



AT-LARGE ADVISORY COMMITTEE

ALAC Statement on the ICANN Draft FY16 Operating Plan & Budget

Introduction

Olivier Crépin-Leblond, ALAC member from the European Regional At-Large Organization (EURALO) and ALAC Leadership Team (ALT) member, proposed to compose this Statement after the discussion of the topic during the [ALAC Monthly Teleconference on 30 April 2015](#). During the teleconference, the ALAC gave ICANN Policy Staff in support of the ALAC the authority for submitting the Statement directly to the public comment process without seeking wider community input outside of the ALT, or going through the usual ALAC ratification process for Statements.

On that same day, Olivier Crépin-Leblond posted this Statement on the [At-Large ICANN Draft FY16 Operating Plan & Budget Workspace](#). After [the ALT reviewed the Statement and discussed it on its mailing list](#), Alan Greenberg, the ALAC Chair, requested that the Statement be transmitted to the ICANN public comment process.

Summary

1. The ALAC is satisfied with the Budget proposal as a whole, but has one specific item of concern, related to the evolution of support for ICANN Policy Development.
2. Both the GNSO and the ALAC's activities are essentially funded under the ICANN Policy budget. Policy Development is a Core activity at ICANN. It is this Multistakeholder Policy Development that differentiates ICANN from any other organisation. The overall budget allocated to Policy Development and supporting the SO/ACs, including constituency travel support, is about 11.4 million US Dollars, which is surprisingly less than 10% of total budget for a Core Activity and Key differentiation factor.
3. The ALAC believes the growth of this budget to be too low. This concern translates directly to concerns about staffing levels. The budget indicates that 16 new staff hires are expected for FY16, yet, none of the hires seem to be in Policy Support. The ALAC forecasts a number of new PDPs, review processes, as well as a potential next round of gTLDs which will only serve to increase the demand on already busy Staff. Its Community of At-Large Structures will soon reach the 200 mark – translating to a need for increased support of its increased activity. The ALAC is concerned that this need to increase FTEs supporting Policy both in the GNSO and in the ALAC is not currently reflected in the budget and may lead to Staff overwork, Community frustration, and a reduction in Community involvement that risks making long-term evolution of the Multistakeholder model unsustainable.

ALAC Statement on the ICANN Draft FY16 Operating Plan & Budget

The ALAC thanks the ICANN Finance Department for the significant improvements in the establishment of the proposed budget, specifically when it comes to engaging ICANN Communities at an early stage.

The ALAC is satisfied with the Budget proposal as a whole, but has one specific item of concern, related to the evolution of support for ICANN Policy Development.

Both the GNSO and the ALAC's activities are essentially funded under the ICANN Policy budget. Policy Development is a Core activity at ICANN. **It is this Multistakeholder Policy Development that differentiates ICANN from any other organisation.** The overall budget allocated to Policy Development and supporting the SO/ACs, including constituency travel support, is about 11.4 million US Dollars – a figure derived from the document supplied. Although it is understood that this might not strictly be the total budget for SO/AC Policy Support, this figure constitutes the bulk of its budget. Yet, this is a comparably small figure compared to the overall ICANN Budget expense for the year of 118.6 million US Dollars (113 million US Dollar baseline excluding initiatives) – surprisingly less than 10% of total budget for a Core Activity and Key differentiation factor.

The ALAC has significant concerns about the growth of this budget which it believes to be too low.

This concern translates directly to concerns about staffing levels. Data in the table on page 9 of the Draft FY16 Budget by Portfolio and Project (“1.1 Resource Allocation”) indicates that in the coming financial year 27 Full-Time Equivalent (FTEs) will support policy development, or around 8% of total FTEs. The budget indicates that 16 new staff hires are expected for FY16, yet, although there appears to be a rise of 1.7 FTE in Policy Support, none of the hires seem to be in Policy Support. Both the GNSO and the ALAC have not seen, nor are they expecting a reduction in their activities. Quite the contrary, the ALAC forecasts a number of new PDPs, review processes, as well as a potential next round of gTLDs which will only serve to increase the demand on already busy Staff. Its Community of At-Large Structures will soon reach the 200 mark – translating to a need for increased support of its increased activity. The ALAC is therefore concerned that this need to increase FTEs supporting Policy both in the GNSO and in the ALAC is not currently reflected in the budget and may lead to both Staff overwork and Community frustration, thus leading to a reduction in Community involvement that risks making long-term evolution of the Multistakeholder model unsustainable.