

**Internet Society
Board of Trustees Meeting 161 - Day 1
13 November 2021
Transcript**

>> TED HARDIE: Thanks, everybody. And welcome to the Board of Trustees meeting for the Internet Society Board of Trustees. This is Saturday, November 13th, at least in UTC time zone. We have one apology today from Maimouna who is not able to join us. Are there any conflicts to declare? Okay. Hearing no conflicts, the first order of business is to recognize our new chapters which have been recently chartered. There are three to recognize today and the resolution reads as follows. Resolved that the ISOC Board of Trustees, warmly welcomes the Internet Society Canada, Manitoba Chapter, the Internet Society Poland Chapter, and the Internet Society Ukraine Chapter. I'd like to do this by acclamation. So, if you would signify your acclaim by clapping. Thanks very much. And we very much welcome each of these chapters to the Internet Society. We also extend our congratulations to the president and other officers of the new chapters.

The next order of business is the president and CEO's report. Andrew.

>> ANDREW SULLIVAN: Thank you. And Kevin, I think you have some slides. This has shrunk. Yep. Thanks very much.

So, I am Andrew Sullivan. I guess all of you know that, but in case anybody is watching. This is the presentation of our 2021 Action Plan, the progress so far. Next, please.

So, as you will recall, we categorize our projects into one of two categories, either Internet - around growing the Internet or around strengthening the Internet. These are about the Internet growth projects. Next, please.

The first of these is building community networks. And since these are up, I will not go through all of the - all of the detailed things here. You probably don't want me to read you a table in this presentation, but I want to draw a few highlights. The basic issue with community networks involves a couple of different things. One, that we need to make sure that we are engaging with the communities who develop these networks, and then also the regulatory environment. So, whether countries

permit them, whether they're appropriate, appropriate uses of bandwidth and so forth for the countries in question. I'm pleased to say we've had quite a few - quite a few new community networks that have been deployed, so we've already achieved the status for the year. We've also achieved - we've made good progress and made our number for the countries and organizations that have changed the policies and regulations. This was a big hurdle, so this actually should improve our capacity to be able to do this in the future. Next slide, please.

The other part about this, of course, is ensuring that the community is in good shape and capable of doing these things. You can't have a community network without the community, and so we try to make sure that we support people in that. There are - there's a lot of training that is within most of this - most of this presentation, and that, of course, is in keeping with the focus on training that we've been doing over the last couple of years. We've met our aim for individuals trained for the year. There is a program going to run in Q4 having to do with community leaders and their promotion and so on that happens in Q4, so that hasn't really happened yet. And we've got new partners that are helping us in this effort as well. Next, please.

The next topic is a sort of two-faced topic. One having to do with fostering infrastructure primarily, Internet exchange points, and then ensuring that the community is there to develop that and continue to develop those IXPs. We had a target of five IXPs for the year, five new ones, and also improving 15 existing ones. We're almost there with the new ones, and we've already achieved the level for the existing ones, so that's very good. We've also - we also intended to find new and existing partnerships. We were aiming at five. We've had lots of support there, so we are well past our goal for the year. Next, please.

The development of the community is also not only on track. It is really exceeding its goals, and this will be reflected, of course, in next year's goals where we will reach a little higher this time around. We were hoping for 500 people to take the network operations training. We more than - we just completely blew through it. We've got lots and lots of people who are very interested in this. This has been a very successful training effort, and I think it's one of the signal achievements for the year. We've also got countries who are engaged through policy changes and so on. And there again, the long-term efforts are really starting to pay off. Countries are coming around to the idea, oh, actually, this is a way to save us money and to create

an environment within our country that is positive. So, that's what we're seeing. That's what we're seeing within that area. Next, please.

Finally, we've got in this area, we've got this project around measuring the Internet. The goal of this project, this is sort of the first really big year for this, and the goal of this is really to be a clearing house for other measurement efforts. There's a lot of measurement efforts around the Internet. They are fragmented and the goal here is to sort of consolidate them in a way that is useful. The aims were modest, but I think we've had positive effects. We had three new partnerships. We did manage to get three new partnerships. We are hoping for another one, so we'll have more kinds of data and a wider variety of data. Similarly, we've got some new focus areas. We're about to launch these new focus areas. They should be coming before the end of the year. So, that's on track. Next, please.

Now we'll move onto the strengthening of the Internet portfolio. Next, please.

