

IANA Functions and PTI Operating Plan and Budget

Stakeholder Engagement Webinar

July 27, 2021

Opening Remark



Kim Davies

*Vice President of IANA Services
President of Public Technical
Identifiers*

- We are seeking initial feedback to help formulate the PTI and IANA Operating Plan and Budget (OP&B) for Fiscal Year 2023 (FY23).
- This feedback is being obtained through:
 - Today's community webinar (Jul 27 UTC)
 - 1:1 engagement with various community groups
 - Public Comment period will begin September 2021.

Team



Becky Nash
Planning



Marilia Hirano
*IANA Functions
and PTI*



Victoria Yang
Planning



Kirsten Crownhart
Finance

Webinar Information



This session is recorded.



This session is scheduled to last 1 hour.



Presentation is published here on [ICANN Finance and Planning Community Wiki page](#).



Q&A will be during and at the end of the presentation. Please feel free to raise your hand or type in the chat to ask questions.

Agenda

1

Planning
Process and
Overview

2

Operating Plan
and Budget
Assumptions

3

Operating Plan
and Priorities

4

Budget
Overview

5

Questions and
Answers

- **Planning Process and Overview**



Victoria Yang
Planning

Planning Processes Overview



Bylaws Required Plans

PTI Strategic Plan

“The Corporation shall develop and annually update a four-year strategic plan that outlines the Corporation’s strategic priorities (the “Strategic Plan”). This Strategic Plan process may be run concurrently with the Annual Budget development process...”

PTI Bylaws

PTI Operating Plan and Budget

“At least nine months prior to the commencement of each fiscal year, the Corporation shall submit to the PTI Board and the Board of Directors of ICANN (the “ICANN Board”) a proposed annual operating plan and budget for the Corporation’s next fiscal year (“Annual Budget”).

