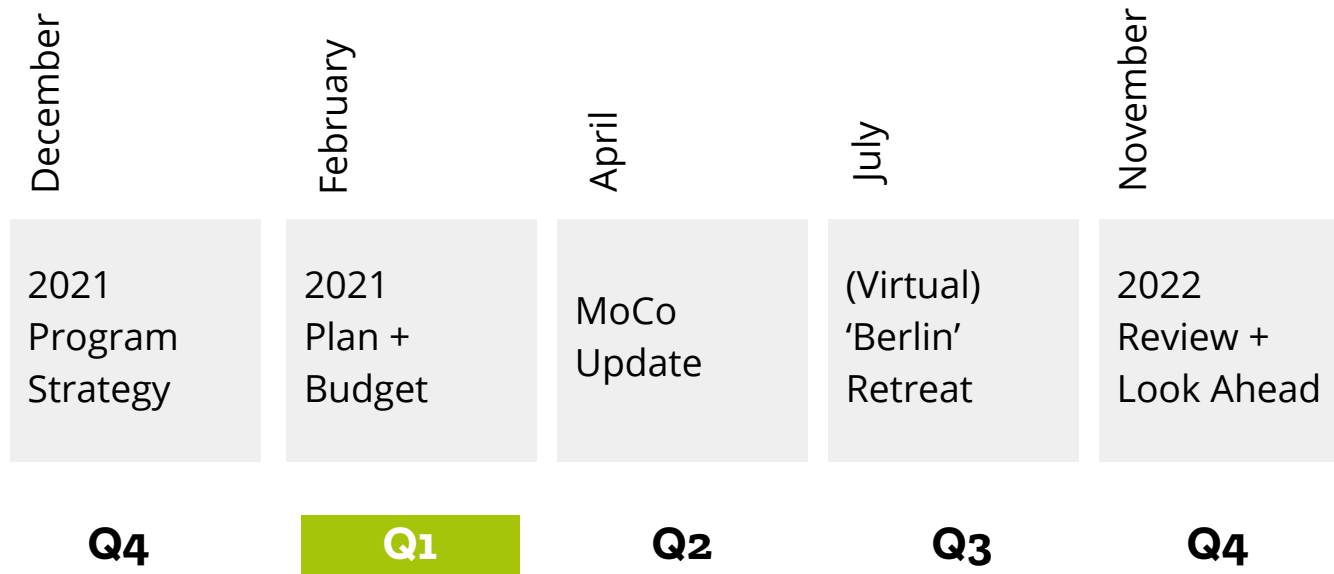


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Mozilla Foundation Board Meeting

February 2-4, 2021

2021 board workflow



Agenda

Tuesday February 2

State of MoFo

Wednesday February 3

Joint MoFo / MoCo

Thursday February 4

Budget + ED Review



Tuesday,
February 2



Agenda

February 2nd

1. Board Business *(Mitchell)*
2. State of MoFo *(MoFo exec team)*
 - a. Org + Teams
 - b. 3 Year AI Arcs
 - c. 2021+ Focus *(OKRs)*
3. Preview days 2 + 3



Board Business

decisions



Board business

1. Approve November minutes

Summary: MoFo 2020 program and financial review, plus board recruiting, MZLA and MoCo updates.

2. Wambui Kinya board appointment

This is last step in the process. Wambui will join us at this meeting and for the rest of the week once the board has approved her appointment.



discussion

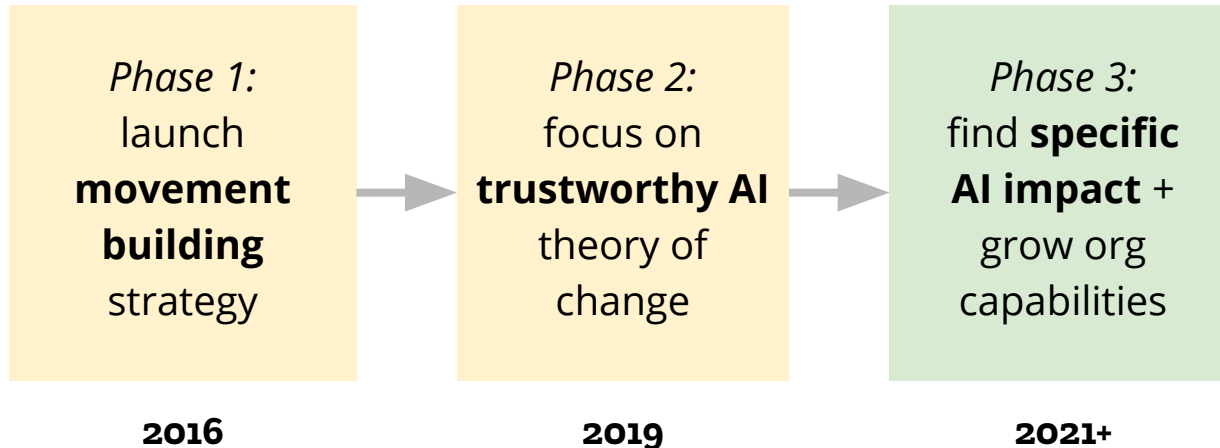
Day one

The State of MoFo



Where are we?

We are moving into the **next phase** of our **internet health movement building** strategy ...



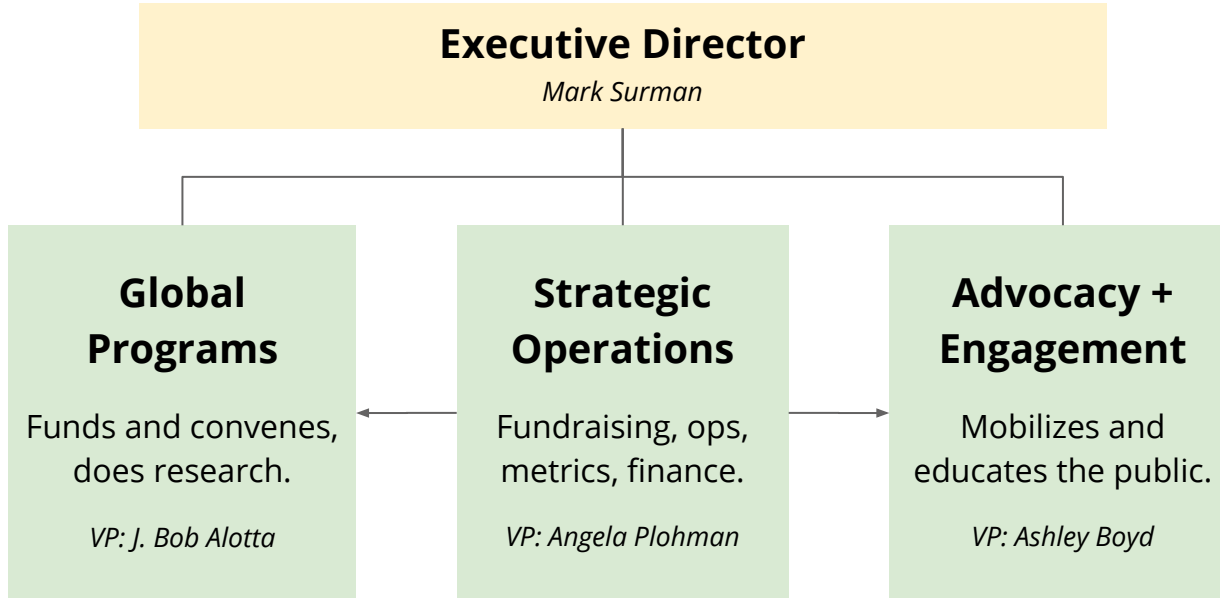
MoFo Org + Teams

In 2016, we restructured MoFo to **support internet health movement building** work.

