

Email letter in response to the minutes of the Finance and Budget SC
Sent to the ALAC Internal List by Denise Michel [denise.michel@icann.org] on Wed 3/10/2007

Dear Committee Members:

Thank you for your interest in providing input to ICANN's budget. I would like to take this opportunity to clarify the processes involved in developing budgets and managing expenditures of ICANN funds.

It is worth reiterating ICANN's often-stated encouragement to the At-Large community to provide input to the budget process, in particular by suggesting work programs for inclusion in the budget that staff prepares each year. Input from the ALAC Budget and Finance Committee is welcomed in this respect. A proposed ICANN budget developed by staff will be reviewed by the Board Finance Committee and posted for public comment. The budget will then be finalized and approved by ICANN's Board.

I also should reiterate the fundamental point that ICANN's budget is managed, and all expenditures made, by ICANN Staff. It is staff's responsibility to manage funds in a manner that is consistent with ICANN's requirements and processes.

In this vein, I would like to clarify some points raised by the ALAC Finance and Budget Committee (included below):

1) The ALAC, as volunteers, cannot decide whether or not a program or project will be funded by ICANN. Decisions on expenditures are made by staff following the Board-approved ICANN budget and ICANN Operating Plan. That said, once again I want to reiterate that the ALAC's input, as well as that of the broader At-large community and in particular the RALO leadership, is welcomed and will be very carefully reviewed and considered.

2) It is not for the ALAC to determine what shall be included in ICANN's budget for At-Large. Again, At-Large input is encouraged when the proposed budget is developed (as outlined above).

3) It is not in keeping with ICANN's bottom-up approach for the ALAC to attempt to centralize and make decisions about whether or not to approve a budget or expenditure proposal from an At-Large region. Staff welcomes all input on developing the budget and a staff process is in place to address At-Large spending requests. These proposals, of course, should be shared with the ALAC and broader At-Large community for comment.

4) The current form and process that staff instituted to address At-Large spending requests was designed for the use of At-Large community members requesting funding for an activity that is not detailed in the approved budget. It is not designed for proposing items for approval by the ALAC.

5) The budget for the next fiscal year won't be developed for several months (the Strategic Plan and Operating Plan will be finalized first).

If the community wishes to send proposals to the staff now, there is of course nothing wrong with that - input and suggestions of this nature are always welcomed - but the staff will be able to continually receive suggestions for budgeted work for the next four months or so.

As always, ICANN staff will keep the ALAC, RALOs and At-Large community apprised of ICANN's budget process and encourages their input.

Please let me, or Nick, know if you have any questions.

Regards,
Denise

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