

Adopted FY19 IANA Operating Plan and Budget

2 February 2018



TABLE OF CONTENTS

| | | |
|------------|--|-----------|
| 1 | CHANGES BETWEEN ADOPTED AND ADOPTED VERSIONS | 3 |
| 2 | INTRODUCTION | 4 |
| 3 | EXECUTIVE SUMMARY | 5 |
| 4 | IANA BUDGET OVERVIEW | 6 |
| 5 | IANA CARETAKER BUDGET | 6 |
| 6 | IANA OPERATING PLAN AND BUDGET | 7 |
| 6.1 | Portfolios | 7 |
| 7 | APPENDICES | 9 |
| | Appendix A — IANA Budget | 9 |
| | Appendix B — PTI Services and the IANA Budget Summary | 10 |

IANA Operating Plan & Budget

1 Changes Between Draft and Adopted Versions

This section shows the changes made to the final budget based on input received from the Public Comment period.

| Section Number | Change Type | Change Description |
|----------------|---------------|--|
| 1 | Added a table | Added a table for document acronyms as requested in public comment |
| 4 | Budget | Lower personnel expenses due to the decision to combine duties of two open roles (Director of Security and Director of Technical Services) into one position |
| 6 | Descriptions | Changed portfolio wording |

| ACRONYM | DESCRIPTION |
|-----------|--|
| AC | Description |
| Admin | Administration |
| AFRINIC | Advisory Committee |
| CSC | Customer Standing Committee |
| DNS | Domain Name System |
| DNSSEC | Domain Name System Security Extensions |
| EFQM | European Foundation for Quality Management |
| FTE | Full Time Staff Equivalent |
| IANA | Internet Assigned Numbers Authority |
| IETF | Internet Engineering Task Force |
| KMF | Key Management Facility |
| KSK | Key Signing Key |
| Prof Svcs | Professional Services |
| PTI | Public Technical Identifiers |
| RAMS | Registry Assignment and Maintenance |
| RFC | Request for Comments |
| RIRs | Regional Internet Registries |
| SO | Support Organization |
| T&M | Travel and Meetings |

2 Introduction

CONTENTS OF THE DOCUMENT

This document contains the total adopted FY19 Internet Assigned Numbers Authority (IANA) Operating Plan and Budget, which was posted for public comment as required by 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 2019 (FY19) from 1 July 2018 to 30 June 2019. This adopted FY19 IANA Operating Plan and Budget includes the amounts covered in the adopted FY19 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 FY18 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 adopted FY19 IANA Operating Plan and Budget was 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, and 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 adopted FY19 IANA Operating Plan and Budget.

3 Executive Summary

ICANN org receives input from PTI on its budget and then develops an IANA Budget each year, which includes the full PTI Budget as a large sub-part.

SEPARATION OF PTI AND IANA BUDGETS

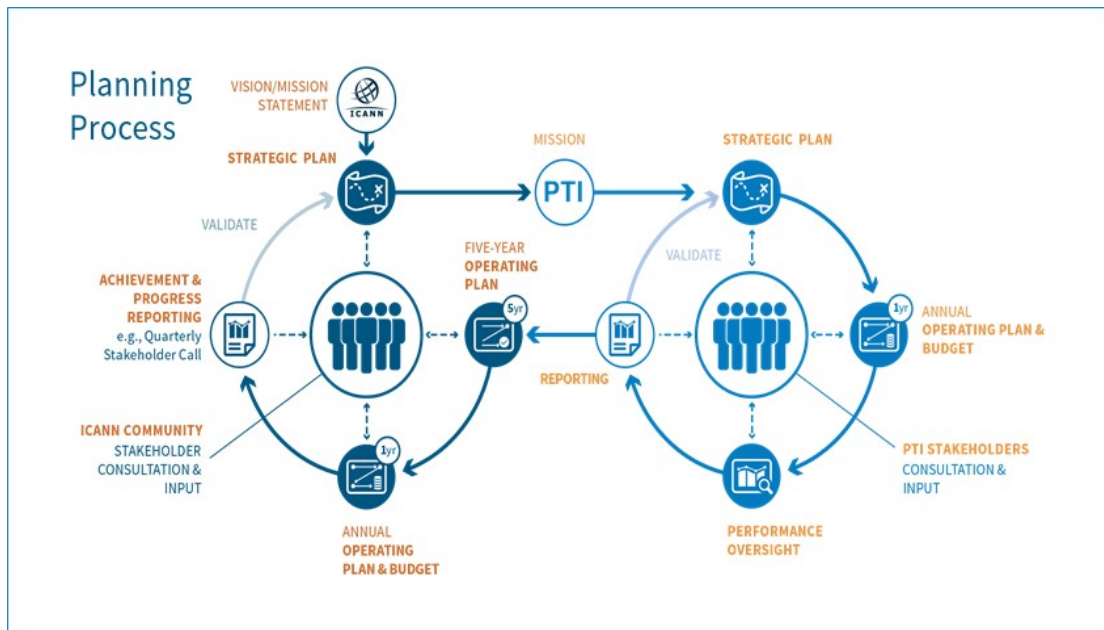
The PTI FY18 Operating Plan and Budget included details of not only the PTI Services, but also the amount of the IANA services that ICANN org performs as the IANA Functions Operator. This is being handled differently in planning for FY19. The PTI Budget no longer references the IANA services not performed by PTI and is reflected as large sub-part of the IANA Budget, as described in this document.

