

**15 MARCH 2013**

AMY STATHOS:

Thanks Denise. I think most of the people know my name is Amy [Staff-us 0:24:47], I'm Deputy General Counsel here. There are some folks that I have not met yet, so welcome. I'm not here as a representative of the Legal Department, I'm here mainly as a key support staff member for the Board Governance Committee.

In terms of taking the recommendations that had been received from the ATRT 1 group, what the Board did was they identified different arms within the Board and staff who would be responsible for particular recommendations.

The Board Governance Committee was delegated 14 of the 27 recommendations. And so what this work shows is what that was done with staff and the Board Governance Committee, and then obviously from there gone back to the Board for review and approval.

So Denise told me I had only one to three slides, but I had nine so sorry about that [laughs], with 14 of them. The first two were bunched together, and there is a couple of other slides that are going to have numerous ones just for purposes of reporting because they seem to go together a bit.

With the recommendations number one and two relating to Board skillsets and training, there was recommendations asking for – that the Board do some benchmarking with respect to the skillsets that might be appropriate for organizations similar to ICANN. That there be an annual review of those skillsets, and that the skillsets should be provided to the nominating committee.

So that when the nominating committee, in fact, seeks expressions of interest from members who want to be on the Board, that they have the understanding of what those skillsets are that the Board, at least, believes would be appropriate and helpful for the Board itself.

Then there is also an idea of regular reinforcement and review of Board training process and mechanisms. In terms of the implementation, there was a benchmarking report conducted and it has published, and you'll note on these slides, I don't have the links but in the annual report there are links to all of the publically posted information that relates to the implementations of all of these recommendations.

There is standard operating procedure now with the BGC, it's in their work plan, is to annual identify and provide skillsets to the noncom. The BGC Chair works through the committee and provides that information and seeks also Board member input. And then that information is provided, in fact posted by the noncom.

The noncom in fact publishes with the skillsets with both the statements of interest and just generally on their website, so it's there for all time. And as I said, that's now part of standard operating procedures.

In terms of Board training, there has been an initial Board training plan identified. Over the last year, there has been training during each of the Board workshops provided by various Board members. The organization is in the process of establishing online training modules that will be helpful for everybody, not just Board members but community members also.

We are developing both training modules that will be Board related, that will help Board members understand exactly what their role is. But also ICANN related, to help people understand the various aspects, the various business sectors, the various opportunities that there are in ICANN, what the policy development process means and how it operates.

So a lot of specific topic areas, but also manners and how to become a Board member that the Board member training will involve. We're also developing and formalizing right now a curriculum that will be for Board members directly both the outset of their service on the Board, as well as continuing training and ongoing as a standard operating procedure.

And I think a lot of these... We do have two current Board members sitting in the room, so if anybody wants to jump in and add anything, please feel free.

UNIDENTIFIED MALE:

Thank you Amy. Since I have to, or get to, stay in the room beyond this briefing, I'll just put a place marker here. I'm happy to tell you what efforts we've taken within the Board. We've taken a number of attempts to move forward, tried to balance the amount of time available and various differences.

I'll be happy to expand that and share with you quite candidly sort of what's worked, what hasn't quite worked, what's in progress and so forth and just expand on what Amy said. If you want to spend the time now, but I suspect that's not the best use of the time to do that.

UNIDENTIFIED MALE:

No thank you for that. Just, and to set expectations to I think clearly any question is welcomed from the review team, and we appreciate Denise and your staff putting together the presentation. I recognize we'll probably be a little time constraint today because we have other work to do.

There is a good chance we'll have you present the balance of whatever we don't get through at another time. We're also going to establish as a review team a specific work strain that looks at these matters and have more opportunities for engagement.

So I'd ask, of course, any questions on the review team at this time, but let us be conscious of the time that staff has to give the initial presentation. Yes Larry has a question.

LARRY [no last name provided]: So I appreciate the kind of the list of activities that you've engaged in. But step back a bit and the question that I think the team was trying to get at was that there was a skill deficit at the Board.

You've now benchmarked it, you've come up, you spent a lot of time thinking about it. What are the key skills that you've identified that you think Board members need to have? What was the gap of what you have? How much improvement have you actually generated as a result of implementing these different activities?

AMY STATHOS:

Well in terms of the material that the board presented to the noncom, for example, clearly there was significant people with policy experience, with industry experience, with technical experience. One of the things that was identified was not a lot of direct audit related function.

There is a lot of need for people who are very experienced in auditing, and very experienced with financial, understanding financial statements and how to understand revenue reports, etcetera. So those are the things that, in the report to the noncom, that the Board asked the noncom to look at.

Now they're not asking the noncom to find particular people for a particular purpose. But Identifying that these are the things that the Board were looking for in terms of specific skills that they think that there may not be as much experience as they would otherwise like or appreciate.

In terms of satisfying that, in terms of what the noncom has identified, I know that the most recent add to the Board of Olga [Madrew-ga-forte 0:32:29], is in fact experience in audit committees, she has been involved in that on other boards, and she was a great addition to that.

UNIDENTIFIED MALE:

Very helpful comment, Larry. For my perspective, the way I parse what you're saying and play against experiences, that there are sort of two kinds of things and they're not directly substitutable for each other.

One is for Board members that we have, to what extent would training be helpful, cross-training or filling in gaps? We have non-technical people who show up with enormous experience in having – no real firm understanding of how the domain name system works. It's helpful to bathe them in DNS 101 kind of thing.

We have technical people who show up, and who don't have any idea about the secondary market in domain names and that's an opening experience, for example. So that kind of cross-training is helpful.

The other aspect though, is that there are skillsets that are really hard to pick up on the fly to the depth necessary. And the audit – the experience to be effective in, sitting on the audit committee, and complimentary on the finance committee, and a few other kinds of things that have to do with experience in seniority, and management, and corporate governance and those sorts of things.

Really, and this is my opinion, speak for myself, really we are best served if we bring people in that have those kinds of talents. Trying to develop it on the fly, it just doesn't work in my, again strongly view. We don't have enough time and there isn't a rich enough process to make that happen.

So that then goes to the recruiting into the noncom process. So there is really, in my mind, two separate levers if you will to work on, both of which are very important in getting attention.

LARRY:

And my questions was trying to get at how much you've moved the needle on that, in terms of how things were three years ago and how they are now. I mean, I respect and appreciate the list of activities, but again it goes back to the question of...

You did a benchmarking study, what did you learn? I can't tell any of that from the material in front of me.

UNIDENTIFIED MALE:

Yeah. I agree with you.

LARRY:

You've identified skills that you want added to the Board, what success have you had actually adding that? We just heard a good anecdote, and kudos to you for having done that, but... That's what I'm just trying to get at, is to move past... So for the activity, you can get more to the substance of what the outcomes have been.

UNIDENTIFIED MALE:

Maybe to the dismay of my colleagues on the staff, I agree with you. I think we've identified the problems, we've done some, we know we have to do more, and we have not gotten our arms around it to the extent that we have a calibrated measure and we know that we're here and we need to go here in terms of specifics.

That's still... It's been one of the things that I wish we were slightly more in control. We've done some, we've definitely done some and we can document what we've done. But your larger point of, do we have a road map? And do we know where we are exactly on that map? I think the answer is not quite.

UNIDENTIFIED MALE:

Thank you. Yes Jørgen.

JØRGEN ANDERSEN:

Well I could really not add anything new to what Larry said, but I think it's important to voice your support his views, because I think it's really essential what Larry has said and it comes back to our discussion

yesterday about metrics and methods for continued improvement. I think this is really the core of, part of the core of our activities, to demonstrate that we move forward.

Not by take the box approach, but by really measuring, positively, what is improved. And I want to let this be part of the conclusion of our first discussions here at this meeting. Thank you.

UNIDENTIFIED MALE:

And if I may, I'd welcome hearing from staff. We've had a discussion about metrics, and other than deadlines, I don't believe the ATRT 1 gave a lot of specific focused recommendations in terms of the types of metrics that the organization should apply in measuring how they've implemented a recommendation.

So an important thing to here is when you have developed metrics, what are they? What are they showing you? Were you haven't... And going forward in this review, this is an issue that we should think about and contemplate for our next series of recommendations. Olivier?

OLIVIER CRÉPIN-LEBLOND:

Thank you Bryan, it's Olivier. Just I have a silly question and a serious comment to make. The first one, the silly question is, are these board skillsets going to be shared with the community? So with SOs and ACs?

AMY STATHOS:

I believe that they are. And I know that they are published right now with the noncom, but I believe last year they were distributed to all of the SOs and ACs as well.

OLIVIER CRÉPIN-LEBLOND:

So that's one. That's why it's a silly question because I might have seen it and then it's just one. The serious comment is, I've been on the other side of the wall. I've actually served on the noncom, and the one concern that I've had when I read through the recommendations specifically to do with the transparency of noncom's deliberations.

I think transparency in the process is great. Deliberations themselves were new actually. And I have said so in noncom meetings, "I'm sorry that applicant is an absolute idiot." I wouldn't want that to be shared, and I wouldn't... Well, the applicant I'm sure wouldn't want to have that shared. Thank you.

AMY STATHOS:

Actually to Olivier's point, the BGC has spent a lot more time with the noncom in terms of talking through these issues and making sure that the transparency guidelines that in fact the board has now imposed on all noncoms, which is the aspect of recommendation number three.

I think the committee knows that the noncom has the right and ability each year to identify its own operating procedures. So each noncom is a new noncom. So just recently, in response to recommendation number three from the ATRT, the Board did impose some limited guidelines for transparency.

And the noncom has taken some significant steps about the process. Definitely not about the deliberations, because I think everybody agrees that those specific deliberations, when you're talking about a particular person or a particular candidate, you do need to be able to at least understand that you can have an open and complete frank conversation.

But the process, there is no reason that the process needs to be secret or behind closed doors, and the noncom has done, has taken a lot of steps in developing more procedures that will provide the process to the whole community, as well as reporting after the fact.

This year was the first year that they in fact did that and tried to report. I think that there is a lot of room to improve upon that reporting. But when you start with baby steps when you're reporting about things that you've done, so I think it's a very good step in the right direction in response to recommendation number three.

In terms of recommendations number four and five from ATRT, which we'll now call ATRT 1, I guess, so this is two. There was a... To continue and enhance Board performance and work practices, which is a very broad scope of a recommendation, of course.

And then the second one, which is recommendation five, is implement compensation scheme for voting Board directors. I'll take number five first, that is in place. It is now standard operating procedure. We think that we have satisfactorily put that in place, and every voting Board member that comes on the board has an opportunity to elect to except the compensation.

They're not required to, it is their choice. In terms of continuing to enhance Board performance and work practices, I do expect Steve might have some commentary on this in a bit, whether it's now or later during your later meeting. There have been standard operating procedurals, procedures in place even actually before the ATRT recommendations were finalized for Board self-appraisal.

There has been two or three, I believe, that have been posted. And there is annually the idea of doing self-appraisals for the Board itself as well as for the Chair of the Board. There has been a couple of different effectiveness training sessions held during Board member workshops.

We're now... It is now a standard requirement that each Board committee have a work plan, so that annually they know from the day they begin operations to the following year when the new construct of each committee is established. They know what their plan is.

Of course, things come into play throughout the year, but at least the standard work that each committee does is laid out in a calendar and a schedule. There have been some updated tools and workflow

processes to help the Board access materials better and be able to communicate amongst themselves so they become more effective.

At Steve's home, there has been a creation of what is a Board procedural, procedure manual which basically lays out each of the processes in the procedures that the Board does. And it is a work in flux and continual improvement. Board procedure manual aspects are added as we go, as new processes and procedures are put in place for the Board's operating procedures.

The initial one is posted and, again as I've said, they are continuing to be updated and approved. There is also a standard operating procedure to be put in place to evaluate annually each committee and its effectiveness. And whether or not the committee needs to remain as a stand standing committee, or if possibly some of the work can be maybe put in more of a work team, as opposed to a standing committee.

Also there's been an addition to some new mechanisms for Board interaction. We've added a significant number of what we call informational calls that will help each Board member understand in greater detail what the details of a particular item or issue that is coming to the Board is all about. And those have been proven very effective to allow the Board members understand, in detail, some of the areas that they are interested in, and that they think need to have a little bit more time than what you might otherwise have on a regular Board call.

Also, and then the final thing that I would just like to mention is that, again, at Steve's home, he has identified for every particular topic that goes to the board for review or consideration and approval, there is a Board lead, or a senior staff member lead, that is meant to shepherd that topic throughout the Board members to basically answer any questions that people might have offline, to really be able to get in a discussion, and help everybody understand exactly what the issues at hand are.

UNIDENTIFIED MALE:

Thank you. Avri.

AVRI DORIA:

Yeah just a quick question. To what extent are all of these evaluations, and self-appraisals, and procedures, and all of that open and available for everyone else? I haven't seen them, maybe I wasn't paying attention.

AMY STATHOS:

The self-appraisals are all posted on the Board page. The Board procedural manual, the first initial draft is posted. I can't tell you as I sit here right now where they're posted, but they're definitely posted.

STEVE CROCKER:

I presume Avri, you're asking about what's available publically versus what's available internally to other Board members. Yeah. So I don't

think the evaluations that we do for ourselves, I actually don't know the answer about how much of that is made available.

Certainly the detailed answer to each and every one of the evaluation questions is not made publically available. That would be an interesting exercise, probably....

AVRI DORIA:

Committee reports too, the effectiveness of a committee, for example, which isn't personal stuff. Is that available to us? I mean the rest of us...

STEVE CROCKER:

No, no, I hear you. I truly don't know the answer. The Board procedure manual is intended to be open, and I'll just say a word about that. My intent on that is not to have it be a controlling document, not to have it be law, but to have it be reflective of what we have done so that we don't lose track.

And when you want to say, so how did we do that before? I've been through that exercise a few times, and it none the less has a tendency of becoming law. I've tried to hold that down. The word policy does not exist in there. Policies get made elsewhere, this is just capturing a procedure so that we can...

But delicate process, even though it's intended to be super dry and super straightforward, none the less tends to take an over, see how it goes.

UNIDENTIFIED MALE:

Thank you Steve. I've got Jørgen and then Larry.

JØRGEN ANDERSEN:

Well maybe I'm asking the question which Larry will repeat after me [laughs]. It comes back to the hold conflict of... Well you're doing a lot of things which I think are very appropriate and very adequate, but when the recommendation is talking about enhancing performance and work practices, I think it's important that you know where you were before and what has been the outcome of your efforts.

I think this is vital. I really appreciate that you have invented a lot of good ideas for moving forward. I'm confident that something will happen. But I think we have a problem if we are not able to assess what has been the impact of what we have been doing. Maybe we have been doing something which has had no impact what so ever, and I think this is a key issue.

My second question would be around recommendation number five. You say compensation available to all voting directors, you say it's voluntary whether you want to apply for compensation. I suppose the compensation scheme is open and you can see it on your website, or wherever.

AMY STATHOS:

As well as who has and has not elected compensation.

UNIDENTIFIED MALE:

And also to clarify the evaluations, the appraisals are actually on the web. They're available as well. And yes, yes, and yes. We need scorecards, we need benchmarks, we can't just having words. We have to, around all of these things, start thinking scorecard, benchmark.

So we also see the progress from time to time, from year to year. We have no mechanisms doing that. if we show you that list again in five years, it's activity. But it's not tractable activity, so that's part of implementation.

As we implement things, we should put scorecards and benchmarks around it.

UNIDENTIFIED MALE:

Thank you [Fadhi 0:48:55] and you're going to wait for Steve to come back... Oh you want to... Okay. Go ahead then.

LARRY:

Because I just want to follow up on [Fadhi's] last comment, have you experimented with... In your own mind, having now seen these tools, do you have a sense of what dimensions you could do a metric on any of this? We know this is hard, it's not easy stuff at all.

But I think, Jørgen's point, we do want to know what the progress makes.

UNIDENTIFIED MALE:

In the absolute minimum Larry, would be for example when you say something like, "effectiveness training sessions held." It's a minimum, okay, how many people attended these sessions? Do we know that every Board member attended? How many different training sessions do we have? What are the training programs we have?

Has every board member gone through it? Some of them are simple, they're just numerical frames to be able to ensure that everyone went through these things. Some of the things also are potentially done through surveys.

A Board member's feeling that the Board meeting are more effective. Or are they feeling that they are wasting too much time to come to a decision? So we need to sit down and look at each of these things, develop the benchmark, share it with you, get feedback, improve it, and track it.

Otherwise, again, it's a lot of words.

UNIDENTIFIED MALE:

Thank you. Any other questions? Carry on.

AMY STATHOS:

So recommendation number six, I think most people will recognize this is one of the most difficult recommendations that the ATRT made. There was a paper posted to attempt to clarify, at least what should be a part of a PDP. And, of course, a PDP is a formal Policy Development Process.

It also attempted to identify what was an executive function, or management function, or an administrative function, either a staff level or a board level function, that was not necessarily policy itself. Denise said earlier that the recommendations led to... They were actually jumping off points.

