Staff Report of Public Comment Proceeding

Draft ICANN FY17 Operating Plan and Budget and Five-Year Operating Plan Update	
Publication Date:	6 June 2016
Prepared By:	Xavier Calvez

Comment Period:				Important Information Links
Open Date:		5 March 2016		[Announcement](#)
Close Date:		30 April 2016		[Public Comment Box](#)
Staff Report Due Date:		6 June 2016		[View Comments Submitted](#)

Staff Contact:	Xavier Calvez	**Email:**	controller@icann.org

Section I: General Overview and Next Steps

ICANN's strategic plan for Fiscal Years 2016–2020 was developed through a bottom-up, community-led process and adopted by ICANN's Board of Directors in October 2014. The strategic plan underpins ICANN's Five-Year Operating Plan, which was developed with community input. It includes strategic goals with corresponding key performance indicators, dependencies, five-year phasing, and list of portfolios; and a five-year financial model. The Board adopted the initial FY16–20 Five-Year Operating Plan in April 2016. ICANN updates it each year to reflect what has been achieved and to refine planning for future years. The Five-Year Operating Plan is accompanied by a Fiscal Year Operating Plan and Budget for the coming fiscal year.

ICANN published the FY17 draft update to its Five-Year Operating Plan, along with the draft FY17 Operating Plan and Budget, on 5 March 2016. ICANN also published a budget breakdown by both project and portfolio. These documents were presented at the ICANN 55 meeting in Marrakech at the start of a 57-day public comment period. We published more supporting documents during the public comment period. These included translations of the FY17 Operating Plan and Budget, and the publication of extra details on the 15 projects with the largest budgets.

During the public comment period, ICANN received several questions from different people and organizations, seeking clarification on aspects of the draft plans. Responses were prepared and posted to the public comment period.

Comments were received from nine community groups and two individuals. The comments received were more detailed than in previous years and when segmented by theme, amounted to 153 specific comments on 15

different topics. This is a significant growth – approximately 80 percent – on the feedback on the draft plans for FY16.

After the public comment period, ICANN held calls with community members to improve its understanding of the comments received and to improve the quality of the response. Six public calls were held with the groups and individuals. These calls helped ICANN develop better responses and identify changes to make to the draft plans.

The updated Five-Year Operating Plan, and FY17 Operating Plan and Budget, will be presented to the ICANN Board for adoption towards the end of June 2016.

ICANN uses the comments and other feedback provided on its draft planning documents each year to identify areas of strength and areas where improvements are needed. They help us identify specific changes to the next year's planning process. This is a part of ICANN's commitment to continuous improvement.

Section II: Contributors

When this report was prepared, a total of 12 community submissions had been posted to the forum. The contributors are listed below in chronological order by posting date with initials noted. When quotations are used in the narrative (Section III) they reference the contributor using initials.

Organizations and Groups:

Name	Submitted by	Initials
Root Server System Advisory Committee	Tripti Sinha	RSSAC
Country Code Names Supporting Organization Strategy and Operating Plan Working Group	Giovanni Seppia	ccNSO-SOP
Registry Stakeholder Group	Stephane Van Gelder	RySG
Government Advisory Committee	Thomas Schneider	GAC
At-Large Advisory Committee	Alan Greenberg	ALAC
Generic Names Supporting Organization	James Bladel	GNSO
Business Constituency	Steve DelBianco	BC
Internet Services Provider and Connectivity Provider Constituency	Wolf-Ulrich Knoben	ISPCP
Intellectual Property Constituency	Greg Shatan	IPC

Individuals:

Name	Affiliation (if provided)	Initials
Chuck Gomes	Personal comments	CG
Tom Barrett	EnCirca	TB

Section III: Summary of Comments

> *General Disclaimer*: *This section is intended to broadly and comprehensively summarize the comments submitted to the forum, but not to address every specific position stated by every contributor. Readers interested in specific aspects of any of the summarized comments, or the full context of others, should refer to the specific contributions at the link referenced in the Important Information Links box.*

ICANN segmented comments thematically, and not based on the group or individual submitting them, to gain a better understanding of the comments and to help community members reading this report. The comment themes are listed here in alphabetical order and the analysis section provides a high-level assessment of the observations, questions, and requests. Responses to individual comments are provided in the tables at the end of this report.

The specific comments and ICANN's responses will also be published as an Excel spreadsheet, to better enable structured analysis by the community.

