



**AUSTRALIAN
ACCESS FEDERATION**

www.aaf.edu.au

BUSINESS PLAN - 2011

21 October 2010

BUSINESS PLAN - 2011

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I. EXECUTIVE SUMMARY

The Australian Access Federation (AAF) was initiated by CAUDIT in December 2008 to provide an access Federation for organisations and institutions which undertake or support education, research or research and development in Australia. The AAF's 2010 rapid growth has been underpinned by a number of carefully executed strategies that include, free membership during 2010, best endeavours Commitment to the Rules for Participants, increased technical support, accelerated technical developments, a comprehensive marketing and communication plan and strategies to increase service availability. By the end of July 2010 the AAF had 42 Participants (34 Members and 8 Affiliates).

From June 2009 to December 2010, the AAF's activities are subsidised by a \$2M grant from the Department of Innovation, Industry, Science and Research (DIISR). Unspent 2010 funds will be used to subsidise 2011 operations, with the view to sufficient Participants joining by 31 December 2011 such that its future operation is self funding through member subscriptions..

The 2011 to 2012 outlook sees the AAF continuing to mature and develop as shown by the four strategic phases in Figure 1. Phase 1 focuses on AAF sustainability to ensure financial, operational and organisational sustainability. Phase 2 is enabling collaboration with members of other research and education Federations, initially by a pilot with the New Zealand Federation then other international research and education Federations. Phase 3 is the expansion of activities into government research and education entities. Phase 4 is the expansion of activities to research and education groups such as VET and TAFE.

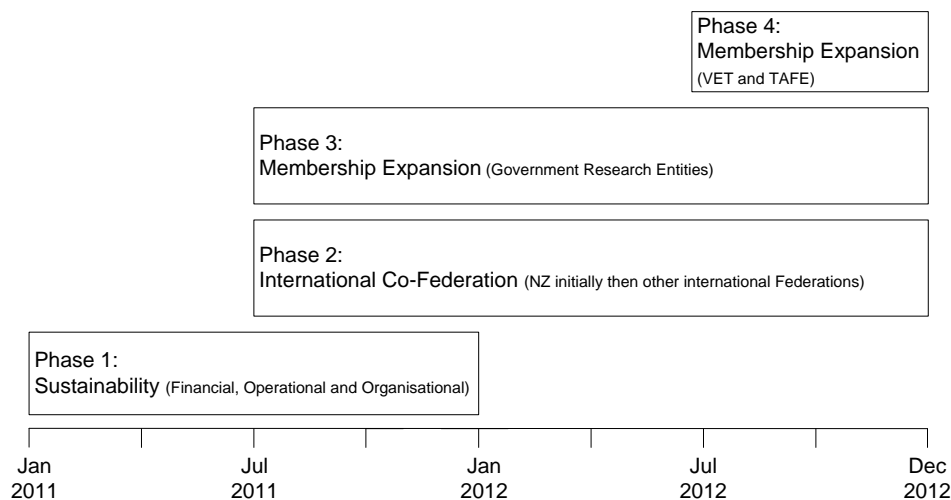


Figure 1: 2011 - 2012 Strategic Phases

In-line with the above strategic phases, five major business activities are planned for 2011:

1. **Financial Sustainability** through achieving Participant growth.
Activities include: *supporting new Participants* by providing policy advice and technical advice to join the AAF; *expansion of services* by identifying and targeting organisations

that provide support services and applications of value to the sector (the AAF will identify and work with Commonwealth agencies, Publishers and the vendor/ commercial community); *product marketing*; and the continued execution of a comprehensive *marketing and communication* plan that focuses on promoting the AAF's value proposition.

2. Operational Sustainability

Supporting activities include: providing *ongoing support services* to support existing Participants to gain value from being part of the AAF; *compliance activities* for the Federation Rules for Participants, Levels of Assurance, applicable legislation in relation to data protection and privacy and the establishment of advisory groups to assist where required; and to maintain the current operational *Support Model* for personnel, core infrastructure and cloud based services.