This led us to realize that there was a big gray area in the middle. The Board had previously asked various advisory committees or supporting organizations for policy guidance, or policy advice, that wouldn't necessarily reach the level of a formal Policy Development Process.

But we also realize that there was not a process in place for that policy guidance or advice to be sought or provided. So again another paper was developed that would launch that discussion within the community.

There was a session in Toronto, unfortunately it was very poorly attended. I think it has led to a current discussion now, on at least the GNSO group discussion, to expand upon that understanding and try to figure out a mechanism for formal provision of advice that doesn't necessarily reach the level of policy development itself.

So that is an ongoing discussion in the GNSO, and I believe other SOs as well as the ACs. So that was one that, while we did publish the paper, there was an attempt to clarify, it's definitely an ongoing discussion and I think it will be going on for quite some time. And hopefully the community is really the area that, the group that needs to help us identify how that process should be put in place.

BRIAN CUTE

Thank you. This is Brian. I'd like to ask a couple of follow up questions. This is an important recommendation and yes it is a difficult issue. But it's also one that's been known for some time. Director de la Chapelle, for a long time now, has been talking about implementation policy, we need to figure that out.

With respect to the status of the work today, other than poor attendance at the meeting in Toronto, what's holding up getting this to completion? Whether it's community participation or some other aspect of the process, in your view?

AMY STATHOS:

Well I can't really speak to what the community is doing. I know that Brian might have, Brian Peck who is here, who supports the GNSO in many regards, might have a better understanding of that, and he'll be up in just a moment. But with respect to one thing that is holding it up is I think agreement on what in fact says, require a Policy Development Process formal.

What is simply, could be policy guidance. I think that there is still just a disconnect between members of the community as to what falls into what category.

UNIDENTIFIED MALE: Thank you. Alan?

ALAN GREENBERG: I think part of the difficulty of the problem is that even the nomenclature, the definition of the words in the statement, are not something that people would generally agree on across the board. There is a belief among many people in the GNSO for instance, that you can have policy development without a PDP.

Certain aspects of policy development require a PDP, but there are other ways of addressing things that don't happen to meet that particular mold. So when you have differences of an interpretation of the meetings in that one sentence in the recommendation, I think it illustrates some of the difficulties that come into closure on it.

UNIDENTIFIED MALE: Thank you. Carlos?

CARLOS RAÚL GUTIERREZ: Yes. I think it is a very, very important point and similar to the find differentiation that Olivier did on the difference between the transparency of the process, the privacy of the deliberations in the noncom. I think this is a crucial point because some policies might result in actions for the Board, other policies might result in actions for the staff, and some other policies might imply reaction by other agents down the food chain.

And the accountability for these different levels is absolutely and totally different, and has to be differentiated. So I think we have... Also yesterday, said if we want to become very international, we have to be very careful with this semantics. It's not enough just to translate, we have to be particularly careful with the semantics and the [Berkman 0:56:00] report did a very good work in the semantics of accountability and transparency and governance.

And I think this differentiation between policy and implementation requires a careful semantic analysis of policy and implementation. And requires a tremendous amount of work and discussion because it impacts on the way that we're going to measure, or hold different agents, accountable. Thank you.

UNIDENTIFIED MALE: [Fahdi].

UNIDENTIFIED MALE: Okay. More candor. This is an area where we're not doing well. It's an area, in my opinion, that we can dance around the words, we can publish papers, we can do... It's not working. We do have a real break down in terms of what is policy, what is implementation, and what is in between.

Because we keep going to the GNSO for policy advice, and Jonathon Robertson has all but made me swear that I won't do that anymore. He says, "We don't understand. What is policy advice? What is coming to

us with the policy advice? We're not set up for that. We make policy. We don't give advice."

So he's very confused, and frankly his counsel was not happy with us continuing to go back to them with the advice request. So the continuum between the PDP and implementation is not clear. I'll be frank. [Marika 0:57:32] of the GNSO team made the best effort in her paper to start creating lost understanding of that, but we're not there and of course people use it.

I'll give you a simple example. The only policy that is written about protecting IP rights, with the new [detailed D 0:57:49] program, simply directs me to do my utmost to protect people's IP rights. That's where it stops. It doesn't go more than that. There is nothing in the policy that describes the Trademark Clearing House. Nothing.

It's not even mentioned in the policy. Now when I go to implement the Trademark Clearing House, people think that details on how I implement it are now policy. Who is right? Who is wrong? I don't know. This is a debate, it's open, it's discussion, people are I think making very good arguments either way.

But there is... I have no precedent to lean on. I find myself a little bit, kind of, I don't know where to be. The TMCH is not part of any policy. The TMCH was an implementation that the staff came up with, to implement a policy that says, "We must do our best to protect the IP rights of people."

Now the details of how to do it, suddenly, have to be policy. This, I think this continuum is not clear, and so long as it remains gray, it will create a lot of angst in our community, not just semantic vagueness, but also practical vagueness that causes people to not feel good.

And of course, if somebody doesn't like something, then it must be policy because they know it will take a year and a half to get done. And if they love it, then it's implementation. I mean, all I need to do is again point to some elements of the Trademark Clearing House now were you have one community saying that all implementation, and another side of the community saying that it's all policy, and nothing in between.

So anyway.

UNIDENTIFIED MALE:

Thank you for that. I'm hearing... Larry go ahead. Okay. So I'm hearing a couple of common themes through all of the remarks. One which is, it's a definition challenge, what do these respective words mean? And we need agreement. So focusing on agreement, can you articulate for me exactly where and with whom that agreement has to take place? Because that's the first step of getting this done.

UNIDENTIFIED MALE:

Frankly this is not mine. I cannot agree with staff. This is not the Board's business, it's a whole community effort. The community has to come to some understanding of when policy is set, when is it set, what is something in between, is there a fast track policy process we need to create. Because the reason we go for advice is because we can't wait a year and a half.

So we need something to happen quickly so we call it policy advice, and then the Board makes a decision, then they get upset. So we really need to get the whole community around a process to define this continuum between a proper PDP and an implementation decision. And that, in my opinion, all of what this paper did is just start the dialogue.

But there isn't a plan that is in place today to get us from where we are to clarity. It's not there yet.

UNIDENTIFIED MALE:

Thank you. Larry?

UNIDENTIFIED FEMALE:

Can I just quickly note, I'm sorry. There is a public comment forum that is open right now on policy versus implementation. There is also going to be a session in Beijing on this matter as well. So it is an active and ongoing conversation with the community.

UNIDENTIFIED MALE:

All right. I'll just, okay [laughter]. Anybody else? Okay. Amy? Thanks.

AMY STATHOS:

So the next three ATRT recommendations relate to number seven, eight, and 19, which really talks about the posting and publishing of Board materials and rationales. A lot of these were, in fact, put in place even before the ATRT recommendations were finalized.

These suggestions have, I think, been extremely beneficial and adding not only posting of the materials that the Board receives from the staff, which are now posted with every – once minutes are approved from each meeting, the materials are posted as well. There is a rationale now posted with every Board decision and their posted at the time of the resolutions being posted, which is basically two days after each Board meeting.

The adopted resolutions are posted with rationale. The rationales, I will say, take different lengths and in depth natures depending on the topic area. Some rationales are very simple short paragraph, some are very lengthy. I think with respect to many of the new GTLD topics, there was over 150 pages of rationale posted that identify all of the material that went into the decision making process, and the reasons why the Board took the decision that it did take.

In terms of recommendation number 19, the translated board resolutions and minutes are now posted within 21 days of them actually being posted in English. So this is a standard operating procedure now,

and it is being done as the ATRT had recommended that it be done. Heather?

UNIDENTIFIED MALE: Heather.

HEATHER DRYDEN: Thank you. I'm wondering about where there is a timing established as a standard operating procedure for the Board to receive the materials before a meeting. It's related to this, but not exactly covered here.

AMY STATHOS: Right now our standard practice is that the Board receive the materials one week before the Board meeting. Is that responsive to your question?

HEATHER DRYDEN: That answers my question. And so then, I guess to be consistent with some of the other comments you've heard, it would be useful, I think, to see whether that rule or guideline is actually followed. Just is that actually what happens, in fact. Just like the implementation of other items that we've discussed today.

AMY STATHOS: Sure, as a metric in terms of reporting, absolutely. We can do that.

UNIDENTIFIED MALE: [INAUDIBLE 1:04:39] Having the Board members receive the items a week in advance is a piece of the larger puzzle which is all aimed at, are the Board members well prepared? And are they making informed decisions? And so forth.

So you're looking at it from the slightly broader picture. You have to look at what the workload is on the Board members, whether they attend to the issues, whether they – we get the issues settled before things actually come to a vote. Are there other processes that ought to be in place such as informational calls and so forth, to work through that process.

So that's, from my point of view, an important but just a piece of the overall puzzle as to whether or not the system actually works properly.

UNIDENTIFIED MALE: Yes [Fadhi].

UNIDENTIFIED MALE: So just to put this to bed as we go, I'm going to ask staff to develop for each of the recommendations, including these ones, the past one, an actual set of metrics. So we're going to do that. So as we go, just like Heather did, if something pops in your mind as a good metric, please tell us, and I'm asking Denise to record these.

And I'm hoping to get back to you as soon as we can with a scorecard for each of the recommendations from the first review, and hopefully with the new ones, we'll do the same thing. So this way we can put this to bed.

UNIDENTIFIED MALE: Very good. Very welcome. Thank you [Fadhi], we'll take you up on that offer. Carlos. Oh, sorry. Larry – Carlos then Larry.

CARLOS RAÚL GUTIERREZ: Just from the rationales, are they being drafted by one person or revised by one person? So they are all in the same style independently of the length.

AMY STATHOS: No. There were some templates provided in terms of what should or should not be in a rationale, depending on whether it's a short, medium, or long rationale statement, depending on the topic. And the... They are presented with the Board materials to the Board for review, and revision, and evaluation as they are, as draft resolutions are presented and other materials.

So the Board reviews all of them before they are posted and approved. They are approved with the rationale – with the resolutions themselves.

UNIDENTIFIED MALE: Larry.

LARRY: On the question of metrics, and I know that I don't even need to say this to you [Fadhi] because I think you would do it anyway, but obviously with the ones that we're talking about, there is some very clear, quantitative metrics can do. But I hope you challenge your team, and I'm sure you will, to be thinking about the qualitative aspects of this as well.

For example, I think everyone around the table agrees that ICANN is a better organization by the discipline of publishing the rationales of its decisions. But I would still be interested in knowing, has it made any difference to anybody? I mean, are you getting feedback from people? What has... What changes and behavior has it led to, now that you're explaining and releasing this information?

I think for transparency purposes, it's an imperative. It has to be done anyway. But still, it would be interesting to know how people have reacted to this, and what other positive changes it might have elicited in the organization?

UNIDENTIFIED MALE: Yes. Lise then Jørgen.

LISE FUHR: I just want to ask if the rationales are linked to the public comments? And if they are, do they link to all of the comments? Or are some picked out? And if they're picked out, who does it?

AMY STATHOS: So in terms of the actually physical linking, they aren't necessarily. But to the extent that there is a topic that the Board is discussing and does make a resolution on, that had public comment, they are addressed in the rationales.

But there isn't a specific link, which is something that we could certainly do that you can get to the public comment from the rationale that is discussing.

UNIDENTIFIED MALE: Or vice versa.

AMY STATHOS:

Or vice versa.

UNIDENTIFIED MALE:

Sorry. Jørgen.

JØRGEN ANDERSEN:

Yes. Well it was more or less the same as Lise has asked because she had asked the question yesterday, and I found it, it was a very good question. I think that talking out of national experience about how you carry out these consultations and make the final decisions, it is extremely important that you reflect all of the comments received and you, in the response, in the decision, you explicitly address each of the comments received before you give the rationales toward the final decision.

So you understand what I mean?

UNIDENTIFIED MALE:

Yeah.

JØRGEN ANDERSEN:

So what I wanted to hear is your confirmation is that this is the way you're doing things. If the answer is no, I would urge you to maybe adjust your practice in that direction. Thank you.

AMY STATHOS:

Definitely the rationales do express a view of the public comment. The process that is in place right now is, there is a public comment, once the public comment closes, there is a summary and analysis of that public comment that is posted separate and apart from any decision that the Board might make.

So that is separately posted. And then when the Board makes its decision on a particular topic, it is provided with the full public, with the public comment as well as the summary and analysis. And if there are decisions that are made as a result of the public comment, it is reflected not item by item specifically, because sometimes the comments might be just too numerous in order to do that.

But it is reflected in concept as to whether or not public comment affected the Board's decision in a particular area.

UNIDENTIFIED MALE:

The analysis that Amy mentioned, actually if you look for example on the recent analysis, I don't know if you published it yet, but the one for the TMCH. I don't know if it is out yet, but it will be out any minute now.

I reviewed it yesterday, go comment by comment. So and so said this. So and so said that. This is what our analysis of this or that. So the analysis actually addresses every comment we get. But then when we get to the point where the Board is making decision, sometimes there are hundreds of these.

So to re-do that and the rationale, would make the rationale immense. But then we bring up the key things that came up in the analysis. I don't know if this is adequate or if you have ideas on how to improve...

UNIDENTIFIED MALE:

Let me provide a little context, [Fadhi] particularly for you as you start thinking about the qualitative metrics here. The discussion ATRT 1 on this particular issue, to my recollection, focused on the following: there were two issues, whether they were real problems or perceptions that we were focused on.

There was one that we called the black box. That input goes into the Board, but it's a black box, and out comes a decision and often community members are complaining that they don't know what happened inside the black box.

The other one was the simple notion of, has my voice been heard? And this one was directly to the construction of a Board decision should reflect specific sentiments that were expressed by the community in the process. And what we put on the wall, in Boston, was – by way of example.

We walked through it with Peter who should us some of the other decisions that had been made by the Board, was a Federal Communications Commission decision. By way of example, where that agency would present an issue that it was deciding, one way or the other, and then in the rationale of its decision, quote AT&T's position on this was quote, we agree.

Here's why we agree. Verizon's position of this was Y. We disagree. Here's why we disagree. That was the example that we used. And that's some of the context underneath this recommendation because if it's done that way, the community members who have put input into the box, even those who have lost, know that their voice has been heard.

So just to give you some context and background, this was what the review team was trying to get at, in that way.

UNIDENTIFIED MALE:

We don't do that today. We don't do that today.

UNIDENTIFIED MALE:

Please. Demi.

DEMI GETSCHKO:

Just to follow on what Larry has questioned. I suppose it would be very good to have some kind of closed group to see what is the reaction of the community to the changes that ICANN is doing all of this time. And there are some methods, actually, the big data so we can in some way measure the impact on the whole environment of what are you are doing right now in the social networking.

And so it will be good to have this kind of [read on 1:14:01], because it is of course a lot of changes we are going through. But it is not easy to measure what the consequence of this in the community, of the image of this institution in the community.

UNIDENTIFIED MALE:

Okay. Thank you. Amy.

AMY STATHOS:

Recommendation 20 from ATRT 1, does actually provide a bit of, in terms of is my voice being heard aspect, in that this actually asks to ensure and certify that the input into the policy making process, were considered by the Board. In fact, the ATRT 1 suggested a checklist. And a checklist has been developed, and is now in use.

So the first PDP that came through where the checklist was put into place with respect to the IRTP recommendation. And that checklist follows that policy from beginning to end, all the way through to Board decision. So it's now in place and it has been vetted, and there is some slight modifications depending on the sponsoring organizations from which a policy may come.

But... And sense there is a template that is now being utilized in the policy making process, and it was vetted and approved through the GNSO as well as the other assets.

Recommendations 23, 25, and 26 relate to the accountability mechanism in terms of taking a look at and putting together an expert panel to make some recommendations on how those accountability mechanisms could be reviewed and improved, to clarify some of the standards and the scope of particularly the reconsideration process.

As well as to standardized some of the timelines and the formats for the reconsideration requests and the rationales that are issued with those decisions. In terms of the expert panel, you see ASEP, which is the Accountability Structures Expert Panel, so that's our – one of the newer acronyms of our world, anachronism too.

So the ASEP was formed. It was... The members were identified through various different mechanisms to reach out and receive recommendations for the individuals. We had three members. One, [Gram McDonalds 1:16:52] from, former justice of the Supreme Court in Australia.

We have Mervin King who was a, a widely, globally, respected and former judge and governance expert. And then also Rich [Maranne 1:17:06] who is a governance expert here from the United States. Mervin King is from South Africa.

They made some recommendations, held a public comment process, provided an opportunity for public discussion both at a session in – I believe it was Toronto. And they also had meetings with various community members, individual one on one meetings, and meetings with the BGC also at that time.

The recommendations were put to the Board after the public comment were made, and the Board approved them in December. The Board did

not make them effective, because there was one major issue with respect to the independent review process that we needed to ensure that we could implement as it was recommended.

Which was to actually have for the independent review a standing panel, which is not something that is in place today. And to make sure that we can obtain the right levels of expertise throughout a six or nine member panel that would be in place. So whenever an independent review process is initiated, that there would be an opportunity to select from those folks.