- Budget Development Process
- Communications and Engagement
- Contractual Compliance
- Financial Management
- GDD Operations and gTLDs
- Global Public Interest Framework
- IANA Stewardship Transition
- ICANN Operations
- IT Projects
- KPI Definition and Structure
- Multistakeholder Engagement
- People Development
- Policy Development

- Technical Engagement
- Travel Funding
- WHOIS

Section IV: Analysis of Comments

> *General Disclaimer: This section provides an analysis and evaluation of the comments received along with explanations or any recommendations provided within the analysis.*

A large proportion of the comments received were requests for clarification. The content of a smaller proportion of the comments suggests a lack of community awareness of some aspects of the strategic plan that these operating plans are built on.

Budget Development Process
There was considerable satisfaction with the way the process is managed, with several good practices noted, including:

- the use of the Ad Hoc planning working sessions
- continuity of document structure from last year
- the two-month public comment period
- calls with the community.

There were also calls for improvements, including:

- a consistent level of detail in plans from different parts of the organization
- more delineation between the operating plan and budget
- more clarity on Key Performance Indicators
- tables showing the differences in spending between previous and planned years.

The percentage change between years will be included in the final FY17 documents. Other changes will be included in the lessons learned analysis, so that improvements can be identified for next year.

Communications and Engagement

There were several comments regarding the scope and cost of communications and engagement activities. These included the languages supported by the Language Services Team and the distinction from Government Engagement. The descriptions for several portfolios will be expanded.

Contractual Compliance

There were a number of comments about the alignment of Contractual Compliance activities and the terms of the registry and registrar contracts. There were requests for more reporting on Contractual Compliance activities. There was also a correspondence on some of the comments relating to Contractual Compliance and these messages have been included in the full responses.

Financial Management

There were comments on different aspects of the ways ICANN manages finances. These included:

- controls
- the reserve fund
- budgeting for multiyear projects
- the new ERP system.

ICANN will be engaging with the community on these issues throughout FY17.

GDD Operations and gTLDs

Some requested clarification of the descriptions for several Global Domains Divisions (GDD) Operations and gTLD related portfolios. These portfolio descriptions will be improved, with some activities being consolidated under a single portfolio where they had originally been distributed between two.

Global Public Interest Framework

Some comments suggested a lack of familiarity with the community-led bottom-up process used to develop the strategic plan, and define this objective. There were comments about the objective itself and activities within its component goals, including:

- legal support
- AoC and organizational reviews
- empowering stakeholders.

Several portfolio descriptions will be expanded with additional detail.

IANA Stewardship Transition
A significant proportion of the comments focused on the organizational and budgetary impact of the IANA Stewardship Transition implementation. There is now more detail than was available when the draft FY17 plans were published in March. This section of the FY17 Operating Plan and Budget will be significantly updated to reflect the work that has been conducted with the community during March, April and May 2016.

ICANN Operations
There were comments and request for clarification on issues, including:

- ICANN's office locations
- staffing and remuneration policies
- tools.

We have provided explanations for all these comments.

IT Projects
There was a request for clarification over the goal to raise the reliability of ICANN's top-tier IT services to 99.999%. There was also a request for an improved sign-up service and its work will be accommodated through already budgeted activities.

KPI Definition and Structure
There were several requests for KPIs to be refined and for more information about how KPIs are measured. The development and refinement of KPIs is an ongoing process and a part of ICANN's commitment to continuous improvement. These comments will be considered as we work to improve the KPIs we use to define and measure success.

Multistakeholder Engagement
There were comments and questions about the nature of and reason for ICANN's work in multistakeholder engagement. We will expand some of the portfolio descriptions to provide more clarity in the final FY17 documents.

People Development
There were comments about ICANN's development activities for staff and the community. There were also concerns that ICANN needs to retain technical skill for the security needs of its own network and services and for

the benefit of the community. We have explained the development activities and will be making some clarifications in the final planning documents. We will be retaining the technical skills needed for ICANN's own network and the community.

Policy Development
Comments related to the way that policy development work is funded and supported. We plan to improve support in FY17 and we will look at making pilot programs a part of the core budget.

Technical Engagement
Some sought clarification on ICANN's role in IPv6 deployment and universal acceptance of TLDs, and support for ICANN's planned SSR activities. We have explained the reason for ICANN's role in these activities and clarified what work is planned.

Travel Funding
There were six requests for extra travel funding and a request for a multi-year approach to planning for At-Large travel funding. ICANN is able to accommodate some of these requests and will work with ALAC on implementing its multiyear planning process.

WHOIS
There were two comments requesting clarification of why there are two portfolios addressing WHOIS. The portfolios focus on different work themes, so we will improve the wording in the portfolio descriptions to make this clearer.

