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DURBAN – Finance Budget Process Improvement Working Group
Thursday, July 18, 2013 – 10:00 to 11:00
ICANN – Durban, South Africa

XAVIER CALVEZ: Do you know why it doesn't show the lower end of this slide there? See? The line is… [OPEN MIC 0:01:15 – 0:01:53]. Okay, thank you. I… Hello everyone. Thank you for being here. I know we're missing I think Tijani, I know was going to come. And I don't know who else is we're missing.

Oh, Chuck is here. Okay. Thank you. So let's wait another couple of minutes, no more than a couple of minutes. Do we have anyone… Hi [Cherry 0:02:36]. It's 1 AM for you? [OPEN MIC 0:02:41 – 0:02:55] We're just going to wait another minute. [OPEN MIC 0:02:57 – 0:03:30]

Okay. Let's start. So thank you everyone for coming. This is the immediate next steps to the fiscal year 14 budget process, which is not even yet fully closed. But let's look already into 15, beat the iron while it's hot. And try to have our – put our minds together on what we think and we need to improve.

I will go over the agenda… We have just one hour. I think this is more about organizing how we are going to work together to identify the areas of improvements, rather than finding yet already solutions to what the improvements need to be.

Because I think it's going to take more time and work and it does need to take more time and work. But I would like that we make sure that we kick off this process of budget process improvements here and now,

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and find the right mode of interaction under the right timeline, so that then we can deal with the substance.

So what I suggest we do is that we – I run out working and communication process, for this budget process improvement. Come in, come in. Then I would like at least that we can list the areas of improvement that we think as a group are important, and to be addressed in our next year's budget process.

And I would like that we conclude with a tentative timeline of what we're trying to achieve when. Does that fit everyone? Okay. So the title that you can't see here, is working and communication process improvement phase. And at the very bottom, there is another bullet, another point which is, community participation and representation.

So just to make sure that we kick start our discussion on that specific process, what I wanted to lay out here is how are we going to working together during this phase of defining budget process improvements? Last year, the process, if you remember for those of you who participated, in Prague at the very end of June we met to… It was the first time we were doing that, but we met to try to identify what do we do about fixing the budget process issues that I think all of us felt existed.

So we started in Prague and we gave ourselves an objective of October Toronto to conclude on this exercise, with the objective that any improvements – any area of improvement that we felt needed to be addressed, would be addressed in the FY 14 budget process, which needed to be finalized no later than October.

So we had given ourselves a window of three months to work and find tangible improvements implementable right then. That's what we did last year. Yes Carol.

CAROL: For those in the room, the screen is a little bit more than 100% and the tech people said they don't know if they can shrink it, but if you're on Adobe Connect and following along, you'll see the full screen. Thank you.

XAVIER CALVEZ: Thank you. So if you remember last year, three work streams, three different work streams we had one on strategy, one on timeline, one on content, if I remember correctly. We had, I think, either two or three calls. Maya do you remember how many calls we had? Three? Three calls between the beginning of July and the end of September, or early October, I don't remember anymore.

We found out during that process that the staff producing a suggested document that we can share with you with sufficient notice so that you have a bit of time to look at it. And then having a call to provide and gather feedback on it, seemed to be the right, or at least a workable mode of operation on this.

I think what we started with was, let's meeting during an Adobe room meeting to work together, but I think it's difficult to do that from scratch. I think you guys had provided the feedback last year that, give us something to start from, it's easier for us to work on the basis of that.

I am confirming with you that this is something we want to carry forward. Was that the right approach? Is there something more different that we can do about it? Chuck.

CHUCK: Thanks Xavier. Chuck [Combs 0:09:50]. The… I think one of the things that we need to keep in mind in the next round and in future rounds, is that hopefully we'll get to a point earlier on where we have a lot more detail. Which means we need more time to inform our stakeholders and get feedback from them.

So how that factors in, I mean that can be managed but I think that makes a big difference in the process.

XAVIER CALVEZ: I think you're talking about one of the actual budget process interaction, right? The other thing that I'm asking for right now is, how are we going to interact over the next few weeks just on working on the improvements?

CHUCK: My apologies for walking in late and missing that point.

XAVIER CALVEZ: That's fine. That's fine. And definitely there is no question that one of the topics that we're going to talk about a little latter, is exactly that. But right now I just wanted to make sure that over the next… We're

going to look at a timeline, but over the next let's say three months, to work on designing the budget process improvements.

This interaction of staff producing a suggested document, that's already go in a certain direction providing that information, I want to say, with a two weeks' notice before a call, is that – so that during the call we then gather feedback on the document that was circulated and finalize modifications, actions by the end of that call.

Is that a mode of interaction that works? If you remember what we did last year, I just want to make sure that it's going to get us to the end result which is somewhere towards the end of [AUDIO BREAKUP 0:11:51 – 0:11:53] …budget process with improvements represented.

CHUCK: Yes. I think that works. Now if it can be more than two weeks, especially during summer, that's helpful. And I assume there will be Doodle polls and things like that so that we can maximize participation. That sounds fine.