3. Organisational Sustainability

As the AAF is a CAUDIT sponsored activity there is an opportunity to rationalise the administration and governance activities between AAF Inc and CAUDIT Inc to keep operating costs and Member subscriptions of both organisations to a minimum. Activities for CAUDIT Inc include: supporting the day to day supervisory role of the AAF Inc Project Manager; provide support to manage AAF's financial affairs; support AAF Inc's legislative and reporting requirements under the Associations Act of NSW; work with the AAF to co-ordinate any consultation and engagement with IT Directors/ CIOs; and facilitate the scheduling of the AAF Inc AGM in conjunction with the CAUDIT Inc AGM.

4. Engagement with Government Research Entities

The AAF will continue to engage with research support groups and entities. Specifically the AAF will work with: four NCRIS groups; one Cooperative Research Centre and one state Department of Primary Industries.

5. Pilot Co-federation

In conjunction with the New Zealand Federation, the AAF will investigate co-federation activities from a strategy, technical and policy perspective.

As shown in Table 1, the 2011 total operational budget income is \$704,380, comprising of \$425,780 subscription income and \$278,600 2010 DIISR funding.

2011 Budget Summary	
	Calendar year 2011
Incoming	
Anticipated Subscription Income	\$425,780
2010 DIISR Funding	\$278,600
Total Income	\$704,380
Outgoing	
Operating Expenses	\$690,760
Operating Surplus	\$13,620 2% Safety Margin

Table 1: 2011 Budget Summary

2. BACKGROUND

The Australian Access Federation (AAF) was initiated by CAUDIT in December 2008 to provide an access Federation for organisations and institutions which undertake or support education, research or research and development in Australia.

In June 2009 the Department of Innovation, Industry, Science and Research (DIISR) provided CAUDIT (via QUT) \$2M to subsidise the operation of the AAF from June 2009 to December 2010.

The AAF has grown rapidly during 2010. This growth has been encouraged by the following strategies:

- **Free membership** in 2010 (membership fees are not due until 1 January 2011);
- **Subsidised membership** in 2011;
- Extension of **'best endeavours'** commitment to the Federation Rules for Participants until 31 December 2010;
- **Increased technical support** in 2010 compared to what will be available in 2011;
- **Accelerated technical developments** of tools to reduce the technical support for the Federation's Resource Registry;
- **Comprehensive marketing and communication plan** to raise awareness in the Research and Higher Education sector (via targeted 'AAF supporting research' road shows, conference presentations and booths and marketing merchandise); and
- **Increased service availability** (AAF Mini-grant scheme and working directly with vendor/ commercial community).

By the end of July 2010 the AAF had 42 Participants (34 Members and 8 Affiliates).

In August DIISR approved the use of unspent 2010 funds to subsidise 2011 operations and assist the AAF to become self funding through member subscriptions by 31 December 2011.

The Australian Access Federation's Vision Statement is:

To be the first choice for enabling access to electronic resources for the Australian Higher Education and Research Sector.

The AAF's vision will be realised by:

- Implementing best practice technologies, support systems, processes and policies to maintain and improve trust and usability;
- supporting existing Participants to further unlock the value of the AAF;
- providing new Participants with effective support to rapidly join the Federation;
- Implementing effective strategies to attract new services of value to the Federation; and
- Identifying new areas of expansion including co-federation and international collaboration.

3. 2011 – 2012 OUTLOOK

Over the coming two years it is expected that the AAF will continue to mature and develop as shown in Figure 2 (below).