Public Comment Categories – Table of Contents

Budget Development Process

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to the Budget Development Process and ICANN's responses to them, along with whether a change will be made in the final documents.		
1.	We would like to acknowledge once more the improvements made in the plan's presentation and structure compared to previous years, and we appreciate that many of the working group's comments have been taken on board over the past years. We recommend the current format be used in future, to enable easier comparison of the budget and plan against previous years. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Thank you. We agree that being able to make year-on-year comparisons is useful and plan to continue with the same structure and format. **Changes to be made in final FY17 planning documents** None
2.	When reading the entire plan, we noticed a lack of consistency throughout, due to certain goals and activities being seemingly much better designed and defined, while others are only described at high level and hardly fit into an Operating Plan. We understand that the ICANN Finance department is collecting the information on the basis of the financial data, and would appreciate the opportunity to meet with the various departments' heads in the future to have a better overview about the way these departments are structuring their activities. However, we reiterate the importance of having internal guidelines for collecting information that is consistent from both a content (qualitatively and quantitatively) and style perspective. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Thank you for your comment. We acknowledge that the level of detail provided across the plan varied and appreciate that this is an area for improvement for future years. ICANN is committed to a program of continuous improvement and uses the EFQM Excellence Model to review and refine the way it works. A key part of this is the development and refinement of KPIs, which help us refine our approaches. As described below, we will be publishing updated KPIs during FY17, and we anticipate these helping us to improve the plans we present for FY18. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
3.	At the level of resource utilisation, it would be useful to see percentage changes, and not just total increase or decrease numbers from one year to another. We are also unable to see financial figures related to ICANN´s staff evaluation. Moreover, we notice considerable amounts for new hiring and wage increase. An explanation for this considerable increase will be highly appreciated. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The percentage change calculations will be added to the final FY17 Operating Plan and Budget document. Information related to the increase in baseline personnel costs can be found in section 3.3 of the draft FY17 Operating Plan and Budget. Baseline personnel costs will increase in FY17 because the 45 employees hired in FY16 will work a full year in FY17 but worked a partial year in FY16. We also plan to hire 18.5 Full-Time Equivalents (FTEs) in FY17. This number is partly offset by attrition (voluntary and involuntary terminations). A detailed breakdown of the headcount increase by area can be found in section 3.1 of the draft FY17 Operating Plan and Budget. ICANN has a structured performance evaluation process. ICANN's HR department manages the process internally. All costs for the process are included within portfolio 3.3.1 (Talent Management), which has a $1.1 million budget and is described on page 53 of the Draft FY17 Operating Plan and Budget. ICANN's performance management process aligns staff goals with the goals defined in ICANN's strategic and operating plans. These are set and measured twice a year, using a structured system that considers both what and how results are achieved. **Changes to be made in final FY17 planning documents** The percentage change will be added to the final FY17 Operating Plan and Budget document.

