

Transcription ICANN Buenos Aires Operations Update Saturday 20 June 2015

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(Jonathan): Thanks. So the next session if I could ask everyone to take their seats and be prepared to welcome Xavier and Carole from ICANN staff to give us an update on some key operational issues.

So if you're getting food, please go ahead but do so as quietly as you can. And let me hand over then to you Xavier. Welcome Xavier. Welcome Carole. Good to have you with us.

Xavier Calvez: Thank you very much (Jonathan). Thank you everyone. We appreciate very much the time that you are carving out of your busy schedule to let us come and present.

We have Carole Cornell in the team as well as Jacks Khawaja. Carole is in charge or PM of Business Excellence dashboards at ICANN. Jacks is in charge of the Enterprise Risk Management function at ICANN. And for those of you who don't know me, I'm the CFO.

We would like to provide an update on operations today. For those of you who have participated to financial processes in the past or budget processes,

you may remember that we have had in the past a communication specific to finance, specific to budget, specific to dashboards and separated in the past.

We would like on a go forward basis to merge all these various functions and processes in one operations update, which would help making it a little bit more simple, a little bit more clear for all of you. And - yes, if we can keep the slide (in our) - thank you.

And we will present the structure of the operations that we will provide an update on a regular basis first and Carole will do that. And then we'll go over a number of subjects relative to the budget, to the financials of the year to the Enterprise Risk Management function. We will talk about dashboards and we will talk about the orientational excellence activities at ICANN.

We would suggest that at the end of each section if there is any questions, please feel free to ask them. We will aim at finishing at 1:30, which is in 20 minutes from now but we will accommodate the questions that you would like to ask or the comments you would like to make. Carole.

Carole Cornell: Thank you and welcome to - thank you Xavier and welcome - thank you for having me. We're going to give you a little bit of an overview of our management system. Could we go to the next slide please?

This is a overall system to ensure that everything is integrated together as you can see that the internal structure of objective, goals, portfolio and project, which we use throughout the strategic to the operating plan and all of those and in all of the systems keeps it linked together.

The elements and the way that you would see is that from the strategic plan that we would implement using - or manage using the operating plan, the budget, the portfolio management system, the performance management system and Enterprise Risk Management are all implementation components. And then the end result will be showed in results in terms of dashboards.

All of this is linked together using an organizational excellence cultural - an approach to continually improve as we go. And that's the foundational management system. And each one of those we periodically will report on and give an update as we progress.

I'm going to now pass it back to Xavier. We're going to go to the next slide please. We're going to follow this chain so we're going to start with the FY16 operating plan and budget.

Xavier Calvez: So as Carole was indicating following the strategic plan and the operating plan - the five-year operating plan, there is the annual budget. We are in June and now at the very end of the FY16 budgeting process. We will submit to the Board in a few days the approval to the final budget.

We have closed recently the public comment process. The public comment period closed on May 1. We received comments from nine different organizations; 85 comments of which comments from the GNSO Council. So thank you for your work, participation and comments on the budget.

We have - the main topics of those public comments were insufficient policy support from ICANN. There's enough work that there is more support that's needed.

Lack of clarity on the USG transition; how does that impact the organization and its resources as well as a number of comments on KPIs at the detailed level across all the objectives on the key performance indicators.

How did we manage the process of responding? We - as I said, the public comment period finished on May 1. In the few days that followed, we held a number of calls with the organization representatives that submitted comments in order to be able to discuss with the representatives the

comments, the background for those comments, the expected type of answer and started understanding better these comments submitted.

And Board members participated to these calls in order to help us making sure that the Board is involved in the responses to those comments and is accountable to the process at a fairly detailed level.

We have then drafted responses that those Board members reviewed to ensure that the understanding of the comments and the responses did address the comments. And we have published the entire list of comments with their draft - the final responses on June 1 - 5th, sorry. So that's part of the public comment report.

We have made changes as a result of this public comment process to the draft budget. We were saying earlier that a number of organizations indicated that the thought the policy support was insufficient.

We have therefore increased the policy support in the budget by half a million, which will correspond to two FTE - sorry, two staff members additional and (instrument) of professional services dollars to support both policy research as well. That's been increased.

