

Draft IANA FY23 Operating Plan and Budget

Internet Assigned Numbers Authority (IANA)
September 2021

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Introduction

The ICANN Bylaws require the organization to prepare and submit to the Board a proposed annual operating plan and budget for management and support of the [IANA functions](#). The IANA operating plan and budget (*IANA OP&B*) includes itemization of all costs for Public Technical Identifiers (PTI) to perform the IANA functions, direct costs for shared resources between ICANN and PTI, and support functions provided by ICANN to PTI and for the next fiscal year.

[PTI](#) is an affiliate of ICANN and, through [contracts and subcontracts](#) with ICANN, is responsible for the operations of the IANA functions. PTI has its own Bylaws that require the organization to develop an annual PTI Operating Plan and Budget (*PTI OP&B*) that is adopted by the PTI Board. The *PTI OP&B* includes all costs directly related to the delivery of the IANA functions: performing day-to-day operations, developing and evolving tools and systems, reporting on performance and customer satisfaction, and maintaining the security and integrity of key elements of Internet infrastructure. For FY23, the total *PTI OP&B* is \$9.8M.

Because the annual *IANA OP&B* comprises the full [PTI OP&B](#) as well as other costs associated with support and delivery of the IANA functions that are not performed directly by PTI, it is important that both documents are thoroughly reviewed during the Public Comment Process.

Planning Process Overview

The *FY23 IANA Operating Plan and Budget (FY23 IANA OP&B)* includes all of the services described in the [FY23 PTI OP&B](#) as well as activities related to the contract oversight and activities incurred by ICANN (see figure 1 below).

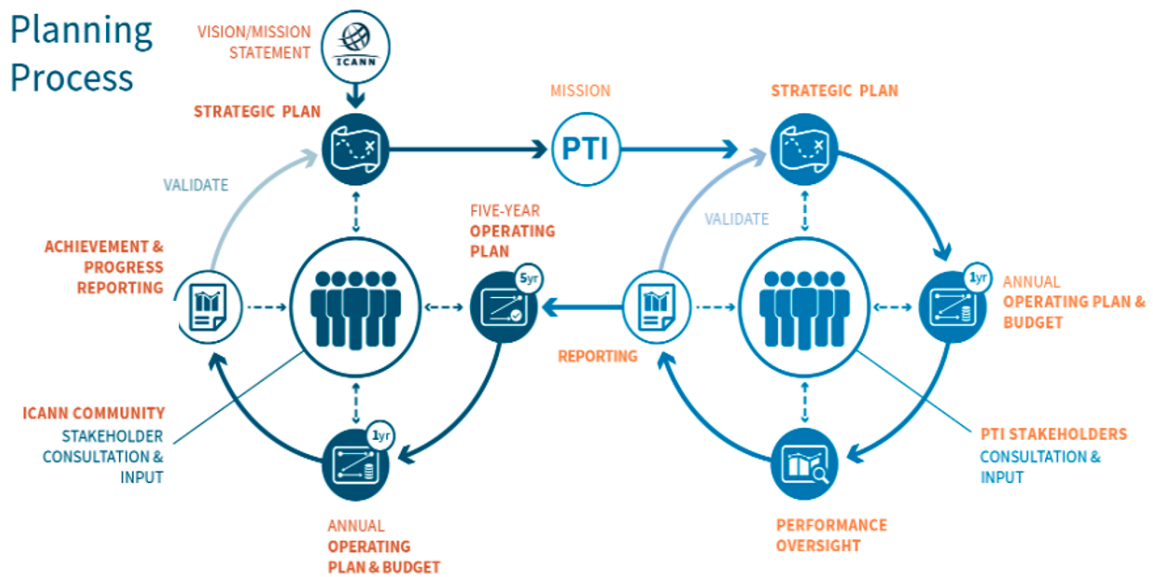


FIGURE 1 The IANA and ICANN Planning Process

The FY23 IANA OP&B is then incorporated into ICANN's FY23 Operating Plan and Budget, which is sent to the ICANN Board for review and consideration of adoption. See figure 2 below.

