



# CIRA Corporate Plan: Fiscal Year 2011

Presented to the Board of Directors

# CIRA CORPORATE PLAN

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Fiscal Year 2011

## Executive Summary

In this combined strategic and operating plan, the Canadian Internet Registration Authority (CIRA) identifies the many and varied factors that will influence the environments in which it operates. The major strategic objectives of the corporation define a clear view of CIRA's intended destination, while our strategies and operational initiatives chart the course we will navigate.

As stewards of the .CA domain space, CIRA plays a mission-critical role in ensuring that key parts of the Internet's infrastructure in Canada are continuously and securely available. We do this for the benefit of all Canadians.

This coming fiscal year will see the corporation face a myriad of challenges, both new and familiar. From continued global economic uncertainty to the unpredictability that has always been a hallmark of the Internet's evolution, there are strong external forces at play whose impact will most certainly be felt on our revenues, the demands made on our infrastructure and systems and our requirement to invest in the quality of our product and the promotion of our brand.

As an organization, CIRA faces its own imperative to continue growing and maturing, moving away from its early preoccupation with establishing Canada's key Internet infrastructure, to a longer-term vision of being the leading registry in the world, a vision underpinned by our commitment to a world-class .CA product, best-of-breed customer service and internal processes and policies that characterize a mature and professional organization.

On both the international and domestic stages, we must accelerate our involvement with our various communities and stakeholders. In global Internet forums, CIRA must be a strong voice, together with its peers, in furthering the objective that the Internet continue to be governed as a public resource accessible to all. We must communicate with Canadians so they are better able to take full advantage of all the potential of this vast economic, social and cultural tool, and so that we are better able to effectively represent their interests internationally. We also need to engage with our customers in the proactive promotion of .CA so as to succeed in a highly competitive environment.

## Corporate Profile

CIRA manages the .CA domain space on behalf of all Canadians. Its functions include:

- Managing the .CA domain space.
- Developing and implementing domain name policy.
- Facilitating .CA dispute resolution.
- Accrediting Registrars.
- Running a WHOIS service for .CA domains.
- Representing .CA Registrants as a member of the Internet Corporation for Assigned Names and Numbers (ICANN) and other international organizations.

## Mandate

In managing the .CA domain space, CIRA undertakes:

- To act as the registry for the .CA Internet domain.
- To provide professional registry services comparable to other major national and international Internet registries.
- To develop, carry out and/or support any other Internet-related activities in Canada.
- To do all such other things as are incidental or conducive to the attainment of the above objects.

The Government of Canada has formally recognized and designated CIRA as the administrator of the .CA domain space. Within this context, CIRA operates the .CA domain space as a key public resource on behalf of Canadians, as outlined in the Industry Canada letter to CIRA dated March 11, 1999.

## Vision

CIRA is recognized as the leading registry in the world as measured by the satisfaction of our stakeholders, and the model for other country code top-level domains (ccTLDs).

## Mission

The Canadian Internet Registration Authority (CIRA) is a not-for-profit Canadian corporation that is responsible for operating the .CA country code top-level domain (ccTLD) as a key public resource for all Canadians in an innovative, open and efficient manner. CIRA may carry out other Internet-related activities for the Canadian community in a similar manner.

## Values

- Our people
- Our customers
- Our stewardship
- Our integrity
- Exceptional quality of service
- Continual improvement

## Membership and Stakeholders

CIRA has no shareholders, only Members. CIRA membership is free and is open to any .CA Registrant who is interested in participating in the governance of the corporation. Members may attend and vote at annual general meetings, nominate candidates and vote for CIRA's Board of Directors, vote on changes to CIRA's by-laws, participate in consultations and surveys, and bring forward issues or concerns to CIRA Members and Directors.

Whether they take the time to become Members or not, the roughly 750,000 Registrants who hold .CA domains are our customers, and we work hard to make their customer experience an efficient one.

Our Registrars, who register and manage .CA domains, are also critical stakeholders because they are our channel to market, the conduit through which we deliver our product and derive our revenue and a vital link in the relationship we have with our mutual customers.