We have added some comments relative to the impact of the USG transition and notably to the uncertainty that the USG transition creates relative to the budget of ICANN as well as explaining why the budget that's been set aside for FY16 on the USG transition related activities is quite high level in that of information at this stage.

Not yet very precise simply because we don't really know clearly what are the - going to be the amount of activities, the timing of these activities and even the nature of those activities during FY16. So we have put a placeholder of seven million in the budget to cover for USG transition costs in FY16.

So we have clarified the language on that to explain it. There's been a number of other comments more specific on other parts of the operating plan; on the 300 projects and the 56 portfolios that make up the document that was submitted to public comment.

There's been also the language services budget has been increased simply to face the increased amount of translation that is needed as a result of among other things the USG transition where we translate documents as well.

And in order to try to keep our resources at the same level of expenses because our revenue forecast has not changed - we don't necessarily believe that today we'll have more revenue than we thought we would have three or four months ago.

So we have simply reduced our contingency, which is simply the unallocated portion of the budget of - we have a budget that includes allocated expenses to various functions and a small fraction that's not allocated to provide flexibility.

We have simply reduced that unallocated fraction of the budget to absorb the adjustments that have been mentioned here. That's the public comments process and subject. Is there any questions on this subject? One of the comments submitted by the GNSO Council was relative to policy support if you're interested. Next.

We are in June. Our fiscal year, as most of you know, finishes in a few days at the end of June, our FY15 fiscal year. We wanted to provide a quick overview as to where we think our financials are going to land at the end of the fiscal year.

We have a process in ICANN to produce forecasts on a recurring basis. We are here showing the forecast that we produced a couple months ago on the

basis of ten months of actual activity and adding two months of forecasted information.

The bottom line of this I won't go and explain a lot of details about it. The bottom line of this is we are within the budget of both revenues and expenses; very slightly below in both cases. Our revenue, as you can see, we're projecting it to be at 103 million versus the 104 budgeted and the expenses to be at 100 million versus the 101 budgeted for.

To be honest if at the beginning of any year anyone would tell me that we would (arise) that close to the budget, I would sign up for it each time. There is two lines on this that indicate - that speak about USG transition.

The third line from the top is the amount of cost that we're expecting to incur relative to USG transition in the fiscal year. You can see an amount of 7.9 on the left column in the forecast column.

If you - for those of you who participated into the process, the funds that we are spending on the USG transition are taken out of the reserve fund of ICANN.

We have withdrawn from the reserve fund a certain amount of cost to date, which is 1.5 million at the bottom of the slide. And we will withdraw from the reserve fund the complement between the 1.5 million and the expected 7.9 million that will be spent.

So the burden on the reserve fund of ICANN of the USG transition project so far it will be basically about eight million. The reserve fund today is about 89 million. Next slide.

There's a lot of information in there. This is simply an overview of the spend on the USG transition project broken down by the various tracks and the categories of costs.

At a high level we are - after 11 months of activity - so from July last year to the end of May this year, which is the last time we closed the books and have actual information - after 11 months we spent seven million.

We have a budget for 12 months of seven million. So it is likely that we're going to exceed a little bit this budget. The information on this is that throughout the year we were trailing much below the budget.

And over the more recent months we have increased the spend driven notably by the legal advice - the independent legal advice that has been provided to the CWG and the CCWG. Any questions on the forecast or on the USG transition costs? Yes.

Stephanie Perrin: Stephanie Perrin for the record. I was initially a little concerned that 1.1 million is not a very big contingency fund given the amount of change that we're anticipating over the next year.

But my understanding is if the IANA transfer process starts burning our money you'll just take it from the reserve rather than the contingency fund. Is that correct?

Xavier Calvez: Yes. In substance it's correct. If the amount of funds required is relative to the project itself.

Stephanie Perrin: Right.

Xavier Calvez: If we are talking then about increased cost of the organization as a result of implementing changes that came from the transition, for example, different accountable mechanisms that would be permanent and that it would increase the cost base of ICANN, we will need to rethink that. And that shouldn't be the reserve fund.