The first of these, of course, is the Internet Way of Networking, which you've all heard about. This is - the focus here, of course, is to develop a clear way of describing and thinking about what is different, what is distinct about building networks along the lines of the Internet as opposed to other kinds of networks. There are lots of ways to develop networks, but this one is the Internet way, and that's what it is that we're focused on here. So, we've been working hard to make sure that other people understand this technique and this tool. We aimed to have some external entities pick this up. We were aiming for five. We've had three so far. So, we think that we're going to have some - we're going to have some positive results there by the end of the year. But we have had people in the policymaking and the ISOC community working through the Internet way training course. We've exceeded our target for the year, and I think that's very good news because we really want this to become a building block for the way we talk about network development more generally. Next, please.

Encryption has been a hot topic for us this year. This is the Q3 numbers, and you will see that some of these look a little low. This is, of course, because the Global Encryption Day has just happened, and so all of the big numbers are going to show up after this. We've nevertheless had some very, very good results. We've had a really positive engagement with the Global Encryption Coalition. Why can't I spit that out today? That -

we've had many more people pick that up than we were hoping. I guess not hugely large numbers, but we've got some more - some more that are coming as well. We've also had a lot of people take the training around this. It's a very, very popular training course and I think that what we're seeing is people are understanding actually there's a lot of subtlety to this. I'm particularly pleased to point out on this row that we've got journalists and other kinds of people who are I think hungry for this kind of information, and so this is a way in which the Internet Society is really taking this message to the wider audience in the world and not just our own community. The Global Encryption Coalition events and so on, this, of course, we were aiming for a million people, but, as I said, it's just happened. Next, please.

Securing global routing. This is really the MANRS effort. As you know, what we were aiming here was to really increase the route origin authorization uptake. What we've seen is that we were aiming for 10%. We've already exceeded that. We've got like 15% increase since January. So, I think that that's a really great - really great result. This is a critical piece of the Internet infrastructure. We've got some work going on around the existing MANRS participants implementing origin validation. So, there are really two parts to this. You've got to announce your authorization and you've got to do validation. The validation part is still a little bit delayed. It turns out that this measurement is very, very hard to make, and that's actually where the problem is here. We committed to this measurement and now it turns out we're not really sure how that yardstick works, so I am a little bit concerned about that, but we're going to give it a try anyway.

There seems to be a comment in the chat.

>> RICHARD BARNES: Just a minor comment about metrics on the ROA side.

>> ANDREW SULLIVAN: Oh, I see. Okay. All right. Well, we'll look into that. Next, please.

We also are looking - one of the things that has been a big important feature of MANRS is to show actually people join MANRS and they get better, so they're getting benefit out of it for their own - for their own network because that, of course, gives you a reason to continue convincing other people to come along. And so, what we've been trying to see is, okay, people are joining - we look back three months because we know they're

coming - we look back three months and then we look three months after they joined and we say, hey, was this an improvement? We've been aiming for a 30% improvement. It's actually turned out to be harder to achieve this than we thought because it appears that when people think, oh, maybe we'll join MANRS, they start making improvements before we have a chance to look at them. And so, this is - I mean, it's good news. It's just that maybe the measure is not very good, so we may actually have to adapt that measure in a different way or decide actually this isn't a thing that can be measured very usefully. Finally, you will recall that MANRS was always intended to be a sort of community-driven effort that the Internet Society shouldn't actually operate this forever but should instead prepare the community to take it over, and the community has been getting ready to do that. So, there has been a steering committee election procedure. In fact, the election has been going on. So, it's good news. I think that that is going to be ready probably for next year. Next, please.

We also had in the action plan a bunch of efforts around empowering people to take action. This is really community focused stuff, so that's what this is about. Next, please.

The first half of this is community participation, direct participation, particularly among chapters, but also other parts of our community. Next, please.

The first piece here has really been around individual members and trying to make sure that we understand these things. I think you will all be aware that historically our attention to individual members has been perhaps a little weaker than it should have been, and so this year is really a baseline - a baseline year where we're developing that in order to say, okay, well, in future years, do we get an improvement? What we've been doing here is trying to figure out how many individual members are participating in our events. We aimed at 5,000. We just - I mean, that was a number picked out of thin air because, as I said, this was a baseline year. Nevertheless, we have exceeded it. Next, please. There we go.

So, we've got special interest groups. You will recall that the special interest groups were in this awkward situation. They were treated very much like chapters, but they didn't have the function that worked like chapters, and most importantly because they weren't geographically constrained, it was often very difficult for a given special interest group to figure out where they could have a bank account and so on, and that tended to

make things very, very difficult. So, we came up with, in consultation with the SIG community, we came up with an alternative plan for a structure and so on. That has been rolling its way out. The new structure is in place. We're on track for that. We had to pick five topics. We got the five topics. There was a protracted discussion about that, but I think that while not everybody is happy, I think this is working. Next, please.

