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AT-LARGE ADVISORY COMMITTEE

Revisions to Conflicts of Interest Policy and Bylaws to Allow Board to Consider Compensation for Director Services

Introduction

By the Staff of ICANN

Cheryl Langdon-Orr, At-Large Advisory Committee (ALAC) member from APRALO, originally composed this statement.

A first version of the ALAC Statement on Revisions to Conflicts of Interest Policy and Bylaws to Allow Board to Consider Compensation for Director Services was posted on the [At-Large workspace](#) on 27 September 2011. On the same day, a call for comments was sent to the ALAC-Announce mailing list.

A second version (the present document) was created after taking into account comments received.

On 3 October 2011, Olivier Crépin-Leblond, Chairman of the ALAC, requested the At-Large Staff to begin a five-day ALAC vote starting 3 October 2011 and closing 7 October 2011.

[End of Introduction]

The original version of this document is the English text available at <http://www.atlarge.icann.org/correspondence>. Where a difference of interpretation exists or is perceived to exist between a non-English edition of this document and the original text, the original shall prevail.

ALAC Statement on Revisions to Conflicts of Interest Policy and Bylaws to Allow Board to Consider Compensation for Director Services

Advice to the ICANN Board regarding the proposed revisions to the Conflicts of Interest Policy and Bylaws, set forth in the call for Public Comment here:

<http://www.icann.org/en/announcements/announcement-01sep11-en.htm>

The ALAC advises the ICANN Board to PROCEED with the proposed revisions of the Conflicts of Interest Policy and associated revision(s) of the ICANN By Laws to facilitate and implement an appropriate compensation scheme for voting Board Directors as outlined in the December 2010 Accountability and Transparency Review Team (ATRT) recommendation #5.

“The Board should expeditiously implement the compensation scheme for voting Directors as recommended by the Boston Consulting Group adjusted as necessary to address international payment issues, if any”¹

Detailed in further discussion in the report on the ATRT's WG #1

“Compensation of directors is an issue closely associated with the theme of developing the ICANN Boards’ experience and collective skill-set and has been the subject of independent review, Board Governance Committee discussion and ongoing Board consideration. To date, only compensation for the Board Chair has been decided. In order to help guide and structure the future process for improving the Board’s operations, it is critical that the matter of remuneration be resolved promptly.”²

ALAC also notes that the ATRT-final-recommendations report states that in their public consultations, “Recommendation 5 was also widely supported but this has been slightly reworded to take into account comment received both from Board members and the community.”³

And echoes the sentiments outlined in the ATRT's Final Report:

“Compensation of directors is an issue closely associated with the theme of developing the ICANN Boards’ experience and collective skill-set and has been the subject of independent review, Board Governance Committee discussion and ongoing Board consideration. To date, only compensation for the Board Chair has been decided. In order to help guide and structure the future process for improving the Board’s operations, it is critical that the matter of remuneration be resolved promptly.”⁴

¹ <http://www.icann.org/en/reviews/affirmation/atrt-final-recommendations-31dec10-en.pdf>, p 2.

² <http://www.icann.org/en/reviews/affirmation/atrt-final-recommendations-31dec10-en.pdf>, p 18.

³ <http://www.icann.org/en/reviews/affirmation/atrt-final-recommendations-31dec10-en.pdf>, p 16.

⁴ <http://www.icann.org/en/reviews/board/board-review-final-26jan10-en.pdf>, p 18-19.

Finally we note that these proposed revisions to the Conflicts of Interest Policy and By Laws (as proposed) is in keeping with the original recommendations made in the independent Review of the ICANN Board in 2008 by the Boston Consulting Group/Colin Carter & Associates in November 2008⁵ As well as the final report of the Board review Working Group was released in January 2010.⁶ Which states, “The WG acknowledges the general support from independent consultants and the community for the proposal of compensating Directors for their services, with the Chair being compensated at some multiple of the standard Directors’ amount.”⁷

⁵ <http://www.icann.org/en/reviews/board/report-02nov08-en.pdf>

⁶ <http://www.icann.org/en/reviews/board/board-review-final-26jan10-en.pdf>

⁷ <http://www.icann.org/en/reviews/board/board-review-final-26jan10-en.pdf>, p 2.