Stephanie Perrin: Right, right, right. You have to factor that into the budget then.

Xavier Calvez: Right.

Stephanie Perrin: But that'll be next year, not this year.

Xavier Calvez: Correct.

Stephanie Perrin: Right.

Xavier Calvez: And then just a quick correction. I think the 1.1 million that you referred to is the decrease of the contingency that we made as a result of the change to the budget from the draft. The resulting contingency is three million.

Stephanie Perrin: Oh, okay. Oh, okay.

Xavier Calvez: So it was four. It's now three.

Stephanie Perrin: Right, right, right. Sorry. I just pulled that off there. Yes.

Xavier Calvez: Thank you for that...

Stephanie Perrin: Thank you.

Xavier Calvez: ...question. (Jonathan).

(Jonathan): So Xavier, we've got Avri waiting to talk. But just to highlight one of the points in relation to this (type of thing), I mean we exchanged via the CWG some discussions with you about the impacts of the proposed new structure.

And so I - and from memory we - the first cut of that it was by definition had to be relatively rough was around half a million a year.

Xavier Calvez: Correct.

(Jonathan): Yes. So just to make people aware there's been some dialog between ICANN finance and the CWG Chairs to try - and then that's gone back into the CWG to try and understanding the impact of the new structure on ICANN's ongoing operating expenses.

Xavier Calvez: Correct. Absolutely (unintelligible). The only comment on that is that we had not in that exercise that you're referring to (Jonathan) tried to determine the impact on the budget of ICANN of new accountability mechanisms. I think we have Avri and then (James).

Avri Doria: Thank you. Just - Avri speaking. Just a quick question. One, is this including both the CWG and the...

Xavier Calvez: Correct.

Avri Doria: ...CCWG? Okay. I had missed that. And which piece of this is including all of the travel and the meetings we're having to all these places? Is that the (DNM)?

Xavier Calvez: The second column from the left.

Avri Doria: So that's actually lower than I thought it was. Okay. Thank you.

Xavier Calvez: Thank you. (James).

(James): A quick question and I apologize if you covered it and I missed it due to lunch. But this is still separate from the new gTLD program budget, which his tracked separately?

Xavier Calvez: Nothing to do with it. It has nothing to do with it.

(James): Right. So it's not co-mingled because...

((Crosstalk))

(James): ...questions on the revenue (or something for that). Thank you.

Xavier Calvez: The - we have three segregated operations for lack of better words at ICANN. We have the ICANN operations where all of us are, all the work happens - where the (revenue) happens. We have then - that's one.

We have then the new gTLD program application fees, expenses exclusively specific to the program and the remainder that's currently estimated to be about 80, 89 million. The remaining funds to cover for future risks, future costs on the program.

(James): So where is that revenue recognized?

Xavier Calvez: In the separate ledger.

(James): In the...

((Crosstalk))

Xavier Calvez: ...books.

(James): Okay.

Xavier Calvez: And when we - I only show the ICANN operations in the previous slide.

(James): Okay.

Xavier Calvez: And in the budget we can see both components separately - separated.

(James): And then...

Xavier Calvez: Separate bank accounts. We have separate accounts.

(James): Yes. And I remember there were some very good reasons why we wanted to keep those separate. But...

Xavier Calvez: (Absolutely).

(James): ...is there some point in the future where you envision that those will be merged back into a universal budget?

Xavier Calvez: I don't think the program was designed so that that's the case. So at this stage we don't have any plans to do that.

(James): Okay.

Xavier Calvez: The third piece - I mentioned three pieces. The third piece is the auction funds of 59 million right now. They're also segregated from the new gTLD related revenues and expenses. They're also in separate bank accounts. And the only costs that are applied against those are the actual auctions costs.

(Jonathan): Sorry. Just to clarify one point that you mentioned this to (give) around 89 million.

Xavier Calvez: Correct.

(Jonathan): This is the reserve fund and it's - yes, because there's also the residue from the new gTLD program. Can you just clarify the difference between the residue, if you like, the unspent contingency and the reserve fund?

Xavier Calvez: So I apologize. It's a coincidence it's the same amount. But it's two separate (unintelligible).

