deepen our membership base and partnerships in the non-commercial space by increasing membership, sponsorship, and grant opportunities in the non-profit and education sectors. We see great synergies, for example, between ISOC's programmes and objectives and opportunities for partnerships and grants with other non-profits and educational and training institutions. Building some of these relationships and attracting non-profit members began as an important focus in 2012 and will continue to build in 2013.

- Leverage and extend financial support and engagement for ISOC programmes (such as Deploy360, Internet Leadership, and development and capacity building activities, among others) to increase membership value and derived benefit.

- Strengthen sponsorship opportunities for flagship programmes and key events, including IETF meetings, the Internet Hall of Fame programme, and Global INET 2014, among others.

- Maintain and deepen a robust pipeline of grants to support ISOC programmes and ensure grant-funded activities comply with donor requirements.

- Engage foundation and high value donors to financially support for our activities, particularly the Open Internet Endowment.

We have also moved in 2013 to a more streamlined approach to how we report and track revenue, organizing it according to revenue recognition category (membership, sponsorship, grants and registrations). We continue to track grant and most sponsorship revenue by programme. We no longer attribute membership revenue to particular programmes, however, as members are generally motivated to join ISOC to support the broad range of our work. Our 2013 streamlined approach to revenue reporting is built upon our resource development philosophy that we generate interest and support in ISOC by focusing first on ISOC's full mission and principles.

Organizational Membership/Platinum Contributions: **$2,050,000**
Our 2013 plan focus on thoughtful, aggressive development of value to Members around the globe with commensurate return of value to ISOC. More attention will be given to scaling up support of current Members and assuring there is realized value to them through various ISOC activities and initiatives such as WCIT engagement, Deploy360, and the Internet Hall of Fame. These and other programmes represent significant value for ISOC membership. To assure this value proposition reaches both current and potential members we will extend our marketing and outreach efforts, and the proposed Marketing Manager addition to the Communications department will be important to this effort. Creating multi-year partnerships with our larger organization members and drawing public attention to our programmes and successes will be critical to attract and grow membership, particularly those who have strong interests in Internet policy and technology and to organisational stakeholders that are underrepresented in our memberships in such areas as e-commerce, banking, and universities.

While this constitutes a 32% increase in planned Organizational Membership revenue, fully staffed Resource Development and Membership departments, plus a strong pipeline entering 2013, make this an achievable objective.

Individual Memberships and Donors: **$100,000**
ISOC expects to focus on our relationship with the Campus Party and similar technology-based organizations for our efforts to attract Individual Members and donors. Beginning in Q4, 2012, we plan to develop membership enlistment and donor campaigns around such collaborative efforts to meet 2013 individual membership and donor goals.

Sponsorships and Grants: **$4,440,000**
The $4.4 million target for this revenue category compares to about $2.9 million forecast for 2012, and $1.6 million in 2011. While this is a significant increase in one year, several factors are involved. Nearly $1 million of this funding is already committed (e.g., Internet Leadership sponsors, the AXIS grant, the second year of the Latin American grant – and results in related increases in our expense budgets) or strong grant applications have been made. In addition, $1 million is estimated from PIR's sale of one and two character domain names (explained below); $200,000 for the Internet Hall of Fame is included in the Sponsorship target for 2013; and $480,000 Internet advertising grant recently secured is included in the Grants target.

Our grant pipeline is quickly expanding and represents a significant focus for our revenue growth plans. However, we note that there is often a lengthy period between award of a grant and the activities that allow us to recognize the grant revenues. In 2011, we received a grant for work in Latin America, from which we expect to recognize about $135,000 in 2013 funds from this $470,000 3-year grant. In 2012, we received a grant from the African Union (AXIS grant) for $677,000. We expect to recognize $264,000 of those funds in 2013. We have recently applied for another grant that would total $1.4 million over three years. If successful, we would expect to recognize $387,000 in 2013, with the remainder in 2014 and 2015.

Registration and Fee Revenues: **$2,430,000** (dominated by $2.3M in IETF Registrations)
IETF registration fees will continue to make up the majority of revenue in this category. ISOC will continue to seek to provide value-based opportunities in other areas, while continuing to place value on the advancement of our core mission values to members and non-members alike. Consequently, registration and fee revenue (other than IETF registrations) will continue to make up only a small portion of ISOC's revenues.

Although still overshadowed by PIR sources of funding, the following graphic shows growth in both Membership and Sponsorship/Grant Revenues beginning in 2011, even as PIR contributions began to slow.

Internet Society Generated Revenue 2008-2013 (in thousands)

	2008	2009	2010	2011	2012 Forecast	2013 Budget
Non-IETF Registration	$57,915	$43,552	$79,328	$96,419	$145,746	$129,750
Non-IETF Sponsors/Grants (Adjusted)	$153,688	$201,266	$551,082	$572,114	$1,825,683	$3,398,900
Membership	$1,193,967	$1,187,820	$1,066,684	$1,321,925	$1,623,000	$2,150,000
IETF Mtg Reg & Sponsors	$2,933,882	$3,189,072	$3,033,123	$3,330,842	$3,555,523	$3,345,750

■ **Contributions from PIR**

Contributions from PIR will continue to be the bulk of ISOC's source of funding. However, as noted above, that percentage continues to fall as we diversify our revenue from other sources.

PIR's 2013 Contribution: **$28,000,000**
PIR's Board has indicated that their contribution target for 2013 is forecast to grow from $26.5 million to $28 million, a 6% increase over 2012.

Restricted Funds Applied for Directed Use: **$1,000,000**
In 2010, PIR made a $2 million "directed" contribution to ISOC, for use in support of IETF activities. We budgeted to use half of these funds in 2012 ($1 million), and planned to use the second half of these funds in 2013. This $1 million drawdown is reflected separately in the Revenue Plan as "Restricted Funds Applied" and is dedicated to a wide variety of IETF outreach events (particularly in developing regions) and other ISOC activities in support of the IETF in the areas of Open Internet Standards, WCIT/WTSA policy work, and through our S&T activities. At this time, we forecast that some of the funds allocated for use in 2012 may not be used, and will remain available to maintain these efforts through 2014 (see the three-year outlook in the Appendix).

Project 94 Sponsorship Funds (Contribution from Sale of One-Two Character Domain Names): **$1,000,000**
PIR's management estimates that the auction of one and two character .ORG domain names (now called "Project9 4") will generate gross receipts beginning in 2012, but will be even more significant in 2013. Under the 1-2 Character Programme reviewed and approved by both PIR and ISOC boards in July, 2012, it was determined that the proceeds would be used as follows:

1. Development of a program to promote broad adoption of DNSSEC across all participants in the "chain of trust" as well as specific programs to promote adoption among .ORG registrars and registrants.

2. Support for the IETF through contributions to the Open Internet Endowment Fund as well as sponsorships and support of the Fellowship Program, a mentoring program focused on development of future Internet leaders in emerging markets and technologically underserved areas of the world.

3. Empower organizations and communities in developing regions and technologically underserved markets to develop a sustainable online presence.

We are conservatively estimating $1 million in 2013 sponsorship revenue from Project 94. These sponsorship funds will be directed to supporting activities in line with the three areas above. ISOC will work with PIR and Afilias to determine the precise programmes that will be sponsored. However, we have assumed for this budget that the $1million is allocated across the three objectives above in approximately a 30/40/30 ratio (covering such programmes as ccTLD capacity building and DNSSEC deployment in developing countries, DNSSEC deployment activities through Deploy360, and the IETF Fellowship Programmes, among others supporting the IETF). We will work with PIR and Afilias on appropriate sponsorship recognition, as this is a critical means to increased visibility for .ORG at a time when the market is struggling to understand the impact of over 1,000 new gTLD's.

Non-Recurring Funds From PIR (None Assumed in 2013 Operational Budget)
PIR's Board has studied making a non-recurring contribution to ISOC, drawing on their built up funds over the past several years. This contribution is expected to be up to $10 million and available in 2013. ISOC Management has taken the position that such non-recurring funds should not be used to fund normal operational needs of the Internet Society. Proposals for the use of these non-recurring funds will be developed separately with the Board of Trustees and are expected to be used for strategic purposes.

IV.   2013-2015 Business Plan Summary

Our 2013 Business Plan is grounded in the Key Success Factors established by the Board of Trustees in 2011:

- Maintain our leadership role,
- Extend our influence as a trusted voice,
- Adhere to our core principles and values,
- Financial sustainability, and
- Well-functioning organization

We have worked to balance operational and strategic priorities while continuously striving to be as leading edge and topical as possible. We continue to "localize" our efforts through work with Regional Bureaus, Chapters, Members and partners across the Internet, policy, and technical communities.

The proposed Budget for 2013 reflects overall Revenues of $39 million (14% annual growth from the 2012 forecast) and Expenses of approx. $38 million. While the majority of our funding continues to come from PIR, the percentage of ISOC-generated funding is budgeted to increase significantly from 18% in 2011, to 21% in 2012 and to 23% in 2013. Increasing revenue diversity remains one of our top priorities, and we have a stretch goal, above the budget of 25% in ISOC-generated revenues in 2013.

This Business Plan and Budget also takes into careful consideration the recent Board Resolution to double the level of our Continuity Fund Reserves. While approaches to doubling our reserve level will be discussed separately by the Board, the current plan takes into account the Board Resolution while working to ensure a timeline that balances the impact of current operational needs with the reserve requirements. Finally, future strategic needs are addressed through the non-recurring contribution in 2013 of up to $10M from PIR, and the use of these funds will be determined through a separate process; as such none of these funds are assumed in the 2013 operating budget.

The result is a 2013 budgeted Net Operating Surplus of just over $753,000 which when combined with the Interest Income surplus will increase our Continuity Reserves by approximately $1.2 million by the end of 2013.

Advancing the Internet Society's mission and building a strong future for the Internet requires the collaboration of individuals across a broad range of disciplines, interests, cultures, and geographies. Hence, we work inclusively to convene and build understanding among stakeholders and other parties. Our Chapters, Members and Board all play an instrumental role in our efforts, reaching out globally and locally and contributing diverse knowledge and expertise. We look forward to building on the tremendous base and past accomplishments to make 2013 ISOC's most impactful year yet.

V.   Appendices

Appendix A. Additional Financials

Overview

This section includes supplemental information in support of the 2013 Budget, the 2014 - 2015 Financial Outlook, and related fiscal analyses and matters. Full financial presentations of the 2013 Budget and the 2013-2015 Financial Outlook are included at the end of this section to show the overall fiscal impact.

