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AT-LARGE ADVISORY COMMITTEE

ALAC Statement on Draft PTI and IANA FY20 Operating Plan and Budgets

Introduction

Jean-Jacques Subrenat, ALAC Representative to the IFR and member of the European At-Large Regional Organization (EURALO), developed an initial draft of the statement on behalf of the At-Large Advisory Committee (ALAC).

On 10 October 2018, the first draft of the statement was posted on its [At-Large workspace](#). The first draft was discussed during meetings of the At-Large Consolidated Policy Working Group, and on 01 November 2018 ICANN policy staff in support of the At-Large community sent a call for comments on the statement to the At-Large community via the ALAC work mailing list.

On 08 November 2018, Mohamed El Bashir, Chair of the African Regional At-Large Organization (AFRALO) added comments to the draft. A revised statement was posted to the workspace, also incorporating comments from Maureen Hilyard, ALAC Chair.

On 09 November 2018, the ALAC Chair requested an extension to submit the ALAC statement to public comment due to the involvement of key contributors of the ALAC who were engaged at the IGF 2018.

On 12 November 2018, the ALAC Chair requested that the current statement be transmitted to the ICANN public comment process, copying the ICANN staff member responsible for this topic, with a note that a more substantive statement will be submitted after the due date. Please note the statement is pending ALAC ratification.

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1 Personnel Costs

Maureen Hilyard, ALAC Chair noted several questions in relation to personnel costs:

- Please elaborate on the activity of PTI staff which merits an increase of \$300,000 for 22.8 FTE for merit awards, increases and benefits?
- Please explain which professional services were required for an increase of \$400,000 (31.1% over FY19 budget, due to shared services with ICANN)?
- Why are some decreases listed as totals (\$ USD), and some as percentages (%) making it more difficult to draw comparisons? For example:
 1. A decrease in legal expenses of \$400,000;
 2. Decreased travel and meeting expenditure by 16.9%;
 3. Decreased administration of \$100,000 (7.4%) due to lower rent costs.

The following sections are comments contributed by Jean-Jacques Subrenat, ALAC Representative to the IFR and Mohamed El Bashir, Chair of AFRALO:

2 Executive Summary

- Page 5, ALAC supports the medium-term approach and planning, in conjunction with the ICANN Strategic Goals, "In FY20, work is expected to principally conclude on a multi-year effort to develop a comprehensive set of systems and tools to support protocol parameter assignment workflows. These systems will enhance the way service is delivered to the Internet standards community. Other areas of activity include continued evolution of the Root Zone Management System, enhancements to the IANA.org website and associated tools to modernize and make information more accessible, and updates to the root zone key management software and facilities."
- Page 5, last sentence makes no sense and needs to be reviewed, "It is anticipated work relating to ICANN initiatives such as variant TLDs and the subs."

4 PTI Services Financial Overview

- Page 7, item 4.1 Budget Overview: in the table, the line entitled "Depreciation" gives a constant value (0.3 million USD), and yet predicts a -11% variation. This needs to be clarified, especially as current forecasts for the USD seem to indicate its positive valuation in the near future, instead of its depreciation, see this table from The Economy Forecast Agency (look at 2019 and beyond), <https://longforecast.com/euro-to-dollar-eur-usd-forecast-2017-2018-2019-2020>.
- Page 7, under item 2.1 "Travels and Meetings" should read "1. Fewer PTI Operations Trips resulting in lower EXPENDITURES (Jean-Jacques'emphasis)" instead of "lower costs". Costs are determined by travel and service providers, whereas expenditures are borne by PTI.
- Page 7, under 4, last line should read "... shows a decrease of..." (instead of "...shows an decrease of...").
- Page 8, under item 7, a clearer definition of "Depreciation" is required, in order to differentiate PTI/ICANN bilateral arrangements from the broader issue of depreciation in the monetary sense (see above remark).

5 PTI Services Overview

- Page 8, item 5, PTI Services Overview ends with this: "PTI, an ICANN affiliate, performs these functions on behalf of the global Internet community."
- Page 8, item 5.2 IANA Numbering Function, fourth bullet point should spell "Unicast" with the first letter in upper case, as it is a specific and recognized addressing method, see <https://en.wikipedia.org/wiki/Unicast>.

6 PTI Services and Operation Plan

There should an annex or addendum which lists the detailed breakdown of direct and indirect PTI costs, which was carried out by ICANN through different departments (e.g., Communications, Governance support, etc). It is included in the table, total figures, under “Professional services”. For the sake of transparency, the detailed breakdowns should be included in the budget.