



Board Risk Committee Meeting

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Items Considered by Risk Committee

- Ongoing enterprise risk management (ERM) framework; planning to take place by Seoul meeting
- Framework for describing risk to key mission areas for ICANN
 - By mission area
 - By risk category
 - Identifies risk factors
- Considered how risk is currently managed in ICANN project execution, and possible areas for improvement

Factors for successful ICANN ERM

1. Identifying the ERM process owner within the organization
2. Reaching internal consensus on risks
3. Objective, consistent risk assessment criteria
4. Incorporation of risk considerations within routine project management
5. Assigned accountabilities to manage significant risk exposures
6. Risk transparency to the board and executive management
7. Iterative, periodic risk assessments

Core ICANN Mission Areas & Risk Categories

<i>Categories of Risk</i>	IANA Function & Root Zone Management	Global Policy Formulation	gTLD Market Competition and Choice
<i>Reputational</i>	1.1 Reputation for integrity & performance	1.2 Reputation as independent & impartial	1.3 Reputation for equitable stewardship of resource, Market value of TLD
<i>Operational</i>	2.1 Maintaining DoC Contract, Availability of IANA database	2.2 Effective Communication with stakeholders	3.3 Process for new gTLD applications & management
<i>Legal / Regulatory</i>	3.1 Integrity of IANA records & processes	3.2 Framework agreements AF, EOL, Voluntary Contributions	3.3 Contracts & agreements with ccTLDs, Registries & Registrars
<i>Physical / Environmental</i>	4.1 Availability of IT infrastructure	4.2 Community relationships & personnel	4.3 Availability of IT infrastructure
<i>Human Resources</i>	5.1 Retain key technical staff	5.2 Retain personnel with key relationships	5.3 Retain key personnel, outside advisors experience
<i>Accounting/ Financial</i>	6.1 Financial assets	6.2 Financial assets	6.3 Financial assets

Managing Risk in ICANN's Projects

- ICANN applies a traditional project management approach to large, cross-functional projects, and to significant IT projects
- Project risks (along with scope, approach, etc.) are identified in a charter, which is approved before project initiation
- Risks are monitored monthly; part of regular process
- Areas for improvement:
 - Objective, consistent assessment criteria
 - Incorporate bigger picture risks in project thinking

Common Threads in Project Risks

- Resources an issue with many projects; continuing to build processes while projects under way
- Significant unknowns with all-new, or first-time-for-ICANN projects
- Need to identify external risk elements along with internal issues that could result in a slipped schedule or budget impact
- In FY09, and planned for FY10, are now executing on some projects and processes to lower some business risks (IT infrastructure, processes, more)

Other Risk Management Factors

- Management of once-off, short-term threats
- Identification of tacit/hidden assumptions made in planning