We set up one team to **work deeply with leaders** and partners across the movement. And, another to **inform and mobilize millions of people** online. We also set up a team to guide our strategy and build the systems needed to do this work.

Today, we want to provide an **update on how this structure has evolved** and where it is heading.

Who is MoFo today?



Org health

Over the past five years, we **created new programs; hired new people; honed our approach**. At times, all this change felt hard. Now, it feels like we're through it. We're aligned and strong.

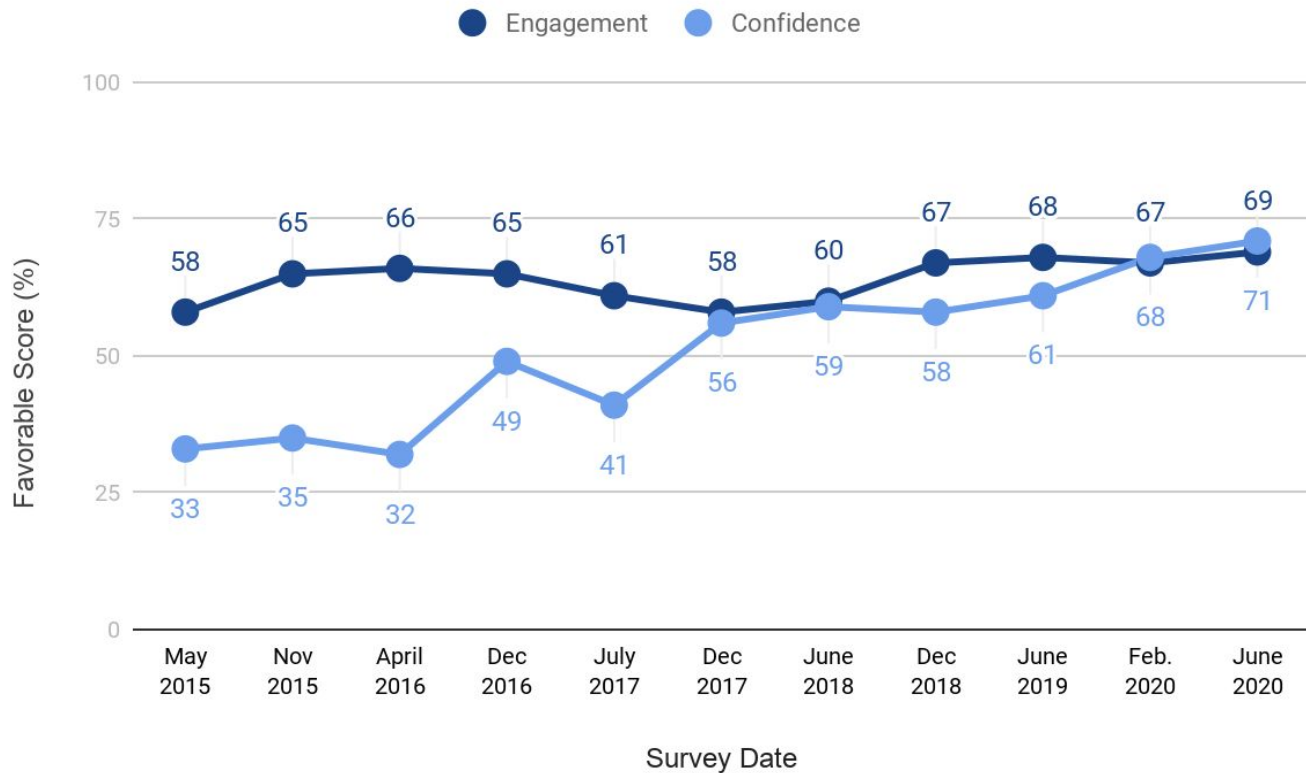
One indicator: **staff confidence in Mozilla grew 33% to 71%** between May 2015 and June 2020. Overall staff engagement grew from 58% to 69% over the same period.

We worried that the pandemic would throw us off our game. However, **amidst the pandemic, we met 12 out of 15 of our org wide OKRs** and increased our unrestricted fundraising by 20%.

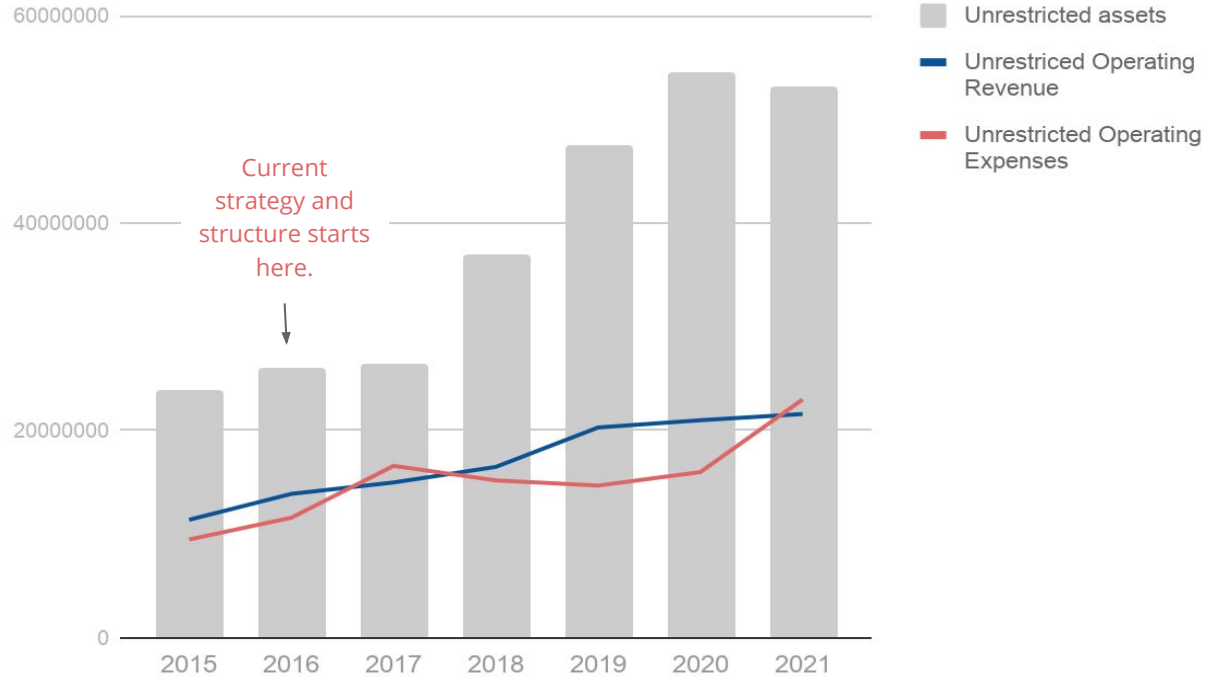
Of course, there is still work to do, including: further improving diversity, equity and inclusion; increasing the quality and utility of our metrics; and building our leadership bench.