So that there would be some consistency of experience and expertise on the panel, rather than each time and independent review process is initiated, going out and just getting individual one off panel members. As I think most people know, we've only had two independent review processes initiated, both on the same topic, which was triple X.

But there have not been any others, but with the new GTLZ program coming up, we just don't know how many we might see. So we think it's important to make sure that the implementation is put in place. And expect that those changes would be made effective very soon.

In terms of the reconsideration scope, the recommendation was that we span the scope to a certain degree, and the standards have been clarified and the bylaws, in fact, were put up for public comment and revised to reflect some of the recommendations.

There have... Since this recommendation was in place, a timeline was posted, the format, a form reconsideration request form was put in place, and so those are already in effect. The rationale for decisions have been in place for a long, long period of time, we've just made them a little bit more uniform in terms of what the BGC does, because the reconsiderations are in fact heard by the BGC first.

And then they... The BGC issues a quite lengthy recommendation to the Board, and then it goes to Board for the Board approval. And those are all posted. We have both an independent review process page, as well as a reconsideration page. [Coughs] Excuse me.

If you go to the next slide, and I believe this is the final one, which is ATRT recommendation number 24, relating to the ombudsman and the asking that the ombudsman assess the operations and the relationship that it has with the Board. And to, if needed, bring it to compliance, its operation with internationally recognized standards.

At the time the recommendation went into place, we were having a transition period with our ombudsman, so the ombudsman had only really been in place for a short period of time. There was this analysis done however, and at that time there was some more formal reporting structures put in place between the ombudsman and the Board.

Because, as I think everyone knows, the ombudsman reports to the Board, and to the full Board. Not just to a particular member of the Board, or a particular committee of the Board. But in order to ensure that there was regular communications and regular inputs from Board members to the ombudsman, there is now two different committees that meets with the ombudsman regularly, which is the Compensation Committee, of course to evaluate and ensure that the ombudsman is satisfying its goals.

His or her goals, I should say. And the Executive Committee, which is the – made up of – in terms of the Chairman of the Board, the CEO, and the Vice Chairman of the Board. And then, at present, there is one At-Large member that was selected also by, I believe, the committee themselves or the Chairman of the Board, selected that At-Large.

But these are not people that are on that, the Executive Committee. They are positions. So whoever is in that position is a member of the Executive Committee.

UNIDENTIFIED MALE: Question, does the new ombudsman have any particular reaction to the recommendation?

AMY STATHOS: Actually the new ombudsman was very pleased to have a formal reporting structure, and recognizes that he feels that [AUDIO BLANK SPACE 1:22:30 – 1:22:40] ... at every public meeting, when the ombudsman is in face to face meetings with them.

The ombudsman typically also comes to the Board workshops, at least the ones that are held in Los Angeles. And they have face to face meetings during those as well. And then throughout the year, any online communication with whoever the ombudsman believes is appropriate.

UNIDENTIFIED MALE: Thank you. And again, this is a ripe area again for scorecards and follow up, and we get this from him. But you have no visibility to them. We should make that visibility to you so that it's clear what he's doing, how many cases he is resolving. Things... Just to give you some metrics about his work.

UNIDENTIFIED MALE: Thank you. And that wraps up the presentation?

AMY STATHOS: It does.

UNIDENTIFIED MALE: Are there any other questions? Olivier.

OLIVIER CRÉPIN-LEBLOND: Thank you very much Brian. I'm sorry, I might have dozed off for a second. I missed out one word in your mentioning of an At-Large member in the Executive team. Could you...

AMY STATHOS: No, not the At-Large, At-Large. At-Large in the broader sense of that it's not a specified member of the Board or the CEO that would be on the

Executive Committee, it's just another member of the Board who would be the At-Large in the other sense of the word. So I won't use that term....

OLIVIER CRÉPIN-LEBLOND: Well I'm reassured that I did not doze off, thank you.

AMY STATHOS: So it's just another member of the Board that's not specifically designated.

UNIDENTIFIED MALE: Until compelled to [INAUDIBLE 1:24:14]. So the Executive Committee is just a small subset of the Board. Consists of myself as Chair, a Vice Chair, [body 1:24:23], a CEO, and one other member. It has the power to act in lieu of the Board when necessary. We use that to the absolute minimum possible.

The biggest thing that we've done regularly is approve internal travel expenses for people, which is a dumb thing and we need to regulate that in some other way. And then it has now taken on this small task of listening to the ombudsman in addition to the Compensation Committee listening to the ombudsman.

But other than that, it's primarily a stand-by operation. In years past, different chairs used the Executive Committee to a large extent. We've tailed that off to have it be dormant, and just a stand-by when necessary, and there really have not been any emergencies where we've had to act so fast that we couldn't follow normal processes.

UNIDENTIFIED MALE: Thank you. Any other questions from the review team? Yes Jørgen, sorry.

JØRGEN ANDERSEN: Thank you Brian. Just a quick question, or two questions actually. You're talking about a formal reporting structure, is that just between Board and ombudsman? How about... Is there any annual reports which is published? Which is accessible to everybody? That was my first question.

AMY STATHOS: Yes there is.

JØRGEN ANDERSEN: And you have already answered, yes. The second question, compliant with its nationally recognized standards, what are these standards?

AMY STATHOS: So there are recognized standards for ombudsmen. And in fact, there are a variety of different standards. Steve...

STEVE CROCKER: Yeah. Fair question. Don't have the answer on the spot. So it's obviously a small to-do item. We'll provide a copy of the most recent report to the community. And hopefully, I hope, in there is a citation of what the standards are that we've used, and if there isn't we'll deal with that as well. So a fair point.

UNIDENTIFIED MALE:

I have a specific reason for asking the question about ombudsman, we know that the term ombudsman comes from Denmark. Denmark was the first place in the world where you had an ombudsman. [CROSSTALK 1:25:39]

No, no, no, no. [LAUGHTER AND TALKING] They are far behind, as always. [CROSSTALK 1:26:46] No problem. [LAUGHTER] [AUDIO BLANK SPACE 1:26:51 – 1:26:54]

## 2 MAY 2013

OLOF NORDLING:

Yes, thank you. From the perspective of the recommendations pertaining from NomCom, which is part of one and also recommendation three, if I could make some introductory comments, because NomCom, as many of you well know, is a particular organization in that it is independent, and also every year is reconstituted anew.

I would like to start with commending the chairs of the 2011 and the 2012 Nominating Committees for their initiative and their work in, first of all, taking care of and absorbing the essence of the recommendations very early on, entertaining the ideas on how to implement it with a full committee, and actually already before the final recommendations for adopted, I would say the chair of the 2011 NomCom started implementing the provisions that were foreseen.

So with that, of course this is, in a sense, it builds a little bit. There are a number of building blocks that have been added and a number of good ideas. And also, in that regard, we realize that each new NomCom not only builds on what has been achieved so far, but also comes up with new ideas, so the 2013 Nominating Committee has also contributed in finding new ways of increasing transparency and improving the information exchange with the board and the other supporting organizations and advisory committees that receive Nominating Committee appointees.

So I know that Adam Peake was the 2011 Nominating Committee chair and is also an associate chair for the 2013 Nominating Committee is on the call. I don't know if ICANN can hand it over to Adam for making some introductory comments, because to a large extent, the initiatives were taken by the NomCom chair and entertained with the Nominating Committee, and of course in dialogue with the board as well.

And then staff activities were more, of course, since we're support staff, of the nature of taking care of transforming the changes that were agreed upon into the procedure of documents, the guidelines, and the

codes of conduct as well as improving the visibility of NomCom on the website. Introducing a timeline, for example, which was one of the requests that were made.

So I wonder if, Adam, could you perhaps make some introductory comments since you are at the helm of the first Nominating Committee to took it on to implement the HRT recommendations.

BRIAN CUTE:

Before you do, Adam, this is Brian. First of all, thank you Olof for kicking off the discussion. Very much appreciated. I've asked Alice to put up on the board the recommendations specific to NomCom so that we can see what those recommendations were as the discussion goes forward. And Adam, thank you very much for attending. Very interested to hear your perspective on the implementation efforts of these recommendations. Please.

ADAM PEAKE:

Thank you very much, Brian. Thank you Olof. It's Adam Peake speaking for the transcript record. Yes, thank you Olof. Those are kind words. And thank you, Brian. You were very helpful during the 2011 process to keep us up to date on what the ATRT was thinking, so as Olof said, we could try and keep ahead.

I think one thing to remember is that Nominating Committees have always struggled, first of all, between this notion of confidentiality of candidate information while trying to be as transparent as possible.

One thing that the ATRT process has done is really encouraged us to make sure that that difference is very strictly adhered to. I think you see that in 2013 where the Chair has been very keen to make the processes as transparent as possible while just simply protecting that candidate data that has to be protected. So the ATRT has really given an impetus to the thinking of the NomCom to be a little bit braver in being more open.

There were two things. I don't really know where to begin, because a lot happened and there are a lot of questions really that could be covered. The basic outline we worked upon was trying to improve what the ATRT (inaudible) skill set required of the candidates. And we were talking primarily from the ATRT about director candidates, although the NomCom tried to apply these principles across the board to all the positions that it filled for the supporting organizations and advisory councils.

So really, it was working with the community to try and develop improved candidate profiles, and also the gaps that were missing. What did ICANN need from these candidates to fill any missing gaps and so on? And that was achieved mainly through workshops, through better dialogue with the community with specific meetings with the Board Governance Committee and the board and so on, and that has been successful. I think as participants in ICANN or (inaudible) might have

looked at the Nominating Committee website, you can see a much clearer and a much better description of what is required in a candidate with justification of why those skillsets, why that candidate profile is desirable. And that has really evolved from the ATRT process and has been successful, I think.

One thing that did not occur – Steve, it might be...well, I don't recall how. Somebody I think earlier mentioned what was not implemented from the recommendations, and that was something that would go to accountability of the Nominating Committee I think where the ATRT recommended that the Nominating Committee selections be reviewed against the initial criteria, or against those initial skillsets and the initial candidate profile.

That is very difficult to do, partly because only the Nominating Committee has the ability to see the full candidate pool. So nobody else can see what was available for the Nominating Committee to choose from. So making an assessment is difficult on that basis. And also it gets into the area of I suppose justification. And then somebody might say, "Well, I have those skillsets. Why wasn't I picked?" and so on. It's a dangerous area I think, and it's one that Nominating Committees seem to have shied away from. That would be one recommendation that wasn't adopted. I don't know how you're considering it, but you might want to look at it again.

In the questions that staff gave us, there was a question that asked were there any sort of secondary or unintended consequences from the ATRT recommendations? And I would say yes, particularly in the sense that we've worked on candidate profiles, which have been helpful for an outside recruitment agency, which is helping this year's Nominating Committee in doing its work. So it's not just internal to ICANN these processes. It's helping with an external recruiter design a program to help us find high-level director candidates through their recruitment network and recruitment processes. I should stop. We've got a long day and I'm blabbering on. Any questions or anything I can do to help, I'd be more than happy. Thank you.

BRIAN CUTE:

Thank you, Adam. Actually, if you don't mind, I'd like you to blabber a bit more. I'm going to ask you some questions, because I'm finding this very informative. Let me suggest a few things to focus your comments around.

Number one, this was a recommendation where the implementation required the interaction between ICANN and the NomCom, so it's not a recommendation where the board had to undertake implementation fully within its remit, didn't really need to interact with another body within the ICANN structure. So it's important from that perspective, that how did implementation – the process of implementation – go when NomCom and ICANN's board had to interact between each other? So I'd

like some perspective on how the process went. What was good? What wasn't so good? What did you learn along the way? So the process question.

I do recall, too, that ATRT-1, one of the thoughts that was top of mind in developing this recommendation was that the NomCom process needed to be respected, that getting the right skillsets was important, that having the board, as it should, help in identifying what skillsets were necessary within its fiduciary duty to ICANN needed to be communicated to the NomCom. But throughout that process, the NomCom's independence needed to be respected. So I'd like to hear your observations on that dynamic worked, and then anything else in terms of the overall effects of this recommendation and implementation, positive or negative. Could you hit those three points a bit more?

ADAM PEAKE:

Thank you. Adam again. Yes, I'll try. On the process issues, there was no particular problems as such. I think we were all somewhat hesitant. No one was quite sure what was absolutely required. And as we are meeting at ICANN meetings during those six or seven days, it's the time when the board is at its busiest, and actually it was also the time when the Nominating Committee was at its busiest. So there was some hesitancy and it was a little bit slow.

But meetings with the Board Governance Committee were effective. They provided the information that we requested and that information has improved over time so that – it began with the initial sort of overview of skillsets that the Board Governance Committee had done as a review of the board generally, what skills were available on the board, and what they felt were missing. It included additional information about how the board worked, particularly in the subcommittees, which are important for the day-to-day operations of the board which we probably don't see as well.

We also had meetings with the whole board, and I think that was important because there's a feeling that you don't want to be directed by just a subset of the board, whether that would be the Board Governance Committee, the chair of that committee; or indeed, the chair of the board itself.

We tried to ensure that we were talking to – and the board also wished to talk to us. A little bit hesitant, but that process went well. The board has gone beyond what was required by the ATRT, I think anyway. It's now started to do 360 reviews of board performance, director performance, and those are made available on a confidential basis to the Nominating Committee chair. So I think we're seeing something that – these recommendations are generally being taken on board and implemented with a spirit that they want them to be achieved.

In terms of skillset, yes, the board, as I mentioned, was very helpful in providing what they felt were the gaps and needs, what was required. But also the Nominating Committee improved its outreach to the constituents – the advisory councils and supporting organizations. NomComs have always gone around and asked the At Large, GNSO, ccNSO, ASO, and then the GNSO constituencies what they felt the skillsets should be, what ICANN was looking for. But I think the ATRT process generally brought the importance of this to people’s minds, and so the responses were much improved.

Talking about the independence of the Nominating Committee, I think by not just relying on input from the board by going out and trying to consult broadly with everybody that we could, you get a much wider view of the issues. So you’re not just being directed by the board in what the board thinks it requires. It was also the community telling us what they think the board needs, and of course what ICANN needs. Does that help?

BRIAN CUTE:

Thank you. Yes. A point you made prior to – if I heard you correctly, the Board Governance Committee provided some documents or information about how the board functioned, if I heard you right, committee (instructions) and whatnot. Was that information or data that you had not seen before? Can you elaborate a little bit there on the impact of that exchange?

ADAM PEAKE:

It was more about – not written information, I don’t recall. It was during meetings, and the structure of the various committees, what their function was, who led them or who the membership were, and if they felt that a particular committee might have less skills than it needed. For example, it could have been something like a risk committee or a finance committee where the skills may be less than – there might not have been enough members with background to populate those committees.

Those were the sorts of things we were hearing from them, and a little bit of what the committee did. Of course the minutes of the committee and the charters of the committee are online, but it was helpful just to hear the working model of how they actually did their work. I think that was encouraging.

BRIAN CUTE:

Thank you. Any questions from Review Team members for Adam? Olivier.

OLIVIER CRÉPIN-LEBLOND:

Thank you very much, Brian. It’s Olivier Crépin-Leblond for the transcript record. I have a question with regards to conflict of interest. When asking the board for skillsets and going to the BGC for skillsets, some of the board members whose term comes up for renewal would be present or might be even part of the BGC. How would that be

handled? Would those be out of the room at the time or how could this be handled?

Because what one could then do if you take it really at a certain level is to say, well, we will cater the skillsets of the board member who is actually currently in place so that we make sure we continue having that board member. Very specific skillsets that you (label) on the current board member that you might have.

This is not something that has happened, by the way. This is just hypothetical. How would this be dealt with?

ADAM PEAKE:

Hi, it's Adam. Yes, that is an issue that actually came up and it was an issue in Beijing where the Nominating Committee met with the Board Governance Committee and members of the Board Governance Committee whose terms were ending this year did not join the meeting. They stepped back and recused themselves. So the issue didn't arise. They were aware of the potential optics of that, and so they stepped down, which again is a good sign.

BRIAN CUTE:

Thank you. Did you want to elaborate, Amy?

AMY STATHOS:

Yes. This is Amy Stathos for the record. That is what I was going to say, Olivier, is that they absolutely recognize that. And one add that I want to make in terms of the reference that Adam made to the 360 reviews, the board is now conducting 360 reviews of all members whose term is ending in a given year. So they're not waiting to determine or understand if any one particular member has put their name in again for reconsideration for another term. They're evaluating all of the members, so there isn't any issue with understanding or having confidential information about who may or may not be re-upping.

BRIAN CUTE:

Thanks. Alan.

ALAN GREENBERG:

Just for those in the room who are ignorant, and I put myself among them, what is a 360 review?

AMY STATHOS:

This is Amy again. In this particular instance, the review is of both board members as well as staff members who work with the board members in terms of their performance in working on the board and/or committees that they serve on for the board.

BRIAN CUTE:

Olivier.

OLIVIER CRÉPIN-LEBLOND:

Thank you, Brian. It's Olivier here. Just to say thank you. That's certainly very assuring, Amy, to hear that 360 reviews are taking place and that board members are recusing themselves from discussions when the discussion is with regards to position (inaudible). It would be great if we could have this in the DNA itself, the process itself, so that is engrained

and not just left to the individual board members to do the right thing. Thank you.