Expenses by Category

An overview of departmental expenses and proposed increases is addressed in Section II above. For additional information we reports here expenses by natural expense category. The distribution of 2013 expenses by category is shown in the following graphic, based on the budget for Functional Area expenses (both internal and external costs) totalling $31.6 million.
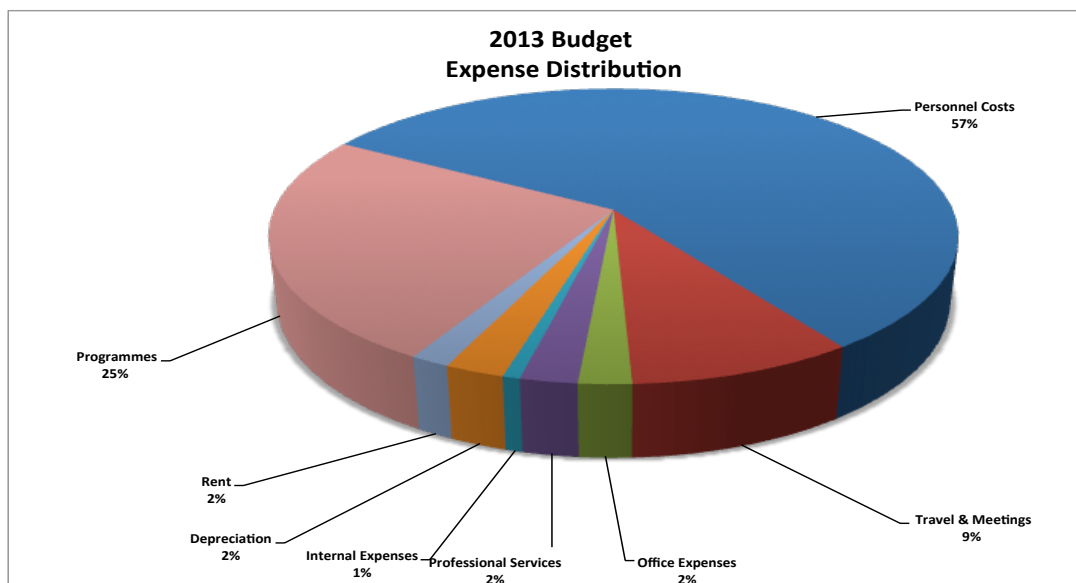
Overall expenses by expense category from 2011 through the proposed 2013 budget are reflected in the below graphic. The growth in Personnel costs reflects the increased staff in 2012, and the lower planned staff increase in 2013. Programme budgets also increase in these two years (and includes grant-funded programs of nearly $900,000 in 2013).

2011 - 2013 Expense Analysis ($000s)

In Thousands	Personnel Costs	Travel & Meetings	Office Expenses	Professional Services	Internal Expenses	Depreciation	Rent	Programmes
2011 Actual	$12,079	$2,217	$478	$758	$360	$612	$400	$4,220
2012 Forecast	$14,978	$2,576	$573	$825	$266	$700	$480	$6,251
2013 Budget	$17,991	$2,857	$666	$720	$219	$750	$495	$7,919
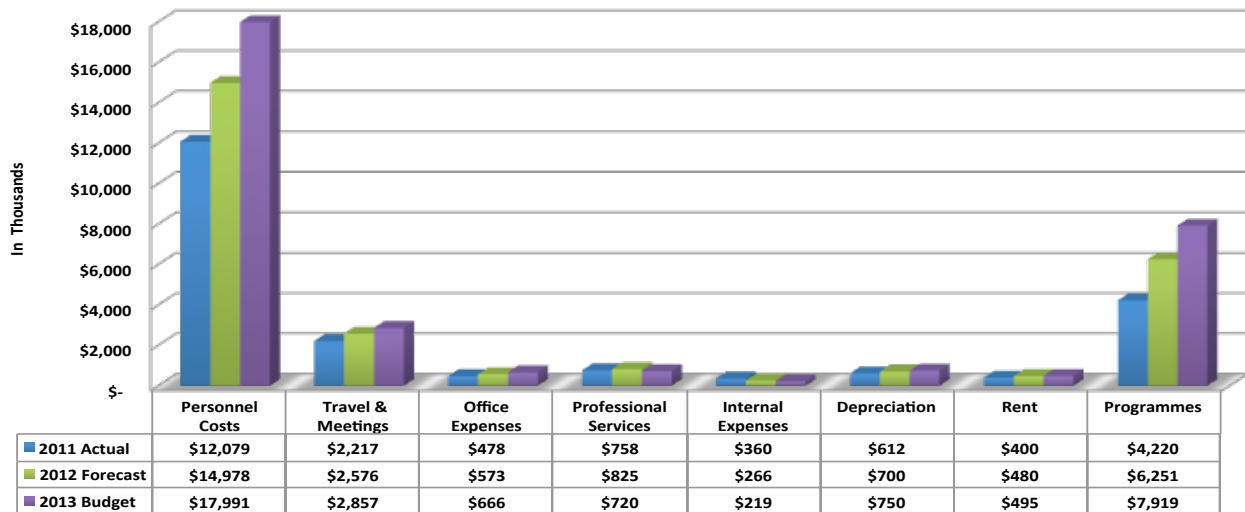
As will be noted in the section on staffing plan summary below, the vast majority of our staff are directly related to the delivery of programmes and other deliverables directly impacting ISOC's mission, from Public Policy, to technical areas of S&T, DO, T&ID, to the Regional Bureaus and IL.

Capital Expenditures

The 2013 Capital Budget of $700,000 is largely comprised of the proposed IETF Tools Development project ($300,000), the Association Management System (AMS) related Engagement System Development ($250,000 plus additional seat licenses for our growing use of the basic AMS system), and other capitalized equipment and furnishings ($72,000). ISOC has maintained this level of capital expenditure for several years, and generally uses a 3-year depreciation schedule. Because of our conservative depreciation policies, our capital budget is approximately the same as our annual depreciation ($750,000). Therefore, between depreciation (a non-cash expense) and capital spending, there is a small net positive impact on available cash.

Staffing Plan

The work of the Internet Society is driven by its people. On a macro-level, ISOC continues to see the need for staff additions to fill in specific areas of ISOC's activities. Opportunities to advance the interests of the Internet Model call for increased activities in selected functional areas. The prior budgets for 2011 and 2012 showed increases of 16 and 12 staff, respectively. The staffing plan for 2013 reflects nine (9) new staff members spread out over nine functional groups.

The majority of our staff represents the contribution of topic experts in our many areas of focus, whether it is Public Policy, Trust & Identity, Deploy360, Internet Leadership, the Regional Bureaus or Standards & Technology. ISOC has sought to hire highly qualified staff in each of these fields. The graphic below shows a division of staff directly involved in programme activities, those who contribute in other ways to those programmatic activities (e.g., Membership, Communications, and Media Relations), and support staff (particularly IT, Admin, Finance).

Over two-thirds of staff are directly involved in delivering programmatic results. This level of staffing correlates to the efforts Management, with Board direction, seeks to undertake.

The detail figures with this chart also show the proposed 2013 year-end staffing budget of 94 FTE.

Personnel Costs by Category
(based on % of overall Personnel Costs)

Direct Programmatic, 69%
Support, 17%
Contributing, 14%
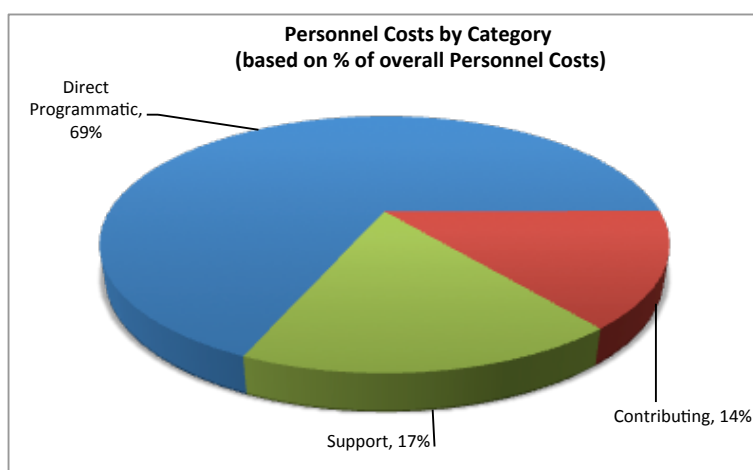
Full Time Equivalents (by Functional Area)			
	Direct	Contributor	Support	Total
COO Office	2	0	1	3
Reg Bureaus	16	0	0	16
ResDev/Grants	1.5	5	0	6.5
Endowment	0	1	0	1
Member/Chapt	6.5	3	1	10.5
IL	5	0	0	5
S&T	4	0	0	4
T&ID	4	0	0	4
DO	4	0	0	4
PubPol	7	0	0	7
Strat Dev	3	0	1	4
Comms/Events	6	4	1	11
IAD	1	0	0	1
IT	0	0	7	7
G&A	1	0	9	10
Total	61	13	20	94

The personnel additions include the following positions.

Senior Program Manager – Europe	Europe Bureau	Europe (Brussels)	Direct Programmatic
Programmes Coordinator - Asia	Asia Bureau	Asia (Singapore or India)	Direct Programmatic
Senior Advisor – Arab Affairs	Global Engagement	Middle East/North Africa	Direct Programmatic
Donor Development Specialist	Endowments (new group)	United States (TBD)	Contributor
Systems Developer	IT	United States (Reston)	Support
Project Lead	Trust & Identity	TBD	Direct Programmatic
Senior Economist	Strat Devel/Public Policy	United States or Geneva	Direct Programmatic
Marketing Manager	Communications	United States	Direct Programmatic
Strategic Product Manager	Office of COO	TBD	Direct Programmatic

These proposed new staff represents an infill to many of the areas of focus for ISOC. As an indication of the relative staffing cost, the following chart shows the distribution of existing and new staff members based on ISOC's defined "band" levels. (Note: The chart below totals 96 staff members, four of whom are part-time staff counted as ½ FTE each.)