Finally, we're going to establish the sort of baseline number this year for people who participate in the consultation. So, the SIG consultation is going to happen under the new - under the new process every two years. This year was the baseline year. We've got the baseline number, so this is prepared. And so, then in two years, not in 2022, but in 2023, we'll have another consultation around this, and this will be - this will form the basis for that. This is done, but there is not a lot to report about it this year. Next, please.

The next part of this has to do with community participation. This is a - this has been a topic I know that this board has taken up very often, so these are some numbers that we have, but unfortunately, we don't really have much in the way of numbers here. So, the big issue here has been software systems. We have a bunch of software systems that turn out not to be particularly well suited to purpose. And in particular, the system that we have that is the association management system doesn't really do the things that we want. And so, there have been efforts. We are pushing towards this. What we are doing is working to replace this system and to identify all of the issues that have been there with it and not all of the community has been able to - has been able to participate in this to the extent that we would like, so there has been a lot of drag on this and it hasn't gone well. We have not selected a vendor. My anticipation is that there will be a short list probably in December. I think that what is most likely is that this goal is going to be missed this year. I think it is going to be slipping into next year. I believe that that's the right trade-off given the fact that we have not actually consulted very exhaustively with the people who are going to be affected by this. We did not do a good job of this. The last time we selected this thing, many of you will be aware, that we only implemented Member Nova a couple of years ago and it really did not go well. In facing the fact that some of these dates have not been working very well and we have lost some staff who sort of left at inopportune times for us, so we've ended up in a situation where this hasn't worked very well. I feel that it would be better actually to extend some of

these deadlines out than to meet the deadline but not have consulted with people. I think that it would be unwise to push ahead without adequate consultation. Next, please.

The goal here really has to do - the goal of the focus on content is to really work on how we deliver the content that we do. Much of the content that we've produced historically was difficult to access, it was often hard to understand exactly how it fit together, and it was very difficult to understand why a given piece of content was up on the website or not and how to reach it and so on. We've made enormous progress I think on the website. And as you can see, the website, we've been going through the web content to make sure that it is relevant to our strategic objectives and the content strategy. That's in pretty good shape. I think that's really going well. The audience satisfaction efforts, and particularly growing the audience satisfaction, that won't really be done until the end of the year, so we don't have a lot to say about like what is the current audience satisfaction, but we'll know that later this year. Next, please.

Another portion of what we were trying to do within the community was the expertise and capacity efforts. This is really the investment in our training and learning platform and so on. There is a designated fund that has been expended this year primarily around that. It's a significant investment. We made that significant - we made that decision last year and we are seeing the results. Next, please.

So, many of these are exceeding their goals. We see - we aimed to have 30 of these opportunities available. We managed to get to 45 already. We were aiming to reach 10,000 people by Q3. We were up over 7,000, so I anticipate that we're probably going to meet that goal. We've been looking for high satisfaction rates among people. One of the issues with our prior training and education efforts was that there was pretty low satisfaction with the utility of those courses, and I'm very pleased to see this is quite high. This is 94% so far. We've got - in addition, you will recall that we were hopeful that the training and learning efforts would become self-sustaining, and so we needed to make sure that we had some people who were going to support it. We've already got a - we've already got one partner on board. We're hoping that we will meet this target of two by the end of the year. This is a difficult thing to get people, right? I mean, essentially, what they're doing is they're saying, yes, we're going to sponsor this program, so it will take some time. Next, please.

We also have the fellowship programs that we were aiming to do. There is a sort of training which is a kind of broad-based sort of thing, and then the fellowships which are really quite focused. Right? The intention here is really to seed the world with people who are advocates for the Internet Society and for the Internet. And so, that's what these - that's what these programs are about. We did launch the early career fellowship and we've got a baseline established for the number of applicants and so forth that we can do each year. We developed the mid-career plan and it's actually now ready. And we've been trying to get partners to support the program. This is also a difficult area to go, and yet the team has managed to do it. They were aiming for four. They've got five so far. So, I think that we've really got - we've really got a positive development in this area. I think that people really understand that we need advocates for the Internet. Next, please.

We wanted to continue our support of cutting-edge knowledge, and in particular to support the Network and Distributed Security Symposium. We don't know yet where NDSS will be ranked this year, but we wanted to maintain it in the top five, so we'll find out, of course, at the end of the year. And we've got some collaborations that we're working on with the research community on open standards. There was one that we were aiming to do. It appears that we're going to get there by the end of the year, but it isn't done yet. Next, please.

