moz://a

Mozilla Foundation Board Meeting

February 2, 2022

2022 board workflow

November	February	April	July	November	January
~~2021 Program Strategy~~	**2022 Plan + Budget**	Board Elections + MoCo	Summer Retreat	Joint MoFo + MoCo	2023 Plan + Budget
Q4	**Today**	**Q2**	**Q3**	**Q4**	**2023**

Note: expanded Program Committee starts in 2022

Agenda

Feb 2

1. Board Business
2. State of the work (ai)
3. State of the org
4. 2022 Budget
5. Mark's Goals
6. Executive Session

Board Business

decisions

Board business

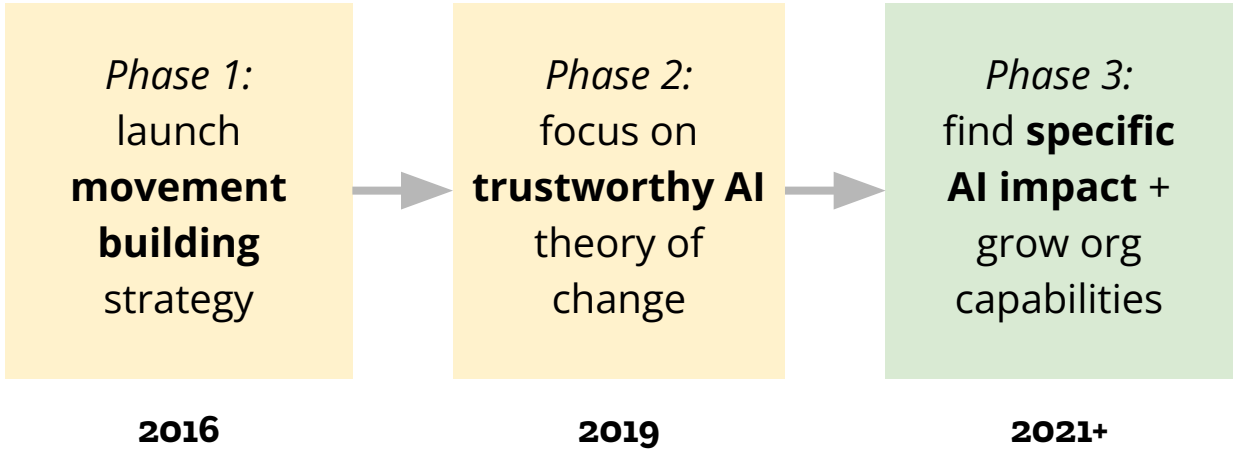
1. Approve November minutes
2. Proposed committee membership changes
3. Proposed 2022 OKR approval process

State of the work *(ai)*

discussion

Where are we?

We are in the the **third phase** of our
internet health movement building strategy ...



AI Theory of Change

Core focus

Secondary focus

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.	**Agency** All AI is designed with personal agency in mind. Privacy, transparency, and human well-being are key considerations. **Accountability** Companies are held to account when their AI systems make discriminatory decisions, abuse data, or make people unsafe.	In a world of AI, consumer technology enriches the lives of human beings.
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.		
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.		
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.		

2021 in review

It is hard to believe that we only settled on our **core AI themes — transparency, bias and data governance** — this time last year. These themes were woven into our 2021 objectives, and the bulk of our philanthropy, advocacy and movement work is now focused in these areas.

With this focus, we **increased our work with 'builders'** via initiatives like the Mozilla Technology Fund, Responsible Computer Science Challenge and MozFest Trustworthy AI Working Groups. We also recruited a slate of senior AI fellows to help shape this work going forward.

At the same time, we doubled down on efforts to **better link between trustworthy AI and everyday uses of the internet**. This included work on algorithmic transparency on YouTube and TikTok, and adding transparency info to our Privacy Not Included Guide.

OKR-wise, we will continue to work on our transparency, bias and data (plus movement building) objectives, with **new 2022 key results focused on the activities outlined in this deck**.

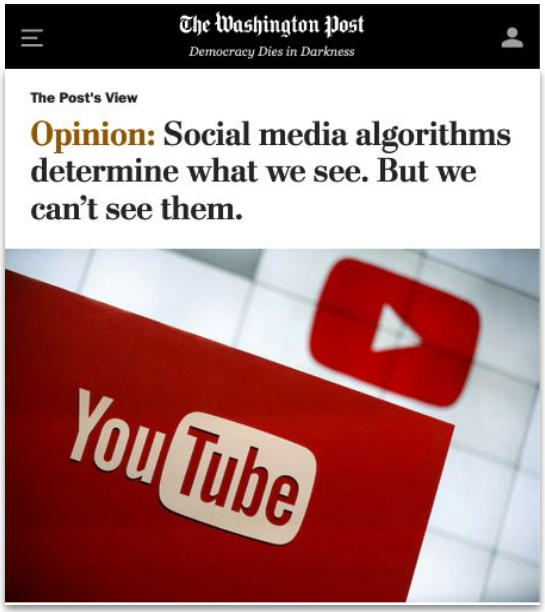
What we did 2021 *(summary)*

	Objectives	Results
Transparency	**Test AI transparency best practices** to increase adoption by builders & policymakers.	YouTube research expanded into broader play on recommendation AI best practices + policy.
Data Stewardship	Accelerate more **equitable data governance alternatives** to advance trustworthy AI.	Data Futures Lab 'proto' grants plus research established Mozilla as key voice in this space.
Bias	Accelerate the impact of people **working to mitigate bias** in AI.	Common Voice becomes flagship AI bias and inclusion project. Growing grants in this area.
Movement Building	Strengthen **partnership with diverse movements to deepen intersections** between their primary issues and ours.	Increasing traction working with builders on projects at the intersection of open source, AI and other social issues (e.g. gender, labour).
Org Effectiveness	Enhance our **org systems and capabilities** to support more data-informed decision-making.	Transitioning to MoFo CRM, more investment needed to create data driven org in 2022+.