Number of Staff Members by Band 2013 (FT & PT personnel)

	Band 10	Band 9	Band 8	Band 7	Band 6	Band 5	Band 4	Band 3
2013 Adds	0	0	0	2	4	1	2	0
Beginning 2013	1	6	8	26	14	14	11	7
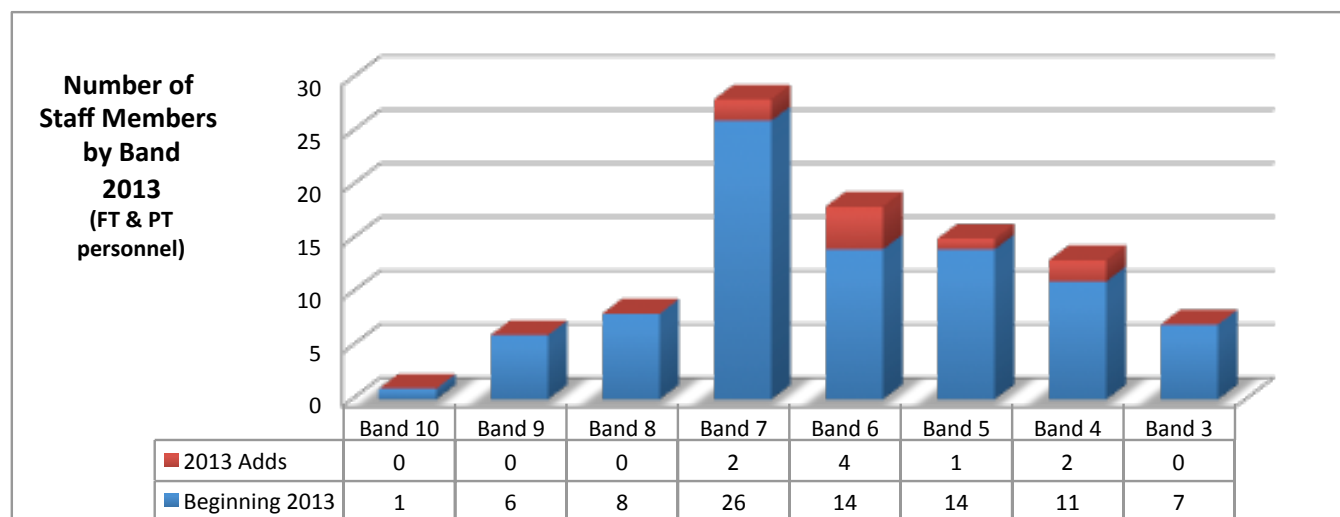
Restricted Funds

ISOC reports a separate Statement of Activities for those funds held for specific purposes ("Restricted" funds by donor request, and "Designated" funds for future assignment by ISOC). These funds include PIR's 2010 directed contribution, plus funds for future programmes from grants and other multi-year sources. That Statement for 2013, compared to the 2012 forecast is summarized here. Two points justify comment. First, most of the multi-year grants that ISOC now receives are funded upon progress. Therefore, we expect minimal restricted funds at the end of fiscal years. Second, the PIR directed funds are not expected to be required in 2012 to the full budgeted $1 million. These available funds are expected to be carried over to 2014 (see the 2013-2015 outlook). Also included in this summary statement is the anticipated $10 million in non-recurring funds from PIR in 2013.

Statement of Activities – RESTRICTED & DESIGNATED FUNDS	Restricted Funds		Designated Funds
	2013 Budget	2012 Forecast	2013 Budget
Funds Received			
Funds Received for Future Use	$ -	$ 150,000	$ 10,000,000
Total Revenues	-	150,000	10,000,000
Funds Used for Directed Purposes			
IETF Outreach (PIR Restricted Funds)	1,000,000	500,000	
Other Grantor Designated Uses	150,000	150,000	
Other Designated Uses			-
Total Funds Used for Directed Purposes	1,150,000	650,000	-
NET CHANGE IN FUNDS	$ (1,150,000)	$ (500,000)	$ 10,000,000
BEGINNING BALANCE	$ 1,710,000	$ 2,210,000	
ENDING BALANCE	$ 560,000	$ 1,710,000	$ 10,000,000

The full budgeted 2013 Statement of Activities and 2013-2015 Three-Year Outlook are reflected below:

Statement of Activities and Change in Net Assets 2013 Budget	2013 Budget	2012 Budget	'13 vs.'12 Budg	% Chnge	2012 Forecast	'13 vs. '12 Frcst	% Chnge	2011 Actual
Unrestricted Revenues (including IETF)								
Memberships and Contributors								
Organization Membership/Platinum Contributors	$ 2,050,000	$ 1,700,000	$ 350,000	21%	$ 1,553,000	$ 497,000	32%	$ 1,311,185
Individual Member Dues & Donations	100,000	90,000	10,000	11%	70,000	30,000	43%	10,740
Memberships and Contributors	2,150,000	1,790,000	360,000	20%	1,623,000	527,000	32%	1,321,925
Sponsorships and Grants								
IETF Sponsorships (incl new sponsorship opportunitie	1,041,250	966,000	75,250	8%	1,123,793	(82,543)	-7%	1,052,695
Other Sponsorships and Grants	3,398,900	2,010,000	1,388,900	69%	1,825,683	1,573,217	86%	572,114
Sponsorships and Grants	4,440,150	2,976,000	1,464,150	49%	2,949,476	1,490,674	51%	1,624,809
Registration and Fee Revenue								
Hall of Fame & Global INET Registrations	24,750	310,000	(285,250)	-92%	23,325	1,425	6%	-
IETF Meeting Registration & Other Revenues	2,304,500	2,297,000	7,500	0%	2,431,730	(127,230)	-5%	2,278,147
Other Registration and Fee Revenue	105,000	80,000	25,000	31%	122,421	(17,421)	-14%	96,419
Registration and Fee Revenue	2,434,250	2,687,000	(252,750)	-9%	2,577,476	(143,226)	-6%	2,374,566
PIR Contribution to ISOC	28,000,000	26,500,000	1,500,000	6%	26,500,000	1,500,000	6%	24,250,000
Project 94 from PIR sale of 1-2 character domains	1,000,000	-	1,000,000		-	1,000,000		-
PIR Restricted Funds (2010) Applied for Directed Use	1,000,000	1,000,000	-		500,000	500,000		-
Total Revenues (UNRESTRICTED)	39,024,400	34,953,000	4,071,400	12%	34,149,952	4,874,448	14%	29,571,300
ISOC Functional and Program Expenses								
Functional Expenses (Including Core Projects)								
Operations Group								
COO & Support Functions	903,311	949,990	(46,679)	-5%	848,891	54,420	6%	1,069,730
Regional Bureaus	6,322,500	4,923,402	1,399,098	28%	4,538,687	1,783,813	39%	3,279,298
Resource Development	1,174,778	1,168,943	5,835	0%	883,804	290,974	33%	781,730
Grants and Foundation Development	1,103,797	1,014,072	89,725	9%	960,675	143,122	15%	676,645
Endowments	268,628	40,000	228,628	572%	130,000	138,628	107%	-
Internet Leadership	2,452,969	2,156,997	295,972	14%	2,155,111	297,858	14%	1,500,920
Membership and Chapters	2,992,990	2,892,059	100,931	3%	2,921,614	71,376	2%	2,138,021
IT	2,209,782	2,142,088	67,694	3%	1,899,796	309,986	16%	1,739,750
Subtotal Operations Group	17,428,754	15,287,550	2,141,204	14%	14,338,578	3,090,176	22%	11,186,094
Strategic Group								
Standards and Technology	1,756,732	1,790,632	(33,900)	-2%	1,725,190	31,542	2%	1,815,068
DO	1,508,090	1,483,140	24,950	2%	1,295,983	212,107	16%	489,967
Trust & Identity Department	1,560,014	1,409,688	150,326	11%	1,267,920	292,094	23%	1,118,651
Public Policy	3,187,089	3,013,452	173,637	6%	2,694,179	492,910	18%	2,394,494
Strategic Development	1,251,025	865,968	385,057	44%	831,666	419,358	50%	760,410
Comms (excl Global INET, Hall Fame Events)	4,924,671	4,264,128	660,542	15%	4,496,205	428,466	10%	3,358,074
Subtotal Strategic Group	14,187,620	12,827,008	1,360,612	11%	12,311,143	1,876,477	15%	9,936,664
Total Functional Expenses	31,616,374	28,114,558	3,501,816	12%	26,649,720	4,966,654	19%	21,122,758
Other Program Expenses								
NDSS Expenses	90,000	80,000	10,000	13%	96,800	(6,800)	-7%	86,307
Global INET/Hall of Fame Event (formerly Comms)	210,000	1,000,000	(790,000)	-79%	1,453,743	(1,243,743)	-86%	-
Internet Advertising Award Exp (Incl in Grant Rev)	480,000	-	480,000		230,000	250,000	109%	-
Strategic Planning and Board Governance/Retreat	600,000	-	600,000		-	600,000		-
Total Functional and Program Expenses (excl IETF)	32,996,374	29,194,558	3,801,816	13%	28,430,263	4,566,111	16%	21,209,065
Standards Development Organization Contributions								
IASA/IETF Expenses (excluding Capital)	5,274,858	5,408,000	(133,142)	-2%	5,247,000	27,858	1%	4,874,452
Other Contributions - Standards Development Orgs	-	-	-		-	-		1,000,000
Total Unrestricted Expenses	38,271,232	34,602,558	3,668,674	11%	33,677,263	4,593,969	14%	27,083,517
Net Operating Surplus (Deficit)	753,168	350,442	402,726	115%	472,689	280,479	59%	2,487,783
Other Revenue (Expense)								
Interest/Other Misc. Revenue	500,000	400,000	100,000	25%	400,000	100,000	25%	198,511
Currency Fluctuations Income (Expense)	-	-	-		-	-		(138,137)
Interest/Other Income (Expense)	500,000	400,000	100,000	25%	400,000	100,000	25%	60,374
ISOC Unrestricted Surplus (Loss) or Change in Net Assets	$ 1,253,168	$ 750,442	$ 502,726	67%	$ 872,689	$ 380,479	44%	$ 2,548,157
Balance in Unrestricted Net Assets, Beginning of Period	$ 14,573,566	$ 12,341,682			$ 13,700,877			$ 11,152,720
Balance in Unrestricted Net Assets, End of Period	$ 15,826,734	$ 13,092,124			$ 14,573,566			$ 13,700,877
Balance in Restricted Funds, Beginning of Period	$ 1,710,000	$ 2,210,000			$ 2,210,000			$ 2,160,803
Restricted Funds Added	-	300,000			150,000			168,692
Less Restricted Funds Used in Support of IETF	(1,000,000)	(1,000,000)			(500,000)			-
Less Restricted Funds Used for Other Programs	(150,000)	(200,000)			(150,000)			(119,495)
Balance in Restricted Funds, End of Period	$ 560,000	$ 1,310,000			$ 1,710,000			$ 2,210,000