#	Comment	Contributor	Response / Action Taken
4.	Considering that FY17 also represents a year of ICANN´s CEO transition and of changes to the ICANN bylaws that imply some rewording of the ICANN's mission, the working group would like to understand if a possible goal re-prioritisation has been factored into the plan. At the same time, the working group wishes the Plan had enough flexibility to adjust to the new scenarios that may result from the aforementioned elements. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The plan developed is based on the goals as currently defined. If leadership changes result in re-prioritization, revisions to the planning process will be reviewed and revised. **Changes to be made in final FY17 planning documents** None
5.	As in past comments, last but not least, we would like to underline once more the need to include more timeframes for the various activities to be developed, in order to both facilitate their monitoring by ICANN's administrative staff, and to increase transparency for the community ICANN should be serving. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN has been developing KPIs that measure performance against time and other criteria, and these are published on the ICANN KPI Dashboard. The Dashboard and the KPIs on it are systematically reviewed by staff and through Public Comment processes. Improved KPIs will be published in FY17 as a result of these systematic reviews. **Changes to be made in final FY17 planning documents** None
6.	We want to first of all express our sincere appreciation for two things related to the Plan: 1) It was posted for public comment with nearly two full months allowed for review and comment; 2) it contains expense detail down to the project level. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your comment. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
7.	It was our understanding from the ICANN Finance Team that additional cost detail was supposed to be provided by the end of March for projects having a value of at least $1.5M. But as far as we are aware, this never happened. If we missed it, please point us to it. If it was not done, please explain why and inform us when it will happen. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** This information was published in Excel and PDF formats and linked from the main public comment page. **Changes to be made in final FY17 planning documents** None
8.	The description of Portfolio 2.3.3 (GDD Technical Services) says: "Projects to enhance systems, services and technical subject matter expertise related to a safe, secure, and reliable operation of the DNS". We note that this portfolio contains two projects: 26015 - GTLD Technical Compliance Monitoring; and 122002 - Ongoing Operations and Policy Research Administration - FY17. This is a good example of the helpfulness of the project level detail provided in the Microsoft Excel and PDF files. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you. We are glad you found it helpful. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
9.	The description of Portfolio 3.1.5 (Support Operations) says: "Various programs and projects that support functional operations. This description is terribly inadequate for a $22.1M portfolio. This is definitely a case where the projects spreadsheet is very useful but we still think that a little more detail should be provided in the description, possibly by listing the key elements of the 8 projects for which funds are budgeted: hub offices, staff morale & awards, HR operations, talent acquisition, L.A. Office construction, CEO Office Management, & Meetings Team. We have not seen yet but are expecting additional cost detail for the two projects that have expenses of $1.5M or more: 124942 - FY17 Office of the CEO Management; 126421 - FY2017 Meetings Team Ongoing Operations and Coordination. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you. We will update the portfolio description in the final version. **Changes to be made in final FY17 planning documents** Include a brief summary of project objectives in the portfolio description for 3.1.5 (Support Operations).
10.	The At-Large Advisory Committee (ALAC) reviewed the draft FY17 Operating Plan & Budget, and found it generally well done, with more clarity compared to the ones in previous years. We especially appreciate the planning process that has evolved year over year. We do hope that for the upcoming years, there will be more interaction with the community at all steps of the operating plan and budget development. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf0WDqyS9Oxn.pdf	ALAC	**Response** Thank you. The community led the development of ICANN's strategy and was consulted on the initial Five-Year Operating Plan. We consult with the community on the update to the Five-Year Operating Plan update each year when we develop the Fiscal Year Operating Plan and Budget. We also involve the community in the planning process at face-to-face meetings at ICANN meetings and through the community-finance mailing list and will continue to do so. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
11.	Regarding the item "Community Support Request" in section 3.1, there is no figures provided in the FY16 Forecast section, as they have been allocated to the expense categories based on the nature of the request. Since the table is intended to provide a side-by-side comparison between the FY16 Forecast and the FY17 Draft Budget (estimated at $0.6M for "Community Support Requests"), it would be better to include the FY16 figures in the table for the comparison purpose. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf0WDqyS9Oxn.pdf	ALAC	**Response** Thank you for your comment. ICANN will consider incorporating this change in the FY18 draft documents. In addition, we will also consider publishing actual data on Community Support Request spend on the Community Wiki on a quarterly basis. **Changes to be made in final FY17 planning documents** None
12.	Regarding the new gTLD Program variance analysis in section 5.3, we may notice that for FY14, the prior estimated revenues (March 2015) are different from the current estimated ones (February 2016). Since FY14 ended on 30 June 2014, much earlier than March 2015, the actual revenues should be available now. Hence, those figures should be replaced by the actual amount, like what is done for FY12 and FY13. If, for whatever reason, the revenue for a year long past is still changing, it should be explained. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf0WDqyS9Oxn.pdf	ALAC	**Response** The variance between the two estimates is due to the timing between when the data analysis was prepared and when it was published. The March 2015 estimate included forecasts for the remainder of FY14. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
13.	As for the "Support Operations", which is defined as the various programs and projects that support functional operations, the ALAC would like to see these programs and projects in detail especially because their cost is quite significant ($22.1M). See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf0WDqyS9Oxn.pdf	ALAC	**Response** The project detail for the Support Operations portfolio was published in [PDF] and [Excel] formats. The portfolio contains the following activities: • ICANN Meetings costs (excluding constituent travel) $8.0M • Facilities costs for ICANN's HUB and engagement offices $7.8M • Support Function (Operations, Administration, Human Resources, Talent Management, Travel Services and Meetings Team Operations) activities $4.4M • Office of the CEO personnel, travel and other costs $2.0M **Changes to be made in final FY17 planning documents** None
14.	Two tables in the document show year-to-year changes not only in absolute numbers but as percentages (section 3.2, page 14 and appendix C, page 79). We suggest that all year-to-year tables and tables showing predicted vs actual figures should include percentages in addition to the absolute values. Percentages make it far easier to recognize and home in on major variations, and it is often these on which we need to focus our attention. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf0WDqyS9Oxn.pdf	ALAC	**Response** Thank you. We will make appropriate changes in the final documents. **Changes to be made in final FY17 planning documents** The percentage change calculation will be added to the final FY17 Operating Plan and Budget document.
15.	Comparability between FY16 Forecast and FY17 Draft re ICANN Operations is welcomed (p.10ff). We would however appreciate a similar comparison to be made available for the various portfolios described in chapter 7 (p. 35ff). See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfDDPStS7Wt1.pdf	ISPCP	**Response** Work to develop forecasts by project and portfolio is ongoing. We are planning a long-term project. This project will evaluate the staff and systems resources for forecasting costs by project. This means we cannot provide forecast by project and portfolio for comparison purposes yet. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
16.	As for the process of FY17 Budget review, the GNSO Council notes that significant improvements that have been made over the last few years with ICANN providing increased transparency and detail in both the budget and operating plans. We thank ICANN for their efforts in this regard. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** Thank you. We are glad you found it helpful. **Changes to be made in final FY17 planning documents** None

