JESSICA CASTILLO:	Hello. Welcome to the session in which we will present a proposed schedule for ICANN's FY18 [inaudible] and ask for input from the community. This call is [public] and will be recorded. A recording of the call will be [published] on ICANN's community wiki. If you are not comfortable participating in a recorded call, please disconnect now.
	Please mute your microphone unless you are speaking, and you can mute and unmute your microphone by pressing *6 on your keypad.
	I would now like ICANN staff in the room with me [to identify themselves] before [others identify themselves]. I'll now hand the floor to Becky.
BECKY NASH:	Good morning. This is Becky Nash from ICANN Finance.
LEO VEGODA:	Hi. My name is Leo Vegoda, and I work with the Finance team on the planning process.
TARYN PRESLEY:	Hello. This is Taryn Presley. I'm the Senior Manager of Financial Planning and Analysis. My team works on the operating plan, more specifically the budgeting side of the operating plan and budget.

Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.

JESSICA CASTILLO: Taryn, would you like to begin?

TARYN PRESLEY: Hello, everyone. For the record, this call is being recorded. Again, I'm the Senior Manager of Financial Planning and Analysis. On behalf of ICANN staff, I'd like to thank you all for joining the consultation on the FY18 planning process. The purpose of this consultation is to consult the community on the proposed schedule for the development of ICANN's FY18 operating plan and budget process.

For our agenda today, we have an introduction to the planning process, which includes ICANN's planning cycle, the documents we publish, ICANN's management system, the lessons we've learned from last year's process, as well as new features to the process.

Next, we'll go over the planning structure, which includes ICANN's financial reporting structure, including details on PTI and its relationship to ICANN.

We'll then go over the current status of the process and discuss some ways that you, the community, can participate in the process.

We'll then present the planning process schedule with proposed key dates, and we'll enough with an interactive discussion on what has been presented as well as any other topics relating to the planning process.

If at any time during the presentation you have a comment or question, please feel free to raise your hand in Adobe Connect or type it in the chat pod.

With that, I will hand it over for the introduction section.

LEO VEGODA: Hello, everybody. As we start this planning process, I'd like to begin with a reminder of the overview of the process and the docs that we use in that process.

The planning process starts with the development of the Strategic Plan. Our current Strategic Plan runs from July 2015 to June 2020. It was developed in cooperation with the community and adopted around October 2014.

Now that's the Strategic Plan that identifies what we need to achieve over a five-year period. In order to bring that to reality, we have a Five-Year Operating Plan. This Operating Plan describes phases of work to achieve those objectives and key performance indicators that will allow everyone to understand how well we have achieved.

That Five-Year Operating Plan is reviewed each year as we progress through the plan so that we update it to note what has been accomplished and review and refine the key performance indicators so that we can measure our progress that much better.

The review and refinement of the Five-Year Operating Plan is accompanied by the development of Fiscal Year Operating Plan and Budget. The Fiscal Year Operating Plan and Budget is the detailed plan for what will be accomplished in that year. It contains the details of the portfolios of work and the key performance indicators and the costs associated with each of those portfolios.

As we progress through the year, there is achievement and progress reporting. That happens at ICANN meetings where we have face-to-face meetings, at webinars like the quarterly stakeholder calls, through the website using the ICANN KPI dashboard, and of course the portfolio management system where people can see progress of projects and portfolios as we move through the year.

I'm making on now to Slide 5. This gives an overview of the documents because we have that process, and the process revolves around these documents that we publish in draft form for community feedback.

There's the Five-Year Operating Plan update. The version of the document that we publish each year says, "This is what we think we will have accomplished by the end of the fiscal year, and this is how we're going to reflect that accomplishment in future plans."

Then there's the Fiscal-Year Operating Plan and Budget, which has all of those portfolio detail plans and the associated budget.

That budget is broken down by Portfolio and by Project in accompanying documents that are published.

In the last planning round, we also publish the "Top 15" Projects, where we provide additional insight into the projects that have the largest proportion of cost.

Let's move on and look at the management system because the documents that we provide are intended to provide an insight into how we manage the delivery of work for the community at ICANN.

The community provides input to the work structure, and the objectives and goals come out of the Strategic Plan. Each of the goals has a Goal Shepherd, one of the executive team. They then break those goals up into portfolios of projects.

