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ANDREA GLANDON: Excuse me. Good morning, good afternoon and good evening. Welcome to the finance and budget subcommittee working group call. Today's the 3<sup>rd</sup> of December, 2018 at 18:00 UTC. On today's call, we have Cheryl Langdon-Orr, Olivier Crepin-Leblond, Holly Raiche, Ali AlMeshal, Maureen Hilyard, Tijani Ben Jemaa, Wale Bakare, Sergio Salinas Porto, Kaili Kan, Ricardo Holmquist, Bastiaan Goslings, Judith Hellerstein, Alan Greenberg, Glenn McKnight, Marita Moll, and Maxim Alzoba.

We have apologies from Alfredo Calderon and Eduardo Diaz. From staff, we have Heidi Ullrich, Evin Erdogdu, Benedetta Rossi, Becky Nash, Xavier Calvez and myself, Andrea Glandon on call management. I would like tonight everyone to please state your name before speaking for transcription purposes and to please mute your phones and microphones when not speaking to avoid any background noise. Thank you. And over to you, Maureen.

MAUREEN HILYARD: Thank you very much.

XAVIER CALVEZ: Hi, Maureen. I'm sorry to interrupt. This is Xavier Calvez. There's also Shani Quidwai presenting their room with Becky and I. Thank you.

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*Note: The following is the output resulting from transcribing an audio file into a word/text docent. 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.*

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MAUREEN HILYARD: Awesome, great. Thank you very much, Xavier. Okay; thank you very much, everyone who has turned up to this session this morning. I just noticed that there are some of our former team members who are still to arrive, and I hope they do turn up. This is an important meeting for us; it's our first convened meeting of the FBSC and I thought it was really important that we took this opportunity as our first meeting to get an overall picture of the FY20 operating and budget presentation from our finance team, but also to get an introduction to the additional budget requests. And I have reviewed on that so that we are aware not only of the big picture, but what it is that we need to specifically target for the ABRs and when we're working with RALOs.

So, thank you very much Xavier and Becky and Shani for coming. And I assume Mary and [inaudible] is here? And it's great to have stuff available for us to do this presentation. So, it's a pretty tight timeframe that we have on this morning. And so perhaps if I can move on to Xavier and your team to look at that first section?

BECKY NASH: Hello, Maureen. This is Becky.

MAUREEN HILYARD: Thank you, Becky.

BECKY NASH: I can start just to kick off the presentation, and then we can run through these slides. I know that we have an agenda, so let me go to the next slide. For the operating plan and budget, it's myself -- Becky Nash -- and

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Shani Quidwai who will be presenting. We also do have Benedetta on the line. We do have the presentation split into two agenda items, the first one being the FY20 operating plan and budget and planning process, and then the second one is the FY20 additional budget requests. On slide three, we just have the overall agenda. We have speaking points, but we also left ample time for Q and A and any observations from the group.

Just before starting, we just all wanted to say thank you very much for inviting us to your meeting for this agenda item. We are very pleased to interact with the group and help in any way as it relates to the annual planning process public comment period. We are thrilled to have the opportunity to help the community with additional engagement. And then, of course, we have the annual budget request process, which I know is very important. We have detailed information on that, along with our colleagues from policy. So from here, I'll just go into the next section, which is the FY20 operating plan and budget. And I'll go ahead and ask Shani to present these slides.

SHANI QUIDWAI:

Thank you, Becky. Okay, so in this section I've just got a few slides that will go over the ICANN budget and the process and timeline. We are already in that process for the PTI and INA budget, and the ICANN budget will be posting soon. We have a slide with those dates later. And then once I'm finished with this section, Becky will go through the additional budget request, which is a specific section within the budget. Our budget for ICANN will be posting for public comment we're expecting on December 17<sup>th</sup>. When we post the budget, there will be

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five different documents to comment on: the ICANN strategic plan, the update to the five-year operating plan, and the annual operating plan and budgets.

And, as I mentioned, the INA and PTI ones have already been posted and the public comments window has closed. We will be publishing the public comment responses shortly on that. Within the documents that we published, there's a lot of information. So we break it down in a few different ways to increase transparency and just make everything more digestible for people to understand what they're looking for.