| 17. | We note the proposed increased responsibility going forward of the community, and specifically of this Council and Supporting Organization, for budgetary matters as contained in the 2 April 2016 draft Bylaws proposal. This is particularly illustrated by sections 22.4 (budget) and 22.5 (operating proposals) and by Annex D, articles 2.1 (f) and 2.1(c) and Annex E of said proposal. The empowered community will now have the power to reject budgets and operating plans once these have been proposed by ICANN.

In light of increasing community responsibility for the budget it is our view that there are still further transparency enhancements that need be implemented going forward so that we may properly discharge our new responsibilities in an informed fashion. As such it would be extremely helpful if in future years ICANN would provide:

• A comparative spreadsheet listing line item amounts budgeted not only for the coming year, but also for the current fiscal year's budget, as well as, executed funds to date and/or projected, along with enumeration of the percentage difference in funding for particular line items between budget years.
• Expenditure breakdowns of particular ICANN divisions, so as to have a better understanding of all expenditures related to the policy process, which may be part of other areas (for example, one place to find the total budgeted amount for ICANN Legal across all mission areas),
• Concrete examples of budgeted items and more granularities letting the community know where and how funds are being spent in specific terms. For example, ICANN funded a portion of the Institute of Internet Diplomacy at the University of Southern | GNSO | **Response**
We agree that providing more information in the published documents could enhance transparency and accountability. It is also needed to enable the community to perform its responsibilities under the new Bylaws.

We are particularly grateful to the community members, who continue to provide valuable input on how to improve the quality and quantity of information in the Operating Plan and Budget documents. This input is supporting us in assessing how the community input can be incorporated into the process.

Regarding to the specific recommendations of the GNSO:

Work to develop forecasts by project and portfolio is ongoing. We are currently planning a long-term project. This project will evaluate the staff and systems resources needed to forecast costs by project. This means we cannot provide forecasts by project and portfolio for comparison purposes yet.

• Work to develop a budget by function is ongoing. This is a long-term project that requires ICANN, with community input, to define the ICANN functions. Once these functions are defined we will develop a process to develop a budget by function and capture, analyze and report actuals by function.
• We provide budget details by project and cost category for over 300 projects in the Operating Plan and Budget documents. More detail on specific line items budgeted is available but we believe we should continue to provide this information during the public comments process rather than included in the Operating Plan and Budget documents.
• The portion of the Institute of Internet Diplomacy at the University of Southern California that ICANN funded in FY16 was budgeted under goal 5.3 (Empower current and new stakeholders to fully participate in ICANN activities). |

#	Comment	Contributor	Response / Action Taken
	California. It is not clear where that expenditure would appear in the budget. • FTE numbers should also be presented at a project line level rather solely at the portfolio level. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf		• We present FTE at the portfolio level to avoid breaching the confidentiality of individual staff members' compensation information. This could occur if the information is presented at the project level. **Changes to be made in final FY17 planning documents** None
18.	The publication of the ICANN budget overlaps with the most intense period of the NomCom cycle, which ends at the conclusion of the June ICANN meeting. Thus, the NomCom is not able to provide any specific budget guidance at this time for next year's NomCom cycle. I would recommend that ICANN provide the current NomCom this opportunity well in advance of the next AGM meeting, when the new NomCom cycle begins. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfPv8XPcaChF.pdf	Tom Barrett	**Response** As each NomCom starts after the current fiscal year begins, the newly convened NomCom is not able to provide input to the budget process for their one-year term. NomCom support staff will work with the NomCom Leadership team to review and recommend amending NomCom processes as necessary in support of the NomCom annual budget process. **Changes to be made in final FY17 planning documents** None. However, staff will cooperate with NomCom leadership on a process review.
19.	For the next budget cycle, I recommend that the annual process used by ICANN to generate the NomCom budget, change to include soliciting input from the existing NomCom members, before the NomCom begins its spring ritual of evaluating candidates and prior to submitting the budget for public comment, in order to properly consider suggestions for improving the effectiveness of the NomCom process and systems. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfPv8XPcaChF.pdf	Tom Barrett	**Response** As each NomCom starts after the current fiscal year begins, the newly convened NomCom is not able to provide input to the budget process for their one-year term. NomCom support staff will work with the NomCom Leadership team to review and recommend amending NomCom processes as necessary in support of the NomCom annual budget process. **Changes to be made in final FY17 planning documents** None. However, staff will cooperate with NomCom leadership on a process review.