There are about 60 portfolios and about 340 projects. The precise number varies from year to year as we complete one piece of work and maybe that portfolio can be retired. We begin another piece of work to move us toward delivering on the overall strategic picture. What we have is very high-level five strategic objectives and very granular 340-ish projects, all intended to make sure that we have a chain of management and delivery.

As we go through this process from year to year (I'm now looking at Slide 7) at the end of each cycle, we conduct a lessons learned analysis so that we gain some insight into what went well and what we could improve on. We conducted an analysis at the end of the FY17 process, and we identified a number of strengths. We've picked out some of the most important here.

We published the plans much earlier in FY16 for the FY17 process than we had done before. The advantage of that is that it gave the community more opportunity to provide meaningful input because it meant that after the public comment process, we as staff had more opportunity to make changes to reflect the input received from the community.

In order to support that public comment process, we also made some improvements to the quality of the documents published. They were

measurably better documents in FY16 for the FY17 fiscal year than we have had in previous years. They had much more consistent use of language and style and tone, and they layout I think was also much more friendly for people.

In addition to that, we had a 54-day public comment period, which provided the community with a significantly longer period of time to really get into the detail of those documents and analyze them and make sure that they understood them properly.

Because we wanted the community to be sure that they understood the documents properly, we had a process to allow the community to send us questions where they didn't understand what was in the documents. We could clarify the intended meaning, and they could then rely on this to then build their comments on the draft.

As I mentioned, we also had the "Top 15" Projects which we published, and we improved the quality of the Report on Public Comments. we had significantly more comments in FY16. The number grew by about 50-60%, something significant.

What we did to make that report much more manageable was we segmented it thematically so that anyone who as interested in a particular topic could go and look at that theme. They could see all the comments that came in. They could see the responses to those comments. And of course, we also accompanied its publication with a spreadsheet. This allows you to filter based on other things, such as a particular strategic goal or the group that submitted a comment.

Now, of course, while made some improvements, we're not yet perfect. We have areas for improvement that we know about. One of the things we'd like to do is we would like to schedule the community webinars and calls much earlier than we have done in the past.

Now I appreciate that scheduling for this was not as early as we want, but we do intend to – once we have this schedule tied down – start scheduling calls with the community following the submission of public comments so that they can be in calendars a significant number of weeks in advance rather than just a couple of weeks in advance. Hopefully, that will make it easier for everyone.

We also noted that the community would like more detail in portfolio descriptions. But that contrasts with other groups in the community who would like a less-detailed set of documents. So what we recognize is that different parts of the community have different needs, and we want to try and accommodate those needs.

Some people want something that's very much a high-level overview, something like a PowerPoint presentation with key elements called out. Other people want significant amounts of detail. We recognize that we need to accommodate all those different groups.

We had last year a process for people to provide questions where they needed clarification. What we need to do this year is we need to clarify that process a little bit, make it better so that there is a little bit more certainty for the community.

We also need to define a process to community the important projects. We have the "Top 15" Projects that we have published. We would like

to check with the community how useful they find that. Does it help them in their analysis, or is it just additional detail that gets in the way?

There's another question that we have for the community, which is we would like to involve a wider group of participants in the process. We would very much appreciate input from the community on how we could do that.

There are probably improvements that we could make to the way that we handle the process that would enable greater participation from the community. We would very much appreciate input on that.

At this point, I would like to open the floor to the community to provide some input on those areas for improvement that I have just gone through. If people in the community would like to raise their hand, we can give them the floor. I can see Tijani has raised his hand, so please, Tijani, speak.

TIJANI BEN JEMAA: Thank you very much for this presentation. It is not a question, but it is something that I don't understand very well. You are speaking about evaluation after the end of FY17. We are still in FY17. I think, I guess, you are speaking about the end of FY16 [inaudible].

LEO VEGODA: We're talking about the end of the FY17 planning process, which occurs during FY16. The process took place during FY16, and it was for FY17. I appreciate that we're using two years at the same time. I can also see that Edward Morris has raised his hand. Tijani, could I ask you, did I

answer your question correctly? If so, I would like to invite Edward to speak.

TIJANI BEN JEMAA: Yes, you did. Thank you.

LEO VEGODA: Thank you.

EDWARD MORRIS: Okay, thank you very much. I also want to thank you for the question and answer provision that was introduced last year. In the GNSO, we did use that and we found it very valuable in trying to make our public comment a little bit better than it would otherwise have been.

