

PTI & IANA FY24 OP&B

Comments by ALAC OFBWG

First DRAFT

PTI FY24 OP&B

Page 9 – Assumptions - Financials

“Personnel costs are the highest expenses in the PTI budget, so carefully planning for resources is critical. For FY24, additional headcount may be required but is not included in this budget to align with ICANN’s common process for approving and budgeting for new positions. ICANN budgets a certain amount of headcount turnover and growth each year, but new positions are not allocated to the functional activities until they are hired. This process allows the organization to strategically evaluate each new hire, controlling headcount growth and ensuring proper allocation of resources. Should PTI require additional headcount in FY24, resources will be prioritized using this budgeting and approval process”.

Comment: This sounds like the dog biting its tail. Additional headcount might be needed, but not included in the budget, and will not be included until they are hired. But you can't hire someone, unless it is budgeted. Yes, in the ICANN Budget there are 20-30 extra people included in the last 2-3 years, But those are ICANN, not PTI. *“resources will be prioritized “* what does it mean?, that from the actual budget of another thing (Professional services, travel, etc..) a portion will be taken to hire a new headcount?

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Page 9 – Assumptions - Operations

“Although PTI can assume, based on high satisfaction, that the character of the operational work will remain mostly unchanged for the next fiscal year, the current allocation of PTI's Direct Dedicated resources poses a risk to timely delivery of key projects. The relatively small team of highly specialized individuals juggle between meeting contractual deliverables and SLAs, and also serving as subject matter experts to the various system improvements and policy implementation projects”.

Comment: Further indication that additional headcount might be needed. This is the core of ICANN!

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Page 10 - Stakeholder Engagement

“For FY24, the planning and budgeting forecast anticipates a full return to face-to-face meetings and engagement at pre-pandemic levels. Travel and engagement activities have partially resumed during FY23 and the future outlook is improving. This is a practical assumption, intended to ensure that the organization is prepared to resume travel based on historical levels, while leaving room for adjustment because of permanent or ongoing challenges related to pandemic health concerns.”

But

Page 20 – key comparisons to the previous year’s budget

“Travel and meetings, including travel and venue costs for outreach, meetings, and PTI Board activities are lower than FY23 budget due to fewer trips planned”.

Comment: The budget doesn’t seem to correlate with the assumptions. In this case an assumption that seem to be in line with actual times

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FY24 PTI Operating Plan

Pages 11-16

Comment: The plan is well detailed, and it was already shared with community prior to the release of the comment period. Thanks for the transparency

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FY24 PTI Budget

Page 20 – Budget

- *Professional services costs are \$0.5M higher than FY23 budget due to incremental costs for legal fees, audit services, consulting fees and contractor services. The FY24 budget includes \$0.3M of additional new expenses for an algorithm rollover study and iana.org website improvements*
- *Administration costs are slightly higher than FY23 budget due to incremental costs for rent and other facility costs, software, and general office expenses. Capital costs are lower than the FY23 budget as some previously budgeted costs for root zone software development are no longer being capitalized and ongoing development work is included as a professional service cost*
- *\$1.8 \$1.3 (\$0.5) -41.6% \$0.9*

Comment: The professional service amount is increasing from the 0.9 M\$ in real FY22, to a budgeted 1.3 M\$, to 1.8 M\$, and although the explanation seems to be coherent, a 100% increment (10% of the total budget) seems to be high

IANA FY24 OP&B

The additional components of the FY24 IANA OP&B are IANA support activities that are performed by ICANN org and excluded from the FY24 PTI OP&B:

- *Logistical support for community oversight groups like the Customer Standing Committee (CSC); review committees and teams such as the Root Zone Evolution Review Committee (RZERC), IANA Naming Functions Review (IFR) and the CSC Effectiveness Review.*
- *Costs relating to the Root Zone Maintainer Agreement*
- *Activities supporting the continued evolution of the root server system*
- *Support for policy development work that will have a direct impact on IANA service delivery*

The total cost for the IANA support activities is \$0.6M.

Comment: The IANA cost for FY22 was 0.6M, also FY23 budget was 0.6M. This flat budget doesn't seem to be in line with actual inflation figures