Beyond our Members, Registrants and Registrars, the Internet has become a catalyst in the evolution of the economic, social and cultural interactions of all Canadians. Given that CIRA makes certain that critical elements of the Internet work in Canada, this fundamentally makes all Canadians important CIRA stakeholders.

Industry Canada, from which we receive our mandate and which has a non-voting seat on our Board of Directors, is CIRA's partner in ensuring that this country's domain name infrastructure is robust and secure.

CIRA actively participates in a broad range of international fora on Internet governance, policy and technology where we influence policy-making at the highest level and both contribute to, and are kept well-informed about, the very latest in policy, security and performance development issues.

## Planning Environment

### Environmental Challenges

The economic upheaval of the past 12 to 18 months has not left the global domain name industry unscathed. Growth rates that were in the double-digit levels since the earliest days of this industry have slowed dramatically in most generic and country code top level domains (gTLDs and ccTLDs). The outlook for most of the world's economies continues to be uncertain.

The Internet is occupying an increasingly critical place at the heart of commercial and social activities with the user base continuing to grow at a robust pace. Simultaneously, the Internet is also becoming an ever-more-common target for criminals, with attacks growing in both frequency and sophistication. Maintaining the stability and security of the Internet and of its underlying infrastructure becomes increasingly difficult in light of these factors.

The Internet environment itself, unrecognizable today from what it was a mere decade ago, continues to evolve in ways both predictable and unexpected. New gTLDs are coming on stream, bringing with them both competition and new market opportunities for CIRA. Internationalized domain names, the depletion of IPv4 addresses and the spreading adoption of IPv6 addresses are also altering the landscape.

Meanwhile, an intense international struggle is underway that has profound implications for the very governance of the Internet. Virtually since the Internet's inception, its central governing body has been the ICANN. More recently, the International Telecommunication Union (ITU), a United Nations (UN) agency, has been campaigning for a more

significant role. CIRA has a clear perspective on how the ongoing global governance of this vital economic, social and cultural asset must be structured, and we must be active participants in international Internet forums to make certain that our view, which is shared by many other national registries, is not only heard but that it prevails.

### Revenue and Growth Challenges

The Internet's continued dramatic growth has a profound impact on CIRA's operations, and the clearest indication of that can be seen in the demands made on our domain name system (DNS). CIRA's servers respond to more than 617 million DNS queries every day, up a staggering 53 per cent from just two years ago. The challenges posed by these persistent increases are compounded by the environmental factors noted above.

Meanwhile, CIRA's revenues continue to grow at what, by any measure, is a healthy pace. But that pace is flattening – our registry, and so our revenues, grew by 16 per cent last year, a significant decline from the average 19 per cent growth rates seen over the past five years. And it is outstripped by the demands on our infrastructure and the costs associated with ensuring that our infrastructure continues to operate with absolutely no downtime.