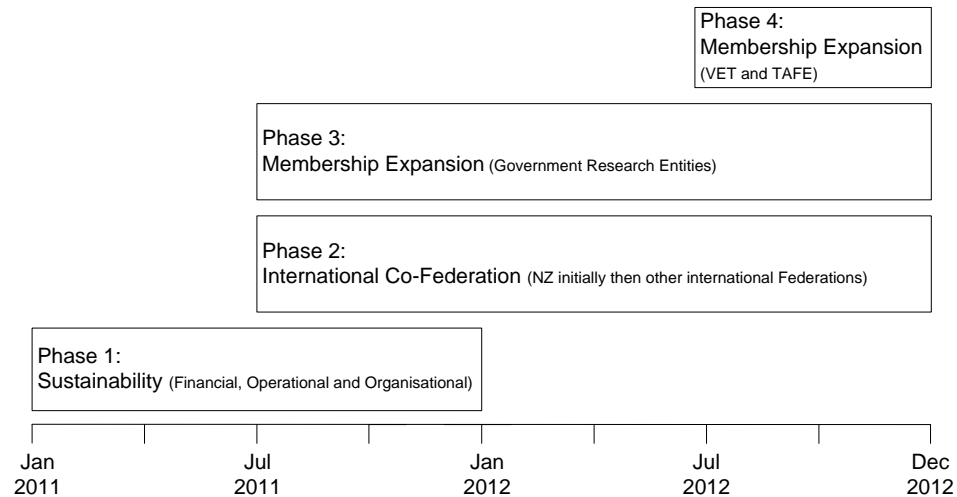


Figure 2: 2011 - 2012 Strategic Phases

Phase 1: Sustainability (Financial, Operational and Organisational)

- Period:** 1 January 2011 – 31 December 2011
- Aim:** To ensure the financial, operational and organisational sustainability of the AAF.
- Objective:** Continue to establish a strong presence in the Research and Higher Education sector. Further develop relationships with current Participants and actively seek new Participants in the Australian Research and Education sector.
- Coverage:** Members: Australian Universities and Research organisations
Affiliates: Vendor/ commercial organisations providing services and support to the Higher Education and Research Sector

Phase 2: International Co-federation

- Period:** 1 July 2011 – 31 December 2012
- Aim:** Enable collaboration with members of other research and education Federations via co-federation
- Objective:** Further develop relationships within the international community and strengthen the value of the service offering
- Coverage:** **1 July 2011 – 31 December 2011:** Pilot with the New Zealand Federation
- Jan 2012 – 31 December 2012:** Other international research and education Federations

Phase 3: Membership Expansion (Government Research Entities)

- Period:** 1 July 2011 – 31 December 2012
- Aim:** Expansion of activities into government research and education groups
- Objective:** Expansion of market
- Coverage:** **1 July 2011 – 31 December 2011:** Targeted interaction with specific government groups supporting or undertaking research and education
- 1 January 2012 – 31 December 2012:** Other government departments supporting or undertaking research and education

Phase 4: Membership Expansion (VET and TAFE)

- Period:** 1 July 2012 – 31 December 2012
- Aim:** Expansion of activities into other research and education groups
- Objective:** Expansion of market
- Coverage:** VET and TAFE (to be confirmed in the 2012 business plan)

4. MAJOR BUSINESS ACTIVITIES IN 2011

This section lists the major business activities planned for 2011.

4.1 Financial Sustainability

Achieving the Participant growth shown in Figure 3 below will ensure the AAF's financial sustainability.