Org health



Financial health



Strategic Operations

Focus: ensure that MoFo has the **people, systems and capabilities** it needs to be a sustainable movement building organization.

In 2020: **laid the groundwork for new org models to drive impact over the long term.** This included a new budget process to better align program and resource decisions and a robust CRM assessment. We also did initial work on a multi-year financial model and fundraising plan.

For 2021: building on 2020, **we will enhance our ability to make more data-informed decisions.** We will build a new CRM ecosystem and create a more rigorous impact evaluation framework to guide future investments. We will also **finalize and roll out a 3-year fundraising plan** that ties back to our strategic goals and org structure.

Headcount: 27.5 | 2021 budget: \$8M *(including exec director + fundraising team)*

Global Programs

Focus: formerly called 'Leadership Programs', the Global Programs team supports the internet health movement through **driving research** (Insights), **providing resources** (Fellowships and Awards), and **building connections** (MozFest).

In 2020: the team began to build cross-cutting programs, working in lockstep on new initiatives like the 'proto' **Data Futures Lab** that pull on the unique strengths of each of the three teams within Global Programs. Also, refined mandate of each team and Global Programs overall.

For 2021: **interoperability across Global Programs will become the new normal** - learning from the experience of the Data Futures Lab, MozFest, Insights, and Fellowships and Awards will increasingly approach work collaboratively to advance specific trustworthy AI goals.

Headcount: 31.5 | 2021 budget: \$15.2M *(including ~\$7M in fellowships and awards)*



Advocacy and Engagement

Focus: **mobilize and educate the public**, pressure companies to improve their practices and, over time, engage people in making AI more trustworthy.

In 2020: we **identified effective ways to engage people on 'trustworthy AI'**. This included connecting debates on misinfo and data privacy to the pandemic, elections and other current events. Policymakers and civil society orgs are following our lead on how to frame these issues.

For 2021: as more orgs take up AI + accountability topics, we can **differentiate and deepen our influence by leaning harder into Mozilla's 'tech expert' brand**. We will test if/how 'citizen science' data donation efforts increase our credibility and drive impact on AI topics. Engaging new (and large) audiences who want to directly impact tech issues could be our 'special sauce'.

Headcount: 31 | 2021 budget: \$6M

The next three years

Over the past 2+ years, we've developed and honed our thinking on **trustworthy AI**. The vast majority of our movement building work is focused here.

As we move into this next phase of our work, we want to make concrete progress in three specific areas: **transparency, data stewardship and bias**. We also want to deepen our efforts to build **alliances with other movements**.

We have mapped out a rough three year arc *and* 2021 OKRs in these areas. All of this **maps to short term outcomes in our AI theory of change**.

Short term outcomes
(1-3 years)

Medium term outcomes
(3-5 years)

Long term outcomes
(5+ years)

Long term impact

Best practices emerge in key areas of trustworthy AI, driving changes to industry norms.

Engineers, product managers, and designers with trustworthy AI training and experience are in high demand across industry.

Diverse stakeholders — including communities and people historically shut out of tech — are involved in the design of AI.

There is increased investment in and procurement of trustworthy AI products, services and technologies.

Shifting industry norms

The people building AI increasingly use trustworthy AI guidelines and technologies in their work.

More foundational trustworthy AI technologies emerge as building blocks for developers.

Transparency is included as a feature in more AI enabled products, services, and technologies.

Entrepreneurs develop — and investors support — alternative business models for consumer tech.

The work of artists and journalists helps people understand, imagine, and critique what trustworthy AI looks like.

Building new tech and products

Trustworthy AI products and services are increasingly embraced by early adopters.

Agency

All AI is designed with personal agency in mind. Privacy, transparency, and human well-being are key considerations.

Trustworthy AI products and services emerge that serve the needs of people and markets previously ignored.

Consumers are increasingly willing and able to choose products critically based on information regarding AI trustworthiness.

Citizens are increasingly willing and able to pressure and hold companies accountable for the trustworthiness of their AI.

A growing number of civil society actors are promoting trustworthy AI as a key part of their work.

Generating demand

Consumers choose trustworthy products when available and demand them when they aren't.

Accountability

Companies are held to account when their AI systems make discriminatory decisions, abuse data, or make people unsafe.

Governments develop the vision, skills, and capacities needed to effectively regulate AI, relying on both new and existing laws.

Progress towards trustworthy AI is made through wider enforcement of existing rules like the GDPR.

Regulators have access to the data and expertise they need to scrutinize the trustworthiness of AI in consumer products and services.

Governments develop programs to invest in and incent trustworthy AI.

Creating regulations and incentives

New and existing laws are used to make the AI ecosystem more trustworthy.

In a world of AI, consumer technology enriches the lives of human beings.

AI transparency *(3 year arc)*

2021

Mozilla + partners develop and test transparency features in consumer tech

Mozilla defines meaningful transparency to spur action by builders + policymakers

Mozilla works with public to collect data and evidence to advance policies for transparency of AI-enabled systems *(start in EU)*

2022

Additional transparency features developed by builders + tested in products

Consumers pressure tech companies to integrate proven transparency features, driven by data donations, campaigns, + *Privacy Not Included

Researchers + civil society collaborations shape policy agenda; policies mandating transparency gain traction

2023

Differences (or gaps) in tech transparency features rated in PNI

High-use consumer tech tools have robust explainability features for end consumers

Professional networks develop transparency resources for AI builders

Platform regulations include AI transparency mandates

Outcomes

STO 1.1 Best practices emerge in key areas of trustworthy AI, driving changes to industry norms.

STO 2.2: Transparency is included as a feature in more AI enabled products, services, and technologies.

STO 4.3: Regulators have access to the data and expertise they need to scrutinize the trustworthiness of AI in consumer products.

data stewardship

2021

Data stewardship prototype projects up and running

Initial infrastructure projects seed work in diverse communities and geographies

Success criteria for data stewardship projects shared widely

Regulatory jurisdictions engage with Mozilla on topic of collective data rights for users

2022

The most successful prototypes have constituency level impact; attract users, press, attention

DFL Infrastructure grants result in remixable building blocks and frameworks, accelerating innovation across geographies and sectors

Policy makers endorse the idea of data rights collectives, Mozilla and others step into this space

2023

Innovators - including Mozilla - start building on infrastructure and prototypes we seeded

Data collectives grow membership, driving companies to improve products and services

Data stewardship innovations fuel growth of trustworthy AI

Outcomes

STO 2.1: More foundational trustworthy AI tools emerge as building blocks for developers.

STO 3.2: Consumers are increasingly willing and able to choose products critically based on information re: AI trustworthiness.

STO 4.1: Governments develop the vision, skills, and capacities needed to effectively regulate AI.

bias in AI

2021

Mozilla supports leaders + orgs in testing promising approaches to mitigating bias in AI

Additional tools to mitigate bias emerge with support of additional philanthropic/private investments

Mozilla funds + drives participation in bias projects; tests this strategy to build broad awareness and action on AI

2022

Early bias detection tools begin to be used in industry to mitigate bias

Civil rights organizations increasingly call for the adoption of bias mitigation tools in their campaigns + policy recommendations

Policies requiring use of debiasing tools/processes gain traction

2023

Developers have easy access to tools to root out and fix bias in AI, they routinely use them

Narratives shift, the public is keenly aware and watching for AI bias as a result of art + mov't partnerships

Accountability mechanisms re bias AI a feature of laws and company policies

Outcomes

STO 1.3: Diverse stakeholders, including people historically shut out of tech, are involved in design of AI.