XAVIER CALVEZ: Okay. And we'll look at the timeline to see… Because what I want to make sure is, we're at mid-July, the next meeting is in Buenos Aries. But if you think about it, it's a month after when Toronto was slated last year, right? So mid-November, in my view, is already late to have finalized the budget process. Right?

So I want to try to target more the end of October to have finalized the budget process, even if we communicate about it together in Buenos

Aries, it's finalized before. And as a result since we kind of starting already three weeks later, we may have to reduce the number of calls that we fit in. Chris.

CHRIS: Thank you. Chris [? 0:13:06]. Can I just clarify, are we thinking here of you producing some sort of draft timeline with or without framework for us to comment and work together to jig around with? Or is it a complete blank sheet to paper that we're starting with?

XAVIER CALVEZ: I don't know yet. What I mean by that is, I think we need to produce a calendar, the main steps basically. So it would be a draft budget process really, but I think we need to address some specific areas like, what are we suggesting to do for SO and AC budget requests process, for example.

So I think it's as comprehensive as possible draft of a budget process that then we can work on. But I think we're going to work on content a bit further there, so I think it will be a bit more clear when we have covered that part. Okay.

CAROL CORNELL: Hi Xavier, this is Carol Cornell. I'm under the impression that everyone here would like to see that calendar of the process outlined so that way everyone knows how to anticipate and they can look at what the process is in a timeline sense, to feel comfortable that we've

incorporated some components, and that we've taken everybody's feedback into consideration.

XAVIER CALVEZ: Your time of the timeline of the budget process or the timeline of the next three months? Yeah, yeah, yeah. Okay. I agree, I agree. I think…

CAROL CORNELL: I was talking about the full budget process.

XAVIER CALVEZ: Yeah, yeah. Chuck.

CHUCK: And am I correct in assuming that this group, and others that participate, will be a part of developing that timeline?

XAVIER CALVEZ: Yes, so my point is that last year we felt that you guys were more comfortable looking at something that suggested by us, rather than looking at nothing and let's talk about it during a call. You see what I'm saying?

So that's why I wanted to make sure that I repeat what we did last year which is staff produces something that we can share with you, that helps you think about it, start from reacting to a document rather than thinking from scratch about something. And it seemed to be communicated last year that that was easier for you.

CHUCK: Yes…

XAVIER CALVEZ: It makes sense as well [CROSSTALK 0:15:50]

CHUCK: …does make sense. And I would… And actually, the timeline that, and this is obviously my own personal opinion, but the timeline that we originally were shooting for in this past cycle, was pretty good. I think it was suggested in the meeting yesterday if we can get things kicked off in Buenos Aries that would be good.

                          But we were looking at, as I recall, having quite a bit of detail come like February timeline or something, and then allowing plenty of time. And so I throw that out. I'm hoping that in what you produce as a first draft would be along the same lines.

XAVIER CALVEZ: I very much expect that the improvements that we had identified last year, in that we had tried to implement last year, we would start from that, right? Because I think it did make sense to all of us then. I think it will probably make sense again.

                          And then what I'm expecting is that we need to – based on what your feedback will be on the areas that I have listed, and that the work of the working group that we're kick starting now will produce, I do expect that there may be amendments to the form or the timing of that substantial interaction work, due to possibly the fact that the information that we provide now which is at task.

If you think about it, the list of programs, the types of costs, that is – maybe that will drive us to think differently about the type of thing that you're actually that we want to have. But I completely agree with the general comment which is… The timeline that we had started with last year, we felt was addressing already a number of needs.

So okay. So mode of interaction, we just talked about it. The timeline… One thing that I want to make sure that we hit quickly is, you guys are here in this room right now. You have your organizations that you participate and you… What I want to understand and what I want you to be able to think about and let us know, how does your representation or role for your organization affect how we should communicate and work.

And what I mean by that is, you are maybe one person from one organization here, is the rest of your organization expecting to either participate or not participate to our improvement process? To be communicated? Are you going to take on the duty of sharing this information with your…

I want to make sure that we don't restrict the impact of what we do to just the people in this room or the people that will be on the call.

MARILYN CADE: Xavier, it's Marilyn Cade. I'm going to repeat something you've heard me say before, but I'm pleased to have the opportunity to repeat it. There has to be some organized approached to reach into the stakeholder groups and the, and I leave it to the ACs to comment for themselves, and for Leslie to comment.

But we've taken both approaches at ICANN. We've done the random public forum where people rant about their individual concerns, we've done the organized approach twice. I'm of the view that a budget committee that has accountability for organizing input has got to be one of the stable things that we do.

And I think without that, then we're taking what I call the man on the street buttonhole approach to input on the budget and the operating plan.

XAVIER CALVEZ: Yeah. Understood. Any different thoughts on the subject? Leslie you were called by Marilyn.

