

ARIN BOARD OF TRUSTEES  
BUSINESS MEETING  
Tuesday, 17 December 2019  
Teleconference

DRAFT MINUTES

Attendees:

Paul Andersen, Chair  
Bill Sandiford, Vice Chair  
Dan Alexander, Trustee  
Nancy Carter, Treasurer  
John Curran, President & CEO  
Regenie Fraser, Trustee  
Patrick Gilmore, Trustee  
Peter Harrison, Trustee

ARIN Board Secretary & General Counsel:

Stephen M. Ryan, Esq.

ARIN Staff:

Richard Jimmerson, COO  
Therese Simcox, Scribe

1. Welcome & Agenda Review. The Chair called the meeting to order at 9:03 a.m. EST. The presence of a quorum was noted, acknowledging that Regenie Fraser had not yet been able to connect to the teleconference.
2. Consent Agenda.
  - Approval of the Minutes of 25 November 2019. (Exhibit A)
  - Review of 2019 ARIN Elections Final Report. (Exhibit B)
  - Review of ARIN 2019 Q3 Operational Metrics Report. (Exhibit C)
  - ARIN Succession Planning. (Exhibit D)

It was moved by Peter Harrison, and seconded by Nancy Carter, that:

*“The ARIN Board of Trustees approves the Consent Agenda, as presented.”*

The motion carried with no objections.

The Chair stated that the Board 360 Review was in progress, and that the Board would be contacted in the near future to participate in the review process.

3. Review of ARIN Board Committee Reports. The Chair thanked the Committee Chairs for the reports submitted. He noted that the point of these reports was to generate discussion and to provide deliverables so that he and the President can work on a proposal outlining any issues or potential changes between now and the Board's January meeting.

Audit Committee Chair, Patrick Gilmore, stated he would be submitting his Committee's report very soon.

The Chair expressed condolences to the President, noting that the President was on travel and under the weather, and that the Chair would facilitate discussion when possible.

- Audit Committee. Patrick Gilmore, Committee Chair, provided an update on the committee report:
  - a) Reauthorization of the current auditors needs to be accomplished as quickly as possible in the new year, and time needed to be provided to potentially search for a new firm during 2020 for the 2021 engagement or retain the current auditor. The new Audit Committee members were urged to utilize the previous committee members as a reference/guidance tool. Mr. Gilmore noted that although he will no longer be a Board member in 2020, he would be happy to work with the new committee members, if needed.
  - b) Internal Controls Audit. Mr. Gilmore pointed out that there is no one on the Audit Committee who has accounting/financial background. He suggested revising the committee Charter to allow for hiring a consultant to be utilized for questions; or, possibly asking the Chair of Finance Committee to be an advisor or observer.

The Chair agreed it would be prudent to engage a financial consultant, if required. He agreed the auditor should be hired as quickly as possible, as described and that the need for the financial consultant be simultaneously resolved. Patrick Gilmore agreed, noting that this will be the 10<sup>th</sup> year ARIN has used same auditor. Reviewing the relationship is a healthy exercise, even if the current auditor is retained.

The Chair requested that Nancy Carter provide the Finance Committee's report at this time, building on these issues.

- Finance Committee (Exhibit F). Nancy Carter, Committee Chair, provided a high-level update of the report.
  - a) The Committee undertook several activities, but chose not to conclude some items due to the lack of a new CFO (recognizing that the hiring process is ending).
  - b) The Committee identified potential changes to their Charter.
  - c) The Finance Committee recommends to the Board combining the Finance and Audit committees to incorporate finance, audit, investment and risk. This would allow audit oversight tasks to be performed by a committee having the right expertise. The Finance Committee Chair believed that combining the two committees makes sense, particularly since a CFO will be in place.

The Chair stated it would be useful to see a proposal regarding merger of the two committees together. Discussion ensued on the merits and drawbacks of combining the committees. The President confirmed that the auditors were asked about this, and they noted some organizations have a single committee and others keep two separate committees, and while either practice is permissible, some guidelines suggest that a completely separate audit committee is a best practice for governance.

The Chair stated this is an action item for he and the President to prepare materials for the Board's meeting in January. Nancy Carter stated she would be happy to help.

- (Mailing List) AUP Committee (Exhibit E) Peter Harrison, Committee Chair, provided an update on the Committee's report.
  - a) The Committee was very active on events that had occurred including the suspension of one person. The infractions were clear, and the President had stepped in quickly to resolve the matter.
  - b) There are no changes recommended for their Charter.
  - c) The Committee was successful in its goals.

Discussion ensued on the merits of having a committee versus staff taking action on items that arise. The President noted that the formation of this committee was from a time when there was concern in the community about the potential for heavy-handed moderation, and the community wanted to be involved rather than having it handled solely by staff. He believed having a standing AUP Committee allows handling issues in a timely manner, when any arise. He suggested reviewing the Charter to make plain that Committee involvement is only necessary for suspensions or permanent bans.

It was the sense of the Board to leave the AUP Committee intact with no changes at this time.

- Finance Committee (Exhibit F). Discussed previously.
- Nomination Committee (Exhibit G) Dan Alexander, Committee Chair, provided an update on the Committee's report.
  - a) The first date of the call for nominations is less relevant as nominations tend to come in at the end of the period provided. The more important timing consideration is the period needed for effective review of applications. It would be more beneficial to take days from the open nomination call period in order to lengthen the review period.
  - b) More details are needed by the NomCom regarding the performance of any incumbent nominees, and the processes used by the previous year's Nomination committee.
  - c) Should the NomCom be reviewing NRO NC candidates as well as Board and AC candidates?

