

Adopted IANA FY22 Operating Plan and Budget

Internet Assigned Numbers Authority (IANA)

8 February 2021



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IANA Operating Plan and Budget

1 Changes Between Draft and Adopted Versions

This section shows the changes made to the Adopted FY22 IANA Operating Plan and Budget based on input received from the Public Comment period and internal review.

Section Number	Change Type	Change Description
2 Executive Summary	Additional wording	Added a Financial Overview sub-section
3 Introduction	Added sub-section	Added sub-section regarding the impact of Covid-19 on PTI Operations and F22 budget assumptions
Appendix	Added Section	Added appendix section for a glossary of terms

2 Executive Summary

The annual IANA Operating Plan and Budget is comprised of the full Public Technical Identifiers (PTI) budget, as well as other costs associated with governance and delivery of IANA functions that are not performed directly by PTI.

SEPARATION OF PTI AND IANA BUDGETS

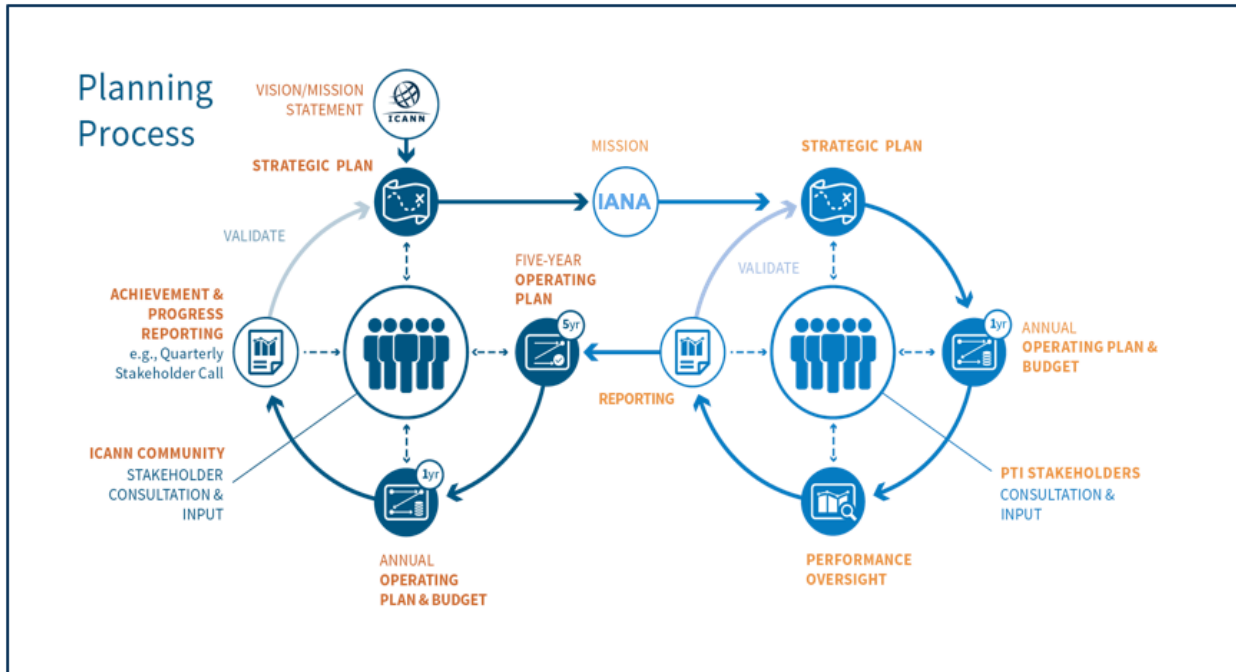
PTI and the IANA services will each be included in the overall IANA budget, as described in this document.

STRUCTURE OF WORK

The ICANN-funded PTI operational activities and PTI technical systems enhancements (PTI services) are outlined in the Adopted FY22 PTI Operating Plan and Budget. This represents the PTI services component of the Adopted FY22 IANA Operating Plan and Budget. The other component of this 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 below shows the IANA planning process and the encompassing ICANN planning process. The annual IANA Operating Plan and Budget is included in ICANN's Five-Year Operating Plan and will become a component of ICANN's FY22 Annual Operating Plan and Budget.



FINANCIAL OVERVIEW

The Adopted FY22 IANA Operating Plan and Budget is \$10.3M, of which \$9.7M is for PTI services and \$0.6M is for IANA services (not performed by PTI). PTI services is \$0.3M less than the FY21 Budget primarily due to one less headcount and decreases in direct shared and shared services allocations; partially offset by incremental direct costs for capital. The IANA Services component is relatively flat compared to the FY21 Budget.