### Organizational Challenges

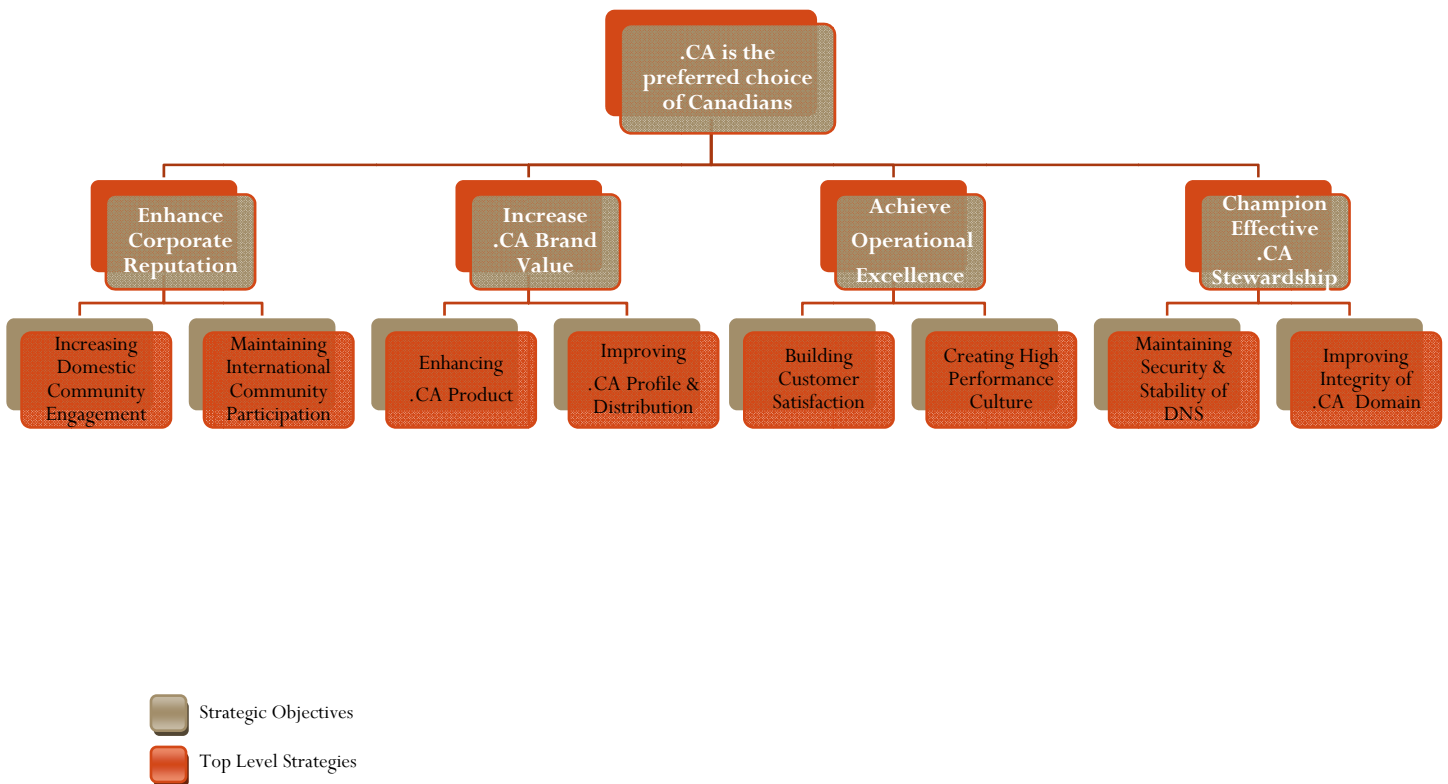
Now in its 10th year, CIRA is still a young organization but one that has matured considerably from the days of its start-up phase, with further maturation under way. At this critical inflection point between early-stage venture and fully mature organization, there is a continued focus and resource investment in transitional activities. Investments need to be made in both people and processes, as well as in ensuring the development and implementation of effective strategy and culture within the organization.

## Strategy

In this section, the major strategic objectives that will direct the activities of CIRA are detailed along with their top level strategies and specific operational initiatives that flow from them.

CIRA's overarching strategic objective is for .CA to be the preferred choice of Canadians. Historically, and for reasons that are not hard to understand, Canadians have far more often selected a .COM domain name, making .CA unique among high-performing ccTLDs in that it is not the preferred choice within its own country.

Given that the revenue we derive from the wholesale marketing of .CA domains underwrites everything we do at CIRA and makes possible the achievement of the balance of our major strategic objectives, becoming the preferred choice of Canadians is now our key focus, and all our activities feed into this. The strategic objectives from which those activities flow are outlined in the graph below and the four groupings through the rest of this section.



## Objective: Enhance Corporate Reputation

As part of CIRA's public mandate to carry out Internet-related activities in Canada, CIRA will be engaging Canadians in both conversations and activities around the Internet in Canada. From a global perspective, CIRA participates actively on the international Internet stage and, as such, strives to be a catalyst for discussion and debate resulting in thought leadership.

