FY20 Draft IANA Operating Plan and Budget

28 September 2018

ICANN

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IANA Operating Plan & Budget

1   Introduction

Note: All figures in this document are in US Dollars.

CONTENTS OF THE DOCUMENT

This document contains the total draft FY20 Internet Assigned Numbers Authority (IANA) Operating Plan and Budget, which is posted for public comment as required by the Internet Corporation for Assigned Names and Numbers' (ICANN's) Bylaws, and in accordance with ICANN's public comment process.

This document provides the details of the IANA Functions and other IANA services for fiscal year 2020 (FY20) from 1 July 2019 to 30 June 2020. This draft FY20 IANA Operating Pan and Budget includes the amounts covered in the draft FY20 Public Technical Identifiers (PTI) Budget and the amounts for the IANA services performed by ICANN as the IANA Functions Operator, and which are not performed by PTI.

Section 6 of this document describes the IANA Functions and other IANA services and the activities performed to deliver them. Where useful, comparative information for FY19 is provided, which represents the total IANA Functions and other IANA services forecast information for this fiscal year.

MULTISTAKEHOLDER PARTICIPATION

The multistakeholder model enables the engagement of stakeholders in the planning process through accessible information and effective interaction. This draft FY20 IANA Operating Plan and Budget is published for public comment to receive feedback from the community.

Enabling the engagement of stakeholders in a feedback loop through a public comment period is a fundamental part of the multistakeholder model. The publishing of this draft FY20 IANA Operating Plan and Budget for public comment is a key element of the transparency and community engagement in the planning process.

ICANN welcomes and recognizes the engagement of stakeholders into the planning process of the draft FY20 IANA Operating Plan and Budget.

2   Executive Summary

ICANN receives input from PTI on its budget and then develops an IANA Budget each year, which is predominantly comprised of the full PTI budget, plus other costs associated with governance and delivery of IANA Functions that are not borne directly by PTI.

SEPARATION OF PTI AND IANA BUDGETS

The PTI services and the IANA services will each be reflected under the overall IANA Budget, as described in this document.

STRUCTURE OF WORK

The ICANN-funded PTI operational activities and PTI technical systems enhancements (PTI Services) is outlined in the draft FY20 PTI Operating Plan and Budget. This represents the PTI Services component of the draft FY20 IANA Operating Plan and Budget. The other component of the draft FY20 IANA Operating Plan and Budget is the IANA Services performed by ICANN that are not borne directly by PTI in its role as the IANA Functions Operator.