BRIAN CUTE: Amy.

AMY STATHOS: Absolutely. It actually is now in the standard operating procedures.

BRIAN CUTE: Great, thank you. And Adam, thank you for your observations again. And also, there is a board component here, too. I note that Bruce is not here or other members of the committee. But clearly any feedback from the board in terms of how do the process of implementation work, what were the effects, etc. is welcome income to the extent that we can – Steve.

STEVE CROCKER: Just to add a little tiny piece to what's been inscribed. As described, we are doing 360 reviews of the board members whose terms are ending. We aligned the terms of the voting board members, so that the ones appointed by SOs and ACs, instead of starting and stopping in the middle of the year are now aligned to start and stop at annual general meeting. And it's all leveled out, so there's five each time.

We also are taking a look at the calendar and the piece of implementation which we are almost complete is to lay out what the selection timings are when input has to go to the various bodies, whether it's the Nomination Committee or the SOs or ALAC and get them the 360 reviews in advance – well enough in advance so they can make use of that. There's some further linkage, because for the geographic balance, the SO and ALAC selections have to be made in a timely fashion so that the NomCom knows what those are and can then do its geographic balance, which was I think the motivation for the original offset. So we've kept that from a selection point of view, but from a seating point of view, we've put everybody on the same schedule.

So we don't quite have it yet, but there will be a master calendar of all of these states, of all these interlocking pieces so you can sort of see the several pieces of this puzzle all at one. And that will be updated annually and published and be part of the bureaucratic (inaudible). Just clerical stuff, but it's bits and pieces that all have to be put together.

BRIAN CUTE: Thanks. Alan.

ALAN GREENBERG: Two further questions. In terms of the review by fellow board members, are the outgoing people being reviewed by all board members or a select subset? If it's the latter, how are they selected?

STEVE CROCKER: I can't report because I was invited to review some, but not all, and I'm quite sure that the ones who were reviewed were not reviewed by everybody on the board. So there's some subset selection process. I actually don't know what that process was. It's run through the Board

Governance Committee, which is chaired by Bruce. I didn't sort of sit on that as an observer, but I don't know what that is. But it's a subset process of some sort.

ALAN GREENBERG:

Clearly that has some impact on the outcomes of the review. A related question. We were told that the information would be made available to the NomCom chair. For the SOs and for the ALAC, the selection process is really done by the wider community. Is this kind of review something that we're going to be able to distribute to the people who are actually making the decisions or not? Sounds like a confidentiality issue.

STEVE CROCKER:

Yeah, good question. I don't know the precise state of affairs of that. But I think that's a fair question to nail down. Listening closely to what you said, the reviews are made available to the chair of the NomCom and to the chairs of the appropriate, relevant appointing bodies – to all the appointing bodies – whether it's a NomCom or whether it's SO or whether it's ALAC.

And I'm pretty sure that the intent is that it would be distributed within those, but you're asking the next layer question of distributed beyond the small groups, whether it's a council or whether it's a NomCom or something like that. And I don't know what words have been said about all that. That's a perfectly fine question to ask and let's make sure we get it answered.

ALAN GREENBERG:

It's Alan speaking. Clearly a substantive difference, the NomCom participants have an oath of secrecy, essentially, whereas to distribute it just to the chair of an AC or SO and tell them they can't distribute it (widely) to the people who actually make a decision. Where's an interesting Catch 22.

STEVE CROCKER:

Your point is very clear. I take it and I apologize that I don't know the answer. We have a chair of ALAC here. What is your understanding?

OLIVIER CRÉPIN-LEBLOND:

Thank you, Steve. It's Olivier for the transcript. We have discussed. I can say both Steve and I have discussed this, and to this point in time, I still don't have an answer really. It might well be that I have to pull each one of the members of the ALAC aside and let them know of the advice rather than just having it sent out in the world.

Now, I'm saying it might well be. I don't know what the best solution would be. Of course for transparency, that would be pretty deplorable. But then, at the same time, you also have privacy and if you're going to release the information in the world and that person deems that the information is not reflecting on them correctly, at that point we have a problem as well. So it's something we have to look at.

ALAN GREENBERG:

It's Alan. I understand the problem, but in our case and in the case of the GNSO, the selection actually goes all the way down to the individual

members in the constituencies, in our case is to ALS, is a group we have absolutely no control over, but it's not that dissimilar in registrars or NCSG.

BRIAN CUTE: Amy.

AMY STATHOS: This is Amy Stathos. Yeah. And I think this is a really good point, because I don't think that the consideration of it going all the way down to all of the individuals. The discussion point, at least at the BGC, initially was that the reviews would go to the chairs until the time at which it was determined that one of the members in fact have submitted their name for reconsideration for a new term.

At that point then, the intent was for it to be shared with the council on a confidential basis, but I don't think that there was consideration that it would go to the entire community. So I think that's something that we should take back and consider. I think that's a good point.

BRIAN CUTE: Thank you. Alice.

ALICE JANSEN: Yes. Olof's in the queue.

BRIAN CUTE: Thank you. Olof.

OLOF NORDLING: Yes, thank you. Olof Nordling for the record. Just in conjunction with what Steve mentioned about calendar and about the information and such. It can be noted that so far the information about the skillsets from the board and from the community and SOs and ACs in general has been a bit of an iterative process with meetings during our conjunction to the annual general meeting when each NomCom cycle starts. The NomCom or committee has received some initial views and thoughts, and then that has been refined later on, like for example, now at the debating meeting.

And of course, ideally, if the NomCom could get the full information already at the outset at the start of each cycle, it would be the ideal solution, whether that's possible or not. But I take it from – Steve mentioned that that is the direction that at least the board is going.

BRIAN CUTE: Thank you. A question for anyone who wants to weigh in. What I'm hearing in part is clearly efforts or effects of the implementation driving toward efficiencies in the sense of getting the 360 reviews to the respective chairs in a timely fashion for their piece of the process.

And so efficiencies that are resulting from the implementation which sound to be positive, I'd ask anybody here, are there any burdens that have been created by these additional steps or unintended consequences that have made the process more complicated, either from the NomCom's perspective or the board's perspective?

ADAM PEAKE: It's Adam. May I just say one last interjection on this, then? Hello?

BRIAN CUTE: Sorry, Adam. Go ahead, please.

ADAM PEAKE: Yep. It's really about the – I suppose the intended consequences. Committees like the NomCom, most of the work – or not most – a lot of the work of ICANN is done by volunteers. One of the most successful things that's come out of the 2013 Nominating Committee is monthly report cards updating people on what we do. These are only a couple of pages long, but it doesn't mean that somebody has to actually sit down and write them and they write them immediately after a teleconference or so on.

And you can't rely every year that somebody is going to be willing to do that because it takes – there's a few hours that go into these things after a (inaudible) conference and so on, you may not wish to do that.

So a lot of these things, when you make recommendations – and I hope you will do because the ATRT was obviously useful – we have to keep in mind that a lot of this is being implemented actually by volunteers, and as such – well, basically, you're volunteers as well, so you know what I'm saying. Don't expect too much sometimes I think.

Certainly in 2011 when we tried to do some blogging and we tried to do some writing and extra communication, it failed simply because the people involved didn't have enough time and you can't criticize them because they were already doing quite a lot of volunteer work for the Nominating Committee anyway. That's the point I wanted to make. Thanks.

BRIAN CUTE: Thanks, Adam. Point well taken. And thank you for setting the bar low for us. We hope to exceed that, but appreciate it.

I wanted to ask about recommendation number three, just shifting to another. Does anybody else have any questions on that line of discussion before I wanted to shift to recommendation number three? Okay, great.

So number three, just one point. And this has been a subject of discussion already in ATRT-2. Fadi raised the issue of implementability of recommendations and exploring whether or not a recommendation is designed in a way that makes it more difficult to implement for whatever reason.

Recommendation three was one where the ATRT-1 put a date on it and recommended that the board and Nominating Committee should commence this process in late 2011. And I think we had a specific – yes. As soon as possible, but no later than the Nominating Committee process commencing in late 2011. So the question I'd like to explore is was that mark hit? If it was hit, if you have any reflections on the process of meeting that date, difficulties or ease of meeting that date. And if it wasn't hit, any observations or reflections on why it wasn't hit,

and any difficulties that created that inability to hit the date. So that's an open question for anybody.

OLOF NORDLING: This is Olof Nordling. Could I take a first crack at it?

BRIAN CUTE: Yes, please.

OLOF NORDLING: I would say then that the NomCom 2011, which started in 2010, with Adam at the helm already introduced at least some of the transparency measures, like having public – reaching out to the public during ICANN meetings and telling more about what ICANN was doing and the various steps were clarified. We were instructed to put up a clear timeline, for example, and that one was up during the 2011.

So that was refined during the 2012, which is actually the NomCom that starts at the end of 2011. And further refined (beyond) the 2013 NomCom. So I would say again this is a little bit learning by doing and improving step-by-step, finding new ideas, like for example, the report card which is an excellent example of improving the transparency and also the visibility of the NomCom.

I think the visibility as such was a bit low before, and that was very much helped by the activities undertaken as a consequence of the ATRT-1 recommendations.

So I would say, yes, maybe we didn't hit the full mark according to the timeline, but a good part with at least already before the deadline that the ATRT-1 set. Adam, I don't know if you agree with me on this.

ADAM PEAKE: Adam Peake for the record. Yes, I do. Looking down the list of this year's consultations information sharing, yes, that was done. Create new procedures, guidelines, transparency guidelines, code of conduct. Yes, that was done. Most of that was already in place from previous NomComs. Board review, I don't know because I'm not on board. Nominating processes, yes, that was all done except for openly justifies the selection related to required skillsets. That was done partly by 2012, but not perhaps as explicitly as those words said for the reasons I mentioned before. And then documented imbedded operating procedures. Yes, I think that was done as well.

Probably 75-80% of that would have been done by the start of the 2012 Nominating Committee i.e. the AGM of 2011 and then the rest was done as that process got moving. So, yeah, targets were met just about.

BRIAN CUTE: Thank you very much, Olof and Adam. And just a reaction to the last two words: just about. One of the other discussions we had in terms of implementability with Fadi in LA was also the issue of metrics. ATRT-1 did not put forward any metrics to the organization to measure implementation. We put some "please complete by date X" but really didn't get into that business. There's been some discussion already

about the utility of metrics and this Review Team perhaps exploring more than the first one did how those could be built, because first of all, very good candid observations and thank you for that. That's really what's important here. This process is not about you fail in that one or you get a gold star in that one. It's really about learning.

So just one reaction. As it sounds listening to both of you as though some of it was done, but not all of it, and not entirely clear – not good clarity around all the pieces of the puzzle.

So one takeaway is that this is an affirmation that a bit more focused on metrics for forward-going recommendations is going to be critical. In addition to the question of implementability, are we making recommendations that can be implemented with relative ease? Any other questions on these points?

ADAM PEAKE:

It's Adam. I just wanted to very quickly come back and just say that, on metrics, some of these issues – the reason I used the words "just about" to end there is because they're a continuum, if you like, of implementation. So the fact that they weren't completed was because it's very much an ongoing task of improvement, sort of iterative stuff.

So where something wasn't completed, perhaps it was because the date was difficult to fix as much as anything. Certainly the efforts were there. And some things were well-exceeded in terms of timeline and achievement and other things were just sort of rolling along. Thanks.

BRIAN CUTE:

Thanks, Adam. That's a takeaway for me, too. If it was a continuum, then a Review Team making implementations needs to understand the nature of the process and that perhaps fixing a date certain for particular pieces does not make sense. That's very good feedback. Anything else on this line of discussion, Review Team or those online contributing?

Denise, we've got the two hours and we've got 14 recommendations, right? So we've just covered off three? Two. I thought that was a very good exchange. Very helpful. Certainly would like to continue down this path with the time that we have. There are other recommendations that we need to hit of the 14. Do you want to tee up another recommendation or set a recommendation at this point?

DENISE MICHEL:

So we're really following the team's lead. The way this was set up was that you want staff to answer all these questions in writing and then we would have a discussion. So we don't have any specific presentations. We have the written material. You just let us know how you want to address the remaining 12 recommendations.

BRIAN CUTE:

Just walk us through. There's 12 to go. Yes, Jørgen. Sorry, Amy. Jørgen, please.

JØRGEN ANDERSEN:

Well, thank you. Yes. I think this is quite a challenge to sit there. Many recommendations are only limited to the time available. Also, I would like to thank you for the amount of material received. I actually printed it out, because I'm not able to read it. My PC cannot read this version of the spreadsheet, but anyway, I've been deeply impressed by reading all the material you collected within a very short time.

I think Brian touched upon it in his initial remarks. Where it's difficult is that you are being more or less overloaded with information. Where I think it's very difficult is to digest this enormous amount of information and digest it in the perspective which is a background for setting up the Review Team. Do we have on each of the recommendation concrete, tangible improvements which we're able to measure? Do we have the baseline?

There are several of the recommendations where you frankly state that there was no baseline. No criticism for that. But I think that what I would like when we go through the recommendations is very quickly to get your impression about the relevance of the recommendation. Has there been a very tangible effect of the work carried out? That is also reasonable. Has there been a tick in the box, work you have done? You have done some initiatives, but you really are not able to assess what are the tangible improvements obtained.

That would be my proposal for moving forward, because while I don't think that we will really benefit from having all this very detailed information about what has been done and what has not been done, I think that you are aware of what our needs are. That would be my proposal. Thank you.

BRIAN CUTE:

I think that's a very constructive way to focus your comments on the recommendations you are about to walk us through. If you focus primarily on what has been the effect – has this had a positive effect, a neutral effect, actually it's created problems – and take it from that orientation and walk us through the rest of recommendations primarily focusing on that question. I think that's very useful. Everyone agree with that? Okay. Yes, Amy. Sorry.

AMY STATHOS:

Thank you for that, because I think that was kind of where I was about to head, because I think, at least with respect to the ones relating to board – and again I'm not speaking for the board. I'm speaking as board support in terms of the BGC mainly where most of these were – about 14 of them, in fact – were delegated to the Board Governance Committee to move through the process.

Going through some of them, some of them are check the box. They're pretty easy. Post reasons for redaction. Check that box. Some of them are much more difficult. And in terms of baselines, are much more difficult to identify.

So what I was thinking about doing is at least taking through the ones that we found were difficult, that there wasn't a specific or tangible baseline to work from, and therefore it was hard to understand exactly what tasks would be appropriate to implement in order to achieve completion, because some of these will never be completed, and if you can put the recommendations, Larisa, back up on the screen – or Alice – the number 4 is quite difficult to identify specific tasks.

Now, the board has done a really good job in looking at some and creating some significant new processes, which I'm sure Steve can speak to in more detail, but building on the work of the BGC, the board should continue enhanced board performance and work practices, that's going to be an ongoing thing and hopefully will never end. So understanding some of the metrics or how you go about achieving that was a little bit difficult to gauge.

BRIAN CUTE:

Thank you for that. I think it's a great direction to go for this in the rest of the time that we have in this module. If I can break that down into what were the tasks versus how do you measure whether this has been hit or not, which is two different animals. Yeah, the nature of how that's constructed "should continue to enhance board performance" it's not as black and white. That's recognized.

But with respect to the tasks – and I don't have in front of me and I don't have an immediate recollection – but was the background report of the ATRT on this particular recommendation specific or helpful in identifying the tasks that should be taken up to implement the recommendation? Because the report is part of the deliverable from the ATRT or any Review Team to the board.

AMY STATHOS:

It was, to a degree, because a lot of the things are not necessarily task-oriented. They're more culture-oriented in terms of how you manage your processes. But in terms of that, there was some helpful in the fact that the board has undertaken significant board effectiveness training programs, certainly developed ongoing and standard operating procedures that are much more effective and much more focused than they were in terms of they were less formal previously. So those are certainly things that have been implemented. And as Steve will attest to, Steve is working very, very hard to make sure that they are standard operating procedures on an ongoing and continuing to increase those operating procedures.

And as you'll see, many of them have been posted for review so you can see what processes that the board undertakes – identify and the fact that we're continuing to update those over time. And again, I think this does also connect back to the ones with respect to the NomCom, because the better that we identify the skills that are needed, certainly the better the board can be effective with the right skills.

And I think the board has also spent a lot of time undertaking the individual look at committees in terms of how they operate, making sure that they all have ongoing work plans, making sure that those work plans are being followed and that they actually flow up into the board's work plans, so that the committees are actually doing what they are supposed to be doing, which is helping identify the work so that the board can take that work and make sure that it becomes more effective.

BRIAN CUTE:

This is Brian. What's (inaudible) for me in my mind is that there's – and I know this was in the mind of the Review Team the first time around – is a bit of a balance between the Review Team making recommendations that are specific and measurable and the Review Team being prescriptive in how the organization takes on those tasks. And I think the first time around, clearly on the question of metrics, the sense of the Review Team was that the organization is in the best position to understand what the metrics should be and how to go about building those metrics. So a deference in that regard on the question.

