

## Questions About the Draft Plans

#	Question	Contributor	Response / Action Taken
Section Summary: Questions are provided verbatim on the left along with responses on the right.			
1.	<p>The explanation in Section 3 on page 15 for how the allocation of support function costs are determined is not clear to me. In the formula (percentage of support function costs) = (support function costs) / (direct costs), the numerator and denominator should be defined more clearly; is it correct to assume that (support function costs) = (total ICANN support function costs) and (direct costs) = (total PTI direct costs)? If so, shouldn't the numerator and denominator be reversed?</p>	Chuck Gomes	<p><b>Response:</b></p> <p>ICANN support functions support the work to perform the PTI Operations and Systems Enhancement activities. As a result, a portion of the costs for these functions is allocated to PTI. We determined the amount by calculating the total support functions expense as a percentage of total ICANN Operations costs (excluding the cost of the New gTLD Program). That amount resulted in a percentage of support functions costs for ICANN operations and for PTI which is a component of ICANN operations costs. This percentage for support functions was then applied to the FY18 PTI services costs (dedicated and shared) to determine the support function allocation for PTI.</p> <p><b>Action to be taken?</b></p> <p>We will update section 5.3 to include this description.</p>

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2.	<p>Will the same financial management system used by ICANN be used for PTI budget management?</p> <p>a) If so:</p> <ul style="list-style-type: none"> <li>i. How do the PTI programs relate to ICANN portfolios and projects?</li> <li>ii. Do the cost tables in Section 5 represent the project details?</li> </ul> <p>b) If not:</p> <ul style="list-style-type: none"> <li>i. What system will be used to manage the PTI budget?</li> <li>ii. What are the categories of expenses for the PTI budget that correspond to the way ICANN expenses are broken down (i.e., strategy, goal, portfolio, project)?</li> </ul>	Chuck Gomes	<p><b>Response:</b></p> <p>PTI’s finances will be managed using the same systems as ICANN’s.</p> <p>All of PTI’s work fits within Strategic Objective 2: Support a healthy, stable, and resilient unique identifier ecosystem—and its first goal: Foster and coordinate a healthy, secure, stable, and resilient identifier ecosystem.</p> <p>The expenses all sit within section 2.1 of ICANN’s Plans. There are two portfolios: Operational Activities, described in section 5.1 and PTI System Enhancements, described in section 5.2. The tables in Section 5 show costs of several related projects. In 5.1, this is done for three collections of projects. There are just two projects in 5.2, so the table shows the costs for the whole portfolio.</p> <p>This approach will be reviewed and refined based on community input and the further development of PTI’s processes.</p> <p><b>Action to be taken?</b></p> <p>None</p>
3.	<p>We note that the budget is broken down separately according to IANA Activities (Operational, Improvement and Administrative) and according to the IANA Service groups (Names, Numbers and Protocol Parameters). We would like to see the intersection of these breakdowns, so that the costs of Service group can be understood in terms of Activities. For example and in particular we would like to understand how the estimated USD 1.4m cost for Numbering services is apportioned to Operational, Improvement and Administrative activities.</p>	Number Resource Organization	<p><b>Response:</b></p> <p>We will publish a full breakdown as an Appendix in the adopted Operating Plan and Budget. We have also appended the additional information below this answer.</p> <p><b>Action to be taken?</b></p> <p>Update final Operating Plan and Budget with a breakdown showing spending per IANA Service</p>

**Appendix - Budget Overview by IANA Services**

18 November 2016

These five tables show the breakdown of FY18 budgeted costs to provide the IANA Names, Numbering, and Protocol Parameters by Activity Group.

<b>PTI Operations FY18 Budget</b>				
<b>Operations Activities</b>				
	Names	Numbers	Protocol Parameters	Total
Direct costs / Dedicated resources	\$1.5	\$0.2	\$0.5	\$2.2
Direct costs / Shared resources	\$1.4	\$0.3	\$0.5	\$2.2
<b>Total</b>	<b>\$2.8</b>	<b>\$0.5</b>	<b>\$1.0</b>	<b>\$4.4</b>
<b>Improvement Activities</b>				
	Names	Numbers	Protocol Parameters	Total
Direct costs / Dedicated resources	\$0.7	\$0.3	\$0.3	\$1.3
Direct costs / Shared resources	-	-	-	-
<b>Total</b>	<b>\$0.7</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$1.3</b>
<b>Administrative Activities</b>				
	Names	Numbers	Protocol Parameters	Total
Direct costs / Dedicated resources	\$0.3	\$0.1	\$0.2	\$0.6
Direct costs / Shared resources	-	-	-	-
<b>Total</b>	<b>\$0.3</b>	<b>\$0.1</b>	<b>\$0.2</b>	<b>\$0.6</b>
<b>Systems and Tools</b>				
	Names	Numbers	Protocol Parameters	Total
Direct costs / Dedicated resources	\$0.3	\$0.1	\$0.2	\$0.5
Direct costs / Shared resources	-	-	-	-
<b>Total</b>	<b>\$0.3</b>	<b>\$0.1</b>	<b>\$0.2</b>	<b>\$0.5</b>
<b>Grand Total</b>				
	Names	Numbers	Protocol Parameters	Total
Direct costs / Dedicated resources	\$2.7	\$0.7	\$1.2	\$4.6
Direct costs / Shared resources	\$1.4	\$0.3	\$0.5	\$2.2
Support Services Allocations	\$1.7	\$0.4	\$0.7	\$2.8
<b>Total</b>	<b>\$5.7</b>	<b>\$1.4</b>	<b>\$2.4</b>	<b>\$9.6</b>