

# At-Large Board Member Compensation Workspace

| Comment Close Date | Statement Name            | Status                        | Assignee (s) and RALO(s)       | Call for Comments Open | Call for Comments Close | Vote Announcement    | Vote Open            | Vote Reminder | Vote Close           | Date of Submission | Staff Contact and Email   |
|--------------------|---------------------------|-------------------------------|--------------------------------|------------------------|-------------------------|----------------------|----------------------|---------------|----------------------|--------------------|---|
| 23.05.2014         | Board Member Compensation | <b>ADOPTED</b><br>13Y, 1N, 1A | <a href="#">Alan Greenberg</a> | 29.05.2014             | 04.06.2014 23:59 UTC    | 06.06.2014 23:59 UTC | 06.06.2014 23:59 UTC | 10.06.2014    | 11.06.2014 23:59 UTC | 12.06.2014         | Amy Stathos<br><a href="mailto:amy.stathos@ican.n.org">amy.stathos@ican.n.org</a> |

For information about this PC, please click [here](#) >>

#### Comment / Reply Periods (\*)

Comment Open Date:

2 May 2014

Comment Close Date:

23 May 2014 - 23:59 UTC

Reply Open Date:

24 May 2014

Reply Close Date:

12 June 2014 - 23:59 UTC

#### Important Information Links

[Public Comment Announcement](#)

[To Submit Your Comments \(Forum\)](#)

[View Comments Submitted](#)

#### Brief Overview

Originating Organization:

ICANN Board

Categories/Tags:

- ICANN Board/Bylaws

#### Purpose (Brief):

To seek public comment on Recommendations about Board member compensation, including the proposed Bylaws revisions that would allow non-voting Board liaisons to accept compensation if approved by the voting Board members.

#### Current Status:

Board is awaiting conclusion of this Public Comment Period

#### Next Steps:

Board Consideration of the Expert Recommendations and Public Comments

#### Staff Contact:

Amy A. Stathos

[Email Staff Contact](#)

#### Detailed Information

##### Section I: Description, Explanation, and Purpose:

The Board has committed to regularly review the reasonableness of Board member compensation. In furtherance of this commitment, the Board engaged the Independent Valuation Expert firm of Towers Watson to provide an updated report on the reasonableness of offering compensation to Board members, as well as the level of the offered compensation.

In addition, the Board has been considering whether to offer compensation to non-voting liaisons to the Board. Absent voting, Board liaisons are asked to spend the same amount of time and make the same level of commitment to the ICANN Board as the voting Board members.

The Independent Valuation Expert Report, and proposed Bylaws changes that would allow ICANN to offer compensation to non-voting Board liaisons, are being posted for public comment.

##### Section II: Background:

Since August 2010, ICANN's Board chair has had the opportunity to elect compensation, and since December 2011, all voting members of ICANN's Board have had the choice whether to accept compensation. The resolutions approving such compensation can be found at <http://www.icann.org/en/groups/board/documents/resolutions-05aug10-en.htm#5> and <http://www.icann.org/en/groups/board/documents/resolutions-08dec11-en.htm#3>, respectively. The decision to consider and approve compensation for Board members followed long-term on-going discussions, including with the community, and was recommended by the Boston Consulting Group ("BCG") that conducted the Board Review some years ago and by the first Accountability and Transparency Review Team ("ATRT"), among others.

In initially approving, and now reviewing, Board member compensation for voting Board members other than the President and CEO of ICANN (who is compensated pursuant to contract) or the Chair of the ICANN Board (for whom no change in compensation level is recommended), it continues to be imperative that the Board follow a process calculated to pay an amount that is in its entirety Reasonable Compensation for Board services under the standards set forth in §53.4958-4(b) of the Treasury Regulations. The Board has followed particular steps throughout its consideration process to ensure continued establishment and evaluation of Reasonable Compensation.

##### Section III: Document and Resource Links:

- [Towers Watson April 2014 Report on ICANN Board Compensation](#) [PDF, 3.82 MB]
- [Proposed Bylaws Revisions re: Board Compensation](#) [PDF, 97 KB]

##### Section IV: Additional Information:

N/A

(\*) Comments submitted after the posted Close Date/Time are not guaranteed to be considered in any final summary, analysis, reporting, or decision-making that takes place once this period lapses.

## FINAL VERSION TO BE SUBMITTED IF RATIFIED

[Please click here to download a copy of the pdf below.](#)

---

## FINAL DRAFT VERSION TO BE VOTED UPON BY THE ALAC

The ALAC wishes to go on record as strongly supporting the comment submitted by Alan Greenberg - <http://forum.icann.org/lists/comments-bylaws-amend-compensation-02may14/msg00003.html>.

---

## FIRST DRAFT SUBMITTED

The ALAC believes that, subject to a number of related considerations, it is reasonable to compensate Board members, including Liaisons, and the level of compensation suggested is reasonable.

We note that in the name of simplification, the report suggests an increase for Board members who are not Board Committee Chairs by as much as 29%.

However, the related considerations mentioned above, in my mind, cannot be ignored.

1. One of the reasons always cited for such compensation is that having no compensation limits the available candidates who will make themselves available for the ICANN Board. Given that there has never been an AC/SO seat vacant due to lack of candidates, there is often competition for such seats, and the Nominating Committee regularly says that it has had to make very difficult decisions in selecting Board members since there was a surplus of eminently qualified candidates, in the name of transparency and accountability, it would be good to see hard evidence of the rationale.
2. The introduction of Board compensation widened the gulf between Board members and other volunteers within ICANN. The proposed change widens that gulf further. There is no question that many Board members work very hard on behalf of ICANN, and that dedication eats into their other professional activities and personal life. However, the same can be said for many ICANN volunteers. There are many in the community who work equally hard and dedicate the same kind of hours as Board members. Indeed, it has been claimed that many in the community put in far more time and effort than some Board members. We believe that this claim is accurate.

SO and AC Chairs have been identified as meeting the above levels of commitment, and indeed many or perhaps all do. However, there are others who do not receive the existing benefits given to Board members and AC/SO Chairs who also dedicate unending hours and effort to ICANN.

Board and now Liaison compensation without any new consideration of the contributions of others denigrates the efforts of the rest of the ICANN volunteers. Such acknowledgment need not be financial compensation – there are a host of other benefits that Board members get that other volunteers (and Chairs) would really appreciate.

Although the ALAC understands the difficulty of identifying those who put Herculean efforts into ICANN from those who are lower level contributors, we cannot continue to widen the gulf between the privileged few and the rest of volunteers and expect there not to be repercussions.