

# **Draft FY19 IANA Operating Plan and Budget**

9 October 2017



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# IANA Operating Plan & Budget

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## 1 Changes Between Draft and Adopted Versions

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

Section Number	Change Type	Change Description

Draft

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## 2 Introduction

### CONTENTS OF THE DOCUMENT

This document contains the total draft FY19 Internet Assigned Numbers Authority (IANA) Operating Plan and Budget, which is 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 draft FY19 IANA Operating Plan and Budget includes the amounts covered in the draft 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 draft FY19 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 FY19 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 FY19 IANA Operating Plan and Budget.

### 3 Executive Summary

ICANN 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

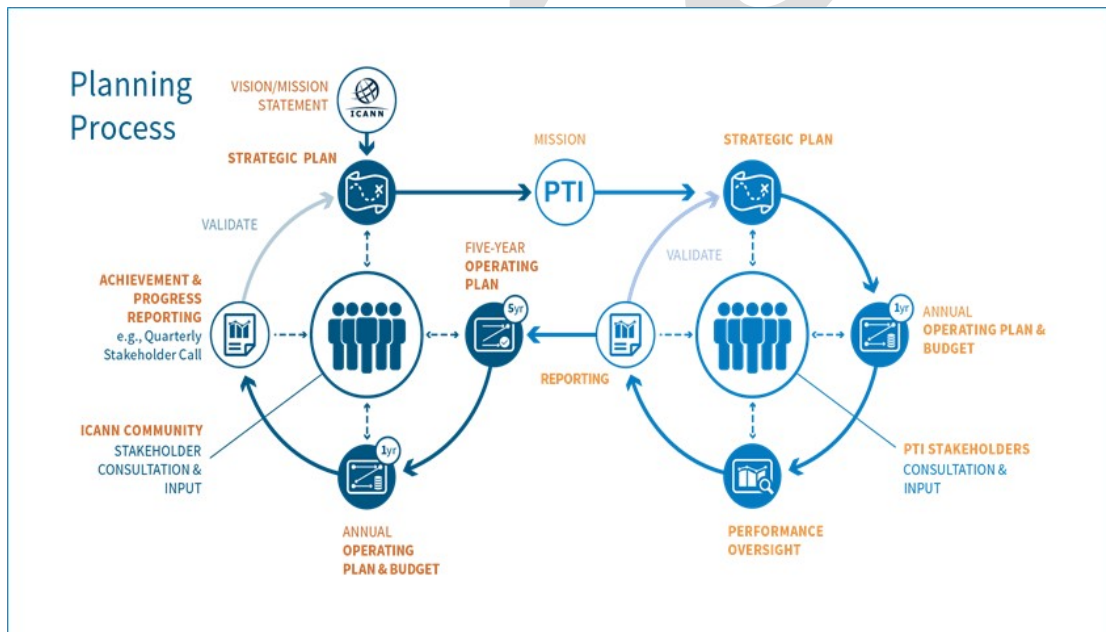
The PTI FY18 Operating Plan and Budget included details of not only the PTI Services, but also the amount of the IANA services that ICANN performs separate from PTI as the IANA Functions Operator. This is being handled differently in planning for FY19. The PTI Budget no longer references the IANA services 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 draft FY19 PTI Operating Plan and Budget, the draft FY19 IANA Operating Plan and Budget also includes the IANA services performed by ICANN 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. The adopted version of the draft 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. This FY19 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 FY19 IANA Operating Plan and Budget as part of the total FY19 ICANN Operating Plan and Budget for the ICANN Board to review and adopt.