| 20. | While the Ad Hoc Finance Committee is a useful mechanism, the BC recommends that scheduling of the Committee's face to face meeting during ICANN meetings be further enhanced, even considering organizing during week end before, or the Friday after, to enable more consistent attendance and focused discussions, at least once a cycle.

See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf | BC | **Response**
Thank you for the positive comment on the usefulness of the community Ad Hoc planning working sessions. It is not a committee with an established membership. Instead, this working group is open to anyone interested in understanding and contributing to the ICANN planning process, including the strategic and operating plans and the budget.

Meetings of the working group have occurred at ICANN Public Meetings venues, most often at the end of the Sunday before the opening Monday of the ICANN Public Meeting. This scheduling was based on input received from a few community members.

The objective is to maximize the participation to the working group by scheduling its meeting with the fewest schedule conflicts possible.

The time with the highest possible participation and lowest incidence of scheduling conflict has been Sunday evening. Many community members arrive before the opening day so that they can attend meetings during the weekend and this maximizes participation. The working group is also scheduled at the very end of the day, after most afternoon meetings have ended, reducing the opportunity for scheduling conflicts. Conflicts may still occur despite this scheduling approach.

To identify all practical options, we suggest that interested community members propose possible days and times to controller@icann.org with "Ad Hoc WG schedule" in the subject line. Staff will then send a Doodle poll with several scheduling options to the community-finance@icann.org list.

If interested community members are not already subscribed to this mailing list, please send an email requesting to be added to controller@icann.org. There are no conditions or requirements to participate to this list

Changes to be made in final FY17 planning documents
None |

#	Comment	Contributor	Response / Action Taken
21.	The Intellectual Property Constituency (IPC) of the GNSO is pleased to submit comments on the Draft ICANN FY Operating Plan & Budget and Five-Year Operating Plan Update. We note the challenges of translating the complexity of ICANN's budget into readable form and commend ICANN in its attempts to provide transparency as to the process. That said, the length and depth of the budget documents can make them difficult to read and interpret. We also note that ICANN provides open meetings to discuss the budget process. However, the final result should be readable regardless of whether the reader has attended special training. The IPC recommends providing a high level snap shot (no more than a few pages) with overarching themes highlighting increases and decreases in revenue and expenditures. This condensed version should be something that is easily digestible with references to where the community can find more information on specific line items. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** Thank you. The introduction of the FY17 Operating Plan and Budget is a high-level summary. It describes the overall planning process and summary of the major issues described in details in the plans. This information is also presented to the community Ad Hoc planning working sessions and at other sessions at ICANN meetings. In future years, we will publish the slide deck we present at ICANN meetings alongside the draft budget documents in the public comment forum. **Changes to be made in final FY17 planning documents** None
22.	We also observe that the boundaries between the operating plan and the budget are often blurred; we have had questions arise from one that were answered in the other and vice versa. We recommend that when future versions of the budget and operating plan are drafted more attention is paid to separating the functions of the documents to provide more clarity. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** Thank you. This is a helpful comment. We will try to improve the distinction in future documents without making such large changes that the community has difficulty making comparison with previous years' plans. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
23.	The BC notes these improvements in the ICANN budget preparation and implementation processes: • Early budget preparation • Early involvement of SO/ACs in the process, through Ad hoc Finance Committee • Use of realistic assumptions, with 9.6% operations budget increase consistent with income forecast • Integration of operations and their segmentation by projects tied to strategic objectives See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf	BC	**Response** Thank you. We are glad you found these improvements helpful. **Changes to be made in final FY17 planning documents** None

Communications and Engagement

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to Communications and Engagement and ICANN's responses to them, along with whether a change will be made in the final documents.			

| 24. | Within 1.1.1, the "communication strategy" seems very expensive. Is this the best return available for those 3.6 USD million? Is this only for social media? We would appreciate more information about the 1.5 million USD needed for objective 4.2.2 quoted on top of this.

See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf | ccNSO-SOP | **Response**
The $3.6 million allocated for Raising Stakeholder Awareness of ICANN Worldwide (1.1.1) funds a global communications and media team to meet ICANN's growing engagement needs. As we continue to globalize operations and efforts, we've increased our focus on engaging with existing and new stakeholders and raising awareness of and participation in ICANN and the communities' work. We have a responsibility to explain the ICANN multistakeholder model:

• how it works
• how policies are developed
• what they mean
• how people can get involved

We have to explain this to different stakeholders in different geographies through different channels around the world.