	Statement of Activities and Change in Net Assets 2013 Budget							
	2013 Budget	**2012 Budget**	**'13 vs.'12 Budg**	**% Chnge**	**2012 Forecast**	**'13 vs. '12 Frcst**	**% Chnge**	**2011 Actual**
Unrestricted Revenues (including IETF)								
Memberships and Contributors								
Organization Membership/Platinum Contributors	$ 2,050,000	$ 1,700,000	$ 350,000	21%	$ 1,553,000	$ 497,000	32%	$ 1,311,185
Individual Member Dues & Donations	100,000	90,000	10,000	11%	70,000	30,000	43%	10,740
Memberships and Contributors	2,150,000	1,790,000	360,000	20%	1,623,000	527,000	32%	1,321,925
Sponsorships and Grants								
IETF Sponsorships (incl new sponsorship opportunitie	1,041,250	966,000	75,250	8%	1,123,793	(82,543)	-7%	1,052,695
Other Sponsorships and Grants	3,398,900	2,010,000	1,388,900	69%	1,825,683	1,573,217	86%	572,114
Sponsorships and Grants	4,440,150	2,976,000	1,464,150	49%	2,949,476	1,490,674	51%	1,624,809
Registration and Fee Revenue								
Hall of Fame & Global INET Registrations	24,750	310,000	(285,250)	-92%	23,325	1,425	6%	-
IETF Meeting Registration & Other Revenues	2,304,500	2,297,000	7,500	0%	2,431,730	(127,230)	-5%	2,278,147
Other Registration and Fee Revenue	105,000	80,000	25,000	31%	122,421	(17,421)	-14%	96,419
Registration and Fee Revenue	2,434,250	2,687,000	(252,750)	-9%	2,577,476	(143,226)	-6%	2,374,566
PIR Contribution to ISOC	28,000,000	26,500,000	1,500,000	6%	26,500,000	1,500,000	6%	24,250,000
Project 94 from PIR sale of 1-2 character domains	1,000,000	-	1,000,000		-	1,000,000		-
PIR Restricted Funds (2010) Applied for Directed Use	1,000,000	1,000,000	-		500,000	500,000		-
Total Revenues (UNRESTRICTED)	39,024,400	34,953,000	4,071,400	12%	34,149,952	4,874,448	14%	29,571,300
ISOC Functional and Program Expenses								
Functional Expenses (Including Core Projects)								
Operations Group								
COO & Support Functions	903,311	949,990	(46,679)	-5%	848,891	54,420	6%	1,069,730
Regional Bureaus	6,322,500	4,923,402	1,399,098	28%	4,538,687	1,783,813	39%	3,279,298
Resource Development	1,174,778	1,168,943	5,835	0%	883,804	290,974	33%	781,730
Grants and Foundation Development	1,103,797	1,014,072	89,725	9%	960,675	143,122	15%	676,645
Endowments	268,628	40,000	228,628	572%	130,000	138,628	107%	-
Internet Leadership	2,452,969	2,156,997	295,972	14%	2,155,111	297,858	14%	1,500,920
Membership and Chapters	2,992,990	2,892,059	100,931	3%	2,921,614	71,376	2%	2,138,021
IT	2,209,782	2,142,088	67,694	3%	1,899,796	309,986	16%	1,739,750
Subtotal Operations Group	17,428,754	15,287,550	2,141,204	14%	14,338,578	3,090,176	22%	11,186,094
Strategic Group								
Standards and Technology	1,756,732	1,790,632	(33,900)	-2%	1,725,190	31,542	2%	1,815,068
DO	1,508,090	1,483,140	24,950	2%	1,295,983	212,107	16%	489,967
Trust & Identity Department	1,560,014	1,409,688	150,326	11%	1,267,920	292,094	23%	1,118,651
Public Policy	3,187,089	3,013,452	173,637	6%	2,694,179	492,910	18%	2,394,494
Strategic Development	1,251,025	865,968	385,057	44%	831,666	419,358	50%	760,410
Comms (excl Global INET, Hall Fame Events)	4,924,671	4,264,128	660,542	15%	4,496,205	428,466	10%	3,358,074
Subtotal Strategic Group	14,187,620	12,827,008	1,360,612	11%	12,311,143	1,876,477	15%	9,936,664
Total Functional Expenses	31,616,374	28,114,558	3,501,816	12%	26,649,720	4,966,654	19%	21,122,758
Other Program Expenses								
NDSS Expenses	90,000	80,000	10,000	13%	96,800	(6,800)	-7%	86,307
Global INET/Hall of Fame Event (formerly Comms)	210,000	1,000,000	(790,000)	-79%	1,453,743	(1,243,743)	-86%	-
Internet Advertising Award Exp (Incl in Grant Rev)	480,000	-	480,000		230,000	250,000	109%	-
Strategic Planning and Board Governance/Retreat	600,000	-	600,000		-	600,000		-
Total Functional and Program Expenses (excl IETF)	32,996,374	29,194,558	3,801,816	13%	28,430,263	4,566,111	16%	21,209,065
Standards Development Organization Contributions								
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Other Revenue (Expense)								
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Balance in Restricted Funds, Beginning of Period	$ 1,710,000	$ 2,210,000			$ 2,210,000			$ 2,160,803
Restricted Funds Added	-	300,000			150,000			168,692
Less Restricted Funds Used in Support of IETF	(1,000,000)	(1,000,000)			(500,000)			-
Less Restricted Funds Used for Other Programs	(150,000)	(200,000)			(150,000)			(119,495)
Balance in Restricted Funds, End of Period	$ 560,000	$ 1,310,000			$ 1,710,000			$ 2,210,000

Appendix B: Major Event Plans and Functional Summaries

i. Event Strategy and Plan Overview

Summary

Building a strong future for the Internet requires the collaboration of people across a broad range of disciplines, interests, cultures, and geographies. Convening and build understanding among stakeholders and communities is key to this effort and is a critical element of how the Internet Society creates positive change on the Internet. Guided by an integrated approach to global, regional, and local events, we foster engagement, leadership and discussions to advance Internet principles and values, in line with the Key Success Factors established by the Board of Trustees.

Our strategic events are defined by several characteristics, including:
- They are organized by the Internet Society
- Topics covered reflect Regional and International concerns that match our mission
- Help deliver key technology, policy, and development messages that strengthen the multistakeholder approach and allow the Internet to continue to thrive.
- Open to all Internet Society members
- Extending outreach to the broader community of non-members to increase participation in the Internet Society mission

Global Events: These offerings target a global audience, bring awareness to internationally relevant topics, and drive significant media interest and involvement.

- **Global INET**: We will continue to develop this into a biennial organizational asset that builds community, drives revenue and advances our mission. The size and scope of the Global INET ensures that other Internet Society programs will co-locate. At future Global INET events, we can expect a number of co-located events, including a 2-day Global Chapter Workshop, leadership training, Business roundtables, to name a few.

- **Internet Hall of Fame**: This annual programme was established to publicly recognize the visionaries who have made significant contributions to the development and advancement of the global Internet. The Internet Hall of Fame induction ceremony will always co-locate with the Global INET or other Internet Society branded events.

Regional Events: These events support region specific audiences, and topical concerns.

- **Regional INETs:** Currently envisioned with a single-track format, to address regional policy conversations, we will be outlining a new strategy for these events. With the long-standing equity of the INET brand, we have a unique opportunity to advance our mission and reaffirm our unique position at the intersection of policy, technology, and development. In 2013, without a Global INET we are planning for 9-10 Regional INETs. In years when we host Global INET (2014, 2016, etc), we anticipate hosting one INET per Region.

- **Region Specific Events:** These events are implemented for the benefit of a specific audience, addressing a targeted regional need. The African Peering and Interconnection Forum (AfPIF) is an excellent example of this event type. AfPIF is hosted annually, and provides a unique opportunity for learning and networking with the goal of growing Internet infrastructure and services in Africa.

- **Chapter Workshops:** Designed to provide key training and support to Chapter leaders. In 2014 (and future years when we host a Global INET), the program will co-locate as a 2-day Global Chapter Workshop, and will include travel fellowships for one representative from every chapter (approximately 100 fellows). In 2013 (and future years without a Global INET), the workshops will be deployed as a one-day programme, with one workshop offered per region, and approximately 20 travel fellows. Regional Chapter Workshops will always co-locate with other events – ideally a Regional INET. However it is recognized this will not always be possible, and in those cases the team will identify other industry events that best suit the regional audience and calendar.

- **Business Roundtables:** Developed to address the business-specific concerns of our Organization members, these events will include a cross-section of businesses in the Internet space – operators, suppliers, and content providers, to name a few. The program will include facilitated discussions covering critical topics, and will include a unique opportunity to exchange views, network and address key regional issues. Business Roundtables will always co-locate with a Regional INET to drive awareness in the business community, and provide support for the Regional INET.

Field Events: Designed to target specific audiences, across regions; examples of field events include the Deploy360 Internet ON Conferences.

- **Deploy360 – Internet ON:** Held 3-4 times per year, the ION conferences provide a unique opportunity for the technical community to network and share deployment best practices to the benefit of audiences that will follow them with new technology deployments. To optimize attendance, the ION conferences often co-locate with industry leading events that target similar audiences. In 2013, we will host 3 co-located ION conferences. In 2014, we plan to host 3-4 ION conferences, with at least one offered as a stand-alone programme.

2013 – 2015 Event Planned Expenses and Revenues

Internet Society Strategic Events									
	2013			**2014**			**2015**		
	# Events	External Exp	Assoc Revenue	# Events	External Exp	Assoc Revenue	# Events	External Exp	Assoc Revenue
Global INET *	-	$50,000	$0	1	$700,000	$350,000	-	$0	$0
Internet Hall of Fame Event *	1	$160,000	$200,000	1	$100,000	$150,000	1	$175,000	$210,000
Regional INETs *	8	$195,000	$160,000	6	$150,000	$120,000	8	$215,000	$175,000
Business Roundtables *	6	$60,000	$60,000	6	$62,000	$62,000	6	$65,000	$65,000
Chapter Workshops *	6	$145,000	$0	1	$250,000	$0	6	$159,500	$0
AfPIF	1	$100,000	$100,000	1	$105,000	$105,000	1	$110,000	$110,000
ION Conferences	3	$127,500	$40,000	3	$135,000	$45,000	3	$140,000	$50,000
Totals	25	$837,500	$560,000	19	$1,502,000	$ 832,000	25	$864,500	$ 610,000
* Concurrent IHF/Global INET Events		$268,542	$230,000		$1,085,333	$530,333		$239,292	$242,708

2013 – 2017 Event Calendar

	2013	**2014**	**2015**	**2016**	**2017**
Global INET	N / A	Latin America Rio de Janeiro	N / A	Africa	N / A
Hall of Fame	Europe Istanbul	Co-located with Global INET	Asia Hong Kong	Co-located with Global INET	Middle East / N. Africa
Regional INETs	**Africa** - 1 INET **Asia -** 1 INET **Europe** - 2 INETs **LAC** - 2 INETs **NA -** 3 INETs	1 / Region	1-3 / Region as required	1 / Region	1-3 / Region as required
Chapter Workshops	1 / Region Co-located with INETs	Global Co-located with Global INET	5 - 6 / year 1 / Region	Global Co-located with Global INET	5 - 6 / year 1 / Region
Business Roundtable	6 / Year Co-located with INETs	6 / Year Co-located with INETs	6 / Year Co-located with INETs	6 / Year Co-located with INETs	6 / Year Co-located with INETs
AfPIF	Africa TBD	Africa TBD	Africa TBD	Africa TBD	Africa TBD
ION Conferences	3 conferences Co-located	3 / year Co-located	3 / year Co-located	3 / year Co-located	3 / year Co-located

Detail on 2013 Regional INETs

Africa (1) : Q2 - TBD

Asia (1) : Q2 - Taipei

Europe (2): Q2 - Istanbul / Q3 - Poland

LAC (2): Q2 - Brazil / Q3 - Trinidad & Tobago

NA: (3) Q2 - San Francisco

ii. Internet Hall of Fame Supplemental Information

Program Definition
The Internet Hall of Fame is an annual awards program established by the Internet Society to publicly recognize a distinguished and select group of visionaries, leaders, and luminaries who have made significant contributions to the development and advancement of the global Internet.

As a marquis program, with strong brand equity and international recognition, we do not believe the Internet Hall of Fame induction event should be co-located at another industry event.