LESLIE: I support Marilyn's view. I mean I think it would be great to have a process that allows sufficient time for people, and with some of our communities that can be a while obviously. But also, it would be great to have a process that ended up with us being proponents of the budget, as opposed to critiquing the budget.

That's kind of where I think would be good to get to, yeah.

XAVIER CALVEZ: Thank you. Okay. I suggest we move on to looking at trying to list, sorry.

MARILYN CADE: I should probably make one caveat to that. There are members of the community who are not within an organization structure. But… So I think there does have to be still a public comment approach to enable those not yet aggregated voices to comment.

XAVIER CALVEZ: And your point there is to be able to comment on the budget process before it is carried out? Or to comment on the budget?

MARILYN CADE: Comment on the budget.

XAVIER CALVEZ: Yes, yes, yes, yes. Okay. Understood. That makes sense. We're getting into content, but from my perspective, no matter what type of interactions and work we carry out together during the development of the budget, the public comment process is a must because this is the only process that we have to be absolutely democratic with and absolutely open.

Because this group will be working together and speaking to each other, but this is not the entire world. This is just us, right? So I think the public comment process is something that we absolutely need to ensure that it remains forever I would say in the budget process because that's the only absolute validation of openness and transparency.

So yes, Carol.

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CAROL: Do you want to comment on how the strategic efforts and how that might impact our process? Because that's still going on and I know last year when we kicked this off that was a topic.

XAVIER CALVEZ: We're getting to it. So what I wanted to… And the title of the slide is areas of improvement. I have only tried to list those items that I have in mind, about where we need to improve. What I'm not trying to do is define what the problem is for those areas, and what the potential solution is. But those are it.

The only thing that I wanted to make sure I have clear out of this meeting today, in a half hour is, ensuring that we've listed the areas that you think need to be improved on so that we can work on it over the next few weeks.

So strategic rationale, I didn't elaborate further on that. It's having a clear link between the strategy in the operating plan and budget that we understand that the items that are in the budget are there for a reason that is clear. That's what I have in mind here. Chuck.

CHUCK: And this follows up from what Carol was saying. Do we… I mean, what is your assumption in terms of how we will accomplish that? Will it be kind of like this year where we use the previous strategic plan? Because reality of the matter is, I don't think that the new five year strategy is going to be in place until about maybe a year from now in full.

There may be elements of it that we learn. So how are we going to approach that? You've heard me twice this week already say we don't want to lay the fiscal year 15 budget process, waiting for the strategic plan. Because then we'll just put out another year for accomplishing what we've been talking about.

XAVIER CALVEZ: So those of us who were in the finance session yesterday from 11 to 12:30, we've picked up a bit that subject. We discussed about the plan. And I'm looking at Tony because we were discussing together that interaction, and I think Marilyn was the one who had suggested that we, and Tony as well, that we try to find a in depth interaction with the people of the organization that own the…

The definition of the strategy that basically lead the departments or the functions and the organizations that carry out the strategy across… So I'll be picking on Suzanna for the infrastructure and administration areas. Suzanna would be the person showing what do we intend to do for the organization, how is that going to translate in terms of resourcing, possibly head counting and so on.

And that's… At least that's a formulation of the plan for the… You're relating to the strategy or the organization, giving a view of the strategy organization. So let me not try to go too much into detail. The bottom line is, what we need to achieve with the budget process that we're going to design, is the fact that, I think to your point, we will not necessarily have already the outcome of the strategic process.

To say, okay, fine, this is the checklist that we need to go by, and this is how we're going to budget for it. I don't think, to your point, we're going to have that fully determined yet. So we need to find the next best thing to start our budget process with so that we have that as best as we can as an input into the budget process.

I agree with you. We need to find the next best thing. Tony.

TONY: Thanks Xavier. If you would forgive me, I just wanted to make the point why Suzanna is here, that element is seen to be incredibly important. Yesterday during the earlier discussion we actually suggested that it isn't something that can be dealt with in a short one or two hour session, and we're actually looking for some half day engagement.

And since then, I've also mentioned it to Leslie, and I think that it's very important that when that takes places, it involves all the immediate stakeholders. It's a really important discussion, so I would just like to emphasize the need for that and the need for that to be factored into some advance planning for the Buenos Aries meeting.

It's something which is… Of course, that's a lot of difficulty during this session, both in the budget discussion and in the strategic discussion, and I think that the only way to resolve it is to have that focused time. So that's my plea. Thank you.

UNIDENTIFIED: Yeah, Tony, I totally agree and thank you for emphasizing that point. But the fact that, as Xavier described, we won't have the strategic plan

completed until later on this year, but we have to kick off [? 0:28:26]… [Laughs] Sorry.

We have to kick off the process. So my understanding of this working group is really to define the best way to do the budget right? The process for the budget. So I think the collaborative ideas from everyone here would be wonderful so we can take the ideas from everyone and to figure out what is the best.

At this point, Xavier and I, we don't have the best solution how to get to the very first bullet in order to drive the budget. And sitting in some of the meetings this week, very interesting, listen to the questions and as you know, I'm coming from the commercial world.

