

Board Finance Committee Activities

June 30, 2016

Section I: Completed Activities – FY16

Item (as per BRC workplan)	Description	Completion Date	Accomplishments/Outcome
A. Oversight of Risk Management			
Review and advise on ICANN Policies, Plans and Programs on Risk Management.	<p>Based on an external maturity assessment of ICANN’s ERM activities, the BRC initiated a redefinition of the ICANN’s ERM strategy.</p> <p>In September 2015, members of the Risk Committee, of the Executive Management and of Staff participated in a risk workshop during which target maturity levels were determined as appropriate for ICANN to reach within 3 years across 7 aspects of risk management (Strategy/Appetite, Governance, Culture, Assessment, Monitoring, Reporting, Technology).</p> <p>In order to achieve these target maturity levels, Staff drafted an ERM strategy consisting, for each of the 7 aspects, of a set of objectives, key success factors and annual milestones over 3 years. During its meetings in February and March, the BRC reviewed and commented on this draft. During its May meeting, the BRC determined to continue its review and commenting through the next months on an online shared document, with the objective to conclude its review of the entire draft by the end of July 2016, and finalize the ERM strategy during a risk workshop to be conducted during the Board workshop scheduled for September</p>	September 2015 thru June 2016	<p>IN PROGRESS. ~75% complete.</p> <p>BRC defined ICANN’s maturity level to achieve over the next 3 years, and initiated the definition of ICANN’s ERM strategy, consisting of objectives, key success factors, and annual milestones.</p>

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	2016 (FY17).		
Review and oversee ERM Framework (methodology, KPIs, ratings)	This activity was conducted as part of the ERM strategy activity described above.		ONGOING. The last review was conducted at the Amsterdam Board workshop in May 2016.
Review DNS Risk Assessment Framework, Structure, Mitigation Status	The BRC will review this topic at its October 2016 meeting (FY17).		TBD
Review New gTLD Risk Assessment, Quant Results	No specific activity was conducted on this topic, as reviews are carried out on an “as needed” basis.		
B. Oversight of Operational Risks			
Review Top 10 Risk Status (includes mitigation status)	During FY16, the BRC received an update on each of the 4 quarterly risk assessment conducted by Staff (Aug 2015 for Q4 FY15, Nov 2015 for Q1 FY16, Mar 2015 for Q2 FY16, May 2016 for Q3 FY16). During its October 2015 meeting, the BRC adopted the proposed risk rating quantification methodology suggested by Staff, which has then been consistently applied for the quarterly risk assessment updates.	July 2015 thru June 2016	The BRC (i) appropriately monitored the recurring risk assessment conducted by Management, (ii) adopted a risk rating quantification methodology.
Review results of Annual Risk Survey and 'changes' to top 10 risks, and subsequent mitigation plan status	During its May 2016 meeting, members of the BRC, along with observing board members, defined a target ICANN “goal level” KPI for ERM consisting of an index resulting from aggregating the KPI of each of the 7 aspects of the ERM strategy as defined above. During its June 2016 meeting, the BRC was reviewed a suggested update of the “top 10” risks, resulting from the most recent quarterly risk assessment, including, in a separate list, the specific assessment of risks related	May-Jun 2016	The BRC (i) defined an “ICANN goal-level” KPI for ERM, and (ii) adopted an updated list of the “top 10” risks.

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	to the IANA stewardship transition, and adopted such update.		
Review and Discuss CIO Cybersecurity and other IT-related risks	The BRC received by email, including attached files, a cybersecurity update on the progress of the action plan previously built by Management and reviewed by the BRC. During its June 2016 meeting, the BRC received an update provided by the CIO of ICANN's cybersecurity readiness status, resulting from the second-year scoring of ICANN's position across 20 critical controls, as assessed by a third party.	5 Aug 2015 Jun 2016	The BRC appropriately monitored the on-going risk assessment and mitigation action plan carried out by Management.
ICANN Meetings security planning overview	During its February 2016 meeting, the BRC received a comprehensive risk assessment of the ICANN55 meeting security. The BRC also requested management to develop an on-going meeting risk assessment process applicable to all meeting-related activities.	Feb 2016	The BRC appropriately monitored the meetings security planning activities.
Review ICANN Staff Timeline, Status of business continuity plan	Throughout FY16, the BRC received updates on the progress of ICANN's development of a comprehensive Business Continuity Plan.	Jul 2015 to Jun 2016	The BRC appropriately monitored the the development of ICANN's BCP.
Other activities			
Project's risk assessment	During a combined meeting with the Board Finance Committee, the BRC reviewed the management's plan to implement an ERP (for the back office functions of HR/Finance/Procurement), including a related risk assessment.	11 Sep 2015	The BRC provided input and insights on the plan, and on mitigating actions to carry out, which were adopted by management.
Project's risk assessment	The BRC co-chairs received an email description of the Salesforce.com project.	6 Oct 2015	The BRC provided input and insights on the plan, and on mitigating actions to carry out, which were adopted by management.

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Section II: Appendix – Resolutions Recommended by the BRC

No resolution was recommended for approval by the Risk Committee during FY16.