IASA 2.0 Legal Options & Strawman

Morgan Lewis Memo / draft-hall-iasa20-struct-01

J.L. Hall      J. Arkko      L. Daigle
B. Haberman    J. Livingood  E. Rescorla
IASA 2.0 Work So Far

• IETF Chairs began process to explore updating IASA (Feb-2017)

• Some thoughts on existing structure were documented:
  – draft-daigle-iasa-retrospective, draft-arkko-ietf-iasa-thoughts,
    draft-arkko-ietf-finance-thoughts

• Design Team recruited: (Arkko, Daigle, Haberman, Hall, Livingood, Rescorla)

• Two virtual workshops and DT recommendations:
  – Virtual Workshops: draft-hall-iasa20-workshops-report
  – Design Team recs: draft-haberman-iasa20dt-recs

• After Singapore, we ruled out complete independence, community asked for clarity on organizational structure:
  – Memorandum from ISOC tax lawyers: Morgan Lewis Memo
  – A Strawman design of an IASA 2.0: draft-hall-iasa2-struct

• The DT Recommends Option 3, the Disregarded LLC.
<table>
<thead>
<tr>
<th>Morgan Lewis memo: independent</th>
<th>ISOC Subsidiary</th>
<th>IASA++</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Governance</td>
<td></td>
<td></td>
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<tr>
<td>Would ISOC be required to be involved in appointing board members of IETFAdminOrg (IAO)?</td>
<td>No</td>
<td>Yes. ISOC to appoint majority of IAO Board members, perhaps upon IETF recommendations.</td>
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<tr>
<td>Can IAO Board hire and fire the IAO Exec Dir?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Is ISOC liable for IAO’s debts and obligations?</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>II. Finance &amp; Fundraising</td>
<td></td>
<td></td>
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<tr>
<td>Can IETF funds be held in a bank account separate from ISOC funds?</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Can donors write checks to IAO?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Would IAO need to maintain its own non-profit status?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>III. Administrative Complexities</td>
<td></td>
<td></td>
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<tr>
<td>Would IAO need to conduct its own audit</td>
<td>Yes</td>
<td>Yes</td>
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<td>Would IAO need to file its own form 990?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>IV. Staffing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Can IAO Exec Dir hire and fire staff and contractors without ISOC approval?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Current

IETF

selects

NOMCOM

appoints

IESG  IETF Chair  IAB Chair

appoints

sits on

sits on

IAB

appoints

ISOC Board

CEO

hires/fires

ISOC Management

leads

manages

manages

ISOC

manages

manages

ISOC Fundraising

IAD

contracts with

IAOC

directs

oversees

approves

advises

Current

sits on

sits on

sits on

sits on

sits on

sits on

sits on

sits on

sits on

contracts with

IANA

Secretariat, Accounting

RFC Ed

ISE

Hotels, other meeting-related

Tools, web site, remote participation

Counsel, other legal services

Contractors
IETF selects NOMCOM. NOMCOM appoints IETF Chair. IETF Chair sits on ISOC Board.

IETFAdminOrg Board appoints ISOC CEO, who hires/fires ISOC contractors.

Advisory Council advises IETFAdminOrg Board and former IAOC responsibilities.

IETF Admin Org hires/fires ExecDir, who hires/fires Operations and Fundraising.

ExecDir contracts with IANA, Secretariat, Accounting, RFC Ed, ISE, Contractors, ISE.

Proposed

Hotels, other meeting-related, Tools, web site, remote participation, Counsel, other legal services.
Proposed strawman: draft-hall-iasa20-struct

• Transparency of IAO and IAO Board
  – Can we agree to something like this?:
    “Whatever doesn’t have a specific justification for being kept confidential, should be made public. There must exist a public list of confidential items, describing the nature of the information and the reason for confidentiality.” (need to take to IETF community)
Proposed strawman: draft-hall-iasa20-struct

- Board size, composition, compensation
  - Size: 5 (too small?), maybe 7 (where to add?)
  - draft-hall (5): IETF Chair, 1 ISOC Board (IAB-appointed), 1 NOMCOM-appointed, 2 Members selected by IAO Board
  - Ted H. (9): IETF Chair, 4 ISOC Board (IAB-appointed), 3 NOMCOM-appointed, and IAO ED (ex officio)
  - Compensation? Term lengths? Staggered?
    Management/Finance Experience? Liaisons? Officers?
Proposed strawman: draft-hall-iasa20-struct

- Advisory Council function, existence
  - Proposed to offer community guidance to IASA and IAO ED.
  - Function like IAOC committees do today, but purely advisory.
  - Size, composition, rhythms, and requirements unclear.
  - M. Richardson: can’t we just spin up WGs for this?
Proposed strawman: draft-hall-iasa20-struct

• What about options in non-US jurisdictions?
  – ML attorneys recommend against:
    * taxpayers in U.S. could not take a charitable deduction;
    * potential limitations of ISOC financial support;
    * may need to apply for tax exemption/follow laws of $\geq 2$ countries.
  – M. Richardson: Do any options make it easier for non-US donations?