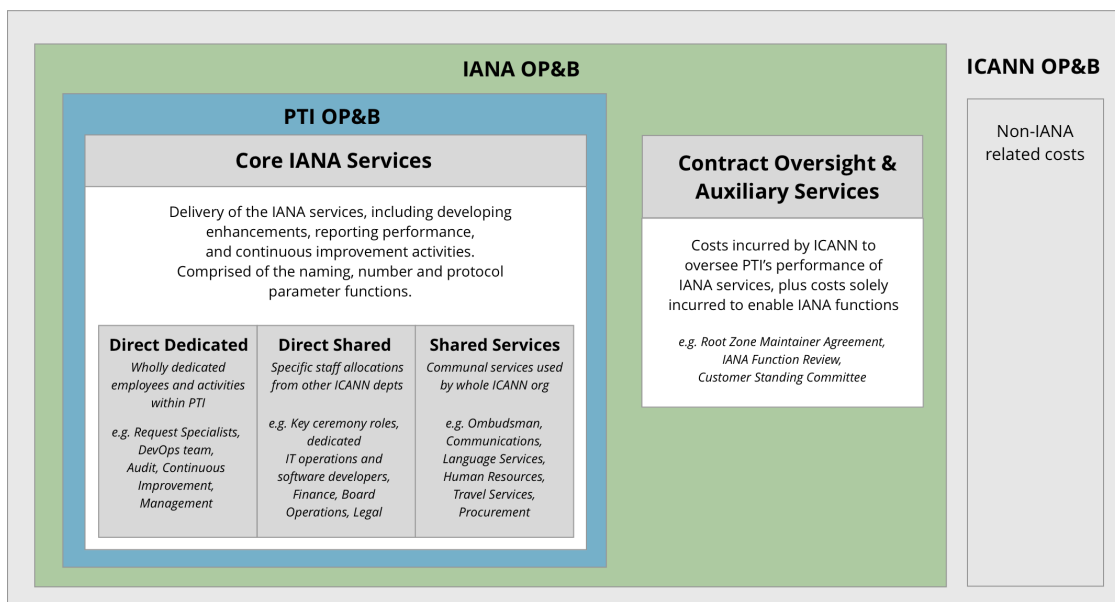


FIGURE 2 The PTI, IANA and ICANN Annual Operating Plan and Budgets

FY23 IANA Operating Plan and Budget

The services described in the [FY23 PTI OP&B](#) represent a very large component of the *FY23 IANA OP&B*. The other components are the services that are not borne directly by PTI in its role as the IANA functions operator. These services are performed by ICANN.

Scope of Work

The largest set of activities that are in scope for the *FY23 IANA OP&B* are laid out in the [FY23 PTI OP&B](#). Reviewing that plan is essential to understanding the *FY23 IANA OP&B* as it will detail the planned assumptions, the scope of work and the budget structure used to deliver the IANA functions.

The additional components of the *FY23 IANA OP&B* are IANA support activities that are performed by ICANN org and excluded from the *FY23 PTI OP&B*:

- Logistical support for community oversight groups like the Customer Standing Committee (CSC); review committees and teams such as the Root Zone Evolution Review Committee (RZERC), IANA Naming Functions Review (IFR) and the CSC Effectiveness Review.
- Costs relating to the Root Zone Maintainer Agreement
- Activities supporting the continued evolution of the root server system
- Support for policy development work that will have a direct impact on IANA service delivery

The total cost for the IANA support activities is \$0.6M.

Funding

PTI is the affiliate of ICANN that is responsible for the operations of the IANA functions. PTI invoices ICANN org every quarter for performing those functions. ICANN org, in accordance with its Bylaws, subcontracts with PTI to perform the IANA functions. ICANN org is committed to providing the funding of PTI for the IANA functions. ICANN org has a sustainable model of funding expected to generate approximately \$140 million per year, which allows ICANN org to confidently commit to the funding of PTI.

FY23 IANA Budget

The Draft FY23 IANA Budget is \$10.4 million, of which \$9.8 million is for performing the core IANA services and \$0.6 million is for IANA support activities (not performed by PTI). The FY23 PTI Budget is \$0.1M higher than the FY22 PTI Budget primarily due to an increase in personnel costs for inflation; partially offset by lower direct shared costs for depreciation on existing and new assets. The IANA support activities component is \$0.1M lower compared to the FY22 IANA Budget due to the mix of personnel support. Overall the services remain the same to the FY22 Budget.