At a high level, we have five goals; I'm sorry, we have five objectives, 16 goals, 41 portfolios and 221 projects. So depending on how detailed or how high-level information you were looking for, all of that can be found within our documents. And later in this slide, in fact, there's an overview of each document and the goal and purpose of those documents and where you can find some of this information.

Here's an overview of our timeline, and we started the budgeting process for FY20 back in August. We held a few planning kick-off webinars that are posted online and you can still see the archived presentations. At ICANN 63 we had a budget working group, and as I mentioned, we are planning to publish the budget for public comment on December 17<sup>th</sup>. All of this with a goal of having the board adopt the budget on the 6<sup>th</sup> of May, which would be 30 days earlier than last year. Now I will hand it over to Becky to go over the additional budget requests process. Thank you.

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BECKY NASH:

Thank you, Shani. The FY20 additional budget request process is a specific process where we launch on the Finance Wiki a set of documents that are to be used to make such requests. And the webpage has been set up, and for anybody that has not had the opportunity to look through the webpage, I know there are many of us that can help with the various documents. And the request timelines opened up from the 5<sup>th</sup> of November and will be open through the 25<sup>th</sup> of January, 2019. We won't cover all of the key dates.

And on this slide we have several points of interest just related to the overall process. So, one of the key items here is that there is a specific template to be used and one such template for each individual request is to be used. And the forms themselves are submitted via email to the planning at ICANN.org' email address. That is our key email address at ICANN finance department for all items related to planning and specifically also the ABR process.

As I mentioned in point number three, the community Wiki Finance working space has all of the past years and also the current forms and principals. Each time a template is received, ICANN finance team will submit and issue an application number for tracking purposes. So we have some timelines on how long that takes; I know that's been a question in the past. We are sensitive to the deadlines. We have allowed a little bit longer of a deadline just due to the year-end calendar timeframe.

Point number five, that in the context of the overall principles all requests will be closely examined. And there is a process then for internal review and approval, again in the context of the guidelines. For

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the draft operating plan and budget for FY20 there is a placeholder included for all of the expected request. And the last thing is that all approved requests will be implemented in accordance with the ICANN policies for ABRs.

On slide number ten, this is just an overview of the overall timeline. And the important items, again, that we just wanted to stress is that the submissions need to be sent to planning at ICANN.org and the due date is January 25<sup>th</sup>, 2019. The subsequent steps are the preliminary review of all of the requests. We will then, in March, have the opportunity to have consultations at ICANN 64. And we specifically do request invitations during constituent's day at ICANN 64.

And then, the timeline then proceeds with the assessment and recommendations after the consultations that should be concluded by the end of March. And then the next two steps are the steps that take this process towards board approval. So, similar to FY19 and different from FY18 and prior due to the fact that with the by-laws related to both PTI and ICANN, the overall planning process has moved up where board approval is being sought earlier and earlier each year. And this is just in order to account better for having a budget approved prior to the beginning of the next fiscal year. It also permits a timeline for the empowered community process. And we really are looking at ways to keep moving this up. But due to the fact that overall board approval for total consolidated ICANN is expected in early May, the additional budget requests processes will be considered by the board at that same timeline.

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So, there is no longer a preapproval or approval by a board outside of the total budgeting process. And so, again, this gives the snapshot of the entire process. So, I wanted to pause here just to see if there were any questions. We do have Benedetta and Mary on the line for any additional discussions about the ABR.

MAUREEN HILYARD:

Thank you, Becky. Are there any questions for the top members who are here? I know that Heidi has been putting into the check something that is important for At-Large and that we do have our own pages as well to cover the FY20 submissions and the additional budget requests separate pages, which actually details the process for At-Large and our timeframe, so that we can meet your timeframes with that internal discussion that may occur and will be required. So, we're just hoping that we would be able to get things a little bit more fine tuned before it comes to you. Judith? Judith? Are you on mute, Judith? Because we can't hear you.

JUDITH HELLERSTEIN:

Can you hear me now?

MAUREEN HILYARD:

Sure can.

JUDITH HELLERSTEIN:

Oh, you can. Okay, so I don't know if these are covered yet or this is too early, but in the internet governance issues were also covered by ABRs.