STRUCTURE OF WORK

In addition to the ICANN funded PTI operational activities and PTI technical systems enhancements (PTI Services) outlined in the adopted FY19 PTI Operating Plan and Budget, the adopted FY19 IANA Operating Plan and Budget also includes the IANA services performed by ICANN org in its role as the IANA Functions Operator.

PLANNING AND BUDGET OVERVIEW

This graphic shows the PTI planning process and the encompassing ICANN planning process. PTI's strategic goals are a part of ICANN's strategic goals. PTI's multiyear plans are a part of ICANN's Five-Year Operating Plan. This adopted version of FY19 IANA Operating Plan and Budget will become a component of ICANN's FY19 Operating Plan and Budget.



4 IANA Budget Overview

The PTI Board adopts the PTI Operating Plan and Budget each year, which is included as a large sub-part of the IANA Operating Plan and Budget, which in turn is included in ICANN's Operating Plan and Budget.

| FY19 IANA Budget in Millions, USD | FY19 IANA Budget | FY18 IANA Budget | Increase/(Decrease) | |
|--------------------------------------|---------------------|---------------------|---------------------|-------------|
| | | | Total | % |
| PTI Services | \$10.1 | \$9.6 | \$0.5 | 4.8% |
| IANA Services (a) | \$0.5 | \$0.4 | \$0.1 | 18.8% |
| TOTAL | \$10.6 | \$10.0 | \$0.5 | 5.3% |

(a) IANA Services include RZMA = Root Zone Maintainer Agreement and Empowered Community, and RZERC support. It will be funded by ICANN Operations.

The adopted FY19 IANA Budget is \$10.6 million, which is an increase of \$0.5 million from the \$10.0 million IANA Budget for FY18. The adopted FY19 IANA Budget is comprised of \$10.1 million for PTI Services (see Appendix B) and \$0.5 million for IANA services that ICANN org performs as the IANA Functions Operator. The increase of \$0.5 million for PTI Services is primarily due to an increase in Personnel costs of \$0.3 million, or 4.5%, due to the impact of merit awards and benefits for existing personnel and an increase in the direct shared resources due to incremental legal, technical security, and Customer Standing Committee (CSC) support by ICANN org. Administration costs increased by \$0.1 million, or 5.2%, due to software services support.

The IANA Services Budget increased by \$0.1 million, or 18.8%, due to the incremental cost of ICANN org's support for the work related to the Empowered Community process and the support for the Root Zone Evolution Review Committee (RZERC) activities.

5 IANA Caretaker Budget

There is a potential that the IANA Budget will not be in full force and effect at the start of FY19. 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.

For purposes of FY19, the "Caretaker IANA Budget" as described in Annex F to ICANN's Bylaws, is defined as the FY18 IANA Operating Plan and Budget as approved by the ICANN Board in June 2017.

6 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."

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 performed directly by ICANN org. 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 org 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 |

6.1 Portfolios

PTI is structured in two groups of thematically aligned portfolios:

2.1.3 – PTI Operations

Work relating to operational responsibilities for maintaining registries for protocol parameters, IP numbers, Autonomous System Numbers, and root zone changes. Maintenance of relationship with Internet Engineering Task Force, Internet Architecture Board, five Regional Internet Registries, and TLD operators.

2.1.4 – PTI Technical System Enhancements

Work to improve and develop software, tools, and other discrete projects to improve delivery of the IANA services.

The two other IANA services portfolios include policy support development for the CSC and RZERC and the activities supporting the continued evolution of the root server system.