But this is helpful, because for this Review Team and future reviews, finding that proper balance between being specific enough so that it's actionable and measurable, but also being deferential and not prescriptive with respect to the things that the organization is in the best position to know how to do is something that we have to keep our eye on. So any other comments on this number 4? Yeah, Olivier.

OLIVIER CRÉPIN-LEBLOND:

Thank you very much, Brian. It's Olivier for the transcript record. I have two questions, actually, one which comes out of the process that we're dealing with at the moment. It's just a procedural question. We've spoken about the NomCom. We're speaking about the board performance. Will the ATRT-2 come back to this afterwards and come with additional recommendations, if it might need to come up with other recommendations?

I'm thinking, for example, on the NomCom side of things, the ability to recall people from the positions they've been appointed at or if the complications associated with this for non-performing – not only, I wouldn't say just board members, but SO and AC members that were appointed by the NomCom, this sort of thing.

BRIAN CUTE:

I believe that's in our remit in terms of making the recommendations. Yes. So, thank you.

OLIVIER CRÉPIN-LEBLOND:

That's one question, but let's go back to the track here. I thank you very much, Amy, for this. I think that the work that the board is currently doing under the real capable shepherding of ICANN staff and also the leadership of Steve is really good. It was something that was required. I really look forward to seeing KPIs being used at some point, and being able to have a board dashboard. That sounds weird, doesn't it? Board dashboard.

But anyway, yeah, board dashboard effective, to make it easy to find out not only what the board is doing, because that's already in place, but certainly how the board is performing and how much time they're spending on process, how much time they're spending on policy, how much time they're spending just representing things or reading stuff, which they really shouldn't be dealing with. They need to be spending their time effectively. These are very bright people you have, and if they just have to read through mindless documents and things, surely there is a lack of volunteer capacity use at that point. So it would be great to be able to see metrics on this in the future. Thank you.

BRIAN CUTE:

Steve.

STEVE CROCKER:

I've been listening closely as you might guess, and debating about – I don't want to take up a lot of airtime here and I certainly don't want to sound defensive at all. Let me just give you snippets of what it's like inside the process that I've been very, very actively trying to do some things. And they align partially, but not exactly with, the dialogue here.

There's a lot of sort of nitty-gritty grungy stuff that is occupying my time just to get things organized so that it's possible to have the higher-level discussion. So I've been trying hard to get our procedures lined up so that everybody knows what to do, when to do it, and that all of that flows in an orderly way.

And we're not there yet. There is a draft – a very early not ready for primetime draft – of a Board Procedures Manual which is intended to be descriptive, but not prescriptive. That is, it's intended to capture how we do things but not be a set of laws. It's more for information. It's been challenging just getting the cycles because of the overwhelming workload of everything else.

Fadi has made substantial organizational changes, and one of the consequences is we had taken on things within the board that, by any reasonable analysis, didn't really belong at the board level with the board operating more as an adjunct of management and we're trying to rebalance that.

That's easy to say and it's a little harder than you might guess to actually put into practice because partly the board has habituated into getting into these things, so it got to carefully untangle almost moment by moment, is this a board level thing or are we acting as subject matter experts and dipping our hands into the management structure? Which, given the size of the board and given the enormous talent that's on the board, it's actually a big resource that invites itself to be used that way, not only by the predilections of the board members, but also because it's useful in some cases.

So we're trying to work that out. I'd say that conversation is well along. It's not fresh, but we're not quite there. So for example, in the Board

Governance Committee is an active conversation about: do we need all of the committees that we currently have and whether those committees are necessary from a board point of view or are only functioning from a management point of view or whether there's some mixture of stuff going on. So we're trying to sort all that out. Our hope is that we'll be able to make a set of changes in the fall in sync with the annual general meeting. So those are a couple of things. And then there's a bunch of procedural things.

And then with respect to how effective we are and also that relates a little bit to the skillset issues, we've tried to shape up our messages to the NomCom as to what skillsets we need. I don't see any reason why the message that we sent to the NomCom wouldn't be available if you wanted to see it. It's posted. Yes. Okay. We are transparent. We're so transparent, I don't see it all the time. Sorry. Cheap joke.

So that's what's going on in the trenches, if you will. Then getting KPIs to go with all of this would be great, and as soon as I can get around to – we're just sort of struggling to get up to the level where we have enough stability so it makes sense to try to do that.

But I'm hopeful. Things are, in fact, getting better. I'm trying to regularize the process of moving things, the time they get to board resolutions. So, here's something, and the bulk of you are going to need the – I'm looking at the two members of the legal stuff who are flanking me here. The rationales – I'll say it frankly – it's very good that we have rationales. We didn't used to. But I think if you look closely at the rationales and ask the tough question, do they account for all the things we chose to do, that that's not really there yet. In my saying that, you are hearing that it's recognized and you guys had better hear that it's now going to change. I actually intend – we'll see whether I can hold to it – to push back and hold off moving resolutions through until we have that.

Also, if you look closely, you'll see that many of the resolutions – many of the rationales – are kind of added late in the game and they really should be part of the package that comes before the board enough times so that when we pass the resolution, we actually have read and thought through and debated whether the rationale speaks for us.

So it's all of the tactics of that. Trying to get all of that in place is – and it takes time. We're in a crush, in a real overload mode of all the different things going on. In my mind, there's no question that we're going to do all that. That's my agenda, if you will. And the ATRT process is something that I'm cognizant of, but it's not the only reason why I think these things are important.

BRIAN CUTE:

Thank you, Steve, very much for those observations. I'd like to welcome Demi Getschko to the meeting. Thank you, Demi. I also want to note for

the agenda that we're a little bit past our break. I think this is the beginning of some good discussions and I think there's an offer from the staff to keep this part of the agenda going after the break, which I think makes very good sense. The agenda called for one recommendation of ATRT-2 in the 11:00 to 12:00 timeframe. Let's just keep plowing forward on this discussion if everyone's agreeable. We'll take a 15-minute break now, reconvene and continue. Thank you. We'll be back in 15 for those online.

Okay. We're back online. Thank you all for your patience. This is the ATRT-2 in Los Angeles face-to-face meeting. Brian Cute. We are going to continue on our agenda with ICANN staff, item number 3. I have to apologize. I was actually an hour ahead of myself on that break. I miscalculated. So we actually had more time than I realized. There were no cookies. I didn't have my sugar. So the good news is we have more time before we get to the noon hour here in Los Angeles. So we're going to pick up where we left it off with ICANN staff on the 14 recommendations that were on agenda item 3. If you would then just move forward through those recommendations – and again focusing primarily your reflections on what were the effects of those recommendations as implemented – positive, neutral, negative – and if you can start off the conversation with those reflections, we'll take it from there. So, Amy, if you would. Thank you.

AMY STATHOS:

Sure. I think we can probably go very, very quickly over number 5, which was the compensation arrangement. We implemented it. All voting board members now currently have the opportunity to elect compensation and the compensation is based on independent compensation expert evaluation of what is reasonable, which is a necessary requirement in order to maintain the nonprofit relationship we have, because there's specific criteria that the IRS, at least for the United States, lists that we must follow in order to achieve a (inaudible) presumption that the information and the compensation levels are reasonable.

So we satisfied all those criteria. I can say that the steps that we had to take to have a board approve its own compensation took some time to make sure that we were taking all the necessary steps. So in terms of the comment about setting a specific date certain, we did not achieve that date.

Based on when the recommendation was made, there was many steps that had to go in, including the independent evaluation to make sure that we were looking at the right comparables. ICANN is not something that you can look at and it's not a typical this kind of company or a typical that kind of company. So we had to ensure that there were the right comparables, everybody was happy with the buckets that the independent experts were looking at because they were having a difficult time analyzing that.

So the effect is – and I don't know if Adam is still on the phone from the NomCom point of view. I recall being at the meeting that the BGC had with the NomCom in Beijing indicating that it does appear that the fact that there is some level of compensation has helped in seeking some of the nominees or candidates. But I can't speak to that specifically. I think that would be something that the NomCom would need to speak to directly.

The negatives – not major negatives. It costs more money for the organization to pay those who do elect the compensation, but I don't see any specific direct negatives in that regard.

BRIAN CUTE:

Thank you. Adam, if you are online and want to comment, please.

OLOF NORDLING:

This is Olof Nordling for the record and I know for a fact that Adam has left. He was calling in from Tokyo, so fully understandably very late for him.

But I can confirm that in relation with the recruitment agency that is engaged to assist in improving the number of candidates, well, this was a very welcome addition because as they are used to discuss with very high level people, and usually when they are contacted by a recruitment agency of that stature, they expect that there be a lot of compensation. Previously, where there was none, that was not perhaps a non-starter, but it made the whole exchange much more difficult for the recruitment agency.

This compensation, albeit, it's not on par with what it usually are dealing with has certainly helped. We have seen a much better influx of candidates from that particular initiative this year since the compensation was introduced.

BRIAN CUTE:

Thank you very much, Olof. David, then Alan.

DAVID CONRAD:

Olof, do you have any sort of objective metrics to measure the change in influx from previous attempts to post compensation attempts?

OLOF NORDLING:

Whether it's due only to the compensation factor or it's better knowledge of ICANN from the recruitment agency point of view or we apply a better process, it's hard to tell, but it's four-fold increase compared to when we used the same recruitment agency two years earlier in 2011 NomCom.

BRIAN CUTE:

Thank you. Alan.

ALAN GREENBERG:

Thank you. My question is for Amy. I was curious about your answer that there is no negative impacts. Certainly within the community, there's been a lot of discussion the perceived relative worth of volunteers who volunteer for the board and volunteers who work in other parts of the organization. There's a (step) function from zero to

making that a large number, but a very significant number. And whether that's warranted or not, that's certainly a negative impact.

AMY STATHOS:

Alan, you're absolutely right. This is Amy for the record. The impact I was focusing on – and I should've gone beyond it – was the actual procedural impact of those things. But in terms of feedback, yes, there has been some commentary. There hasn't been – we haven't received or sought formal feedback, but absolutely, there's been comment about the differences between what used to be a volunteer board now paid board, and the ongoing work of the volunteers in the community. Absolutely. I apologize for not bringing that up.

BRIAN CUTE:

Thank you. Steve.

STEVE CROCKER:

I watched this process of recommending compensation go forward. I have very mixed feelings about it and made a point of recusing myself from the votes. My gut feeling is that those of us who are involved in the process ought to be in a position where we can make our contribution without needing to be paid for. But I noted that there was a sort of overwhelming decision against – well, in favor of having compensation.

And it was then very clear to me that we would be creating a further divide that some already existed between board positions versus everything else and my tendency sort egalitarianism was a little ruffled, I should say. So I'm very empathetic with the point that you've made, Alan.

I'm unhappy that we have unpaid liaisons who work side by side doing essentially the same work and we have this sort of two-tier system, and then equally, stepping outside of the board itself, we have people who put in an enormous amount of work in the SOs and the ACs both in leadership positions and in unpaid (unlabeled) positions.

I would hope that we could figure out how to move through that, and it's been a bit of a – I found it a bit painful that it has not gotten the level of attention. So I'll say in a stage whisper if this Review Team made a recommendation that following up on the excellent progress we made on prior compensation (thing) and we moved through that very smartly. We had multiple steps, as Amy described, and we laid out what those steps were and we walked through them in a quite orderly way. I think that was done in an exemplary fashion once we knew what we had to do.

I would be quite warm to seeing a comparable recommendation. I'm speaking for myself, not necessarily conveying the board or anybody else's position.

BRIAN CUTE:

Alan and then Carlos.

ALAN GREENBERG:

I had a follow-up point I was going to make, but your comment just enlarges the scope by an order of magnitude. And the original comment was going to be it's fine to have four times as many applicants that the search agency could find. We need to try to measure the quality of them. To what extent are (inaudible) people saying, "Hey another \$50,000 a year gig, and therefore why not put my name in for it? It's good money. And I may not actually have to actually work (inaudible)."

Once you start spreading it to the rest of the organization – and I'd be delighted if I get included in that list – how do you differentiate between people who sign up for things just to get the cash as opposed to those who are willing to work anyway?

It's almost a question of if you're willing to put the volunteer time in, you deserve to get some payment. But once you get the payment, you don't have any proof that you're a good volunteer anymore. I don't know the way out of the problem. It would be nice if we could figure out an algorithm.

STEVE CROCKER:

That, I think, is exactly what bothered me at the outset of all of this. But having gone partway down that path, I don't think there's any choice but to keep going down that path and just deal with it. Paid or not, we can sort out who's making contributions, who's got skills, who's got the orientation to do that and whether or not they get paid.

I don't know how well we publicize who has chosen to take the payment. Some people are in a position where the companies they work for will say, "Don't take the payment. We'll cover the time that you put in." Others are in a position where the money makes a big difference.

My own situation is yet different from those two, and I won't burden you with it, but there's a lot of different possibilities. But I think we sort out who works and who doesn't and who's got the skills and who makes contributions.

BRIAN CUTE:

Carlos.

CARLOS RAÚL GUTIERREZ:

Yes. Carlos for the record. Before we went into the break or jumped into board compensation, I wanted to make a general comment. The way you are asking the questions, Brian, to the staff, for me, we're coming to a point where we see issues that can be improved over time and issues that require a change – a substantial change, a structural change. As Steve mentioned, new guidelines, etc.

But of course the example of board compensation is very important, because I think these are the recommendations looking at symptoms. It is a recommendation that didn't look at the source. Or maybe they looked at the source of the problem in the report, as you said, but it's just solving a symptom. I think this is one very important issue about

volunteering or not. When we had a phone conversation with the candidates of ATRT to Mike Roberts said, well, you have to expect that everybody who is related to ICANN is being paid to be there. The first time I thought it was a very cynical comment, but it's true.

I think the community is, as Steve just said, many people who are being paid by the companies to be here. Okay. So what happens when somebody is a real volunteer and is not being paid by a company to be here? I remember I answered to Mike Roberts I'm being paid, but I'm being paid by my government to be here. They are paying me. They are paying my time to be here. But there are some people who neither have a company nor a government paying for their time.

Steve, when you said what we should talk about, what kind of recommendation, I want to go back to an idea or a question that is put forward in every governance discussion – and I have mentioned it already twice, and once I think you reacted strongly about that. When we look at boards and governance, we have an experience of 200 years of conflicts of interests. So over the last 30 years there was an idea to have outside directors and separate directors by directors who have a direct interest in the business, and everybody knows and it's transparent and they might be paid by the company or by their related company. Then we have to bring in people who have no such an interest and try to create a balance between outside directors and company related directors.

I think instead of discussing if it's right or egalitarian to pay or not to pay, we should go a little deeper and ask, is it necessary to have outside directors and not? And when we go to these deeper levels, then we go immediately to another level, which is the liability of the directors.

And I have said it before. I don't want to take too much time. When you said about the rationale showing up at the very end, well, that happens through regulation. That happens in public policy all the time.

And we have 100 years of experience in public regulation and we have very clear rules of liabilities of members of public commissions. And I would love if we have some time over the next few months to discuss these issues, because I think there is a lot of experience – substantive experience – of these syndromes. If we consider them, we might come to very substantial recommendations. If not, we will remain on the superficial recommendations, (inaudible) give them money and then we have a lot of issues that we cannot solve. Thank you.

STEVE CROCKER:

Let me respond. There's multiple points that you touched on. Let me take the easy one. Let's arrange to sit at the same table this evening at dinner and we can have – and anybody else who wants to have that discussion, that will be the topic. I don't think compensation is exactly related to independence that you're talking about, and so I think the

independence is a separate topic that needs to be discussed. It's kind of a big subject because ICANN is constructed in its multi-stakeholders and we have people who are intimately involved in the business, whether they're on the board or whether they're in the GNSO Council or whether they're at ALAC or whatever.

And so rather than the classic clean separation – so-called clean separation – of government people versus non-government people, and you have the government people in a regulatory position, we've chosen – not just this board, but ICANN was constructed – to be a different animal with respect to the mixture of people who come into it and the conflict of interest conundrum that (inaudible) has been dealt with for better or for worse. I mean, it's just sort of repeating what the strategy is by having at least two mechanisms.

One is full disclosure and transparency and the other is a sufficient range of people so that you don't have capture by one group or another. Now, is that satisfactory when the perspective is we draw a clean line and this is the way we've done it in governments for years and that works fine? That may not feel satisfactory. On the other hand, that is also very intimately tied to governments are in charge. It's a little hard to untangle the point of view that you're suggesting from the classic things should be governed by governments as opposed to a multi-stakeholder model.

CARLOS RAÚL GUTIERREZ:

I don't think – I didn't mean to go that far. The point I wanted to make is if you do get paid, you should have clear liabilities. I do want to go all the way down to the government (inaudible). It's obvious that the setup of the NomCom tends to look like, okay, NomCom selects a number of independent board members because the other ones represent directly constituencies. If I look at this (funny) chart – but then we should delve a little bit deeper.

STEVE CROCKER:

It's not that clean, in fact. So, if you look – I'll just pick two examples. If you look at (inaudible) in respect to GNSO opens, if you look at a NomCom appointee like myself, because we drew the lines very, very wide, I got swept up in that so I'm viewed as conflicted. It's a little annoying and not what I would have chosen, but I'm not arguing against it. That was the safe thing to do and we did that and I said, "Okay, that's fine."