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And I wanted to know whether this is true this year or not, and so that's what my question was.

MAUREEN HILYARD: So what was the actual question, Judith?

JUDITH HELLERSTEIN: Yes, it was IGS.

MAUREEN HILYARD: Included into ABRs; is that what you're asking?

JUDITH HELLERSTEIN: Yeah.

MAUREEN HILYARD: Okay. I don't know. Becky? We have done requests for IGR, like activity along with our requests. We're just wondering whether that's going to be included this year.

BECKY NASH: Hi. Thank you, Maureen. I'm going to let Mary Wong provide a response. Go ahead, Mary.



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MARY WONG:

Thanks, Becky. And thanks Maureen, Judith and everyone. This is Mary from the policy team, and I don't know if this will answer Judith's question, but I think it's actually a two-part process, because based on what we saw on the At-Large space and your rules in this committee and also as typed in the chat, that internally within At-Large, there is a process that each request has to go through before all the requests are approved by the committee and then sent in to ICANN org. So, I would say that that's the first part of it. And we on the org site certainly cannot answer to that. On the second part, assuming that an IGF-related request gets through the At-Large process and gets submitted to the org along with any other requests from At-Large and other requests from other community groups.

You know, I think everyone knows that the decision depends in large part on the amount of money that's available, on the number of requests that come in, and, of course, on the types of requests that come in. So on this last point, what we did in this past FY19 -- I think this group is very familiar with -- and what we anticipate continuing in FY20 is to apply the principle that the board of the CNEG executives are aligned on, which is for requests to be approved, the request itself in terms of what that particular activity's going to be has to be in some way directly and demonstrably be related to ICANN's advisory or technical work.

We have avoided saying that particular events are or are not considered directly related for a number of reasons. I mean, one reason obviously is things do evolve; the nature of work changes. And it's really, really difficult to have a blanket rule to say IGF, for example, yes or no. It really does depend on the nature of the request. But to the extent that

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at this stage the org site can say anything, it is my anticipation that we will continue that principle that we applied last year, and I hope that's helpful. Thanks, Maureen.

MAUREEN HILYARD: Very helpful. Thank you. Mary. I hope that covers Judith's concern and I think, too, it's very handy for us to hear that, too, for our representatives to take that to their rollers when they're actually making their plan. We have Tijani with his hand up. Tijani?

TIJANI BEN JEMAA: Thank you very much, Maureen. Tijani speaking. And thank you, Mary, for your answer. I think that it wasn't the case last year. Last year that there was a veto on any requests to participate, to have a workshop, to participate by any kind of activity in IGF. And Judith's question was about that. This year, we have the same thing. Because even before, when we had a topic support for IGF, any request should be in line with ICANN's plan. So this is the condition that we always follow for any request. The question now is last year, it was forbidden to have any funding for IGF. Is that the case this year? Thank you.

MAUREEN HILYARD: That was our understanding. So, if we're actually following the normal process and that the application is in line with the ICANN process, why was it completely withdrawing last year? But while you're considering that, Holly has another question.

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HOLLY RAICHE: Yeah, it's really a much higher-level question. The best place to intervene, just -- and correct me. Clearly we don't participate in the strategic objectives; or maybe we do, but that's the best place for ALAC to intervene, as I'm thinking about it, must be starting with the budget process. And then how does the ABR fit in with the overall budget, and then additional allocations. At what point is the best place to actually start the intervene, to start the conversation? And is that involved in where we actually get figures and allocation, which we then have to go through our own processes to work out how we spend that. It's just a kind of best overview that'd be great. Thank you.

MAUREEN HILYARD: Okay, well, there's two questions. I'm looking to Holly's question. I think that from what I'm hearing is that we make the decisions at the At-Large level, and then it goes on to the next level. So a lot of the discussion will have to take place within our process. That's how I understand it, anyway. But we'll hear from Mary. And also, Mary, if you could address the question again that Tijani asking as you've got in the chat?

MARY WONG: Benedetta is going to take that answer, Maureen, if you don't mind.

MAUREEN HILYARD: Oh. All right. That's great. Thank you, Mary.