STO 2.4: Artists and journalists help people understand, imagine, and critique trustworthy AI.

STO 3.3. Citizens are increasingly willing and able to pressure and hold companies accountable for the trustworthiness of their AI.

growing across movements

this example is focused working with the racial justice movement, the movements we focus on will be selected in H1 2021 (see OKR 4.1)

2021

Mozilla commits to racial justice + trustworthy AI work through 2023

Grantees across initiatives (CMA, DFL, etc) explore data sovereignty, bias, transparency and other issues in tech relevant to racial justice. We amplify their voices

We strengthen and commit to an evolving internal practice so our organization is racially equitable

2022

Frameworks for indigenous data sovereignty prototyped, documented, and shared through DFL convenings with partners

U.S. grantee partners & host orgs working at the intersection of racial justice, transparency, and bias work with Mozilla to co-launch PNI and to identify related policy priorities

2023

Movement building is a de facto driver of all of MoFo's work, changing how we understand the organization

The strategies, calls to action and constituents of our movement and those of our partner movements overlap in greater collective purpose

Our public constituency grows as we build our base

Outcomes

STO 3.4. Growing number of civil society actors promote trustworthy AI in their work.

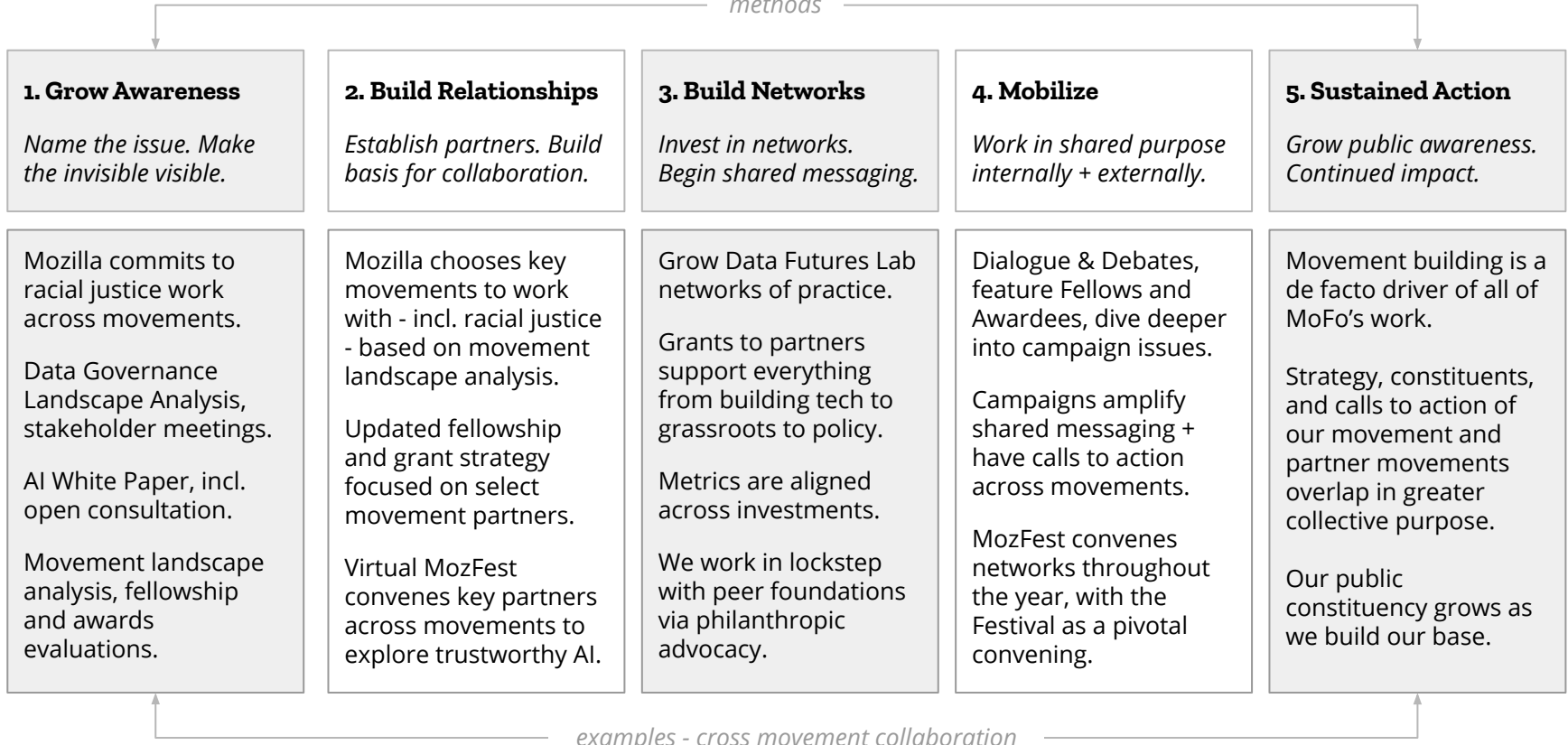
STO 1.1 Best practices emerge trustworthy AI, driving industry norms.

STO 1.3: Diverse stakeholders, including people shut out of tech, involved in design of AI.

STO 2.4: Artists and journalists help people understand, imagine, and critique trustworthy AI.


movement building methodology (fyi)

methods



examples - cross movement collaboration





2021+ Focus (OKRs)

As in previous years, we have developed objectives and key results to organize our work in 2021.

What is different this year is that we have **tied OKRs to specific short term outcomes in the trustworthy AI theory of change.** *(see 3 year arcs)*

Also, worth noting, most OKRs have some tie in to our diversity, equity and inclusion work. MoFo is developing a multi-year DEI strategy in 2021 that will tie all of this together.

What we'll do in 2021 (OKRs)

Test AI transparency best practices to increase adoption by builders and policymakers.

Document and share known best practices. Run experiments on AI transparency for consumers.

Accelerate equitable data governance alternatives as a way to advance trustworthy AI.

Run initial test projects with real users.
Pursue collective data rights policies.

Accelerate the impact of people working to **mitigate bias in AI**.

Double down on work with existing partners.
Test thesis that public motivated by AI bias topic.

Partner with diverse movements at intersection of their primary issues and trustworthy AI.

Identify movement partners via landscape research. Move Africa Mradi work forward.

Enhance our organizational capabilities to support **more data-informed decision-making**.

Roll out integrated CRM ecosystem. Run tests re: improving conversion from supporter to donor.

AI transparency (2021 OKR)

2021 Objective

Test AI transparency best practices to increase adoption by builders and policymakers.

Key result

X# of citations of Mozilla's AI transparency best practices by builders.

25 citations of our data/models by policymakers to enforce and inform AI transparency policies.

Five 'best practice' reports published to provide evidence about value to consumers.

Motivation

Our work on misinfo and political ads led us to focus on AI transparency. In 2021, we will broaden this by: a. working with builders on AI transparency best practices; and b. creating a transparency rating rubric for Privacy Not Included.

Projects like Regrets Reporter and Firefox Rally show citizens will pitch in to make platforms more transparent. In 2021, we will test whether this type of research is effective in driving enforcement and policy change related to AI transparency.

Our hope is that more AI transparency will give people more agency -- and that this is something people want. In 2021, we want to fund or run a set of experiments to see whether consumers value AI transparency in practice.