3 Introduction

CONTENTS OF THE DOCUMENT

This document contains the Adopted Fiscal Year 2022 (FY22) Internet Assigned Numbers Authority (IANA) Operating Plan and Budget, which was 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 FY22, from 1 July 2021 through 30 June 2022. This Adopted FY22 IANA Operating Plan and Budget includes the amounts covered in the Adopted FY22 PTI Budget and the amounts for the IANA services performed by ICANN as the IANA Functions Operator, and which are not performed by PTI. All amounts referenced are in U.S. dollars unless otherwise stated.

Section 6 of this document describes the IANA functions, other IANA services, and the activities performed to deliver them. Where useful, comparative information for FY21 Budget is provided, which represent the total of IANA functions and other IANA services budget information for FY21.

YOUR PARTICIPATION

ICANN sought community input on the Draft FY22 IANA Operating Plan and Budget through the Public Comment process. Your feedback and participation is an important part of ICANN's planning process and multistakeholder model.

COVID-19 GLOBAL PANDEMIC

Shortly after the publication of the FY21 Adopted PTI and IANA Operating Plans and Budgets, the world started to be affected by the Covid-19 global pandemic. PTI and ICANN org has conducted almost all of its work remotely since March 2020. The organization has managed operations during this economic crisis by being even more cost conscious, working remotely, and holding all meetings virtually, including three ICANN Public Meetings. Fortunately, ICANN org's funding has remained relatively stable thus far.

While many factors of the pandemic and its economic impact remain to be seen, PTI and ICANN org have developed a set of projections and assumptions to help guide the FY22 Adopted Budget.

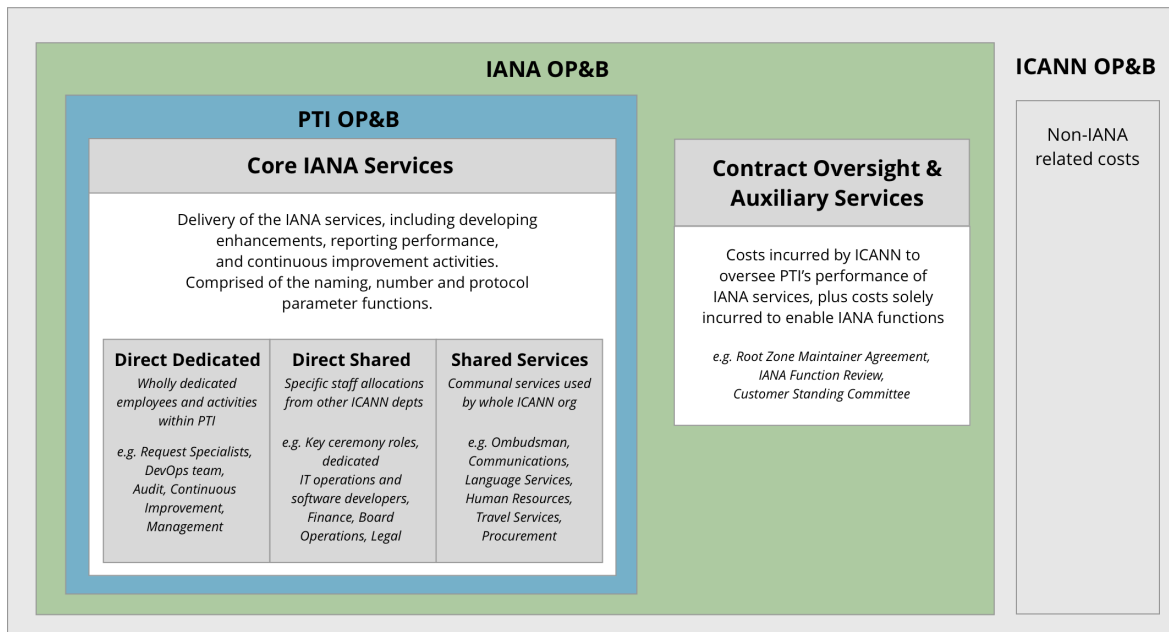
- Funding for PTI Operations and IANA Services remain a priority and will continue to support all expected expenses.
- Travel & Meetings assume three face-to-face ICANN Public Meetings and otherwise unrestricted travel.
- Key signing activities are planned to be fully operational, with contingency plans in place to allow their successful operation despite the COVID-19 pandemic. The associated changes are anticipated to have no material fiscal impact beyond typical operational costs.
- Other cost categories are aligned with trends and operational activities.

