

DNS-OARC 2014 AGM President's Report

Keith Mitchell
OARC
Fall Workshop & AGM
October 2014



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Domain Name System Operations Analysis and Research Center

OARC's Mission Statement

The Domain Name System Operations Analysis and Research Center (DNS-OARC) is a non-profit, membership organization that seeks to improve the security, stability, and understanding of the Internet's DNS infrastructure.

DNS-OARC's mission is:

- *to build relationships among its community of members and facilitate an environment where information can be shared confidentially*
- *to enable knowledge transfer by organizing workshops*
- *to promote research with operational relevance through data collection and analysis*
- *to increase awareness of the DNS's significance*
- *to offer useful, publicly available tools and services*



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OARC's Functions

- Facilitate co-ordination of DNS operations community
- Ongoing data gathering
- Operate community info-sharing resources
 - Mailing lists, jabber, website, trust vetting
- Maintain/host DNS software tools
- Outreach via external and shared meetings



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OARC Governance

- Independent legal entity
- Diverse member base
 - direct participation agreements
- Financially self-supporting
 - no cross-subsidies
 - own bank accounts
 - ~\$500k annual revenue ~>= expenses
- Self-governing, neutral
- Board reflecting member interests
- 501(c)3 non-profit public benefit corporation



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Current OARC Board

- John Crain, ICANN, Director
- Ondrej Filip, CZ.NIC, Chairman
- Chris Griffiths, Dyn, Director
- *James Galvin*, Afilias, Director
- Antoin Verschuren, SIDN, Director
- Duane Wessels, Verisign, Director



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2014 OARC Programme Committee

- Sebastian Castro, NZRS (Chair)
- Mehmet Akcin, Microsoft
- Liam Hynes, Dyn
- Peter Koch, DENIC
- Sean Stuart, Verisign
- Paul Ebersman, Comcast
- Duane Wessels (OARC Board Liaison)
 - *Looking for 2015 volunteers...*



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DNS-OARC Staff Resources

- President, Secretary (Keith Mitchell) *0.75 FTE*
- Systems Engineer (William Sotomayor) *1.0 FTE*
- Membership Coordinator (Sue Graves) *0.5 FTE*
- Events Coordinator (Denesh Bhabuta) *0.1 FTE*
- Planned Hires:
 - Project Development Manager (1.0 FTE)
 - Software Engineer (1.0 FTE)
 - Website/Portal/Workflow: (one-off contract)
- Under contract from ISC:
 - Finance/Admin functions (Pam Stone)
 - Infrastructure services (Jim Martin/Ops)



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2014 Achievements

- Infrastructure fully modernized and stable
- Hired Membership Coordinator
- Brought over 200TB of new storage capacity online
- 1.8TB DITL 2014 data gathering completed
- Formally established Programme Committee
- Spring workshop biggest yet
- Reformed Member Quorum requirements
- Membership categories revision
- Further progress against Strategic Development Plan



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Welcome New OARC Members 😊

- RESTENA (Bronze)
- DNS.PT (Bronze)
- No-IP (Bronze)
- Bluecat (Bronze)
- NIC.AR (Beneficial)
- Verizon Edgecast (Bronze)
- Rightside (Gold)
 - upgrade from eNom/DemandMedia Bronze



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OARC Infrastructure

- Decade-old hardware (in1) finally retired !
- Deployed new StoragePod (fs1) with 192TB of storage
- Rationalized entire 80TB dataset into single duplicate copy in one place
- Commissioned additional storage capacity on donated X4500 servers
- Improved maintainability and some functionality improvements to member portal
- 10Gb/s network core being deployed
- Ready to build dedicated stand-alone OARC Trust Group platform
- See William's presentation....