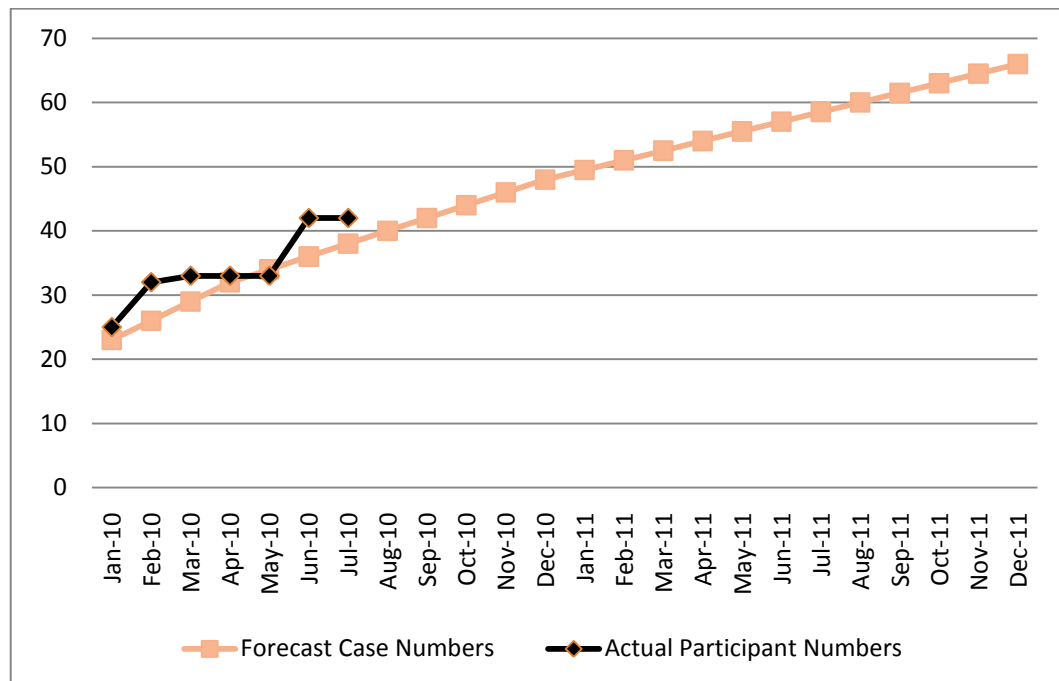


Figure 3: 2010 – 2011 Actual vs Forecast Participant Growth

The AAF will undertake a number of supporting activities to achieve Participant growth. These are outlined below.

4.1.1 Support New Participants (Participant Expansion)

AAF personnel will continue to support remaining Australian Universities to join the AAF during 2011. It is anticipated that a number of organisations will join the AAF in late 2010 to avoid the 2011 one-off joining fee. It is anticipated that they will technically connect during 2011.

In particular the AAF will provide:

1. Policy advice on the Federation Rules for Participants; and
2. Technical advice to connect as an Identity and or Service provider to the Federation.

4.1.2 Service Expansion

The AAF will continue to Identify and target organisations that provide support services and applications of value to the sector.

As part of a 2011 engagement strategy, the AAF will identify and work with:

1. Commonwealth agencies:
 - a. Australian Bureau of Statistics
 - b. Geosciences Australia
 - c. Australian Research Council
 - d. National Health Medical Research Council

2. Publishers:
 - a. Work with the Council of Australian University Librarians to identify a small cohort of publishers which are relevant to the sector and are willing to be an early adopter.

3. The vendor/ commercial community, where there is significant benefit to have their services as part of the AAF.

4.1.3 Product Marketing

Critical success of the AAF is measured in terms of adoption of federated access by the Research and Education community. This requires three essential elements: a clearly and consistently articulated product; motivated Research and Education Community and motivated suppliers.

The greatest challenge to adoption the AAF faces is the intangible and theoretical nature of federated access. The AAF will focus on four interrelated strategies to meet this challenge. The combination of these strategies will result not only in better adoption, but the creation of a tangible and saleable brand asset. The four strategies are:

1. Create and promote a product identity, or brand:

The AAF as an entity is relatively unimportant in the mind of the end user. Most end users will neither know of, or care about, its nature or disposition. The AAF needs to create product awareness around a brand that identifies the AAF authentication mechanism in a way that people can recognise, value and desire. The TERENA Working Group on 'enhancing the user's experience' has adopted "EduID" as a technology neutral international brand to be widely used as a user-interface element to initiate federated logon. The AAF will conduct further investigations for its appropriateness in the Australian context. For the purpose of illustration it will be used as a placeholder,

2. Evangelise the brand to Service Providers:

Each federated service needs to promote "eduID accepted here". Consumers will come to value and positively discriminate services that accept eduID, with reputational payoff to the provider by association.

3. Evangelise the brand to Identity Providers:

Each Identity Provider needs to promote that they provide access to their users to services that are “powered by eduID”.

4. Evangelise the brand to end users:

End user demand will be stimulated by increased choice of Service and Identity providers, but only if tangible brand awareness exists. The goal is to reach a natural tipping point where the rate of consumer demand accelerates adoption. End users need to be asking their organisations for their credentials and all the services they access to be collaboratively "eduID enabled" to achieve viral growth levels.