(Jonathan): That's what I thought that they were the same amount, which is why I wanted to check that. Thank you.

Xavier Calvez: We'll try to make it different next time.

(Jonathan): We can help you.

Xavier Calvez: Well, if we continue spending on the USG transition, by definition the reserve fund is going to decrease. Michele.

Michele Neylon: Thanks Xavier. Michele Neylon for the record. Two quick things. One, thank you. It's good to see money being put back into staffing and resourcing on the policy work because the policy team I think does some fantastic work and it would be nice for them to have, you know, life work balance again at some point.

Xavier Calvez: I'm going to try to transfer to the policy department.

Michele Neylon: Well that would mean you get to move back to Europe so I supposed you'd welcome that.

On the - one of the things that does concern me a little with the way you have this siloed out, I think that's part of the question a couple of us been asking around, you know, the funding. At the moment there's no clear separate silo for IANA functions.

Xavier Calvez: Sorry. There is no clear separate...

Michele Neylon: There's no clear separate silo associated with the IANA functions. So if - so that means also there's no clear separate silo with respect to expenditure or revenue.

Xavier Calvez: Correct.

Michele Neylon: Right. So assuming that there is some form of transition whether or not ICANN ends up managing a part of parts of the post-transition thing, whatever the hell that is, I mean have you done any work up to now on how you're actually going to handle that? Because the RIRs, the - and of the RIRs with the ccTLDs, you know, they're putting funding in, which is in part or all related to IANA stuff.

And obviously both registrars and registries, a section of what we're paying in is covering this.

Xavier Calvez: So thank you Michele. I'll try to keep it short because we're running out of time. You're correct. There's no currently segregation of the activities in funding of the IANA functions within ICANN today. The IANA functions have the department. It's a separate department in ICANN where all the resources, the people basically and their associated costs are recognized.

But just like there is a finance department, there's a policy department and so on. So it's not a silo to your point. And there's no specific part of the resources of ICANN, it's revenues, that is designated for covering the IANA functions.

So I have not - we have not in the staff tried yet to do a lot of work on that because we're waiting for the proposals on the future state to be advancing. But there has been discussions in the design team notably of the CWG on what should that look like in the future.

So - and we will support of course this work to help define and provide numbers behind this idea. But certainly the funding of PTI needs to be determined. Right. PTI being the separate IANA function shell that would be determined.

So the funding needs to be determined. How has not yet fully been answered. I'm looking at (unintelligible) at the same time because he's part of that. Thank you. This is - Michele, this is an old hand or a new hand? Thank you. There's no more questions. Next subject. Next slide please.

And Jacks will provide you an overview of the Enterprise Risk Management that he leads.

Jacks Khawaja: Hello. My name is Jacks Khawaja for those of you that don't know me. I think some of you may be I used to work in contractual compliance. Now I manage the Enterprise Risk Management Department at ICANN.

For those of you that don't know what ERM for short is, it was actually created in middle to late 2013. The reason I'm here is to briefly introduce the department to you, the program and give you guys a high level understanding of what we do for the organization. When I say organization, I mean the whole model, multi stakeholder model to deliver to our mission.

As you can see on the slide above, I don't want to get in the details but basically we - we basically handle risks like any other organization where we identify the risks, we measure and evaluate that risk and we respond to it in an appropriate fashion.

A few months ago we reached out to the SO and AC and SG Chairs and solicited feedback. Many of you responded to those requests where we've asked for risks. What do you think the risks are that we face? And we appreciate your response for that.

It was on behalf of the co-Chairs of the Risk Committee. And essentially the reason I'm here is to just basically let you know that we're here to help. If you guys want to bring anything to our attention at Enterprise Risk Management, we can definitely address it and work with the community to figure out how to resolve those risks as we identify them.

As you can see on the top, it's just a process. We identify the risk. We evaluate it. We prioritize it. Then we respond. Can we go to the next slide please? Okay.

So this is just the overall roadmap for Enterprise Risk Management so that everyone gets a flavor of what we've been working on for the last year and a half.

We've been closely aligning ourselves to the five year strategic and operating plans. If you actually refer to both plans, you'll see a set of risks and dependencies that we've basically evaluated with management, with the community and so on.