PLANNING AND BUDGET OVERVIEW

This graphic shows the FY20 planning process that encompasses ICANN's and PTI's planning. PTI's strategic goals are a sub-part of ICANN's strategic goals. PTI's multiyear operating plans are also reflected as a sub-part of ICANN's Five-Year Operating Plan. The adopted version of the draft FY20 IANA Operating Plan and Budget will become a component of ICANN's FY20 Operating Plan and Budget.
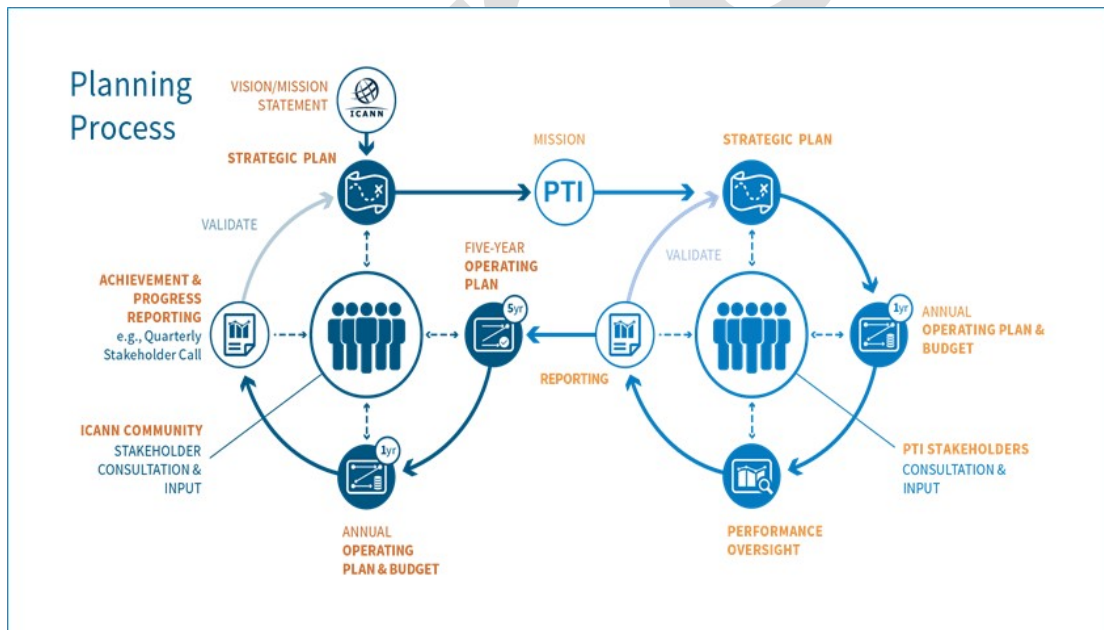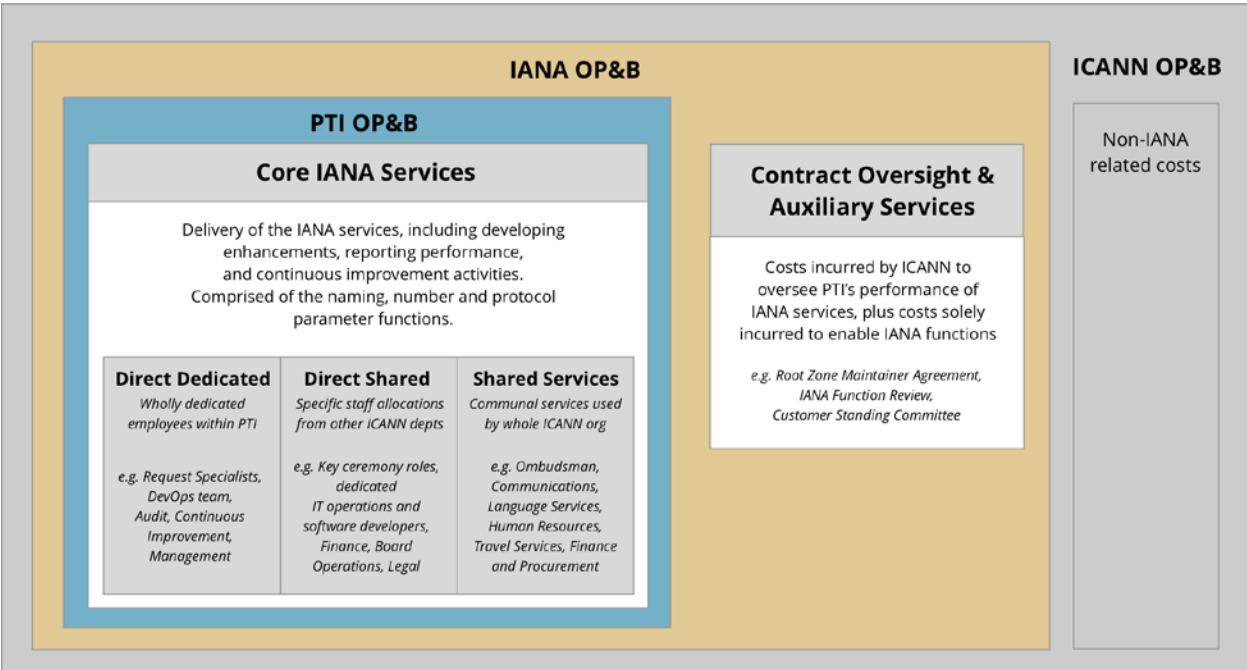
3   IANA Budget Overview

The PTI Board adopts the PTI Operating Plan and Budget each year, which constitutes a large component of the IANA Operating Plan and Budget, which in turn is included in ICANN's Operating Plan and Budget. This FY20 draft IANA Operating Plan Budget is presented for public comment, using ICANN's public comment process. When that process concludes, ICANN organization will include a proposed FY20 IANA Operating Plan and Budget as part of the total FY20 ICANN Operating Plan and Budget for the ICANN Board to review and adopt.