ICANN org and PTI understand that their roles remain crucial to maintain the effective operation of the Internet. PTI and ICANN org's technical coordination of the Internet's unique identifier systems plays a critical role in the security, stability, and resiliency of the Internet, and ICANN org will continue to oversee this endeavor. Throughout the pandemic, the organization, community, and ICANN Board have performed their work successfully without face-to-face interaction. Although ICANN org plans for FY22 to have stable funding and expenses based on historical levels, the organization is prepared to resume conducting its work remotely and reevaluate costs if necessary. Organizational activities will continue to be carried out under principles of increased prudence, frugality, and with heightened attention to necessity

4 IANA Operating Plan and 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. This is included in ICANN’s Operating Plan and Budget, which is sent to the ICANN Board to review and adopt.

The ICANN-funded PTI operational activities and PTI technical systems enhancements (PTI Services) are outlined in the Adopted FY22 PTI Operating Plan and Budget. This represents the PTI services component in this document. The other component is the IANA services performed by ICANN, that are not borne directly by PTI in its role as the IANA Functions Operator.



4.1 IANA Operating Plan

The IANA functions and other IANA services support ICANN’s strategic objectives to sustain a healthy, stable, and resilient unique identifier ecosystem. The IANA functions and other IANA services include four activities: two activities, in which PTI performs work that includes operational activities and system enhancements, and two activities for the IANA services within ICANN that include activities performed as the IANA Functions Operator.

Of the two PTI activities, one is focused on operational activities and the other is focused on system development and improvement. The two other IANA service activities include the activities that ICANN performs as the IANA Functions Operator.

PTI is structured in two groups of thematically aligned activities:

1. PTI Operations

Delivery of IANA services and all associated operational responsibilities in addition to maintaining and enhancing processes, tools, and systems.

2. IANA Operations

The IANA services performed by ICANN include activities that ICANN performs as the IANA Functions Operator as well as logistical support for the Customer Standing Committee (CSC) and the Root Zone Evolution Review Committee (RZERC). These services also include the IANA Naming Functions Review (IFR) and the CSC Effectiveness Review, as well as activities supporting the continued evolution of the root server system.

☉ Support Policy Development, Policy-Related and Advisory Activities

Description: Optimize effectiveness of community policy development and advice efforts.

☉ Root Systems Operations

Description: Facilitate the continued evolution of the root server system to ensure its ongoing security, stability, and resiliency as a domain name system. As operations change over time, it is crucial to maintain relationships with the root server operators, Root Server System Advisory Committee (RSSAC), and related stakeholders. This includes the activities that ICANN performs as the IANA Functions Operator.

☉ Global Domains Division (GDD) Strategic Programs

Description: These programs handle work related to the Global Domains and Strategy strategic policy in support of a healthy, secure, stable, and resilient identifier ecosystem.

4.2 FY22 IANA Budget

The Adopted FY22 IANA Budget is \$10.3 million, of which \$9.7 million is for PTI services and \$0.6 million is for IANA services (not performed by PTI). The reason PTI services is \$0.3M less than the FY21 Budget is primarily due to one less headcount and decreases in direct shared and shared services allocations; partially offset by incremental direct costs for capital. The IANA services component is relatively flat compared to the FY21 Budget with only slight increases for inflation.

FY22 IANA Budget in Millions, USD	FY22 IANA Budget	FY21 IANA Budget	Under/(Over)		FY20 IANA Actuals	Under/(Over)	
			Total	%		Total	%
PTI Services	\$9.7	\$10.0	\$0.3	2.8%	\$7.5	(\$2.2)	-29.9%
IANA Services (a)	\$0.6	\$0.6	(\$0.0)	-5.2%	\$0.5	(\$0.1)	-12.5%
TOTAL	\$10.3	\$10.6	\$0.3	2.4%	\$8.0	(\$2.3)	-28.7%

(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.

Dollar figures are shown in millions of U.S. dollars with a granularity of \$100,000. Due to rounding, numbers presented may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures. An absence of an expenditure is shown with a dash.

5 Appendices

Appendix A — FY22 Adopted IANA Budget

FY22 IANA Budget in Millions, USD	IANA Budget FY22	IANA Budget FY21	Under/(Over)		IANA Actuals FY20	Under/(Over)	
			Total	%		Total	%
FUNDING	\$10.3	\$10.6	\$0.3	2.4%	\$8.0	(\$2.3)	-28.7%
Personnel	\$6.4	\$6.6	\$0.2	3.3%	\$5.1	(\$1.2)	-24.3%
Travel & Meetings	\$0.6	\$0.5	(\$0.1)	-16.8%	\$0.2	(\$0.4)	-238.0%
Professional Services	\$1.6	\$1.7	\$0.1	4.1%	\$1.2	(\$0.4)	-37.6%
Administration	\$0.9	\$0.9	\$0.1	8.8%	\$1.2	\$0.4	31.4%
Contingency	\$0.5	\$0.5	\$0.0	0.0%	\$0.0	(\$0.5)	0.0%
Capital	\$0.3	\$0.1	(\$0.2)	-173.9%	\$0.3	(\$0.0)	-7.6%
Depreciation (a)	\$0.1	\$0.3	\$0.2	63.0%	\$0.0	(\$0.1)	-5251.3%
TOTAL CASH EXPENSES	\$10.3	\$10.6	\$0.3	2.4%	\$8.0	(\$2.3)	-28.7%
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	0.0%
Average Headcount (FTE) (b)	23.5	24.7	1.2	4.8%	21.2	(2.3)	-10.8%