Data stewardship (2021 OKR)

2021 Objective

Accelerate equitable data governance alternatives as a way to advance trustworthy AI.

Key result

7 projects tested with real users to identify building blocks for viable data stewardship models.

5 regulatory jurisdictions utilize our input to enable collective data rights for users.

6 stakeholder groups established as constituents of the Data Futures Lab.

Motivation

We've funded a number of projects to test alternative data governance. In 2021, we want to: a. design, implement, test and advance these projects; and b. establish a set of 'success criteria' for these projects in the process.

While many jurisdictions are giving people new data rights, few places let people pursue these rights collectively. In 2021, we want to develop -- and advocate for -- concrete policy proposals related to collective data rights.

We now have a 'proto' Data Futures Lab in place. In 2021, we will fully launch the Lab, creating a point of connection across many disciplines and geographies. We'll grow momentum, funding, expertise and impact will grow from the Lab.



Bias in AI (2021 OKR)

2021 Objective

Accelerate the impact of people working to **mitigate bias in AI.**

Key result

X% increase in investments for AI + bias grantees.

X# people participate in projects on mitigating bias in AI as a result of Mozilla promotion.

Pipeline of additional projects Mozilla can support to mitigate bias in AI established.

Motivation

Our theory of change presupposes others playing key roles in pursuit of shared outcomes. In 2021, we will: a. evaluate existing partnerships; and b. commit to working with partners from other movements on these outcomes.

Last year we observed that bias is a topic that gets the public to pay attention to trustworthy AI issues. In 2021, we want to see if we can go further by getting the public to engage in projects that concretely advance a trustworthy AI agenda.

The previous KRs focus on projects we already know about. Over the coming year, we will build a pipeline of additional funding, engagement and philanthropic advocacy opportunities on AI bias which we can use to drive our work in 2022+.

Growing across movements (2021 OKR)

2021 Objective

Partner with diverse movements at intersection of their primary issues and trustworthy AI.

Key result

Phase 1 Landscape analysis is complete and we have identified partner movements.

MoFo's African Mradi workstream centering local expertise is developed.

Synchronize internal operations to strengthen ability to strategically partner externally.

Motivation

Our theory of change presupposes others playing key roles in pursuit of shared outcomes. In 2021, we will: a. evaluate existing partnerships; and b. commit to working with partners from other movements on these outcomes.

In our Mradi work, it will be essential that we put local leaders and experts at the fore, and facilitate their connections over time. In 2021, the MoFo Mradi workstream including our work on Common Voice, will take this approach.

Last year, we discovered our partnerships are most robust when they exist across multiple teams. In 2021, we will seek new ways for teams to work with each other and external movement partners on trustworthy AI goals and org OKRs.



Org effectiveness (2021 OKR)

2021 Objective

Enhance our organizational capabilities to **support more data-informed decision-making.**

Key result

2022 planning and budget decisions driven by systematic evaluation of our work in 2021.

100% of teams have workflows and reports that are supported by our integrated CRM.

Complete data analysis that reveals best approaches for converting 'subscribers' to 'donors.'

Motivation

We have become skilled at using OKRs to organize our work. In 2021, we will take a next step by updating our CRM, financial planning and evaluation tools to more rigorously use info on what's working (and what's not) to drive future plans.

Over the last 5+ years, we've used MoCo's CRM, which did not meet our needs and created data silos across MoFo. In 2021, we'll build a MoFo CRM ecosystem that will enable movement-building and serve as a model of good data stewardship.

In recent years, we have improved our email content and grown email subscribers. In 2021, we want to understand how to better convert email subscribers to donors. Ultimately this will help us grow our donor base.



Wednesday,
February 3



Agenda

February 3rd

1. Joint MoFo / MoCo board meeting
 - a. Mozilla + tech policy *(Raegan + Ashley)*
 - b. Africa update *(Alice + Bob)*
2. Preview day 3



discussion

Day two

Pan Mozilla Tech Policy



Once in a generation opportunity

Increased scrutiny on Big Tech,
Regulators stepping up



**Mozilla has
a unique
opportunity
seize this
moment**



Pan Mozilla Policy Strategy

Leverage Internal Capacity

Processes and culture to
maximise internal
collaboration + resources

Enhance External Impact

Shared vision to drive external
change + project a unified voice
for Mozilla

What this means in practice

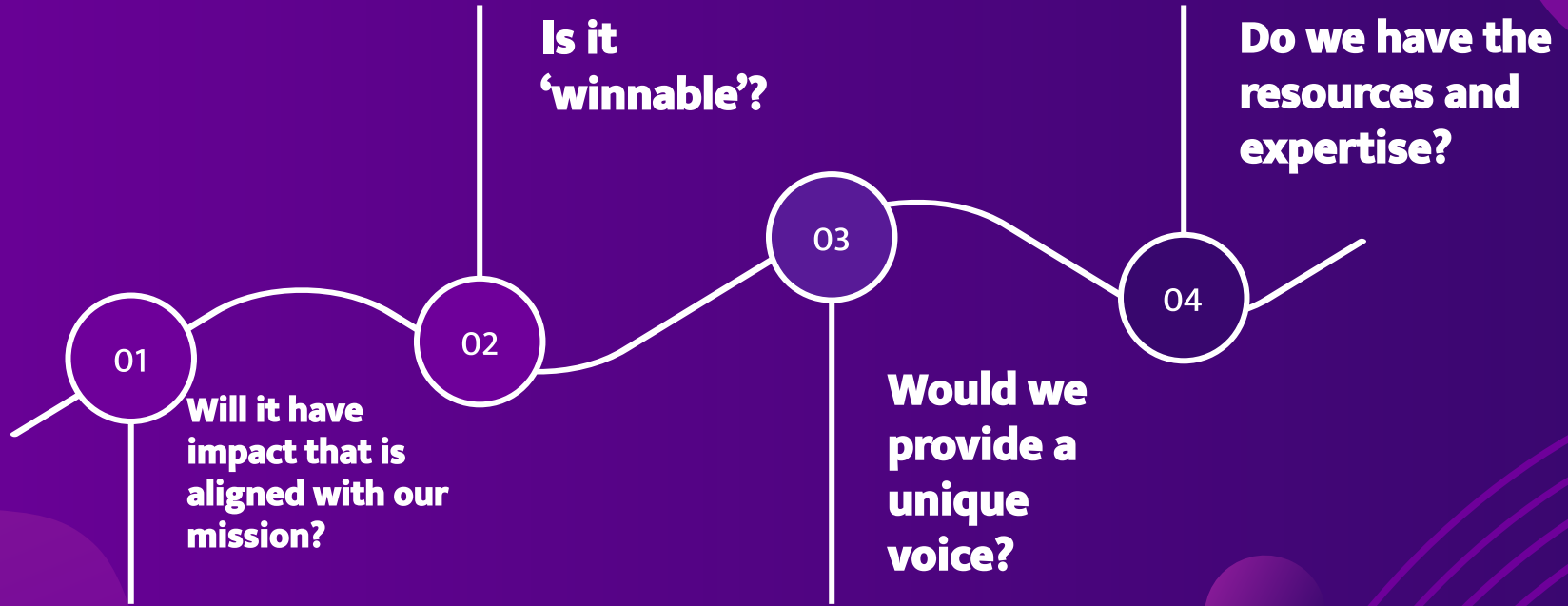
One Voice

Equal Partners

Shared Planning

Aligned Goals

Criteria for Engagement



Focus area:

Platform Accountability

Platforms are fully responsive to, and appropriately correct for, the ways in which their products and features can harm individuals and society, with a particular focus on AI-enabled curation of online discourse and experiences.

