

ARIN BOARD OF TRUSTEES
BUSINESS MEETING
Thursday, May 21, 2020
Teleconference

DRAFT MINUTES

Attendees:

Paul Andersen, Chair
Bill Sandiford, Vice Chair
Dan Alexander, Trustee
Nancy Carter, Treasurer
John Curran, President & CEO
Peter Harrison, Trustee
Catherine Middleton, Trustee

ARIN Board Secretary & General Counsel:

Stephen M. Ryan, Esq.

ARIN Staff:

Michael Abejuela, Deputy General Counsel
Richard Jimmerson, COO
Brian Kirk, CFO
Therese Simcox, Sr. E.A., Scribe
John Sweeting, CCO

1. Welcome & Agenda Review. The Chair called the meeting to order at 2:02 p.m. EDT. The presence of a quorum was noted. The Chair reviewed the agenda with the Board, there were no comments or proposed edits to the agenda.
2. Approval of the Minutes.
 - A) Approval of the Minutes of March 25, 2020. (Exhibits A, B)
 - B) Approval of the Minutes of April 27, 2020. (Exhibit C, D)

It was moved by John Curran, and seconded by Bill Sandiford, that:

“The ARIN Board of Trustees approves the Minutes of March 25, 2020 and the Minutes of April 27, 2020, as presented.”

The Chair called for discussion. A typographical error was noted on the April 27 Minutes, the correction on which the Board agreed. The Board adopted those minutes as corrected.

The motion carried with no objections.

3. 2019 Auditors Report and 2019 Audited Financial Statement. (Exhibits E, F) The Treasurer and CFO reviewed the documents with the Board. The Treasurer stated they were presented to the Finance Committee on May 13 from the auditors, and that the audit was clean. The CFO noted the adoption of ASC 606, a mandatory regulation, which was followed.

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

“The ARIN Board of Trustees hereby accepts the 2019 Auditors Report and 2019 Audited Financial Statement, as presented by the ARIN Finance Committee.”

The Chair called for discussion. There were no comments.

The motion carried unanimously via roll call vote.

4. 2020 Board Nominee Questionnaire. (Exhibit T) The Chair reviewed minor changes to the document requested by the Nomination Committee with the Board.

It was moved by Paul Andersen, and seconded by Catherine Middleton, that:

“The ARIN Board of Trustees approves the changes to the 2020 Board Nominee Questionnaire, as recommended by the Nomination Committee.”

The Chair called for discussion. There were no comments.

The motion carried with no objections.

5. ARIN General Counsel Legal Update. General Counsel provided an attorney-client privileged briefing to the Board on current legal matters.
6. ARIN Technical Update.

A. Quarterly Technical Debt Report. (Exhibit J) The COO noted that this is the first quarterly report ARIN is providing as requested by the Board in January. The President noted that ARIN is working on promptly addressing the technical ‘debt’ items described, while not impacting on-going operations.

There was a discussion of potential acceleration of completing work, and the time line of when items will be completed in 2020, and in 2021. It was noted that some technical debt elimination requires retiring systems in parallel. The next update will address the priority of items needing to be completed faster than others.

The Board asked about the simplification of system architecture, and potentially moving more items to external providers. The goal of minimizing any future technical debt items was discussed.

The Board indicated and the CEO agreed that follow-up reports would include a business-centric report to address matters such as which needs and changes are most strategic, which are mission critical to services, and risks regarding such issues. Additionally, a business-centric report would include priorities and what is needed on a day-to-day basis.

Staff advised the Board that it is currently evolving the report to be closer to business processes and which systems support which functions. Once provided with that report, discussions on cost savings and infrastructure reduction can take place. The President indicated that he is developing a proposal to the Board to set principles and timelines for systems that can be outsourced. The Chair indicated that such a draft would be welcome, as it will assist the Board’s understanding of reasons why outsourced technical solutions can or cannot be utilized. The President indicated that ARIN has not yet created written guidance and rules on outsourcing, and there was general agreement that such principles should be created.

There was agreement that the technical reports should continue to evolve as discussed and be presented to the Board on a quarterly basis. Future versions of this report will be comprehensively included into the full management reporting, with a timeline identifying start and end dates for each item thereby demonstrating a trajectory showing options for acceleration.

The COO completed the report on outage remediation and technical infrastructure supplementing the technical debt report review. The Board will continue to be updated on these items.

B. Outage Remediation Task Requirements. (Exhibit K) The COO briefed on the provided document that was provided to the Board, including a description of the proposed path forward for remediation prior to the close of 2020.

C. Technical Infrastructure Summary. (Exhibit L) The COO indicated this document is provided to the Board in response to their request in January for a summary of the full ARIN technical infrastructure as it currently exists.

The Chair expressed the consensus of the Board that these reports were important and useful, thanked the staff for their hard work on the reports and the technical update, and asked that updates as described in the Board discussion be provided as agreed.

7. ARIN Continuity of Operations during COVID-19 Update. The COO reported that from March to present day, employees are working from home and that productivity is very high. There have been no major delays in the provision of ARIN's services. Certain expected operational tasks, such as holding an RPKI ceremony, have presented logistical challenges, but in general, tasks are being completed and there has been no impact to continuity of services to the ARIN community. Management is monitoring the Virginia government's orders on reopening. Some counties outside of the Northern Virginia area where ARIN is headquartered have been permitted to reduce restrictions, Phase 1 of reopening, but that is not the case where ARIN HQ is located. A very limited number of staff have been going to the office for critical items that require on-site presence. Those members of staff are logging their time in the office and taking appropriate precautions. ARIN is working on an optional and limited office reopening program for those team members who would want to come to the office to work on a daily basis. ARIN is successfully operating at full capacity during the global pandemic shut down and work-from-home environment.