So we take that conflict very, very seriously, but it turns out to be uneven in terms of whether it's strictly NomCom versus strictly SO and ALAC. We have conflicted people who have come from the SOs and ALAC and we have non-conflicted people who have come out of (inaudible). Sorry. We have non-conflicted people out of ALAC and SOs. We have conflicted people who come from NomCom.

BRIAN CUTE:

If I may, the good news is the Review Team members who are participating in Workstream 1 are going to have a lot of time to dig into this issue. And you raise very good points about the structure of the board and the skillsets and compensation, and they are all important and interrelated. But we will have time to dig into that. So let's note that as an important conversation. We need to maximize our time here today with staff inputs, and that's why we're here is to hear from the staff. So I'd like to nudge the discussion forward. Can we move forward to recommendation number 6, which is a very important one? Any other closing thoughts on 5? Okay. Thank you for moving that up, Alice.

So let me read recommendation 6, and then I'll hand it to you, Amy. Recommendation 6 reads "The board should clarify as soon as possible, but no later than June 2011, the distinction between issues that are properly subject to ICANN's policy development processes and those matters that are properly within the executive functions performed by the ICANN staff and board and as soon as practicable, develop complementary mechanisms for consultation in appropriate circumstances with the relevant SOs and ACs on administrative and executive issues that will be addressed at the board level."

It's a mouthful, but it's important. And just for clarification, the words "executive functions" also translate into implementation. So for those on the line, when you hear recommendation 6, think policy versus implementation, if you will; or policy and implementation, if you will. That's the shorthand for what executive functions means. So with that, Amy, if you could give us your observations.

AMY STATHOS:

Sure. Actually, this particular recommendation is one that, as it relates to the question, did it lead to additional discussion points? I think technically – and I'm going to turn it over to Samantha Eisner in just a moment – that the recommendation was implemented as it is technically written, but has clearly lead to a much broader and much more important discussion, which I think has been increasing over time. Sam, if you maybe can give some of the details.

SAMANTHA EISNER:

Sure. This is Samantha Eisner for the record. As we started implementing this recommendation 6, I think one of the issues that we ran into and one of the reasons that the deadline that was stated in there was not met, that we really found that there was a nomenclature issue with this – and even going into the ATRT-1 report wasn't necessarily clarified. It would've been very nice if it had stated so clearly what you said today, Brian, because we spent a lot of time trying to figure out what this recommendation was saying and where it lead to and the use of the word "executive function" made it even more difficult because the executive function at ICANN is something that the president does, right? So ICANN doesn't act through its president.

So what we did is we put together a paper that's been published that identifies the different (inaudible) information is needed. I think that would be a useful approach to take.

BRIAN CUTE:

Thanks very much. We will do that. Two – at least one question that I assume would come up from the community from someplace is – and I'm lawyer myself, so I think I understand what you're saying – but when you say that ICANN can only act through the board, some might say, well, what the heck does the staff do?

So when we talk about policy versus implementation for executive function, can you just add some context? What does the staff do? What's the staff's role in this recommendation 6 implementation?

SAMANTHA EISNER:

Of course. So official actions of ICANN happen through resolution of the board. Staff clearly does a lot of work, and we do things all the time. We act in many ways. We facilitate work. We publish papers. We do the work. And sometimes we make decisions. It depends on the level of where that decision is as to whether or not it's an official act by resolution of the board or if it's something that's taken – that's done by the staff. We clearly do the work, but the board gives us directives on how to strategically move forward.

(inaudible) I know the GAC had a very busy schedule in Beijing. But I have not reviewed the public comment form to see if there has been any GAC member participation in the public comment. But I think that this is something that we can help take back to the policy team that I know is working really closely with the GAC on issues of early engagement to help get this something that goes up onto the briefing papers that they're providing to the GAC to help facilitate that discussion.

BRIAN CUTE:

Lise?

LISE FUHR:

My question was the same as Fiona's. But I think it's very, very important that we build into the process before we solve (group) or whatever you call it. We (inaudible) that you get the clarification of what's meant by the recommendation, because I'm a bit worried that you sit and work with a recommendation that you're not absolutely sure what's meant (by it).

SAMANTHA EISNER:

Again, ATRT-1 has the benefit of completely blazing a new path, inventing really in the processes and they are very tightly constrained in looking at the whole waterfront of what could be addressed in accountability and transparency and working their way through a defined scope, and this team I think, in some ways, had it a bit easier with all that work done in advance. But that's certainly I think a lesson learned on both sides that we'll certainly build in.

BRIAN CUTE:

And an observation, too, having been on ATRT-1 too. There is a final report. I haven't looked back through the final report of ATRT-1 to see what was there, but there is an opportunity moving forward if we need clarity or another approach. It's not just the recommendations that are up on the wall. There's a lot of work underneath that. They have a lot of interactions that we can take advantage of. Steve?

STEVE CROCKER:

So I'm listening closely to this and I am empathetic with sort of all sides of this. A thought occurs to me, which maybe is helpful or maybe you want to dispose it. But in writing the recommendations, would it be helpful to write kind of on two levels?

One is "we recommend you do the following" and then add to that an example of or a suggestion for how to implement it is the following with clear idea that that does not have the same weight and isn't intended to be as directive, but it is intended to provide a flushed-out example or fill in some details. And then the people who have to deal with it and implement it, whether it's the board or whether it's staff or whether it's others, have at least some idea of what that mindset was and if they're going to do something else.

So for example, to pick an easy one, a date certain for implementation of the compensation didn't fit because it turned out there were a lot more steps involved than was anticipated. From my point of view, that's the way it is and nobody should be concerned about that as long as it's clear that we did these and this had to be done. So getting it done was far more important than whether we got it done by a specific date. (It could) separate kind of the basic concept from helpful suggestions as opposed to overly directive suggestions that may accomplish the dual idea of being clear about what you want and providing the latitude to get the job done.

BRIAN CUTE:

That's a good suggestion. I think there's a number of things that we need to explore actively as we move forward in the process and that may be one approach and one tool among others that we can identify that make the feasibility aspect easier. Sorry, I missed Alan.

ALAN GREENBREG:

Thank you. I find this conversation fascinating. The core substance is identifying the difference between policy and implementation of DNS policy, of ICANN's (inaudible) business; and yet we're having a meta discussion on how do you implement the implementation of policy versus implementation.

If you look at what GNSO has done and Fadi has done recently, he said that although staff should not be influencing the creation of policy and a PDP, they better be involved in the process because they better make sure that whatever comes out of it is implementable.

Similarly, the GNSO has said after we disband a PDP, we will create PDP implementation group to work with staff on the actual implementation

to make sure that there's no misunderstanding of what the word said versus what the intent was.

And I think at the meta discussion of how do we implement the implementation, we have the exact same set of problems and I think we've learned a lot in the two years or three years since the ATRT. If you look at this discussion at two different levels, they're two exactly parallel discussions which are going on at two levels, at one strata and another. Thank you.

BRIAN CUTE:

Any other questions from the Review Team members? I guess I'd ask where are things now. Where do things stand today on implementation on this recommendation?

SAMANTHA EISNER:

In terms of the first item that I discussed, that we had a paper that we published that identified that differentiation between the policy related items, the organizational-administrative functions that require public comment, the organizational-administrative functions that don't require public comment, one of the things that we've done as part of that posting is we have committed that with each action of the board, we identify at the end of the rationale where this falls, so it makes it a little bit clearer to the community what action was taken and just to really make clear – was there a public comment on it, was there not, was public comment considered required?

So that completed the implementation as we understood 6, but that whole policy versus implementation discussion that's kind of been the tangential fallout from the work that we did on 6 is really taking off in the community. David Olive's policy team is really taking the lead on helping to steer that discussion. I know that the public comment was closed on the policy versus implementation paper that was posted. I believe that there will be some community – or there's likely to be a community working group coming together to really start focusing on that specific issue. So that work continues and we can – you might want to ask that of the policy people that you'll meet later today, because I think that they'll have further in for you.

BRIAN CUTE:

Thank you. Anyone else online or in the room? I'm looking for hands. Yes, Olivier.

OLIVIER CRÉPIN-LEBLOND:

Thank you very much, Brian. It's Olivier Crépin-Leblond for the transcript. I just wanted to record my wish for this subject to be discussed by the ATRT-2. I think it's a very important subject and we certainly need to keep a close eye over it.

Certainly one person's policy is another person's recommendation. Or is it one person's terrorist is another person's freedom fighter? Whichever. There seems to be various points of view on this, and certainly the GNSO is working on that. There are several debates going on at ICANN and I don't think we've reached the end of the rabbit hole

yet, specifically because of several incidents that have taken place recently. Certainly the CEO's work on one of his working groups was seen as being implementation, but policy was addressed and also another of small incidents like this. I'm not going to go into them, but I think we all know which they are. So certainly pursuing this and keeping a close eye on that would be a recommendation I would be suggesting to the group. Thank you.

BRIAN CUTE:

Thank you. Okay. We still have I think about an hour left and we had 14 plus 1 in the agenda in item number 4. So 15 total. We're through 6. Shall we plow forward? Recommendation 7. Amy?

AMY STATHOS:

Fairly quickly, I think we can do 7 and 8 at the same time. Eight is simply the circumstances where materials would be redacted, and those are published. Moving to going back to 7 in point one, which is actually the materials that we're talking about that would be redacted.

Sam can kind of give you the details on when these things happened. We are in the process of evaluating some metrics on this in terms of trying to determine how many people have actually reviewed the material that we now post, along with the minutes. The click-ons in terms of whether people have actually opened up and looked at the materials that are all now being published. But we are now publishing all of the board briefing materials, and subject to some minor redaction requirements. I don't know if you have any specific details on it, Sam, in terms of timing.

SAMANTHA EISNER:

Sure. So as we saw the HRT performing its work and releasing some of its initial recommendations and discussions, actually beginning with the April 2010 meeting of the board, we started posting board briefing materials. So we actually started posting the briefing materials prior to the release of the final report. We saw the value in what the ATRT was going towards.

That practice has been refined. After the ATRT recommendation was released, we saw the tie-in with recommendation 8, which asked for some specific guidelines about the redaction of the board briefing materials and so our practice of how we redact information, that we felt as an organization we needed to redact. We already have the documentary information disclosure policy, which gives some defined conditions for nondisclosure and that is the initial basis from which we perform any redactions over the board briefing materials.

We then publish those guidelines as almost a subset to the (inaudible) to provide a little bit more information about how that ties into the types of information you'd see in the board briefing materials. And now when you see the posting of the board briefing materials, we don't just say redacted. We give a reason for each redaction.

So it could be that the resolution was overtaken, so we don't want to confuse issues by putting in a resolution and board briefing materials that are substantially different from what you'd find in the actual resolution.

We also redact employment materials. We redact information that relates to (inaudible) security. We have different items that we redact. But you will see a reason for each redaction, not just the one redacted. So we try to enhance the transparency around our redaction practices through the opportunity to have the guidelines put together.

The guidelines I believe have been in place since March 2011 I think and we always provide a link to the guidelines whenever we post the briefing materials, and those briefing materials are made available along with the approved minutes of those meetings.

BRIAN CUTE:

Thank you. Let me ask – Alan, please.

ALAN GREENBERG:

A couple of short comments. First of all, do you believe – it's a perception issue – that we now change the DNA, so to speak, an expression that we've used often enough, to one of disclosure instead of one of redact unless we have some reason not to. Because really, there was a default position before that said redact pretty much everything. Or never mind redact, just don't make it available. So that's the first part.

SAMANTHA EISNER:

The challenge – very quickly after the release of the ATRT report – and it could've even come before. I don't recall where it came in within timing. But I know that I have personally been challenged by my bosses to flip the question, and the question should be – it's not "Why should I make this public?" But the question should be, "Why wouldn't I make it public?"

And so, when you look at things from that lens, it turns it. It turns the presumption to something should be public, and then you only take away those items that you analyze carefully should not be made public.

So we no longer come from a default position to the extent it was there before. But we no longer come from a default position of this information will not be released unless we find a reason to make it public. I think that that's something that we've really put into our DNA, at least from the portions of the organization as (inaudible) that helped perform those redactions.

ALAN GREENBERG:

I'll point out that, at least one case I know about, something that was redacted perhaps with cause at the time, when an active policy working group was trying to get it unredacted, we had one hell of a time. We can talk about specifics.

The other issue I'll talk about – and you gave an interesting perception of redacting a proposed motion or briefing document because the motion had substantially changed by the time it was actually passed.

I personally would think that seeing that motion with a big black thing on top saying, "This motion was replaced," adds value because it does demonstrate the thought processes and the change in how the board and staff viewed the issue as it went through the board process.

BRIAN CUTE:

I was going to ask both at the staff level – and I think you provided one answer and of board, Steve, if you're willing to respond – the effect question. What has been the effect of this recommendation, again either positive or burdensome or neutral? Flipping the assumption, to me, sounds like that's one effect, however you judge that. Are there other effects that you've seen of the implementations of this recommendation at your level? And Steve, on your level as well.

SAMANTHA EISNER:

You know, it's hard to figure out other effects. One of the things we're trying to do is to determine how much of the materials are used. We really don't have a good sense on that. I've had some discussions with our web master and the board briefing materials are provided in links to PDFs. It's harder for them to provide meaningful numbers to that as it is to provide links to numbers of hits on an HTML page.

We don't really have – we can't figure out at this time if there are really good or negative external effects regarding the publication of do people use it? Do people find it helpful? That, I don't know.

Internally, I don't know that there are many other effects. I know that once we know that board papers are going to be made public, we try to make sure that they're well-written. We always tried to make sure they were well-written, but we want to make sure that we're presenting material in a cohesive fashion, and so I hope that to the extent they are released that people find them to be helpful (inaudible).

BRIAN CUTE:

Thank you. Amy.

AMY STATHOS:

Just to add to your question about other effects. Now it is just standard operating procedure. At the time, it added significant revamp of the processes that we followed, additional work and resources that were required to get to that point.

But at this stage, it's just part of our operating procedures, so we don't see or consider it as an effect or an additional resource. It's just now something that we do as a matter of course.

BRIAN CUTE:

Thanks. Steve.

STEVE CROCKER:

Yeah. So this is another one of those cases where what things you expect from the outside versus what it looks like from the inside. So let

me share with you really grungy, mundane details. One of the things that I focused a lot on was the fact that we had a repetitive syndrome of meetings that got out of control, of board meetings that ran hours and late-night drafting sessions that ran until 3:00am. And I said we're going to kill this. And not just by saying we're not going to do it, but by actually understanding the syndrome of what was causing it. So that gets to the heart of these things that change from the time that they're first prepared to the time we actually pass that.

My diagnosis – and I use first person here because it's something that I drove and I don't know whether or not everybody else shared it, but I felt very strongly about it – is that we were winding up in a situation where some board members were beginning to think about the issues during the board meeting. So there was a lack of preparation and a lack of thoughtfulness – not just thoughtfulness, but preparation and attention.

So I've tried very hard to get control of that process, and the key mechanism is to say it's perfectly okay if we have differences of opinion, and if the vote comes out to be less than unanimous or even goes down, that's fine. But get your positions organized in advance. Do not do this in real time while we're having a board meeting. That's an abuse of our time and each other.

So I've tried to move that kind of discussion into separate venues. Typically, board discussion calls. Consequence for this discussion is that means those things are taking place in some sense off stage, and so the question of, "(inaudible) you'd like to see the documentation of the transition?" is actually less accessible, in a sense, because by the time it comes to the board, I'd like it to be packaged up, documented and so forth. But it means that some of the interplay that you wanted to see isn't there.

Is that a lack of transparency or is that a necessary piece of efficiency or whatever? You get to argue that whatever way. But I thought I would just share in the spirit of being completely forthcoming about it.

How the thought that you are putting forth actually is interacting with the other changes that are in process – I'm trying in many ways to make the board's actions uninteresting, as I think they should be. I think all of the interesting stuff should take place visibly elsewhere, and by the time it comes to the board, there really shouldn't be a whole lot of mystery or drama even though I know that people look at the board as the final determiner, and therefore they'll come and put petitions in front of us all. I think all of that is fundamentally wrong. I think what the board should be – and I think what everybody wants the board to be – is not the first court of decision-making with respect to policy or substance or anything else. All of that should be done by (inaudible), even though we

on the board are absolutely the most knowledgeable people and we could make those decisions. But we shouldn't, right?

BRIAN CUTE: Thank you for that, Steve. Let me –

(PARTICIPANT): Put for the transcript irony included, right?

BRIAN CUTE: Smiles in the room. Let me just follow your points clearly. And I think you're saying is that one of the problems – or perceived problems – that ATRT-1 focused on was this notion of a black box, that the board is a black box. Input goes in and then a decision is made in the dark and the output comes out and nobody understands what went into the decision itself.

So I think you're addressing that and I think I'm hearing you say that implementation of these recommendations 7 and 8 may have had the unintended consequence of affecting the board decision-making process in the flow, if you will, that created these calls that are not necessarily – am I hearing you correctly that there was an unintended consequence here?