With the new community mechanisms, with the new community powers, I think it's very important that we do get a wider group of participants involved in the budget process. It's a bit opaque to most folks. Should we try to establish some sort of cross-community committee? Something where people actually take responsibility for following the budget and working with staff?

Because if we just leave it ad hoc, I'm afraid that folks are just going to look and think, "This is too complicated to do," and just not show up. We see that attendance today is fairly small in such a large community. I'm trying to brainstorm a little bit to figure out how we can get the community involved because the veto power over the budget is one of

the new community powers, so we do need to have more involvement. Thank you for at least recognizing that problem. Thank you.

LEO VEGODA: Thank you very much. I agree. I think we do need to do more brainstorming. I don't know that we're necessarily going to reach the answers on this call, but I wanted everyone in the community to know that we consider this a really important area for improvement and it's something that we need to work on together with you.

Does anyone else have their hand raised. I can't see it, so I'm going to progress to the next slide, which is New Features in the Process. At this point, I'm going to pass the floor to Becky Nash who will take over.

BECKY NASH: Hello, everybody. This is Becky Nash, VP of Finance at ICANN. On this slide, we're introducing new features in the FY18 Operating Plan and Budget process or the planning process.

As we can see, the first point here is the related to the fact that the CWG recommended that PTI, which is the new entity that we will be talking about further in future slides in this presentation, that "PTI should submit a budget to ICANN at least nine months in advance of the fiscal year to ensure the stability of the IANA services." As is stated here, "It's the view of the CWG-Stewardship that the IANA budget should be approved by the ICANN Board in a much earlier timeframe than the overall ICANN budget."

EN

This point is a new feature in the planning process, and we will be covering on future slides, again, the relationship with PTI and the PTI FY18 planning process where we have introduced this new concept.

The next new feature in the process is the concept of the "Caretaker Budget" for both PTI and ICANN, which will be developed for they FY18 Operating Plan and Budget process.

Again, this is a new feature that we will be incorporating into our draft publication that will be going out for public comment. Again, we'll look at the timeline in the future slides, but this is a new process related to the new community powers.

Before we move on to the next section, are there any other questions specifically about this? I do see that, Edward, your hand is still raised. I'm not sure…

EDWARD MORRIS: I haven't worked out how to un-raise it on Adobe Connect.

BECKY NASH: Okay, so I'm going to go ahead and move forward. Again, we do ask for questions and answers on any of the key slides, and also at the end we will have a discussion period.

The next section of the presentation is regarding ICANN's Planning Structure. Here on Slide 10, we've like to give an overview of the financial reporting structure for ICANN. This is a picture of how we organized the financial reporting, budgeting, and planning process.

Over at the top, you can see that primarily we have two key areas, which are ICANN Operations and then the New gTLD Program. Over on the far right, you can see that we called the total is "Total ICANN."

I'd like to just focus on the ICANN Operations piece for the moment. The top section of the boxes talks about Funding. This is basically the revenue for ICANN where under the ICANN Operations, we have Funding from the contracted parties. Then we have ICANN Operations Baseline, which is the ongoing baseline operations, and Multi-Year Project Expenses. This is Operating and Capital.

Just to the right, you can see the introduction there of PTI. PTI is the new legal entity where the IANA services will be reported. You can see that we have it in the financial reporting structure under ICANN Operations.

Over to the right, we have a box labeled "Initiatives." During FY15, FY16, and FY17, this is where the IANA Stewardship Transition project costs and several other key initiatives. For FY18, we are just calling out that should there be any initiatives, this is where they will be reported as part of the FY18 Operating Plan and Budget.

To the right, we just like to highlight that we have the New gTLD Program, which is standalone financials with revenue and expenses.

Then down at the bottom of this schedule, you can see all of the funds under management where we have the Operating Fund, the Reserve Fund, the New gTLD Funds, and then the Auction Proceeds.

Moving to the next slide, this is a description of the relationship of ICANN and PTI. PTI is a wholly-owned affiliate of ICANN, which was incorporated in August 2016. PTI is a nonprofit public benefit corporation, and PTI will provide the IANA services when the NTIA contract expires.

ICANN is responsible for providing the resources to support PTI's operations. Again, it's a wholly-owned affiliate of ICANN where ICANN is the member supporting PTI's operations.