(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 — FY22 Adopted PTI Services and the Adopted IANA Budget Summary

FY22 PTI Budget in Millions, USD	PTI Services FY22 Budget	PTI Services FY21 Budget	Under/(Over)		PTI Services FY20 Actuals	Under/(Over)	
			Total	%		Total	%
FUNDING	\$9.7	\$10.0	\$0.3	2.8%	\$7.5	(\$2.2)	-29.9%
Personnel	\$6.1	\$6.3	\$0.2	3.8%	\$4.9	(\$1.2)	-24.7%
Travel & Meetings	\$0.6	\$0.5	(\$0.1)	-16.9%	\$0.2	(\$0.4)	-224.1%
Professional Services	\$1.3	\$1.4	\$0.1	5.0%	\$0.9	(\$0.4)	-50.4%
Administration	\$0.9	\$0.9	\$0.1	8.8%	\$1.2	\$0.4	31.4%
Contingency	\$0.5	\$0.5	\$0.0	0.0%	\$0.0	(\$0.5)	0.0%
Capital	\$0.3	\$0.1	(\$0.2)	-173.9%	\$0.3	(\$0.0)	-7.6%
Depreciation (a)	\$0.1	\$0.3	\$0.2	63.0%	\$0.0	(\$0.1)	-5251.3%
TOTAL CASH EXPENSES	\$9.7	\$10.0	\$0.3	2.8%	\$7.5	(\$2.2)	-29.9%
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	0.0%
Average Headcount (FTE) (b)	22.0	23.0	1.0	4.3%	19.9	(2.1)	-10.4%
(a) Depreciation is treated as a cash expense for PTI since it will be reimbursed to ICANN							
(b) FTE: Full-time staff equivalent							
FY22 IANA Budget in Millions, USD	FY22 IANA Budget	FY21 IANA Budget	Under/(Over)		FY20 IANA Actuals	Under/(Over)	
			Total	%		Total	%
PTI Services	\$9.7	\$10.0	\$0.3	2.8%	\$7.5	(\$2.2)	-29.9%
IANA Services (c)	\$0.6	\$0.6	(\$0.0)	-5.2%	\$0.5	(\$0.1)	-12.5%
TOTAL	\$10.3	\$10.6	\$0.3	2.4%	\$8.0	(\$2.3)	-28.7%
Average Headcount (FTE)	23.5	24.7	1.2	4.8%	21.2	(2.3)	-10.8%

(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.

(b) FTE: Full-time staff equivalent

Dollar figures are shown in millions of U.S. dollars with a granularity of \$100,000. Due to rounding, numbers presented may not add up precisely to the totals indicated and percentages may not precisely reflect the absolute figures. An absence of an expenditure is shown with a dash.

Appendix C — IANA Caretaker Budget

Under the ICANN Bylaws, after the ICANN Board approves the IANA Budget and Operating Plan, the Empowered Community has the right to reject it. The rejection process must be concluded in order for the FY22 IANA Budget and Operating Plan to go into effect. If FY22 begins prior to the completion of the Empowered Community's rejection process, the Caretaker IANA Budget must go into effect until that rejection process has concluded pursuant to Annex D of the ICANN Bylaws.

For the purposes of FY22, the "Caretaker IANA Budget" as described in Annex F to ICANN's Bylaws, is defined as the FY20 IANA Operating Plan and Budget as approved by the ICANN Board in May 2019.

Appendix D — Glossary of Terms

Terminology used in the operating plan and budget is derived from the various contracts and documents that govern the business activities of PTI. ICANN org and PTI work to adhere to this terminology accurately to be faithful to these community agreed documents, which may come at the expense of clarity. In addition, the term “IANA” has limited allowable usages under the Intellectual Property Rights (IPR) agreements that govern its use.

FINANCE TERMINOLOGY:

Finance Term	Meaning
Over	Over on financial charts means that the current FY22 is higher or an increase versus prior year
Under	Under on financial charts means that the current FY22 is lower or a decrease versus prior year