There are significant parallels that can be drawn in the financial services industry. Perhaps the best example of such a product is "BPay", a ubiquitous brand that links buyers, sellers and financial institutions. Few know that it was created and is owned and operated by CSL (Card Services Limited), or that this Australian product was the first and largest single bill system in the world, adopted across the banking sector and 90% of bank accounts.

The concept of an "eduID" or similar has the potential to be just as significant in the Higher Education sector as “BPay” is for the financial services industry, with potential for commercial marketability in the long term. Brand recognition of AAF itself is incidental, so marketing focus in 2011 and beyond will shift to product rather than organisation marketing.

4.1.4 Marketing Communications

The AAF will continue to execute a comprehensive marketing and communication plan that focuses on promoting its value proposition. Activities include:

- Targeted AAF supporting research road shows to existing and potential participants;
- Presence at key industry events (e.g. eResearch Australasia, CCA-EDUCAUSE, QUESTNet and TERENA REFEDS) ;
- AAF Newsletters, case studies and the AAF website; and
- Distribution of AAF merchandise.

4.2 Operational Sustainability

The AAF will undertake a number of supporting activities to achieve operational sustainability. These are outlined below.

4.2.1 Ongoing Support Services

AAF personnel will continue to support existing Participants to continue to gain value from being part of the Federation by:

1. Assisting Participants to identify services of value to the federation
2. Providing ongoing support via the AAF's Service Desk
3. Targeted communication strategies to assist Participants to understand the value proposition
4. Assisting Participants to implement best practice as a Service Provider and or Identity Provider.

4.2.2 Compliance Activities

This will consist of four key activities:

1. Federation Rules for Participants:

From 1 January 2011 all AAF Participants have 6 months to comply with the Federation's Rules for Participants. While it is the Participants responsibility to comply with the Rules, the AAF will develop and communicate guidelines to assist with compliance.

2. Levels of Assurance:

The AAF has adopted the NIST 800-63 Electronic Authentication Guidelines for Levels of Assurance (LOA). Systems and processes do not exist to assist organisations wishing to implement a compliance level greater than Level 2. The AAF will analyse potential solutions to assist with providing higher LOA. In particular the AAF will investigate the use of the Attorney-General's Department's Document Verification System (which is currently only available to Australian Government agencies).

3. Compliance with any applicable legislation in relation to data protection and privacy, including without limitation, the Australian Privacy Act 1988.
4. The AAF will establish advisory groups as required to assist with the above activities.

4.2.3 Support Model

The AAF will maintain its current operational support model during 2011. This will allow the AAF to retain its flexibility to meet the evolving support requirements of the Federation. It will also assist it with maintaining a strong focus on achieving self sustainability during 2011, as well as continuing to promote sector engagement through support from its Participant organisations.

The operational sustainability strategy will see personnel maintained from:

- Griffith University;
- Queensland University of Technology (QUT);
- Intersect Australia;
- Victorian eResearch Strategic Initiative (VeRSI); and
- Australian Research Collaboration Services (ARCS).

The core infrastructure will continue to be managed by:

- QUT; and
- ARCS (and its successor).

The AAF will use cloud based services for its support systems (email and help desk).

4.3 Organisational Sustainability

Given that the AAF is a CAUDIT sponsored activity and the vast bulk of the AAF Member representatives are also CAUDIT Members there is an opportunity to rationalise administration and governance activities between AAF Inc and CAUDIT Inc to ensure that the operating costs, and therefore Member subscriptions of both organisations can be kept to a minimum.

To give effect to this strategy the CAUDIT General Manager will on behalf of the President of the AAF Inc assume a day to day supervisory role of the AAF Inc Project Manager and where possible provide assistance to the AAF Inc to manage staff absence through the use of CAUDIT staff as appropriate.

CAUDIT Inc will provide the necessary support to enable the AAF to manage its financial affairs. This support will include, operation of bank accounts; collection of subscriptions; invoicing; accounts payable; and monthly financial reporting.

As both CAUDIT Inc and AAF Inc are incorporated in NSW, CAUDIT Inc will also provide the necessary support to ensure that the AAF Inc meets its legislative and reporting requirements under the Associations Act NSW.

