Draft ICANN FY24–28 Operating & Financial Plan and Draft ICANN FY24 Operating Plan & Budget

Community Webinar

15 December 2022 at 01:00 UTC
15 December 2022 at 17:00 UTC

ICANN

Webinar Information

This session is recorded

This session is scheduled to last 1.5 hours

Presentation is published on the wiki page:
https://community.icann.org/display/projfinadhocws/FY24+Operating+Plan+and+Budget
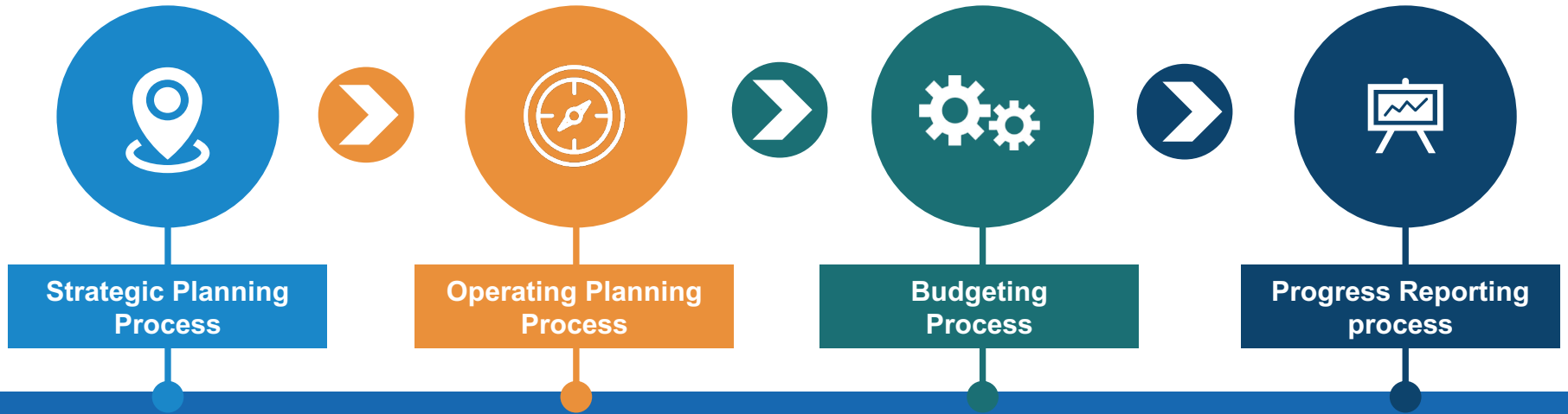
Q&A will be during and at the end of the presentation

Welcome and Introduction

Agenda

- Introduction

- Draft 5-Year (FY24–28) and 1-Year (FY24) Operating Plan Highlights

- Draft 5-Year Financial Funding Projections

- Draft 5-Year Financial Plan and 1-Year Budget

- Timeline and Next Steps

Introduction

Planning Process Overview

Strategic Planning Process	Operating Planning Process	Budgeting Process	Progress Reporting process
The process of defining ICANN's strategic direction, including its mission, vision, strategic objectives and goals.	The process of determining key initiatives (Operating Initiatives) and what each functional area plans to do (Functional Activities), to achieve the strategic plan.	The process of allocating resources to planned activities, and prioritize activities as needed.	The process of explaining the achievement via a series of mechanisms.

ICANN's Bylaws

ICANN Strategic Plan → **Developed every 5-year with annual update (as needed)**

PTI Strategic Plan ⇢ **Developed every 4-year with annual update**

ICANN Operating Plan → **Developed every year for the period of next 5-year**

ICANN Budget → **Developed every year**

IANA Budget ⇢ **Developed every year**

PTI Budget ⇢ **Developed every year**
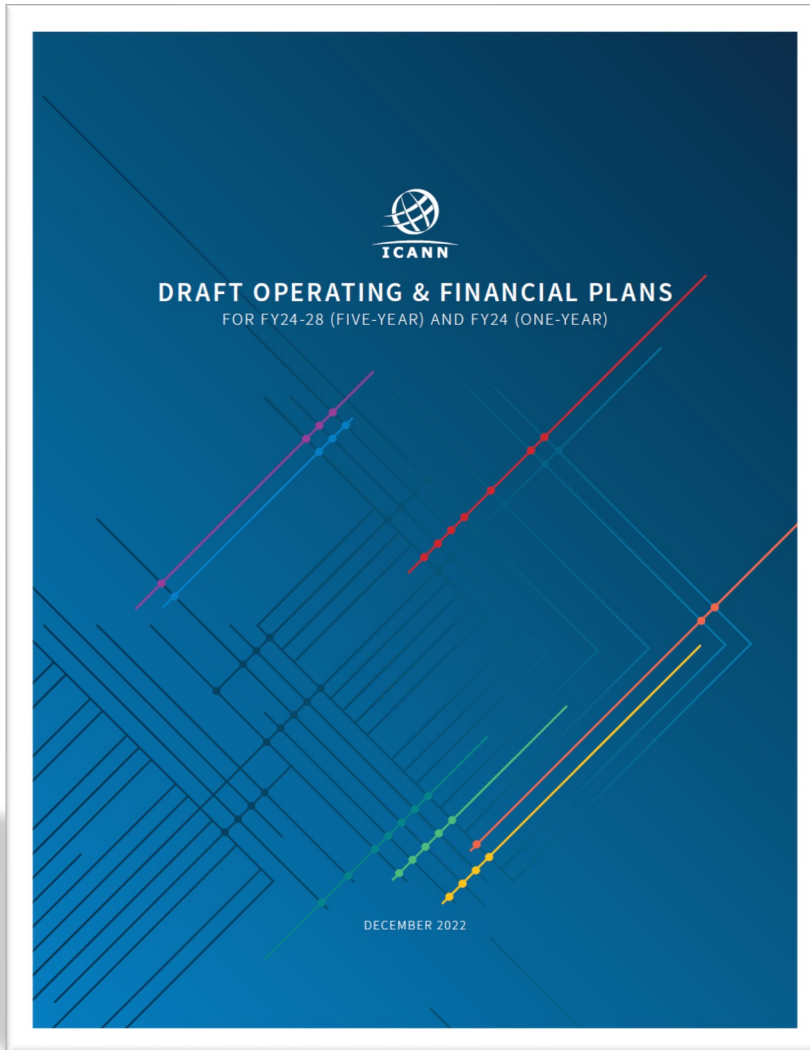
FY24 Planning Process Public Comments

The following documents will be published on 14 December 2022 for public comment until 13 February 2023:

- Highlights Document

- Draft FY24–28 Operating and Financial Plan and FY24 Operating Plan Document

- Draft FY24 Budget

The following documents will be published as supporting documents to the Public Comment:

- Funding Forecast Assumptions Report for Fiscal Years 2024–2028

FY24 Planning Documents

🔗 https://www.icann.org/en/system/files/files/draft-op-financial-plan-fy24-28-draft-opplan-fy24-2022-en.pdf

5-Year (FY24–28) and 1-Year (FY24) Operating Plan Highlights

Key FY24 Planning Assumptions

Strategic Plan Remains Unchanged	Based on the Strategic Outlook trends impact assessment, the Board has approved no changes to the FY21–25 Strategic Plan

1. Trend Identification
- Data collected on trends, risks, opportunities, and votes for top priorities
- Data Processing

2. Trend Analysis
- New trends or notable shifts in trends and their impacts for ICANN

3. Trend Impact Assessment
- Strategic and tactical recommendations based on the data collected during trend identification

FY21–25 Strategic Plan Objectives

OBJECTIVE 1

Strengthen the **security** of the Domain Name System and DNS Root Server System

OBJECTIVE 2

Improve the effectiveness of ICANN's multistakeholder model of **governance**

OBJECTIVE 3

Evolve the **unique identifier systems**

OBJECTIVE 4

Address **geopolitical issues** impact ICANN's mission

OBJECTIVE 5

Ensure ICANN's long-term **financial** sustainability

Key FY24 Planning Assumptions

Affordability	ICANN org plans for operating expenses to remain at or lower than budgeted funding drawing from designated and available funding sources ⊙ The draft plans are based on "base" scenario operations funding projections ⊙ Cost savings and efficiencies are assumed over the 5-year period
ICANN Public Meetings and Engagement	Although there is still some uncertainty, the FY24 plans assume that ICANN public meetings, Board, org and community engagement will resume per the planned schedules
Planning For Board Approved Activities	ICANN begins designing the expected implementation work when recommendations are Board approved and prioritized by the planning prioritization process

Key FY24 Planning Assumptions

Planning Prioritization

The Community led Planning Prioritization process was implemented for the FY24 Planning Process

The Planning Prioritization Group concluded it's work in October 2022. Four Board approved activities were prioritized and are included in the FY24 plans

⊙ GNSO PDP Implementation: EPDP Temporary Specification for gTLD Registration Data – Phase 2A

⊙ ccNSO PDP Implementation: PDP 3 Retirement

⊙ CCWG Recommendation: Grant Program

⊙ Specific Review: SSR2 Recommendation 5.4

The FY24 plans also include activities prioritized in FY22 and FY23

Please refer to ICANN Rolling Five-Year Roadmap: Policy, Review and Cross-Community Working Group (Appendix A) of the draft plan for the status and estimated timing of policy, review and cross-community working group work

Operating Plans and Linkage to ICANN's Strategic Plans

Strategic Plan

Strategic Objective

Strategic Goal 1*	• Targeted Outcome 1.1 • Targeted Outcome 1.2
Strategic Goal 2	• Targeted Outcome 2.1 • Targeted Outcome 2.2
Strategic Goal 3	• Targeted Outcome 3.1 • Targeted Outcome 3.2

Operating Plan

| Operating Initiatives | Progress Measurement |
| Functional Activities | Progress Measurement |

Numbers are for illustration purpose only

5 Year and 1 Year Operating Plan Structure

The Operating Plan includes description of the activities ICANN org will undertake to achieve its Strategic Plan, operate the organization and implement its mission and mandate
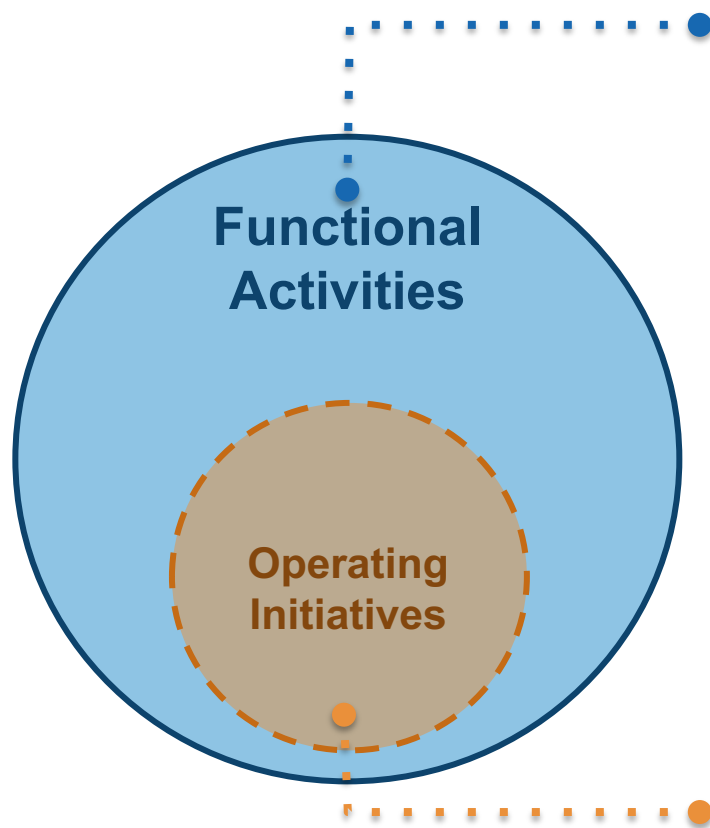
Functional Activities (33 in 5 Service Groups)

Activities of the Functions to:

⊙ Implement ICANN's mission and mandate, such as *Contractual Compliance* or *IANA*

   or

⊙ Operate the organization, such as *Human Resources or Finance*

Functional Activities

Operating Initiatives

Operating Initiatives (11)

⊙ The 11 operating initiatives represent major areas of work that support the strategic objectives identified in the strategic plan

FY24 Service Groups and Functional Activities

The 33 Functional Activities are grouped into 5 service groups that represent the broad categories of work that ICANN org conducts in fulfillment of its Mission

Technical and Domain Name System Security

- Office of the Chief Technology Officer
- IANA Functions
- IDN and UA
- ICANN Managed Root Server
- Contractual Compliance

5 Functional Activities

Policy Development and Implementation Support

- Policy Development and Advice
- Policy Research and Stakeholder Programs
- Contracted Parties Services Operations
- Etc.

6 Functional Activities

Community Engagement and Services

- Global Stakeholder Engagement
- Government and IGOs Engagement
- GDD Accounts and Services
- Etc.

8 Functional Activities

ICANN Org Governance

- Board Activities
- Office of CEO
- Governance Support
- Review Support and Implementation Operations
- Etc.