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OARC Development Strategy



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OARC Development Progress

- Oct 2012 Board determined to “re-boot” the organization
- Published document, to report Member survey and Board retreat results back to the Members, and define a plan for OARC's future development:
 - May 13: https://www.dns-oarc.net/files/workshop-201305/Strategy-2013_report.pdf
- Board reviewed progress against Development Plan at F2F meeting in March 2014, satisfied that OARC is on-track with objectives 1 year into 3-year plan
- Board will have further retreat in Q1 2015 to do full review of progress against plan



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Our “Ideal” OARC: Expenses

- Around \$400k/year running costs:
 - Infrastructure, development, services
 - Workshops, travel
 - Admin
 - Overheads
- Around \$600k/year staff costs:
 - Engineering: *2 FTE*
 - Project Management: *1 FTE*
 - Outreach/sales/marketing: *1 FTE*
 - Admin/Finance: *1 FTE*
 - Leadership: *1 FTE*



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Our “Ideal” OARC: Funding

Subscriptions	\$650-700k
New Projects/Services	\$200-300k
In-kind donations	\$150k
Sponsorship	\$50k
Reserves (year 1 only)	\$0k-\$100k
TOTAL	\$1.05M-\$1.3M



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Achieving Sustainability

- ~2 FTEs total lets you run an organization, *or* grow and develop it, but **not** both at same time
- Previous staff have struggled with this, ideally we need 4-5 FTEs for sustainable autonomy
- We have made great progress with organic revenue growth in the past 2 years, but we need additional income sources
- Project and grant funding is in the development plan, there are regular opportunities, but insufficient staff resources to pursue these
- Next step is to hire Project Development Manager:
<https://www.dns-oarc.net/oarc/careers/>
to raise such funding, which can then be used to support Software Engineer hire



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2013-4 Finances



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DNS-OARC Financials

- Accounts for 2013 have once again been audited with clean bill of health
- AGM seeking formal approval of 2013 audited accounts
- 2014 status:
 - Budget was based on 30% annual target revenue growth from development plan
 - Some changes during course of year
 - Presenting Jan-Sep actuals



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Financial Overview

	2012	2013	2014 YTD	2014 Budget
Income	\$267k	\$440k	\$350k	\$683k
Expenses	\$176k	\$337k	\$316k	\$742k
Assets	\$209k	\$405k	\$505	
Cash	\$165k	\$295k	\$309k	\$235k



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Income Summary

	2012	2013	2014 YTD	2014 Budget
Member fees	\$191k	\$311k	\$303k	\$493k
Donations	\$0k	\$93k	\$10k	\$40k
Workshop Sponsorship	\$0k	\$36k	\$37k	\$50k
Project Funding	\$0k	\$0k	\$0k	\$100k
TOTAL	\$191k	\$440k	\$350k	\$683k



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Expenditure Summary

	2012	2013	2014 YTD	2014 Budget
Consultants/ Professional	\$123k	\$235k	\$206k	\$476k
Capital Equipment	\$7k	\$20k	\$20k	\$95k
Co-location	\$12k	\$8k	\$10k	\$18k
Other	\$41k	\$74k	\$80k	\$153k
TOTAL	\$176k	\$337k	\$316k	\$742k



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Future Workshops

- 16-17 April 2015
 - RIPE70, Amsterdam
 - Sponsored by SIDN
- 3-4 October 2015
 - NANOG65, Montreal
 - Seeking sponsors
- 1-2 April 2016
 - IETF95, Buenos Aires
 - Hosted by NIC.AR
- October 2016
 - Seeking proposals
- Sponsor benefits documented at:
 - <https://www.dns-oarc.net/files/meeting-sponsor.pdf>



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Questions ?