As part of this presentation, ICANN's planning process now includes a separate sub-process for the PTI Operating Plan and Budget with its own key dates, milestones, and again with the calendar of having it presented in advance of the ICANN planning process.

At the bottom of this page here, we're providing a link to ICANN.org with the news and announcements as it relates to the announcement of the incorporation of Public Technical Identifiers or PTI. This is for anyone that needs to look at that information on our website.

Before I move to the next section, just checking if there are any questions form our community members.

For the next section, we're going to address Current Status and Planning Needs. In Slide 13, we'd like to give you an update of the current status of the FY18 Operating Plan and Budget process. We started the ICANN FY18 planning process by beginning the development of the PTI Operating Plan and Budget. This is underway, and we have a timeline reviewing the key milestones and the deliverable dates.

The PTI FY18 Operating Plan and Budget draft will be ready by 30 September 2016. Again, this is nine months before the start of the fiscal year for FY18, which begins on 1 July 2017. This is in line with the CWG recommendation.

This next slide, 14, we discuss the Planning Needs for Community Input. We will use ICANN's public comment process to engage with the multi-stakeholder community during the development of all of the FY18 Operating Plans and Budgets, which is for the entire process of PTI, ICANN, and other requests.

What does this include? This includes engaging with the community on the planning process and calendar, which is this webinar and a previous webinar that we held last week. We will post drafts of the FY18 Operating Plan and Budget for public comment. We will engage with the multi-stakeholder community at both ICANN meetings coming up during this fiscal year.

After the public comment period, we will hold calls with the community after comments are submitted to better understand all of the comments received. As a result of having these calls, we will be able to publish a detailed report on public comments, responding in detail to comments that have been received.

Moving into the next section, this is our Schedule and Key Dates. This first slide, number 16, is the Proposed FY18 Planning Calendar at a high level. I'd like to highlight that at the bottom of the slide, there's a legend where we have ICANN processed in blue, we have the sub-process for

PTI in orange, and then we have the SO/AC additional budget request submissions highlighted here in a dark green.

If we look at this calendar, at the top we can see the months and the quarters listed for all of FY18 planning process. As you can see in Q1, we do have a milestone for PTI in the orange listed up on the left-hand side of the submission of the draft operating plan and budget to the PTI Board and Board Finance Committee of ICANN is informed as of 30 September.

This is a key milestone in order to then be able to move into publishing the draft operating plan and budget for FY18 for PTI for public comment, which you can see is listed here from mid-October through November for 45 days' public comment period.

During ICANN 57 in early November, we will also start the blue pc, which is for ICANN, community consultation on budget assumptions. Then in December, we move back to the PTI process where we have community calls as it relates to comments received during the public comment period.

The next key milestone is related to PTI, where we do have the anticipated adoption of the FY18 operating plan and budget by PTI Board and ICANN's Board at the end of January.

As you can see, we then continue on in the process with the blue color codes for ICANN, where we will have at that same time or shortly thereafter in mid-February submission of the draft operating plan and budget for ICANN and public comment period to follow.

Then making on into the final quarter, April through June of FY17 for the FY18 planning process, you can see that we have at the very bottom the SO/AC additional budget requests, which the submission happens December through January. Then the adoption by the ICANN Board is listed here in May.

This green line here in May is 45 days prior to the beginning of the next fiscal year. That is actually where we are targeting having the ICANN budget adopted. At this time, we're looking at ways to accelerate it, which would be an improvement over last year's process. But just to be conservative, we do have the adoption a little bit earlier than last year in mid-June for the entire ICANN Board to adopt the FY18 Operating Plan and Budget.

Again, this is our proposed FY18 planning calendar at a high level. I'm just wondering if there are any questions from anybody on the phone.

LEO VEGODA: I can see a hand raised by Olivier.

OLIVIER CRÉPIN-LEBLOND: Yes, thank you very much. Can you hear me?

BECKY NASH: Yes, we can hear you.

OLIVIER CRÉPIN-LEBLOND: Fantastic. Thanks. I wanted to ask just one question on this. We have these boxes for public comment, and there is also community consultation on budget assumptions. Is that also a public comment, or do you mean by community consultation on budget assumptions the sort of thing that we're having at the moment, a webinar of some sort?