### Top Level Strategy 1: Increasing domestic community engagement

With our Members, our Registrants and the broader Internet community in Canada, we will engage in specific initiatives to foster greater participation in CIRA itself, to promote digital literacy in Canada and to create forums (IGF) in which Canadians can take part in conversations around these and other Internet-related issues.

### Top Level Strategy 2: Maintaining international community participation

We will continue to represent Canada at the international level where our contributions of technical resources, experience and financial support have given us a role and influence within the global Internet community that is disproportionate for a Registry of our size. As the Internet itself faces evolving questions about its very structure and governance, it is essential that Canada's voice be heard.

## Strategic Objective: Increase .CA Brand Value

CIRA is committed to providing Canadians with a high quality .CA experience from both a usability and reliability perspective. Stakeholder engagement and product development are essential to continual improvement. CIRA works in close partnership with its channel partners and invests in communications and advertising initiatives, all in an effort to increase Canadians' exposure to, and awareness of .CA.

### Top Level Strategy 3: Enhancing .CA product

The largest single initiative being undertaken this year is the wholesale rewrite of the registry, a project that involves every department at CIRA. This rewrite, along with improvements to other registry-related transactions and broader policies and procedures will make our product, a .CA domain, easier to register and manage as well as improve the reliability, security and robustness of the underlying infrastructure.

### Top Level Strategy 4: Improving .CA profile and distribution

Our Registrars, who are our channel to market and the key link to our shared customers, have told us they need our help to better promote .CA in a highly competitive domain name market. This year, we are engaging in broad consumer advertising to promote greater awareness of .CA and its attributes.

Additionally, CIRA will provide our Registrars with financial support and materials they can use while our activities in other areas will generate further improved awareness of .CA.

## Strategic Objective: Achieve Operational Excellence

Operating CIRA as a cutting-edge professional registry requires ongoing investment in its employees, systems and technical infrastructure. Through this approach, CIRA will foster an increasingly satisfied Registrant community resulting in registry growth.

### Top Level Strategy 5: Building customer satisfaction

From the registry rewrite to streamlined processes in compliance and dispute resolution to improved security and other DNS enhancements, we expect our customers to experience higher levels of satisfaction with their .CA domains and improved customer service.

### Top Level Strategy 6: Creating high performance culture

A large number of specific initiatives in every department at CIRA address this strategic initiative by bringing industry-standard approaches and best-of-breed methodologies to an organization that is transitioning from early-stage startup to fully mature and professional organization. Also critical to organizational excellence is investing in training and top-shelf tools for our employees.

## Strategic Objective: Champion Effective .CA Stewardship

CIRA invests heavily in the infrastructure on which the DNS physically operates as we keep pace with an explosion in demand while maintaining the reliability, robustness and security of our system. As a result, Canadians can continue to rely on us to maintain 100 per cent uptime so they are always able to connect to .CA domain names. .CA has an excellent reputation for trusted, safe websites. Continuous improvement in this area will enhance .CA's ability to continue playing a leading role in helping to thwart ill intentions on the Internet.

### Top Level Strategy 7: Maintaining security and stability of DNS

Maintaining our domain name system in a 100 per cent uptime environment while assimilating ever-increasing growth and protecting that system from higher volumes of ever-more-sophisticated attacks is the day-to-day preoccupation of much of what CIRA already does. Further specific new initiatives this year will improve both our existing infrastructure and our ability to continue to respond to new developments.

### Top Level Strategy 8: Improving integrity of .CA domain

We promote .CA as a way for Canadians to express their online identity in a safe and secure manner that can be trusted by those who visit their websites. The Registry rewrite and the security enhancements being implemented in our DNS this year will further safeguard .CA's reputation for trusted websites and enhance CIRA's ability to continue playing a leading role in helping to thwart ill intentions on the Internet.

## Departmental Details

This section summarizes the activities of each of the five main departments within CIRA and highlights the key initiatives each department will conduct through this fiscal year.