Dan Alexander noted that next year, both he and Nancy Carter cannot serve on the NomCom due to their terms expiring unless they choose not to run again for the Board. Discussion on lengthening timelines for the review period, and the cost and impact of background checks occurred.

The Chair tasked staff with providing high-level proposals for January with regard to using a 3<sup>rd</sup> party firm for recruitment/interviewing, and how much it would cost. He included background checks and evaluating the vendor for the value of the data received. It was also requested and noted for staff to provide a report on the distribution of nominations in the last election, as to when each was submitted within the timeframe provided.

(Regenie Fraser joined at this time 9:41 am EST)

The Chair asked Counsel if cost savings would result if the background research vendor was not asked to review candidates use of social media as is done in the current background reports. Counsel replied there would be no material savings in overall cost.

The Chair advocated streamlining the process for NRO NC candidates in the form of looking at a possible NomCom filter.

- Compensation Committee (Exhibit I) The Chair stated that the report echoes the Board's discussion in August.

It was agreed to look at ways to involve the full Board in the Committee's objective setting and philosophy – one possibility being to revise their Charter to allow all elected and appointed Board members to participate in Compensation Committee meetings, even if not appointed to the Committee.

4. ICANN/.Org/Multi-Stakeholder Model. The President provided an overview of ISOC's proposed .Org transfer. He noted that the RIRs customarily do not get involved with domain system DNS governance matters, and that remains true in this case regarding the merits of the sale. However, the process being used at ICANN to review and potentially approve the transfer lacks clarity; and, the NRO is considering engaging in an effort to seek improved transparency into the process and fidelity to the multi-stakeholder process.

The Chair thanked the President for his leadership, noting that asking for transparency into the process is beneficial. There was general agreement to the recommendation.

5. General Counsel Legal Update. (Exhibits M, N). Counsel provided an attorney-client privileged briefing to the Board on current legal matters.
6. Any Other Business.
  - ARIN 401K Discretionary Contribution. The President stated that the 401K discretionary contribution, on which he provided an update to the Board in November, is handled in the same vein as all other compensation matters within the organization. However, one area was overlooked in the update, and that is to report to the Board ARIN's overall compensation philosophy for staff, how this contribution fits into that, and how ARIN remains competitive with other organizations in the area. The President noted that this will take some time, as some surveys may need to be performed. It will likely be an April or August activity. The President will provide the Board with why it is important within ARIN's compensation philosophy. The Chair acknowledged and thanked him for the update.
  - Farewells.

*“Be it Resolved that, the ARIN Board of Trustees bids farewell to NRO NC member, Jason Schiller, who has been our ARIN-region member for several years involved with the NRO Number Council. We thank him for his important and beneficial contributions to the ARIN process over the years.*

*The Chair apologizes to Mr. Schiller for his oversight in not thanking Mr. Schiller formally at the ARIN Public Policy Meeting in October, and notes this is not a reflection in any way on Mr. Schiller's many important contributions to the Internet community.”*

The Chair stated that if there were no objections, he would call for vote by acclamation. The motioned carried by acclamation.

*“Be it Resolved that, the ARIN Board of Trustees bids farewell to ARIN Advisory Council member David Farmer. The Board sincerely thanks David for his years of important and beneficial contributions to ARIN’s Policy Development Process.”*

The Chair stated that if there were no objections, he would call for vote by acclamation. The motioned carried by acclamation.

*“Be it Resolved that, the ARIN Board of Trustees bids farewell to Appointed Trustee, Regenie Fraser. The Board sincerely thanks Regenie for her contributions this year, and her time served on the Board.”*

The Chair stated that if there were no objections, he would call for vote by acclamation. The motioned carried by acclamation.

*“Be it Resolved that, The ARIN Board of Trustees sincerely thanks Patrick Gilmore, Board Trustee, for his many contributions over the three past years, and his time served on the Board.”*

The Chair asked Patrick Gilmore if he would like to say a few words. Patrick Gilmore wished the Board the best of luck and stated that he believed that the work the Board has done in the last few years has helped ARIN to become even better. He hoped it made the Board members feel good inside, as it made him feel so. The Board thanked him for his comments.

The Chair stated that if there were no objections, he would call for vote by acclamation. The motioned carried by acclamation.

7. Adjournment. The Chair entertained a motion to adjourn at 10:05 a.m. EST. Patrick Gilmore moved to adjourn, seconded by Bill Sandiford. The meeting adjourned with no objections.

#### **Action Items:**

- Staff to provide high-level proposals for January with regard to using a 3<sup>rd</sup> party firm for recruitment/interviewing of candidates for ARIN’s elections, and how much it would cost, including background checks.
- Staff to provide a report on the distribution of nominations in the last election, as to when each was submitted within the timeframe provided.
- Chair and President to prepare materials revised FinCom/AuditCom Charter for January
- Staff to revise the CompCom Charter to allow all elected and appointed Board members to participate in Compensation Committee meetings.
- Staff to report to the Board ARIN’s overall compensation philosophy for staff including the discretionary 401(k) contribution and competitive positioning to other firms in the area.