Essentially every strategic objective has risks. And so Risk Management integrates ourselves in that management system to basically make sure we - we're paying attention to that to make sure we're successful in our initiatives.

That's the first line up there where we concluded in fiscal year '15. Towards the end of this month we're going to be finished. The second line after the framework and methodology; we've been developing that framework for the last year and a half.

Not on the framework but the methodology and the approach to handling risks for ICANN. That is always being evaluated because it's continuous. Our risk profiles and organization changes constantly. With the USG transition obviously it's going to change again. So we're trying to prepare for that.

And then finally, as I mentioned earlier, the SO, AC and SGs we reached out to in January and then again in April to gain some insights from you in terms of what the risks are, what do you guys feel the risks are. And that way we can address them at that point.

And finally, we're going to be publishing an annual risk report. The first for ICANN in Q1, most likely early Q2 timeframe where we'll give a little bit more insight as to what we've been able to accomplish in fiscal year '15 and hopefully that'll give you a little bit more information on what ERM is and what we've done for the organization and the multi stakeholder model.

At this point I'd like to open it up for questions if you have any. Otherwise I'll turn it back over the Carole. Sure Avri.

Xavier Calvez: Jacks, just one addition to what you said. For those of you who don't know, there is a Board committee dedicated to risks and to Risk Management. So I - it demonstrates what Jacks was indicating earlier that the Risk Management comes from - sorry, is part of the entire organization and it starts from the top.

The Board has a committee that meets very regularly to ensure that the entire organization manages risks and that's the committee that Jacks support and it's a very active committee, a lot of competence in that committee. It's co-Chaired by Ram Mohan and Mike Silber for information.

(Maria Manchez): Thank you. This is (Maria Manchez). Just a quick question. The inquiry that you have made with the Chairs of SOs and ACs, is it published anywhere because we know our responses. Would be nice to know what other parts of the organization perceives as risk. That's all. Thank you.

Jacks Khawaja: Thank you for that. Thank you for that. So we've collected a variety of risks. And what we did was we analyzed those against our current risk registry that we have for the organization.

We have - the only risks that have been published thus far were to a request from the CCWG. Many of the risks that - that was a response - Bruce Tonkin. There was an inquiry of Bruce Tonkin, you know, Bruce Tonkin on the Board.

We published a list of our risks. Many of the risks that we collected from the SOs and ACs were actually mapped against our risk register. There were only a few outliers to that entire list that you'll find on the Web if you were to do a search on it.

Those outlier we're actually analyzing right now from the SOs and ACs. And we're going to be reaching out to them soon to verify if we truly understand the risks that they presented to us. So currently there's - that's the only list that's published at this point. Avri.

Avri Doria: A quick question and it's probably relatively tangential. But why would a risk analysis, roadmap, et cetera be something that was privileged and confidential?

Jacks Khawaja: That shouldn't be on there. That's an error. You're welcome. Good question.

Stephanie Perrin: Thanks. Stephanie Perrin for the record. Just a comment really although it's also a question I guess. When we received the call for input to the risk register, particularly for those who aren't in the habit in a large organization of responding to requests for input to a risk register, it was difficult to frame it.

We didn't necessarily know whether you were looking for high level risk; in other words, the financial risks for instance or the Internet governance risks generally or (faith) in ICANN. I see that as a big risk.

So it's very hard to situate. It would be very useful in future if you'd show us the framework and we can give you low-level risks, you know, a burnout on the working group level. We can give you medium level risks. But we need to know what you're looking for.

And to just say pick your two big risks, well, that's not helpful. And most people aren't familiar with the COSO framework so you've got to walk us through that, you know. Thank you.

Jacks Khawaja: A very valuable comment. It's interesting. After we had submitted that request to the SO and AC Chairs, I'd realized that we haven't had the chance to get out in front of you and communicate what the model is, how we do it, what we do.

And so it seems a bit out of alignment. And that's why we came here today to be a - to do that. Apologize for the misalignment. But we will get it right going forward.

This is going to be a continuous process. And for the COSO for those of you that don't know, it's a well-received, well-accepted model. It stands for the Committee of Sponsoring Organizations.