Note: objectives carry over into 2022, key results will be changed / updated based on activities outlined in this deck.

OKR 1: AI transparency 2021 *(case study)*

Objective: test AI transparency best practices to increase adoption by builders and policymakers.



What we did: confirmed hypothesis that **data donation tools like RegretsReporter can help advance transparency policies**. Policymakers (and media) in EU and US put increased pressure on platforms to disclose data and guarantee researcher access, with many citing RegretsReporter research.

Learning: transparency research projects are richer and higher impact when done with partners (e.g. University of Exeter). Also, **research has a longer shelf life and more impact with sustained campaigns** and policy maker engagement (multi-year). These learnings have shaped our 2022 strategy.

OKR 1: AI transparency

Objective: test AI transparency best practices to increase adoption by builders + policymakers.

Key result	*Target*	*Result*	*Notes*
100 AI practitioners publicly endorse Mozilla's AI transparency best practices.	100	0	Shifted approach mid-year to develop **best practices docs created *with* builders**. This work will seed a network of builders inside companies.
25 citations of Mozilla data/models by policy makers or policy influencers as part of AI transparency work.	25	26	**RegretsReporter research citations** showed up in policy recommendations, open letters to gov't and legislation itself. *See case study.*
5 pieces of research that envision what meaningful transparency looks like for consumers.	5	5	Shifted approach from 'envisioning the future' to **'watchdog' reports documenting transparency gaps** (TikTok, Android apps, PNI AI ratings).

2022 OKR 1: AI transparency

KR = likey focus area for key result

Objective: test AI transparency best practices to increase adoption by builders + policymakers.

As we continue this work in 2022, we'll double down on **momentum with policy makers** and begin to grow a **community of 'builder evangelists'** working on product inside companies.

We have momentum on platform transparency and researcher access policies in the EU. We believe we can build similar (bi-partisan) momentum in the US in 2022. With this in mind, we will both: a) **grow public awareness in the US on transparency issues** (KR); and b) **increase investments in data donation work** (KR) that can drive policy change.

Our transparency work with builders is still nascent. In 2022, we'll use: a. our community-driven transparency best practices project and b. Responsible Computer Science Challenge to seed a global community of **builders committed to interrogating current practices and championing trustworthy AI within product teams** (KR) at tech companies.

OKR 2: data stewardship 2021 *(case study)*

Objective: Accelerate equitable data governance alternatives to advance trustworthy AI.

What we did: awarded **first 7 Data Futures Lab prototype grants** to orgs building collective data governance into their work. Also, published a paper on data governance policy, engaging policy makers in UK, EU and India.

Learning: we need to select for **orgs with concrete, understandable use-cases focused on shifting power through data**. Also, need to make sure orgs a) have users + data already and b) have potential to produce generalizable tech or features. Used this learning for Cohort #2. Also, discovered Mozilla's focus on actual use cases makes easier to engage policy makers on topics like 'collective privacy'.

OKR 2: data stewardship

Objective: Accelerate equitable data governance alternatives to advance trustworthy AI.

Key result	*Target*	*Result*	*Notes*
7 projects tested with real users to identify building blocks for viable data stewardship models.	7	7	$100,000 grants made through Data Futures Lab Prototype Fund to **seed 7 projects testing concrete data stewardship principles** / theories.
5 regulatory jurisdictions utilize our input to enable collective data rights for users.	5	4	Three **jurisdictions used our input on topics like 'collective privacy'** (vs. individual privacy) a fourth one will do so in February 2022.
6 stakeholder groups established as constituents of the Data Futures Lab.	6	6+	Groups included: indigenous tech; researchers; tech infrastructure groups; policy makers; co-ops and US funders. Started DFL **community calls for builders**.

2022 OKR 2: data stewardship

KR = likey focus area for key result

Objective: Accelerate equitable data governance alternatives to advance trustworthy AI.

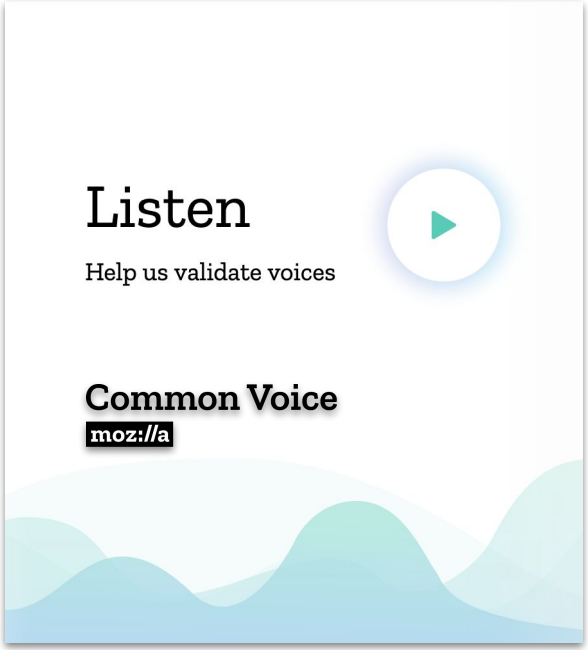
As we continue this work in 2022, we will **build on the Data Futures Lab** rollout and **continue to engage policy makers**.