We also have to worry about the Internet Society itself to make sure that the Internet Society is in a healthy financial condition. And, of course, while we are very generously funded by PIR, we cannot be funded only by PIR, and so that is an important part of what this is about. But it's also the case that if we expanded our resources, we would be able to do more. Next, please.

So, the first thing here really was about diversification of revenue. We were hoping to get 50 agreements, memoranda of understanding, to various partners in order to indicate that we were going to get some support. We've got 56, so I think that that's in good shape. We also were aiming for 10 new sources of funding for revenue diversification period - purposes. We've got 13, so that's also a positive thing. And then we had a \$500,000 revenue target. And I know you're probably thinking, gee, \$500,000 doesn't seem that much on our budget. Historically, we have been extremely bad at this part of our work, and so I'm very pleased to see the results here that the team has managed

to get \$1.8 million as sort of revenue targets that bring in outside support for the Internet Society, so that's a really positive - positive result.

I see a hand from Richard.

>> RICHARD BARNES: Yeah, just a quick question on that last - on that revenue line. Did you have any thoughts on kind of what the key success factors were that enabled that wild, wild success there?

>> ANDREW SULLIVAN: Well, I think part of the answer is that people are seeing that the efforts that we set out to achieve a couple of years ago when the Board said, look, you've got to have some targets, and so we have been working on presenting targets that we can say to people, look, okay, here's what we said we were going to do, now here it is that we're doing it. We've been working very hard to make clear the benefits that we bring to these efforts. The effort around training and education, for instance, was - it was an effort to say, okay, yeah, this program is underfunded, it's not very well designed, it really needs some work. We've put a lot of money into doing that, right? I mean, this - it's true that there's this income. It's not like that has helped our bottom line exactly because, the truth of the matter is, we've also got a very, very expensive program there. But we've got a very expensive program that people see the value in, and I think that that is the key for the organization to continue building that because I believe that we need to be able to show people, hey, the Internet is really valuable and we're able to do something about it, and that's been the message that I think is carrying through. It's the informal information that I'm getting anyway. We don't have - we don't have really good sort of hard numbers about this, and the reason we don't, of course, is because people who won't give you money won't give you information either, so we don't actually know why people weren't receptive to our message before, but it does appear to be working now.

>> RICHARD BARNES: Thank you.

>> ANDREW SULLIVAN: Next, please.

Oh, that's it. Right. So, I hope that gives you - I know I went through that very quickly, but I was also sensitive that we started a little late, so I hope that that gives you a picture of the current state of affairs and that it is satisfying. I want to say I think the staff is really delivering on what they

said they were going to do. We have written down things in advance. We say, oh, this is what we're going to aim to do, and then people are actually turning up and doing that, and that's, I think, a very, very positive sign. I'm very, very grateful to all of the staff who have worked very hard to achieve this.

>> TED HARDIE: Thank you very much. Are there questions for Andrew? George?

>> GEORGE SADOWSKY: Thank you. An observation more than a question.

Andrew, thank you very much for this. I think it was a very - it's a very good story that you're able to tell, and that's terrific. I would caution, however, against using the quantitative targets that you've used without considering some of the other external effects of what you're doing. It's sort of like when I read what's been written about this when you set targets, I get the sense that this is a little bit like a box checking exercise, that if you've met your target, you've done what you want to do. We have a case in the United States in schools, as you know, that when standardized tests are forced upon teachers and their performance is judged on the basis of how well students do, they teach to the test and not necessarily to the subject as they see it. For example, when I read that you wanted to establish 50 new community networks, that's very dry. It leaves me totally without passion for the task at all. Well, what's 50 more? How else could you use that money? Couldn't you get better leverage elsewhere? But when I hear you talk about it and when I heard Jane talk about it, I had a half an hour conversation with Jane in which I said what are the alternatives, why are you doing this, she gave me a description that was full of nuance, full of pointers that this something would cause something else and something would test the regulatory capacities and the rules of the country, and I saw a picture which was very complex which was instigated by the community networks but would not come out in any quantitative measurement of what was being done. I think that the qualitative aspects of each of these programs are very important and I hope that they are recognized in some way in terms of whether we believe that we have achieved success in any particular dimension of the program. As I say, in general, Andrew, great job. In particular, let's make sure that we are aiming for the right goal, measuring ways in which we can decide correctly whether we are reaching our goal or not. Thank you.