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BENEDETTA ROSSI:

Thank you very much. This is Benedetta speaking for the record. I was just going to take Tijani's question regarding the last round of additional budget requests. Just to clarify, as Mary had previously mentioned on the call, last year the organization applied a principal to each request whilst looking at each request on its own terms. So, there wasn't actually a veto from the org side. And so, looking forward to FY20, there'll be a lot of factors that will play in. It's difficult now to say what will be or what won't be approved without seeing all of the requests.

Because what the organization usually does is look at every single request. So, let's say there's 60 requests with the envelopes available, every single request has to be evaluated on its own terms and then put against the budget and see whether, for example, there's a trend, and then there has to be a consistency across the board for all of the requests received, for example, with similar requests. And that's what happened, for instance, with the IGF where the requests were not approved. So I hope that clarifies the point for Tijani. Thank you.

MAUREEN HILYARD:

Thank you. All right, Judith has another question that's in the chat. Judith, do you want to raise your hand?

JUDITH HELLERSTEIN:

Yes, it's Judith Hellerstein for the record. I was wondering about finding out about -- in the past, the captioning had made it into the co-op. But then last year, because of money, there was no funding. Does that mean we should submit another request for captioning, or is that going to be taken offline in a different process? Was that clear?

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MAUREEN HILYARD: Yes, it was to me.

BECKY NASH: Maureen, this is Becky. I can --

MAUREEN HILYARD: Thank you.

BECKY NASH: -- respond or ask Judith for a few more details. Judith, is this captioning related to support or particular meetings? Could you just provide a little bit more information on that?

JUDITH HELLERSTEIN: Sorry. Yes, it's Judith Hellerstein for the record. No, this was for the online meetings; Adobe Connect meetings. A couple of years ago, we had put in the request for captioning in different languages, and then over a year ago, it made [inaudible] and then they decided they were only going to do English, but they were signing contracts of new captioning firms. So then we never got moving.

HOLLY RAICHE: Yeah. Okay, thank you Maureen. Judith, I will get back to you this week. I'm very aware of your question. So no need, Mary or Becky, to

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follow up. I'll follow up directly with David in plenty of time, in case there is a need to complete the ABR.

JUDITH HELLERSTEIN: Thanks, Holly. Yeah, I just wanted to make sure that I didn't have to do it and it is being looked at. But thanks.

MAUREEN HILYARD: Thank you. Holly, I think there was an announcer. Mary, would you like to answer that more specifically for Holly relating to a figure for ALAC? I mean, I'm assuming that there isn't actually a figure for ALAC, but you can answer that one.

MARY WONG: Sure. Thank you, Maureen. This is Mary again, and I was about to type it, but you're right. It's easier to just answer it. And I hope this clarifies. You're right, Maureen; there is no specific figure allocated to ALAC or any other community groups, either in the overall ICANN budget or within the envelope allocated to the ABRs. So, what we do, as Benedetta said, is that for every request that comes in, it is looked at on its own terms against the principles as well as priorities, et cetera. And so the request itself, in terms of outlining why and what and how is really, really important; that's really critical.

As part of trying to figure out which request should be approved given the limited amount of money, it is, of course, a factor if one SNOAC group makes a lot of requests versus another one that makes very, very few within that year over time, but it is not a determining factor, and it's

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not based on the fact that, hypothetically, we allocate \$10,000 to this group. Then for the same request, \$10,000 should go to that group. Or if we said, “No,” to this group for that request, if another request from the third group looks more or less the same, then we're going to say, “No.” There isn't that kind of pre-allocation or allocation as such; it really is each request standing on its own as well as looking at the end of it to whether or not it means that overall, every SONAC that cares to send an ABR does have at least some of his needs met with the limited amount available. And again, I hope that's helpful.

MAUREEN HILYARD: Holly, just in response?

HOLLY RAICHE: Yeah, it's a follow-up question, Mary. In which case things like where we've asked for it and apparently been given approval for the ALAC meeting. So, are you saying, basically, we have to put forward a case if we want a general assembly, the general assembly, and put those cases forward a year or two or three in advance? And do we try to get stuff in the overall budget, as opposed to an annual budget allocation?

