

Business Plan

2013

Approved at the AAF Inc General Meeting of Members

11 October 2012

Business Plan 2013

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I. Executive Summary

The Australian Access Federation (AAF) was initiated by the Council of Australian University Directors of Information Technology (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.

With 66 subscribers and 104 services (as at September 2012) the AAF has reached critical mass and has been operating as a self-funded service since January 2012.

The AAF continues to be a vital part of the Australian eResearch infrastructure landscape. The core value proposition of the AAF is as a shared service for the research and education sector as it minimises the cost and effort for each individual Subscriber of managing federated identity. Without the AAF, for example, individual institutions would have to negotiate a series of unique one-on-one arrangements to provide access for their staff and students to inter-institutional services. Similarly, individual institutions would have to negotiate one-on-one agreements with a range of different providers (or operators) for access to national eResearch infrastructure such as research data storage (RDSI), virtual laboratories (NeCTAR), eResearch tools (NeCTAR) and instrumentation. Finally, a national Federation provides the capability for collaboration on a global scale through the interconnection of national federations.

In 2013 the AAF will continue to undertake the following operational activities:

1. Provide **operational support services** (Service Desk, Knowledge Base and technical documentation, assisting subscribers identify services of value to the Federation, best practice and technical architecture advice) to ensure existing Subscribers gain best value from their subscription;
2. Provide **business development services** (policy advice, technical support and presentations on demand) to assist new organisations to subscribe to the AAF;
3. Provide **compliance support activities** associated with the Federation Rules and annual Compliance Statements;
4. Undertake **marketing and communication** activities that focus on promoting the AAF's value proposition;
5. Develop and deliver **training workshops** aimed at increasing the skill base across the higher education and research sector with respect to federating services for access via the AAF; and
6. Ensure the **technology** on which the AAF depends is **appropriately maintained** (application patching, security bug fixes and minor enhancements to the Federation Registry).

Undertaking these operational activities will be enabled by an operational support model provided by the AAF and in part organisational and administrative support provided by CAUDIT Inc.

The operational activity budget for the AAF in 2013 is summarised in Table I.

2013 Operating Budget Summary	
Retained Earnings at 1 January 2013	\$277,758
Incoming	
Forecast Subscription Income	\$626,535
Forecast Workshop Income	\$20,250
Forecast Interest	\$18,000
Total Income	\$664,785
Total Income + Retained Earnings	\$942,543
Outgoing	
Operating Expenses	\$723,886
Operating Surplus (2% safety margin)	\$14,478
Total Outgoing	\$738,364
Retained Earnings as at 31 December 2013	\$204,179

Table I: 2013 Operational Budget Summary

2013 subscriptions will be set to raise approximately \$626,535 in income. This is in line with the approved 2012 Business Plan where subscription fees were forecast to increase by 20% from 2012 to 2013 and by 10% from 2013 to 2014.

In line with the strategy to attract and retain a growing number of commercial Service Providers (as outlined in the 2013-2015 Strategic Plan), the 2013 subscription fees (one-time joining fee, annual fee per service) for organisations that provide products and services for education and research will remain at the same level as 2012. The 3 year service provider discount will be discontinued as from 1 January 2013.

As part of a reciprocal agreement between AAF and the New Zealand Federation (Tuakiri), in 2013 the AAF will continue to provide higher education and research institutions that are members of Tuakiri a discounted subscription to the AAF.

In 2012 the AAF was awarded (via CAUDIT Inc) funding by the Department of Innovation, Industry, Science, Research and Tertiary Education (DIISRTE) to further enhance the services offered to subscribers.

In 2013 the AAF will use this funding to:

1. Develop a **Virtual Home Registry**;
2. Develop a **Level of Identity Assurance Register (LoIAR)**;
3. Undertake an **Identity Provider Improvement** Project; and
4. Develop a framework for the **AAF Help Desk Support** which is reusable across the sector (CAUDIT Inc managed activity).