6 Functional Activities

ICANN Org Shared Services

- Planning
- Finance and Procurement
- Engineering and Information Technology
- Global HR and Administrative Services
- Etc.

8 Functional Activities

Operating Initiatives	Highlights in the Plans
1 Support the Evolution and Strengthening of the Root Server System and Root Zone Management	⊙ Finalize prototype and begin internal operation of RSS Metric Monitoring System. ⊙ Publish and implement KSK Rollover Policy. ⊙ Implement the next KSK rollover.
2 Facilitate the Domain Name System Ecosystem Improvements	⊙ Continue to work with the Community on KINDNS that was launched in FY23. ⊙ Coordinate a Special Interest Forum on Technology (SIFT) to allow the community to engage technically with ICANN between Public Meetings. ⊙ Evolve efforts to educate registry operators, registrars, and others about DNS security threats and approaches to measure, prevent, detect and mitigate DNS security threats within their platforms. ⊙ Research the use of machine learning to enhance understanding and identification of abusive trends in DNS registration.
3 Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking	⊙ Continue to work with the community to identify tools and other ways to ensure global representation in policy development processes, especially during a prolonged period of fully virtual meetings.
4 Evolve and Strengthen the ICANN Community's Decision-making Processes to Ensure Efficient and Effective Policymaking	⊙ Support individual SOs, ACs, stakeholder groups, and constituencies in continuing to evaluate and revise their internal processes to improve decision-making and ensure transparency, including through work on implementing CCWG-WS2 and support for Empowered Community processes.
5 Evolve and Improve Internal and External Ethics Policies	⊙ Improve internal ICANN org Ethics Program for FY24. ⊙ Collaborate with the ICANN community to develop an ICANN Community Ethics Policy for FY24–25.

Operating Initiatives	Highlights in the Plans
6 Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS	◉ Sub ODP is on track and expected to be completed before FY24. But the related follow-on implementation work will be carried out starting FY24 subject to Board approval of the ODA, this includes planning and executing operational readiness activities, such as systems, tools, process definition, procurement, etc.; planning and executing communications and outreach to support the Sub Pro program. ◉ The extent of deployment of UA-ready systems, e.g. websites, email servers and other applications.
7 Geopolitical Monitoring, Engagement, and Mitigation	◉ Strengthening existing relationships and identifying new actors as an ongoing activity. In conjunction with legislative and regulatory tracking, this will give ICANN org another layer of insight and help to prioritize targeted engagement. This includes an ongoing review of alliances based on emerging issues or changes in the focus of other organizations. ◉ Creating targeted information and capacity-development materials to better equip government stakeholders around the world, enabling them to become more knowledgeable, and, therefore, more active participants in ICANN's policymaking processes.
8 Improve the Depth of Understanding Domain Name Market Drivers which Impact ICANN's Funding	◉ Continue to increase ICANN's overall domain market intelligence in relation to the forecasting process. For instance, ICANN org must continue to build its understanding of the prospective impacts of the COVID-19 pandemic on its future funding. ◉ Annual delivery of funding assumptions and projections for the next five fiscal years.
9 Implement New gTLD Auction Proceeds Recommendations as Approved by the Board	◉ Expects to conduct an implementation feasibility review assessment, develop the implementation plan and begin execution of deliverables outlined in the plan dependent on Board direction and approval.
10 Planning at ICANN	◉ Continue to implement the planning prioritization framework during the annual planning process. ◉ Analysis and define improvement for progress measurement of the Operating Plan.
11 ICANN Reserves	◉ The minimum reserve fund target level was achieved in FY21 which is 6 years earlier than Board approved timeline

Please see Appendix B for the mapping that showcases how the Operating Initiatives Supporting the Strategic Plan

5-Year (FY24–28) Financial Funding Projections

Funding Projection Approach: Marketplace Horizon Scan

Evaluation of key trends and industry developments that are likely to have a significant impact on supply-side or demand-side conditions, including:

1. Global macroeconomic forecasts and commentary from sources such as the Organization for Economic Co-operation and Development, International Monetary Fund, World Bank, Economist Intelligence Unit, etc.

2. Interviews with contracted parties via a third-party consultant.

3. Performance and guidance from publicly-traded industry participants via investor statements/documents.

4. Recent marketplace developments: actual or expected changes in supply-side and demand-side conditions.

5. Historical transaction data:

   - Volume of transactions, including new acquisition vs. renewals
   - Growth pattern of launched strings, in terms of DUMs
   - In-depth evaluation of both Legacy and New gTLDs
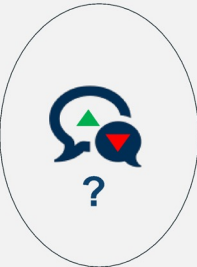   - Data escrow records

Funding Projection Approach: Formulation of Assumptions

1 Marketplace Horizon Scan

2 Formulation of Assumptions

3 Forecast Generation

Low Funding Scenario

- No new registrar accreditation applications
- Decrease in total number of contracted parties
- Decrease in volume of domain name transactions

Scenario reflects an assumption of marketplace contraction

Base Case Scenario

- New registrar accreditation applications and terminations largely cancel each other out
- Marginal decrease in total number of contracted parties
- Growth in domain name transactions mirror historical rates & alignment with global Gross Domestic Product (GDP) growth trends

Scenario reflects an assumption of steady state of growth in a maturing industry

High Funding Scenario

- Growth in new registrar accreditation applications
- Increase in total number of contracted parties
- Stronger than historical average growth rates in domain name transactions & alignment with global Gross Domestic Product (GDP) growth trends

Scenario reflects an assumption of resurgent marketplace growth

Assumes the retention of the current fixed, transaction-based, and accreditation fees.
Does not include any funding assumptions for New gTLD Subsequent Procedures.

