

**BUDGET DEPENDENCIES – DRAFT ICANN BYLAWS**

	CCWG Final Proposal Language	Corresponding ICANN Bylaws Section Reference
	<b>ICANN Budget and IANA Budget</b>	
1.	(Annex 13, Paragraph 17)  The ability for the community to approve or veto the ICANN budget after it has been approved by the ICANN Board but before it comes into effect.	See Section 22.4(v)(A)
2.	The community may reject the ICANN Budget based on perceived inconsistency with the purpose, mission and role set forth in ICANN’s Articles and Bylaws, the global public interest, the needs of ICANN stakeholders, financial stability or other matters of concern to the community.	See Annex D, Section 2.2(c)(i)(A)
3.	The CWG-Stewardship recommends that the IFO’s comprehensive costs should be transparent and ICANN’s operating plans and budget should include itemization of all IANA operations costs to the project level and below as needed.	See Section 22.4(b)(ii)  [ <i>Note to CWG</i> : The highlighted language regarding the project level and below is not covered in current draft ICANN bylaws.]
4.	An itemization of IANA costs would include “Direct Costs for the IANA department”, “Direct Costs for Shared resources” and “Support functions allocation”.  Furthermore, these costs should be itemized into more specific costs related to each specific function to the project level and below as needed.	See Section 22.4(b)(ii)  [ <i>Note to CWG</i> : The highlighted language regarding the project level and below is not covered in current draft ICANN bylaws.]

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5.	PTI should also have a yearly budget that is reviewed and approved by the ICANN community on an annual basis.	<p>See Section 22.4(b)(ii) and Section 22.4(b)(vi).</p> <p>“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”)”</p> <p>[<i>Note to CWG</i>: is above sufficient or should it read as marked below? Also is 45 days acceptable prior to commencement of fiscal year sufficient?:</p> <p>“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 <u>PTI and the IANA department, which budget will include itemization of the ICANN</u> <del>for</del> 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”)]”</p>
6.	PTI should submit a budget to ICANN at least nine months in advance of the fiscal year to ensure the stability of the IANA services. It is the view of the CWG-Stewardship that the IANA budget should be approved by the ICANN Board	[ <i>Note to CWG</i> : The highlighted language regarding the budget timeframe is not covered in current draft ICANN bylaws, including language regarding the submission of PTI budget to ICANN nine months prior to the fiscal year. Given that this is a PTI requirement, it could be included in the PTI Bylaws instead.]

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	in a much earlier timeframe than the overall ICANN budget.	
7.	The CWG (or a successor implementation group) will need to develop a proposed process for the IANA-specific budget review, which may become a component of the overall budget review.	[ <i>Note to CWG</i> : This language regarding CWG processes is not covered in the current draft ICANN bylaws, but we would expect this language to be covered in CWG internal processes rather than in the ICANN bylaws.]