### Operations

Operations is responsible for everything that is plugged in at CIRA. This includes the computing environments necessary to operate the DNS both at CIRA's head offices and at backup and mirror sites in Canada and internationally, the production and backup environments for the registry, development and testing environments, applications in support of business intelligence and finance, and the entire office IT environment.

**6 7** A disproportionate amount of Operations' efforts is dedicated to two key activities fundamental to the integrity of our infrastructure. The first is the co-location and connectivity cost associated with maintaining the mirror and backup sites across Canada and around the world that make our DNS and Registry more efficient and robust. The second is the license and support costs that ensure all software is fully compliant and that we have the necessary level of redundant hardware support should equipment fail.

**6 7** There is also a host of day-to-day activities that occupy a lot of resources, including maintaining patches, network security versions and software updates, and monitoring capacity and reports to ensure our systems are prepared for anticipated events and traffic loads.

### Key initiatives

- **3 5 8 Registry rewrite:** Operations is building an entire new production computing environment for the new registry management system. This may well be the single largest project ever undertaken at CIRA and it involves the assembly and provisioning of an entire body of new servers that will be overlaid on top of the existing networking and routing equipment. Production-scale hardware will be available by April 1, 2010, and a full cut-over to the new registry system is scheduled for October 2010.
- **7 Network upgrades and system enhancements:** As a result of two risk assessments completed in fiscal year 2010, we will upgrade and enhancement CIRA's infrastructure to strengthen our systems so they can continue to provide high availability and a reliable environment.
- **6 7 Process documentation:** With a substantial legacy of installed infrastructure and new systems being developed all the time, a priority for Operations this year is to standardize process definition and documentation so that the most effective processes and standard operating procedures can be evaluated, established and documented.
- **6 7 New environments:** Operations will work with Development to separate development and test activities from other operational applications. By ensuring scalability, high availability and the resilience of its environments, CIRA will eliminate a dependency on shared resources by provisioning separate logical environments for development, test and operation. With some of these infrastructure improvements, Operations will use virtualization to optimize existing and future resources.

#### Top Level Strategies

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|------------------------------------------------------------|----------------------------------------------------|
| <b>1</b> Increasing domestic community engagement          | <b>5</b> Building customer satisfaction            |
| <b>2</b> Maintaining international community participation | <b>6</b> Creating high performance culture         |
| <b>3</b> Enhancing .CA product                             | <b>7</b> Maintaining security and stability of DNS |
| <b>4</b> Improving .CA profile and distribution            | <b>8</b> Improving integrity of .CA domain         |

- **6 7 Emergency preparedness:** CIRA will enhance system monitoring so we are more proactive and able to identify issues before they escalate. We will test the fail-over systems documented in our disaster recovery plan so we gain assurance that the plan would execute as intended during a real emergency and to identify any gaps or adjustments in the plan that need to be addressed.
- **6 7 Unification project:** This is a three-year project to integrate various CIRA application systems around common processes and servers. This year will see the introduction of workflow automation and electronic forms. The organization's intranet will also be improved, in an effort to make it both easier to use and to create a central place for communication and information.
- **3 7 8 DNS:** A number of DNS-related projects are either ongoing or will be introduced this year, including further work on DNSSEC to combat online fraud, the introduction of internationalized domain names, adding IPv6 to more of our DNS secondaries and developing a separate production environment for those secondaries.

Top Level Strategies

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## Marketing and Communications

Marketing and Communications is responsible for communications, marketing and product management. This includes all internal and external corporate communications activities including support to the Board, employee communications, public relations, and government relations. The department defines and markets the .CA domain and is responsible for both the corporate and product brands. Marketing and communications conducts customer and market research and manages the corporation's corporate social responsibility program and its sponsorships.