5-Year Operations Funding Projections (FY24–28)

- FY24-28 ICANN Operations funding forecast is forecasted to stabilize: the base case Scenario is 1% CAGR over 5 Years
- Funding is projected to decline slightly in the short term and then grow modestly over 5 years

Base case Scenario: $145M -$153M

Actual
~5% CAGR

Projections
Low Scenario: -3% CAGR
Base case Scenario: 1% CAGR
High Scenario: 5% CAGR

FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22 FY23 FY24 FY25 FY26 FY27 FY28

—Actual —Forecast - Low Scenario —Forecast - Base-case Scenario —Forecast - High Scenario
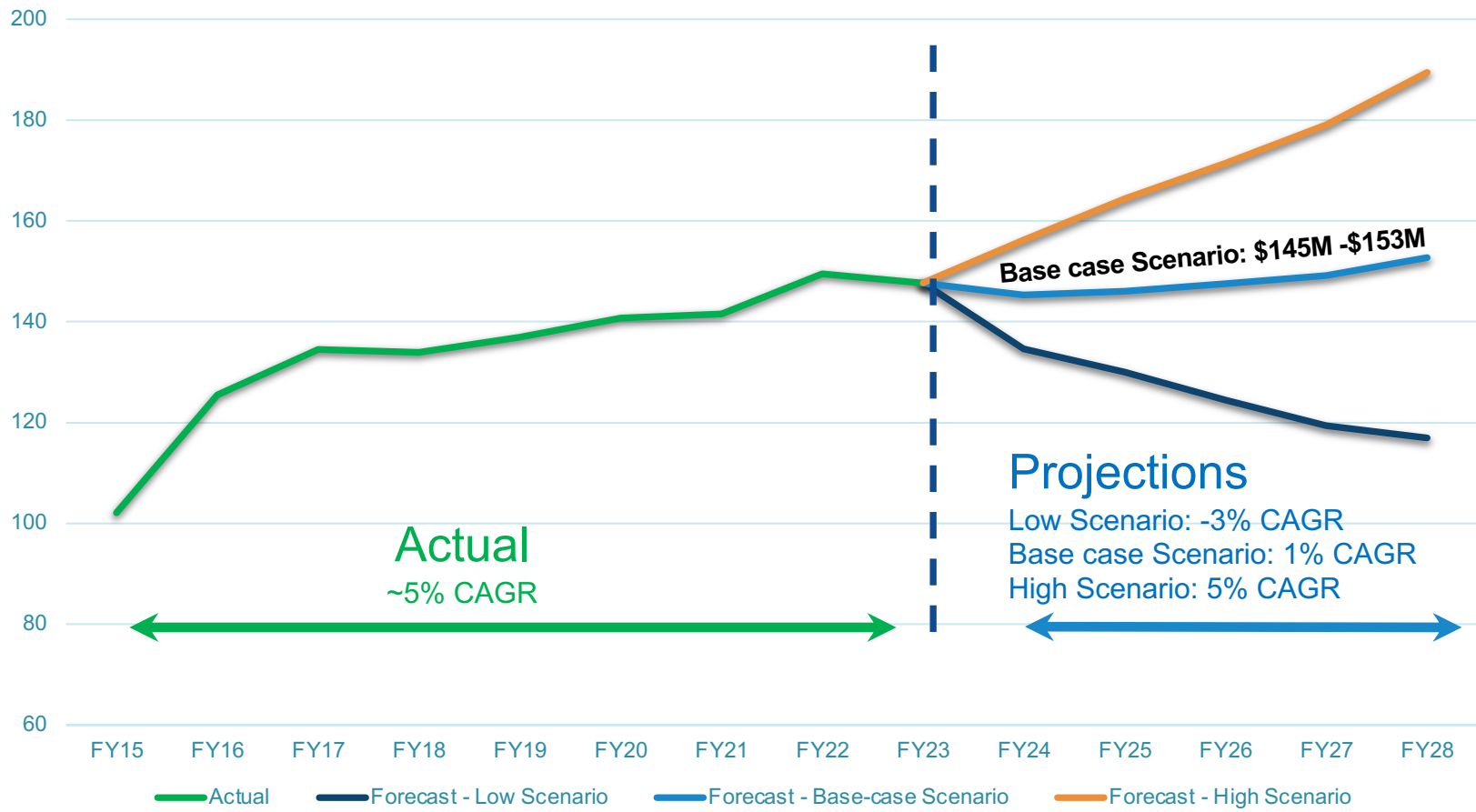
Note: CAGR = Compound Annual Growth Rate; CAGR values cover FY15-22 & FY24–28
FY15–22 based on audited actuals, FY21–F26 include contributions for SSR Operating Initiative
In millions, USD; Arithmetic inconsistencies due to decimal rounding

5-Year (FY24–28) Financial Plan

Projected Inflation Impact to ICANN

- Inflation has been analyzed and factored into the ICANN Operating Plan and Budget resulting in a slightly negative impact to ICANN's funding and expenses.

- ICANN's funding is projected to slightly decline next fiscal year followed by gradual increases as the global economy improves.

- ICANN faces inflationary pressures in the form of rising costs, but can reprioritize its costs and activities in order to spend within available funding.

- Org will continue to carefully manage expenses and provide diligence when evaluating new and backfill resources, the use of contractors/temporary staff, and other costs such as meetings, travel and external vendors.

- **Inflation and the current economic challenges have been reflected in the plans which Org believes are conservative and achievable based on the projected level of funding.**

ICANN Ops Funding Trends and Projections

- ⊙ ICANN's funding projections include 3 scenarios: Low, Base, and High.
- ⊙ The Budget is built using the Base Scenario which is believed to be the most likely, this scenario projects a slight decline followed by modest growth.

$ in millions

Bar chart data:

Period	Value
FY19 Actual	137
FY20 Actual	141
FY21 Actual	142
FY22 Actual	150
FY23 Forecast	148
FY24 Budget	145
FY25 Projection	146
FY26 Projection	148
FY27 Projection	149
FY28 Projection	153
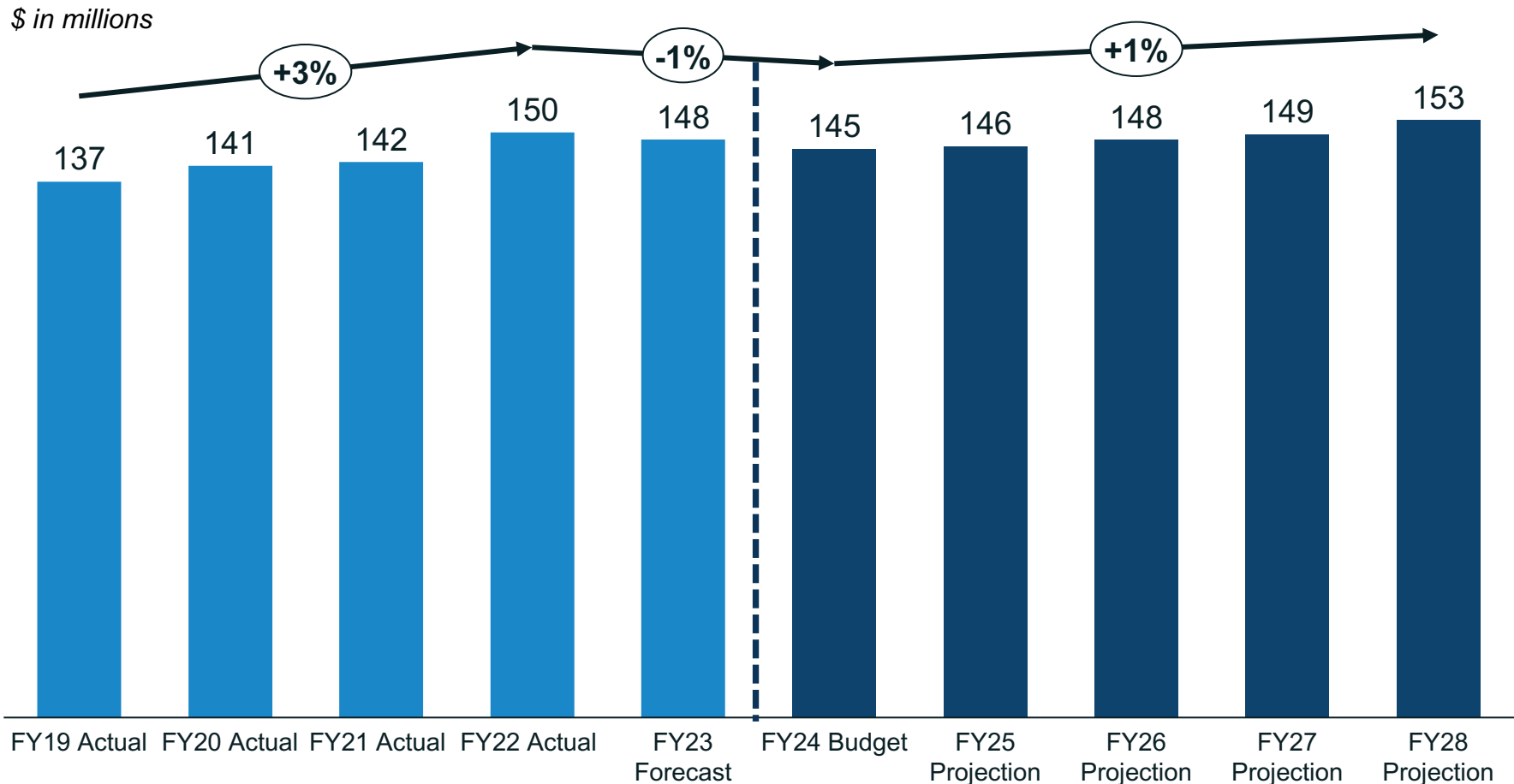
Growth rates: +3%, -1%, +1%

Funding projections do not account for a new round of TLD's
Displayed growth rates are Compound Annual Growth Rates (CAGR)
CAGR by Projection Scenario: Low -3%, Base 1% (displayed), High 5%

ICANN Operations 5-Year Financial Projections

ICANN OPERATIONS *(in Millions USD)*						
5-Year Projections	FY24 Budget	FY25 Projections	FY26 Projections	FY27 Projections	FY28 Projections	5-Year Total
Funding	$145	$146	$148	$149	$153	$741
Expense						
Personnel	$85	$87	$90	$92	$95	$449
Travel and Meetings	$12	$12	$12	$12	$12	$59
Professional Services	$24	$22	$22	$21	$21	$109
Administrative	$18	$18	$17	$16	$16	$85
Capital	$1	$1	$1	$1	$1	$6
Contingency	$5	$6	$6	$7	$7	$31
Total Operating Expenses	$145	$146	$148	$149	$153	$741
Net Operating Excess/(Deficit)	$0	$0	$0	$0	$0	$0
Average FTE	413	413	413	413	413	413

- ⊚ ICANN Operations Funding projections reflect conservative and achievable funding based on recent trends and the current economic outlook.

- ⊚ Personnel costs increase throughout the five-year period due to inflationary increases.

- ⊚ Some costs decrease in the five-year period in order to balance the budget, but Contingency increases to cover hard-to-predict costs that may occur.
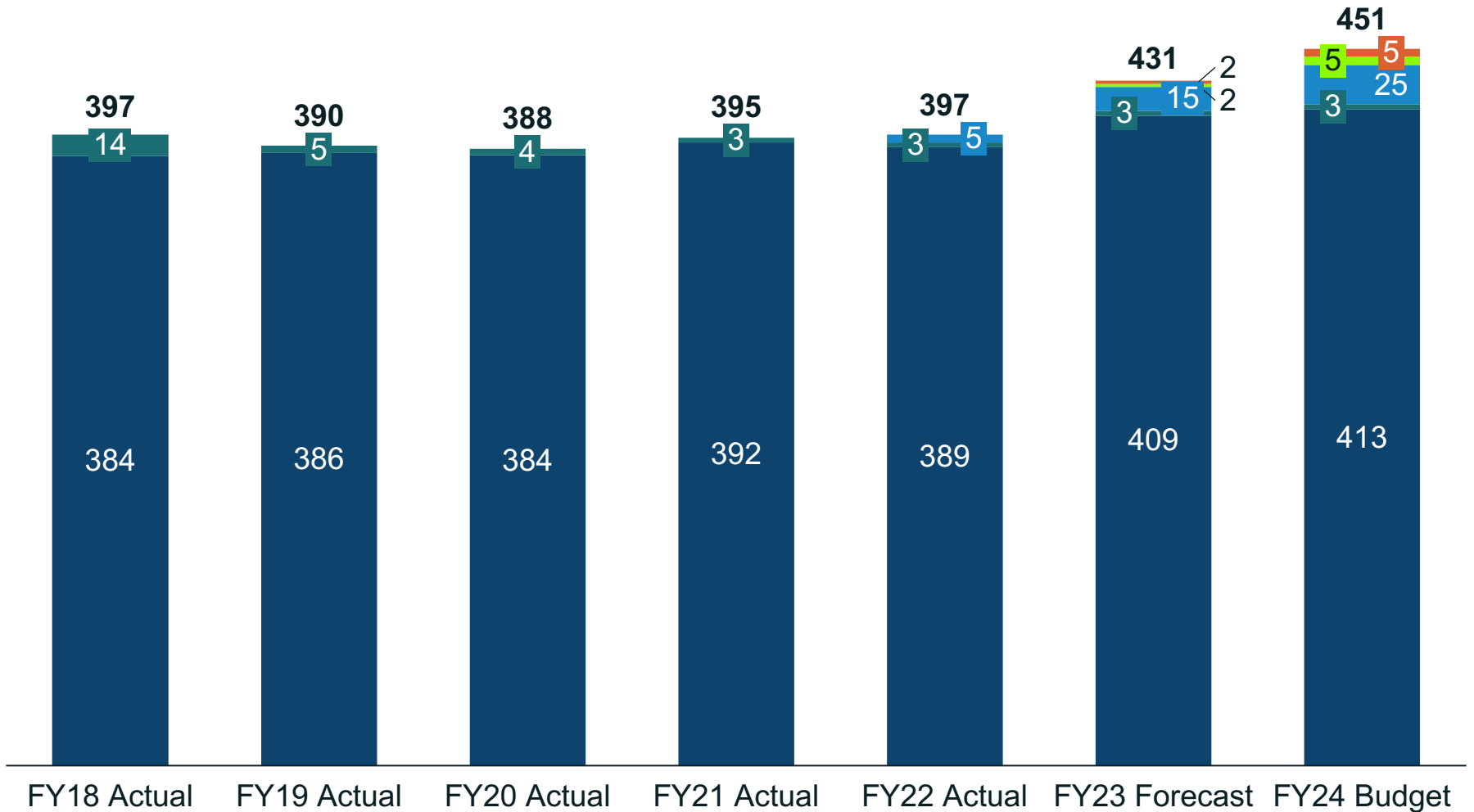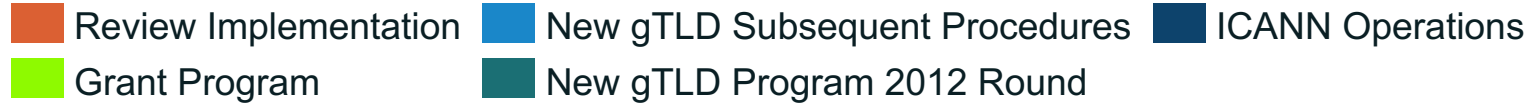
1-Year (FY24) Budget

