

Public Technical Identifiers (PTI) FY20 Financial Report

Twelve Months Ending June 30, 2020

FINANCIAL HIGHLIGHTS – PTI OPERATIONS (UNAUDITED)

June 2020 Year to Date (12 months) Actuals vs. Budget

PTI Operations in Millions, USD	FY20 12 Months Through June 2020		Under/(Over) Budget		FY19 - 12 Months
	Actual	Budget	Total	%	Actual
FUNDING	\$7.5	\$10.0	\$2.5	25%	\$7.9
Personnel	\$4.9	\$5.9	\$1.0	18%	\$4.9
Travel & Meetings	\$0.2	\$0.5	\$0.4	67%	\$0.5
Professional Services	\$0.9	\$1.5	\$0.6	42%	\$1.2
Administration	\$1.2	\$1.2	(\$0.1)	-5%	\$0.9
Contingency	\$0.0	\$0.5	\$0.5	100%	\$0.0
Capital	\$0.3	\$0.1	(\$0.2)	-154%	\$0.3
Depreciation (a)	\$0.0	\$0.3	\$0.3	99%	\$0.1
TOTAL CASH EXPENSES	\$7.5	\$10.0	\$2.5	25%	\$7.9
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0	0%	\$0.0
Average Headcount	19.9	22.5	2.6	11%	21.0

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

PTI Operations in Millions, USD	FY20 12 Months Through June 2020		Under/(Over) Budget		FY19 - 12 Months
	Actual	Budget	Total	%	Actual
Direct Dedicated	\$3.6	\$4.7	\$1.1	24%	\$3.6
Direct Shared	\$1.9	\$2.2	\$0.3	15%	\$2.4
Shared Services	\$2.0	\$3.1	\$1.1	35%	\$1.9
TOTAL CASH EXPENSES	\$7.5	\$10.0	\$2.5	25%	\$7.9

PTI Operations has Funding and Cash Expenses lower than budget by \$2.5M.

PTI is funded by ICANN where ICANN subcontracts with PTI to perform the IANA Functions. Since Expenses are lower than budget, the Funding from ICANN is also lower by the same amount.

Expenses are lower than budget by \$2.5M driven by lower than planned Personnel, Travel & Meetings, and Professional Services, partially offset by higher than planned Administration and Capital expenses. Travel and Meetings expenses are lower than budget due to travel restrictions resulting from the Covid-19 pandemic.

Direct Dedicated expenses are lower than budget \$1.1M driven by lower personnel expenses \$0.4M due to the timing of hiring 2 open budgeted positions and lower Travel and Meeting expenses \$0.2M due to Covid-19 travel restrictions. In addition, contingency is under budget \$0.5M since no requests for usage of contingency

have arisen. The lower expenses are partially offset by higher Capital expenses of (\$0.2M) due to the timing of the work on the RZMSv3 project.

Direct Shared expenses are \$0.3M under budget due to lower depreciation costs on assets than planned.

Shared Services expenses are \$1.1M under budget driven by lower Personnel headcount in ICANN org as well as decreased Travel and Meetings and Professional Services due to the Covid-19 pandemic.

FINANCIAL HIGHLIGHTS – IANA Services OPERATIONS (UNAUDITED)

June 2020 Year to Date (12 months) Actuals vs. Budget

IANA Services in Millions, USD	FY20 12 Months Through June 2020		Under/(Over) Budget		FY19 - 12 Months
	Actual	Budget	Total	%	Actual
PTI Operations	\$7.5	\$10.0	\$2.5	25%	\$7.9
IANA Department - ICANN Fun (a)	\$0.5	\$0.7	\$0.2	25%	\$0.4
TOTAL	\$8.0	\$10.7	\$2.7	25%	\$8.3
Average Headcount	19.9	22.5	2.6	11%	21.0

(a) IANA Department Expense consists of the RZMA = Root Zone Maintainer Agreement and capital expense, both funded directly by ICANN Operations

Total IANA Services expense of \$8.0M is lower than budget of \$10.7M by \$2.7M. This favorability is attributed to a favorable variance for PTI Operations noted above. The ICANN-funded IANA expenses, representing costs for RZMA, Customer Standing Committee, and IANA Functions Review support are lower than budget due to RZMA re-work and development costs that were not necessary.