The questions go about the budget, the comments, go right back to the strategy. So I think it's very important for this working group to figure out what is the best approach to define the first bullet so we don't run into the same situation as much next year. Thanks.

XAVIER CALVEZ: So I think we all agree on the fact that strategic rationale is aware that we need to address this part of the budget process to design the adequate phases and we will propose something that will try to address what we've discussed. Tijani.

Sorry, just before you comment, I want to make sure we try to cover the list and all that we… What I don't want to get into the content of the items, I want to make sure we are listing here all the items that we should be working on. So go ahead.

UNIDENTIFIED:	You said we don't have the solution, nobody has it. And it will not be any solution, we will work out of the strategic plan once more. And I am very sad for that. The transition lasted two years, and I think it is too long. We need to have the strategic objectives to build the operating plan.
	So it is now we know it is impossible. We will work like this, but I want to say that I am sad for that.
XAVIER CALVEZ:	Thank you. Chris.
CHRIS:	Thank you. Yes. Chris [Chaplin 0:30:52], business constituency. Just putting the… As we're putting the elements now into the [several 0:30:58] year, the BC strongly supports the budget working group, and we'll call for it in the public forum. But at a personal level, I would actually like if we can put in an hour's workshop call to go through a list of tasks of about 160 items here.
	And I frankly don't understand what all of them are, I probably understand half of them, maybe less than that. So it's almost a talking workshop at that level, if you can fit that in the not too distant future. Thanks.
XAVIER CALVEZ:	Thank you.

MARILYN CADE:	Let me just follow up. It's Marilyn Cade. Suzanne and I should meet you, I don't think I've actually greeted you formally, but welcome. So just to be really clear on what Chris will say at the public forum, is we will call for this separate working timeslot with full support from ICANN.
	And Bruce has suggested we provide a little more detail, which we will not do at the public forum, but… And we're going to push to continue to build support for that because it's our view that's been discussed in the past. I want to address Tijani's…
	I want to address Tijani's comment very quickly. And I want this to sound positive about the idea of the strategy working groups, but the strategy working groups are going to work for a year. There are a small and while important and interesting approach, they are an approach that has been taken in a lot of corporations.
	I come from the corporate world, have used those techniques extensively myself. They must then feed into a public comment process that – where the community decides what will work for us. So actually, in order to do the budget, we have to continue to be in synch with the community while that work goes on.
	So I'm not so worried about being out of synch with that. I think that we all have full awareness about what is going on in ICANN and that we should be able to actively contribute to an informed budget while that work is going on.
XAVIER CALVEZ:	Okay. Thank you, that's helpful. Okay. So next subject that I listed, I assumed that we need to some work around AtTask. And the reason

why I'm mentioning AtTask in the way I'm mentioning it is exactly about what Chris just said, on we need to understand it better. We need to get more familiar with the way you guys produce the information because it's hit us this year, all be it without notice, right? In the timing, the only thing that we try to do is provide you guys with a view of the format of the information maybe a month before we published the budget presentation.

I think it was about a month before. But it was just throwing at you the list of projects, and not necessarily a lot of information about it. So it sounds to me that we need to find a way to explain a bit better what AtTask is, how it is structured, how it is used by the staff to – so that you have a better understanding of the output that comes out of it.

Because I definitely expect, and of course that should be something that we discuss as part of this working group as well, that we are going to use AtTask more in order to produce the data, the financial data on the budget. And obviously that presumes that we are all comfortable using that information.

And I suspect it's going to take a bit more understanding for you guys to be able to – and time for you guys to be able to use this. Is that making sense, at least as a subject to address as part of our improvement process? General comments, or agreements, or no? Yeah, Chuck.

CHUCK: Chuck [Holmes 0:35:10] again. And as the registries commented, and you were handing there is that I think there is – that there will need to be tools or something to help people use AtTask. Some means maybe

because there is so much – there is a tremendous amount of information in there right now. When you get down to the project level, which will hopefully happen before we get into next year's budget process in detail.

Some sort of search capability or something like if there is a particular project within the GNSO that we want to make sure is adequately funded, it would be helpful without having to go through the hierarchal thing to get down and find it to be able to find it easily. That could be through some sort of an indexing or search tool or something like that.

But that would be very beneficial.

XAVIER CALVEZ: Okay. Thank you. So what I'm gathering is addressing the ability to work with AtTask is something that we need to cover one way or the other. Formats and tools, I didn't have necessarily a very precise subjects there other than the formats that we've been using so far, there is AtTask of course, and then there is basically presentations, the PowerPoint presentation of the budget process along with the Excel spreadsheet that basically documented AtTask.

So I suspect the way we together interact with AtTask may involve in the future in terms of having a more direct AtTask so they could be viewed on My ICANN. Are we going to be able to drill then further and have a more interactive approach to AtTask in the future?

I'm not sure, but this is – I think we need to involve the tools that we are using to share the budget information. From my end, I need to think a little bit more about it, but I wanted to put this as a topic to see

if there is any interest on thoughts that I have certainly on the notion of formats and tools to work. Carol.