Total ICANN: FY24 Budget Financial Overview

- ⊙ ICANN's activities are funded by different sources based on the nature of work
- ⊙ These additional funding sources provide the ability to execute on Org's increasing amount of work and incur total expenses greater than operational funding

Total ICANN Financials In Millions, US dollars	For the Twelve Months Ending 30 Jun 2024					
	Operating Fund	New gTLD Funds	SFICR	Auction Proceeds	Reserve Fund	Total
Funds Under Management - 30 Jun 2023	**$44**	**$57**	**$18**	**$210**	**$164**	**$493**
Funding	145	-	-	-	-	145
Personnel	(85)	(9)	(2)	(2)	-	(98)
Travel & Meetings	(12)	(1)	(0)	(0)	-	(13)
Professional Services	(29)	(6)	(2)	(2)	-	(38)
Administration	(18)	(1)	(0)	(0)	-	(20)
Capital	(1)	-	-	-	-	(1)
Total Expenses	(145)	(17)	(4)	(4)	-	(171)
Operating Fund Excess Transfers	-	-	-	-	-	-
Grants Distributed	-	-	-	(10)	-	(10)
Investment Income/(Decline)	0	0	0	2	2	5
Funds Under Management - 30 Jun 2024	**$45**	**$40**	**$14**	**$198**	**$165**	**$462**
Total Average FTE	**413**	**28**	**5**	**5**	**-**	**451**

New gTLD Funds includes work on 2012 Round and SubPro Implementation costs
SFICR expenses consist of prioritized Review Implementations, WDS not included at this time
Auction Proceeds are utilized for the Grant Program

Total ICANN Average FTE Trends

Legend:
- Review Implementation
- Grant Program
- New gTLD Subsequent Procedures
- New gTLD Program 2012 Round
- ICANN Operations

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Forecast	FY24 Budget
Total	397	390	388	395	397	431	451
Review Implementation						2	5
Grant Program						2	5
New gTLD Subsequent Procedures					5	15	25
New gTLD Program 2012 Round	14	5	4	3	3	3	3
ICANN Operations	384	386	384	392	389	409	413

Projected Funds Under Management

◉ In FY23 (Nov 2022), the Board approved a $19 million transfer to the Reserve Fund from the Operating Fund.

◉ In FY24, $10 million in grant disbursements are projected to be drawn from the Auction Proceeds

$ in Millions; Balance on 30 June of each fiscal year

FY22 Total Funds Under Management: **$506M**

FY23 Total Funds Under Management: **$493M**

FY24 Total Funds Under Management: **$462M**

FY22 Actual: 63, 70, 20, 143 ($15M), 210

FY23 Forecast: 44, 57, 18, 164 ($19M), 210

FY24 Budget: 45, 40, 14, 165, 198

Legend:
- Operating Fund
- New gTLD Funds
- SFICR
- Reserve Fund
- Auction Proceeds
- Contributions from Operating Fund
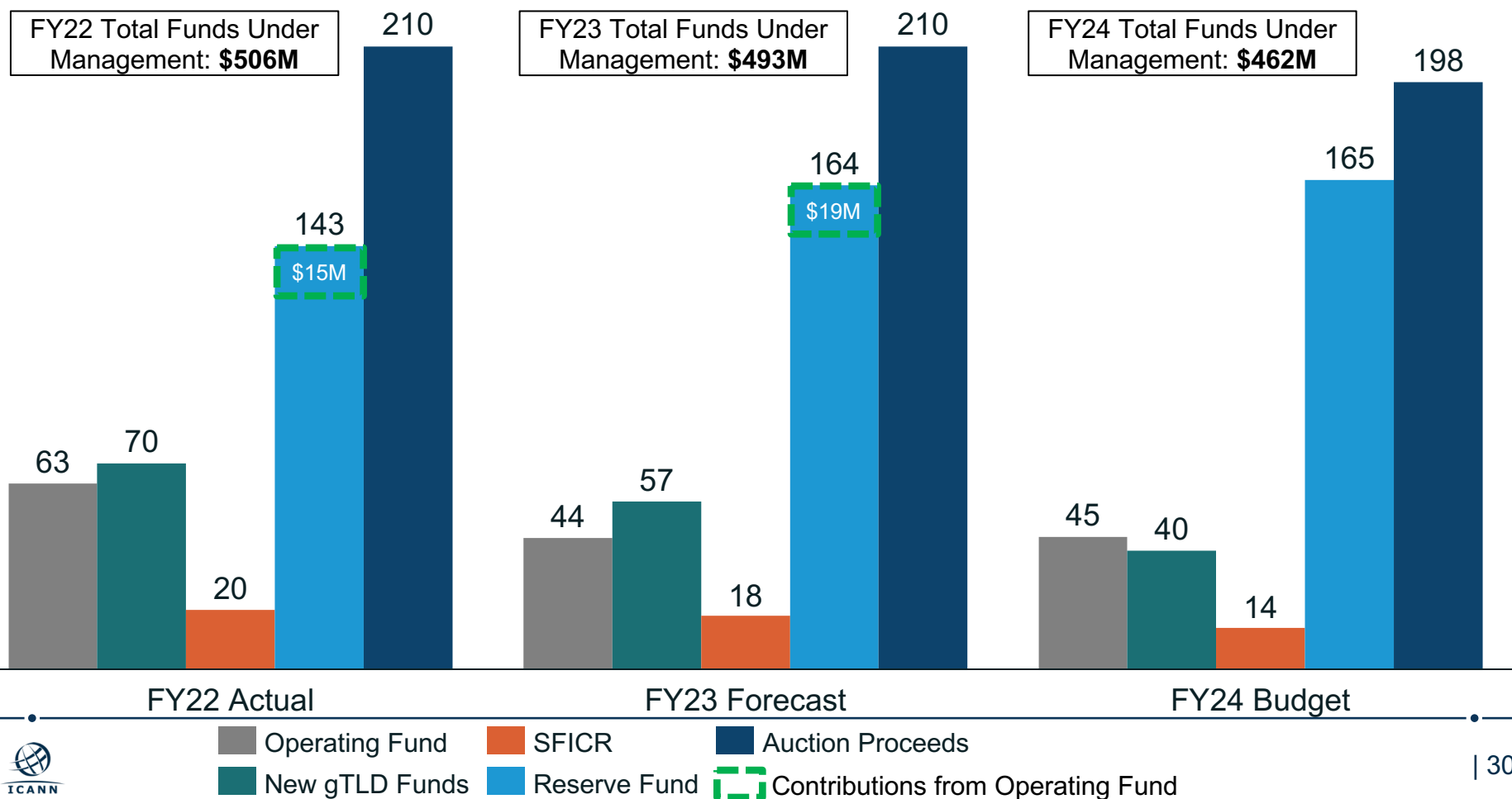
ICANN

