

Board Finance Committee (BFC) Activities

1 July 2022 through 31 December 2022

Section I: Completed Activities – 1 July 2022 through 31 December 2022

Item	Description	Completion Date	Accomplishments/Outcome
Funds Under Management	<p>ICANN org’s Reserve Fund investment manager, proposed changing the fund’s asset allocation to create greater diversification and mitigate some potential risks.</p> <p>ICANN org’s investment consultant, supported the asset allocation changes, noting that the proposed changes are designed to address changes in market conditions, particularly the rapid rise in interest rates.</p>	06 July 2022	<p>The BFC received a briefing on the Reserve Fund. ICANN org recommended minor edits to the Investment Policy to expand the allowable investment options and better position the portfolio to address challenges, such as that the financial markets are currently experiencing.</p> <p>The BFC recommended that the Board approve changes to the Investment Policy.</p>
Contracting/ Disbursement	Given that the proposed hotel and venue contract for ICANN organization All-Hands Meeting in Los Angeles was over \$500,000, the BFC reviewed ICANN org’s proposal for hotel and venue.	20 October 2022	The BFC recommended that the Board authorize the President and CEO, or his designee(s), to enter into and make disbursements in furtherance of contract(s) for the proposed All-Hands Meeting venue.
Funds Under Management	The BFC received a briefing on the recommendation to use the Supplemental Fund for Implementation of Community Recommendations (SFICR) to fund Review Implementation work.	20 October 2022	The BFC recommended that the Board approve the use of the SFICR for Reviews Implementation work.
Funds Under Management	The ICANN Investment Policy states that the Operating Fund should be at a level of funds to cover three months of operating expenses. The BFC reviewed the Annual Net Asset Allocation	20 October 2022	The BFC recommended that the Board approve transferring 19M excess from the Operating Fund to the Reserve Fund and maintaining \$13M excess in the Operating Fund to be allocated at a later date.

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	<p>recommendations for the \$32M excess in the Operating Fund from FY22. These recommendations included partial transfer to the Reserve Fund and maintain the balance to be allocated at a later time.</p>		
<p>Funds Under Management</p>	<p>The BFC received a briefing on the recommendation to use the Supplemental Fund for Implementation of Community Recommendations (SFICR) to fund WHOIS Disclosure System Implementation.</p>	<p>1 December 2022</p>	<p>The BFC recommended that the Board approve the use of the SFICR for WHOIS Disclosure System Implementation.</p>
<p>ICANN Operating Plan and Budget</p>	<p>In advance of the posting for public comment, the BFC reviewed the FY24-28 Operating and Financial Plan and the FY24 Operating Plan and Budget. As part of its review, the BFC ensured that necessary and appropriate engagement with the Community and the Board had been included in the process.</p>	<p>1 December 2022</p>	<p>The BFC gave its approval to publish the ICANN Operating Plan and Budget documents for Public Comment in mid-December.</p>

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Section II: Appendix – Board Resolutions Recommended by the BFC

Description	# of BFC Recommendations
Funds Under Management	4
Contracting/Disbursement	1
Grand Total	4*

** 1 BFC recommendations will be presented to the Board in January and have not been approved by the Board during the specific time periods captured in this report.*

List of Board Resolutions

#	Board Approval Date	Resolution Title	Category
1	13 July 2022	Reserve Fund Investment Policy Update	Funds Under Management
2	11 November 2022	Review Implementation Prioritization Supplemental Fund for Implementation of Community Recommendations (SFICR) Request	Funds Under Management
3	11 November 2022	Reserve Fund Transfer	Funds Under Management
4	11 November 2022	2023 ICANN Org All-Hands Meeting	Contracting and Disbursement Approvals