

Board Minutes - Apr 16, 2012

Public Version

Meeting of the .au Domain Administration Board

16 April 2012 - 11.00am

.au Domain Administration Limited, 114 Cardigan Street, Carlton VIC 3053

Present:

Tony Staley (Chair), Kim Heitman, Julie Hammer, Graham McDonald, Josh Rowe, Marty Drill, Cheryl Langdon-Orr, George Pongas, Kartic Srinivasan, Paul Levins

Teleconference:

Chris Disspain, Dwayne Varey

Observers:

Keith Besgrove (DBCDE), John Higgins (NexiaASR), Jo Lim (auDA – Minutes)

Apologies:

Nil

1. Continuous Disclosure

Julie Hammer advised that she has been appointed to the ICANN SSAC and has also taken on the role of ALAC Liaison to that Committee. Maddocks has formally advised that there are no conflict of interest issues.

2. Confirmation of February 2012 Minutes

The minutes of the 20 February 2012 Board meeting were confirmed.

3. Finance Report

The Board noted the March 2012 accounts.

4. CEO Report

- The CEO report was noted.
- The Board noted that drafting the proposed changes to auDA's Constitution pursuant to the Westlake recommendations had highlighted some interpretational issues, which made it difficult to put the draft changes to members as originally envisaged. It was agreed to conduct an online survey of members using just the text of the relevant Westlake recommendations. Keith Besgrove expressed concern on behalf of DBCDE that these recommendations may not be implemented, whilst acknowledging that it is ultimately a matter for auDA's members to decide.

5. Strategic Plan 2012-2015

- The Board reviewed the draft Strategic Plan 2012-2015, revised to reflect comments made on the Board mail list. It was agreed to amend the headline mission statement so that it more accurately describes what auDA does.
- The revised draft will be circulated to the Board for approval on the mail list.

6. Draft Budget 2012-2013

- The Board gave in principle approval to the draft 2012/2013 budget. Final budget numbers (including current domain name registration figures and renegotiated staff salaries) will be provided to the Board for approval at the June meeting.
- The Finance & Audit Committee has agreed to increase the legal contingency fund to \$1 million over the next two years, and to create a separate security and stability reserve fund, subject to future budget surplus levels.
- The Board noted that the draft budget projects a surplus of \$877,049 at 30 June 2013. There was discussion about whether this should trigger a review of auDA's domain name fee. It was noted that the surplus is not projected to occur until next year, by which time the Board will be in a position to assess the possible impact of new gTLDs as well as any additional expenses arising from recommendations of the 2012 Industry Advisory Panel (eg. in relation to registrar security).

7. Membership

The following membership applications were approved in the classes indicated:

Name of Applicant	Class
Sarar Pty Ltd (Erhan Karabardak)	Supply
Wireline Pty Ltd (Liam Widdowson)	Supply
Holly Raiche	Demand

8. Board Committee Updates

The Board agreed that the minutes of all Board Committees will be published with the approval of the Board, subject to the sensitivity and confidentiality of the subject matter. Committee Terms of Reference will be amended accordingly.

Finance & Audit Committee:

- The Committee met to discuss the draft budget (refer to item 6).

Strategic Risk Committee:

- The Committee has been working on a draft environmental scan which includes some preliminary risk identification. The Committee aims to finalise this document at its workshop on 30 April and provide it to the Board for the June meeting.

Governance, Board Succession & Remuneration Committee:

- The Committee met prior to the Board meeting.
- The Committee has asked management to propose some options for a Board performance evaluation framework. Board members are invited to send any suggestions to Kim Heitman.
- Motion (proposed Kim Heitman, seconded Marty Drill): That the Board approve a 10% increase in independent director fees effective 1 July 2012, to reflect cost of living increases. Carried. Tony Staley, Julie Hammer and Graham McDonald recused themselves from the discussion.

Note that the Board's decision will require ratification by auDA members at the AGM.

- The Committee also considered whether there should be any change to the sitting fees for elected directors. It was agreed that the intention of the sitting fee is to encourage attendance at Board meetings, and as such the current fee amount is appropriate.
- The Board approved the Committee's Terms of Reference. All directors will be required to sign the Summary of Directors' Duties (attached to the Terms of Reference).

9. Policy Development

- Jo Lim advised that the 2012 Industry Advisory Panel held its first meeting on 22 March 2012. Whilst the meeting was mostly introductory in nature, there was a good level of member participation and some preliminary discussion of issues. The Panel is due to hold its second meeting on 19 April.
- The Board thanked Rob Gregory and Maddocks for hosting a Panel dinner after the first meeting, noting that it helped Panel members to get to know each other and develop a group dynamic. It was suggested that auDA should consider doing the same for future Panels.

10. Board Correspondence

There was no Board correspondence.

11. Other Business

- Directors who attended the ICANN Costa Rica meeting gave a brief report, highlighting the benefits of networking and information exchange with other organisations. Josh Rowe and Julie Hammer also highlighted that, for those who cannot travel to ICANN Meetings, joining sessions through the Adobe Connect online facilities is an informative and inclusive way of attending the Meetings.

- Cheryl Langdon-Orr suggested that auDA should consider making a public submission on the draft letter to all ICANN SOs and ACs regarding proposed Consumer Confidence, Choice and Trust metrics for the new gTLD 12 month review. See <http://www.icann.org/en/news/public-comment/cctc-draft-advice-letter-23feb12-en.htm>

12. Next Meeting

The next Board meeting will be held on Tuesday 12 June 2012 at 11.00am.