MARY WONG: This is Mary again, and Holly, I don't think I can answer that full question. I think part of it really goes outside the role of what my team does. What I will say is that the annual budget request process is an Atlas process, and it is based on the request as well as the budget for that year, to the extent, I think, that a community group has a strategic

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direction or plan to have certain types of regular activities, then I would say it's up to that group to figure out if that is something that is appropriately covered, perhaps initially through an ABR, perhaps phrased as a pilot project. Or, is it something that based on it having been an ABR for a while, for example like CROP or the others, that it should make its way into the regular budget, and then that can be the subject of a comment during the budget planning process.

I think beyond that, I'm not sure that I'm really equipped to answer that question. So, the last thing I'll say is it's my understanding that funding for the Atlas Summit -- and I know Heidi will jump in if I get it wrong -- that's not something that's part of this ABR and I believe potentially not part of the usual policy budget either. So leaving Atlas aside, I think that, like I said, it is a matter for each community group to decide what their strategic priorities ought to be and figure out whether the ABR process or commenting on the budget or both is a better direction for them to take.

ALAN GREENBERG:

It's Alan. Just to be clear, Atlas was never funded through ABRs and GBs used to be but are no longer funded through GAs. So, neither of those are applicable to the ABR process.

HOLLY RAICHE:

So are we talking about budgets or ABRS or what?

ALAN GREENBERG:

We're talking about ABRs here, I thought.



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HOLLY RAICHE: I thought we were talking about the whole process. Okay.

ALAN GREENBERG: In either case, neither of them applies specifically to those two types of projects.

MARY WONG: This is a call on ABRs, right?

HEIDI ULLRICH: Mary, Holly, this is Heidi. So this call, as the agenda states in the introduction, given that this is a new team for 2018, 2019, that's why we have finance here to talk about the budget planning process as well as the PTI slash IANA budget as well as a little bit on the ABR process. But it should be 50/50 on that. So again, nothing to do with the Summit and the GAs, which are -- the fiscal year 20 Atlas has already been taken care of. Nothing more for you to do budget wise; just plan it now.

And then the ABR process, just keep in mind that there At-Large criteria that you have to meet -- ALAC and At-Large requests -- need to meet those criteria and follow that At-Large process. That's all listed in that page. I put into the chat earlier on the, it's called the fiscal year 20 budget planning workspace. So, please -- I just need to stress, everyone -- please follow that. That is an extra step for At-Large. Thank you.

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MAUREEN HILYARD: Thank you, Heidi. Yes, those two pages are very specific for At-Large and they generally follow what is our normal process where we've actually being in past years when we've gone through it anyway and we're being a little bit more specific again; I think, even in the ABRs, it actually stated the sort of things that are going to be more considered by this group, for instance. This is the members of FBSC, the ones who are going to be considering in light of what seems to be the priorities for At-Large.

So, it is important that we follow our process, but that will get us up to the stage where we can have selected what we consider our priorities, and then we move into the formal process, which involves the finance committee. And Heidi's put in the criteria into the chat for what we're looking at; sort of like the priorities for ours in keeping with the general, overall ICANN expectations anyway. Okay, so do we have any other --?

ANDREA GLANDON: Maureen, this is Andrea. Becky has her hand up.

MAUREEN HILYARD: Right. Sorry, I haven't got my thing right. Thank you, Becky, please.

BECKY NASH: Thank you very much, Maureen. I thought in light of the question that came from Holly, it might be a good idea to go back in the presentation to slide number seven with the key date. This is related to the overall FY20 planning process. So I just wanted to highlight, again, that the stage in which we're in for the planning process is the ICANN public

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comment period will begin on the 17<sup>th</sup> of December. And that's where the community has the opportunity to review the documents that we have published as part of the FY20 operating plan and budget process. That public comment period -- again, which launches on the 17<sup>th</sup> of December -- will run in its entirety all the way through to the 8<sup>th</sup> of February. It's approximately 54 days, and that's just due to the fact that it's covering this year-end calendar, December, early January timeframe where many people are very busy for different celebrations.