### Key initiatives

- **3 5 8 Registry rewrite:** Marketing and Communications is responsible for defining product specifications, meeting customer needs and being market competitive. Product management has played a significant role in carrying this out from a registry rewrite perspective. First, they have played a lead role in matching our customers' needs with the product offering. Second, they have created a comprehensive communications plan in support of the development, testing and implementation of the rewrite. Key audiences include Registrants, Registrars and a range of internal and external stakeholders. Communications to mainstream and niche media will take place between February and July 2010 to ensure that consumers are aware of the positive impact the Registry rewrite will have on their user experience. Implementing the new registry system must proceed as flawlessly as building it, and so there are significant investments of time and effort on channel relations, communications, training, change management, and customer support.
- **4 .CA advertising:** In a competitive environment where domain name Registrants have alternatives, CIRA needs to promote its product by encouraging Registrars to support it with their existing customers and through mass-market advertising that creates a consumer pull through the channel.
- **4 Member engagement:** CIRA needs to better inform Registrants on what it means to become a Member and to conduct activities to draw Members in, a process that takes on renewed emphasis this year through improved Member communications. As CIRA is a bottom-up, Member-driven organization, it is essential that more Registrants become Members and that Members become more involved in its governance process. In addition, new research reveals that Members look to CIRA to provide a place where they can gather, network and participate in broad Internet-related issues.
- **1 2 4 CIGF:** Marketing and Communications is developing a Canadian Internet Governance Forum (CIGF) which will take the form of a cross-country consultation where CIRA will "take the temperature" of Canadians' views on Internet governance and digital literacy. The key findings will be developed into a policy paper which will be used to drive domestic policy discussions in addition to being delivered at the Internet Governance Forum (IGF) in September 2010. The CIGF will allow CIRA to have a more active voice at the IGF, which is a UN-sponsored, global multi-stakeholder meeting being held regularly over a five-year lifespan.
- **1 2 4 CIP:** CIRA is committed to a Community Investment Program (CIP) that will develop, carry out and/or support Internet-related activities that support CIRA's goals and the development of the social and economic landscape in Canada. Focus will be in three areas: governance, technology infrastructure and digital literacy.
- **3 4 6 Brand framework:** CIRA is currently reviewing and modifying its brand framework, including its Mission, Vision and Values, and is also making minor adjustments to its graphic representation.
- **1 4 5 Website:** Having built a new public website last year, there is now a need to refresh its content and retool it for enhanced usability.

#### Top Level Strategies

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## Channel Management

Channel Management encompasses two key roles; business development and customer service. In the area of business development this function works with our channel partners who represent the voice of the customer in all product and service-related matters. Further, Channel Management also works with Registrars to identify and implement ways to grow the number of .CA registrations. A second and important role this department plays is providing customer service to our customer base, channel partners and stakeholders. This is accomplished through a full service call centre.

### Key initiatives

- **4 5 Channel support:** In addition to promoting the .CA product to Registrars, CIRA will be providing them with greater access to marketing support to help them sell .CA more effectively and in a manner that enhances the .CA brand.

#### Top Level Strategies

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## Development

Development comprises a multi-disciplinary team of application developers, business analysts, quality assurance agents, database administrators, and technical documentation writers who are collectively responsible for maintaining the full array of existing applications systems at CIRA, and for developing new ones.

**3 5 8** Development is responsible for the maintenance, provisioning and life-cycle management of an array of existing application systems at CIRA, including registry management systems, governance applications such as the elections service, public-facing applications such as CIRA's WHOIS and the To Be Released (TBR) systems, and internal utilities.