PTI Bylaws

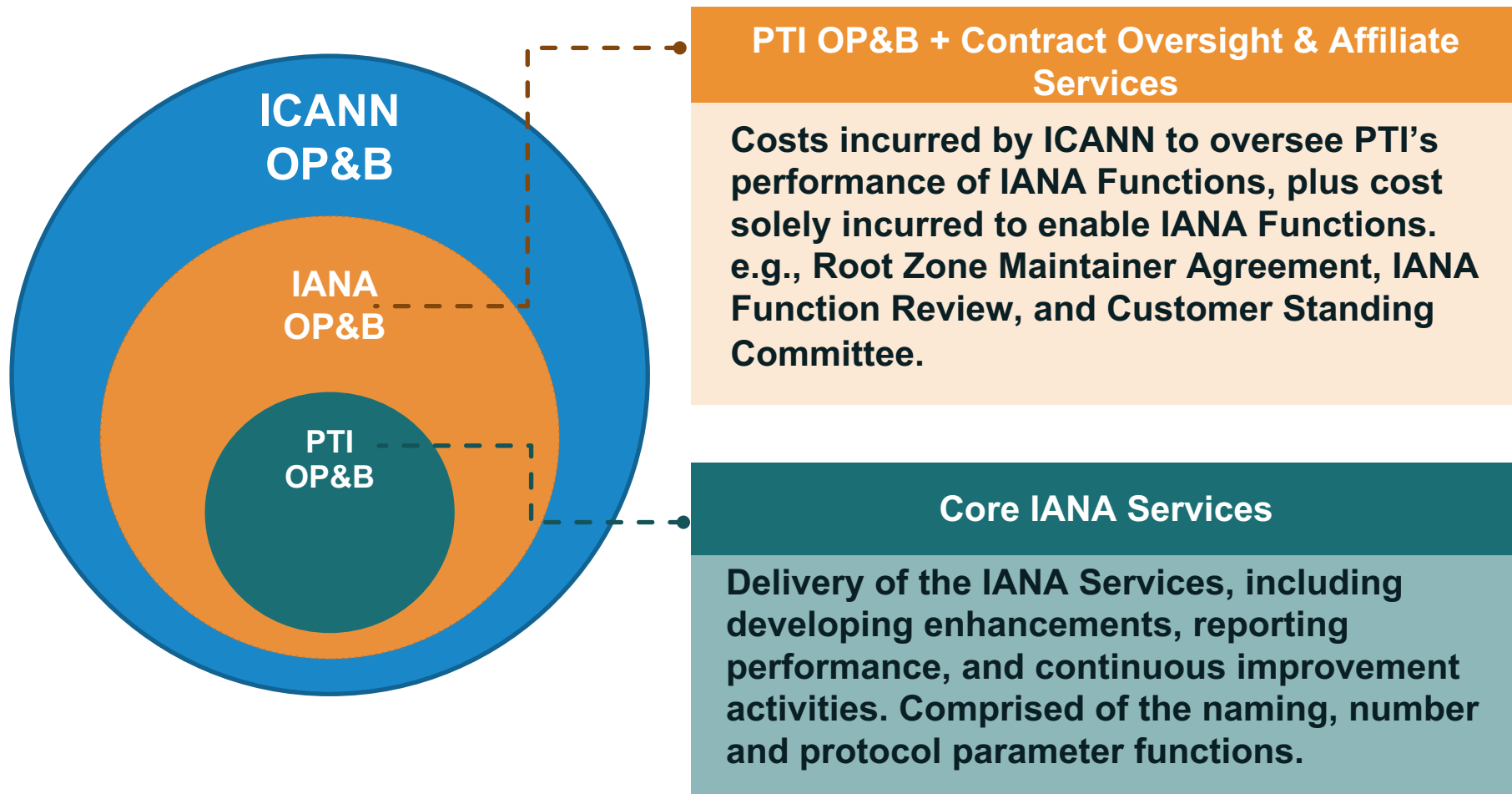
IANA Operating Plan and Budget

“At least 45 days prior to the commencement of each fiscal year, ICANN shall prepare and submit to the Board a proposed annual operating plan and budget of PTI and the IANA department, ... (the “IANA Budget”)....”

ICANN Bylaws

Scope of The Plans

The PTI and IANA Operating Plan and Budgets (OP&B) are components of the ICANN Operating Plan and Budget



Planning Timeline

Key Steps	When	Who	Comments
Initial Community Consultation	June – July 2021	Community	Two Community Webinars 27 July
Draft Operating Plan and Budget Development	July – August 2021	PTI & ICANN	
PTI Draft OP&B Submitted to PTI Board	September 2021	PTI Board	At Least 9 Months Before Next Fiscal Year (Input to ICANN OP&B Per Bylaws)
IANA Draft OP&B Submitted to ICANN BFC	September 2021	ICANN BFC	At Least 9 Months Before Next Fiscal Year (Input to ICANN OP&B Per Bylaws)
Draft OP&B Public Comment Period	September – October 2021	Community	
Staff Report on Public Comment Published	November 2021	PTI & ICANN	
OP&B Adoption	December 2021	PTI Board (PTI OP&B) ICANN Board (IANA OP&B)	
Empowered Community Period	January 2022	Empowered Community	

- **Operating Plan and Budget Assumptions**
- **Operating Plan Draft Priorities**



Marilia Hirano

Director, IANA Strategic Programs

FY23 Operating Plan and Budget Assumptions

Strategic Objectives Remain Unchanged

The 2020-2024 strategic plan correctly captures our FY23 objectives

Customer Satisfaction and Expectations

Ongoing customer satisfaction remains high, but there is a need to incrementally improve our services to maintain this happiness.

Affordability Assumption and Balanced Budget

Funding for IANA remains a priority and ICANN will continue to support all expected expenses

Face-to-Face Meetings and Engagement

Although there is still uncertainty, for planning purposes, the FY23 plans assume business travel, face-to-face meetings and other engagement activity will resume

Community Recommendation Work

Implementation work will be planned only as recommendations and policies move forward and reach the stage of Board consideration.

Anticipated activities not included in the Plans

The below activities are not included in the FY23 Draft plans:

- TLD variants
- Increased cadence of KSK rollovers
- System development and workflow enhancements
- ICANN Org Reviews: Recommendation implementation
 - SSR2
 - RZM evolution study
- Policy implementation
 - Subsequent Procedures for New gTLDs — Under study
 - ccTLD Review Mechanism implementation — Under study
 - Policy on IDN ccTLD Strings – Under study
 - RZERC — No active work impacting IANA operations
 - Root Server Governance — Depends on selected model

PTI Overall Priorities

IANA Website (iana.org) Improvements

- FY22: Complete backend improvements as well as adding new services to report service availability, including scheduled maintenance periods and the ability to provide narrative around unexpected events.
- **FY23:** Registry searching, robust content delivery, structured Data Improvements

Operational Excellence & Engagement

- Enhance engagement opportunities with the IETF leadership, CSC, RIRs and the AC/SO while adapting to the post-pandemic reality across the globe.
- Maintain our culture of continuous improvement through customer surveys, audits and Organizational Assessments.
- Continue striving for excellence when meeting our SLAs and all other contractual commitments.