>> ANDREW SULLIVAN: I just want to point out -

>> TED HARDIE: Before you do, I had a side conversation with you, George, about this where I suggested that if you weren't going to make this intervention that you have a specific set of things that you suggested we measure instead. I'm sorry that you didn't have time to do that, but I would suggest that if you're going to bring up a way of changing how we measure success that how we are going to measure it in some other system should be part of that because I think fundamentally saying qualitative avoids the question. Right? The real question is how do we get something where more than one person would say, yep, we have - we have set a target and we've reached it successfully. And I think the quantitative measures that this board and its predecessor boards gave to Andrew were exactly because one of the things that was problematic in the Internet Society some years ago was people picked projects because they felt like they were achieving something and never measured to be sure that they did. I'm happy to consider other things that we might measure, but I really do believe it's important for us to measure the output of the Society in some way to determine whether or not it succeeded.

>> GEORGE SADOWSKY: If I might.

>> TED HARDIE: Absolutely. And then Richard - or sorry, then Andrew and then Richard.

>> GEORGE SADOWSKY: I don't - I'm not saying we shouldn't use quantitative targets, but we should understand that what we're doing is we're using a proxy in many cases for things that we can't measure, and those things may be as important in terms of deciding whether the activity has paid off for us as not. And second, I don't have a plan to measure - to aggregate qualitative measures at all, but I would hope that just the observation and understanding would be useful to bring up here. Thank you.

>> TED HARDIE: Richard.

>> RICHARD BARNES: I think I was probably going to agree with Ted here that we cannot not have quantitative measures, and they should be obviously aligned with a broader qualitative story, but we need both of those stories. So, I think there's like - as Ted said, we can't just say we cannot have quantitative measures. We need to get the right quantitative measures, but we need to have concrete measurements of our progress to our ultimate goals.

>> TED HARDIE: Andrew and then Luis.

>> ANDREW SULLIVAN: So, I just - I want to remind everybody that every year we also produce an impact report, and that comes later after the end of the - after the end of the year when we look back. That came out this year, early in the year, I think it was March, and that report is designed, in fact, to capture all of those things. Part of the point of it is to try to capture, okay, here are the dry numbers - yes, the dry numbers - and I agree, like, yeah, it's not, oh, it's nice, you know, 15 networks, woo hoo, and that is the feeling that some people take away from it. But then what we can do is say, okay, well, we achieved this, and, by the way, here is the consequences of having all of that. So, I would urge you to have a look at that from last year. You can expect a similar report coming next year. But, of course, we can't do that in the middle of doing the work because we're not done yet. And so, you know, I can't tell you the story about like this thing except in cases - I mean, there are. I have - I have dozens of stories of like tremendous effects that have happened, things that I have witnessed, things that others have witnessed. We had an incredible number of people pouring out their hearts over Encryption Day this year. It was really inspiring. A huge number of people. Chapters who like didn't contact us or anything like that and they got totally excited about this. They went off. They set up an event. The day of the event, they called us up and they said, oh, by the way, we're participating, too. And so, this is, you know, but this is the kind of thing that I think we see in those sorts of retrospectives, and I think that's where you should look for those positive stories.

>> TED HARDIE: Thank you, Andrew. Luis and then Pepper.

>> LUIS MARTINEZ: Thank you. The - yeah. I should stick to quantitative measures as complemented with the qualitative measures. Actually, when you look into community networks, it's more the qualitative data than the quantitative data because the nature of the problem is qualitative. But I agree that we should add more quantitative in terms of comparison. There is - it's very, very complicated to compare qualitative data, yes, but quantitative lead us, if categories and scales are properly assigned, lead us to very fast and very objective information about the phenomena or about the results we are trying to evaluate. Thank you.

>> TED HARDIE: Thank you. Pepper?

>> ROBERT PEPPER: Following on what Luis just said, as an example of the quantitative in terms of the number of different projects, and community networks is a great example, as are the IXPs, but even within the community networks, within each one of those, there are also opportunities for quantitative metrics that are unique to that project. In other words, in a community network. As a result of that community network, how many people or schools or whatever got connected that were not connected previously? And again, those are qualitative. And George, when I talk to Jane, those are the types of really compelling stories that actually are also quantitative. So, it's I think a false choice that it's either or. It's a combination. And I think we need both. It's the - it's being able to measure the number of projects, for example, but then for each one of those, there are - there's feedback and there's the results from each one of those projects, much of which can be and is quantitative, some of which are the kinds of things that Andrew talked about, which are more qualitative, and be able to talk about those in terms of each one of the projects and highlighting some of the most impactful, I think, is a good - is an additional good way to communicate the overall impact of ISOC. So, again, it's not either/or. It's a combination of things.

>> GEORGE SADOWSKY: Great. Okay.

>> TED HARDIE: So, we have Muhammad and myself in queue.