ICANN Operations: FY24 Budget vs FY23 Forecast

In Millions, USD	FY24 Budget ICANN Operations	FY23 Forecast ICANN Operations	Under/(Over) vs. FY23 Forecast $	%
Funding	**$145**	**$148**	**($2)**	**-2%**
Personnel	$85	$83	($1)	-1%
Travel & Meetings	$12	$13	$1	6%
Professional Services	$24	$27	$4	13%
Administration	$18	$18	($0)	-1%
Capital	$1	$2	$1	29%
Contingency [1]	$5	$4	($1)	-30%
Total Operating Expenses	**$145**	**$148**	**$2**	**2%**
Net Operating Excess/(Deficit)	**$0**	**$0**	**$0**	**0%**
Average Headcount	**413**	**409**	**(4)**	**-1%**

[1] Contingency represents an amount of budgeted expenses unallocated to specific activities or functions

⦿ FY24 Budget Funding is projected to decline from the prior year as unfavorable economic trends are projected to persist in FY24.

New gTLD Program 2012 Round Overview

New gTLD Program 2012 Round	Statement of Activities by Fiscal Year					Statement of Activities for Full Program (Jun 2022) Current Estimate
	FY12 - FY21 Actual	FY22 Actuals	FY23 Forecast	FY24 Budget	FY25 & Beyond Forecast	
New gTLD Applicant Fees	360	(0)	0	0	1	361
Refunds	(52)	0	(0)	(0)	(0)	(53)
Applicant Fees (Net of Refunds)	$ 308	$ 0	$ 0	$ 0	$ 0	$ 308
Initial and Extended Evaluation	(68)	-	-	-	-	(68)
Quality Control and Objection Processes	(11)	-	-	-	-	(11)
Pre-delegation	(12)	-	-	-	-	(12)
Program Costs	(40)	(1)	(2)	(3)	(7)	(53)
Staff Costs	(58)	(2)	(1)	(1)	(1)	(63)
Operating Expenses	$ (188)	$ (3)	$ (3)	$ (4)	$ (8)	$ (206)
Historical Development Costs	(32)	-	-	-	-	(32)
Contingency	(30)	(3)	(1)	-	-	(33)
Non Operating Expenses	$ (62)	$ (3)	$ (1)	$ -	$ -	$ (66)
Other Income/(Expense)	$ (2)	$ -	$ -	$ -	$ -	$ (2)
Investment Income/(Expense)	$ 11	$ (0)	$ 0	$ -	$ -	$ 11
Total Expenses	$ (241)	$ (6)	$ (4)	$ (4)	$ (8)	$ (263)
Net Remaining New gTLD Funds*	$ 67	$ (6)	$ (4)	$ (3)	$ (8)	$ 46

*Note - September 2021 the ICANN Board approved the expenditure of up to US$9M of New gTLD 2012 Round funds to perform the New gTLD Subsequent Procedures ODP

⊙ Contingency and investment gains are not estimated for future years

SubPro Financials

- In December 2022, the ICANN org will publish its Operation Design Assessment (ODA) report to the ICANN Board for consideration in adopting the Final Report Outputs

- ICANN org is using a general assumption that the ODP phase will be followed, after Board approval of the Final Report, by a phase of preparation for the next round of the New gTLD Program

- The funding to pay for SubPro development costs before program launch, including those of the ODP, will come from the New gTLD Program 2012 Round remaining application fees

SubPro Program (USD in millions)	FY22 Actuals	FY23 Forecast	FY24 Budget
ODP	$1.7	$6.3	$0.0
Preparation Phase	$0.0	$3.0	$13.4
Total	**$1.7**	**$9.3**	**$13.4**
FTE Equivalent	5.1	14.8	25.4

Prioritized Specific Review Recommendations

- ⊙ In February 2022, ICANN org's Planning team developed a planning prioritization framework to help the ICANN ecosystem prioritize its work within the planning cycle in a manner that is transparent, inclusive, and efficient

- ⊙ ICANN org has identified 45 recommendations that can be implemented in the next year with incremental funding outside of the annual plan and operating budget

- ⊙ In November 2022, the ICANN Board passed a resolution that approved ICANN org to utilize US$5.8 million from the SFICR to fund one-time efforts for prioritized review implementations

- ⊙ After implementation, all ongoing expenses of the identified recommendations will be part of the ICANN ongoing operations budget

Reviews	FY23 Forecast			FY24 Budget		
Implementation	Personnel	Non-Personnel	Total	Personnel	Non-Personnel	Total
Activity	FTE	$	$	$	FTE	$	$	$
ATRT3	1.8	$0.4	$0.9	$1.2	4.2	$0.9	$0.5	$1.4
CCT	1.8	$0.4	$0.7	$1.1	4.1	$0.9	$0.4	$1.3
SSR2	0.4	$0.1	$0.2	$0.3	1.0	$0.2	$0.1	$0.3
RDS - WHOIS2	0.2	$0.0	$0.0	$0.0	0.4	$0.1	$0.0	$0.1
Grand Total	4.1	$0.9	$1.7	$2.6	9.7	$2.1	$1.0	$3.2

Grant Program Financials

- Applications will be accepted and processed in cycles, the first one distributing up to US$10M

- ICANN org estimates to receive 200 applications and approve ~50 grants

- One-time implementation costs include creating the Grant Program department, applicant helpdesk, program website, Program literature and documentation

- The recurring program operational costs include ICANN staff, awareness and outreach communication campaigns, and outsourced services for an independent evaluation panel

- The program implementation costs will be incurred primarily in FY23, and the operational costs will be incurred during FY23 and FY24.