STEVE CROCKER: Actually, I don't think there's any coupling between what I said and 7 and 8. I think that, for other reasons that I described, that I wanted to get control of this sort of (ungamely) process. The effect is, just to Alan's point of wanting to see changes, that that's no longer accessible in the same way because that's not where it's happening.

BRIAN CUTE: Thank you for that clarification.

STEVE CROCKER: (inaudible) redaction question.

BRIAN CUTE: Alan

ALAN GREENBERG: Steve, you asked a question. Is it lack of transparency or more efficiency or – I don't remember the other ones you gave. I think the answer is all of the above. What you've described essentially has had the net effect of probably taking these recommendations and having them have far less impact than was envisioned, because it was envisioned that this would give a far better view of how the board is making these decision processes and through a completely parallel process. Some of that has gone into a black box, I think was the term you used.

And I think it's something we're going to have to (handle) with. The last thing we want is an ineffective board and poor use of time, and at the same time, we can maintain some level of transparency. It's a goo challenge.

BRIAN CUTE: Jørgen.

JØRGEN ANDERSEN: Thank you, Brian. Jørgen speaking for the transcript. I think the discussion on these recommendations raises some very interesting

challenges for us, because I think it's fair to say that the processes within ICANN have improved substantially with respect to enhancing transparency. An enormous amount of information has been made available so that everybody can have a look into it.

It strikes me that this in itself might have the same disadvantages that might need to another type of black box, because the amount of information is so overwhelmingly big and comprehensive that it is completely impossible for those wanting to have an insight to get a view of what is really happening.

So you make a bombing – carpet bombing – of those interested in following the processes (inaudible) information. We have a (inaudible) expression, and I don't know whether the translation gives any meaning to you, but we say that you cannot see the forest for the trees. And I think, to some extent, we run into this dilemma that going from one black box, you enter into a situation with another type of black box.

This is not – my comment is not directed to what you've done in the secretariat of ICANN, because you have done as the recommendation advised you to do, but I think it could be an interesting topic for this team to discuss. Are there negative side effects of implementing the recommendations as they are phrased or could you imagine that you could do something different?

When we want to have transparency, it's also a question about if we want to enhance inclusion. We want to make sure that the whole Internet society, also those parts of society which are not (inaudible) governments have a better understanding what is going on here.

When ICANN is criticized, the multi-stakeholder process is criticized, it's because – one of the arguments is lack of transparency. Could we be honest and say, "Now we have created the transparency, your complaints are not justified anymore"? I think we couldn't get away with doing that, because at the end of the day, it's not the form of transparency which is key. It's the perceived transparency. Perception is reality. Don't forget that.

This maybe applies to all the recommendations, or many of the recommendations and implementation, but I think that we should take note of this and try to see in our final report to address this one way or the other. Thank you.

BRIAN CUTE:

Thank you. Denise.

DENISE MICHEL:

A few quick observations. I think your comments are very insightful and very useful and we should all follow up on them in greater depth. So we see improvement of transparency. Well, transparency is undefined, so it makes it harder to measure, it makes it harder to achieve success and

finality. It's a continuum, and it is indeed a perception rather than something concrete. It makes it even more challenging.

I think even before the ATRT-1 recommendations, looking at just a range of other organizations, profit and nonprofit, ICANN was really at the top of – in terms of just the sheer volume of information and the accessed if that the public had, assuming they could find it on our website.

To that point, we created myicann.org just to get to the issue of pulling out more critical salient information and delivering it to people in a way that makes it much more useful. So I'll put a plug in here. If you don't have a myicann.org account, I would encourage you to go to that site and create one and have the things that are of interest of you delivered to your inbox. So that's one way we're trying to get at the "too much information is hurting" transparency.

Then finally, something that I've observed over the years that also makes it more challenging is there's a plethora of one-off changes and recommendations and improvements in a lot of different areas and a lot of the iterative work that contributes to a massive amount of work for staff and community and a massive amount of information.

One little example is the over 1,000 different answers that this group asked for just for today and tomorrow and the massive spreadsheet – one of three – that you have. There was a significant amount of work that's generated when small changes and improvements are made throughout the organization. Some discussion and guidance on how to get a handle on that would be useful too.

BRIAN CUTE:

Thank you, Denise. Oliver?

OLIVIER CRÉPIN-LEBLOND:

Thank you very much, Brian. It's Olivier Crépin-Leblond for the transcript. I have a mixed bag of praise and complaints at the same time and comments and suggestions. The first one, with regards to Steve mentioning that the board itself should not just suddenly open up the material and make a decision there and then, I fully support the fact that you want (certain) leads on your board and subcommittees that will be working specifically on things and going into depth into whatever needs to be discussed.

But what could happen – this is a suggestion – is for the material that they work from to be treated in the same way as the board briefing material, so that you could have the same level of transparency in your sub working groups as on the overall meeting of the board. I'm not sure where to find the – I don't think that the...they're not posted. That's one thing. And that would certainly bring the transparency all the way from the meeting of the board itself, but also meeting of the working groups, etc. And that might even lighten the load that you have on the board itself. So that's one suggestion.

With regards to a classic example of policy versus implementation, the policy was to make all the board briefing material available. The implementation is that the last briefing of material that was posted was from the 28<sup>th</sup> of February meeting. More recently, there hasn't been any briefing material, so I don't know why this is the case, whether there's just overwork – and that might be just a...so that was one complaint.

The other thing, I noticed that the board briefing material is classed as 1, 2, and 3 and with 1 being the overall – in fact, I've just read it now so I don't know whether – 1 is the board papers and one-page overview sheet for each paper; 2 is the proposed resolutions and parts 3 is the reference materials – in-depth reference materials. I think it's an excellent thing to have them in this fashion. Is this going to be standardized? Because I've noticed a previous board meeting, there are four parts rather than three. And if it is going to be standardized, I would fully support that.

BRIAN CUTE:

Sam.

SAMANTHA EISNER:

Thank, Olivier. So to the point about when the materials are posted, the way that this has been implemented is that we post the board briefing materials alongside the approved minutes for that meeting. So it's not a case of delay on staff side if the minutes are not yet posted for, say, the meeting in Beijing because we haven't yet approved the minutes for that meeting. As soon as those minutes are approved, ICANN is obligated by its bylaws to post those minutes within a business day, and (inaudible) to that posting, we post the board briefing materials. So that is the expected timeframe within which those will go up.

In terms of how the information is divided, one of the things that Steve has been a big champion of is making sure that the board briefing materials as they go to the board are presented in a useful and a meaningful fashion. We've seen some evolution in the past year or so in how the materials are actually provided to the board. We had for a long time a very standard practice of the annex papers – the high level papers and the annex papers – we're revamping (inaudible) to make it a little bit more useful presentation. We hope to get to a standardized format of that.

One of the things that you'll see if you have places where information's presented but there's 1, 2, 3, 4, sometimes there has not been the opportunity to create a formal board book in advance of the board meeting, and so we don't use that as a (inaudible) to not presenting the information to the public. Sometimes we have to just post the (singular) papers as they came in. And so it's hard to standardized based on how the information was produced to the board, but we do our best to get the community the information that was considered. So whether it has

to be in the form of a separate paper so we don't actually change the board book that was presented to the board, that's how it goes out.

BRIAN CUTE: Thank you, Sam. Olivier.

OLIVIER CRÉPIN-LEBLOND: Thank you, Brian. It's Olivier here. Just as a follow up then, is there any reason why the board briefing material is not posted before the board meeting takes place? Is there a reason why it would only be posted when the minutes are approved?

SAMANTHA EISNER: One of the reasons for that is you'll find that the board's agenda changes, so you'll have – (inaudible) reposting agenda and we have a board briefing packet that aligns to that agenda. But if there are items that, for reasons of lack of a pertinence of the board or really a determination things need to go a different way or for many various reasons, items are actually not considered at the board level. It's premature to release that information because the board has actually said, "No, we don't want that information now." And so that's why we time it with the minutes, because then it's clearly tracked for the items that were discussed at the meeting and considered. So the board briefing materials as posted go to the information that the board considers at the meeting.

BRIAN CUTE: Steve.

STEVE CROCKER: (inaudible) thinking about this. We do post the agendas, right?

SAMANTHA EISEN: Yes.

STEVE CROCKER: So I'm going to take the other side of this, just to change hats here. One could logically ask, as long as the agenda's been posted, then we owe – don't we owe the community a disposition of all of the things that were on that agenda even if they were not passed or they were sent back or they were modified just in order to provide a continuity of story, if you will? And if you take that and push it all away, one could argue - I'm sort of channeling your point that I'm sure you'd make, Alan – that with that agenda is the preparatory material and if we push back on it, then why wouldn't we be forthcoming about the fact that we pushed back and here's (inaudible), and when it comes up again, then you can see the differences and so forth. Did I get it?

ALAN GREENBERG: I was going to offer something in between. If what you're proposing is not viable for some whatever reason, then at the very least, when the motions are published, when the resolutions are published which is supposed to be within a day or two, then the briefing material associated with those resolutions could be published and if you hadn't addressed something, then those disappear. I'd far prefer what you said, though.

STEVE CROCKER: So far as I can tell, the delay in getting the minutes out divides into two parts. One is actually producing the minutes and the other is waiting for the next board meeting to approve it, which is some arbitrary amount of time. And I really would hate to call a board meeting just to approve minutes. That's an extensive heavyweight operation. But in some sense, that's an unnecessary delay. So I don't have an immediate solution, but it got my attention on it. It's a detail.

BRIAN CUTE: Denise, and then Olivier.

DENISE MICHEL: Just to add some anecdotal points to feed into this discussion. Sometimes an agenda item is posted and then staff needs to seek more guidance and information from board members or the subject matter experts on the board – whoever is leading the discussion on the board – as to what's expected, what's needed, and what they actually want to do and what information they need and so more material is certainly not always ready when the agenda is publically posted. And we want to post the agenda as soon as possible to get the community as much heads up as possible to let them know what the board is doing in advance. But the board material is not always synched up to the agenda item. And I think for those reasons.

In addition, there are times when – and I think, for example, the WHOIS Review Team resolution and supporting board material is an example of this – the board members wanted to take additional time after their resolution passage to make sure that the rationale and the supporting material reflected the range of views and guidance that they had on the WHOIS Review Team policy, and then they actually used the annex to the board paper to document and refine their specific guidance to staff. And that took some time after the resolution, and so there are certainly instances like that when the material is just not – is being used for more in-depth purposes and is not completed in time to post with.

BRIAN CUTE: Oliver.

OLIVIER CRÉPIN-LEBLOND: Thank you very much, Brian. It's Olivier Crépin-Leblond again. I'm sorry to be pushing and hitting the nail again, but there is a process here where you have an input for processing entity such as the board, and output. And I think you very well described the output and the fact that there could be more output that the board generates and that's certainly very helpful.

But on the matter of the input itself, I'm concerned. And we've established earlier that we're not only dealing with transparency, but also with the appearance of transparency – the overall what it looks like from an outsider's point of view. If the board resolutions are published right away, which they are, it is very difficult to make a compelling case for not releasing the input from which those resolutions were worked out. And this is why I'm asking whether it would be possible to have that

input published at the same time. In the meantime, until the minutes are approved, then you end up with resolutions that have been voted, that have been decided, but with very little question – very little understanding on what basis those were made, and as you know, conspiracy theories, etc. are abound in this environment. It certainly is not something that reflects well on the process.

BRIAN CUTE: Thank you, Olivier. Sam.

SAMANTHA EISNER: (inaudible) take the point that our implementation of all these recommendations is, in some way, an evolving item and we're surely interested in hearing ideas of how things can be improved. So we'll take those back.

BRIAN CUTE: Thanks, Denise.

DENISE MICHEL: I think we wandered from assessment of the commitments and recommendations and work to problem-solving which is going to be a challenge if we keep on this road. And I think also it would be useful for the team members to think about the information you have and then think about additional information you want. It would also give staff more time to think about the process and points you raised more deeply and come back to.

BRIAN CUTE: Okay, thanks. Avri, welcome to the room. Avri Doria is here. Glad you made it. We are working our way through 14 recommendations. Staff is giving us their overview of, at a high level, the effectiveness – positive, neutral, or negative. Or the effect, I should say, of implementation of these recommendations. So we'll carry on for the next half-hour and then take a break at lunch.

Yes. Anything else before we move onto the next. Fiona Alexander.

FIONA ALEXANDER: It's Fiona Alexander. Just a (inaudible) question. Recognizing that Steve's trying to run a much more efficient board and getting people prepared for the meetings is just to be admired. I may have missed this in the discussions and the website, but these discussion calls, all the material for that, none of that is public and the records of that, are they not public in any way? Because the recommendation is the board should probably publish all appropriate materials related to decision-making processes. And it says "including." So it doesn't say this is an exhaustive list, just to be (inaudible).

I'm just a little bit curious about your thinking. Again, what you're trying to do makes a lot of sense, but the consequence of has it lead to some lack of understanding.

SAMANTHA EISEN: The process of the board information calls wasn't really in place when we did the initial implementation of this recommendation. I know that we've started having conversations about how do we handle

transparency issues surrounding the board information calls, so that is something that is already within our eyesight here.

BRIAN CUTE:

Steve.

STEVE CROCKER:

At the risk of perhaps an evolving discussion – but I recognize the question that you are asking when I introduce the board information calls and response and I said that might actually provide less information. But I think – I'll have to go look and see exactly how this works. But in principle, here's what goes on.

You've got a board of 20 people who are busy and of very different natures and some are very careful to do their work in advance, and others do their best work when they are in interactive discussion mode and like to have an oral discussion. It's a real mix.

So the main goal that is being addressed with these board information calls is the learning process, absorbing the material and thought processes that each of the board members goes through. There's some discussion that goes back and forth about that, and maybe on some occasions there might be some shifting of opinions. Or much more commonly is reduction of uncertainty of somebody that doesn't understand something or they don't understand the consequences and it all gets explained.

The input to that process in (inaudible) forms of written materials are, as best I could think, perfectly reasonable to make completely public unless there is an explicit reason. We have mechanisms for (inaudible) executive privilege or compensation or a discipline or whatever, which are rare and very circumscribed.

So I don't immediately see any reason why the materials that are available to the board members for those discussion calls shouldn't be publically available. The calls themselves, one could ask, "Should those be public?" And I guess the same question has been asked (years past) about whether board calls should be public as well. We've not gone down that path. Personally, I think that it would stultify and would not be a net improvement, and in fact, what would happen is it would cause any real discussion that has to take place to go elsewhere. And that's a common problem with over amounts of transparency. I know it happens in government as well, that if everything's on the record, then you go elsewhere and have some discussion. I'm sort of meandering around.

Anyways, to the point about making the materials available, I don't see any problem with that. Maybe I will come to understand it differently after this discussion. I think it would be possible to get pretty close to the expected level of transparency. The level of transparency was expected when the recommendation was written.

BRIAN CUTE: Thank you, Steve. Alan and then I'm going to move on so we can hit the rest of them.

ALAN GREENBERG: Very short comment. As a first move as a prelude to that, just publish the existence of these discussions. They're not on the board agenda right now. If nothing else, it would give perspective board members a better idea of what is involved and what board members can participate in.

STEVE CROCKER: I do need to add that we have quite a different process for the board discussion calls. They are not obligatory. They are for the purpose of being helpful to the board members as opposed to an obligation or a duty for them. So they have a somewhat different flavor. I'm not pushing back, but the expectations around them are not the same as "we're going to hold a board meeting, here's the agenda, come prepared, and this is what you are obliged to pay attention to by virtue of holding the position – despite the fact that we're paying you, but this is your job." But the other is a kind of softer mechanism.

ALAN GREENBERG: A fair caveat to add in the disclosure.

BRIAN CUTE: Thank you very much. Okay, let's move on. I think we're at recommendation 9. Is that right?

AMY STATHOS: We actually skipped in terms of—

BRIAN CUTE: Oh, right. They're not sequential.

AMY STATHOS: There are a couple of different ones and I just want to get the sense of the group here as to which ones you want to take, because I think a couple of them might take up the rest of the time we've got.

BRIAN CUTE: What have we got left, Amy?

AMY STATHOS: So I think number 20 which talks about ensuring that all of the inputs have been received in the policy-making process are then considered by the board. And then there's 23 and 25 which discuss the review of the accountability structures. So I don't know if there's one that you would like to go through first. The other few I think could be really fast, but I thought number 7 and 8 would be fast and that took 35 minutes, so...

BRIAN CUTE: But worth the time. So there's 20?

AMY STATHOS: Number 20. And then there's 23 and 25 that are together.

BRIAN CUTE: On the review mechanisms and the review process. Okay.

AMY STATHOS: Right. And 26 can be talked about in that same vein as well.

BRIAN CUTE: Okay. I would certainly start with 20. I think that's – if we can keep that up on the board. So the board shouldn't share (inaudible) necessary

inputs that have been received and the policy-making processes are accounted for and included for consideration of the board. To assist in this, the board should as soon as possible adopt and make available to the community on mechanisms such as a checklist or template to accompany documentation for board decisions that certifies when inputs have been received and are included for consideration by the board.