The model we use under COSO is the internal controls integrated framework. And that's the risk part of the model that's used in the U.S. It's mainly used by publicly traded companies.

And we leveraged that model because it's flexible. It's flexible - if we do a DNS risk assessment, the output could easily integrate to that model. And so that's primarily why we use it, so.

Stephanie Perrin: For those of us who are risk junkies, can we follow the Board risk group that meets? Is that public or is that a Board confidential group?

Jacks Khawaja: We publish the notes - we publish the meeting minutes and the result of that on our Web site.

Stephanie Perrin: Okay. Great. Thanks.

Jacks Khawaja: Olivier.

Olivier Crepin-LeBlond: Yes. Thank you very much. Olivier Crepin-LeBlond speaking. And the question I had is what risk management framework did you use for this? So are you using ISO 31000 or...

Jacks Khawaja: COSO.

Olivier Crepin-LeBlond: ...or NIST 800 or...

Xavier Calvez: COSO.

Jacks Khawaja: COSO. COSO. The COSO framework.

Olivier Crepin-LeBlond: Okay.

Jacks Khawaja: I think I just mentioned it. But, you know, we've used ISO for the DNS risk assessment. And we've used NIST for cyber security assessments. But in the end, what we use in the RM is COSO, the full framework. If there's no...

Xavier Calvez: We're going to end here I think because we need to have some updates on dashboards and we can go quickly through that.

Jacks Khawaja: Thank you.

Xavier Calvez: Thank you.

Carole Cornell: I'm just going to give a very high overview because I recognize we're almost out of time. And I want to make sure that we just cover - as many of you know we've been continuing to work on a what we'll call the KPI dashboard. And this is just an overall principle that different metrics are used at different elements within our process from the high level goal and objective we use for a strategic.

And that's what we're initially publishing is what I'll call the first level of the dashboard effort and that plan to correspond with the next stakeholder call, which is anticipated to be 20 August.

This meeting here we're going to actually do some sharing of some prototypes because it's in development and get some feedback in an informal way. This is just the approach we took and I just wanted to highlight that we recognize there are many metrics.

And we are using a lot right now at the operational day-to-day level. And we're sharing some of those but we're sharing on a bigger picture a dashboard that's coming in 20 August. Can we go to the next slide please?

What we've completed thus far is we've done the alignment and tied it to our structure. We've done - the portfolio dashboards are currently in use. We are in the process, as I said, of sharing. And our next two, as I said, the August date and we will continue to refine it in advance. This is just a quick update of where we were in building the dashboard that you'll be seeing shortly. Next slide please.

This is the actual prototype of the dashboard. And it shows you that we're starting at the five objective level and putting a scoring and a component for each one of the five objectives. We put together how to read the objective and a little bit of the scoring input.

And if you think that these scores are not strong enough, you can see that we focused the on target to be a very high number for a high quality purpose of delivering on a high level. Go to the next slide please.

This is the second level. This is going down into each one of the goals. So for every objective it shows you the goals that were in the five year operating plan and in the five year strategic plan and how we're doing against each one of those goals in a traffic light format. Next slide please.

When you get to this level you will actually see each one of the KPI charts. And there's just one sample. This one is of the financials but we actually have multiple of these and we'll be rolling them out as part of that process.

And it shows that there's three levels so you can look (through things) from the objective level to the goal level to the specific chart itself in terms of how it's designed and formatted.

I'm going to stop there. That was what we're kind of giving an overview from the dashboard level. If there's any questions, I'll take them. Otherwise I'll go straight on to the organizational excellence effort that's going on.

Jacks Khawaja: Avri has a question.

Avri Doria: Yes. I - Avri Doria again with a question. Sorry. Who does and how are these grades evaluated? Is the community taken into account at all in making these measurements? Is it just the Board? Is it senior member staff? How's that all done?

Carole Cornell: Two part answer. The actual key performance indicator that was established was partly done when we were building the five year strategic plan based off the key success factors and also based off the five year operating plan and now the annual operating plan.