BECKY NASH: Thank you for your question. The community consultation on the budget assumptions that's listed here is actually at ICANN 57, where we do have the opportunity of having both a budget workshop where we go in detail regarding ICANN's upcoming budget assumptions for several things like funding and operating costs. And also at ICANN 57, we will have the opportunity to hopefully present to different groups and have an operations and finance meeting presenting to the public. That is what we're calling "community consultation" listed there in November. As we indicated earlier, our goal is to engage the community. We have several different ways of doing it, which were listed on Slide 14. One of them is also engaging at those ICANN meetings. Olivier, I hope that answers your question.

OLIVIER CRÉPIN-LEBLOND: Yes, thank you very much. Thank you.

BECKY NASH: You're welcome.

LEO VEGODA:

I can see that Xavier is typing. Oh, and he has stopped typing. Okay, if we move to the next slide, it's actually a table with the Proposed Key Dates. Again, these are items that do appear on the schedule that we just covered on the previous slide, but we wanted to just highlight key dates for engagement, the first being the public comment on the draft PTI FY18 operating plan and budget. Then we have, as we just discussed, community consultation on the ICANN budget assumptions at ICANN 57. Then we have calls with the community regarding the draft PTI in mid-December.

The launch of the additional budget requests for the SO/AC submission process is listed. Then 30 January is the proposed adoption date of the PTI operating plan and budget. The next key date is the public comment for ICANN's FY18 operating plan and budget. Then the calls regarding comments submitted noted 1-5 May. Then 15 May is when the ICANN Board adopts the SO/AC additional budget requests. Then finally, the last key date is 24 June when ICANN's FY18 Operating Plan and Budget is adopted.

At this time, we've concluded on all the slides regarding the planning process, and I'm going to turn it over to Taryn for the next section.

TARYN PRESLEY:

Hello, everyone. At this point, we will open the floor to any comments or questions you may have. Please raise your hand in Adobe Connect or begin typing in the chat.

As Leo called out earlier, we did have some discussion points that we would like to kick off with, such as the planning documents. How they

can be improved for you, what additional information can be provided that isn't already. Is the information we do provide adequate for your understanding of the activities for the coming fiscal year? We'd like to get your thoughts about more ways that we could engage with the community as well as how we can get more participation.

So if anyone has any comments or questions around those topics or any other topics, please go ahead and raise your hand or type in the chatroom.

I see Xavier typing. He says, "Olivier, since you have your hand up, you need to ask a question!" Olivier is responding. He says, "That's an error. That's an old hand." Okay, great. Well, since we don't have any hands or any questions in the chat, I think we can go ahead and conclude our webinar.

LEO VEGODA: We've got lots of raised hands now, Taryn.

TARYN PRESLEY: Oh, sorry.

LEO VEGODA: We've got Xavier, Tijani, and Sebastien who have all raised their hands.

TARYN PRESLEY: Okay, I apologize. I can't see that from my screen so, Leo, I'm going to hand it over to you to list the hands that have been raised.

LEO VEGODA: Okay. Let's start with the community. As Sebastien has not spoken previously, if I could invite Sebastien to speak. Hello, Sebastien? I can't hear Sebastien. Are you muted?

SEBASTIEN BACHOLLET: Yes. Thank you. I'm sorry. I was muted on my side. I have a bad voice today. But please let Tijani go ahead. He was before me, and I don't want that [precedent]. I was late in the call. It's why you didn't hear me earlier. But please, let Tijani go ahead, please.

LEO VEGODA: Tijani?

TIJANI BEN JEMAA: Thank you very much. I can [confess] that now we are going more and more toward the systematic process of planning and not consultation with the community. This is what [is interesting] for me. I think that we are going in the right way, in the right direction. Thank you very much for this effort.

                               But I have perhaps a little bit concern because I see that we always have the public comments before the consultation with the community, before the consultation with this [inaudible] group because we do the consultation with [inaudible] group during the ICANN meeting and sometimes a call like this. If we try to have a look to the planning process before it goes to public comment, it will be better for me so

that we can give you our input before so that it may help to perhaps present to the public comment something on which we gave some input. Thank you.

BECKY NASH: Hi, Tijani. Thank you for your comment. As I've understood it, you are recommending more interaction with the community prior to the submission on the public comment period. I did want to highlight that in November, and I know that you have participated in the budget workshop meetings that we've had normally prior to the start of the ICANN meeting, and that is a great way to interact on the budget assumptions, the high-level assumptions that we will be using during the planning process. But overall, I've made note of your comment and I think, as we brainstorm on further efforts on how to improve community interaction and consultation, we will make note of that and come back to you with some additional ideas.