Focus area:

Data Rights

Data protection laws exist and are effectively enforced, and an ecosystem exists for alternative forms of data governance that empower people, individually and collectively.

Focus area:

Systemic Transparency

To the extent possible, researchers, policymakers, and the public have the ability to understand how platforms and products shape online experiences and the impact this has on individual and collective welfare.

Key opportunities



DSA & DMA (EU)

Build on game-changing regulation on market power and transparency



Platform Accountability (US)

Step into DC debate, develop and drive a more nuanced and progressive agenda



Data Governance (Global)

Shape data stewardship & data protection laws in US, UK, India, EU, Canada, Africa Region

What will success look like?

The market is more competitive and platforms behave responsibly.

Data is governed with the user at the fore.

The web's business model is less creepy.

Systemic transparency becomes the norm.

update

Day two

Africa Mradi Update



Key Focus Areas



Policy

Focus: internet policy in African context (*joint*)

2020 milestones: data protection, open telecom data, spectrum, identity



Innovation

Focus: explore African models for tech (*joint*)

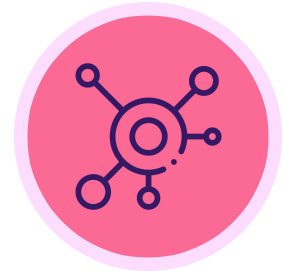
2020 milestones: AfriLabs+ partnership, Reimagine Open paper



Product

Focus: business and product presence (*MoCo*)

2020 milestones: Safaricom partnership, Pocket, Firefox



Movement

Focus: build ecosystem of allies. (*MoFo*)

2021 milestones: tech + society fellows, \$3.5M in Common Voice funding.

What will success look like?



Policy

New regulations in place that address internet health problems. E.g. laws that help African tech startups succeed.



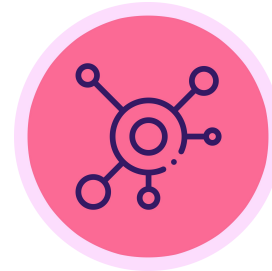
Innovation

New tech developed with and for African users, African model for open web innovation emerges.



Product

Localised roll out of core products; Pocket; Firefox and Common Voice in at least one African country.



Movement

Relationships developed with a critical mass of partners. Projects like Common Voice well owned by community.

Building blocks and lessons learned



BILL &
MELINDA
GATES
foundation



ON
OMIDYAR
NETWORK

moz://a



altadvisory
africa



African
Union



Mradi Road Map 2021

<i>Workstreams</i>	Q1	Q2	Q3	Q4
Policy	Spectrum allocation w/ ATU	Open telecom data alliance launch	Africa DPA	draft regional startup policy framework with AU and SMART Africa
Innovation	Reimagine Open innovation partners identified	Launch Reimagine Open phase 2 in India and Africa	Roundtables w/ policymakers, entrepreneurs, civil society	Reimagine open innovation next steps
Product	Learning with Safaricom and LDP partners	MOU with Safaricom	Explore Pocket, Firefox, Common Voice applications	LDP curriculum
Movement	Conduct East/Southern African Landscape analysis	Launch Common Voice Kiswahili and Lugandan project, fellows in place	Setup panel of African experts, initial plan for local Fund	Center African voices and concerns in our Dialogues & Debates online panel series



Thursday,
February 4



Agenda

February 4th

1. 2020 Finances *(Angela)*
2. 2021 Budget *(Angela)*



2020 Financials

While 2020 was chaotic, we entered and left in a **strong financial position.**

We were able to **restrain spending, grow fundraising and meet our program goals** even with the challenges that the year presented us.

We originally planned to break even, ending the year with \$47.5M in unrestricted net assets. Our forecast has us ending the year at \$54.6M, **\$7.1M above our original target.**

Reminder: 2020 budget resolution

WHEREAS, the Board has reviewed the final budget for 2020 with expected revenue of \$21.1M and expected expenditure of \$23.3M and a closing balance of \$45.9M in unrestricted net assets,

RESOLVED, that the Board approves the final 2020 budget with the understanding that grants and projects may result in budget variances,

*RESOLVED FURTHER, that Management will **close the year with no less than \$42.7M in unrestricted net assets** no matter what variances occur.*

2020 budget vs forecast

Overview	Budget	Forecast	Variance
<i>Starting net assets</i>	\$53.4M	\$53.4M	-
Income	\$21.1M	\$26.1M	\$5.0M
Expense	\$23.3M	\$18.6M	(\$4.7M)
Non-Opex	-	(\$2.1M)	(\$2.1M)
Change in net assets	(\$2.2M)	\$9.6M	\$11.8M
<i>Ending net assets</i>	\$51.2M	\$63M	\$11.8M

Forecast based on Nov 30, 2020 close



2020 unrestricted budget vs forecast

Overview	Budget	Forecast	Variance
<i>Starting net assets</i>	\$45.9M	\$47.5M*	\$1.6M
Income	\$18.5M	\$21M	\$1.5M
Expense	\$18.5M	\$16M	(\$2.5M)
Non-Opex	-	(\$2.1M)	(\$2.1M)
Change in net assets	-	\$7.1M	\$7.1M
<i>Ending net assets</i>	\$45.9M	\$54.6M	\$8.7M

Forecast based on Nov 30, 2020 close

**Auditor adjustment of \$1.6M for MZLA stock purchase resulted in \$1.6M in net assets moving from restricted to unrestricted.*



2020 revenue update

- Despite the many challenges in 2020, MoFo remains financially strong. Overall 2020 **revenue forecast to be up 23%** for a total of \$21M.
- **We increased individual donations by 20%** compared to 2019 for a total of \$4.2M. Importantly, the number of recurring donors and major donors increased.
- **The 2020 trademark royalty ended up being \$2.8M higher than budgeted**, due to both strong MoCo search revenue and the new structure of the agreement.
- Investments recovered very well over the course of 2020.



2019-2020 revenue overview

Revenue	2019 actuals	2020 budget	2020 Forecast
Trademark royalty	\$15.9M	\$13.6M	\$16.4M
Restricted donations	\$8.1M	\$2.6M	\$5.0M
Unrestricted donations	\$3.6M	\$4.0M	\$4.2M
Investment	\$0.6M	\$0.5M	\$0.4M
Other	\$0.3M	\$0.4M	\$0.1M
Total	\$28.4M	\$21.1M	\$26.1M

** This total includes confirmed grant revenue only. We are additionally bringing unspent but already booked restricted funds into 2021 from prior years.*



2020 expenses update

- **We reduced expenditure to weather the pandemic.** This reduction in spending contributed \$2.5M towards our \$7.1M increase in unrestricted net assets.
- **Overall expenses were down 20%** from what we originally budgeted, with unrestricted expenses down 14%.
- Reduction in spending is due to the cancellation of all travel and in-person events due to COVID-19, the move of MozFest to a virtual event in 2021, as well as to the deferral of a few new hires to 2021. We also **shifted the board-committed \$1M for the Africa innovation Mradi to 2021.**