However, we do plan to co-locate the induction event with other Internet Society programming – Regional Chapter Workshop, Regional INET, Collaborative Leadership Exchange and Business Roundtables and every other year with a Global INET. These supplementary activities will attract a diverse audience of chapter delegates, policy and technical experts from the local community, business leaders and media. We expect these programs to draw attendees and create critical mass at the Internet Hall of Fame.

Primary Objectives
Designed as an annual recognition program, the Internet Hall of Fame publicly recognizes the leaders, visionaries and individuals who have made significant contributions to the development and advancement of the global Internet. This program also helps position the Internet Society as a prominent voice of leadership in our industry.

Key Outcomes
In 2013, we will be working to build and develop the Internet Hall of Fame programme. As part of this, we will develop feature content and stories for the Internet Hall of Fame website, promote the nomination process and programme to a broad audience, drive media and press activity, secure sponsorship support from Organization members, manage the event planning process (including the supplementary activities), and execute the event.

1) 2013 Location Selection and 2013 – 2017 Rotational Schedule

The 2013 Internet Hall of Fame event will be scheduled in the timeframe of late May - late September (dependent upon the timing of the budget approval). After further analysis and careful consideration we have selected Istanbul, Turkey. We chose Istanbul, as our 2013 host city because it offers a geographically central location, is an east-west crossroads, and is internationally renowned as a diverse and culturally rich destination. It will attract attendees, sponsors and media, and is complementary to many of our 2013 themes.

Our rotational schedule for 2013 – 2017 is below and incorporates numerous considerations such as alignments with future Global INETs, and the need in some regions for appropriate host support and other political or partner considerations (such as in Hong Kong) that take time to put in place.

Year	City / Region	Notes
2013	Istanbul	
2014	Latin America	Co-located with Global INET 2014
2015	Asia	Hong Kong is the recommended host city
2016	Africa	If we host Global INET 2016, Hall of Fame will co-locate
2017	ME/No America	Co-located with Global INET 2017, to include 25th Anniversary celebration

The decision to select Istanbul was made after a careful and thoughtful evaluation. We considered a number of important criteria, among them:

- A central location that is relatively easy to reach for a very broad audience
- A location that accentuated the international nature of the Hall of Fame
- Future geographic rotation considerations (Latin American Global INET in 2014)
- Strong media coverage
- An attractive and interesting destination (and Istanbul is an east-west crossroad)

We understand that some are concerned that as a European city, Istanbul may be too closely oriented to the site of our 2012 event (Geneva). As 2013 will only be our second year, we feel strongly that a geographically central location (and meeting the criteria above) were vital features to have in our host city. With Inductees from around the globe, an easily accessible destination will increase attendance.

2) Internet Hall of Fame Event & Supplementary Activities

In addition to recognizing the many that have contributed to the Internet's development, the Internet Hall of Fame was designed to be a marquis initiative for the Internet Society, with strong visibility and international recognition. It is expected to reinforce our Internet principles and values (in a very human, physical way) and is a key component of making the Internet Model and our work more known to audiences across the world. Hence, we strongly believe the Internet Hall of Fame induction event should not be co-located at an industry event such as ICANN, IETF, etc. Additionally, this will allow us to strengthen our own community and build a strong family identity for the Internet Society by combining initiatives (something our members/chapters have said repeatedly they value).

We plan to co-locate the induction event with other Internet Society programming that includes *Regional Chapter Workshops*, *Regional (and periodic Global INETs)* and *Business Roundtable*s. These supplementary activities will attract a diverse audience of chapter delegates, policy and technical experts from the local community, business leaders and media. We expect these events to draw attendees, help inform the public about additional aspects of ISOC and our other programmes and will also serve to create a diverse and critical mass at the Internet Hall of Fame. Many inductees appreciated the opportunity to see what the Internet Society has become and to renew acquaintances, while at the same time meeting so many of our members and chapters from across the world. Equally, our members and chapters were thrilled to be able to meet some of the individuals who contributed so much to the Internet's development. This is an opportunity that should be maximized for the Internet Society and not diluted through co-location.

Agenda for the 2013 Internet Hall of Fame Event

Working in collaboration with the Senior Management team, the Regional Bureau Directors, and the Membership Services team, we have developed a 2.5-day agenda that will draw a diverse audience and provide key opportunities for the Internet Society to advance its mission. We anticipate 200-250 attendees, across all our events. A highlight of our agenda will be incorporating current and past Internet Hall of Fame inductees as panelists, moderators and speakers to provide deep historical context and experience (vital to the continued robustness and health of our principles and the Internet Model).

The proposed agenda for our 2.5-day event:

Day 1	
09:00 – 17:00	**Regional Chapter Workshop** *(We are evaluating a Global Workshop)*
13:00 – 17:00	Press briefing / Press interviews with Inductees

Day 2	
09:00 – 17:00	**Regional INET (**can draw upon past and future inductees for panels, etc.)
15:00 – 17:00	Inductee portraits
17:00 – 19:00	Induction Ceremony
19:00 – 20:00	VIP Reception
20:00 – 23:00	Celebration Dinner

Day 3	
10:00 – 14:00	**Business Roundtable & Luncheon**

Below are additional details on each of our event components: (note: many of these are very standard activities at comparable Hall of Fame events).

Regional Chapter Workshop – We are planning for 30 total chapter delegates in attendance, with 30 of the attendees provided travel fellowships. We continue to evaluate an annual global chapter workshop.

Press Briefing and Press Interviews – To ensure substantial media coverage of our event, we will host both a simple media briefing and allow the press to interview our Inductees one-on-one. The press briefing will include key ISOC executives, as well as Inductees from the Class of 2013.

Regional INET – We anticipate 75 attendees, with no travel fellowship funding.

Induction Ceremony – This event will be free of charge and open to the public. To maintain our budgets, we will limit our audio/visual and staging requirements; and we will not provide food/beverages during the Induction Ceremony. We are assuming 200-250 attendees. The Induction Ceremony will be our opportunity to present awards to the inductees of the 2013 Internet Hall of Fame. Following opening remarks from Internet Society leadership, each inductee will be invited to the stage to receive their award and deliver a short acceptance speech.

VIP Reception & Celebration Dinner – Following the Induction Ceremony, the Inductees and their guests, Internet Society executives and Sponsor representatives will be invited to a one-hour VIP Reception, followed by a formal Celebration Dinner. We are planning for 75 attendees to these events.

Business Roundtable – We are assuming 50 attendees, with no travel fellowship funding.

3) Financial Summary: Budget and Revenue

We have outlined a budget for our 2013 Internet Hall of Fame event and created a revenue estimate for sponsor support. Our aspirational goal is to develop the Internet Hall of Fame into a revenue neutral or revenue positive initiative over the next 2-3 years.

2013 Budget Projections

In developing our budget we utilized our experience in planning the 2012 event and the assumptions outlined in this document. Additional assumptions in our budget include:

- 20 Inductees attending
- Identifying efficiencies in our registration processes
- Allocations for a keynote speaker, master of ceremonies and security support

As we compare the 2012 expenditure to the 2013 projections, it is important to note that the 2012 Internet Hall of Fame achieved significant cost efficiencies, as it was co-located with the Global INET and our 20th Anniversary celebration. Specifically, expenses such as the 2012 awards gala, registration, marketing, public relations, and videography were paid for as part of our investments in the Global INET and the 20th Anniversary Celebration.

Here is a summary of our 2013 projections:

Hall of Fame Event - Detail	Total
Audio Visual	$ 15,000
Creative Services	$ 12,000
Décor	$ 8,500
Food & Beverage	$ 20,798
Inductee Travel & Awards	$ 72,440
Miscellaneous	$ 20,000
Registration	$ 5,505
Shipping	$ 6,000
Total	$ 160,243

Hall of Fame Programme - Detail	Total
Website Support: Web content development / writing / research	$ 105,000
Media Partnership: Management / Agreement cost	$ 25,000
Administration & Management: Nomination & selection process administration / Research / Writing / Advisory Board management / Publicity / Social Media	$ 76,000
Total	$ 206,000

2013 Revenue Projections

We will offer "Founding" sponsorship, annual sponsorship and multi-year sponsorship options for the Internet Hall of Fame. Sponsors who support us on a multi-year basis will receive discounts of between 15-25%. Our revenue projections for 2013 total $200,000, and include revenue from all levels of Sponsorship sales.

4) Advancement and Development of the Internet Hall of Fame

In August and September 2012, we conducted research roundtables with 13 key stakeholders to obtain their views on the Internet Hall of Fame and how it might best be developed and expanded for future years. The goal of the research was to gain insights into multiple areas, including the Internet Hall of Fame mission, ways to raise awareness and build prestige, and ideas for future expansion.

There was agreement that the Internet Hall of Fame has been well received and the roundtable participants felt it had excellent potential for the future. The program was seen to play a role in acknowledging the achievements of those who have made the greatest contribution to the development of the Internet and it can also serve as a vehicle to inspire and encourage the next generation of researchers and innovators. The Hall of Fame also has the potential role as an educational tool and to bring together the movers and shakers of the global Internet community.

The roundtable participants discussed opportunities to expand the program and build credibility in the future. There was extensive conversation on whether the program should expand quickly into new areas (e.g., developing a mentoring program or partnering with a museum) and it was suggested we avoid overlap and duplication with other initiatives. There was strong agreement that the longevity of the program would depend on the credibility and prestige of the Internet Hall of Fame. Topics discussed included ensuring geographic and gender diversity of the inductees, a transparent selection process, and attracting the highest quality nominees and inductees. Many ideas

were suggested around generating more visibility for the program, including social media and blogs by the inductees, sending press releases to the inductees' local papers and universities, and working closely with the Chapters to ensure regional and local press coverage.