Yeah, (inaudible) hit that and then we can move on.

AMY STATHOS:

So Sam will take that one.

SAMANTHA EISENE:

To implement 20, what we did is we put together a decisional checklist. We put together three versions of it. One for the GNSO, one for the ASO, and one for the ccNSO. As this one was reverting policy-making processes, we thought that it was important to tailor it to each of our policy-making organizations. And so we put together a decisional checklist, and what that does is it provides a comprehensive overview of the different public comments that were – different public comment processes that were held for each one and provides an opportunity not to necessarily redo your summary analysis of those public comments on each one, but to identify some of the key voices in support, key voices in opposition, as well as opportunities for outreach.

So we all know that within the public comment processes, public comment isn't – or (inaudible) policy processes, public comment is not necessarily the only way that voices get heard. And so we have in there how outreach was undertaken and if any groups were identified for outreach and whether or not they provided any input.

So what happens for each one of those – and we sent each version after it was developed to the relevant SO so that they could look at it and see if it actually was reflective and could be useful for their processes. So it's not necessarily for the SO to use, but we wanted them to vet the outcome of that as what would be provided to the board is kind of the summary over all of the documentation that you give to the board.

And so we have just recently, after a period of time, we've just received some refinements from the ccNSO that we'll be taking into account and putting into practice, but we have had the opportunity to actually use this because policy decisions – recommendations from the GNSO or from the other SOs on actual policies don't come to the board that much. And so we've had recently a GNSO consensus policy recommendation that came to the board and we had the opportunity to use this decisional checklist for the first time. So that's in place now.

BRIAN CUTE:

So let me ask a question this way. In terms of the effect – positive, negative, neutral?

SAMANTHA EISNER:

I think that there hasn't been enough opportunity to weigh the effect. I think there really is not a possibility for a negative effect on this one. I think that there is, in some ways, a very positive effect in the ability for someone to quickly look and say, "Okay, here in one place I see all the different opportunities that we had." And it's another way to help vet the process. Did the process happen the way it was supposed to?

While it doesn't create new processes in and of itself, I think it's positive in the fact that it gives a really quick opportunity for anyone, including the board, to see how this has happened, because sometimes these processes go on for years and so it really is the compilation of how that happened.

BRIAN CUTE:

And it really is accounting oriented, if you read the languages. Are you accounting for all the inputs and the necessary inputs from the processes? So that's clear.

But stepping back from that and looking at the processes themselves, since you've begun to focus on them through this task, have you seen improvement in the processes themselves in terms of inputs getting in in a timely fashion, community perception about the processes being fully accounted for?

SAMANTHA EISNER:

That's a little bit more difficult of a discussion to have I think. In terms of the ASO, they have a very well-vetted process. They have the (RARs) that have public comment opportunities. They've already – within the RAR and ASO world, they already kind of have this matrix that they present to you when they have a global policy recommendation. And we haven't gone in and evaluated whether or not that's (inaudible) or not. We know, because of our relationship with the ASO, that's how they do it.

I think the one big place for opportunity for improvement and that improvement has started happening is within the GNSO. The checklist reflects the new policy development process that is in place within the GNSO and I think that partially, because of the ATRT recommendations and the discussion that's been happening, particularly with the GAC, there has been a focus on making sure that the inputs are there and the inputs are there in a timely fashion. There's a lot of room for improvement, but I think that that also goes to the work of the Structural Improvements Committee and performing the structural reviews that come out.

There are many different places for that effect to be measured, and I'm not sure that by review of this decisional checklist we can give you the best (measure) of that.

BRIAN CUTE:

Thanks very much for that. Jørgen.

JØRGEN ANDERSEN:

Yes. Thank you, Brian. Jørgen speaking. (inaudible) to follow up on the question you raised, Brian, about what are the contents actually of this particular recommendation 20. Is that a recommendation only related to procedure? Is it a checklist about you should make available the contents of the inputs made? You should make sure that if it is transparent which inputs have been received by the board and which inputs are included for consideration.

This is the input side. It is evident that the board's decisions are available, but the calculation in between on the basis of the inputs received, what are the contents of the considerations? Is that particular item covered by that recommendation – do you consider that to be covered there or is it done elsewhere?

SAMANTHA EISNER:

The outcomes in the board decision-making and how the board considers those inputs really are part of the rationales that are provided. This ties very closely into the provision of rationales, and so where you'd look for whether or not inputs were considered, that would be there.

BRIAN CUTE:

Jørgen. Thank you, Sam.

JØRGEN ANDERSEN:

Maybe to be more precise, while I appreciate that the rationale behind the board's decisions are made available – publically available – but comments on each individual inputs which is received, is that available? Is there a process where you can see – you've given input to the process and you don't see that reflected in the final decision made by the board and you cannot see it in the rationale why your input was not taken into account. Can you see (there)? Is any input reflected or addressed on the material received? Thank you.

SAMANTHA EISNER:

So this is really a matter of how things roll up to the board. We have a policy – we have the policy development processes, and as part of the public comment requirement of those processes, ICANN staff, when we review the comments received – if you take a look, for example, at a GNSO preliminary report, a final report, on an issue, within there they incorporate the summary and analysis of public comment. We have for every public comment a required item before it closes as a summary analysis tool, and our summary and analysis template that we put in place because of the ATRT-1 now requires us to identify every single input that was received. We don't have to necessarily provide substantive response to each one. You can group them logically. Sometimes you'll find (strings). But it's within those summary and analyses that you'll see those comments coming in.

And so when something is done through the policy development processes, in the first instance, the responsibility is with the group that's developing the processes to take those items into consideration and to develop their policy recommendations based upon that.

They fail to account for all of those in the different reporting that they receive, but they view the weighing of that in the first instance. ICANN then, before the board takes action on items, puts it out for public comment. So if there are further public comment that has specific items to respond to, we would have that again accounted for in a summary and analysis of the public comment, which would be provided to the board.

But because of how things roll up through the board, I can't think of an appropriate instance where the board would say, "Because X person said this in one of the initial stages of the policy development process, that's why we did it," because the board gets it at a much different level. The board gets it after the policy recommendation has already been vetted. So the board has to rely on the fact that the supporting organization itself has taken those into account. So it really is a dual level issue.

BRIAN CUTE:

Thank you. Steve, did you want to?

STEVE CROCKER:

Yeah. So everything that Sam said matches what I would say. I want to add just a tiny bit about the tail-end of the process and what it looks like in the sort of real-time aspects of what do board members do.

So there are two things. We do not individually write opinion papers as if we were Supreme Court Justices in writing extended fresh things. We do have a presentation of the resolution and an opportunity for discussion. Sometimes there is no discussion. Sometimes there is some general discussion and it could be whatever it is. As I indicated earlier, my orientation is that it should not be the first opportunity to have a fresh discussion. If there has to be that kind of discussion, it should take place at a time and place where we've got the time for it.

Then we vote, and in the voting, it is standard practice to ask anybody who abstains or who votes no – although those have exactly the same effect from a (inaudible) point of view, people choose to sometimes abstain and sometimes vote no depending on circumstance.

But we make a practice asking if they want to add anything to the record, and on some number of occasions, people will explain why they've taken that position and that goes into the record and that's a very important and valued part of our process. And on rare occasions, there will be an impassioned speech, if there's a closely divided thing. But that's not the most common thing.

But somebody will say, "No, I think this is really wrong and I've thought about it and here's why," and they'll put that on the record. It's certainly logically possible that somebody would make a speech about why they voted yes. We may have one or two instances, but that would be extremely rare, because basically it's all laid out in the rationale and they're agreeing with it, so there's not really as much motivation to say I

have to give my own speeches to why I agree with everything that's been said. Last comment I think.

So those are the elements of that. But as Sam said, by the time it comes to the board, there is not a dissection of "this input caused me to think this way and that input caused me to..." All of that is supposed to have been well worked out and the board really is not trying to function as a fresh decision process or value judgment process. It's really much more in terms of is the process complete, do we understand it, does all that make sense? Once in a while, there is some big issue that causes deeper (iteration).

BRIAN CUTE:

Thank you. Jørgen

JØRGEN ANDERSEN:

This is Jørgen speaking again. Just to be sure that I understand you clearly and correctly, from what I heard Sam say, she said that each individual submission of comments is addressed in the – I forgot what you called it. Yeah, summary analysis. And this summary analysis is part of the material submitted to the board. That means, if understand it correctly, that if board disagrees to what you have written in the summary analysis, there is a possibility to object and say, "Well, we don't agree with this summary analysis, so we want to come to a different result than what you said." That's important to me that the whole process is transparent and it's of use to everybody what's behind (inaudible). Thank you.

BRIAN CUTE:

Thank you. Lise.

LISE FURH:

I just have a question for the summary analysis. Is that just a summary of the remarks made by the different people or do you analyze it and make your advice on to follow this comment or not?

SAMANTHA EISNER:

So it is two parts. It's a summarization of the comments received as well as an analysis and that analysis includes next steps and includes recommendations of how to proceed.

And so particularly within the policy and development processes, you'll see this reflected in two places. You'll see it reflected in both the summary and analysis report of the public comment – and I'm speaking about the GNSO process here. It's the one I have the most experience with. You'll then also see it reflected in the reports that come out of the PDP working groups, because in there, they really do dig in and say, "These portions of commenters disagree with this part because..." And they'll really weight that, and then the working group itself comes out with recommendations based on that. So you'll find both portions of both summary and a substantive analysis of what was said and how that might lead to your recommendation to move forward.

BRIAN CUTE:

Yeah. Lise.

LISE FUHR: I just have a follow-up question, because I know this is according to the board, but when you have other comment periods, do you do the summary then also and do you do the analysis too and publish that?

SAMANTHA EISNER: If you look on the ICANN public comment page, which you can find easily off the News and Press section, a public comment forum cannot be closed, cannot be considered closed until it has the summary and analysis report put in. So it is a standard part of our process.

BRIAN CUTE: Thank you. Amy.

AMY STATHOS: This is Amy Stathos. Just to add a little bit to that is that there are different levels of depth that the analysis goes into, depending on the public comments that aren't necessarily (inaudible) to a PDP itself.

So for example, the summary and analysis of the comments related to each stage of the Applicant Guidebook for the new gTLD program were hundreds of pages long, and you will find others that are not as in-depth and as detailed because each subject matter has a different level of calling for detail.

BRIAN CUTE: Thank you. We have a few minutes left and I don't mind going a few minutes over past the noon hour here. But, sorry. Fiona Alexander.

FIONA ALEXANDER: I just have one question about the checklist, which I haven't seen so I apologize. I haven't paid attention to that. When you describe the checklist, you described just the checklist for the SOs, right? There's nothing for any advisory committees or anything like that? And I'm sort of wondering why. The wording again says policy making, but it could have been policy development. I don't remember the wording (inaudible) drafting. But just your understanding as to why it was just the SOs (inaudible) understood you correctly.

SAMANTHA EISNER: Sure. And we can get a draft checklist or one of the checklists circulated to you guys and we can get all three of them. Understand the (CPNSN) one will change. So they are specific to the SOs because it's the SO that creates the policy recommendation. But there is a section in there specifically asking for each of the ACs as well as the other SOs. Did they have input?

So you will find that there's a calling out of, did you consider inputs from ALAC, from the GAC, from RSEP, from (inaudible). So we didn't have one specific for the ACs because we tailored this to the organizations that actually create policy recommendations that go to the board, but we tried to make sure that the checklist itself called for opportunities to put in information related to each of the recognized ACs and SOs, as well as any other separate entity or collection of people that was either identified as necessary to provide an input or that selected themselves to provide an input.

FIONA ALEXANDER:

I think this really gets to the bigger issue that's not specific to the recommendation, but it's the bigger problem of the role of the GAC and the fact that the GAC gives advice to the board, not to the GNSO. We (inaudible) within the GAC and the Board Committee as well. But I think the drafting of this recommendation, one of the motivations of it was to deal with the new gTLD process and the fact that the GAC had given these new gTLD principles to the board in 2007 and they weren't actually taken into account in the gTLD process that came forward. Historically, that was one of the case studies I think the group looked at. But I'll be curious to take a look at the checklist. (inaudible)

BRIAN CUTE:

Thank you. Olivier.

OLIVIER CRÉPIN-LEBLOND:

Thank you very much, Brian. . It's Olivier Crépin-Leblond for the transcript record. Just a small point of detail. Not all public comment periods do have a report. Some of them don't for specific reasons.

For example, the FY14 or FY13 travel guidelines don't have that. Recent public comment that was done by the At Large Advisory Committee did not have that either. So yes, for the most, they have a report of public comments, but some can be closed without needing to have the report. That's all. Thank you.

BRIAN CUTE:

Thank you. So in a few minutes, we have Amy. If you could take your best shot at combining those few and giving those, again, at this stage, your observations.

AMY STATHOS:

Sure. In short, recommendations 23, 24, and 25 talk about ICANN's accountability structures, which include the ombudsman, the reconsideration request, and the independent review process. All three of those structures are imbedded into ICANN's bylaws.

The main recommendation, which is 23, about implementing the recommendation from the Improving Institutional Confidence report that was done in 2009 was the focus of gathering the necessary expertise of group of experts to actually look at the accountability structures and to make a determination as to whether or not they needed revision, they should be completely thrown out and start over again, or whether they could be improved as they are written but if not in an interim step, in a complete step, to make improvements so that it provides more certainty to the community and to ICANN, it provides more clarity so that people know exactly what it is that they're asking for and how the process will result in some type of determination.

The timing on here was not met and it was not met I think probably by quite a long margin. The first difficulty that we had was trying to identify the right people to be on the expert committee to evaluate, because we looked for people who had not only board governance expertise, but also dispute resolution expertise, and we also wanted to have a global vision of who those people were because we didn't want it to just be

US-centric. Of course ICANN has some requirements that it must follow in terms of where our accountability must lie, but we also recognize that the global vision of what our accountability structure should be was very, very important.

At this same time, just as a complicating factor in terms of the recommendation itself, before I go into exactly what happened, the conflicts and interests and ethics issues arose. And so we empaneled a whole other set of experts for that. So that was a complicating factor in terms of the implementability of this in the time that was identified by the recommendation.

We subsequently did find a group of three individuals to really work hard and look at the mechanisms that we had in place. The ombudsman they determined was new and wanted to separate the ombudsman structure out so that the ombudsman could evaluate what was going on at the time and look at the ombudsman framework under which he operates, and that is something that has gone on as well.

In terms of the reconsideration and the independent review process, the experts created a draft report after talking to members of the community, talking to members of the board, and doing their own independent evaluation of the structures that were in place as well as what the IIC report indicated should be done.

They then took – we took public comment as well as had an open session in – I can't remember what city we were in at the time. Then issued a final report and made some recommendations.

At the same time that the report was posted for public comment, there was also draft bylaws that were posted. So all of that work all happened simultaneously so that the recommendations, if adopted, could either be put in place right away since we'd already completed the bylaws commentary or made simple changes to reflect the comments that were received.

Those were all put into place on December 20 of 2011 with a holding off of the effective date, which was just made effective on April 11 because there were still some questions based on public comment as well as implementation of the one main factor in terms of changing the way that the independent review process heard, which is having a standing panel rather than just empanel people as requests come in.

This is something that had been tried before and we were unable to locate the sufficient number of people to have the level of expertise and breadth of understanding of ICANN to be on a standing panel that we could then pull from, depending on what the issue was that was being asked to be reviewed.

The experts said, "Let's try again because it's important, because we think for consistency's sake that you should try to get and identify those people who can be on call," and they looked at a group of about 9 different people. That is currently being worked on – trying to locate those 9 people. We're working with the identified provider, which is the ICDR, to help us identify those folks. But because it has been difficult to find the necessary folks with the necessary skillset, there was, as part of the public comment suggested, we made a caveat that if there is an independent review process that comes into play before the standing panel is in place or if the standing panel is placed and the right expertise isn't on it, that we can go ahead and go outside of the standing panel to empanel the folks who are appropriate for that particular issue.

So that's where we are now, and so we're in the process of finalizing trying to find the standing panel. No reconsideration requests or independent review have been set forth yet under the new rules, because they were just made effective on April 11, so we suspect as more reconsideration requests come in, we will be able to learn what the effective are on the changes.

And as you've probably seen if you're following it, the reconsideration requests are coming in a little bit more frequently now that the new gTLD program decisions and results are being launched.

So I think in the next several months we'll be able to assess the effectiveness of the implementation of these recommendations.

BRIAN CUTE:

Great. Thanks very much for that, Amy. Any questions? We'll take a few minutes here and then break shortly. Any questions to follow up on Amy's overview and observations? Oliver.

OLIVIER CRÉPIN-LEBLOND:

Thank you very much, Brian. t's Olivier Crépin-Leblond for the transcript. With regards to reconsideration requests, you mentioned that the new system has started on the 11<sup>th</sup> of April. What happens to those that have started before the 11<sup>th</sup>? Are they changing the type of (treatment) or are they going under the old regime?

AMY STATHOS:

No. They will go under the regime in which they were filed, so they knew what they were looking at. Absolutely.