We're incorporating a lot of the feedback we're getting into building those KPIs. In terms of the actual scoring, those are being developed by each one of the goal owners appropriate to that particular KPI. And many of them will be sharing them with the community and building those strong KPIs over time.

It's not a quick fix. So to answer your question, there's going to be some community dialog on the actual KPIs and get more feedback on each individual one.

Xavier Calvez: Just to add to that. It's a bit like the budget basically. The staff prepares a list of KPIs that's associated at each project level and at each portfolio level. And we have put through public comment the five year operating plan that contain KPIs.

And there's been a lot of comments provided by the community to refine, clarify or indicate we don't think that's a good KPI. And that input is taken into account into revisions then of the dashboard. They will contain all those KPIs. So it's been through staff drafting, Board reviews and community input (unintelligible).

Avri Doria: Thank you. If I can follow up. And I accept that on the KPIs in terms of developing on this - all that. But actually the grading. That's pretty much a self-grading. Is that what I understood? That basically is staff responsible for the thing is the one that's grading.

Xavier Calvez: It depends on the KPI. So when the KPI is the - how well we are doing versus our budget of expenses for example. It's a number, right. I mean it's factual. So we are trying to make those KPIs as factual as technically possible.

It's challenging of course as it relates for example to outreach. How do you measure outreach? So we are trying to find tangential activities that are proxies to measuring outreach. It's not easy. So a lot of the comments that we received is about well is this actually measuring outreach or is it not. What would better measure outreach?

So we're trying to have the KPIs as numerical as possible. It's losing a bit sometimes the sense of quality or subjectivity that is embedded in some activities. But we're trying to make it very transparently (outright medical) so

there is no question as to exactly the question that you're asking. Well, if you rate yourself well, then the KPI is going to look good, right.

So we are trying to make it very straightforward and the definition of the KPIs that will be part of the dashboard is this is what it is, this is how it's calculated and this is why it is (unintelligible).

So that will be - and but your comments in the future on the dashboard and how it effectively is transparent on what the KPI is and what the activity has been and why the rating results the way it does will be very useful because at the end of the day, it's for transparency as well as manage it.

Carole Cornell: I would also say that if you were going to be going to the information booth and if you wanted to kind of see some of that, we'll be reaching out to individuals. And if anyone would like to come and see more details of that prototype, we will be happy to show you some of that and get more feedback including the scoring that you mentioned Avri as well.

Xavier Calvez: Carole, for the extent of time, we...

Carole Cornell: Yes.

Xavier Calvez: ...are 15 minutes over your timing. We have a more comprehensive public session on operations Wednesday morning at 9:00 am in the (egwila) room. I'm sure a lot of you will be conflicted with other meetings. But for those of you who can participate, we welcome you very much. Thank you very much for your time. That was very nice of you to accommodate.

(Jonathan): Xavier, Jacks, Carole, thank you very much for your time and for what you spoke with us about. I see that perhaps Chuck has a question.

Chuck Gomes: A comment. Thanks. Chuck Gomes. I don't think we should end this without recognizing I think three things. Number 1, first of all the - I compliment the

Council in submitting comments on the budget process. That was great. I'm really glad to see that.

But secondly, a lot of people don't realize the significance of where we're at right now with regard to the budget process. The very fact that we had comments and time that changes could be made and were made is great, fantastic. And it's compliments to Xavier and Carole and their team the great work on the dashboard and the risk management is excellent.

But also I'd call to you attention the summary of public comments. Not only was there time to deal with them for the first time before the Board acts but there's a very thorough analysis of the comments. And it's clear where they weren't able to respond, it's clear where they did and it's clear where changes were made.

So I think great compliments are due to you and your team and everyone that contributed to that.

(Jonathan): Thanks Chuck. I'll second that. I think it's great. And it's obviously very gratifying for us as a policy management body to see not only were our comments taken account of but there was a direct impact and you were able to report that back to us Xavier. So, you know, to be clear, two full time equivalents in policy staff added, which is helpful to our work and recognize the need for it.

So thank you very much. It's a very useful update. And I think if anyone is interested in taking it further, you highlighted that you have an additional public session. So great.

Xavier Calvez: That you very much for the feedback.

(Jonathan): Good. We can stop the recording there.

END