

Board Chair Remuneration – Summary of Public Comments

Summary and Analysis of Comments for Proposed Bylaws amendment to allow Remuneration of Board Chair.

Comment Period: 6 July 2010 to 5 August 2010

Seven public comments were received from six contributors. *See:*
<http://forum.icann.org/lists/bylaws-amend-chair-comp/>

SUMMARY

George Kirikos opposed the proposed Bylaws amendment. He states that much of ICANN's budget goes to "overcompensated employees...and extravagant spending on international holidays masquerading as "global participation." He asserts that "[i]t's a known fact that organizations attract the best participants who are most committed to act in the public interest when those participants are unpaid. Only 2 percent on non-profits compensate board members.." Mr. Kirikos suggests that "[a]t best, there should be a token honorarium paid to board members, with a requirement that the honorarium be paid in full to a charitable organization of the recipient's choice."

In a second posting Mr. Kirikos further suggests that "[a]s another alternative, as was suggested in the public forum by another person at Brussels, conceivably domain registrants (who ultimately pay for all of ICANN's activities) could opt-in (or alternatively opt-out) of payments to ICANN Board members.."

<http://forum.icann.org/lists/bylaws-amend-chair-comp/msg00000.html>

<http://forum.icann.org/lists/bylaws-amend-chair-comp/msg00002.html>

Antony Van Couvering "support[s] compensation for the Chairman of the Board, and I would support reasonable compensation for all Board members. Furthermore, I support retroactive payment." Mr. Van Couvering further added that "[t]he Chair works especially hard and we must not limit our pool to those rich enough to work for free." <http://forum.icann.org/lists/bylaws-amend-chair-comp/msg00001.html>

Michele Neylon commented that some level of compensation for the board and chair should be considered and added the he "would, however, caution the board with respect to the level of remuneration." He noted that a "balance needs to be struck so that the level of salary not be perceived as inflated and a waste of ICANN's budget resources." <http://forum.icann.org/lists/bylaws-amend-chair-comp/msg00003.html>

Ronald Andruff expressed the view that "I, and others, feel strongly that we are now well-passed[sic] the stage where our Board, and more particularly, our Chair, do not receive honorariums. Therefore, we fully support our Chair receiving an appropriate fee (1/10th of what we pay our CEO, would not be inappropriate in our view) for his

or her service.” He further added that “we strongly support our current (soon to be 'past') Chair receiving his full honorarium retroactively for each year that he has served as Chairman of ICANN.” <http://forum.icann.org/lists/bylaws-amend-chair-comp/msg00004.html>

The following two submissions were received following the closing date of the comment forum.

A submission from Vikram Kumar representing Internet NZ supports “that the Chair of the ICANN board be entitled to receive compensation for this role” which should also be retrospectively applied or “at the very minimum, to the commencement of the current financial year.” They further added “the amount of compensation should be reasonable, and should continue to reflect a proportion of the Chairs time that should be considered “voluntary” and a proportion that should be compensated at comparable commercial rates, and the fee should be established and reviewed using an open and transparent process.” <http://forum.icann.org/lists/bylaws-amend-chair-comp/msg00005.html>

Marilyn Cade re-stated her support for remuneration of the Board Chair and not to further postpone the issue. She further requested that her comments on this topic during the public forum in the Brussels meeting be noted (<http://brussels38.icann.org/meetings/brussels2010/transcript-public-forum-24jun10-en.txt>) and adds that “the remuneration of the Chair should be higher, however, it is important to move ahead now.” <http://forum.icann.org/lists/bylaws-amend-chair-comp/msg00006.html>

ANALYSIS

Five of the six commenters support compensation for the Board Chair, one of whom cautions about ensuring that the compensation level not be too high as to be wasteful of ICANN resources another noting that the amount recommended was too low. The other commenter, while generally opposed to Board compensation, would support an honorarium if donation to charity was required, or would support allowing registrants to opt in (or out) to Board member compensation.

An opt in (or opt out) option for every registrant would be quite burdensome and unreasonable, as it would require an enormous use of resources, both by ICANN and all registrars.

NEXT STEPS

A summary of comments received through 5 August 2010, were presented to the Board during the 5 August 2010 Board meeting. During that meeting the Board approved revisions to the Bylaws allowing for Board Chair compensation. The Board further approved compensation for the Board Chair in the amount of

US\$75,000 per year to begin on 6 August 2010.COMMENTS RECEIVED FROM
(chronological order of receipt):

George Kirikos, Leap of Faith Financial Services Inc.

Antony Van Couvering, Minds + Machines

Michael Neylon, BlackKnight Solutions

Ronald Andruff, RNA Partners Inc.

Vikram Kumar, Internet NZ

Marilyn Cade