The budget for undertaking these strategic activities in 2013 is summarised in Table 2.

2013 Strategic Initiatives Budget Summary	
Retained Earnings at 1 January 2013	\$60,000
Incoming	
DIISRTE Funding (via AAF - CAUDIT Subcontract)	\$111,000
Total Income	\$111,000
Total Income + Retained Earnings	\$171,000
Outgoing	
Operating Expenses	\$171,000
Total Outgoing	\$171,000
Retained Earnings as at 31 December 2013	\$0

Table 2: 2013 Strategic Initiatives Budget Summary

2. Introduction

The Australian Access Federation (AAF) was initiated by the Council of Australian University Directors of Information Technology (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 continues to be a vital part of the Australian eResearch infrastructure landscape. Its rapid growth to date has been underpinned by a number of carefully executed strategies that have enabled it to reach a critical mass to operate as a self funded service from January 2012. In September 2012 the AAF had 66 subscribers and 104 services.

The core value proposition of the AAF continues to be as a shared service for the research and education sector as it minimises the cost and effort for each individual Subscriber of managing federated identity. Without the AAF, for example, individual institutions would have to negotiate a series of unique one-on-one arrangements to provide access for their staff and students to inter-institutional services. Similarly, individual institutions would have to negotiate one-on-one agreements with a range of different providers (or operators) for access to national eResearch infrastructure such as research data storage (RDSI), virtual laboratories (NeCTAR), eResearch tools (NeCTAR) and instrumentation. Finally, a national Federation provides the capability for collaboration on a global scale through the interconnection of national federations.

Vision & Mission

AAF's **vision** is to be increasingly valued as the provider of access management services for Australian Higher Education and Research.

The AAF's **mission** is to support the collaboration and resource sharing objectives of its subscribers through provision of effective access management technologies and services.

3. Operational Business Activities in 2013

This section outlines the key operational business activities planned for 2013.

3.1 Operational Support Services

AAF personnel will continue to support existing Subscribers to gain value from their subscription by:

1. Assisting Subscribers to identify services of value to other federation Subscribers;
2. Providing ongoing support to Subscribers via the service desk, technical documentation and knowledge base;
3. Consulting advice on implementing best practice technical architecture, as well as Service Provider and / or Identity Provider configurations; and
4. On-request, and where practical, professional service engagements (billed at market rates).

3.2 Business Development Services

AAF personnel will continue to support new organisations to subscribe to the AAF during 2013. In particular the AAF will provide:

1. Consulting advice on interpreting and complying with the Federation Rules;
2. Technical support via the service desk, technical documentation and knowledge base to connect as an Identity and / or Service Provider to the Federation;
3. On-request, and where practical, professional service engagements to install and configure Identity Providers (billed at market rates); and
4. Introductory presentations on demand.

The AAF will continue to work with the vendor/commercial community where there is significant benefit to have their services as part of the AAF.

3.3 Compliance Support Activities

This will consist of continuing the following key activities:

1. Federation Rules:
AAF Personnel will assist Subscribers meet their compliance requirements, in particular to submit their annual Compliance Statement on or before 30 June 2013.
2. Compliance with any applicable legislation in relation to data protection and privacy including, without limitation, the Australian Privacy Act 1988.
3. The AAF will establish advisory groups and communities of practice as required to assist with the above activities.

3.4 Marketing Communications

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

- Presence at key industry events (e.g. eResearch Australasia, TERENA Conference and REFEDS meetings);
- AAF quarterly newsletter;
- Regular technical newsletters; and
- Content rich 'product centric' website which describes AAF products to Service Providers, Identity Providers and End Users.