1.3.1 – Support Policy Development, Policy Related and Advisory Activities

Work to optimize the efficiency and effectiveness of community policy development and advice efforts.

3.2.2 – Root Systems Operations

Work to support the continued development of the root server system to ensure its ongoing security, stability, and resiliency as DNS technology and operations change over time. This

includes maintaining relationships with the Root Server Operators, RSSAC, and related stakeholders.

| Portfolios | FTE | Pers | T&M | Prof Svcs | Admin | Capital | Total |
|--|------|------|-----|-----------|-------|---------|-------|
| 2.1.3 PTI Operations | 19.1 | 5.3 | 0.6 | 1.6 | 1.6 | 0.2 | 9.3 |
| 2.1.4 PTI Technical System Enhancements | 3.7 | 0.7 | 0.0 | 0.1 | 0.0 | - | 0.8 |
| 1.3.1 Support Policy Development, Policy Related and Advisory Activities | 0.7 | 0.1 | - | - | - | - | 0.1 |
| 3.2.2 Root Systems Operations | 0.0 | - | - | 0.3 | - | 0.1 | 0.4 |
| Total | 23.4 | 6.1 | 0.7 | 1.9 | 1.6 | 0.3 | 10.6 |

7 Appendices

Appendix A — IANA Budget

| FY19 IANA Budget in Millions, USD | IANA Budget FY19 | IANA Budget FY18 | Increase/(Decrease) | |
|--------------------------------------|---------------------|---------------------|---------------------|-------------|
| | | | Total | % |
| FUNDING | \$10.6 | \$10.0 | \$0.5 | 5.3% |
| Personnel | \$6.1 | \$5.8 | \$0.4 | 6.7% |
| Travel & Meetings | \$0.7 | \$0.6 | \$0.1 | 8.6% |
| Professional Services | \$1.4 | \$1.4 | \$0.0 | 1.3% |
| Administration | \$1.6 | \$1.6 | (\$0.0) | -0.2% |
| Contingency | \$0.5 | \$0.5 | (\$0.0) | -0.9% |
| Capital | \$0.3 | \$0.2 | \$0.1 | 45.4% |
| TOTAL CASH EXPENSES | \$10.6 | \$10.0 | \$0.5 | 5.3% |
| EXCESS/(DEFICIT) | \$0.0 | \$0.0 | (\$0.0) | 0.0% |
| Average Headcount (FTE) (a) | 23.4 | 22.6 | 0.8 | 3.7% |

(a) FTE: Full-time staff equivalent

Appendix B — PTI Services and the IANA Budget Summary

| FY19 PTI Budget in Millions, USD | PTI Services FY19 Budget | PTI Services FY18 Budget | Increase/(Decrease) | |
|-------------------------------------|-----------------------------|-----------------------------|---------------------|-------------|
| | | | Total | % |
| FUNDING | \$10.1 | \$9.6 | \$0.5 | 4.8% |
| Personnel | \$6.0 | \$5.8 | \$0.3 | 4.5% |
| Travel & Meetings | \$0.7 | \$0.6 | \$0.1 | 8.6% |
| Professional Services | \$1.1 | \$1.1 | \$0.0 | 1.7% |
| Administration | \$1.3 | \$1.2 | \$0.1 | 5.2% |
| Contingency | \$0.5 | \$0.5 | (\$0.0) | -0.9% |
| Capital | \$0.2 | \$0.1 | \$0.1 | 157.6% |
| Depreciation (a) | \$0.3 | \$0.4 | (\$0.1) | -17.7% |
| TOTAL CASH EXPENSES | \$10.1 | \$9.6 | \$0.5 | 4.8% |
| EXCESS/(DEFICIT) | \$0.0 | \$0.0 | \$0.0 | 0.0% |
| Average Headcount (FTE) (b) | 22.8 | 22.6 | 0.2 | 0.8% |

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

(b) FTE: Full-time staff equivalent

| FY19 IANA Budget in Millions, USD | FY19 IANA Budget | FY18 IANA Budget | Increase/(Decrease) | |
|--------------------------------------|---------------------|---------------------|---------------------|-------------|
| | | | Total | % |
| PTI Services | \$10.1 | \$9.6 | \$0.5 | 4.8% |
| IANA Services (c) | \$0.5 | \$0.4 | \$0.1 | 18.8% |
| TOTAL | \$10.6 | \$10.0 | \$0.5 | 5.3% |

(c) IANA Services include RZMA = Root Zone Maintainer Agreement, Empowered Community, and RZERC support. It will be funded by ICANN Operations.