Summary

Following the successful implementation of the 2012 programme and event, we have a tremendous opportunity to advance the Internet Hall of Fame, and drive awareness and interest. With 2013 just around the corner, we must move quickly to ensure our success. Over the next few weeks we will:

- Announce the Internet Hall of Fame 2013 with a press release and notifications to key constituencies (Chapters, Organization members, general public).
- Produce and release a high-quality sponsorship prospectus that includes special "Founding" sponsor levels
- Initiate sponsorship sales
- Finalize details of our venue and event agenda.

iii. 2013 Core Programmes By Department

ISOC Core Program Expenses	2013 Budget	2012 Budget	'13 vs.'12 Budg	% Chnge	2012 Forecast	'13 vs. '12 Frcst	% Chnge	Primary 2013 Programs ($000s)
Internet Society **2013 Budget - Core Programs by Department**								
Operations Group								
COO & Support Functions	-	-	-		-	-		
Regional Bureaus								
Africa	844,000	534,000	310,000	37%	491,000	353,000	72%	AXIS and AfPIF expenses make up half of this budget; INET, NOG, ccTLD Support; ITE projects the remainder
Asia	460,000	422,000	38,000	8%	342,000	118,000	35%	Programs include INETs and NOGs, India and SE Asia engagement, regional Comms, WCIT support
Europe	265,000	197,000	68,000	26%	130,000	135,000	104%	Includes INETs, regional Comms, CEE/CIS engagement
LAC	611,088	459,000	152,088	25%	424,000	187,088	44%	Large part of incr is for the LAC grant ($198K); programs Includes INETs & NOGs; FRIDA; ITE/Capacity Bldg projects
North America	105,000	120,000	(15,000)	-14%	90,000	15,000	17%	Includes INETs; Regional Comms
Global & Middle East	70,000	150,000	(80,000)	-114%	25,000	45,000	180%	Reserve for Grant Funding costs for grants not yet received; Arab Studies
Resource Development	50,000	30,000	20,000	40%	30,000	20,000	67%	Membership Recruitment and Marketing
Grants and Foundation Devel	210,000	270,000	(60,000)	-29%	250,000	(40,000)	-16%	Community Grants Program; Grant Development and Systems
Endowment	155,000	40,000	115,000	74%	130,000	25,000	19%	Endowment Marketing
Internet Leadership	1,086,167	815,200	270,967	25%	867,500	218,667	25%	Much of the incr is for two Latin Amer Grants ($256); programs include IETF Fellows; Learning Platform and NGL
Membership and Chapters	509,100	423,100	86,000	17%	471,000	38,100	8%	Chapter Fellowships; Chapter Workshops; Chapter Events
IT	128,820	20,000	108,820	84%	20,000	108,820	544%	Systems Devel (non-capital); Equipment
Subtotal Operations Group	4,494,175	3,480,300	1,013,875	23%	3,270,500	1,223,675	37%	
Strategic Group								
Standards and Technology	315,000	386,000	(71,000)	-23%	227,000	88,000	39%	Internet Technology advancement, including follow on DNSSEC and IPv6 work
DO	319,500	390,000	(70,500)	-22%	290,000	29,500	10%	ION Events; Content Creation and Translation; continuing Deploy360 portal
Trust & Identity Department	400,000	450,000	(50,000)	-13%	380,000	20,000	5%	T&ID Sponsorships, Subject Experts; Contractors; Trust Event
Public Policy	417,000	255,000	162,000	39%	210,000	207,000	99%	Policy Outreach; IGF Sponsorship; Policy Reports; Strategic Governance Projects
Strategic Development	255,000	240,000	15,000	6%	231,000	24,000	10%	Developing country Internet strategies, best practices, publications. USTTI, ITU-D engagement.
Communications	1,718,000	1,595,000	123,000	7%	1,642,821	75,179	5%	Mktg Svcs (PR for events & messaging); Campaigns; Surveys; Public'ns & Mktg Mtls; IHF (Program only); Website
Subtotal Strategic Group	3,424,500	3,316,000	108,500	3%	2,980,821	443,679	15%	
Total Functional Expenses	$ 7,918,675	$ 6,796,300	$ 1,122,375	14%	$ 6,251,321	$ 1,667,354	27%	

iv. Functional Summary: Public Policy

Overview

The Internet Society undertakes an important leadership role in advancing an inclusive, balanced multistakeholder approach in all key Internet governance areas, including digital content, privacy, telecommunications and human rights. We are working to promote, influence shape the discussions on each area across the Internet governance sphere through active participation in all international fora such as the IGF, WIPO, the OECD, the ITU and other organizations.

2013 Primary Objectives

Internet Governance: preserve and gain acceptance for the Internet model
While significant progress has been made over the past several years to advance understanding for the multistakeholder Internet Ecosystem, the actions of governments and the growing impact of industry decisions continue to affect the landscape. The Internet model and multistakeholder cooperation are at the same time widely celebrated while they are under pressure to change. Some concerns include trends towards fragmentation of the Internet, non-neutral networks, intellectual property restrictions, as well as governmental surveillance in the name of security. Objectives for 2013 include:
- Facilitate governmental engagement in Internet governance and standards development processes (e.g. policy fellows to IETF, policy roundtables for policymakers on IG issues);
- Empower end users with an understanding of the Internet Ecosystem and governance processes;
- Reach out and partner with new stakeholders, including with civil society;
- Broader engagement with our Membership, including individual members.

Digital Content: foster a ubiquitous, reliable and sustainable intellectual property regime
The Internet's open architecture and generative nature have encouraged new forms of content creation by an expanding range of actors. The manner in which ongoing tensions are resolved between digital content business models, intellectual property rights, technical solutions, and users' rights and the ability to access content will have a fundamental impact on the future of the Internet. Across the business, policy and technical spheres, we are still far from solutions that reconcile the Internet's fundamental character and its empowerment of new forms of creativity. Objectives for 2013 include:
- Advance national policy approaches and international regimes that support users' rights and recognize the borderless Internet environment;
- Shift the debate from enforcing intellectual property rights to promoting innovative business models and approaches adapted to the realities of the Internet;
- Spearhead multistakeholder dialogue in the debate on digital content and intellectual property rights.

Internet and Human Rights: advocate for an open Internet for the exercise of fundamental rights
Global events have shown that technology and basic communication rights cannot be considered as separate issues, but rather as two sides of the same coin. The Internet has empowered citizens to communicate, access knowledge and innovate in ways unimaginable before. In light of new opportunities and challenges at the forefront of international policy and civil society discussions, the Internet Society has taken a more active role in advocating for the continuation of an open, global and multistakeholder Internet as an instrument in fulfilling aspirations for Human Rights and freedom of expression in particular. Objectives for 2013 include:
- Ensure governments uphold the duty to protect their citizens' right to "seek, receive, and impart information and ideas" through unencumbered Internet use;
- Foster an understanding of the intricacies between the underlying Internet architecture and Human Rights;
- Engage with civil society and governments to contribute reducing the paradigm/perception gap between mainstream rights organizations and the Internet community.

Privacy: foster the evolution of new frameworks adapted for the open Internet
Privacy, personal data protection, "big data" and the economics of personal data remain high priority crosscutting topics. There is also growing interest in the topic of Internet privacy as an enabling factor in the exercise of human rights. Objectives for 2013 include:
- Foster more effective consideration of privacy risks and vulnerabilities in standards work and integrate Internet technical community perspectives on privacy in key international and regional frameworks;
- Support new generation approaches to facilitate cross-border data flows while protecting privacy and provide the Secretariat function for the Joint Oversight Panel of the APEC CBPR System;
- Guide global analysis of the economics of personal data and the "personal data ecosystem" to enable more informed policy development; and leverage ISOC members' expertise to provide multi-cultural perspectives in the development of new policy frameworks.

Staffing Resources:		
Staff	Continuing: 7 Proposed: 0 Additional	
Total Budgeted Expenses (incl Personnel and G&A allocation):	$3,187,000	
Staff Costs		$1,866,000
Non-personnel internal expenses		$365,000
General & Administrative (allocated)		$539,000
External Project expenses		$417,000

v. Functional Summary: Trust and Identity

Overview

In 2013, the Internet Society Trust and Identity portfolio will continue to advance three core streams of work intended to engender confidence online:

- Identity: Managing Trust Relationships
- Network Architecture and Trust: Emerging Research
- Operationalizing Trust: Strengthening the Current Internet Model.

In addition, we will strengthen our focus and advocacy on issues related to the Online Collection and Correlation of Identifying Data.

The collection and use of identifying data is one of the fastest growing sectors of the Internet economy. As storage becomes cheaper and data processing and transmission gets faster and easier, more and more user information is being preserved and used for marketing purposes and user profiling. In order to preserve privacy and unhindered access to content and services users must have the ability to evaluate and make choices based on an understanding of the terms offered. Further, policy makers, regulators and implementers must all be fully aware of the consequences for end users and take these into consideration when crafting solutions for data handling.

In 2013, we will take a stronger leadership role in educating and empowering users to make informed choices about the use of their identifying data, raising substantive ethical questions in technical and policy forums, and engaging industry and developers on the consequences of implementation choices. This work will be advanced on a cross-organisational basis, combining efforts of our Trust and Identity, Public Policy, Internet Leadership, and Communications teams.

2013 Primary Objectives

Advancing Users' Understanding of the Personal Data bargain
We aim to enable users to better understand the "personal data" bargain and will encourage greater transparency among parties in online transactions. While data collection will likely continue to drive "free" service offerings, exposing the underlying economics and the consequences of user profiling will help data subjects to drive more equitable agreements. Clear methods for user consent, respect for context, and privacy protections for individual subjects are all key goals. Our aspirational goal is the development of industry wide ethical guidelines for data reuse that mirror the human subjects considerations embedded in medical and academic circles.

Advancing Solutions that Promote the Assessment and Management of Risks
In order for entities to engage and to share high value data across the network they must be able to make a rational assessment of the components of any given exchange to make informed decisions about risk mitigation. There must be robust technical mechanisms for authentication, authorization, verification, delegation, and revocation as well as ways to express policy considerations such as privacy settings, consent flows, and the context of data collection. Key goals are to strengthen existing trust models by advancing key technical work, forging new partnerships among practitioners with shared interests, and advancing discussions on methods for establishing and maintaining trust across domains.

Encouraging the Development of a Global, Multistakeholder Identity Ecosystem
Current Identity Management solutions operate as a set of loosely connected islands with no real interdependence. Building a set of shared identity management resources and a public services community to support their development, deployment, and maintenance is central to building a balanced Identity Eco-system. Projects include technical efforts to build a shared infrastructure for identity management, convening stakeholder meetings on topics such as cross border federation, attribute exchange and monetization, and support for interoperability among competing solutions. Inter-federation and solving regional policy disagreements are key problems.

Staffing Resources:		
Staff	Continuing: 3 Proposed: 1 Addition	
Total Budgeted Expenses (incl Personnel and G&A allocation):	$1,560,000	
Staff Costs		$797,000
Non-personnel internal expenses		$133,000
General & Administrative (allocated)		$230,000
External Project expenses		$400,000

vi. Functional Summary: Standards and Technology

Overview

The Standards & Technology department has a dual role of carrying out key technology initiatives in the interest of the health of the Internet, as well as serving as the technology basis for other departments' activities. As a neutral party, the Internet Society can convene discussions and facilitate collaborative action to develop or deploy technology for the best interest of the Internet.

A primary focus is "Here and Now" issues – raising awareness and causing real change in current Internet technology, through established relationships and fostering further collaboration, as well as capturing and disseminating key information. Additionally, we are continuing our work to engage the developers and development of the *Future Internet*. This entails bridging the future-thinking researchers' and developers' work with the current operational and engineering worlds of the Internet.

2013 Key Issues and Objectives

Bandwidth Management: Internet bandwidth provision and consumption have trended upwards since the beginnings of the network. Networking hardware and related coding algorithms have improved regularly resulting in higher bandwidth services being delivered to end-users at stable or falling price points. It is unclear whether supply can easily keep pace with demand, which fuels heated debate about the need for new business models and in-network bandwidth management techniques. Simultaneously, new applications of the network are driving greater bandwidth demand and generating new requirements for better bandwidth management tools. It is important for the healthy evolution of the Internet that mechanisms to support this growing diversity of use are end-user centric, open and compatible with Internet architecture. We aim to advance:

•   Widely-shared understandings of the real challenges posed by growing bandwidth demand and more focused work across research and industrial communities to address the issues.
•   Agreement about the set of mechanisms required to address bandwidth management challenges. Identification of the set of steps required to obtain widespread industry/operator deployment.

