

# At-Large FY14 Draft Operating Plan and Budget Workspace

Comment Close Date	Statement Name	Status	Assignee (s) and RALO(s)	Call for Comments	Call for Comments Close	Vote Announcement	Vote Open	Vote Reminder	Vote Close	Date of Submission	Staff Contact and Email	Statement Number
31.05.2013	<a href="#">FY14 Draft Operating Plan and Budget</a>	Adopted 14Y, 0N, 0A	<a href="#">Tijani Ben Jemaa</a> (AFRALO)	29.05.2013	07.06.2013	11.06.2013	11.06.2013	17.06.2013	18.06.2013	19.06.2013	Xavier Calvez <a href="mailto:controlier@icann.org">controlier@icann.org</a>	AL-ALAC-ST-0613-02-00-EN

## Comment / Reply Periods (\*)

Comment Open Date:

10 May 2013

Comment Close Date:

31 May 2013 - 23:59 UTC

Reply Open Date:

1 June 2013

Reply Close Date:

21 June 2013 - 23:59 UTC

## Important Information Links

[Public Comment Announcement](#)

[To Submit Your Comments \(Forum\)](#)

[View Comments Submitted](#)

## Brief Overview

Originating Organization:

ICANN Finance

Categories/Tags:

- ICANN Board/Bylaws
- Operations-Finances

## Purpose (Brief):

ICANN is now opening a public comment forum for the FY14 Draft Operating Plan and Budget.

- FY14 Draft Operating Plan and Budget
  - [PPT](#) [779 KB]
  - [PDF](#) [1.81 MB]
- FY14 Draft Operating Plan and Budget (AtTask)
  - [XLS](#) [95 KB]
  - [PDF](#) [338 KB]

Community members are kindly asked to provide feedback on the various aspects of the proposed budget and implementation of ICANN resources for the coming fiscal year, including operational growth tied to carry-over and new projects and the core functions of ICANN.

Current Status:

The FY14 Draft Operating Plan and Budget is currently open for public comment.

Next Steps:

The FY14 Draft Operating Plan and Budget may be modified as a result of feedback from the community, ICANN's staff and Board during this comment period, and will be presented to the ICANN Board for final approval in June 2013.

Staff Contact:

Xavier Calvez, CFO

[Email Staff Contact](#)

## Detailed Information

Section I: Description, Explanation, and Purpose:

The budget process and its outcome formalized in this document aims at establishing a detailed, documented description of the operational activities of the coming fiscal year and their financial impacts. The budget needs to be built with sufficient details to allow an adequate monitoring of activities during the year, while understanding the flexibility that is required to handle a reality that is always different than what was anticipated. Consistent with our multi-stakeholder model, this budget is the result of input from ICANN constituency groups, stakeholders, the Board of Directors and the ICANN Staff. The involvement of the various ICANN stakeholders in the operating plan and budget building process is a corner stone to the success of the multi-stakeholder model.

Section II: Background:

New leadership has brought immediate focus on the transformation of the organization towards operational excellence, initiated a renewed and expanded stakeholders' engagement activity, and addressed the strategic requirements of the New gTLD program. In fiscal year 2014, the organization will implement strategic initiatives designed in FY13: the transformation into a worldwide matrix organization, expanding ICANN's presence internationally, thus allowing a truly global stakeholders' engagement, implementing a DNS Industry Engagement organization, and further strengthening the infrastructure.

Section III: Document and Resource Links:

- FY14 Draft Operating Plan and Budget
  - [PPT](#) [779 KB]
  - [PDF](#) [1.81 MB]
- FY14 Draft Operating Plan and Budget (AtTask)
  - [XLS](#) [95 KB]
  - [PDF](#) [338 KB]

## Summary of Comments

General Disclaimer: This section is intended to broadly and comprehensively summarize the comments submitted to this Forum, but not to address every specific position stated by each contributor. Staff recommends that readers interested in specific aspects of any of the summarized comments, or the full context of others, refer directly to the specific contributions at the link referenced above (View Comments Submitted).

Section IV: Additional Information:

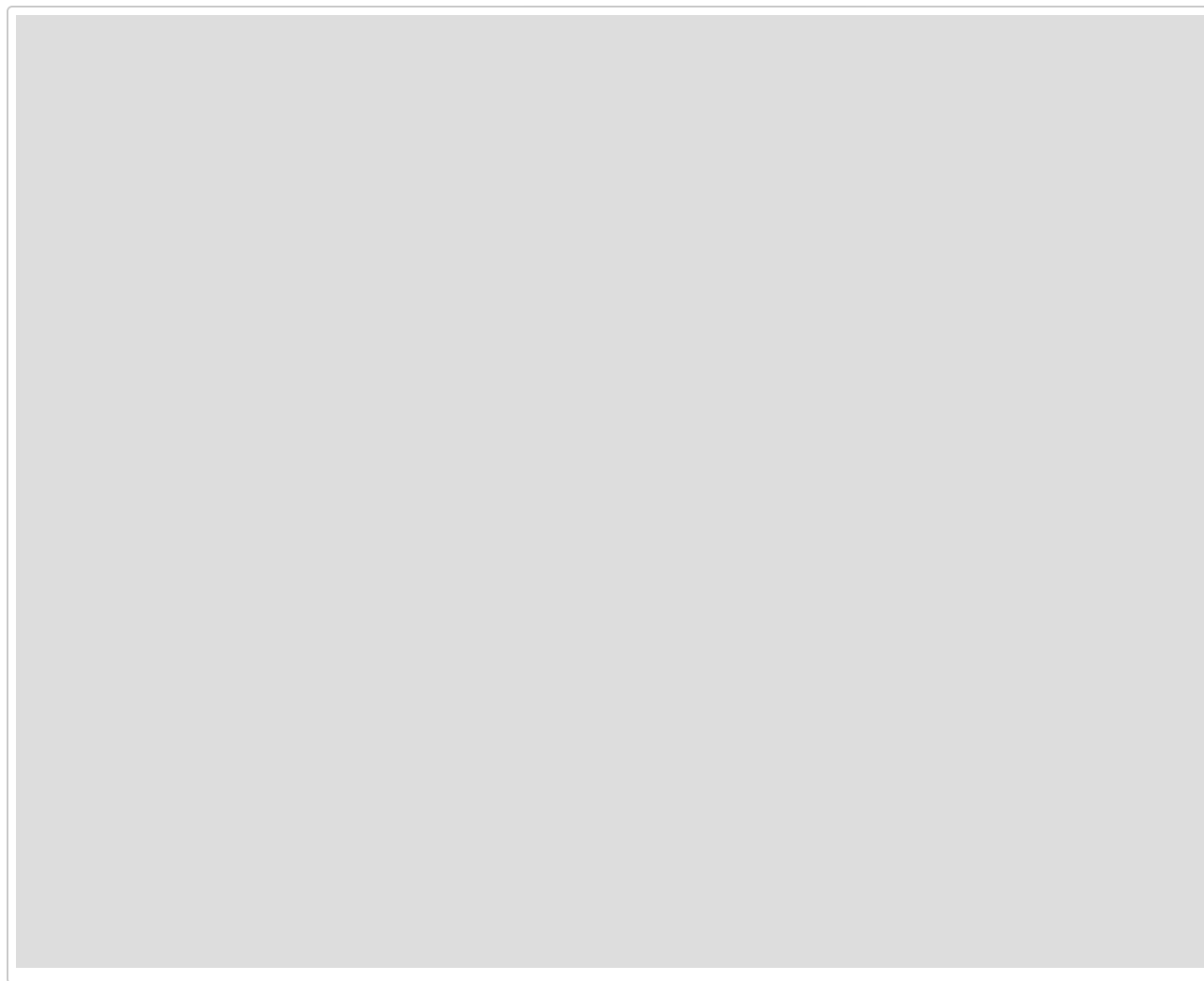
None

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(\*) Comments submitted after the posted Close Date/Time are not guaranteed to be considered in any final summary, analysis, reporting, or decision-making that takes place once this period lapses.

## FINAL VERSION TO BE SUBMITTED IF RATIFIED

[Please click here to download a copy of the PDF below.](#)



## FINAL DRAFT VERSION TO BE VOTED UPON BY THE ALAC

The ALAC very much appreciates the effort made by the ICANN Finance department to improve the budget development process, consequently allowing more interaction with the community and more time for the development process. Unfortunately, for FY14, the improved process wasn't followed due to changes in ICANN management and the subsequent new visions and new working methods. It was this transition between the old and the new vision that made the FY14 budget development process less satisfactory, particularly as the allotted time was not sufficient to prepare a budget framework that would permit another opportunity for community interaction.

Comparing the FY14 budget and the FY13 forecast, the ALAC notices that the ICANN operating activities have increased by \$16.251 million while revenues have only increased by \$11.739 million. This precedent may constitute a bad element for the future if it continues on the same trend.

The impact of internationalization on the FY14 Budget expenses (personnel, travel, professional services, and administration) increased by \$7.544 million as detailed in Slide 22, while the whole cost of internationalization (FY13 + FY14) is \$11.899 million as per Slide 28. The ALAC thinks that the internationalization of ICANN deserves this financial effort since it is one of the most important changes that will make ICANN more global and less contested.

The New gTLD applicant support contribution (\$138,000) is an expense for ICANN, not an income. The ALAC would appreciate an explanation as to why it is put on Slide 42 in the application fees to be received rather than in the expenses.

Regarding the New gTLD program, Slide 42 shows that the staff allocation cost doubled in the full program current estimation compared to the prior estimation of June 2012. The ALAC would like to know the reason for this huge increase.

On the other hand, the ALAC is concerned by the very low allocation for the ATRT2 professional service set in the spreadsheet to only \$37,800. This amount is insignificant compared to ATRT1 spent professional services.

The ALAC reiterates its regret that the community didn't have the opportunity to discuss the draft of the operating program and budget before this last public comment period, and understand that this was because of the transitional nature of this fiscal year. We hope that this situation will be avoided in the future.

## **FIRST DRAFT SUBMITTED**

The ALAC appreciates very much the effort made by the Finance department to improve the process of the budget development allowing more interaction with the community and more time for it. Unfortunately, for FY14, the process as improved wasn't followed due to change in the ICANN management bringing a new vision and new working methods. It is the transition between the old and the new vision that made FY14 budget development process less satisfactory especially because time was not sufficient to prepare a budget framework that would permit another opportunity for interaction with the community.

Comparing the FY14 budget and the FY13 forecast, the ALAC notices for the ICANN operating activities an increase of the expenses by \$16.251 million, while the revenues would increase by \$11.739 million only, which may constitute a bad element for the future if it continues on the same trend.

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The ALAC reiterates its regret that the community did not have the opportunity to discuss the draft of the operating program and budget before the last public comment period, but understands that this was because of the transitional nature of this fiscal year. We hope that this situation will be avoided in the future.