2020 unrestricted expenses

Expenses	Budget	Forecast	Variance
Staff & consultants	\$12.2M	\$11.5M	(\$0.7M)
<i>Advocacy and engagement</i>	<i>\$4.1M</i>	<i>\$3.9M</i>	<i>(\$0.2M)</i>
<i>Global programs</i>	<i>\$4.1M</i>	<i>\$3.3M</i>	<i>(\$0.8M)</i>
<i>Strategic operations</i>	<i>\$4.0M</i>	<i>\$4.3M</i>	<i>\$0.3M</i>
Fellowships, grants, stipends	\$2.6M	\$2.2M	(\$0.4M)
Travel	\$1.0M	\$0.3M	(\$0.7M)
Other <i>(marketing, prof services, G&A, etc.)</i>	\$2.7M	\$2.0M	(\$0.7M)
Total	\$18.5M	\$16M	(\$2.5M)

2021 Budget

The proposed 2021 budget focuses on **deepening our investment in trustworthy AI and continuing to improve organizational systems.**

It includes modest increases in both unrestricted spending and revenue, knowing grants may come in to grow restricted spending through the year.

It also includes **\$2M in 'innovation investment' for work on policy and in Africa.**

Proposed 2021 budget resolution

WHEREAS, the Board has reviewed the final budget for 2021 with expected revenue of \$24.1M and expected expenditure of \$29.2M,

RESOLVED, that the Board approves expenditures of up to \$23.4M in unrestricted funds, including \$2M for innovation in Africa and tech policy. Additional board approval is required for unrestricted spending in 2021 above this amount.

RESOLVED FURTHER, that the Board approves the final 2021 budget with the understanding that grants and projects may result in budget variances in the expenditure of restricted funds. No further board approval is required for such expenditures.



Proposed 2021 budget

Overview	Restricted	Unrestricted	Total
<i>Starting net assets</i>	<i>\$8.4M</i>	<i>\$54.6M</i>	<i>\$63M</i>
Income	\$2.5M	\$21.6M	\$24.1M
Expense	\$5.8M	\$23.4M	\$29.2M
Non-opex	-	-	-
Change in net assets	(\$3.3M)	(\$1.8M)	(\$5.1M)
<i>Ending net assets</i>	<i>\$5.1M</i>	<i>\$52.8M</i>	<i>\$57.9M</i>



2021 revenue

- Based on MoCo and MZLA's most recent revenue forecasts for 2021, we are projecting **royalty payments of \$16.4M**.
- We are targeting **\$5M in unrestricted donations (all sizes)**, a 19% increase over 2020. This is a stretch goal, but planned fundraising, marketing and content investments in the budget make us optimistic we can reach the target.
- The budget also includes **\$2.5M in restricted donations confirmed to be booked in 2021**, as well as an additional \$8.4M in restricted net assets booked in prior years. We will continue to grow our grants pipeline as per our fundraising strategy.



2019-2021 revenue overview

Revenue	2019 actuals	2020 Forecast	2021 budget
Trademark royalty	\$15.9M	\$16.4M	\$16.4M
Restricted donations	\$8.1M	\$5.0M	\$2.5M*
Unrestricted donations	\$3.6M	\$4.2M	\$5.0M
Investment	\$0.6M	\$0.4M	\$0M**
Other	\$0.2M	\$0.1M	\$0.3M
Total	\$28.4M	\$26.1M	\$24.1M

* This total includes confirmed grant revenue only.

** Income from investments and portfolio mgmt fees have been moved to non-opex



2021 expenses

- The budget includes **key programmatic, infrastructural and human resource investments** that map to the 2021 OKRs, and spending that will unlock impact and external funding related for our 3 year trustworthy AI objectives.
- Investments include: upgrading our **CRM and data infrastructure**; expanded **grantmaking and research**; increased **marketing and engagement** funding.
- The budget includes \$1M in resources for the **African Innovation Mradi**, committed but unspent in 2020. We are also proposing a \$1M innovation fund to support the growth of our **Pan Mozilla Tech Policy strategy**.

2021 expenses

Expenses	Unrestricted	Restricted	Total
Staff & consultants	\$16M	\$2.6M	\$18.6M
<i>Advocacy and engagement</i>	<i>\$5.4M</i>	<i>\$0M</i>	<i>\$5.5M</i>
<i>Global programs</i>	<i>\$4.5M</i>	<i>\$2.6M</i>	<i>\$7.1M</i>
<i>Strategic operations</i>	<i>\$6.0M</i>	<i>\$0M</i>	<i>\$6.0M</i>
Fellowships, grants, stipends	\$4.0M	\$2.4M	\$6.4M
Travel	\$0.2M	\$0.1M	\$0.3M
Other <i>(marketing, prof services, G&A, etc.)</i>	\$3.2M	\$0.7M	\$3.9M
Total	\$23.4M	\$5.8M	\$29.2M



2020 vs 2021 unrestricted expenses

Expenses	2020 Forecast	2021 Budget	Variance
Staff & consultants	\$11.5M	\$16M	\$4.5M
<i>Advocacy and engagement</i>	<i>\$3.9M</i>	<i>\$5.4M</i>	<i>\$1.5M</i>
<i>Global programs</i>	<i>\$3.3M</i>	<i>\$4.5M</i>	<i>\$1.2M</i>
<i>Strategic operations</i>	<i>\$4.3M</i>	<i>\$6.0M</i>	<i>\$1.7M</i>
Fellowships, grants, stipends	\$2.2M	\$4.0M	\$1.8M
Travel	\$0.3M	\$0.3M	-
Other <i>(marketing, prof services, G&A, etc.)</i>	\$2.0M	\$3.2M	\$1.2M
Total	\$16.0M	\$23.4M	\$7.4M

For decision: 2021 budget resolution

WHEREAS, the Board has reviewed the final budget for 2021 with expected revenue of \$24.1M and expected expenditure of \$29.2M,

RESOLVED, that the Board approves expenditures of up to \$23.4M in unrestricted funds, including \$2M for innovation in Africa and tech policy. Additional board approval is required for unrestricted spending in 2021 above this amount.

RESOLVED FURTHER, that the Board approves the final 2021 budget with the understanding that grants and projects may result in budget variances in the expenditure of restricted funds. No further board approval is required for such expenditures.



decision

Day three
MozFest



moz://a festival



3,000+ participants

Artists, activists, technologists, advocates, students, and journalists with a single mission: a better, healthier internet



300+ sessions

Immersive sessions that teach privacy best practices, develop solutions to online misinformation and harassment, build open-source tools, support Trustworthy AI innovations, and more



82+ countries

MozFest welcomes activists from Taipei, coders from Berlin, educators from Nairobi, researchers from Brasilia, and others from regions and movements around the world



14 days of programming

MozFest unfolds over the span of two weeks, with interactive sessions, films, talks, round-tables, hack-a-thons, exhibits, and socials.



Date: March 8th to 19th, 2021

Time: MozFest is a rolling, global 2-week event this year and **not** designed for 24-7 participation. The festival opens daily from 14:30 CET - 00:45 CET.

