

DotAsia Board Finance Committee (BFC) Meeting Minutes

Date(s) & Time:	February 11, 2020 (Tuesday) 11:00 – 12:00 HKT
Location:	DotAsia Zoom Meeting Room: http://aji.asia/zoomboardfinance
Attendees:	Satish BABU Edmon CHUNG Maureen HILYARD LIM Choon Sai Rebecca CHAN (DotAsia Team) Freda CHEUNG (DotAsia Team) Apologies: Atsushi ENDO

No.	Action Items:	Owner	Remarks
F2020.01.A01	Discuss budget allocation with detail figures in next BFC meeting.	Edmon CHUNG	Budget prepared and discussed in item 3
F2020.01.A04	Consolidate bank document requirements for opening new ICBC account.	Rebecca CHAN	Completed
F2020.02.A01	Present the Company Documents Director Request Process to the Board for consideration in Feb F2F Board Meeting.	Edmon CHUNG	Completed

Discussions:

1. Roll Call

- 1.1. Mr. LIM Choon Sai continued to Chair the BFC meeting on Feb 11, 2020.
- 1.2. Roll call. Those present for all or part of the meeting are included in the Attendee section.

2. Adoption of Minutes of last BFC Meeting on Jan 14, 2020

- 2.1. BFC meeting minutes 2020.01.14 and action items were discussed.
- 2.2. BFC Meeting Minutes 2020.01.14 approved unanimously.

3. Discussion DotAsia Budget 2020-2022

- 3.1. Proposed budget with detail figures was presented to BFC for comments. Fiscal year from April to March. (F2020.01.A01)

- 3.2. The changes to budget structure were highlighted.
 - 3.2.1. New budget category for Service Provider & ICANN Fees was added and it is based on the projection of largely variable fees (e.g. ICANN Fees, Backend Registry Services & DNS Abuse Mitigation from Afiliast and Data Escrow from Iron Mountain). It was explained that previously this was considered as a cost of sales from the income projection and not included as a separate budget expense item.
 - 3.2.2. New budget line item for DotAsia Subsidy to Foundation was added to the category of Community Contributions.
 - 3.2.3. Budget allocation to Professional Services (including legal and accounting services) under the Other Admin Expenses category has increased due added legal requirements.
 - 3.2.4. Budget of DotAsia Foundation and Namesphere (Group) were separated from the budget of DotAsia Organisation. For the Foundation, line items of NetMission.Asia, APriGF.Asia, Other Secretariat Services, and Other Community Activities were added under the budget category of Community Projects. Projection are based on the allocation of time estimates from the DotAsia Team in the previous year.
 - 3.2.5. New budget category of Salary & Cost Allocations was added to indicate the allocation of such costs to the DotAsia Foundation and Namesphere. It was clarified that staff only receives one salary from DotAsia Organisation and resources used for other entities are allocated at cost.
 - 3.2.6. Net profit/loss of Namesphere is separated from the net profit/loss of DotAsia (Organisation + Foundation).
- 3.3. Comparison of total and monthly budget of 2018-2019 to 2020-2021 was presented for reference.
 - 3.3.1. It was highlighted that since the Subsidy to Foundation was a new budget item, it was not included in the Community Contribution comparison.
 - 3.3.2. It was noted that previous budgets, rebates were incorporated into the income projection and therefore not included in the comparison. Rebates are now accounted for in a separate line item under Market Development costs.
- 3.4. A question was raised on whether the high variable income and expenses from month to month may be adjusted to better even out the ups and downs in the budget. It was explained that for month-to-month actual ups and downs, the cash flow statements provided monthly may provide a better tool to track and manage the fluctuations, and that the DotAsia team uses both the monthly cash flow and overall adherence to the budget (i.e. budgeted vs. actual expenditure reports) to monitor the financial health of the organization. Nevertheless, some adjustments to the budget will be explored to moderate the monthly ups and downs in the budget.
- 3.5. Pie charts will be used to show the percentage of allocation in the budget presentation at the Board Meeting.

4. Company Documents Request Process

- 4.1. The revised Company Documents Director Request Process with legal advice was presented to BFC for discussion.
- 4.2. Legal counsel highlighted to add "...the Board may obtain professional advice (including but not limited to legal and financial advice) on the request...", which leaves it open for the Board to determine if advice from Advisory Council is desired.
- 4.3. Legal counsel suggested specifying that hardcopy of requested documents should be available in the DotAsia Office for inspection upon appointment.
 - 4.3.1. Concern was raised if directors could make photocopies of the requested document. It was clarified that copies can be made at a charge. All documents are considered confidential; therefore copies must be destroyed after the stated inspection purpose.
 - 4.3.2. It was clarified that for digital documents (documents originally received in digital form), it will be available in hardcopy or softcopy at the DotAsia office.
- 4.4. There was suggestion that upon the launch and operation of the Company Document Director Request Process, the Board should gradually develop an internal guideline to supplement the process.
- 4.5. The Company Documents Director Request Process has been accepted by the BFC, and will be presented to the Board for consideration in Feb F2F Board meeting. (F2020.02.A01)

5. ICBC Banking Matters Update

- 5.1. The current situation was explained and discussed with BFC members.
 - 5.1.1. Dr. Tham's requested expense reports and BUD program expense receipts had been provide to him on Jan 20th. He stated that he will not proceed with banking transaction approvals until after examining the requested documents. There has been no response from Dr. Tham yet.
- 5.2. Regarding the updating of the current ICBC account signatory and the opening of new ICBC account for BUD program 2020, 2 sets of banking documents will be prepared for the F2F Board Meeting for signature, one with Dr. Tham remaining as a signatory for the accounts, and another with Dr. Tham relieved from being a signatory for the accounts. DotAsia team will indicate to Dr. Tham about the 2 options of banking process prior to the F2F Board meeting. (F2020.01.A04)
- 5.3. It was agreed to resolve the ICBC document matter by the Feb F2F Board Meeting.