PTI Priorities – Naming Function

Next-generation Root Zone Management System will be launched, but will have a program of incremental improvements:

- Deferred quality-of-life/functional improvements
- Implementing new policies/programs (e.g. SubPro)

ccNSO Review Mechanism — Implementation

KSK management

- Next rollover
- R&D on algorithm roll (kicks off FY22)
- Facilities review

PTI Priorities – Protocol Parameters Function

Protocol Parameter Registry Workflow System (**Opal**)

- FY21: Much of the pre-work that has gone into Opal has created a solid foundation for this work.
- FY22: Implementing workflow handling for Private Enterprise Number (PEN) registration and retire the current application tool.
- **FY23:** Incrementally enhanced with a focus on making regular small improvements.
- Over time, more IETF registries and other workflows will migrate to the system.

PTI Priorities – Numbering Function

- Number services expected to benefit from Opal platform enhancements
- Continue to monitor RIR communities and evolving policies to be adaptable to future requirements
- We welcome input on further enhancements in this space

- **FY23 Operating Plan and Budget**



Kirsten Crownhart

*Manager, Financial Planning & Analysis
/ ICANN*

FY23 IANA Functions Operating Plan and Budget Summary

1

IANA Functions Funding/ICANN Funding

Funding of IANA Functions is provided solely from ICANN and is driven by the work performed or expenses

2

IANA Functions cash expenses

Expenses are driven by the main cost categories of Personnel, Travel & Meetings, Professional Services, Administration, and Capital. Expenses are segregated in to three cost pools: Direct Dedicated, Direct Shared, and Shared Services

3

IANA Functions contingency

Contingency represents an amount of budgeted expense unallocated to specific activities or departments

PTI/IANA Financial Trends

PTI Budget in Millions, USD	FY22 Budget	FY21 Actual	FY20 Actual
FUNDING	\$9.7	\$7.7	\$7.5
Direct Dedicated	\$5.0	\$3.5	\$3.5
Direct Shared	\$2.3	\$2.2	\$1.9
Shared Services	\$2.5	\$2.0	\$2.0
TOTAL CASH EXPENSES	\$9.7	\$7.7	\$7.5
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0
Average Headcount	23.5	21.0	20.0
IANA Functions in Millions, USD			
	FY22 Budget	FY21 Actual	FY20 Actual
PTI Budget	\$9.7	\$7.7	\$7.5
IANA Budget (a)	\$0.6	\$0.6	\$0.5
TOTAL	\$10.3	\$8.3	\$8.0
Average Headcount	23.5	21.0	20.0

(a) IANA Budget 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.

In millions, USD- unaudited – Scale and arithmetic inconsistencies are due to rounding to the nearest million

IANA Planning Timeline

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PTI Draft OP&B Submitted to PTI Board	09 September 2021	PTI Board	At Least 9 Months Before Next Fiscal Year (Input to ICANN OP&B Per Bylaws)
IANA Draft OP&B Submitted to ICANN BFC	10 September 2021	ICANN BFC	At Least 9 Months Before Next Fiscal Year (Input to ICANN OP&B Per Bylaws)
Draft OP&B Public Comment Period	14 September – 24 October 2021	Community	Public Comment periods runs for 40 days
Staff Report on Public Comment Published	30 November 2021	Org	
OP&B Adoption	01-05 December 2021	PTI Board (PTI OP&B) ICANN Board (IANA OP&B)	Once the PTI Board adopts the PTI Plans, the IANA plans are submitted to the BFC for a recommendation to the ICANN Board for Adoption
Empowered Community Period	January 2022	Empowered Community	28 Days should no petition be submitted

Description of PTI Costs by Cost Type

Direct Dedicated

Wholly dedicated employees within PTI

For example:

- All cost of IANA Department, including request specialists, devOps team, Audit, Continuous Improvement Management

Direct Shared

Specific staff and other allocations from other ICANN departments

For example:

- Key ceremony roles
- Dedicated IT operations and software developers from Engineering and Information Technology
- Dedicated staff support from legal, Board operations, finance, etc.

Shared Services

Communal services used by whole ICANN org

For example:

- Ombudsman
- Human Resources
- Global Communications and Language Services

Questions and Answers



- ❖ Please raise your hand in zoom if you want to ask a question
- ❖ Unmute your microphone to ask questions when is your turn
- ❖ Mute your microphone when not speaking



- ❖ Type your questions in the chat