The Lab will make its first round of awards through its ***Infrastructure Fund,*** **with a priority on data portability and data use license work** (KR) led by **indigenous communities and orgs in the global majority** (KR). Also, the Lab, in conjunction with the Creative Media Awards, will support artists and technologists to reimagine the role of data in AI systems — and how that data can be better stewarded to empower people and communities.

On the policy front, we'll leverage our research and prototype work to **influence legislation like the Data Protection Bill in India or the Data Act in the EU** (KR). We'll also release an Alternative Data Governance Legal Playbook focused on ways to 'hack' existing laws where strong data regulation doesn't exist yet (just like open source 'hacked' copyright).

OKR 3: bias in AI 2021 *(case study)*

Objective: accelerate the impact of people working to mitigate bias in AI.



What we did: expanded focus on a) accented speech and b) African languages, and **evolved Common Voice into a project focused on concrete AI bias and inclusion issues**. Collected 88k+ new voice donations and enabled 15 new under served languages. Also, supported 4 open source bias mitigation tools via new Mozilla Technology Fund.

Learning: Mozilla is **well-positioned to build and support open source tools to mitigate bias**. We have not yet fully evaluated whether this, or another path, is the best place for MoFo to focus. Incoming Fellows in Residence will help us further refine our focus and build networks here.

OKR 3: bias in AI

Objective: accelerate the impact of people working to mitigate bias in AI.

Key result	*Target*	*Result*	*Notes*
Increase the total investment in existing AI + bias grantees by 50%.	$350K	$225k	Provided **grants to several existing fellows to expand their work**, but did not have pipeline or mechanisms to invest at the scale we'd hoped.
50,000 people participate (share stories, donate data, etc.) in projects on mitigating bias in AI.	50,000	88,437	**Common Voice was the driver of participation** in bias-related projects. Marketing campaign drove donations from 88k+ people, 85% from new contributors.
Pipeline of additional projects Mozilla can support to mitigate bias in AI established.	1	1	**Built initial pipeline via Mozilla Technology Fund and the MozFest** Working Groups. Senior AI Fellows will add expertise to go further in 2022.

2022 OKR 3: mitigating bias

KR = likey focus area for key result

Objective: accelerate the impact of people working to mitigate bias in AI.

In 2022, we'll continue to focus on **Common Voice as our flagship in-house project** directed at AI bias and, investing further in **people and projects across our movement**.

Common Voice will continue to grow and diversify its dataset, while also developing and testing 'best practices' in bias mitigation in voice technology. Specifically, the team will **invite builders to test and use the Common Voice 'diversity datasheet'** (KR) audit process.

Additionally, we will **continue to support open source tools focused on bias mitigation** (KR), which we'll identify via the Mozilla Technology Fund and Deb Raji's Mozilla Open Source Auditing Project. Incoming Senior Fellows Apyrl Williams (expert on 'data reparations') and Abeba Birhane (expert on equitable dataset curation and management) will also help us identify grant making opportunities.

OKR 4: growing across movements 2021 *(case study)*

Objective: Partner with diverse movements at the intersection of their issues and trustworthy AI.

What we did: we focused on **networking builders from a variety of backgrounds, geographies, and movements** around trustworthy AI. For example, the Mozilla Technology Fund and Data Futures Lab funded builders working across open source, gender equity, community justice, labour, etc. We published the Responsible Computer Science Playbook to help the next generation of builders explore intersections like these.

Learning: Working with builders gives us a **concrete way to connect trustworthy AI to the work work of other movements**. We will continue this in 2022.

OKR 4: growing across movements

Objective: Partner with diverse movements at the intersection of their issues and trustworthy AI.

Key result	*Target*	*Result*	*Notes*
Phase 2 Landscape analysis used in workshops to internalise themes and operationalize within team plans.	1	0	Workshops held. **Rubric for building collaboration across movements rolled out** and tested in H2 2022 w/ Global Programs teams. Refining in 2022.
MoFo's African Mradi workstream centering local expertise is designed.	1	1	2022+ Mradi **strategy developed in consultation with African community**. Grew Common Voice as concrete Mozilla AI project w/ team in Africa.
Synchronize internal operations to strengthen ability to strategically partner externally.	1	1	2022 plans include **increased collaboration across teams**. E.g. US transparency policy plan combines Advocacy / GloPro / MoCo teams.

2022 OKR 4: growing across movements

KR = likey focus area for key result

Objective: Partner with diverse movements at the intersection of their issues and trustworthy AI.

In 2022, we'll bolster our **technology**, deepen our **global footprint** and expand the role of **MozFest** to help our community seed changes that improve the health of the internet.

On the technology front, we will significantly **update movement building tools / systems** (KR) that we use to rally the public, help our community organize and evaluate our impact.

We will also deepen our global footprint **expanding initiatives like Responsible Computer Science and the Data Futures Lab into Kenya, South Africa and India**. (KR) We'll also grow intersections with new movements including climate justice and indigenous data sovereignty.

Finally, we will expand the role of **MozFest as a platform to accompany our fellowships and awards.** (KR) Eg. working group structure, digital platform, local 'MozFest Houses' around the globe as tools for our fellows, grantees and our broader community.

Note: movement building technology KR shared with OKR 5.

Expanding our thinking in 2022

In 2022, we will have a **full slate of Senior AI fellows** with expertise that spans our OKRs:

Abeba Birhane
detoxifying datasets

Amber Sinha
transparency regulation

Anouk Rouhak
data trusts

Apryl Williams
reframing AI bias

Bogdana Rakova
transparency lifecycles

Crystal Lee
responsible CS

Lori Regattieri
AI + climate

Neema Ayer
data collaboratives

Working with MoFo teams, these fellows will play a key role in **evolving our thinking on trustworthy AI**, and connecting us to a broader set of communities and movements.