Routing Resilience: The global Internet routing system, or an inter-domain routing system, is vulnerable to attacks. These attacks may cause hijacking, detouring of traffic, or other violations of routing policy as defined by each network operator independently. The objectives of the routing resilience work are to:

•   Ensure that the global inter-domain routing system is getting more resilient and less vulnerable to attacks and misconfigurations by getting organizations, participating in global inter-domain routing, to recognize and address external dependencies.
•   Facilitate and disseminate the trusted factual information regarding the state of security of the Internet routing system and trends. Raise awareness of this information at all levels: technical network operations, business decision makers, and policy decision makers.
•   Demonstrate the ability of the industry to address problems of routing security through the approach of collaborative responsibility.
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Broadening Internet adoption: The Internet's role continues to expand and embrace industries not familiar with or accustomed to Internet principles and practices. Key opportunities in 2013 will be to:

•   Foster greater deployment of IPv6 in mobile wireless (Internet) networks
•   Ensure more collaborative participation in elaborating rights management and protection models that work on the Internet for all forms of digital content (from big industry and individual content producers)

Fostering Internet-supportive innovation: The Applied Networking Research Prize (offered jointly with the IRTF) targets young researchers to expose them to Internet engineering and bridge the research and engineering worlds. In 2013, we aim to support more key research conferences to raise awareness of ISOC, the Internet engineering approach in general, and ANRP in particular.

Staffing Resources:		
Staff	Continuing: 4 Proposed: 0 Additional	
Total Budgeted Expenses (incl Personnel and G&A allocation):	$1,757,000	
Staff Costs		$928,000
Non-personnel internal expenses		$246,000
General & Administrative (allocated)		$268,000
External Project expenses		$315,000

vii. Functional Summary: Internet Leadership

Overview

Increasing threats to the multistakeholder model of Internet governance have reinforced the importance of nurturing a strong talent pool of global leaders and successors; individuals who can effectively navigate and advance complex policy and technology issues in a multidisciplinary environment. In 2011-2012 ISOC brought together various leadership activities including the ISOC Fellowship to the IETF, IGF Ambassadors, and Next Generation Leaders e-learning course into a focused department, which expanded and strengthened the impact of our work, developed new engagement opportunities, and advanced ISOC's reputation in this area.

Increased demands for participation in our programmes, coupled with the continued, critical need to advance Internet leadership, education, and knowledge, make clear that we need to significantly scale our efforts to reach deep and wide, across the breadth of users, influencers, and communities – including end users. In 2013, we will deepen our leadership work through initiatives such as our NGL programme and country-specific endeavour in South America. Further, we will broaden our the Internet education and knowledge initiatives to extend our reach to higher education students, educators, policy makers and other professionals and end-users with programmatic-specific materials.

2013 Primary Objectives

(1) Continue to build and engage a global cadre of leaders who can navigate the policy and technology issues that will shape the future Internet

(2) Train professionals, educators, and higher education students about Internet Governance and other issues that impact the future Internet.

(3) Inform end users about their rights, roles, and responsibilities about the Internet of today and the future.

Specific key goals and objectives in this area include:

- Reach 600+ individuals across policy, technology, and business through targeted leadership development programmes, including through NGL component programmes.
- Expand programmes to train professionals, educators, and higher education students about Internet Governance and other issues that impact the future Internet.
- Build a portfolio of end-user education materials, including video assets and online curricula, aimed at educating end users about the Internet and key issues at broad global scale.
- Upgrade and deploy a new e-learning platform to scale online education efforts, reduce costs associated with current platform, and support self-paced learning to meet broader community needs.
- Scale IETF Fellows and Regulator engagement activities, including through remote hub participation opportunities.
- Build in-house expertise on a Learning Management System that supports broad-scale educational outreach regarding topical Internet issues, including privacy and online data, among others
- Increase our value proposition as a partner to higher education and other organizations, chapters and members, regions, and sponsors, and develop expanded Internet education and knowledge outreach portfolios.

Staffing Resources:		
Staff	Continuing: 5 Proposed: 0 Additional	
Total Budgeted Expenses (incl Personnel and G&A allocation):	$2,453,000	
Staff Costs		$963,000
Non-personnel internal expenses		$126,000
General & Administrative (allocated)		$278,000
External Project expenses		$1,086,000

viii. Functional Summary: Internet Development (Including Strategic Development Dept.)

Overview

Assisting countries to grow and sustain Internet infrastructure and expand access has been central to the Internet Society's mission since our founding. Working with partners around the globe, including our Chapters and Members, our goal is to achieve a ubiquitous, reliable, and sustainable Internet in developing countries that is on a par with the rest of the world.

The Internet Society's Internet development and capacity building activities are undertaken on a cross-organisational basis. The Strategic Development Department works to advance long-term strategies and though leadership influence aimed at accelerating Internet development in emerging economies, our Regional Bureaus implement projects and programmes locally, and our Public Policy team providing support for related policy issues. This is further supported by the work of Internet Leadership activities and local community assistance projects and implement by our Members through our Community Grants programme.

2013 Key Projects

While not exhaustive, highlights of key projects and efforts in 2013 include:

- Interconnection and Traffic Exchange (including IXP deployment): We aim to foster robust, efficient, and cost-effective interconnection and traffic exchange environments in developing countries – including assisting the development of IXPs. Africa and Latin America are regions of specific emphasis. In Africa, we will accelerate IXP deployment by leveraging the AXIS grant from the African Union, as well as advancing our successful African Peering and Interconnection Forum (AfPIF), among other activities. In Latin America, we will continue to expand IXP development assistance and work with the Latin America IXP association (LAC-IX) to build a strong community of practice in the region.

- ccTLD Development and DNSSEC Deployment: Our work in this area aims to develop strong ccTLD infrastructures, including accelerating DNSSEC deployment in ccTLDs. In 2013, we will deepen our partnerships with regional ccTLD associations in order to extend capacity building on ccTLD operations, management, and DNSSEC implementation.

- Networking Skills Capacity Building: Our training and capacity building activities with Network Operators' Groups around the world and regional training forms such as AfCHIX and WALC will continue to be key component of our work to build local networking skills. In addition, we will also build upon our networking skills "boot camp" programme in Africa by deepening the local reach of the project and adding online learning capabilities that will be extended to other regions.

- IPv6 Deployment in Emerging Regions: Leveraging Deploy360 Programme outputs and regional expertise, we will continue to deepen our IPv6 deployment efforts in developing countries. Our work includes conducting targeted hands-on training workshops, facilitating experience sharing between operators, and raising awareness of IPv6 deployment imperatives amongst stakeholders, including policy makers.

- Access Policy Assistance and Local Development Projects: The work of the Internet Society aims to ensure that the "Internet is for Everyone". In 2013, we will continue to advance local access projects, including through our rural access network project in India and Community Grants programme. In addition, we will continue to provide support to policymakers and regulators to advance solutions aimed at providing sustainable access in developing countries.

- Advancing Internet Development Thought-Leadership and Engagement: Key among our priorities this year will be developing and issuing "best of class" research and reports on Internet development topics, as well as case studies and best practice guides, to guide stakeholders in implementing Internet development approaches consistent with the Internet model and ISOC principles. Further, we will work to deepen our engagement with the ITU Development sector, among other fora, to share lessons and solutions from our 20+ years of experience in promoting Internet access and development.

Strategic Development Department

As noted above, the Internet Society advances its Internet development work on a cross-organisational basis. Our regional Bureaus play a key role in implementing projects locally, and operational costs for related regional projects reside in and are managed through regional budgets.

Our Strategic Development Department, however, takes a leading role in crafting ISOC's overall development including:

- Advancing ISOC as a leading "go to" organisation for Internet development expertise, advice and assistance globally
- Developing long-term organisational strategies aimed at achieving ISOC goals in Internet development in emerging economies
- Developing multi-year, high-level programmes aimed at advancing the Internet landscape and key issues in emerging economies, and
- Promoting alignment and leveraging of development outcomes across all ISOC's activities and departments, in conjunction with functional and operational staff.
- Additionally, but as a separate function, the department also assists the CEO with ISOC business planning functions, strategy, and operational reporting, including coordination of the Executive and Senior Management teams.

Costs below represent resourcing for the Strategic Development department across its range of activities:

Staffing Resources:		
Staff	Continuing: 3 (Includes 1 shared Admin staff) Proposed: 1 Additional (cross-organisational role to support economic analysis)	
Total Budgeted Expenses (incl Personnel and G&A allocation):	$1,251,000	
Staff Costs		$730,000
Non-personnel internal expenses		$55,000
General & Administrative (allocated)		$211,000
External Project expenses		$255,000

ix. Functional Summary: Deployment and Operationalization (Including Deploy360)

Overview

The Deployment and Operationalisation team will focus in two main areas in 2013.

Deploy360 Programme

The Deploy360 Programme (http://www.internetsociety.org/deploy360/) aims to accelerate deployment of new standards and technologies such as IPv6 and DNSSEC, speed innovation and economic growth, and increase security on the Internet. The Internet Engineering Task Force creates protocols based on open standards, but some are not widely known or deployed as broadly as they should be. The Internet Society launched Deploy360 to help bridge this gap between completed standards and their real-world deployment.

Deploy360 provides real-world information to the global operations community, including network operators, developers, content providers, consumer electronics manufacturers, and enterprise customers. It provides resources from industry experts so other organizations get the answers they need to deploy new standards and technologies on their own networks quickly and efficiently. Components of the Deploy360 Programme include:

- A growing web portal with technical resources and articles, blog posts, best practices, case studies, and deployment information.
- ION Conferences to bring together network operators and leading industry experts.
- Social media interactions to encourage year-round deployment discussions.
- Speaking engagements at technical industry conferences and events around the globe.

The web portal is the premiere technology education and community engagement tool, and the ION Conference series has been a channel to deepen engagement in the Programme and bring diverse audiences in contact with key experts. The ever-growing social media engagement continues the conversation between ION Conferences and other speaking engagements, enabling nonstop discussion of new standards and technologies and how to deploy them.

Building on the strong base established in 2012, 2013 will focus on expanding the reach and impact of the Programme. The Programme will work with our Regional Bureaus and Chapters to further extend the reach of our work.

