

Board Audit Committee Activities

June 30, 2016

Section I: Completed Activities –July 2015 to June 2016

Item	Description	BAC Completion Date	Accomplishments/Outcome
FY15 Independent Audit	The BAC reviewed the FY15 Audit findings as presented by the independent audit firm BDO. There were no deficiencies noted and a clean audit opinion was issued by BDO.	October 2015	The FY15 Audited financial statements were published on ICANN’s website within 120 days of the fiscal year end, as required per the ICANN By-Laws. Publication date was 10/29/15.
FY16 Independent Audit	The BAC reviewed the BDO Audit Planning Presentation for FY16 and the FY16 Audit Proposed Audit Engagement Letter and Fees	February 2016	The BAC approved a recommendation to the Board to appoint BDO as the FY16 Independent Auditors.
IANA Stewardship Transition Audit and Tax Topics	<p>The BAC reviewed the Audit requirements and risks highlighted by BDO regarding the future audit process for PTI.</p> <p>ICANN Staff provided an update to the BAC Committee on Audit and Tax requirements and risks for PTI.</p> <p>The BAC discussed the risks and benefits associated with having separate audit teams and or separate audit firms. The BAC asked ICANN Staff for scenarios regarding having separate audit teams and/or separate audit firms.</p>	<p>May 2016</p> <p>June 2016</p>	The BAC reviewed the points raised by BDO, independent auditors, and by ICANN Staff. The BAC requested continued progress to be made on the definition of the audit requirements, and on recurring updates to be provided to the BAC on this topic.

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Independent Audit Advisor	The BAC discussed the Independent advisor offered to BAC to provide audit-related advice.	June 2016	The BAC agreed to invite the independent audit advisor to BAC meetings, when considered useful.
Executive Interviews	The BAC conducts confidential interviews with 2 Executives, as per audit committee best practices.	July 2015 – June 2016	The BAC has taken adequate action, where necessary, as a result of these interviews.

Section II: Appendix – Resolutions Recommended by the BAC

Appointment of Independent Auditors - <https://www.icann.org/resources/board-material/resolutions-2016-03-10-en#1>