State of the org

discussion

State of the Org

Organizationally, MoFo is faced with a (well known) point of tension: staff across the org are increasingly **aligned on goals, but don't yet have all the systems we need** to deliver on them.

Despite the continued pandemic in 2021, we met (most of) our OKRs, made progress on our diversity, equity and inclusion work and added new skills and expertise to the org (23% new staff in 2021). MoFo **'alignment' scores are at 77%** (vs. 70% historical average).

While this growth has us headed in a good direction, it has also underlined that we **need to continue investing organizational systems** that will help us deliver on our program goals. For example, the data infrastructure we took over from MoCo last year is not well suited to the kind of organizing, mobilization and monitoring and evaluation work that MoFo's programs require.

Financially, we are on good footing, ending the year with **unrestricted net assets above our original target**. We plan to use some of this surplus to invest in tech and data infrastructure over the course of the coming years.

Strengthening our teams

All three of our major ‘meta teams’ grew stronger and deepened their work in 2021:

Advocacy and Engagement: mobilizes and educates the public. In 2021, continued to grow Mozilla’s reputation on AI transparency and consumer tech issues, especially in EU. Will add US transparency campaigns and invest in grassroots supporter engagement in 2022. *32 FTE / $7M*

Global Programs: research, funding and ‘connective tissue’. Awarded $4.5M in funding in 2021, w/ increasing focus on cross cutting initiatives. Will grow builder and policy maker audiences in 2022, and expand presence in Africa and India. *45 FTE / $19M, incl. $6.9 in grants*

Strategic Operations: creating a sustainable, effective movement building org. Developed new operating model in 2021, and moved data systems from MoCo. Will update financial + HR models in 2022, plus Advocacy and Global Programs operating models. *35 FTE / $7.5M*

Detailed 2021 team updates and plans are included in Appendix B.

Building an open, inclusive Mozilla

Over the last two years, we have put an increased focus on becoming a **more open, diverse and inclusive organization — and community**.

In 2021, we began an intensive **Racial Equity and Belonging Audit (REBA)**, which included extensive input from across the org. The REBA Action Plan will be finalized in February 2022.

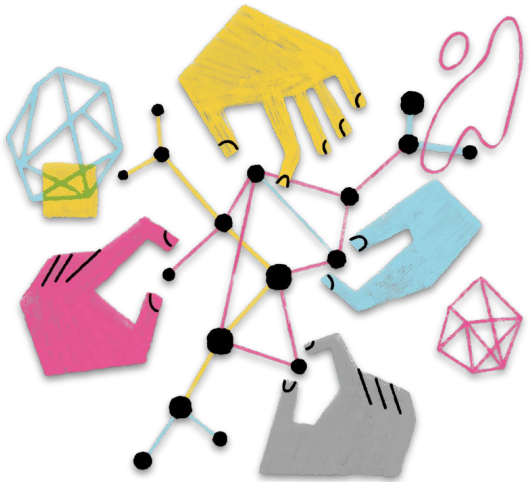
We also undertook a ‘movement landscape analysis’ to create a rubric for **making links between our work on open technology and the work of people in other movements.**

In 2022, we will move further on both of these fronts. We have allocated a $500k to **recruit a MoFo Diversity, Equity and Inclusion Lead** and begin the REBA Action plan roll out. We may add to this budget once the plan and DEI Lead are in place.

Also, an **intersectional movement building rubric** will guide our $7M in fellowships and awards spending, with significant work already beginning on racial justice.

OKR 5: org effectiveness 2021 *(case study)*

Objective: Enhance our capability to support more data-informed decision-making.



What we did: **migrated from MoCo tech and data infrastructure**, setting up our own CRM (Salesforce) and data integration platform (Cinchy), with an initial focus on operational continuity for grassroots fundraising.

Learning: the shift exposed a) how dependent we were on MoCo and b) how much the systems we'd been using were holding us back. We **need to a tech platform and data systems that are fit for our movement building work** and that can help us understand our impact. We need to make substantial investments in 2022+ to build up these systems.

OKR 5: org effectiveness

Objective: Enhance our capability to support more data-informed decision-making.

Key result	*Target*	*Result*	*Notes*
MELD strategy established to enable strategic decision-making based on understanding our impact.	1	0	Developed v1 **action plan for data-informed culture** with links to tech infrastructure. Assessing grant-related MEL requirements. Continue in 2022.
100% of teams onboarded into basic contact / relationship management.	100%	0	Prioritized **stabilizing Salesforce for EOY fundraising** and holiday shutdown. Basic contact management rollout will begin in 2022.
Data analysis completed to identify approaches for converting ‘subscribers’ to first time donors.	1	0	**Gathered data to help us understand how to drive gifts** (framing, tone, open rates). Tech issues blocked ability to segment and track conversions.

OKR 5: org effectiveness 2022

KR = likey focus area for key result

Objective: Enhance our capability to support more data-informed decision-making.

We will put a dedicated, cross-org focus on improving **technology for movement building**. This will help us unlock more productivity, external impact and revenue over the coming years.

We will make immediate investments to strengthen the core technology and capabilities upon which all of our movement supporting technologies rely. This will enable us to **boost donor retention, annual gifts and engagement**. (KR) Also, we will develop a Measurement, Evaluation, Learning and Data (MELD) strategy, which we will pilot with programs such as the Mradi and Responsible Computer Science Challenge.

As one way to measure the success of this work, we will aim to **increase engagement survey score re: 'technology** we use at MoFo helps me do my best work' by 20%. (KR)

Note: movement building technology KR shared with OKR 4.