CAROL: Last time we met, there was a whole conversation about integrating, making sure people understand the project costs in relation to how the work on the budget.   And we told people to refer to AtTask for information about the projects, but then telling it to a dollar amount.

I don't know if we put out the format for how the project dollars would get shared for each.

XAVIER CALVEZ: Sorry I didn't catch that.

CAROL: So if to the point where Chuck was going was if they wanted to lookup a project and see how much that project costs, I don't think we have shared fully a sample of how that works. And I think that was one of the follow up conversations this time, and we said it was part of the evolving process we were going to do.

And I think that's what you meant by format and tools. At least…

XAVIER CALVEZ: Correct, correct. Thank you. So we'll try to address that further as well. Communication is a subject that I think we need to find – that we need to address as part of the improvement working group. Communication

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to me is about how we – what format we communicated, and with what time of notice we provide you with information to review.

How do we distribute it. It's about scheduling meetings. It's about providing notes following meetings, actions, visibility on the next meetings, calendars, things like that. So I'm assuming that this is aware that we do need to address relatively explicitly in the budget process during the working groups, because I think this is something that's very important for transparency, for everyone to understand where we're at in the process, what are the next steps.

I think we've been struggling in the past with that. I think we've made a lot of progress, but I think there is still a lot of progress to be made as well. Any thoughts on that subject?

CAROL: I just wanted to follow up on one of those from my perspective, we talked about the fact that a community Wiki really helped provide a lot of that information, and I was assume we're going to use a similar way to store all the information for people as a way to reference.

That was one of the improvements from last year that I am aware of.

XAVIER CALVEZ: Okay. Mark.

MARK PARTRIDGE: Hi. This is Mark Partridge. I'm the treasurer of the IPC, and I'm very glad to hear you say the importance of this communication. But to put

a little more flesh on that, one of the problems in our constituency that we've been facing is the difficulty of suddenly knowing that we have a topic that we need to comment on and not having very much time.

So the degree to which we can break that model and get to something where there is milestones laid out for a long period of time where constituencies can plan, that we know in June this is going to come out and we can start getting ready for it.

That would be very much appreciated and helpful, and I think avoid a potential problem that there is a growing concern about which is that there too much sometimes for the constituencies to do, and therefore we can't be effective in participating.

The more we can find ways to avoid that and help people know what's down the pike that would be much appreciated.

XAVIER CALVEZ: Thank you. And that concern definitely came through last year when we worked on the previous iteration of putting together a better process, and we need to continue doing that. I think one of the elements that came out was, ideally we have a budget process that lays out, with sufficient amount of detail, the various steps so that start having really solid – I shouldn't say solid.

But defined dates of interaction around each of the phases, and that we map out the year basically. And that's also why I was saying earlier, I think we need to target no later than the end of October to have a finalized approved budget process, because I would expect that within

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that budget process approved and defined, we will have those dates and that we can all start working towards them.

It's the same for the staff by the way, we have the same type of needs really at the end of the day. So I think… I have the impression that gets towards addressing your concern, because then if you have sufficient visibility than you can start planning on dividing the work within your organization, which I think everybody is trying to do that. Thank you.

SO and AC budget request. I think we need to review further the process and content of that and the tools for that. And the tools that I have in mind, what are the criteria used, maybe the format of the requests, and also the communication within that specific process. Do we just get the formats, the request templates from you?

Or do we get the request template and then we try to interact and have a Q&A type of process before we review, or after we review, or both? I have the impression we need to do a bit of a better job by understanding substantially the request to the larger extent before we do the review. I have the sense from our recent interaction that this is something that would be helpful.

So I think we need to think about that. But the bottom line is, I think this is something that we need to address as part of the process improvement. Marilyn.

MARILYN CADE: And the answer to your… Marilyn Cade. The answer to your question is, we really must have more interaction, but I think we have to have

interaction as well with the people that are responsible for making decisions. And I'll give a specific example.

If somewhere in the hierarchy of ICANN there is someone deciding that certain things are going to be done in a centralized fashion, or added to the tool kit, but that is not – we are not in agreement with that, and we cannot eat that dog food because we are actually all cats so to speak, it's really important that it isn't just with you but it includes somebody who is making a centralized decision that they think will work as a centralized service.

But the people who have to implement it, because the only way ICANN is going to be successful is if the implementation continues to lie with the community on many of these things.

XAVIER CALVEZ: I agree and understand, and you're preaching at a convert. I should not be the person that you talk to about this. I shouldn't. It should be more about substance in what you want to achieve, and how does that fit with everything else that's being done.

And then how much is it going to cost? This is where, when I say I, where finance should come in. But I shouldn't be discussing to you as to whether it makes sense or not to fund the travel of three people in Africa. I have no clue about it, and I don't want to have a clue about it.

My point is that I shouldn't be the person that you discuss substance, rationale. You should be able, to your point, discuss that with me now because I don't know anything about outreach. I don't want to know anything about outreach. That's not my job. You see what I'm saying?