3.5 Training Workshops

The AAF's training strategy aimed at increasing the skill base across the higher education and research sector commenced in 2012. To date AAF's training workshops have received a positive and growing response from its subscribers. In 2013 the AAF will hold five Federating services workshops (Sydney, Melbourne, Brisbane, Adelaide and Perth). The workshops will continue to focus on providing developers with a basic toolkit to federate applications. All attendees will be levied an attendance fee to cost recover expenses.

3.6 Technology Maintenance

The AAF will continue to maintain the software stack of the Federation. This includes planned maintenance activities for application patching, security bug fixes and minor enhancements to the Federation Registry where activities are critical for the successful operations of the AAF.

4. Operational Support Model

This section outlines the operational support model for 2013.

4.1 Personnel

The AAF core operational support model is shown in Figure 1. The Senior Systems Engineer will back-fill the Technical Architect and Technical Manager while they are on secondment to undertake the AAF strategic initiatives outlined in Section 4. In October 2013 a Technical Engagement Specialist will be appointed for 15 months to develop and execute an engagement plan to assist with business development.

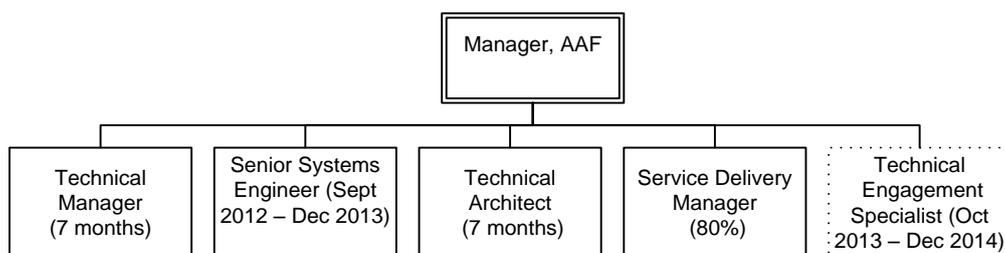


Figure 1: Core operational support personnel for 2013

4.2 Infrastructure Hosting

To maintain high availability of the Federation infrastructure, the AAF will continue (where appropriate) to enter into agreements with its Subscribers to host Where are You From Servers (WAYFs). At a minimum, WAYFs will be hosted in Brisbane, Perth, Sydney and Melbourne.

The Test Federation infrastructure was migrated to the NeCTAR National Server Program (NSP) in 2011. Subject to the maturity of the service provided by the NSP, work will commence in 2013 to migrate the AAF production infrastructure to the NSP.

The AAF will continue to use cloud based services for its support systems (email, help desk, mail campaigns and source code repository).

4.3 Organisational and Administrative Support - CAUDIT Inc and AAF Inc

As AAF Inc is a CAUDIT Inc sponsored activity and the bulk of AAF Subscribers are also CAUDIT Inc Members, throughout 2013 CAUDIT Inc will continue to support the AAF. This includes:

- The CAUDIT General Manager will provide day-to-day direction of the Manager AAF and where possible provide assistance to the AAF Inc to manage staff absence through the use of CAUDIT Inc staff where appropriate;
- Financial management costs will be rationalised by jointly using the same service provider as CAUDIT Inc (e.g. for operation of bank accounts; collection of subscriptions; invoicing; accounts payable; meeting Australian Tax Office requirements and financial reporting);
- CAUDIT Inc will provide the necessary support to ensure that the AAF Inc meets its legislative and reporting requirements under the Associations Act NSW; and
- 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 Annual General Meeting (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.

5. Strategic Initiatives

Strategic Initiatives



In June 2012 the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) provided \$330,000 funding to undertake a program of initiatives to enhance the utility of the AAF. CAUDIT Inc entered into a grant agreement with DIISRTE as the lead agent for the projects. A number of project activities have been sub-contracted to AAF Inc (as shown in Table 3) to undertake. The program of initiatives commenced in July 2012 and will conclude in June 2014. CAUDIT will undertake and financially manage the institutional service desk engagement program initiative (\$82,000) as well as a small proportion of the administrative support activities (\$7,000). As part of the subcontract agreement with CAUDIT Inc, the funds will be paid to AAF Inc in line with meeting the agreed key milestones through the life of the project.

