



**AL-ALAC-ST-0922-01-00-EN**

**ORIGINAL: English**

**DATE: 15 September 2022**

**STATUS: Ratified**

## **AT-LARGE ADVISORY COMMITTEE**

### **ALAC Statement on the Draft IANA and PTI FY24 Operating Plan and Budget**

#### **Ratification**

On 15 September 2022, the Public Comment proceeding opened for the [Draft IANA and PTI FY24 Operating Plan and Budgets](#). An At-Large [workspace](#) was created for the Public Comment submission. The At-Large Operations, Finance, and Budget Working Group (OFB-WG), decided it would be in the interest of end users to develop and submit an At-Large Advisory Committee (ALAC) statement. Ricardo Holmquist volunteered to draft the initial ALAC statement.

On 29 September 2022, Ricardo Holmquist and Holly Raiche drafted the initial ALAC statement, which was posted to its workspace by ICANN Policy staff in support of the At-Large community. The recommendations and At-Large positions were discussed during weekly OFB-WG calls. At-Large members were invited to provide input during the OFB-WG calls and via email.

On 21 October 2022, the OFB-WG finalized the At-Large Public Comment submission. The ALAC chair, Jonathan Zuck, requested that an Executive Summary be added before statements are voted on by the ALAC. The statement was ratified by the ALAC prior to submission to the ICANN Public Comment feature.

On 31 October 2022 staff confirmed the online vote resulted in the ALAC endorsing the statement with 15 out of 15 votes in favor, 0 votes against, and 0 abstentions. Please note 100% of ALAC Members participated in the poll. The ALAC Members who participated in the poll are (alphabetical order by first name): Bill Jouris, Carlos Aguirre, Dave Kissoondoyal, Eduardo Diaz , Joanna Kulesza, Jonathan Zuck, Laura Margolis, Marcelo Rodriguez , Matthias Hudobnik, Maureen Hilyard, Naveed Bin Rais, Raymond Mamattah, Sarah Kiden, Satish Babu, Tommi Karttaavi. You may view the results [here](#).

## **EXECUTIVE SUMMARY**

The At-Large Advisory Committee (ALAC) and At-Large welcome this opportunity to respond to the specific questions posed in the call for Public Comment.

The ALAC and At-Large are in support of the budgets as proposed, with a few exceptions.

The ALAC has concerns regarding the Public Technical Identifiers (PTI) headcount, travel expenses, and budget. They are also concerned that critical functions of the PTI are being passed to professional services. Further explanation is included in our statement below.

## **AT-LARGE COMMENTS**

### **1. Public Technical Identifiers (PTI) FY24 Operational Plan and Budget**

#### **1.1 Headcount**

On the Assumptions, for both Financials and Operations, there are direct and indirect requirements for an increase in the headcount. But also, in the assumptions, this needed headcount is not included in the budget until it is hired. In our view, if the resources are needed it is better to budget for them now. In this way, the cost of these resources will be taken into account. As the budget is now, if the resource is needed but not budgeted, there will be no resource for new hires. If at the end, the resources are not required, the actual figures for FY24 will be lower than expected, as it is with the contingency costs that are included in the budget, but usually are not expended. Thus the actual numbers will be less than the budget.

This is the second year this assumption has been made, and we are concerned that the staff resources are in fact not hired because they are not budgeted for, or worse, that critical functions of PTI are now being passed to Professional services. Indeed, this is one of the accounts that has grown over 100% since the real figures of FY22. Critical services of the PTI, including human resources, must be well funded.

#### **1.2 Travel**

On the Stakeholder Engagement assumptions, it is said that travel and face-to-face meetings are expected to return to pre-pandemic levels, but the actual budget is for less travel than the FY23 budget, a year still under pandemic assumptions. Also, an increase in tickets is being experienced in the later months, an increase that is not expected to decrease, due to higher pandemic loans to repay, oil increase, and inflation. This might impact improvements to Stakeholder Engagement.

#### **1.3 Operating Plan**

We welcome that the plan is well detailed, and that it was shared with the Community prior to the release of the Budget and its comment period. Thank you for the transparency.

#### **1.4 Budget**

The professional service amount increased from \$0.9 million in real FY22, to a budgeted FY23 of \$1.3 million, and to a budgeted FY24 of \$1.8 million. Although the explanation seems to be clear, a 100% increment (10% of the total budget) seems to be high. Another related concern is in the Headcount comment. Critical functions of the PTI should not be outsourced.

#### **2. Internet Assigned Numbers Authority (IANA) FY24 Operational Plan and Budget**

The IANA cost for FY22 was \$0.6 million and the FY23 budget is \$0.6 million. The Budget for FY24 is again 0.6M. This flat budget doesn't seem to be in line with actual inflation figures. We are not sure if this is a rounding problem, but an inflation of 10% should have rounded to the next number.