Register: <https://www.mozillafestival.org/en/tickets/>

Appendix A:
2020 Results

What we did 2020 (OKRs)

OKR1	Test out our AI theory of change and establish Mozilla as a credible thought leader.	Published paper based on theory of change. Honed thinking on where to focus our work.
OKR2	Increase data stewardship innovations that can accelerate the growth of trustworthy AI.	Raised ~\$6M for Data Futures Lab. Released initial research and awarded first grants + fellowships.
OKR3	Use pivotal moments to pressure companies to make 'consumer AI' more trustworthy.	Used campaigns to make strong connections between AI + pandemic / racial justice / election.
OKR4	Partner with diverse movements at intersection of their primary issues and trustworthy AI.	Launched new funding programs connecting our work to orgs in Europe and the global south.
OKR5	Update our organizational capabilities so our ambition can grow over multiple years.	Drafted fundraising plan and created financial model for next three years.

a full list of 2020 OKRs including final results is included Appendix A



Thought leadership: 2020 results

Objective: test out our theory of change in ways that both give momentum to other orgs taking action on trustworthy AI and establish Mozilla as a credible thought leader.

Key result

Notes

Progress

Publish a white paper theory of change	Published the white paper on Dec 15 with (yay!) and there was press outreach, social outreach (including a twitter chat Audrey organized) and some other pieces that are still in the works.	Complete
250 people + orgs participate in AI project mapping and offer feedback on white paper	Created questionnaire to help identify projects to support and inform 2021 work around transparency and bias in AI.	147
25 collaborations with partners working on concrete trustworthy AI projects	Many possible collaborators. The best want to work on concrete projects, not guidelines. Will pick narrow, concrete set of projects for 2021+.	35



Data stewardship: 2020 results

Objective: increase the number of data stewardship innovations that can accelerate the growth of trustworthy AI.

Key result

Notes

Progress

\$3 million raised as an indicator of growing philanthropic support in this area

Data Futures Lab established with core funding from Luminate and Siegel, project funding from Gates plus German and French governments.

~\$6M

10 awards or fellowships for prototypes or other concrete projects re: data stewardship

Fellows acting as initial brain trust for Lab. 'Proto' grants re: data governance in consumer rights, gig economy, activism and voice tech.

8 fellowships
3 grants

4 concentric "networks of practice" utilize Mozilla-housed Data Futures Lab

Landscape analysis helped us understand complexity of the field -- and also helped us build foundations of the Lab network.

4

Consumer power: 2020 results

Objective: mobilize an influential consumer audience using pivotal moments to pressure companies to make 'consumer AI' more trustworthy.

Key result

Notes

Progress

3m page views to content on Mozilla channels, a majority of which focuses on trustworthy AI

Consistently created content responding to big events. E.g. Privacy Not Included for video apps as pandemic started. This approach drove traffic.

2.6M

75k new subscribers drawn from sources (partnerships, contextual advertising, etc.) oriented towards people ages 18-35

Used this same content, plus new features like Mozilla News Beat, to reach out to new and non-tech audiences on platforms like Instagram.

75,044

25k people share information (stories, browsing data, etc.) in order to gather evidence about how AI works and what changes are needed

Developed the YouTube Regrets Reporter browser extension to get public involved in 'watching' what tech platforms are doing.

22K
(Regrets Reporter)



Movement building: 2020 results

Objective: partner with diverse movements at intersections between their primary issues and internet health, including trustworthy AI, so that we increase shared purpose.

Key result

Notes

Progress

30% increase in partners with whom we have both created something that includes shared language, methodologies, resources, or events

MoFo is a strong collaborator. This was the first year we document who we work with. We've already uncovered collaborations w/ ~200 orgs.

34%

75% of partners from these diverse movements report deepening intersection between their issues and internet health/AI

We had several collaborations with unexpected partners (e.g NBC + CogX) that led to a deepened and more nuanced exploration of our work.

75%

4 new partners in Global South report deeper intersection between their work and ours

We will survey the Tech + Society host organizations after they've had a few months to engage with our work.

0

Org effectiveness: 2020 results

Objective: update our organizational models and capabilities so that our strategy and people can succeed, and our ambition can grow over multiple years.

Key result

Notes

Progress

Organizational effectiveness baseline established

Baseline established. The executive team to prioritize the CCAT recommendations in Jan.

Complete

A long-term funding model that matches our ambitions exists

Developed new budget model to support long range planning. Also, developing formal three year fundraising plan.

First draft

100% of job descriptions have been audited and are up-to-date

Undertaking job description audit as step towards understanding the skill sets we have -- and need -- in order to meet our goals.

20% completed;
15% almost complete

Appendix B

2020

Detailed
Finances

2020 revenue: total

	Budget	Forecast	Variance
Trademark royalty	\$13.6M	\$16.4M	\$2.8M
Restricted donations	\$2.6M	\$5M	\$2.4M
Unrestricted donations	\$4M	\$4.2M	\$0.2M
Investment	\$0.5M	\$0.4M	(\$0.1M)
Other	\$0.4M	\$0.1M	(\$0.3M)
Total	\$21.1M	\$26.1M	\$5M



2020 expenditure: total

	Budget	Forecast	Variance
Leadership Programs	\$11.8M	\$8.1M	(\$3.7M)
<i>Fellowships & Awards</i>	\$9.0M	\$6.4M	(\$2.6M)
<i>MozFest</i>	\$1.9M	\$1.1M	(\$0.8M)
<i>Insights</i>	\$0.9M	\$0.6M	(\$0.3M)
Advocacy	\$5.3M	\$4.4M	(\$0.9M)
<i>Communications</i>	\$0.7M	\$0.5M	(\$0.2M)
<i>Advocacy & Engagement</i>	\$4.6M	\$3.9M	(\$0.7M)
Strategic Operations	\$6.2M	\$6.1M	(\$0.1M)
Thunderbird	\$0M	\$0M	\$0M
Total	\$23.3M	\$18.6M	(\$4.7M)



2020 expenditure: restricted

	Budget	Forecast	Variance
Leadership Programs	\$4.3M	\$2.6M	(\$1.7M)
<i>Fellowships & Awards</i>	<i>\$4.3M</i>	<i>\$2.6M</i>	<i>(\$1.7M)</i>
<i>MozFest</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Insights</i>	<i>0</i>	<i>0</i>	<i>0</i>
Advocacy	\$0.5M	\$0.1M	(\$0.4M)
<i>Communications</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Advocacy & Engagement</i>	<i>\$0.5M</i>	<i>\$0.1M</i>	<i>(\$0.4M)</i>
Strategic Operations	0	0	0
Thunderbird	\$0M	\$0M	\$0M
Total	\$4.8M	\$2.6M	(\$2.1M)



2020 expenditure: unrestricted

	Budget	Forecast	Variance
Leadership Programs	\$7.4M	\$5.6M	(\$1.9M)
<i>Fellowships & Awards</i>	\$4.7M	\$3.9M	(\$0.8M)
<i>MozFest</i>	\$1.9M	\$1.1M	(\$0.8M)
<i>Insights</i>	\$0.9M	\$0.6M	(\$0.3M)
Advocacy	\$4.8M	\$4.3M	(\$0.5M)
<i>Communications</i>	\$0.7M	\$0.5M	(\$0.2M)
<i>Advocacy & Engagement</i>	\$4.1M	\$3.8M	(\$0.3M)
Strategic Operations	\$6.2M	\$6.1M	(\$0.1M)
Thunderbird	0	0	0
Total	\$18.5M	\$16.0M	(\$2.5M)

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Mozilla Foundation Board Meeting

February 2-4, 2021