Activity	Grant funds received: AAF Inc managed activity (subcontract with CAUDIT Inc) 2012-2013	Grant funds: CAUDIT Inc managed and funded activity 2012-2013
Virtual Home Registry Development	\$119,000	
Level of Identity Assurance Registry	\$43,000	
Identity Provider Improvement Program	\$64,000	
Institutional Service Desk Engagement Program		\$82,000
Project operational and administrative support	\$15,000	\$7,000
Total:	\$241,000	\$89,000

Table 3: 2012-2013 Strategic Initiatives Budget Summary

5.1 Virtual Home Registry

This project commenced in September 2012 and will conclude Q1 2014. It will expand the AAF infrastructure by the software development of an AAF hosted Virtual Home Registry (VHR) solution. The solution will enable small organisations, including collaborative research facilities, to manage user identities for international, government and industry based researchers. The VHR will comply with existing AAF interface and policy requirements.

5.2 Level of Identity Assurance Registry

Commencing in 2013, the AAF will undertake a review of a small number of eResearch service providers to understand their requirements for higher levels of assurance. This will be followed by the agile software development of an AAF LoA Identity Assurance Register (LoIAR) to enable the assertion of end users with recognised higher levels of Identity Assurance (as per the AAF Assurance Framework). This will allow service providers to define the trust levels they require independently of the different Identity Provider implementation states of AAF's subscribers.

5.3 Identity Provider Improvement Program

The AAF will commence in 2013 an Identity Provider (IdP) improvement program that will identify a target sub group of AAF subscribers that require assistance with maturing the technology of their identity provider. AAF will work with this targeted sub group of Identity Providers via workshops to develop a reusable package of 'technology best practice' content for use by all subscribers.

5.4 Institutional Service Desk Engagement Program

This project commenced in October 2012 and will continue throughout 2013, whereby CAUDIT is undertaking a project to develop a reusable framework that will assist institutional service desks to better support national eResearch services. The AAF will be used as the use case to develop the framework and the project funding will support the AAF use case only.

5.5 Project Support Model

5.5.1 Personnel

The project support model is shown in Figure 2. The Manager, AAF will continue to oversee the delivery of AAF's strategic project activities in 2013. The Technical Manager and Technical Architect will be seconded to the projects throughout 2013. The CAUDIT Business Analyst who was appointed in late September to work across a number of the strategic initiatives will continue to do so in 2013.

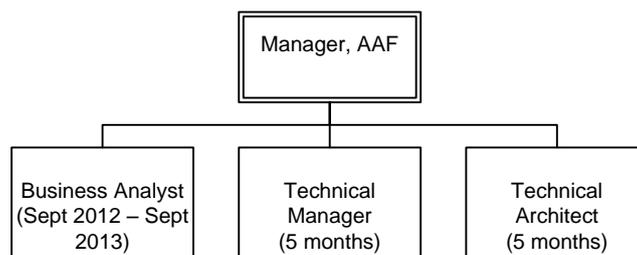


Figure 2: Strategic initiatives support personnel for 2013

6. Operating Costs & Subscriptions

6.1 Operating Costs

Figure 3 shows the AAF operating costs for the period 2009-2015 noting that the costs for 2009-2011 are actuals, whereas the costs for 2012-2015 are forecasts.

The AAF was incorporated in June 2009 (hence the relatively low level of expenditure in 2009). In 2010 and 2011 significant expenditure was devoted to stimulating uptake through the use of selected investment in service development (this was achieved largely through the mini-grant process).

The operation of the AAF through the period 2009-2010 was totally subsidised by the \$2.0M grant from DIISR (the other income during 2010 was the interest on the grant). During 2010 the AAF Executive developed a subscription model for ongoing financial sustainability and subscriptions were first levied during 2011. As at the end of 2012 the AAF expects to have retained earnings of \$277,758.