So, the next key date after that is something that we call submitting and clarifying questions. I just wanted to have an opportunity to explain this to the group. What the intent for submitting clarifying questions from the community members, we asked that that be submitted by the 11<sup>th</sup> of January. And those are questions that any readers find that they don't understand something that's presented in the documents that are published for public comment. Or they have a question that is not really a public comment on something, it's more in order to understand or get more clarity -- that's called clarifying questions -- on the nature of the operating plan and budget. So, we'd just like to highlight that that's a great opportunity for a group such as this to come up with some questions that would then permit the working group or community members to then draft specific public comments.

And again, the due date for public comments is the 8<sup>th</sup> of February. And we would just like to remind everybody that that does need to be submitted on our website on or before the date of the closure of the public comment period. So I hope that provides some clarity. Just as the second part of my response here, we have something that I'm

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moving forward in the presentation, which is the documents. What slide is that on?

UNSPECIFIED SPEAKER: It's in the appendix.

BECKY NASH: It's in the appendix? Okay. Forgive me. Oh, there we go. So, on slide 15 of the slide deck just explains the actual planning documents that will be published for public comment. I just want to list them quickly, just for those that may not have had an opportunity to participate prior to this year. The budget highlights an overview is exactly that; it's intended to be a high-level summary. We recommend that all readers start with that document. It provides an overview of the key elements and all of the plans for FY20. Then we have the total budget documents and similar to last year, those documents are separated between a budget and then the operating plan. So the third set here is the operating plan.

Again, the combination of these two documents is what is presented to the ICANN board once the process moves toward adoption. We also have the five-year operating plan update. So that is the current year update to the five-year operating plan. This is the last year of the current strategic plan and five-year operating plan. And then the last item is a set of spreadsheets. We provided some information on how the ICANN operating plan and budget is organized with projects and portfolio supporting and objectives. And the Excel spreadsheet is a lot of details broken out by the budget for each project. So I just wanted to

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make sure that everyone on a call today had an understanding of these documents, which will shortly be published for public comment early the week of the 17<sup>th</sup>. So I'll just pause to see if there are any questions.

MAUREEN HILYARD:

Any more questions? Thank you very much for that explanation, Becky. There were several of us, of course, who are very familiar with these documents. And I think that this introduction has been an ideal opportunity for the members of the committee to be able to discuss even while they're waiting for some of their colleagues and the rollers to put forward their proposals, to probably make some comments for the finance committee about some of the issues that they may have raised today and that they could actually make an outcome. And, of course, many of us have actually made group and individual comments in the past. And I think that this is probably what's going to happen as well.

But, this is the group, and this is the reason why I thought it would be good to get this introduction just to make people a little bit more aware, not only of what will be expected, but also how they can contribute to the process going forward. So, we have -- are there any other questions or queries to put to the team? Or we may be able to finish this meeting a little bit early. I'm rushing late to another, but I'm meeting myself. But if there are no other questions or queries, thank you very much to Xavier, Mary, Becky, Benedetta. Anyone else? Did I hear a --

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HEIDI ULLRICH:

Sorry. Yes, that was me; that was Heidi. Sorry, Maureen. I know you're rushing to another meeting, which is a very important meeting as well. But I just wanted to stress for the new members of the finance and budget committee, please do look at all of the criteria on that fiscal year 20 development page. Please look at all of the documents from ICANN finance, also posted on that. It's a one-stop shop for you. And then the timeline for those additional budget requests; it has all of the deadlines for the SCSC as well as for finance.

Also, given that you are the representative for this committee, to your rollers, please note and suggest some ideas for your rail of additional budget requests for this year. Okay. And again, Evan is going to be working with you as you develop your comments for the fiscal year 20 budget. Thank you very much.

MAUREEN HILYARD:

Yes, thank you, Heidi. I mean, again, it's just reinforcing it; very, very important. And also, once again, thank you to the finance team for attending our meeting, our first meeting of our new 2018, 2019 team. And I hope that it has been a venue to them, too, and that we're going to be fully prepared and right up to speed with what will be expected of us during the year. And now I would like to bring this meeting to a close, and thank you all very much for coming.

ANDREA GLANDON:

Thank you. This is the end of this conference. Please remember to disconnect all lines and have a wonderful rest of your day.

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