UNIDENTIFIED: Maybe, but since Suzanne is here, I'm going to take the opportunity of actually saying, I think the thing that you is unique about ICANN away from corporates, which many of the new staff come from, that it's okay to not fully understand the products and services when you're in a corporate organizational structure.

At ICANN we actually do need for all of the administrative and management teams to fully understand the products and services that the community delivers. So you're right that you shouldn't have to know the priority, but you might need to know that actually – there has to be some… There will be some need for uniqueness or variations in order to adjust to the needs of the community.

So just as I would assume that you guys think you understand and do understand the needs of the applicants and some of their concerns, we're your biggest customers, not the applicants. So we need a general understanding I think. And Tony…

XAVIER CALVEZ: No, I agree with you and I probably was more extreme in my way of representing said then what I actually think. I think that the interaction should be primarily with, to your point, that people who carry out, who implement, who make the decisions as to what is being done. Of course, I need to understand that.

Right? And I'm not trying to say I shouldn't, but you should be speaking to me 20% of the time, and 80% about the substance, and then we implement and we make sure that it has find its way in the budget. You shouldn't be talking to me 80% of the time. Chuck. Sorry, Tony.

TONY: Just on that, I quite agree with the amount of conversation we should have with you. But until that is fixed, it isn't going to happen. And I think during this meeting, I've been in a number of sessions with you Xavier. I think you've been very unfortunate because of that situation, a lot of the comments have been fired at you and it's going to happen all the time.

We feel that what's being produced is a solution looking for a problem. And that's, in a number of cases, where we are.

XAVIER CALVEZ: Understood. Thank you. I think this is helpful. So ACNS, so budget request process, something we need to address. We've discussed with some of you some potential changes which I think will be helpful. So we'll formulate proposals there. Public comments. I put it on there because I think that none of us is satisfied with the public comment process from the perspective of the value that as a community we get out of it.

And what I mean by that is more about the comments provided during the public comment process and the responses provided to those comments. I don't think we manage collectively to have the substantial out of the content of the comments. What I mean by that is, I think having the public comment process is an absolute must and is great to have it.

I think we just need to find the better ways to extract from the substance of the comment and extract – and produce responses to the comments that are more productive. I think that the possibility of

expression is in itself a value, and that's one that we need to keep. But I have more ambitions than – I would like that we get to using that process with more value gotten out of it.

And I don't think today we're managing it. Or in the case of my end, I'm not satisfied with the value we from the staff standpoint provide or don't provide with the responses. So I think we're coming short in this process one way or the other, and I don't have solutions in mind. I'm just, I'm trying to express a problem that I feel there is and I'm hoping that you will comment on that or elaborate on it.

Anyone has any thoughts? Mark.

MARK PARTRIDGE: It's Mark Partridge. In think about how to report back to the community, something that I would urge, and it's not just for this process, but it's across the board, is to give the people who have spent a lot of time submitting comments a sense that they've been heard.

And too often, I know that some of the organizations that our involved in our constituencies have members outside ICANN who put a lot of effort into getting their association to come forward with public comment, not just an individual comment, and then they don't know what happens to it. So if you could encourage that as part of the process to report back, reflect that this is what we heard from the community as part of the report more than has been done in the past.

And that would apply here as well….

XAVIER CALVEZ: Absolutely. I agree. Thank you for that. Yes.

UNIDENTIFIED: Hi [? 0:51:25] I think what will be useful is as part of this process, to build in a ticketing process. So each comment has a ticket associated with it with action items, so that it will be easy to follow the progress or lack of progress on them.

XAVIER CALVEZ: Okay. That's a good idea. Thank you. Tony.

TONY: Can I just turn this around a little because, as you are aware, the comment phase was something that we were quite uncomfortable with in terms of the answers to the issues that we raised. And I don't for a second think there was any attempt not to answer these issue raised.

So from your side, what can we do to actually improve that? Because it was obviously, it seemed a difficult issue for you.

XAVIER CALVEZ: Oh it is. It is.

TONY: How can we help you?

XAVIER CALVEZ:	So I think that's what we need to try to think through for that specific aspect of the budget process. How do we manage to… I think it's maybe just a matter of logistics and time, honestly. How do we manage to improve the quality of the communication that this process entails?

Let me give you an example, which is not going to be very helpful. If we were to have more time to provide responses, I think we would be doing a better job. Fine. Having said that, more time for us means less time for you. So it's not very helpful because you guys also need more time.

So I'm laying out a problem not laying out a solution. Right? But I think that we need to think about it in the sense of… I think we need to… We staff, when we provide responses, we need to take a different approach to what is the purpose of the response. Because, I'll be frank, I think that in the past, the public comment process has been considered, as it relates to the budget, as a formality.