TIJANI BEN JEMAA: Thank you.

LEO VEGODA: I see that Xavier wants to speak and I think to respond to Klaus who said, "We will [to make all this] relevant to the community."

XAVIER CALVEZ: Hi. Can you hear me?

LEO VEGODA: Yes.

XAVIER CALVEZ: Thank you. To Tijani, I was not sure I had understood your [quote] because we would have [likely] two workshops at ICANN meetings prior to the publication of the draft ICANN budget for public comment, which would normally happen around the March timeframe. So we would have at least Hyderabad and possibly the Copenhagen ICANN meeting as well, though it may be slightly late this time. I'm not sure. So that would be interaction that would happen prior to the public comment for the input on the [inaudible] budget. Therefore, I was not totally understanding what you thought would not achieve that purpose of having interaction prior to the publication. So hopefully, you can clarify that during the chat [or if you want to do that now]. Thank you.

TIJANI BEN JEMAA: Thank you, Xavier. I was [still] on the plan you presented right now that the public comment would be prior to our face-to-face meeting. That's why I raised this point. Perhaps I didn't [inaudible].

XAVIER CALVEZ: So I think I understand. So you are referring to the public comment process on the IANA-only budget, which is slated between mid-October and the end of November on this graph. In the consultation and budget assumptions that we are referring to, the line below refers to the overarching budget process.

I think that now that we will have one specific process pertaining to the PTI budget at a different timing than the rest of the ICANN budget, we will therefore have a separate and earlier public comment period that is specific to the PTI budget and only the PTI budget will be submitted under that public comment period.

There will be prior consultation relative to that specific PTI budget in the future. [inaudible] previous consultation will only be able to happen either during the month of July or August or at the ICANN meeting that precedes that period, which would be the June ICANN Meeting B for policy development. So that's what will happen in the next year, if you see what I'm saying. So hopefully, we've addressed your question.

I see that Klaus has also a question, so I will keep mine for after Klaus. Thank you.

[KLAUS STOLL]: Thank you very much. I just wanted to go ahead and clarify a little bit the comment I made for you to make all this relevant to the community. I'm really grateful that you make this effort of this webinar, but I think the problem of the [inaudible] is that they don't really know why this is important for them and how to relate to it and what is their [inaudible].

I think what we should try to do during the ICANN meetings and [inaudible] not just to present the drafts and present the planning but really to have an event or webinar or whatever that basically explains to the people of stakeholder groups why this is important, how they can engage, what's in it for them. Then go to the charts and to the financial year planning.

Of course, as always, that's easier said than done. We need to find a language which is not too financial. Thank you.

LEO VEGODA: Xavier?

XAVIER CALVEZ: Thank you, Klaus. I think this is a very good point and certainly we've had these talks and discussions about how to be able to engage better with the [inaudible] community and make this [inaudible] more accessible. And you're right, looking at what is more directly of interest to people. What's in it for them? What's the interest? What's the benefit? This is something we definitely need to be able to work on as well as making it more simple like a high-level [inaudible] so that people can engage and get further deeper if they would like [inaudible]. So I thank you very much for that feedback. That's very helpful and very useful and I definitely agree with what you're suggesting.

KLAUS STOLL: Just as answer, I think, Xavier, the trick is simply to say, how does all this financial planning serve you as the community? Financial planning and the financial [inaudible], how does this serve the community? Then you really get the interest of the people. It's just basically rephrasing the [inaudible].

XAVIER CALVEZ: Yes. Thank you very much. I see that Ed agrees as well with this. This is useful information. Thank you, Ed.

LEO VEGODA: Sebastien has raised his hand. Go ahead.

SEBASTIEN BACHOLLET: Yes, because you forgot me after, Tijani.

LEO VEGODA: Sorry.

SEBASTIEN BACHOLLET: Sorry for my voice. Thank you very much for this very good presentation and enhancement of the process. I think that adding one organization in all that was, I'm sure, not very easy, but you have done it and I am sure that as the year before you will try to have the end of the process before the end of the fiscal year.