2021 unrestricted expenses

Expenses	Budget	Forecast	Variance
Staff & consultants	$16M	$14.2M	($1.8M)
Advocacy and engagement	*$5.4M*	*$4.6M*	*($0.8M)*
Global programs	*$4.5M*	*$4.3M*	*($0.2M)*
Strategic operations	*$6.0M*	*$5.3M*	*($0.7M)*
Fellowships, grants, stipends	$4.0M	$2.1M	($1.9M)
Travel	$0.2M	$0M	($0.2M)
Other *(marketing, prof services, G&A, etc.)*	$3.2M	$2.0M	($1.2M)
Total	$23.4M	$18.3M	($5.1M)

Forecast based on December 31, 2021 estimates

2022 budget

decisions

Proposed 2022 budget resolution

decision needed on budget

WHEREAS, the Board has reviewed the final budget for 2022 with expected revenue of $26.9M and expected expenditure of $35.5M,

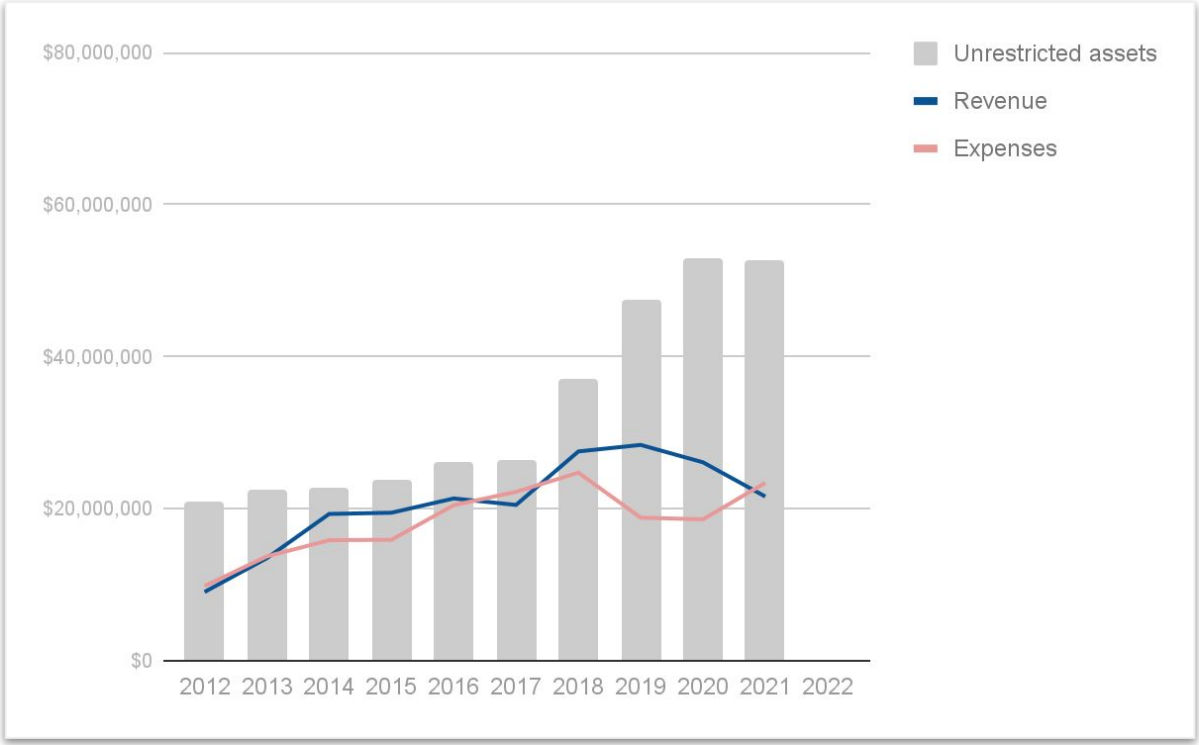
RESOLVED, that the Board approves expenditures of up to $28.5M in unrestricted funds, including $3M for advancing the Africa Innovation Mradi, Pan-Mozilla Tech Policy strategy, and Data & Tech for Movement Building. Additional board approval is required for unrestricted spending in 2022 above this amount.

RESOLVED FURTHER, that the Board approves the final 2022 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.