Best-Current Operational Practices and Operator Feedback to IETF

The DO team will work with operator groups around the globe to facilitate the documentation of best current operational practices for Internet technologies. We will also investigate ways to capture standards and technology feedback from operators and develop strategies to realize that feedback inside the processes of the IETF. 2013 Primary Objectives include:

(1) Foster an open, innovative, and trusted Internet worldwide.
(2) Extend Internet Society reach to worldwide operators through technology leadership.
- *Increase Deployment of New Internet Technologies*
- *Increase Use of Best Current Operational Practices*
- *Improve Communications and Participation Between Operators and the IETF*

The Deploy360 Programme will accelerate the deployment of key Internet technologies and IETF standards. It will also advance implementation of solutions that enhance the health of the Internet, infrastructure and data security, while working to preserve the open, global Internet. We will continue to build out the Deploy360 resource as a global clearinghouse of information and actionable resources. We are already covering IPv6, DNSSEC, and best current operational practices for secure routing (as of late 2012). New topics will be added in 2013. Deploy360 is a unique platform for technology conversation and deployment assistance.

Staffing Resources:		
Staff	Continuing: 4 Proposed: 0 Additional	
Total Budgeted Expenses (incl Personnel and G&A allocation):	$1,508,000	
Staff Costs		$786,000
Non-personnel internal expenses		$175,000
General & Administrative (allocated)		$227,000
External Project expenses		$320,000

x. Functional Summary: Communications

Through integrated marketing campaigns, media outreach, online marketing, and event support, our Communications Department will continue to advance the Internet Society as a trusted source for Internet information and a thought leader on issues key to the Internet's growth and development.
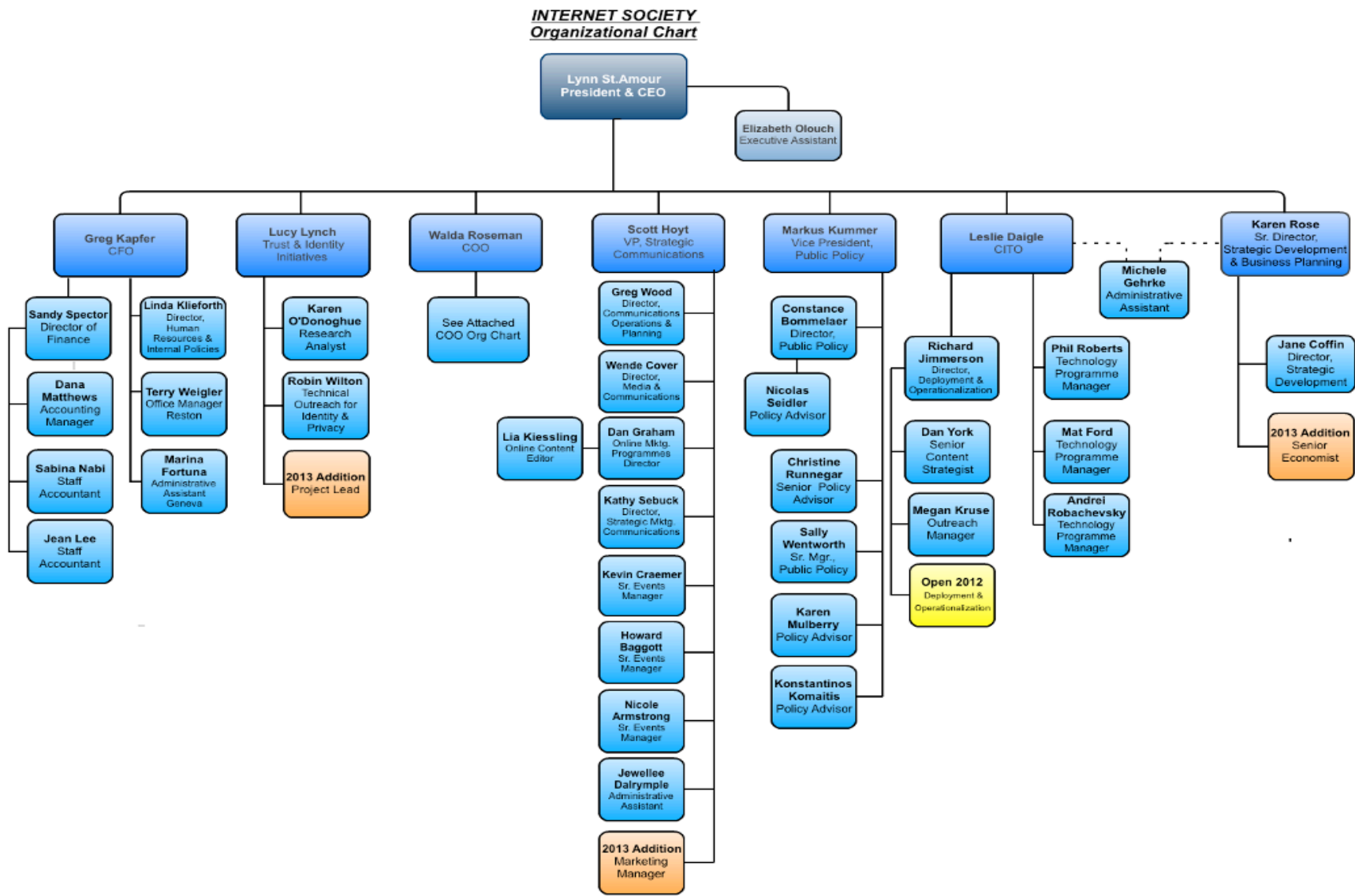
2013 Primary Objectives
- Drive revenue by implementing robust integrated marketing campaigns for organizational priorities such as Trust and Identity, Digital Content, Internet Governance, Membership, the Internet Hall of Fame, and key studies and reports.

- Deepen engagement with existing stakeholders and reach new audiences by leveraging online tools using social media, SEO, and search engine marketing, increasing unique visits to the www.internetsociety.org website by 150%, including a 40% increase in non-English traffic, and expand sharing of social media content by 100%.

- Advance the organization's mission and our regional priorities through a broad range of tactics, including expand our list of target journalists and audiences, and increase media placements by 50% by working with our global PR partner.

- Enable Regional Bureaus, Chapters, and Members to advocate the Internet Society's positions regionally and locally by enhancing resources and tools, which include Chapter brand identity and website templates, Global Messaging Center, and the online collateral ordering system.

Key Communications Project Areas
- Internet Hall of Fame Programme: The Internet Hall of Fame to identifies, recognizes, and celebrates individuals who have fuelled the development of the Internet that has transformed lives throughout the world.

- Global Messaging Center: The Internet Society's Global Messaging Center serves as a resource to provide messaging and associated content on a wide range of timely topics.

- Global Internet User Survey: The Global Internet User Survey collects unique global data on how the Internet is used around the world, supporting the Internet Society's position as a thought leader, and providing information that advances its programmatic objectives.

- Online Communications, including Web and Social Media Marketing: The Web, social media, and online marketing efforts are key channels for engaging the existing community and an integral part of reaching new ones.

- Media Relations and Global Outreach: We initiate and pursue media opportunities such as feature stories, bylines, and op-eds, as well as monitor global media for emerging stories, themes, and opportunities for the Internet Society.

- Integrated Event Strategies: Through an integrated approach to events, we foster engagement, leadership and discussion with and among the Internet Society community.

- Strategic Marketing Communications Campaigns: Focused marketing campaigns employ a wide range of tactics to advance programmatic objectives, as well as drive membership and revenue targets

- Alignment and Support for Regional Bureaus:Supporting our organizational priorities includes ensuring we tailor key aspects our communications efforts to meet the needs and opportunities within each region.

- Communications Engagement Services and Tools: We develop print, graphic, and online materials and templates that provide a foundation and framework that can be leveraged by Regional Bureaus, Staff, Members and Chapters.

Staffing Resources:		
Staff	Continuing: 10 Proposed: 1 Additional	
Total Budgeted Expenses (incl Personnel and G&A allocation):	$4,925000	
Staff Costs		$2,269,000
Non-personnel internal expenses		$283,000
General & Administrative (allocated)		$655,000
External Project expenses (excl Global Meetings)		$1,718,000

Appendix C. Organisational Charts

INTERNET SOCIETY
Organizational Chart

Lynn St.Amour — President & CEO

Elizabeth Olouch — Executive Assistant

Greg Kapfer — CFO
- Sandy Spector — Director of Finance
- Dana Matthews — Accounting Manager
- Sabina Nabi — Staff Accountant
- Jean Lee — Staff Accountant
- Linda Klieforth — Director, Human Resources & Internal Policies
- Terry Weigler — Office Manager Reston
- Marina Fortuna — Administrative Assistant Geneva

Lucy Lynch — Trust & Identity Initiatives
- Karen O'Donoghue — Research Analyst
- Robin Wilton — Technical Outreach for Identity & Privacy
- 2013 Addition — Project Lead

Walda Roseman — COO
- See Attached COO Org Chart

Scott Hoyt — VP, Strategic Communications
- Greg Wood — Director, Communications Operations & Planning
- Wende Cover — Director, Media & Communications
- Lia Kiessling — Online Content Editor
- Dan Graham — Online Mktg. Programmes Director
- Kathy Sebuck — Director, Strategic Mktg. Communications
- Kevin Craemer — Sr. Events Manager
- Howard Baggott — Sr. Events Manager
- Nicole Armstrong — Sr. Events Manager
- Jewellee Dalrymple — Administrative Assistant
- 2013 Addition — Marketing Manager

Markus Kummer — Vice President, Public Policy
- Constance Bommelaer — Director, Public Policy
- Nicolas Seidler — Policy Advisor
- Christine Runnegar — Senior Policy Advisor
- Sally Wentworth — Sr. Mgr., Public Policy
- Karen Mulberry — Policy Advisor
- Konstantinos Komaitis — Policy Advisor

Leslie Daigle — CITO
- Richard Jimmerson — Director, Deployment & Operationalization
- Dan York — Senior Content Strategist
- Megan Kruse — Outreach Manager
- Open 2012 — Deployment & Operationalization
- Phil Roberts — Technology Programme Manager
- Mat Ford — Technology Programme Manager
- Andrei Robachevsky — Technology Programme Manager

Michele Gehrke — Administrative Assistant

Karen Rose — Sr. Director, Strategic Development & Business Planning
- Jane Coffin — Director, Strategic Development
- 2013 Addition — Senior Economist

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Internet Society COO Organizational Chart

Internet Society

Global Services

Sofie Maddens
Senior Director,
Global Services

Frederic Donck
Regional Bureau
Director for
Europe

2013 Addition
Senior Development
Manager, Europe

Dawit Bekele
Regional Bureau
Director for
Africa

Michuki Mwangi
Senior Development
Manager for Africa &
Middle East

Kevin Chege
Internet Development
Manager for
Africa

Marsema Tariku
Administrative
Coordinator

Open 2012
Project Coordinator

Raj Singh
Regional Bureau
Director for
Asia

Thip Chomprang
Regional Affairs
Manager, Asia

2013 Addition
Programmes
Coordinator, Asia

2013 Addition
Senior Advisor/Arab
Bureau Director (TBD)

Paul Brigner
Regional Bureau
Director for
North America

Sebastian Bellagamba
Regional Bureau Director
for
Latin America & Caribbean

**Christian
O' Flaherty**
Senior Development
Manager for Latin
America & Caribbean

Shernon Osepa
Regional Affairs
Latin America &
Caribbean