Just a silly question: you are prepared to have the transition of the stewardship going ahead. Did you have any plan if it's not going? Which part will be taken into account? Do you think that you will do all the same way, or you will do it differently if you have [inaudible]? Have an answer will be great. If not, I can understand. Thank you very much.

LEO VEGODA: Xavier?

XAVIER CALVEZ: Yes, thank you, Leo, and thank you, Sebastien, for the question, very relevant question. The way we were looking at the budget is that there is financially relatively little operational impact if the transition does not happen at the timing that it is currently slated.

In the scenario that it doesn't happen on October 1, there is then the two sub-scenarios. One is it doesn't happen on October 1 because it happens later and, second, it doesn't happen on October 1 because it doesn't happen at all and, of course, at all within this fiscal year that we're planning for.

We haven't tried [inaudible] formulated those scenarios. There's a little bit of an optics reason to that. It's that it's we felt to be very clear that it was going to seem very helpful to publish a document in which a scenario is that the transition doesn't occur. But it's definitely clear that until it's done it's not done, and we know very well that there are a lot of things going on right now that pertain to that.

If it wouldn't happen, there is relatively small financial impact from the perspective that the costs of the IANA functions, as you know, are already included in this budget. If the transition doesn't happen, then the IANA functions carry out in the same fashion as they have been carrying out and will until the end of September.

So there was relatively little amount of cost that would be different if the transition would not go through, mainly pertaining to the day operations of the fact of the legal entity that we have created, the PTI

legal entity. But the rest of the IANA functions that are within PTI would continue, just within ICANN.

Now there are many, of course, consequences to the transition not happening which are quite challenging I'm sure for anyone to fathom and plan and estimate any impact for, which would be very [theoretical], which would be tremendously challenging for the organization. But we have not tried to formulate this scenario of no transition as a result of that.

At this stage, we are also only talking about calendar. We are not yet making assumptions. As we formulate the assumptions of the budget over the next few weeks, we will all have seen whether or not the transition happens on October 1. So we will have the opportunity to formulate an FY18 budget that then corrects any incorrect assumption relative to PTI that we may have so far had and we will be timely enough to be able to [inaudible] those assumptions. Thank you.

We have another question from Tijani.

TIJANI BEN JEMAA: Thank you, Xavier. It's not a question but is confirmation of what you just said. Because I think we spoke about that a while ago, and you said that you are ready for both scenarios: the scenario with a transition happening and a scenario where the transition didn't happen. So I think that you said in this meeting [inaudible] I don't remember which one, you said that it is not an issue for you to plan for a normal budget if it doesn't happen, the transition. So I see as a planning calendar, it's not the budget. It is the planning. And since the transition will perhaps

happen, and I hope it will happen, 1 October, as you said, you are ready to plan for a normal budget at this point. Thank you.

LEO VEGODA: Xavier typed "correct." Taryn, I know that you had some other questions planned, and I know that they're also documented on the wiki page for this webinar. But maybe as we've spoken about this, you'd like to go with one of those other questions for a bit? I see Xavier has raised his hand.

TARYN PRESLEY: [inaudible]

XAVIER CALVEZ: If you're okay, Taryn, I'll go quick on my question.

TARYN PRESLEY: Go right ahead.

XAVIER CALVEZ: Thank you. We have a number of people from At-Large on the presentation. I want to thank you for that, and I thought I was going to use that opportunity to see, Tijani, practically speaking if there is a possibility for us to engage with your help with the entire subcommittee for finance and budget. I'm not sure I have the vocabulary right, but you have a group that works within At-Large on the budget, and I think that I would want to make sure we manage to engage with this group with

your help. We would be happy to conduct a simple presentation or a variation of this presentation directly to that group if that would be relevant in your view and of interest, of course. Do you have any thoughts or ideas on that?

TIJANI BEN JEMAA: I think it would be a very good thing to do. The chair of the subcommittee is here present, Alan Greenberg, and I want him to confirm. But I think that it is a great thing to do. We perhaps may prepare a special call for At-Large about the budget planning for this year because it is a special year. Thank you.

TARYN PRESLEY: Okay, thank you for that.

XAVIER CALVEZ: Alan, I don't know if you want to try to confirm that.

ALAN GREENBERG: It's an easy answer for me. I defer to between Tijani and Heidi. If they think that a call like that is warranted, then it's fully within their ability to schedule one. It doesn't need my approval. Thank you. It certainly has my support, but it doesn't need my approval.