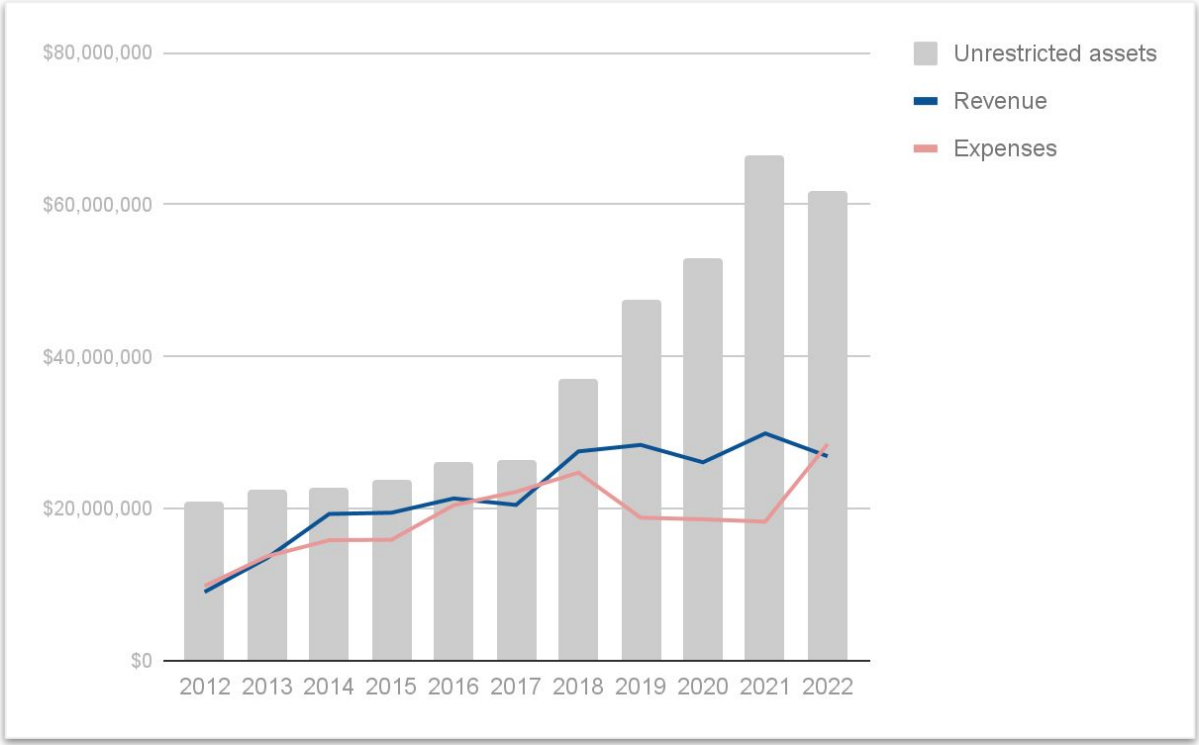
2022 financial position

- In 2021, we budgeted a $1.8M capital spend down. Instead, we ended the year with a **$11.1M / 19% increase in our capital reserves**.
- We've under spent budget for the last two years for two reasons: a) we've been **evaluating / evolving our programs and operating model;** and b) the pandemic has slowed down execution in a number of areas. And MoCo trademark revenue and grant fundraising have performed well (and above budget).
- We're proposing to spend $4.8M capital in 2022 in a manner similar to what we budgeted last year. This includes **investments in Africa and policy work** ($2M) **and in tech and data systems** ($1M), plus $1.5M in carry over spending.
- These program and tech investments will allow us to **mature our work and grow fundraising** over the coming years.

Historical overview *(as per January 2021)*



Historical overview *(as per January 2022)*



Proposed 2022 budget

Overview	Restricted	Unrestricted	Total
Starting net assets	$8.4M	$66.5M	$74.9M
Income	$3.2M	$23.7M	$26.9M
Expense	$7.0M	$28.5M	$35.5M
Non-opex	$0.0M	$0.0M	$0.0M
Change in net assets	($3.8M)	($4.8M)*	($8.6M)
Ending net assets	$4.6M	$61.7M	$66.3M

**Unrestricted change in net assets includes $3M of one-time investments from capital in the Tech, Africa Mradi & Policy initiatives, $1.5M of committed funds from 2021, and $291K net expenses from reimbursable grants that are classified as unrestricted for accounting purposes.*

2022 revenue

- Based on a conservative estimate of MoCo and Thunderbird's most recent revenue forecasts for 2021, we are projecting **royalty payments of $18.6M.**
- We are estimating **$4.2M in unrestricted individual donations (all sizes)**, a 20% decrease over 2021 (due to snippet loss).
- The budget also includes **$3.2M in restricted donations,** as well as an additional $8.4M in restricted net assets booked in prior years. We will continue to grow our grants pipeline as part of our fundraising strategy.
- Investments in programs, tech and online engagement will put us on a track to **grow and diversify our revenue in future years.** Our 3 year fundraising plan aims for less dependence on MoCo, with a 50:50 revenue split between revenue and fundraising by 2025. In 2021, the ratio was roughly 65:35.

Revenue overview *(w/ history)*

Revenue	2020 actual	2021 budget	2021 forecast	2022 budget
Trademark royalty	$16.4M	$16.4M	$19.8M	$18.6M
Restricted donations	$4.9M	$2.1M*	$5.3M	$3.2M*
Unrestricted donations	$4.5M	$4.5M	$3.5M	$4.2M
Federal/reimbursable grants	$0.1M	$0.8M	$1.0M	$0.4M
Other	$0.2M	$0.3M	$0.3M	$0.5M
Total	**$26.1M**	**$24.1M**	**$29.9M**	**$26.9M**

** This total includes confirmed grant revenue only.*

2022 expenses

- The draft budget includes **key program, infrastructure and human resource investments** that map to the 2022 OKRs, and spending that will unlock impact and attract funding related to our trustworthy AI objectives.
- Major investments include expanded **grantmaking** (i.e. the global expansion of the Responsible Computer Science Challenge, Creative Media Awards, PO Portfolios); **communications, advocacy research and consumer content** capabilities; and implementing **recommendations from the REBA**.
- The budget also includes three investments from capital: $1M for the **Africa Mradi**; $1M to advance our **global Pan Mozilla policy priorities**; and $1M towards our **technology and data capabilities for movement building**.

2022 expenses

Expenses	Restricted	Unrestricted	Total
Staff & consultants	$3.2M	$19.3M	$22.5M
Advocacy and engagement	*$0.4M*	*$6.0M*	*$6.4M*
Global programs	*$2.8M*	*$6.0M*	*$8.8M*
Strategic operations	*$0M*	*$6.3M*	*$6.3M*
Office of the Executive Director	*$0M*	*$1M*	*$1M*
Fellowships, grants, stipends	$2.5M	$5.0M	$7.5M
Travel	$0.3M	$0.7M	$1.0M
Other *(marketing, prof services, G&A, etc.)*	$1.0M	$3.5M	$4.5M
Total	$7.0M	$28.5M	$35.5M