Social media is just one aspect of ICANN's overall communications efforts. ICANN's communications strategy includes a wide range of activities, for example:

• content creation (video, infographics, website content, etc.)
• global and regional media engagement and monitoring
• newsletter production
• social media campaigns

This budget supports these activities and a global team of staff who understands how to best engage and reach unique regional audiences. The communications team also provides support to the ICANN Community including:

• printed materials
• website content
• videos
• infographics |

		• reports
		Some of the community projects the communications team has worked on include:
		• ccNSO videos
		• newsletter stories and photos at ICANN55
		• the ISPCP newsletter
		• the GNSO/ASO/ccNSO policy infographics
		• SSAC videos
		• community SOAC logos
		• the IPC Fact Sheet
		• the GNSO report for ICANN55.
		The budget for 4.2.2 supports of the work of the Governmental Engagement department for work with IGOs and IOs in Geneva and New York. It also supports engagement with regional governmental entities in coordination with the Global Stakeholder Engagement team in the capitals. This includes:
		• outreach and engagement work
		• one on one briefings
		• bilateral meetings.
		Further, it supports sessions conducted for the missions and permanent representative to the UN and its component parts among others. These funds include staff time, sponsorships and collaborative events done with other I* organizations.
		Currently the IG-related events we anticipate in FY17 include:
		• Regional and National IGF and IG events such as the European Dialogue on Internet Governance; Meissen Studentkrisse; SEEIG, SISS; APrIG; the Africa Internet Summit and several of the African regional IGF; US IGF and others

#	Comment	Contributor	Response / Action Taken
			• Global IGF in Guadalajara, Mexico December 2016 • ITU Council meetings WG on Internet public policy • Enhanced Cooperation WG of the CSTD reporting to ECOSOC • WSIS Forum • WTSA regional preparatory meetings • Global WTSA meeting in Tunisia November 2016 **Changes to be made in final FY17 planning documents** Update 4.2.2 with the list above to provide more detail of planned activities.
25.	Within 1.1.2, the engagement planning should largely be done by the regions themselves, and not driven by ICANN. How does this justify an investment of $1.2 million? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** 1.1.2 Engagement Planning is the portfolio representing the GSE Executive team, and the figure in this portfolio is largely personnel costs, with a much lower amount of travel and administrative costs. Perhaps the portfolio should be renamed, but the primary function of this area is the overall coordination of ICANN organizational stakeholder engagement activities across the regions and from GSE with other departments at ICANN. It would be useful for GSE to have a more in-depth discussion with the ccNSO-SOP. This could be at an ICANN meeting or on a call before or after one. It would enable the ccNSO to better understand how engagement is planned and measured by GSE for ICANN. **Changes to be made in final FY17 planning documents** Provide a more descriptive name for portfolio 1.1.2
26.	Within 1.1.3, Language Services (Page 38), the description should contain a list of currently available languages (even though we know which they are), or at least a comment on whether there are plans to introduce any new languages. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Thank you. We will expand the description in the FY17 documents. **Changes to be made in final FY17 planning documents** The description for 1.1.3 will be expanded to better explain Language Services.

#	Comment	Contributor	Response / Action Taken
27.	Within 1.2.1, we would like to know how 8.4 million USD are justified for this objective? What are the deliverables of this in 2016? What are the targets for 2017? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** 1.2.1 includes ICANN's regional and functional engagement areas. Primary deliverables are tracked in the regional engagement strategies and regional work plans. Metrics have been established for these strategies. GSE is already publishing this information on ICANN's KPI Dashboard, but is in the process of enhancing its reporting to improve the information provided to the community so the work in 1.2.1 can be better tracked and understood. This will include a clear description of deliverables. All of GSE's regions/functional teams either have engagement strategies or work plans. These strategies and plans are tracked against ICANN's five strategic objectives. Our regional and functional area scorecards allow for better understanding of the deliverables and measurements of this work. They will be made available on the ICANN website at the start of FY17. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
28.	Addressing specific items, the same question arises time and again, as to what the difference is in goal-setting (and, subsequently, whether there exists a substantial overlap in activities) between Strategic Communications ($9.5m) and all kinds of Engagement ($13.4m), which, combined with Strategic Initiatives & Reviews ($3.8m), and GSE and Meetings Ops. ($14.9m), account for a breathtaking $32.10m (and note that Engagement has always been criticised by this working group for the absence of clear KPIs or total lack thereof) (see also 3.1). See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO – SOP	**Response** Strategic Communications includes the Communications team and Language Services Team. GSE includes the regional/functional area teams, and some executive and administrative staff supporting the work of the regional and functional area teams. Meetings Operations is the team responsible for supporting ICANN Public Meetings and related community meetings. For purposes of reporting these teams are combined, and they have a shared function of supporting community engagement, but their goals are different. We will be publishing regional/functional scorecards at the start of FY17 to allow the community to better understand and track the progress of stakeholder engagement in FY17. We have shared this format with ALAC and the Board and intend to discuss these with the ccNSO-SOP in Helsinki (and other stakeholder groups). Strategic Initiatives and Reviews is a separate team from the others described above. That work sits inside goal 5.2, with progress being tracked on ICANN's KPI Dashboard. **Changes to be made in final FY17 planning documents** None