>> MUHAMMAD SHABBIR: Thank you. Just a quick comment. Actually, Luis has very eloquently highlighted the issues with the qualitative and quantitative measures. I see that as an organization, we want to go and develop the Internet where the quantitative measures and the qualitative results would be important, but, as a social scientist, I tend to agree with what George has been saying because these quantitative measures could be quite deceptive. When you deal with humans, actually, it's the stories - it's the stories of the human that make and create impact. I agree and second Rob Pepper when he says that we need both not just quantitative. Yes, it may be important, but qualitative dealing with humans are somehow where we should be focusing more, though that could be quite difficult.

>> TED HARDIE: Thank you. Two quick points. I will note that we are running tight on time, so we'll make a couple of adjustments here in a moment.

One is I think it's very important for us to think in terms of how we set goals and how the Board has set goals with the executive in the past. And when we think about the assessment post facto, we may very well want to assess both quantitative measures and qualitative impact, but I believe we have to be very careful to allow the goals to be set in quantitative terms and the impact to be described because I think if we don't set the goals in quantitative terms, then setting a goal that says everybody who interacts with ISOC should feel good about the Internet at the end of it, that's a story, but it's not going to be measurable and it's not going to be something where we know we've achieved success and it's not going to be something where we actually are making much progress on our actual mission. I think when I look at this and say what are we trying to do here, we're trying to make sure that Andrew and his team have a solid set of goals that they can report to us on, and that inherently means quantitative measures in my point of view. Now there's a lot of ways to take those goals and measure them. As was pointed out by Pepper's intervention, one of those is to say, okay, maybe we don't want to count networks, maybe we want to count people, and maybe we actually want to count people in a way that recognizes that it's the underserved, to pick up Sarah's language, who need this more, and to say we're going to actually aim to bring in people where we can identify them as chronically underserved or where we can see that they would be part of the target group for skills or some other program as well. Those things are still quantitative, but there are ways in which we can measure or set goals to increase the impact. I think we have to be very careful not to take those tools away from the executive unless we're willing to offer an equally powerful set of tools. And that's why, George, when I asked you, I didn't say don't do this, I said please have a suggestion that's still on the table. If you have a set of tools that will result in the same power predictive and evaluative, then we should all listen. That's what we're here for. But I think we have to be careful to focus on both the goal side as well as on the evaluative side. George?

>> GEORGE SADOWSKY: Oh, yeah. Thanks. I don't want to be seen as an opponent of quantitative goals, but rather as recognizing that there's more to it than that that figures in. For example, if you wanted to count individuals, I would argue that if you could get four country presidents to get really enthusiastic about something that we were arguing for, that would be better than 10,000 other people. So, this is not a homogeneous commodity that we are counting. I think both are important and

recognizing the nuances and the fact that both are important is what's really sufficient at this point.

>> TED HARDIE: Let's continue this conversation offline, but I think the reason you think that they're different is because there's in fact some impact difference between those 10,000 and those four.

>> GEORGE SADOWSKY: Absolutely.

>> TED HARDIE: And what we would really set the goal is for the impact and we would measure that quantitatively, right, and that would be the way we would square this particular circle.

But I note timewise it's now 4:56. We have the folks joining us, if I'm correct, in 10 minutes. Is that right? Ten minutes after the hour?

>> KEVIN CRAEMER: Twelve ten - ten - I'm sorry ten minutes past the hour.

>> TED HARDIE: At ten minutes past the hour. That's not going to give enough time for Sae's report. Sae, is it all right if we move your report to after the PIR? Okay. I apologize for that, but this has been an important conversation to have. That does still allow us to do the other one which is relatively short, call for nominations and timetable. Richard?

>> RICHARD BARNES: Thanks, Ted. So, yeah, this is, you know, we are running the nominations process for the PIR Board, as we do every year. The first step in that is for this Board to approve the call for nominations and the overall timetable. The PIR nominations committee has reviewed these and recommended - we recommend this call for nominations and timetable to the Board, so presenting it now for approval. For those of you who were involved in the process last year, you'll notice this is largely the same. I think the only change we did, besides updating the dates, was to add a paragraph about conflict of interest just to be very clear that folks need to be forthcoming about real or potential conflicts. That's the only change of any note that was made to the call for nominations. And then the timeline has us having the call for nominations open basically from after this meeting until the early part of 2022, and then we'll do interviews and our selection process culminating in a vote on the slate at the Q1 meeting on the 26th of March. So, that's the proposal.

>> TED HARDIE: Just one quick question on this. Then the intent would be for the new folks to take up their seats at the general meeting in the summer. Is that correct?

