

Minutes of Meeting of the Board on July 11, 1997

The July meeting of the ARIN Board of Trustees (proposed) was held in Boston, Massachusetts at 9:40 AM. In attendance were Scott Bradner, Randy Bush, John Curran, Kim Hubbard, and Raymundo Vega.

In accordance with the agenda established in advance, the first order of business was a review and discussion of an amendment to the Articles of Incorporation. Article seven specifically addresses the formation of ARIN as a non-profit organization organized under 501 ©(6) of the Internal Revenue Code of 1986. The amendment provides additional detail to support the educational and public service aspects of ARIN in its role vis a vis the Internet and its users. The amendment, as drawn, was fully acceptable to all members.

Several changes in the Bylaws, recommended by ARIN's legal representatives, were also discussed. In Article VI, Section 5, the phrase "In selecting" was substituted for the phrase "Prior to electing". A similar change was made in Article VIII, Section 4, wherein the phrase "In selecting" was substituted for "Prior to electing". These changes were noted and acknowledged as adopted by the initial Board of Directors.

Following the review of changes in the Bylaws, the issue of when the Bylaws should be made available on the website was discussed. It was decided that the Bylaws should be published on the website following the actual appointment of the Board of Trustees and its first official meeting as a Board.

The subject of the actual appointment of the Board of Trustees was the next topic of discussion. Scott Bradner asked Kim Hubbard if NSI's time table in getting ARIN fully underway was known. Kim reported that the initial Board would be prepared to appoint the actual Board by the next meeting date.

The next agenda item covered was the membership application. A draft of the application, with introductory remarks, and additional verbiage recommended by legal counsel was reviewed. Randy Bush expressed some concern about the desirability of offering memberships prior to the actual appointment of the Board. It was noted that the Bylaws allow the ratification of the seventeen points by telephone, making it possible for the Board to be seated without an actual meeting taking place in one location.

The next topic addressed was the issue of interim funding for ARIN. John Curran indicated that according to the NSF press release, NSI was to supply start up funding for ARIN. John asked if it was known under what conditions are funds to be made available, how such funds are to be documented and how much control NSI would have during this funding period. Kim reported that in her meeting with Don Telage and the NSI Controller, it was NSI's current position that the issue of funding is still being formulated. There is a possibility of NSI passing on to ARIN some equipment now being used by the IP Group. Given the fluidity of the present structure for financial support, it was the desire of the Board to have these issues made clearer by NSI, perhaps in a joint meeting with NSI's financial people during which the company representative could clarify "...in a way that's immutable", (John Curran) the nature of the interim financial support. Randy Bush expressed his concern that, to be viable, the Board has to understand the funding model and feel comfortable with the financial plan. He further clarified his own position that to accept fiduciary responsibility as a soon to be sitting Board member without clarity in the area of financial matters was not acceptable and that legal and financial relationships need to be clear and documented.

The discussion of financing in relation to ARIN's time line to start up continued with active participation by all members. All agreed that, concurrent with appointment as Board members, there should be a firm understanding of the balance sheet for ARIN, including details regarding assets, liabilities and projected cash flow.

With the issue of financial solvency still unresolved, the Board addressed the topic of membership solicitation and the timing thereof. It was decided that memberships would be solicited and dues accepted following the appointment of the Board. Registration fees, however, would not be collected until a later date, depending on the flow of events.

A discussion of funding for the initial meeting of the Advisory Council followed. John Curran made a commitment on behalf of GTE, that the company would, if necessary, provide funding for the initial meeting to avoid the use of membership dues for that purpose.

Because of the lack of clarity for funding in the first operational months of ARIN, the members of the Board indicated a reluctance to spend money collected from the membership during the first wave of membership solicitations. Again, the need for clarity in the financial area was reiterated by Randy Bush, who agreed that, nevertheless, there was a need to move on and proceed. Kim Hubbard then reported on steps underway toward moving ARIN to operational viability. Her report detailed staffing progress and the status of negotiations for a facility to be leased as of October 1, 1997. Kim reported that the facility that she favored was reasonably priced at \$18.50 per square foot (\$9000 per month) and would allow ARIN to grow to a projected thirty person operation over time if events supported such growth. Events that might support such growth would be possible policy changes that would require expansion of the IP staff. Kim also reported that a Business Manager would soon be coming on board, that an offer was to be extended that day to one of the three final candidates interviewed. While relating this information on progress in staffing, Kim also indicated to the Board that she would like the Board to consider adding another position to ARIN. Kim stated that the need to employ a "technical writer" was becoming more apparent. The members agreed that a copywriter of some kind was necessary, more to reduce the technical nature of communications than to add to the technical content of such communications.

There followed a discussion of the application materials with several changes recommended in the order in which the material is presented. Such changes will be drafted and submitted for review prior to use in soliciting memberships.

As the application itself was being discussed, Board members once again focused concern on the financial side of the equation, recommending that a study be undertaken to determine projected revenues from registration fees based on one year's activity at NSI's IP registration unit. John Curran asked that the new Business Manager be tasked with the development of cash flow projections from day one, based on real assumptions, with a detailed report to be presented at the next meeting.

The next agenda item involved a meeting that took place in Malaysia at the ISOC's INET97. That meeting addressed the issue of the need to restructure the IP portion of IANA in the near future. The plan developed by the participants recommended a global address registry to act as arbiter in IP matters. Kim agreed to circulate a draft proposal for a global council of registries as early as next week for comment and review.

Having covered all agenda items, the members of the proposed Board agreed to meet again in Herndon, Virginia on the 5th day of August. The meeting was then adjourned.

Respectfully submitted,

Phyllis Bartoe
Administrative Assistant to Kim Hubbard

Amendment to the Minutes of July 11, 1997

John Curran wished to amend his offer of financial support for the first Advisory Council Meeting to reflect the fact that the funding for the meeting would come from BBN, not from GTE.