FY20 IANA Budget in Millions, USD	FY20 IANA Budget	FY19 IANA Budget	Increase/(Decrease)		FY18 IANA Actuals
			Total	%	
PTI Services	$10.0	$10.0	($0.0)	-0.1%	$7.8
IANA Services (a)	$0.7	$0.5	$0.2	51.0%	$0.3
TOTAL	**$10.7**	**$10.5**	**$0.2**	**2.2%**	**$8.1**

(a) IANA Services includes the Root Zone Maintainer function, Customer Standing Committee,

Root Zone Evolution Committee and IANA Naming Function reviews

These costs are funded by ICANN Operations.

The draft FY20 IANA Budget is $10.7 million, which is an increase of $0.2 million from the $10.5 million IANA Budget for FY19. The draft FY20 IANA Budget is comprised of $10.0 million for PTI Services and $0.7 million for IANA Services not performed by PTI. The PTI Services remained relatively flat to FY19 with an increase in Professional Services costs of $0.4M, or 31.1%, for incremental Shared Services resources, most notably Language Services the Office of Technology. Administration, Travel & Meetings, and Capital costs all decreased due to lower

rent, less Board meeting support, and fewer Key Management Facility improvements. The IANA Services component increased by $0.2 million due to the incremental cost of ICANN's support for the IANA Naming Function review, the Customer Standing Committee (CSC) Effectiveness review, and Root Zone Management caretaker role.

4 IANA Caretaker Budget

There is a potential that the IANA Budget, even if approved by the ICANN Board, will not be in full force and effect at the start of FY20. If that is the case, under the ICANN Bylaws, there is both a "Caretaker ICANN Budget" and a "Caretaker IANA Budget" (described at Annexes E and F, respectively), which are required to go into effect if the respective budget is not able to come into full force and effect at the beginning of a fiscal year.

Under the ICANN Bylaws, the Empowered Community has the right to reject the IANA Budget and Operating Plan, as well as the broader ICANN Budget and Operating Plan. If FY20 begins prior to the required time period to allow for the Empowered Community to accept a petition to reject the IANA Budget, the Caretaker IANA Budget must go into effect until that rejection process has concluded pursuant to Annex D of the ICANN Bylaws.

For purposes of FY20, the "Caretaker IANA Budget" as described in Annex F to ICANN's Bylaws, is defined as the FY19 IANA Operating Plan and Budget as approved by the ICANN Board in May 2018.

5 IANA Operating Plan and Budget

The work performed to deliver the IANA Functions and other IANA Services contributes to achieving ICANN's overarching strategic objectives. The IANA Functions and other IANA Services sit within the objective "Support a healthy, stable and resilient unique identifier ecosystem" and goal "Foster and coordinate a healthy, secure, stable, and resilient identifier ecosystem." https://www.icann.org/accountability-indicators

Within that strategic structure, the IANA Functions and other IANA Services include four portfolios: two portfolios where PTI operationalizes work and two for the IANA Services within ICANN. Of the two PTI portfolios one is focused on operational activities and the other is focused on systems enhancements and development. The two other IANA Services portfolios include the activities that ICANN performs as the IANA Functions Operator.

Costs are shown in millions of US dollars with a granularity of $100,000. An absence of any expenditure is shown with a dash. The cost tables use abbreviations in some column headers and these are explained in this table.

Abbreviation	Meaning
T&M	Travel and Meetings
Prof Svcs	Professional Services
Admin	Administration
FTE	Full Time Staff Equivalent

5.1　Portfolios

PTI is structured in two groups of thematically aligned portfolios:

2.1.3 – PTI Operations
Description: Delivery of the IANA services and all associated operational responsibilities, plus work to maintain and enhance processes, tools and systems

The three other IANA services portfolios performed by ICANN include policy support development for the CSC and RZERC, the IANA Naming Function review, the CSC Effectiveness review and the activities supporting the continued evolution of the root server system.

1.3.1 – Support Policy Development, Policy-Related and Advisory Activities
Description: Optimize efficiency and effectiveness of community policy development and advice efforts.

3.2.2 – Root Systems Operations
Description: Facilitating the continued evolution of the root server system to ensure its ongoing security, stability, and resiliency as domain name system technology and operations change over time: maintenance of relationships with the root server operators, Root Server System Advisory Committee (RSSAC), and related stakeholders.