>> RICHARD BARNES: That's correct. Yes.

>> TED HARDIE: Okay.

>> RICHARD BARNES: This schedule, I believe, is a bit more in advance of - it's a few weeks - ends a few weeks earlier than last year's schedule did. There's a bit more time there for transition.

>> TED HARDIE: That certainly seems valuable. Are there questions for Richard or for the PIR Nomcom committee?

>> RICHARD BARNES: Okay.

>> TED HARDIE: Do you want to read the proposed resolution?

>> RICHARD BARNES: Sure. I will. So, the proposed resolution is resolved that the call for nominations for the PIR Board as presented and the following timetable for the 2022 appointment process are both approved.

>> TED HARDIE: Can I have someone to move the resolution, please?

>> RICHARD BARNES: I'm happy to move.

>> TED HARDIE: I actually saw Brian and Laura before you. The disadvantage of reading. You were a little behind. So, can we seek assent using the tool, please? If you assent to the resolution, please raise your hand. Mike, it seems that you do not assent. Can I ask what your objection is? Mike, you may be muted.

>> GEORGE SADOWSKY: Mike may not be there.

>> MIKE GODWIN: Sorry. Sorry. I was just - I was actually washing dishes while listening to this meeting, but I'm up.

>> TED HARDIE: Your hands are - your hand is up. Okay. Thank you. That gives us unanimous consent and the resolution is approved.

>> RICHARD BARNES: Thank you all.

>> TED HARDIE: And I think the next thing is we need to move into the closed session in order to meet Lise and Jon there. So, we'll close this session. For those of you who are attending it either synchronously or asynchronously, there will be an open session at the end that will include both some resolutions and the presentation by the interim CFO. Thank you very much. And we'll see you in a few minutes.

Thanks, everybody. We are now back in open session. The next item on our agenda is the report by the acting CFO.

>> SAE PARK: Thank you, Ted. Kevin, I think you have a slide deck for me as well. Thank you. I realize that I should have introduced myself. Sorry. Apologize. My name is Sae Park. I am filling in for Sandy today. It's been a very difficult time for us, especially for the finance team, but I am honored and grateful for the opportunity and the trust that you have put in me and the rest of the finance team to carry forward this critical role for both ISOC and the Foundation. So, thank you. Moving along.

So, today, this is to give you a financial update for ISOC through the end of September. It's similar to the Foundation. Since all the detailed reports have been shared with you already, I will go ahead and just cover just the highlights of ISOC results. Next slide.

So, at the high level, overall, the revenue for ISOC is under budget by about \$318,000. If you look at the ISOC generated line only, we are under by about 9.9%. On the expenses side, we are under by \$2 million, and that's about 6.9% underspent budget - underspent from the budget. These percentages, although you see them, that we've reported the number of years that we are underspent, actually we are making progress in reducing that variance. I wanted to show you some data to support that and that's on slide three. Next slide. Thank you.

So, I just wanted to put in the percentage we are away from our budget at the same time from 2019 to 2020 and 2021. So, on the ISOC revenue generated side, we're much closer to our budget at the same time compared to 2019. On the program side, it's a little tricky because 2019 we didn't group our program by action plan projects and initiatives, so they were in one big focus area, one group, so it's hard to compare. And especially with program in 2020, our program expenses or our program budget still had lots of travel, lots of in-person meetings in the

budget, which we couldn't make happen in 2020, as you all know. That's why that variance was really high in 2020. But even if we compare 2021 numbers back to 2019, we are still making progress in 2021, making it very closer to our budget. The big progress that we're making is definitely in the personnel and operating. That consistently shows an improvement of reducing our variance. Board of Trustees, your budget. We were being optimistic, and we kept the in-person meeting budget for 2021 as well. That's why you see that line going up as we actually - the variance is higher this year compared to 2020. Next slide, please. Actually, slide number five. Sorry.

So, ISOC revenue - ISOC generated revenue is below budget. The biggest difference is coming from the grants and contributions side, which is under by about \$131,900, and that's mainly due to the Facebook grant. As you know, the Facebook grant is a restricted or donor advised grant for a specific purpose, so we are able to release restriction of this revenue as we incur expenses for that Facebook grant. So, because we were underspent in the Facebook grant, we are also showing an under budget on the revenue side for grants and contributions here. The next big variances is coming from meetings and sponsorship, and that's under by about \$105,000 at the end of third quarter. But as explained previously, we had a very successful Global Encryption Day as well as the fundraising perspective as well, so we are actually anticipating that we will surpass our budget at the end of the year. In the Org Members and individual donations, we're being optimistic, and we think that we will be able to meet our midyear forecast targets for that as well. Slide number seven, please, Kevin.