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Contacting OARC

- Member Portal:
 - <https://portal.dns-oarc.net/>
- [<admin@dns-oarc.net>](mailto:admin@dns-oarc.net) +1 650 423 1344
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AGM Resolutions and Board Elections



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2013 Governance Change Objectives

1. **Splitting the concepts of *Member* and *Participant* into separate agreements**
2. Normalizing the ~~"Special"~~ Board seats
 - ~~convert Secretariat and Root-Ops seats to At-large~~
3. Ensuring greater Board candidate diversity
4. ~~Moving the AGM date from June to Q3/Q4~~
5. **Formally remove voting rights for Beneficial members**
6. **Rationalize multiple non-paying *Participant* categories into just one**
7. ~~Review of annual budget by members during Q1/2 of each year.~~



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Governance Changes Progress

At 2013 AGM:

- proposal to formally remove voting rights for Beneficial members sent back to Board for further review of quorum implications

At 2014 EGM:

- reduced quorum from one-half to one-third of members
- allow e-voting
- anti-capture provisions



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Proposed 2014 AGM Governance Changes

- Major revision to Participation Agreement
- Consolidate non-paying categories into single non-voting “Supporter” category
 - intended to reduce barriers to entry for new potential members
- New entry-level Membership category (“Blue”)
 - restricted by revenue/staff size
- New modular Membership/Participation/Data-Sharing Agreement(s)
- Re-statement of Bylaws
 - No changes, just wrapping up already approved amendments to date



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Participation Agreement Changes

- Board has power to amend this, but:
 - changes to voting rights require member approval
 - wanted changes to be transparent to members
- Seeking Member agreement on changes before approving resolution to enact them
- Take effect for each member automatically upon subscription renewal
- Mark-up at:
 - <https://indico.dns-oarc.net/getFile.py/access?resId=4&materialId=0&confId=20>



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Participation Agreement Changes (1)

- Simplification of the various non-paying participant categories:
 - replacing Associate/Affiliate/Contributor and Beneficial status with a single non-paying "Supporter" category
 - contributions in-kind, e.g. data, services and/or presentations, required at least once per year
 - includes removal of voting status for Beneficial Members, requires resolution



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Participation Agreement Changes (2)

- A new entry-level paying member category "Blue"
 - limited to organizations below a certain size, or individuals
 - Initially: <\$100k revenue and <10 employees
 - \$1k/year subscription proposed
 - Available from Jan 1st 2015
- Also increase minimum threshold for Platinum membership from \$12.5k to \$20k
- Mutualization of some liabilities between OARC and Members



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Participation Agreement Changes (3)

- Separation of a Data sharing agreement from the Membership agreement:
 - defines “Information” as something different from “Data”, that is shared among Members only
 - attack/vulnerability intelligence, outages, confidential new research, contact info
 - allows Members to join with the option of not sharing Data
 - allows Supporters to share Data without full Member privileges and obligations.
- Removal of clauses which are duplicated in the Bylaws



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AGM Resolutions

1. To approve the audited OARC, Inc. financial statements for the fiscal year 2013
2. To approve the Minutes of the 2013 OARC, Inc AGM
3. To approve the Minutes of the May 2014 OARC, Inc EGM
4. *To provide that the Beneficial Membership category shall no longer be available and Beneficial Members shall instead be deemed Supporters, effective as of the date hereof;*
5. To elect three member representatives to the OARC Board



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Board Seats

- Existing Board member Antoin Verschuren's (SIDN) two-year term has ended. Antoin **will not** be standing for re-election.
- Existing Board member Ondrej Filip's (CZ.NIC) two-year term has ended. Ondrej **will** be standing for re-election.
- Existing Board member John Crain's 2-year term has ended. This seat was originally appointed as the Root Operator's representative, but was converted last year to an at-Large elected position. John is re-standing for election representing ICANN on this new basis.
- Existing Board member Matt Pounsett is stepping down from the Board seat he was elected to as Afilias' representative last year. As this is the middle of the 2-year term, this seat is not being offered for election, but is being filled by Afilias appointing Jim Galvin as their new representative.



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Board Candidates

George Michaelson (APNIC)

Ondrej Filip (CZ.NIC)

John Crain (ICANN)

Don Blumenthal (PIR)

- Platforms at:
 - <https://www.dns-oarc.net/oarc/agm-2014/elections>
- *Withdrawn Candidates:*
 - Merike Kaeo (Internet Identity)
 - Mehmet Akcin (Microsoft)



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