FY 19 IANA Budget in Millions, USD	FY 19 IANA Budget	FY 18 IANA Budget	Increase/(Decrease)	
			Total	%
PTI Services	\$10.4	\$9.6	\$0.8	8.3%
IANA Services (a)	\$0.5	\$0.4	\$0.1	31.3%
<b>TOTAL</b>	<b>\$10.9</b>	<b>\$10.0</b>	<b>\$0.9</b>	<b>9.2%</b>

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

The draft FY19 IANA Budget is \$10.9 million, which is an increase of \$0.9 million from the \$10.0 million IANA Budget for FY18. The draft FY19 IANA Budget is comprised of \$10.4 million for PTI Services and \$0.5 million for IANA services not performed by PTI. The increase of \$0.8 million for PTI Services is primarily due to an increase in Personnel costs of \$0.6 million, or 10.4%, due to the impact of merit awards and benefits for existing full-time employees (FTEs) and an increase in the direct shared resources due to incremental legal, technical security, and Customer Standing Committee (CSC) support by ICANN. Administration costs increased by \$0.1 million, or 5.2%, due to software services support. The IANA Budget increased by \$0.1 million, or 31.3%, due to the incremental cost of ICANN's support for the policy 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, even if approved by the ICANN Board, 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.

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 FY19 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.

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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 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

### 6.1 Portfolios

PTI is structured in two groups of thematically aligned portfolios:

#### 2.1.1 – PTI Operations

Description: (i) Operational responsibilities for maintaining registries for protocol parameters, IP numbers, Autonomous System Numbers, and root zone changes; and (ii) Maintenance of relationship with Internet Engineering Task Force, Internet Architecture Board, five Regional Internet Registries, and TLD operators.

#### 2.1.2 – PTI Technical System Enhancements

Description: Software enhancements, tool development, 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

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

### 3.2.3 – 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.

Portfolios	FTE	Pers	T&M	Prof Svcs	Admin	Capital	Total
2.1.1 PTI Operations	19.5	5.4	0.6	1.6	1.6	0.2	9.5
2.1.2 PTI Technical System Enhancements	4.2	0.9	0.0	0.1	0.0	-	1.0
1.3.1 Support Policy Development, Policy-Related and Advisory Activities	0.7	0.1	-	-	-	-	0.1
3.2.3 Root Systems Operations	0.0	-	-	0.3	-	0.1	0.4
Total	24.4	6.5	0.7	1.9	1.6	0.3	10.9

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## 7 Appendices

### Appendix A — IANA Budget

FY 19 IANA Budget in Millions, USD	IANA Budget FY 19	IANA Budget FY 18	Increase/(Decrease)	
			Total	%
<b>FUNDING</b>	<b>\$10.9</b>	<b>\$10.0</b>	<b>\$0.9</b>	<b>9.2%</b>
Personnel	\$6.5	\$5.8	\$0.7	12.6%
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	72.4%
<b>TOTAL CASH EXPENSES</b>	<b>\$10.9</b>	<b>\$10.0</b>	<b>\$0.9</b>	<b>9.2%</b>
<b>EXCESS/(DEFICIT)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$0.0)</b>	<b>0.0%</b>
Average Headcount (FTE) (a)	24.4	22.6	1.8	8.1%

(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	%
<b>FUNDING</b>	<b>\$10.4</b>	<b>\$9.6</b>	<b>\$0.8</b>	<b>8.3%</b>
Personnel	\$6.4	\$5.8	\$0.6	10.4%
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%
<b>TOTAL CASH EXPENSES</b>	<b>\$10.4</b>	<b>\$9.6</b>	<b>\$0.8</b>	<b>8.3%</b>
<b>EXCESS/(DEFICIT)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>0.0%</b>
Average Headcount (FTE) (b)	23.8	22.6	1.2	5.2%

(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	\$10.4	\$9.6	\$0.8	8.3%
IANA Services (c)	\$0.5	\$0.4	\$0.1	31.3%
<b>TOTAL</b>	<b>\$10.9</b>	<b>\$10.0</b>	<b>\$0.9</b>	<b>9.2%</b>

(c) IANA Services include RZMA = Root Zone Maintainer Agreement, Empowered Community, and RZERC support.

It will be funded by ICANN Operations.