APPENDIX

FY20 PTI Operations by Cost Group – Year to Date June 2020 (12 months)

Direct Dedicated

PTI Operations in Millions, USD	FY20 Actual Direct Dedicated	FY20 Budget Direct Dedicated	Under/(Over) Budget Direct Dedicated	
			Total	%
FUNDING	\$3.6	\$4.7	\$1.1	23.6%
Personnel	\$2.8	\$3.3	\$0.4	13.4%
Travel & Meetings	\$0.1	\$0.3	\$0.2	65.0%
Professional Services	\$0.3	\$0.5	\$0.1	33.0%
Administration	\$0.1	\$0.1	\$0.0	33.1%
Contingency	\$0.0	\$0.5	\$0.5	100.0%
Capital	\$0.3	\$0.1	(\$0.2)	-154.5%
Depreciation (a)	\$0.0	\$0.0	\$0.0	0.0%
TOTAL CASH EXPENSES	\$3.6	\$4.7	\$1.1	23.6%
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0	0.0%
Average Headcount	15.8	18.0	2.2	12.0%

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

Direct Shared

PTI Operations in Millions, USD	FY20 Actual Direct Shared	FY20 Budget Direct Shared	Under/(Over) Budget Direct Shared	
			Total	%
FUNDING	\$1.9	\$2.2	\$0.3	14.5%
Personnel	\$0.8	\$0.9	\$0.1	13.9%
Travel & Meetings	\$0.0	\$0.1	\$0.0	55.0%
Professional Services	\$0.3	\$0.3	\$0.0	11.8%
Administration	\$0.8	\$0.6	(\$0.2)	-26.6%
Contingency	\$0.0	\$0.0	\$0.0	0.0%
Capital	\$0.0	\$0.0	\$0.0	0.0%
Depreciation (a)	\$0.0	\$0.3	\$0.3	99.3%
TOTAL CASH EXPENSES	\$1.9	\$2.2	\$0.3	14.5%
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0	0.0%
Average Headcount	4.1	4.5	0.4	9.2%

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

Shared Services

PTI Operations in Millions, USD	FY20 Actual Shared Services	FY20 Budget Shared Services	Under/(Over) Budget Shared Services	
			Total	%
FUNDING	\$2.0	\$3.1	\$1.1	35.4%
Personnel	\$1.3	\$1.7	\$0.5	27.3%
Travel & Meetings	\$0.0	\$0.1	\$0.1	79.9%
Professional Services	\$0.3	\$0.7	\$0.4	61.6%
Administration	\$0.4	\$0.5	\$0.1	13.7%
Contingency	\$0.0	\$0.0	\$0.0	0.0%
Capital	\$0.0	\$0.0	\$0.0	0.0%
Depreciation (a)	\$0.0	\$0.0	\$0.0	0.0%
TOTAL CASH EXPENSES	\$2.0	\$3.1	\$1.1	35.4%
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0	0.0%
Average Headcount	0.0	0.0	0.0	0.0%

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

FY20 PTI Operations by Services – Year to Date June 2020 (12 months)

PTI Operations In Millions, USD	FY20 Actual			
	Names	Numbers	Protocol Parameters	FY20 Actuals
Direct costs / Dedicated resources	2.1	0.5	0.9	3.6
Direct costs / Shared resources	1.1	0.3	0.5	1.9
Support Services Allocations	1.2	0.3	0.5	2.0
Total	\$4.4	\$1.1	\$1.9	\$7.5

PTI Operations In Millions, USD	FY20 Budget			
	Names	Numbers	Protocol Parameters	FY20 Budget
Direct costs / Dedicated resources	2.8	0.7	1.2	4.7
Direct costs / Shared resources	1.3	0.3	0.6	2.2
Support Services Allocations	1.8	0.5	0.8	3.1
Total	\$5.9	\$1.5	\$2.6	\$10.0

PTI Operations In Millions, USD	Under/(Over) Budget			
	Names	Numbers	Protocol Parameters	Total
Direct costs / Dedicated resources	0.7	0.2	0.3	1.1
Direct costs / Shared resources	0.2	0.0	0.1	0.3
Support Services Allocations	0.6	0.2	0.3	1.1
Total	\$1.5	\$0.4	\$0.7	\$2.5