The Personnel budget of 22 headcount includes current active staff for IANA. Additional headcount may be required in FY23 to support IANA but are not included in this budget to align with the organizational process for approving and budgeting for new positions. A certain amount of headcount turnover and growth is budgeted each year, but new positions are not allocated to the functional activities until they are hired. This rigorous process allows the organization to strategically evaluate each new hire, controlling headcount growth and ensuring proper allocation of resources. If IANA requires additional headcount in FY23, resources will be prioritized using this budgeting and approval process

Dollar figures are shown in millions of U.S. dollars with a granularity of \$100,000. Due to rounding, numbers presented may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures. An absence of an expenditure is shown with a dash.

The Draft FY23 PTI budget is \$9.8M, which is \$0.1M higher than the FY22 Budget.

FY23 PTI Budget in Millions, USD	FY23 Budget	FY22 Budget	Under/(Over)		FY21 Actuals	Under/(Over)	
			Total	%		Total	%
FUNDING	\$9.8	\$9.7	(\$0.1)	-1.1%	\$7.7	(\$2.1)	-27.7%
Personnel	\$6.3	\$6.1	(\$0.2)	-3.3%	\$5.7	(\$0.6)	-11.3%
Travel & Meetings	\$0.5	\$0.6	\$0.0	5.2%	\$0.0	(\$0.5)	-13991.5%
Professional Services	\$1.3	\$1.3	\$0.0	2.2%	\$0.8	(\$0.5)	-56.6%
Administration	\$0.9	\$0.9	\$0.0	-5.4%	\$1.0	\$0.1	5.4%
Contingency	\$0.5	\$0.5	\$0.0	0.0%	\$0.0	(\$0.5)	0.0%
Capital	\$0.3	\$0.3	\$0.0	0.0%	\$0.3	(\$0.1)	-22.1%

Depreciation	(a)	\$0.0	\$0.1	\$0.1	83.2%	\$0.0	\$0.0	-799.0%
TOTAL CASH EXPENSES		\$9.8	\$9.7	(\$0.1)	-1.1%	\$7.7	(\$2.1)	-27.7%
EXCESS/(DEFICIT)		\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	0.0%
Average Headcount (FTE)	(b)	22.0	22.0	0.0	0.0%	20.9	-1.1	-5.2%

(a) Depreciation is treated as a cash expense for PTI since it will be reimbursed to ICANN

(b) FTE: Full-time staff equivalent

FY23 IANA Budget in Millions, USD	FY23 IANA Draft Budget	FY22 IANA Adopted Budget	Under/(Over)		FY21 IANA Actuals	Under/(Over)	
			Total	%		Total	%
PTI Budget	\$9.8	\$9.7	(\$0.1)	-1.1%	\$7.7	(\$2.1)	-27.7%
IANA Support Activities (1)	\$0.6	\$0.6	\$0.1	8.8%	\$0.6	\$0.0	2.0%
TOTAL	\$10.4	\$10.3	(\$0.1)	-0.5%	\$8.3	(\$2.1)	-25.6%

(1) IANA Support Activities include the Root Zone Maintainer function, Customer Standing Committee, Root Zone Evolution Committee, and IANA Naming Function reviews.

Caretaker Budget

Under the ICANN Bylaws, after the ICANN Board approves the IANA budget and operating plan, the Empowered Community can raise concerns through a petition. If the IANA operating plan and budget has not come into full force and effect on or prior to the first date of any fiscal year of ICANN, the Board shall adopt a temporary budget, the Caretaker IANA Budget, which shall be effective until such time as the IANA budget has been effectively approved by the ICANN Board and not rejected by the Empowered Community.

Appendix

FY23 PTI Operating Plan and Budget

The *FY23 PTI Operating Plan and Budget* represents the majority of the *FY23 IANA OP&B* scope. The total PTI OP&B for fiscal year 23 is \$9.8M. The draft *FY23 PTI Operating Plan and Budget* can be reviewed [here](#).



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