XAVIER CALVEZ: So I suggest that we work with Heidi and Tijani to see how and when it makes sense to have such a call and probably prepare a bit for it as well

because I would want to make sure that tailor as much as it makes sense the content and the structure of that presentation to the finance and budget subcommittee to the point that Klaus made earlier and Ed confirmed. We'll work separately with Heidi and yourself, Tijani, to make that happen. Thank you. Taryn?

TARYN PRESLEY: We have an additional question in the chat from Edward Morris. Reading this, it's a quick question regarding the Work Stream 2 budget. It's indicated, "As I understand, is it set as a fixed amount for multiple years? For example, the $1.4 million amount for legal expense. Is it to be spent in FY17 or FY18? Is this sort of multi-year project budgeting an exception within the process, or is it used elsewhere?"

BECKY NASH: [inaudible]

XAVIER CALVEZ: Can I? Go ahead, Becky, and then obviously anything that is needed. Go ahead.

BECKY NASH: Okay. From this question, my understanding is that this is identified as the FY17 budget for the IANA Stewardship Transition project costs, which are part of ICANN Operations. That amount is for FY17. If we refer back to the reporting structure, that is something that we've identified as initiatives in the FY17 budget process. As a result, the initiatives are

items that are paid for out of the reserve fund. At this time, it is just expected to be FY17. We will plan for FY18 if needed, but at this time it's expected that that will be only for FY17. Xavier, do you want to add anything?

XAVIER CALVEZ: Yes. Thank you, Becky. Confirming what Becky has just said, I just wanted to provide a bit of color to it. It is planned for FY17 also because the original schedule that had [inaudible] used to determine that number $1.4 million [inaudible] was that the WS2 work streams would be completed within FY17. So when we discussed this topic with the CCWG, the idea was that whether it's for one or several years, it's $1.4 million, knowing that frankly the plan is that that $1.4 million would be an envelope available for FY17 because of the WS2 work streams would be closed by the end of FY17. Should it not be finished by the end of FY17, that $1.4 million carries out for the entire project.

Now we all know as well that if it's not finished by the end of FY17, it may be because there's a lot more work or longer work or more complex work that may also require more resources. But it will be for the CCWG co-chairs with support of the PCST to formulate the [needs] for additional resources should that be the case. Thank you.

LEO VEGODA: Ed Morris [says, "Thanks for the] clarification."

TARYN PRESLEY: Do we have any other hands in the room, Leo?

LEO VEGODA:	There are no other hands raised, so you have the floor.
TARYN PRESLEY:	Okay, so most of the questions that we had for our community have been covered. We wanted to get the feedback on the community calls and other interactions as well as discuss how we can increase participation, and I think we got some very good thoughts on both of those topics.

We also wanted to get feedback on the documents published themselves. We know that they are very substantial documents that are published. We do plan on making improvements where we can have maybe a high-level summary of what's included in the documents for those who are unable to read 100+ pages.

So we wanted to get feedback on the documents published as well as the supplemental documents, for example, the "Top 15" Projects listing. Last year, we published a document that had the top 15 projects in order of cost from highest to lowest, and we wanted to find out, was that document useful? Is that something we should be producing on a regular basis? Is there maybe a different way that we should be defining what is a top 15 project other than cost?

I'm just going to open the floor to the community if they have any comments on the documents. Leo, I still am not able to see if any hands are raised so if you do see any, please call in them.

LEO VEGODA: None have gone up yet.

TARYN PRESLEY: Okay, so nothing on those topics. So unless there are other comments or questions, I think that concludes our presentation. Again, we just want to thank you for participating in this. Your feedback and interaction with us is really crucial to making sure that we have a process that works for the community, that's relevant and timely. We just want to make sure that you are aware that we are grateful for your participation and we look forward to working with you on the FY18 operating plan and budget process in the coming months.

                         Xavier and Olivier are typing. They both say thanks. Now Edward Morris is typing, and he's saying thanks as well.

                         Becky, Leo, Xavier, any final comments?

BECKY NASH: None from my end.

LEO VEGODA: No. Thank you.

TARYN PRESLEY: Okay.

JESSICA CASTILLO: Thank you, all, for your input. We will now stop this recording and close this session. A recording will be published on ICANN's community wiki at the URL in the notes pod later today.

[END OF TRANSCRIPTION]