

Comments on PTI FY24 Operational Plan and Budget

<https://www.icann.org/en/system/files/files/draft-pti-op-budget-fy24-2022-en.pdf>

These comments are the result of the consultation between representatives of TechnicalWG / SOPC.

Names:

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The intent is to submit them as SOPC comments.

1. Do you have any comments on the Draft IANA FY24 Operating Plan & Budget or the Draft PTI FY24 Operating Plan & Budget with regards to document structure, length, or level of detail?

The SOPC suggests, to understand the document and for efficiency reasons, to create an executive summary of the most important items of the PTI OP&B and to add it to the PTI OP&B.

SOPC believes that the document should be kept short and clear. However, it might be useful to reduce links to other documents and to include relevant information directly in the document where useful. For example, the brief summary of PTI vision, strategic objectives and risk assessment might be added to 'Introduction' section (See example of such summary in the < Attachment 1. Draft language on PTI vision, strategic objectives and risk assessment>).

2. ICANN uses a set of assumptions when planning and budgeting. Please review the planning assumptions used for the development of the Draft PTI FY24 Operating Plan & Budget. Do you have any comments on the FY24 Planning assumptions?

Please refer to Draft PTI FY24 Operating Plan and Budget, pages 8-10.

Comment 1.

The text on the page 10 in the PTI OP&B (section 'Community Recommendations') says:

'As the ICANN Board reviews recommendations from the various community-led reviews and policy development processes, PTI will remain available for implementation of Board-approved recommendations. However, PTI intends to follow ICANN's structured planning and prioritization process; and therefore, any ongoing review and policy-related work that is not yet Board-approved will not be included in the FY24 PTI Operating Plan and Budget. Contingency is included in the FY24 PTI Operating Plan and Budget and represents an amount of budgeted expense unallocated to specific activities or departments.'

SOPC urges PTI to carefully review ongoing policy development processes that are close to completion and to include the activities to implement such policies in the FY24 Operating Plan and Budget. Otherwise the implementation would be delayed for at least one year.

As presented at the ccNSO meeting on Tuesday 19 September, the ccNSO PDP 3 Review Mechanism working group and ccNSO PDP4 IDN working group will complete their work in 2023 calendar year. We therefore recommend to include implementation of these policies in the PTI OP&B to avoid delays in this important project and include a timeline for features expected to be finalised during FY4.

Comment 2.

The text on the page 8 in the PTI OP&B (section 'Strategy' in FY24 Planning Assumption) says:

'PTI participated in ICANN's strategic outlook process conducted in partnership with the community and evaluated whether there were new trends, risks and opportunities to consider before defining annual objectives... The PTI Board confirmed that no changes were necessary to the PTI FY21-FY24 Strategic Plan.'

SOPC suggests to evaluate the influence of the travel restriction due to pandemic and consider whether the current location of key management facilities is still optimal or there is a need to have alternative location outside the US.

3. PTI operations are displayed in four focus areas: operations, operational excellence, technical services, and governance. Do you support the projects and activities that are planned for each of these areas as described in the Draft PTI FY24 Operating Plan? Please provide detailed reasoning for your answer.

Please refer to Draft PTI FY24 Operating Plan and Budget, pages 10-16.

SOPC supports the projects and activities described.

SOPC understands that there are major multi-year projects that ensure implementation of PTI Strategic Plan, such as new RZM system implementation and stresses the importance to clearly articulate the key deliverables for FY 2024 in the Plan.

In addition, as a recommendation of the representatives of the ccNSO Technical Working Group we would welcome the recruitment of a security manager solely for the PTI team.

4. The Draft PTI FY24 Operating Plan & Budget continues to define and demonstrate how PTI will implement the Strategic Plan for Fiscal Years 2021–2024. Do you have any comments on whether the activities included in the Draft PTI FY24 Operating Plan & Budget and appropriately support the achievement of the objectives stated PTI Strategic Plan for FY 21-24?

Please refer to Draft PTI FY24 Operating Plan and Budget, pages 10-16.

SOPC supports the activities included

As mentioned above, the ccNSO PDP 3 Review Mechanism working group and ccNSO PDP4 IDN working group will complete their work in 2023 calendar year. We therefore recommend to include implementation of these policies in the PTI OP&B to avoid delays in this important project and include a timeline for features expected to be finalised during FY4.

SOPC also urges PTI to ensure the implementation of the ccNSO PDP3 Retirement Policy (Part 1) approved by ICANN Board on September, 22 2022.

SOPC suggests to make sure that the contingency amount included in the Draft PTI FY23 Budget is enough to cover the costs associated with the implementation of the Policies mentioned above.

5. The Draft IANA FY24 Operating Plan and Budget includes the PTI Operating Plan and Budget and other supported activities provided by ICANN. Do you have any comments regarding the activities or projects?

Please refer to Draft PTI FY24 Operating Plan and Budget, pages 6-7.

No comments on this (leave field blank)

6. Do you have any additional observations or comments?

Comment 1

The text on page 21 in the PTI OP&B says:

‘ Personnel costs are \$0.4 million higher, due to incremental headcount and an ICANN standard three percent inflationary adjustment for standard of living increases, promotions and health care benefits costs.’

Due to increasing inflation in the western horizon, the planning team should also take into consideration an inflation adjustment to a level that is necessary to maintain the standard of living or that corresponds to the average wage level in the respective occupational profile.

Comment 2

The text on page 9 in the PTI OP&B says:

‘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.’

In order to understand the allocation of staff between ICANN and PTI/IANA, SOPC recommends providing an overview of the shared resources.

To achieve its objectives and in view of the staff shortage, the subgroup also proposes to budget an appropriate amount for external services (Professional Services? - see page 20).

Both of these points mentioned above should be assessed qualitatively, e.g. by reporting every half year whether the goals have been achieved and how the progress in the individual projects is and which resources (PTI staff, shared resources, professional services, ...) have been used.

Comment 3

SOPC recommends that the PTI and the ICANN budget processes should be aligned in terms of the length of the strategic horizon and therefore the PTI OP&B should be extended from a four-year to a five-year strategic plan.

Attachment 1. Draft language on PTI vision, strategic objectives and risk assessment to be added to Introduction

This Operating Plan and Budget has been developed to support PTI's Vision in its Strategic Plan FY21-24:

We are dedicated to a world where the Internet works seamlessly everywhere through our trusted coordination of unique identifiers. We promote trust by delivering dependable services, satisfying our customers, and always finding opportunities for improvement.

PTI has developed a strategic roadmap for FY21-FY24 that focuses on five key drivers which are Trust, Security, Service Delivery, Operational Excellence, and Governance:

Maintain stakeholders' **trust** that IANA is the proper home for enabling global interoperability through unique identifier coordination.

Monitor and adapt to **security** threats and ensure resilient and secure IANA operations.

Continue to drive the implementation of operational initiatives to enhance the **delivery of services** based on the needs of the IANA customer.

Monitor the delivery and performance of the IANA functions to achieve **operational excellence**.

Support ICANN org in its **governance** efforts to sustain and improve openness, inclusivity, accountability, and transparency.

The ICANN FY21-25 Strategic Plan has a specific goal related to the IANA functions:

- 3.3 Continue to deliver and enhance the IANA functions with operational excellence.

Risk Assessment

The Draft Budget and Operating Plan FY24 addresses important risks identified in the ICANN Strategic Plan 2021-2025, including:

- Successful cyberattacks and information warfare undermine trust in the DNS.
- Stronger control over the Internet and cybersecurity by governments changes how security and stability of the DNS can be addressed.