There was discussion regarding the planning process and applicable milestone deadlines scheduled for the ARIN October Public Policy Meeting. The President noted that the meeting is being planned to be in person in Seattle, WA as scheduled. This summer, ARIN will have to decide whether to terminate the in-person with attendant incurred expenses, or to hold the in-person meeting as planned. Staff is currently planning for the scheduled in-person meeting.

Discussion ensued on announcing a decision to the community in June. Staff will recommend a direction by the end of June.

8. ARIN Authorized Reserve Account Signatories. (Exhibit G)

It was moved by John Curran, and seconded by Nancy Carter, that:

"Be it resolved, the ARIN Board of Trustees, hereby adopts the enabling resolutions in the 'Morgan Stanley Authorized Persons and Enabling Resolutions for Corporations' document, and recognizes John T. Curran, Richard Jimmerson, and Brian Kirk as the authorized signatories on the Reserve Account."

The Chair called for discussion. There were no comments.

The motion carried unanimously via roll call vote.

9. Ratification of Editorial Change. (Exhibits H, I) On April 16, 2020, the ARIN Advisory Council recommended the following editorial change to the Number Resource Policy Manual (NRPM) to the ARIN Board for adoption.

- ARIN-Edit-2020-1: Clarify Holdings Restriction for Section 4.1.8 Waitlist Entries.

It was moved by John Curran, and seconded by Nancy Carter, that:

“The ARIN Board of Trustees, based on the recommendation of the ARIN Advisory Council, and having reviewed the editorial changes made to the ARIN Number Resource Policy Manual with regard to removing reference to clarifying the holdings restriction for Section 4.1.8 Waitlist Entries, hereby adopts said changes.”

The Chair called for discussion. The President noted that this is an editorial change that came before the AC. The AC noted that there was a minor ambiguity in the policy language and that this change will clarify the text.

The motion carried with 6 in favor, via roll call vote. (Mr. Harrison had momentarily dropped from the call due to technical issues, and therefore was unable to vote. He rejoined the meeting later.)

10. Registration Services Department 2019 Audit Reports. (Exhibits M, N) The CCO described the audit report. He noted that the auditor’s methodology included pulling random tickets and determining if ARIN policies were being followed. The report noted the RSD team has a good understanding of ARIN’s mission and how to manage fraudulent requests. The audit highlighted that fraudulent activity in the waitlist policy was identified, and that appropriate action was taken to address the effects of such fraud, as well as how to properly manage future fraudulent requests. Additionally, RSD is adhering to SLAs and timeframes for getting back to customers.

The auditors noted that the team follows internal procedures, and had recommended that refresher training should be held. This refresher staff training was held off-site in January of this year. The CCO noted that the auditors recommended a continuing review to ensure that internal procedures are followed, and he stated that this is done on a regular basis. The auditors noted better efficiency of ticket documentation could be conducted through the use of electronic files over paper files. The CCO explained that staff is considering the upload of the paper tickets into the internal management system; however, paper copies have been very beneficial in being able to provide signed documents for specific cases of fraudulent activity, including the fraud matter recently litigated.

He noted that ARIN is beginning to offer execution of RSAs using DocuSign which will particularly assist ARIN customers in required compliance during this period.

The CCO stated that during COVID-19, RSD has launched a very successful, and well-received, new chat service. There has been tremendous use of the chat service with most requests dealing with clean-up of registration data. The service is currently in a test phase with limited hours of availability, and a full roll-out with expanded hours is being considered.

Mr. Harrison rejoined the meeting.

11. ARIN 401(k) Discretionary Contribution Analysis Reports. (Exhibits O, P, Q, R) The Chair deferred discussion on this item until the next Board meeting on May 28, in the interest of time.
12. ARIN Board Trustee Professional Development Training. (Exhibit S) The Chair asked the Board for feedback on the procedure. The Board agreed on the proposal, with one minor clarification that the budgeted amount for each Trustee be viewed from an aggregate three-year term perspective, as opposed to only a yearly amount. Viewing the professional development training amount as a full-term aggregate would provide flexibility to the respective Trustees that may desire to take a single, greater cost training, over multiple, lower cost trainings annually.
13. Any Other Business. The Chair called for any other business items.
 - August Board Retreat. The Chair stated that no definitive plans have been made to date, but requested that Board members hold the designated week as planned to prevent any scheduling conflicts. It was stated the August Board Retreat may be held in-person or over video conference depending on developing circumstances with the global pandemic.
14. Adjournment. The Chair entertained a motion to adjourn at 3:29. p.m. EDT. Nancy Carter moved to adjourn, seconded by John Curran. The meeting adjourned with no objections.

Action Items:

- Update Quarterly Technical Debt Report to include timelines and priorities for planned work
- Prepare an ARIN outsourcing strategy including guiding principles for outsourcing.
- Prepare long-term strategy for ARIN HQ functionality and remote staffing
- Staff to make announcement with regard to ARIN 46 by the end of June.