These are the action plan projects. We are underspent by about 21.7% through the end of third quarter. We are experiencing the continued impact of the global pandemic, and our program, our work plan, they've been very agile with their work plans and quickly pivoted to their backup plans, but they're also learning that our backup plans of having - such as having virtual events - are costing less than their original plan, so we are seeing some underspend in this area. And the biggest variance is coming from the fostering infrastructure and technical communities because that houses the Facebook grant.

Going to initiatives, so slide nine. This group - whole group is actually overspent compared to our budget mainly because we had these unbudgeted contributions to NSRC and AFRINIC through the end of September. The biggest underspent gap is coming from the external engagement team or their programs. It is because

originally they budgeted some in-person events. They were being optimistic for the second half of the year, but that's not going to happen, so they see a big underspend in that area.

Moving to personnel. Our personnel, we are very close to our budget. We are underspent by about 3.8% or \$614,800, and most of the underspend is coming from the Office of Resource and Skills Management. They had a number of staff moving to other departments in the organization as well as some of the positions were filled at lower cost. Next slide.

As you know, starting 2020, we had worked on this allocation process where we looked at and captured our staff's time and effort that they put into our various different functions at the organization, and we are presenting these numbers where our personnel resources are spent. By far, the action plan projects, plus the project operations, those are our highest spent of our personnel.

And then the next slide is we took a step further and then took that total of action plan projects personnel costs, allocated that out to the six projects that we have, and added their direct expenses to give you the total cost of individual projects that we run.

And then the next slide is we took the same personnel cost allocation that we had done back in slide 12 and applied that to organization as a whole, so taking that 77%, the big portion of our expenses, and allocating that out to various functions that we have, we can now tell really how much of our total expenses that we're devoting to our program. So the action plan projects takes up about 31% of our total expenses, and initiatives are taking about 21% as a total. Of course, there are probably lots of expenses in that 25% business operations that we could easily allocate or tie as program related activities. We do that for the audit side, but this is to just give you a general sense. Okay. So, next slide is number 16.

This is to give you a general sense of where our operating expenses are spent by the expense - natural expense account, and most of our expenses - direct expenses or non-personnel expenses are spent on professional services, and the next one up is the office and other internal expenses. The big variance is coming from the office and other internal expenses. That category houses all of our license fees and subscription fees for all of our systems and software that we maintain. There was a little difference in the budgeting. They budget on a cash basis rather

than gap and that's causing that variance rather than true underspend in that category. Moving along to slide 18, please, Kevin.

This is to look at our temporarily restricted or donor advised funds. As you can see, we have received a new Truist or the second Truist grant in 2021 of \$1.5 million. That's going to stay in restricted funds until we incur expenses for that grant.

Next one is page 20. It is the Board designated funds. This is the update on the balances on how we're doing. We have a few funds that we're going to exhaust by the end of the year, and those funds will be part of our program budget in 2022.

And to look at the cash and investments - yes - of \$30.66 million of our cash and investments. The majority of that funding is sitting in with Goldman Sachs as our investment account or continuity fund, \$23.6 million of it, and we have about \$1.5 million reserved for our temporarily restricted or donor advised fund, and \$5.5 million is available for our operating costs.

I believe that's it.

>> TED HARDIE: Thank you very much for the report. Are there questions for Sae? Well, then let me repeat a comment from the chat. Andrew pointed out in the chat that this is a big lift for the finance group to be able to produce a report with these allocations, and it really is very nice to be able to see these and the expenses shown allocated in the way you have this time, so I wanted to extend our thanks for that. It looks like Richard is in queue.

>> RICHARD BARNES: I was just going to yes/and that a little bit. The slide you had, Sae, comparing performance for the last couple of years, I thought that was really useful perspective to kind of understand how our financial performance is evolving over time.

>> TED HARDIE: Okay. If there are no other questions or comments, thank you, again, for producing the report. It's very useful.

I think we have one more item of business that we need to do today, which is to approve the PIR budget. Let me just pull that up. So, the proposed resolution is resolved, the Internet Society Board hereby approves the 2022 budget of the Public

Interest Registry as presented. Is there any discussion on this point? May I ask for someone to move and second? I saw Brian and Pepper. Please signify assent by raising your hand in the tool. Okay. I believe we have unanimous consent for that. Thank you very much to everybody.

Is there anything else for the good of the order? Hearing nothing, we stand adjourned until tomorrow. Enjoy the rest of your day, evening, or morning as it may be. See you tomorrow.

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