The forecast operating costs for the period of 2012-2014 are for operating the AAF in a steady state mode plus the additional strategic project funding of \$241,000 provided by DIISRTE (via CAUDIT Inc) in 2012.

Operating costs for 2013 and 2014 have risen with the addition of the Technical Engagement specialist (Q4 2013 - December 2014) position that the AAF will commence in Q4 2013.

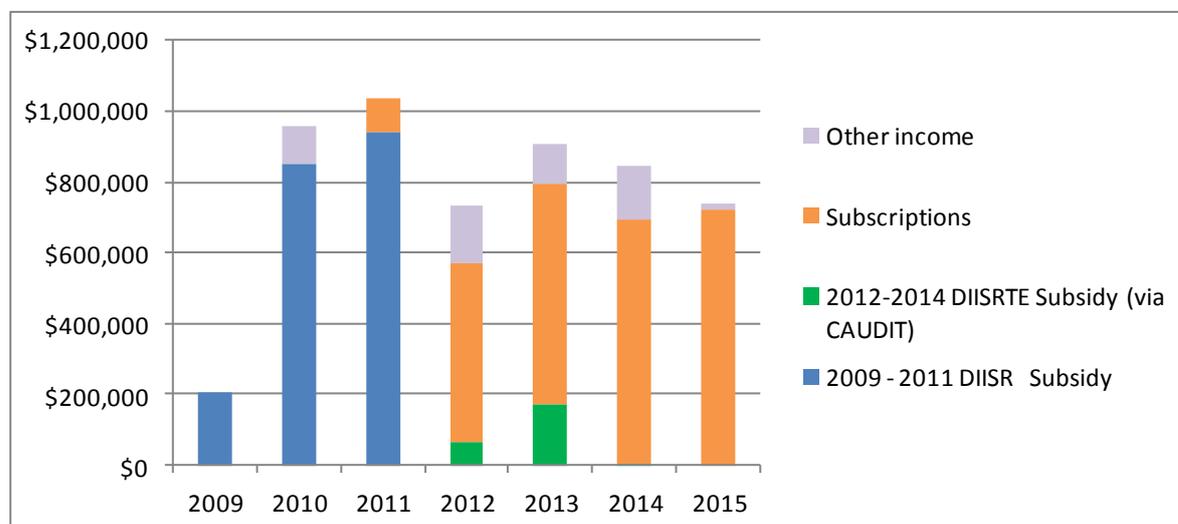


Figure 3: Total AAF Operating Costs 2009-2015

6.2 Subscriptions

The subscription fees outlined in Table 4 incorporate the strategy that was approved in the 2012 Business Plan to increase subscription fees by 20% between 2012 and 2013. Based on the current operating expenses forecast for 2013, subscriptions will be set to raise income of \$626,535 in 2013 and \$692,387 in 2014.

The subscription fees outlined in table 5 are in line with the strategy to attract and retain a growing number of commercial Service Providers (as outlined in the 2013-2015 Strategic

Plan). The one-time joining fee, annual fee per service for organisations that provide products and services for education and research will remain at the same level as the year 1 discount made available as an option in 2012¹. The 3 year service provider discount will be discontinued as from 1 January 2013. The Annual fee per IdP will remain at the same level as 2012.

Subscription Component	2013	Description
One-time joining fee	\$5,460	A one-time joining fee levied to each new Subscriber.
Base annual fee	\$5,554	A base annual fee for each Subscriber. This includes the provision for one (1) Identity Provider (IdP) and up to ten (10) services registered in the Federation.
Fee per FTE	\$2.42	A fee calculated on the number of Full Time Equivalent Staff (FTE) employed at the Subscriber's institution.
Extra service fee	\$3,900	An additional fee per extra ten (10) services that the Subscriber wishes to register in the Federation.
Extra IdP fee	\$7,020	An additional fee per additional Identity provider (IdP) registered in the Federation.
Fee Per Seat (optional)	\$16.80	An optional Fee per Seat charge instead of Fee per Full Time Equivalent Staff (FTE).