Grant Program	One-Time Implementation Costs			Recurring Costs			
	Personnel	Non-Personnel	Total	Personnel	Non-Personnel	Total	
Activity	FTE	$	$	$	FTE	$	$	$
Phase 1: Planning and Cycle Set Up	0.4	$0.1	$0.5	$0.6	0.5	$0.2	$0.4	$0.6
Phase 2: Application Window	2.1	$0.5	$0.2	$0.8	1.5	$0.5	$0.2	$0.7
Phase 3: Application Due Diligence, Assessment, and Selection Process	0.2	$0.0	$0.0	$0.0	1.5	$0.4	$1.2	$1.6
Phase 4: Award	0.1	$0.0	$0.0	$0.0	0.5	$0.2	$0.2	$0.4
Phase 5: Post Award	1.1	$0.3	$0.2	$0.4	1.0	$0.5	$0.2	$0.6
Total Expenses	3.8	$1.0	$0.9	$1.9	5.0	$1.7	$2.1	$3.9
Projected Grant Distribution							$10.0	$10.0
Total Cash Expenditures	3.8	$1.0	$0.9	$1.9	5.0	$1.7	$12.1	$13.9

Timeline and Next Steps

Next Steps and Timeline

What	Who	When
✓ FY24 Planning Process Kick Off	Community	08 September 2022
✓ Review Draft FY24-28 O&FP and FY24 OP&B	BFC	1 December 2022
Draft FY24-28 O&FP and FY24 OP&B Public Comment Proceeding	Community	14 December 2022- 13 February 2023
Two Community Webinars	Community	15 December 2022
Clarifying Questions Submission Date/ Publication Date	Community	16 January 2023/ 30 January 2023
BFC recommends IANA Budget Approval	BFC	31 January 2023
ICANN Board Adopts IANA Budget	Board	ICANN 76
Public Comment ends	Community	13 February 2023
Review Public Comment Inputs and Issue Public Comment Summary Report	Org	30 March 2023
BFC Recommends ICANN FY24 Plans Approval	BFC	13 April 2023
Review FY24–28 O&FP and FY24 OP&B for Adoption	Board	April - May 2023
Empowered Community Period	Community	May - June 2023

ABR: FY24 Key Dates

1

Community Kick off and Submission period

17 October 2022 to 30 January 2023
08 December 2022 Informational webinar

2

Submission deadline

30 January 2023

3

SO/AC Consultations at ICANN 76

13 March to 16 March 2023

4

Notify SO/ACs of Publication on Website

May 2023

Visit the FY24 Additional Budget Request (ABR) Process page on the Finance and Planning community wiki for more information. A recording of the FY24 ABR Process can be found here

How to Participate in ICANN's Planning

Participate in the ICANN Public Comment

14 December 2022- 13 February 2023

https://www.icann.org/en/public-comment/

Visit the Finance and Planning Community Wiki page

https://community.icann.org/display/projfinadhocws/Finance+and+Planning+Community+Group+Workspace

Community can subscribe to the ICANN Community Finance email list by sending an email to community-finance@icann.org

Email planning@icann.org

Questions and Answers

- ❖ Please raise your hand in Zoom if you want to ask a question.
- ❖ The Remote Participants Manager will manage the queue.
- ❖ Unmute your microphone to ask questions when is your turn.
- ❖ Mute your microphone when not speaking.

- ❖ Type your questions in the chat.
- ❖ The Remote Participants Manager will read out your question(s).

Appendix

Operating Plan Supplemental Appendices and Documents

◉ ICANN Rolling Five-Year Roadmap: Policy, Review and Cross-Community Working Groups (Appendix A): A rolling five-year roadmap, with indicative and tentative timelines. Work related to these activities will be prioritized and resourced on an ongoing basis

◉ Operating Initiatives Supporting the Strategic Plan (Appendix B): A mapping that showcases how ICANN org will achieve the objectives and goals set out in the Five-Year Strategic Plan. Each operating initiative is cross-referenced against the strategic goals, so readers can gain a comprehensive understanding to the strong interconnectedness of ICANN org's work

◉ Recommendations Relating to Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 and Reviews (Appendix C): A comprehensive list of recommendations and its status relating to reviews and cross-community working group. ICANN org will define, plan for the implementation of these recommendations, so that such implementation work can be considered for prioritization and scheduled for implementation accordingly

◉ ICANN Security, Stability, and Resiliency (SSR) of the Internet Unique Identifiers (Appendix D): Although every function of ICANN org contributes to the overall Security, Stability and Resiliency (SSR) through its support of org's work to advance ICANN's Mission, this schedule highlights activities particularly focused on supporting the SSR of the unique Internet identifiers

◉ Funding Forecast Assumptions Report for Fiscal Years 2024–2028: This report outlines the various funding-related assumptions and projections included in its Five-Year Operating and Financial Plan

ICANN Operations: FY23 Budget vs FY23 Forecast

In Millions, USD	FY23 Budget ICANN Operations	FY23 Forecast ICANN Operations	Under/(Over) vs. FY23 Forecast	
			$	%
Funding	**$152**	**$148**	**$4**	**3%**
Personnel	$87	$83	($3)	-4%
Travel & Meetings	$13	$13	$0	1%
Professional Services	$28	$27	($0)	-2%
Administration	$19	$18	($1)	-4%
Capital	$2	$2	($0)	-3%
Contingency [1]	$4	$4	($0)	-5%
Total Operating Expenses	**$152**	**$148**	**($4)**	**-3%**
Net Operating Excess/(Deficit)	**$0**	**$0**	**$0**	**0%**
Average Headcount	**414**	**409**	**(5)**	**-1%**

[1] Contingency represents an amount of budgeted expenses unallocated to specific activities or functions

- Funding is projected to be 3% lower than budget; expense budget has been reduced to account for lower funding which maintains a balanced plan where expenses are equal to funding.