**Office of the Executive Director expenses in 2021 are included within Strategic Operations*

2021 vs 2022 unrestricted expenses

Expenses	2021 Budget	2022 Budget	Variance
Staff & consultants	$16M	$19.3M	$3.3M
Advocacy and engagement	*$5.4M*	*$6.0M*	*$0.6M*
Global programs	*$4.5M*	*$6.0M*	*$1.5M*
Strategic operations	*$6.0M*	*$6.3M*	*$0.3M*
Office of the Executive Director	*	*$1.0M*	*
Fellowships, grants, stipends	$4.0M	$7.5M	$3.5M
Travel	$0.3M	$1.0M	$0.7M
Other *(marketing, prof services, G&A, etc.)*	$3.2M	$3.5M	$0.3M
Total	$23.4M	$28.5M	$5.1M

**Office of the Executive Director expenses in 2021 are included within Strategic Operations*

2022 budget resolution

decision needed on budget

WHEREAS, the Board has reviewed the final budget for 2022 with expected revenue of $26.9M and expected expenditure of $35.5M,

RESOLVED, that the Board approves expenditures of up to $28.5M in unrestricted funds, including $3M for advancing the Africa Innovation Mradi, Pan-Mozilla Tech Policy strategy, and Data & Tech for Movement Building. Additional board approval is required for unrestricted spending in 2022 above this amount.

RESOLVED FURTHER, that the Board approves the final 2022 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.

Appendix A

2022 capital spend projects

Overview

As noted in our budget proposal slides, the budget includes capital spend down on three $1M investments in programs or capabilities:

1. MoFo's stream of the Mradi work, focusing on how African leadership, expertise and lived experiences can shape the development and governance of internet technologies.
2. Advocacy and Global Programs contributions to our Pan Mozilla Policy Strategy, with a 2022 focus on promoting systemic AI transparency amongst US regulators and lawmakers.
3. Rebuilding the tech and data systems that underpin MoFo's movement building work, including community organizing (MozFest) and fundraising (grassroots donations).

These investments will help us mature our work and grow our fundraising over the coming years. The Mradi and policy investments are deferred from the 2021 budget. The tech and data initiative is new.

Proposal: Mradi

Summary: MoFo's stream of the Mradi work centers African leadership, expertise and lived experiences in interventions focused on the development and governance of technologies in East and Southern Africa, and the impact this has on the exercise of social justice, on and offline.

Impact: a strong ecosystem of allies — including civil society and diverse community movements — working alongside Mozilla to deliver real solutions for addressing inequalities and holding companies, regulators, and government to account.

Focus/plan for 2022: ongoing trustworthy AI work (Common Voice, Numun Fund, TAI Working Group); fellowships (senior fellows and journalists); awards (exploratory + Responsible Computer Science expansion); convening (Mradi-Mozfest); research.

Fundraising potential: to date, Mozilla's investment of $1M has been leveraged to raise an additional $5.9M in funding from Gates, GIZ and USAID.

Proposal: Policy

Summary: strategic investments to advance our global 'Pan Mozilla' policy priorities: increasing *systemic transparency*, reducing harms through *platform accountability*, and securing robust *data rights*. Our 2022 focus includes a US initiative on systemic transparency, funding for policy fellows to explore application of EU regulatory approaches in additional regions, and analysis of opportunities to advance data rights under existing global laws/regulations.

Impact: policy makers better connected to Mozilla and more technically informed (short term). More laws and regulatory actions in more places that reflect trustworthy AI vision (long term).

Focus/plan for 2022: MoFo Global AI Policy Lead *(new FTE)*; coalition building + government relations support (US campaign), US public awareness building (comms + messaging), and additional fellows (India, South and East Africa).

Fundraising potential: Successful implementation of this work will position us for institutional grants, major donor contributions and strengthened grassroots fundraising in key markets.

Proposal: Data and tech for movement building

Summary: while we've made some investments in technology, we don't have all the pieces we need. We will develop and roll out a comprehensive Movement Building Tech Strategy starting in 2022.

Impact: this investment in new staff and technology will better reach and empower priority audiences in the AI theory of change (e.g. builders, consumers, policy makers).

Plan for 2022: we will develop an updated vision for the data + technological infrastructure needed to power our movement growth + impact. We will invest in current digital offerings to build our 'product' muscle and mindset. Additionally, we will study user needs that will give us insight into potential products that will grow engagement - and donations - over time.

Fundraising potential: these upgrades are essential to meeting our three-year fundraising goal (2x individual giving + 3x grant fundraising). They will allow us to attract, convert, and renew ~ 1M+ new individual supporters. Additionally, we will gain the ability to track and measure the impact of our grant funded programs, which is necessary to renew and attract new investments.

Appendix B

team updates

Advocacy + Engagement 2021 recap

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

2021 highlights: rebuilding the comms function paid off. We're now a credible, respected voice on AI transparency + consumer tech. Our work garnered a NYT op-ed + Washington Post editorial, along with a 25% increase in global coverage since 2019. This credibility translated into more direct engagement w/companies (TikTok, Google, Twitter, Amazon) and policy makers.

2021 challenges: grassroots actions declined significantly as the team focused on original research + policy maker outreach. The CRM transfer reduced our ability to send emails to supporters for many months. We believe this decline also contributed to our decline in grassroots donations.

Also, changes in MoCo staff + products had a significant impact. Elimination of the Firefox 'snippet' mid-year reduced traffic to our website and donation pages by almost 50%. Significant changes to MoCo policy, legal and marketing teams also slowed our work.

Advocacy + Engagement 2022 preview

Headcount: 32	Budget: $7.9M *(including $1M for tech policy initiatives)*

In 2022, we will direct a good percentage of our resources on breaking through with grassroots audiences + policy makers in the US, while continuing to expand our global voice.