Given the considerable overlap in the Primary Representatives for CAUDIT Inc and AAF Inc, CAUDIT Inc will work with AAF Inc to co-ordinate any consultation and engagement with IT Directors/CIOs. Further CAUDIT Inc will facilitate the scheduling of the AAF Inc AGM in conjunction with its own AGM so that IT Directors/CIO's are not burdened with additional travel as part of their participation in the governance of the AAF Inc.

4.4 Engagement with Government Research Entities

The AAF will continue to engage with research support groups and research entities. As part of a 2011 engagement strategy, the AAF will identify and work with:

- a. four NCRIS groups
- b. one Cooperative Research Centre (CRC) to build a 'reusable template approach' for other CRCs or similar groups
- c. one state Department of Primary Industries (in conjunction with an existing AAF Participant that collaborates with the Department).

4.5 Pilot Co-federation

In early 2010 the New Zealand Federation received funding from the New Zealand Ministry of Science and Technology to establish operations. Their objective is to follow the AAF model (technical, policy and operational). Until such time, New Zealand Higher Education and Research organisations will be Participants of the AAF.

In conjunction with the New Zealand Federation, the AAF will investigate co-federation activities from a strategy, technical and policy perspective.

5. FINANCIAL POSITION

5.1 Subscription Model

Table 2 Outlines the 2011 Subscription Model for AAF Members

Subscription Component	2011	Description
One-time joining fee	\$3,500	A one-time joining fee levied to each new Participant from 1 January 2011.
Basic annual fee	\$3,560	A base annual fee for each Member. This includes the provision for one Identity Provider (IdP) and up to ten (10) services.
Fee per FTE	\$1.55	A fee calculated on the number of Full Time Equivalent Staff employed at the Member's institution.
Extra service fee	\$2,500	An additional fee per extra 10 services that the Member wishes to make available through the Federation.
Extra IdP fee	\$4,500	An additional fee per extra IdP that the Member has in the federation.

Table 2: 2011 Subscription Model for Members

Table 3 Outlines the 2011 Subscription Model for AAF Affiliates.

Subscription Component	2011	Description
One-time joining fee	\$3,500	A one-time joining fee levied to each new Participant from 1 January 2011.
Annual fee per service	\$3,000	This is a flat fee per service connected to the federation.
Annual fee per IdP	\$10,000	A flat fee per Affiliate IdP in the Federation

Table 3: Operating Subscription Model for Affiliates

5.2 Subscription Forecasts

Table 3 outlines the AAF Participant subscription forecast, based on current subscriptions and organisations that have signalled intent to join the AAF.

	Joined up to 30/07/10	Forecast Join before 31/12/10	Forecast 2011 Join (<i>pro-rata</i>)	Total
Member Income	\$247,561	\$78,062	\$56,571 ¹	\$382,194
Affiliate Income	\$28,000	\$3,000	\$12,586	\$43,586
Total:	\$275,561	\$81,062	\$69,157	\$425,780

Table 4: Forecast Subscription Income

¹ Subscription income has been forecast in consultation with universities to identify when they intend to join the AAF.

5.3 Expenses

Table 5 outlines the 2011 operating expenses.

Operating Expenses	
Accounting Fees	\$3,120
Legal Fees	\$20,800
Insurance	\$2,000
Bank Charges	\$1,560
Other Professional Services	\$2,271
General Office Expenses	\$3,412
Printing, Marketing and Communication Material	\$6,703
Conference Activities	\$15,688
Travel	\$30,024
Equipment	\$8,424
Software Licenses and Certificates	\$6,428
Telecommunications	\$7,641.60
AAF Planning Meetings	\$2,080
Salaries	\$561,248
Hosting Services	\$19,360
Total	\$690,760

Table 5: 2011 Operating Budget

5.4 Budget Summary

Table 6 summarises the 2011 operating budget.

2011 Budget Summary	
	Calendar year 2011
Incoming	
Anticipated Subscription Income	\$425,780
2010 DIISR Funding	\$278,600
Total Income	\$704,380
Outgoing	
Operating Expenses	\$690,760
Operating Surplus	\$13,620 2% Safety Margin

Table 6: 2011 Budget Summary