2.1.2 Global Domains Division (GDD) Strategic Programs
Description: Work related to Global Domains Division strategic programs in support of a healthy, secure, stable and resilient identifier ecosystem.

Portfolios	FTE	Pers	T&M	Prof Svcs	Admin	Capital	Total
2.1.3 PTI Operations	22.5	5.9	0.5	2.0	1.5	0.1	10.0
1.3.1 Support Policy Development, Policy Related and Advisory Activities	0.8	0.1	0.0	-	-	-	0.1
3.2.2 Root Systems Operations	0.0	-	-	0.4	-	0.1	0.4
2.1.2 Global Domains Division (GDD) Strategic Programs	1.1	0.2	-		0.0	-	0.2
Total	24.3	6.2	0.6	2.3	1.5	0.2	10.7

6   Appendices
Appendix A — FY20 Draft IANA Budget

FY20 IANA Budget in Millions, USD	IANA Budget FY20	IANA Budget FY19	Increase/(Decrease) Total	%	IANA Actuals FY18
FUNDING	**$10.7**	**$10.5**	**$0.2**	**2.2%**	**$8.1**
Personnel	$6.2	$6.1	$0.1	2.1%	$4.9
Travel & Meetings	$0.6	$0.7	($0.1)	-14.6%	$0.5
Professional Services	$1.9	$1.4	$0.4	29.8%	$1.4
Administration	$1.2	$1.3	($0.1)	-7.4%	$1.1
Contingency	$0.5	$0.5	$0.0	0.0%	$0.0
Capital	$0.2	$0.3	($0.1)	-38.7%	$0.0
Depreciation (a)	$0.3	$0.3	($0.0)	-11.0%	$0.2
TOTAL CASH EXPENSES	**$10.7**	**$10.5**	**$0.2**	**2.2%**	**$8.1**
EXCESS/(DEFICIT)	$0.0	$0.0	$0.0	0.0%	$0.0
Average Headcount (FTE) (b)	24.3	22.6	1.8	7.8%	19.0

(a) Depreciation is treated as a cash expense for PTI since it will be reimbursed to ICANN

(b) FTE: Full-time staff equivalent

Appendix B — FY20 Draft PTI Services and the Draft IANA Budget Summary

FY20 PTI Budget in Millions, USD	PTI Services FY20 Budget	PTI Services FY19 Budget	Increase/(Decrease) Total	%	PTI Services FY18
FUNDING	**$10.0**	**$10.0**	**($0.0)**	**-0.1%**	**$7.8**
Personnel	$5.9	$6.0	($0.024)	-0.4%	$4.9
Travel & Meetings	$0.5	$0.7	($0.110)	-16.9%	$0.5
Professional Services	$1.5	$1.1	$0.357	31.1%	$1.1
Administration	$1.2	$1.3	($0.095)	-7.4%	$1.1
Contingency	$0.5	$0.5	$0.000	0.0%	$0.0
Capital	$0.1	$0.2	($0.104)	-47.5%	$0.0
Depreciation (a)	$0.3	$0.3	($0.033)	-11.0%	$0.2
TOTAL CASH EXPENSES	**$10.0**	**$10.0**	**($0.009)**	**-0.1%**	**$7.8**
EXCESS/(DEFICIT)	**$0.0**	**$0.0**	**$0.000**	**0.0%**	**$0.0**
Average Headcount (FTE) (b)	22.5	22.8	(0.3)	-1.2%	19.0

(a) Depreciation is treated as a cash expense for PTI since it will be reimbursed to ICANN

(b) FTE: Full-time staff equivalent

FY20 IANA Budget in Millions, USD	FY20 IANA Budget	FY19 IANA Budget	Increase/(Decrease) Total	%	FY18 IANA Actuals
PTI Services	$10.0	$10.0	($0.0)	-0.1%	$7.8
IANA Services (c)	$0.7	$0.5	$0.2	51.0%	$0.3
TOTAL	**$10.7**	**$10.5**	**$0.2**	**2.2%**	**$8.1**

(c) IANA Services includes the Root Zone Maintainer function, Customer Standing Committee,

Root Zone Evolution Committee and IANA Naming Function reviews

These costs are funded by ICANN Operations.