While tech scandals and whistleblowers have raised public concern, this has not yet led to concrete policy and corporate changes. Mozilla will leverage this public sentiment to galvanize regulators, embolden challenger companies and mobilize consumers through a large-scale campaign in the US. In this work, we will re-engage our grassroots supporters.

On the digital engagement side, we'll focus on improving the tools and systems we use to mobilize our global, grassroots supporter base to participate and donate to our cause. This work will begin in 2022, and will likely begin to show significant results in mid-2023.

Global Programs 2021 recap

Focus: The Global Programs team provides critical resources to the individuals and organizations working alongside Mozilla to promote a healthier internet: research (Insights); funding (Fellowships and Awards); and connective tissue (MozFest).

2021 highlights: In 2021, Global Programs worked increasingly in lockstep through cross-cutting initiatives like the Data Futures Lab. Combining grantmaking, research, and community building, DFL supports cohorts of projects exploring how data can be better collected, stewarded, and managed. DFL serves as a model of how the combined strengths of Mozilla's Global Programs can be leveraged in service of impact in a specific focus area.

Alongside the Data Futures Lab, we launched the Mozilla Technology Fund to support technical projects that advance transparency and combat bias in AI. We also began our community grants initiative and joined a global majority led collaborative fund. Combined, these programs are renewing MoFo's emphasis on tech-focused grantmaking. In 2021 Global Programs awarded 87 grants and fellowships totally $4.5M. Approximately 55% of this funding focused on technology.

Global Programs 2021 recap

More highlights: We further strengthened our work with builders through our first ever virtual MozFest which had over 9,500 participants, 33% of whom identified as builders. We successfully wrapped Phase 1 of our Responsible Computer Science Challenge and our Trustworthy AI working groups, run year round by MozFest, brought over 200 technologists together to imagine better AI alternatives. We'll grow this work with builders in 2022.

2021 challenges: The pandemic continued to create programmatic challenges, most clearly for MozFest which had to transition to a virtual event. Fellowships and Awards programs have also had to expand timelines for nearly all grantee partners due to COVID-related delays.

Measuring the impact of our work with limited technical infrastructure and staff capacity to support this work continues to be a challenge. To deepen the refinement of our programs and to grow our funder base, we'll need to invest in measurement, evaluation, and learning in 2022.

Global Programs 2022 preview

Headcount: 45	Budget: $19M *(including ~$6.9M in outgoing fellowships and awards)*

In 2022, Global Programs will mature our grassroots to grasstops approach by deepening alignment across interventions to strengthen our impact on the internet health movement. Here's how we'll do it:

1. Continue to coordinate efforts across Global Programs, MoFo, and MoCo that leverage our combined "superpowers" for targeted impact in a given area (Data Futures Lab + Creative Media Award Collaboration, IRL + Internet Health Report, cohort of civil society orgs and hosted fellows tackling bias in AI).

2. Use these combined strengths to deepen our impact in new geographies (Africa Mradi including Common Voice, the global expansion of the Responsible Computer Science Challenge, SDE initiative in India).

Global Programs 2022 preview *(cont'd)*

Headcount: 45	Budget: $19M *(including ~$6.9M in outgoing fellowships and awards)*

3. Codify our engagement strategy with existing audiences while also placing new emphasis on growing the builder and policy maker audiences for our programs (MozFest, Policy Fellows, Fellowships and Awards Alumni Network, Internet Health Report).

4. Ensure that our programs are responsive to the needs of our home movement and partner movements by engaging external experts to inform our strategy while also growing internal expertise (Trustworthy AI Senior Fellow Cohort, PO Portfolio Development, coalition and collaborative partnerships).

Strategic Operations 2021 recap

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

2021 highlights: Developed an operating theory and operating model for the Strategic Operations teams. Finalized a 3-year fundraising strategy. Established an in-house legal function. Increased transparency and information with financial reporting. Supported growth of the organization by adding multi-year funding partners, improving recruitment and onboarding, hiring in more countries, and transparency around compensation.

2021 challenges: Ongoing effects of the pandemic, staff vacancies, as well as rapid growth of the org, put extraordinary demands on Strat Ops team members and neared limits of our capacity. Two Directors announced their departures (planned for H1 2022). Migration of CRM to our own ecosystem was more difficult than expected. Loss of snippet led to drop in web traffic and online donations. Has taken longer to move from planning to execution on the fundraising plan.

Strategic Operations 2022 preview

Headcount: 35	Budget: $7.5M *(including $1M for data & tech initiative)*

Building on the operating model work from 2021, implement new (distributed and hybrid) models for fundraising and human resources, providing more specialized capabilities to program teams; and a centralized, cross-org strategy for data & tech infrastructure, and measurement & evaluation. We will also help Advocacy and Global Programs complete their operating models.

Develop an updated financial model in support of new program operating models, including more agency around spending tied to revenue strategies. Further improve multi-year financial forecasting and analysis.

Recruit exceptional talent for open People & Culture and Finance & Admin Director roles. Increase change management, internal comms and program management capabilities. Undertake full compensation and benefits review. Continue to evaluate org and talent needs in light of ongoing pandemic and based on REBA learnings.

Appendix C

AI 3-year narrative arcs

AI Theory of Change

Core focus

Secondary focus

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.	**Agency** All AI is designed with personal agency in mind. Privacy, transparency, and human well-being are key considerations. **Accountability** Companies are held to account when their AI systems make discriminatory decisions, abuse data, or make people unsafe.	In a world of AI, consumer technology enriches the lives of human beings.
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.		
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.		
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.		

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	2022	2023	Outcomes
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	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	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	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.

moz://a

Mozilla Foundation Board Meeting

February 2, 2022