Table 4: For organisations that undertake or support education and research

Subscription Component	2013	Description
One-time joining fee	\$3,413	A one-time joining fee levied to each new Subscriber.
Annual fee per service	\$975	This is a flat price per service connected to the Federation.
Annual fee per IdP	\$13,000	A flat fee per Identity Provider (IdP) registered in the Federation.

Table 5: For organisations that provide products and services for education and research

6.2.1 Reciprocal Subscriptions - Tuakiri and the AAF

In 2012 the AAF and Tuakiri (New Zealand Federation) agreed to provide higher education and research institutions that are members of each other's Federation a reciprocal subscription arrangement.

The arrangement allows New Zealand higher education and research institutions to subscribe to the AAF at a discounted rate of 25% of the annual subscription fees, providing (a) they meet the AAF's subscription terms and conditions (b) they are members/subscribers

¹ The AAF introduced a 3 Year Service Provider Pricing Plan (for organisations that provide products and services for education and research) in late 2011. Year 1 had a 75% discount on the annual fee per service and a 25% discount on the one-time joining fee.

of Tuakiri and (c) Tuakiri assists where possible to minimise any support impacts of New Zealand subscribers on the AAF.

The AAF will also continue to waive the one-time joining fee as part of the arrangement.

The AAF reciprocal subscription offer will continue to be contingent on Tuakiri providing a similar reciprocal subscription offer for Australian higher education and research institutions wishing to access services available via Tuakiri.

6.3 Expenses

Table 6 and 7 outline the 2013 operating expenses and strategic initiative expenses for 2013.

AAF Operating Expenses	
ICT Equipment	\$4,000
General supplies and Expenses	\$7,000
Printing and Publications	\$1,550
Travel and Accommodation	\$20,200
Telecommunications	\$8,245
Promotions	\$2,250
Professional Fees	\$22,600
Bank Charges	\$1,200
Software Licenses and Certificates	\$7,150
Hosting Services	\$6,000
Conference / REFEDS Activities	\$24,300
Professional Development	\$6,300
Salaries	\$568,536
Long Service & Leave Provision	\$44,555
Total	\$723,886

Table 6: 2013 Operating Expenses

Strategic Project Initiative Expenses	
Salaries	\$166,000
Travel	\$5,000
Total	\$171,000

Table 7: 2013 Operating Expenses for Strategic Initiatives

6.4 Budget Summary

Table 8 and 9 outline the 2013 budget summaries for AAF Inc operations and strategic initiatives (funded by a DIISRTE Grant via CAUDIT Inc).

2013 Operating Budget Summary	
Retained Earnings at 1 January 2013	\$277,758
Incoming	
Forecast Subscription Income	\$626,535
Forecast Workshop Income	\$20,250
Forecast Interest	\$18,000
Total Income	\$664,785
Total Income + Retained Earnings	\$942,543
Outgoing	
Operating Expenses	\$723,886
Operating Surplus (2% safety margin)	\$14,478
Total Outgoing	\$738,364
Retained Earnings as at 31 December 2013	\$204,179

Table 8: 2013 Steady State Budget Summary

2013 Strategic Initiatives Budget Summary	
Forecast Retained Earnings at 1 January 2013	\$60,000
Incoming	
DIISRTE Funding (via AAF - CAUDIT Subcontract)	\$111,000
Total Income	\$111,000
Total Income + Retained Earnings	\$171,000
Outgoing	
Operating Expenses	\$171,000
Total Outgoing	\$171,000
Retained Earnings as at 31 December 2013	\$0

Table 9: 2013 Strategic Initiatives Budget Summary