

AUDIT COMMITTEE REPORT – SAN JUAN, PUERTO RICO – June 2007

Members:

Board – Vanda Scartezini – Chair
Raimundo Beca
Joichi Ito
Njeri Rionge

The Audit Committee has met twice face to face since Lisbon, following the committee agenda for 2006/2007 fiscal year, and dealing directly with staff regarding all related issues.

As part of its agenda during these meetings, the Committee reviewed existing insurance policies, and got a feedback report from staff about insurance coverage.

The Committee also reviewed expense policies for Board members, non-staff meeting attendees, and took decision that there was no need for an external audit of the Ombudsman function this year, determining that no money needed to be spent for the audit of the Ombudsman function in the Fiscal Year 08 budget.

Staff provided an update on the implementation status of several processes improvements previously discussed by Audit.

The committee considered a recommendation from staff for making a change in ICANN's banking relationship; this recommendation was submitted to the Board by the committee and adopted by the Board on 18 June 2007.

Staff provided an overview of ICANN's travel situation, which is complex and a significant expense; the committee supports the development of clear travel and expense policies, which will enhance controls.

The next meeting will be face-to-face following the Board's fall retreat, when we will analyze the audit report from the auditors.

The complete audit agenda for 2007/2008 was discussed and will be posted until 13 July 2007.