### Key initiatives

- **3 5 8 Registry rewrite:** The single largest initiative this year is rewriting CIRA's registry management system to make it more efficient and easier to use for Registrars and Registrants. Far from a program of incremental enhancements or improvements, this is the wholesale rewrite of a Registry that was built over a period of 10 years with an entire new system. .CA Manager, the Web portal that Registrars will use, is scheduled for availability April 1, 2010 to support Registrar accreditation through to mid-July 2010. Final adjustments and refinements will be carried out between August and October 2010.
- **3 5 8 JBoss implementation:** JBoss is a market-leading enterprise application platform for innovative and scalable Java applications that CIRA intends to implement so we can deliver the best possible domain-registration services in the next wave of improvements to our registry after the fall launch of the rewrite.
- **6 Infrastructure investments:** Ensuring scalability, high availability and resilience of the its environments, CIRA will eliminate dependency on shared resources by providing separate logical environments for development, test and operations.
- **6 7 Aligning with ITIL:** A key part of the previous initiative is investment in extensive consultation and training to support the development team's alignment with the Information Technology Infrastructure Library (ITIL) a set of best-practices approaches for managing IT services.
- **5 6 8 Issues tracking:** CIRA will implement an issues-tracking system to create, update and resolve reported customer issues and those identified by our employees.
- **5 6 HST:** The coming harmonization of the federal Goods and Services Tax with provincial sales taxes in Ontario and British Columbia to create a Harmonized Sales Tax (HST) represents a material endeavour for CIRA's customer-facing systems.

#### Top Level Strategies

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## Finance and Administration

The Finance and Administration department is responsible for four key functions: finance, human resources, project management, and the office of the CEO.

Finance responsibilities encompass all financial record-keeping, financial analysis and trending, statutory filings, cash management including investments, internal controls, asset management, and developing and overseeing all financial policies and procedures.

In human resources, Finance and Administration is responsible for health and safety, performance management systems, compensation, benefits, recruitment, corporate training and payroll.

CIRA's new project management methodology also falls under the purview of this department which developed the new methodology that is now being institutionalized throughout the organization.

Finance and Administration supports the office of the CEO in a number of areas, including its liaison with the Board of Directors and its initiatives and the CEO's membership and participation in a broad range of international Internet and registry-related forums and groups.

### Key initiatives

- **6 IFRS:** CIRA's Audit Committee is recommending to the Board that the organization adopt the new International Financial Reporting Standards (IFRS) that seek to synchronize accounting standards around the world. If adopted, 2012 would be the first fiscal year under IFRS for CIRA, but this year the corporation would produce IFRS-compliant financial statements that can be used for comparative purposes in 2012.
- **3 5 6 ERP changes:** A number of transactions that previously were managed in the registry will be ported to CIRA's Enterprise Resource Planning (ERP) system. Additionally, greater leverage will be gained from the ERP system by taking advantage of some of its capabilities to automate workflow and develop management dashboards.
- **6 Performance Review System:** CIRA will review our current system and make improvement to ensure we evaluate all employees on a fair and consistent basis and reward behavior that aligns with our overall corporate objectives and values.
- **6 Succession planning:** A succession-planning program will be developed and implemented.
- **6 Project management:** Finance and Administration will continue the institutionalization of the new project management methodology it developed, including providing support and training.
- **6 Risk management:** While IT, Legal and other departments are also responsible for risk management, Finance and Administration will develop and implement a program to manage the process across the corporation.
- **6 Implementation of HST:** Both in Ontario and British Columbia, a HST will be introduced on July 1, 2010. System changes, along with new rules and statutory requirements, all have to be addressed and implemented to ensure compliance with the new legislation.
- **6 Implementation of Bill 168:** The Ontario provincial government passed Bill 168, *The Occupational Health and Safety Amendment Act* in December 2009. CIRA will review and implement the necessary changes to ensure compliance with the new legislation.

#### Top Level Strategies

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**2 8 International participation:** ICANN, the global coordinating body for the Internet, is responsible for both policy and operations. CIRA is involved in both the technical and strategy development of ICANN, with a goal to advance the best interests of the Internet as well as its own. As a member of CENTR, an association of Internet Country Code Top-Level Domain Registries, CIRA is able to interact with peers around registry best practices. CIRA also actively contributes to the Domain Name System Operations, Analysis and Research Center (DNS-OARC). This is an international forum for the sharing of research on DNS usage and for discussion of DNS-related security issues. IGF, the global forum on Internet governance, is an important environment where the governance model for the Internet is discussed and developed. CIRA has a significant interest in participating and providing specific input into this process. CIRA is also involved as a member of the North American Network Operators' Group (NANOG), and the Internet Society (ISOC).

