

Agenda Item 3 – Section 22.3 (b) – (g)

- “Section 22.4(b), IANA Budget, says: “At least 45 days prior to the commencement of each fiscal year, ICANN shall prepare and submit to the Board a proposed annual budget of ICANN for direct costs for ICANN’s IANA department, all costs for PTI, direct costs for shared resources between ICANN and PTI and support functions provided by ICANN to PTI and ICANN’s IANA department for the next fiscal year (the “**IANA Budget**”), which shall be posted on the Website.”
 - The recommendation of DT-O regarding the IANA Budget was that it be approved prior to approval of the ICANN Budget.
 - DT-O’s recommendation was made prior to any knowledge that a change to the Bylaws would be proposed to require submission of an ICANN Budget to the Board 45 days prior to the start of the applicable fiscal year.
 - I support the requirement for submission of an ICANN Budget to the Board 45 days prior to the start of the applicable fiscal year but believe that there are advantages to the IANA Budget being approved earlier than the ICANN Budget; having the IANA Budget approved prior to consideration of the final ICANN Budget will:
 - Remove any dependency of IANA services funding from approval or veto of the ICANN Budget
 - Allow more time for resolution of a veto of the IANA Budget
 - Provide increased confidence that IANA services will continue without interruption.
 - My personal recommendation would be that the IANA budget be submitted for Board approval with sufficient time to be approved prior to submission of the ICANN Budget for Board approval.”

I propose that we discuss this in our call this week in addition to discussing whether or any comments should be submitted regarding the Draft FY17 Operating Plan and Budget.