We need to check that box. It needs to happen. And I think it needs to happen. But there is more than we need to get out of the comments responses about making sure work [AUDIO BLANK 0:53:47 – 0:0:53:53]

The work that is being put into the comments is respected, is followed up, is addressed, and in that we get to the substance of what those comments are, and be able to do something about it. So my frustration last year, which led to creating that working group is, when we get comments on June 20th, or the public comment period finishes on June 20th, what can we do about those comments that relate to issues in the budget when the budget is going to be approved by the Board five days after?

There is nothing you can change. You can change six months in advance, maybe. And even now, I would argue that the structure of the data, for example, that we provide in the budget, it's a year in advance, the minimum that we can try to address it. Because it is systems driven, it's process driven, and so on.

So my point is that I think that we need to address the public comments process from a different perspective with a different intent. We shouldn't be providing a response to the comments just to provide a response to the comments, and I think this is in the sense of it shouldn't be checking a box. It should be a substantial, valuable process that we get all value of.

And again, I'm not trying to formulate an answer because I don't have it, but I think we need to find a way to handle this differently. I also think that if, as we intended last year, we find ways to have an interaction together on the substance of the budget during its development, that's much more frequent, more – and earlier in the year, then we will not necessarily have to rely in the same fashion on the public comments to provide comments.

So Tony, if you have thoughts on this type of security related projects and the budget needs to be funded more, in that you've made that comment in February or March, we have time to address it. What we will then get in the public comments are not necessarily the same type of comments, because substantial comments will have been addressed.

So I think that it's the whole process that currently spills into the public comments phase at the tail end, and hopefully what we can do upstream will help improve that specific phase of the process. I just find

that there is more to do and more to get out of it than we – what we do today.

Sorry for that long stride. Chuck.

CHUCK: Thanks. I totally agree with you. If we had more time we can do this a lot better. And I think one of the critical factors in doing it better is to have time and provide for iterative discussion. Yesterday's meeting is a good example, I happen to pick on one of the comments from the registry stakeholder group, where I thought the staff comments were inadequate.

And yet you were able to, once I raised that issue, provide some clarity that was very helpful. So part of I think of improving the public comment process is not only to get a response back from staff, but to get clarity on that where we think it doesn't really answer the question.

XAVIER CALVEZ: And the example that we discussed yesterday was to me slightly frustrating because I did spend time on editing the comment that my staff produced, it didn't make its way into there, and it's noise. The point is, we're doing this in a rush, right? And therefore there are mistakes coming through and that have consequences, and it's unhelpful.

So the bottom line is, you need more time to comment, we need more time to respond, we need to find a way to address this. Out of this list, we need to close quickly because we're already at the end and I wanted

to just talk about the timeline quickly. Are there any subjects that we haven't touched that we should address in our workshop, work group on improving the process in your views?

What have we not addressed? Sorry, what have we not listed because we've not yet addressed anything, this is just making the list complete. Yes.

UNIDENTIFIED: [? 0:58:59] again. I don't know if this falls within communication, but many times when requests are turned down, we don't have specific rationale as to why it was turned down or maybe we can reapply in the next financial year with just tweaking certain aspects of it. And I think this would be important feedback to get from finance as to rationale, why requests are turned down, and how we can improve.

XAVIER CALVEZ: Okay. And we've tried to formulate more clear rationale. So last night we published recommendations for the regular track requests. On the right hand side of that document that lists all the requests, there was the rationale for further decision.

I think we're trying to do a better job at it. I think what you are pointing out is a little bit what we discussed a little bit earlier about what type of communication around the requests prior to review, once it has been formulated by the organization, prior to review, can we have a more direct interaction about what the requests are, the rationale for them, and so on.

That helps the review. And then I think it will probably help also the clarity of the rationale for then the decision. But point taken, I think this is an area that we need to improve on. I think we have it listed at least as part of our list of subjects. I think if there is no more comment on that, or no more areas of improvement, I suggest we go to the timeline.

So this is just tentative. I threw in dates on there, which basically tried to conclude towards the end of October. And when I say conclude, is having a draft, sorry, having a validated budget process inclusive of the improvements that we will have been working on by the end of October.

And I say by the end of October because I think Buenos Aries is kind of too late. So I suggested… So Maya was reminding us that we had three interactions last year, three calls per working group. By the way, I'm not suggesting that we have three different working groups again this year. I think if we have one group, I think that's just easier, it's less logistics, and it will be, I think, easier for everyone and we can still address the substance of it.

Maybe it will be longer calls so that we address everything, but at least, I think having one working group is going to be much more manageable for everyone. So August 29th, first interaction, is five weeks from now. There is a lot to do in five weeks to even be able to produce a first draft of the number of recommendations regarding the process.

But I think we can do something and honestly I think we need to because if we want to include that at the end of October, we don't have a lot of time. The only question is, if we want to provide you with more

than two weeks' notice as you indicated Chuck earlier, we need to be finished next week, and we will even start this week.

So my concern is fitting sufficient time for you guys to review. If that needs to be the case, then we may have to take out one interaction and have only one interaction prior to reviewing a draft. And I don't know what you guys think about that.