## Legal and Policy Services

CIRA's Legal and Policy Services department manages all the legal affairs of the corporation, develops CIRA's policies, manages risk, advises the Board of Directors as required, and fulfils the function of corporate secretary. Amongst other matters, it handles contractual matters, legal and policy issues, human resources issues, compliance, policy development and governance. In addition, Legal and Policy Services: assists CIRA staff in resolving issues with Registrants, Registrars and others; works directly with the Board of Directors in matters related to corporate governance; develops policy related to the management of key internet resources; represents CIRA in national and international forums; develops, builds and maintains stakeholder relationships; and, conducts and supervise policy research and analysis. This department is also responsible for the compliance function of the organization. This is a key function that effectively audits and monitors our partners and customers to ensure compliance with CIRA's policies, rules and procedures.

In addition, Legal and Policy Services provides ongoing support for other high profile corporate initiatives (e.g. IGF, CIP, DNSSEC, international domain names, Membership, etc.).

### Key initiatives

- **3 5 8 Registry rewrite:** From a legal perspective, the registry rewrite project entails changing CIRA's policies, procedures and business rules. Work on this matter spans not just all the preparatory work required before the rollout in October 2010, but also considerable work with the anticipated changes in Phase II in early 2011.
  - **3 6 8 Compliance:** There will be significant effort this year to establish CIRA's compliance program and educate and roll it out to our partners and customers.
  - **3 8 CDRP review:** The time has come to review CIRA's Dispute Resolution Policy (CDRP) and process to remove certain known issues, to consider the best aspect of other similar systems and to make the process more streamlined and cost-effective.
  - **2 3 5 Policy development:** In addition to the policy work noted above required for the registry rewrite and CDRP review, Legal and Policy Services manage the research and development of policy positions in support of CIRA's participation in local, regional and international forums and initiatives such as IGF, ICANN and CENTR.
- 6 Document retention policy:** A long-needed document retention policy will be developed that will provide: industry best practices for the retention, storage, availability and disposal of CIRA's records; protect the confidentiality, integrity and security of private, personal and confidential records; and ensure compliance with statutory, regulatory requirements and contractual obligations.

## Financial Management

This section provides an overview of CIRA's financial statement budgets. The financial plan is based on the following economic assumptions and planning premises:

- Wages will increase at prevailing rates, while fixed, general and administration expenses will rise at the current rate of inflation.
- The U.S. exchange rate will be \$1 Canadian.
- Spending for fiscal year 2011 capital will be \$1.2 million.
- CIRA's income is tax-exempt.

## Statement of Operations

	FY11 Budget (\$)	FY10 Budget (\$)	% Change
Revenue	12,808,034	12,263,000	4%
Operations	2,878,569	2,646,708	9%
<b>Contribution Margin</b>	<b>9,929,465</b>	<b>9,616,292</b>	<b>3%</b>
Operating Expenses			
Marketing & Communications	2,300,991	2,103,797	9%
Channel Management	768,500	733,833	5%
Development	1,749,188	1,650,892	6%
Legal and Policy	893,364	1,088,020	-18%
Finance and Administration	2,975,708	2,926,502	2%
Amortization	1,170,027	1,089,273	7%
	<b>9,857,767</b>	<b>9,592,317</b>	<b>3%</b>
<b>Surplus/loss</b>	<b>71,698</b>	<b>23,975</b>	

## Capital Plan

The Capital Budget for fiscal year 2011 represents investments required by CIRA to maintain and improve the reliability, flexibility and capability of our systems and ensure the health and safety of our employees.

### Capital Budget: Fiscal Year 2011

	FY11 Budget (\$)	FY10 Budget (\$)	% Change
Leasehold Improvements	15,000	30,000	-50%
Computer Hardware	919,730	753,947	22%
Computer Software	350,406	195,151	80%
Furniture & Fixture	0	0	0%
Office Equipment	0	0	0%
	<b>1,285,136</b>	<b>979,098</b>	<b>31%</b>