For those of you who participated to the improvement process last year, where we had three meetings, three calls, can we shorten it and try to be more concise on the interaction but… You tell me. Tijani.

TIJANI BEN JEMAA: I'm sorry. I have to leave, so I have another very important meeting to attend. I would like to ask here, are you talking about process or about the content of the operating plan?

XAVIER CALVEZ: This is just our budget process improvement working group. Chuck.

CHUCK: In certain respects, I think we're ahead of where we were last year in terms of process. Okay? So we probably won't really know until we get into it, but we might be able to eliminate one interaction. That doesn't seem impossible to me, again, until we actually get into it I don't know.

XAVIER CALVEZ: Right. I see your point. And I guess it also depends on how complete we staff can produce a view of the budget process by the first

interaction, I guess. So this is a tradeoff between comprehensive feedback and timing for that feedback.

We can do something more comprehensive if we push out on the first interaction, but if we push it out and try to give you sufficient notice, then we're going to have only one. And it may be sufficient if it is comprehensive enough. So we'll think about that, but I have the impression based on what you are saying that, sorry Chris go ahead.

CHRIS: Chris here. I would try and run with this. It's easier to drop it at a later date than to put something in on….

XAVIER CALVEZ: I hear you and I agree, but I've also heard that predictability and planning is important. So anyway, I'll think through that a little bit more but… Yes Chuck.

CHUCK: Where I think that timeline may have a problem is between October 25th and October 19th. Depending on how much review actually has to happen on October 25th, and then you still want the Board finance committee to approve it before Buenos Aries, what if we need a little more time for that review after the 25th?

It seems like that first review, if we can move that up a little bit, just in case we need some – a little bit more work before the Board gets it.

XAVIER CALVEZ:	When you say the first review, are you referring to the draft of the FY 15?
CHUCK:	Yeah.
XAVIER CALVEZ:	So what is currently slated for October 25th, you're saying it should be earlier.
CHUCK:	I think it would be helpful if it was a little bit earlier, just in case in that exercise we find that we need to do another flip, now we may be able to do it in a week or something, but that would be a concern.
XAVIER CALVEZ:	Good point. But that also, it sounds to me, this is also driving to killing one interaction out of the two that I've put there, but I think that it's probably helpful. Okay. Understood. Thank you.
	Any more comments? Suzanna.
SUZANNA:	One question. Pardon me, this is my very first meeting. What are the goals of interaction one and two?
XAVIER CALVEZ:	This is really out of the process that we looked at earlier. Last year what we did is, we had three calls between July and September for each of the working groups, where we produced information, we either sent it

in advance or sometimes didn't send it in advance, but reviewed during a call, a conference call, a document that provides information, substantial information about the process and so on.

And we had three of those calls last time. Last year.

SUZANNA: Suzanna again. So from what you just said is my understanding, if not please correct me, is interaction one the team will review the first draft of the process and comment on it, right? And interaction two, between interaction one and two, the staff will work on modifying the process and bring back to the team here to review again the process and get additional comments.

And then October 25th, another review?

XAVIER CALVEZ: Well so this is what we were talking about earlier is, dependent upon how complete the first document that we provide for the interaction number one is, then we may not need those three interactions. My point is, as you know, with everything that we have to do producing a full comprehensive draft budget process on August 29th, I don't think is realistic.

So I think that first interaction could be a subset of a number of things, but obviously not the complete one. That's why I distributed like that.

SUZANNA: Yeah. This is Suzanna. I think it will be very good to define what we are trying to achieve in each of the interactions, that would be very good. Thanks.

XAVIER CALVEZ: Absolutely, I agree. Tijani. And I think that will be our last comment unless there are substantial…

TIJANI BEN JEMAA: Tijani speaking [CROSSTALK 1:09:31]… last year, I would really appreciate if the reference documents that you will provide to each interaction will be provided earlier.

XAVIER CALVEZ: We were discussing with Chuck that I was throwing in two weeks before the call, Chuck was indicating that it's a bit short. It's probably not enough. Would you concur with that? You think it should be more than two weeks before?

TIJANI BEN JEMAA: I think that two weeks can work, but last year it was two days.

XAVIER CALVEZ: Agree. Okay. We're past the end, thank you very much for your participation. It doesn't mean that input on this cannot be provided further, you have I think all my email address and the controlling mail address, so please feel free to use those if there is further input on this subject.

We'll finalize a calendar and we'll communicate it both by email and Wiki. One thing that I think we should do, Maya is not here but if you don't mind reminding me of that Carol is that, I would like to recirculate with you the list of people that we have currently in our distribution list.

It's absolutely not a restrictive distribution list, anyone who is interested can be brought in and we've expanded it bit by bit. I just want to make sure that if you think there are people who are today interested in it, and that are not in it, we should include them.

Alan I'm not even sure you're in it. No. So I think I would want to verify that you are effectively on our list of the budget… You participate or not, but at least you know what is going on, right? So I think Leslie you are. So we'll do that. Thank you. Thank you very much everyone.

[END OF AUDIO]