| 29. | **Contrasting with Goal 1.3**
Conversely, the Council takes notice that in support of Goals 1.1 & 1.2, believed to be devoted to ICANN's engagement activities, is nearly twice the size in both FTE and dollar amounts to Goal 1.3[1]. The GNSO Council fully supports the requirements for global engagement, but we also recognize that this function is relatively new for ICANN with just over a $19M annual budget. The Council also takes notice of very little interactions with the GSE to date (such as during weekend ICANN meetings) and intends to increase nearterm collaboration to better understand the execution of the global engagement's goals and objectives for the organization and how these support the core functions of ICANN such as policy development activities. We take interest in the success of the engagement activities, because we recognize that we are on the receiving end of recurring participation growth. As it relates to the review of the FY17 draft budget, the GNSO seeks greater insight at the project level for engagement activities. This is an extension of the types of requests made by GNSO stakeholders at ICANN55.

[1] The Council also understands that of the $10.7M Goal 1.3 budget, that $3M devoted to Travel & Meetings for both staff and
supported community members. Thus, roughly 70% is devoted to actual policy development.

See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf | GNSO | **Response**
The Global Stakeholder Engagement (GSE) team inherited the role of the original Global Partnerships team (dating back to 2006-2008). Attracting new participants to ICANN and facilitating their stakeholder journey within ICANN are not new.

While the size of the team grew between 2013 and 2014, to fill engagement roles in the regions served by GSE, the team has remained consistent since 2015 with limited staff increases. GSE's regions are:

• Africa
• Asia Pacific
• Eastern Europe and Central Asia
• Europe
• Latin America and the Caribbean
• Middle East
• Oceania
• North America
• South America

We also have three functional engagement areas:

• Civil Society
• Global Business
• The Technical Community.

The GSE team typically provides updates to ALAC and other groups at ICANN meetings. If the GNSO Council would be interested in a briefing on GSE activities, regional strategies and engagement we would be happy to provide one. This would to increase collaboration and understanding with the GNSO Council and other ICANN stakeholder groups and constituencies. We could meet at an ICANN meeting or during a pre or post-ICANN meeting webinar.

Changes to be made in final FY17 planning documents |

#	Comment	Contributor	Response / Action Taken
			None but staff in GSE will speak with the GNSO Council about the possibility of a briefing on GSE activities
30.	The BC recommends that ICANN staff continue the engagement with the Community in the development of support to the Constituencies and broader ICANN Community while seeking feedback regarding the effectiveness of staff driven and supported initiatives on an annual basis to enable continual improvement and alignment with the Community's needs. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf	BC	**Response** GSE and other community-facing teams within ICANN welcome feedback on organizational initiatives, including regional engagement strategies and plans, and ICANN will continue engagement with the community on the effectiveness of these activities on an annual basis. Several of the regional engagement strategies have recently completed their first three-year cycles (such as Africa and Latin America and the Caribbean), and these engagement strategies have been updated to reflect stakeholder input in those regions. **Changes to be made in final FY17 planning documents** None

Contractual Compliance

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to Contractual Compliance and ICANN's responses to them, along with whether a change will be made in the final documents.			

| 31. | The description of Portfolio 4.4.1 (Contractual Compliance Functions) says: "Day-to-day activities to ensure compliance by registrars and registries with their contractual obligations to ICANN and to report back to the community." It seems that current ICANN Compliance's reporting confuses day-to-day activity with functional performance. The RySG would like to see reports on the performance of the ICANN Compliance function in order to better measure its efficiency and effectiveness, especially in light of the threefold increase (from $2M to $6M) of its annual budget over the past few years.

See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf | RySG | **Response**
The Contractual Compliance Function Portfolio consists of multiple projects to support the functions required to enforce the contractual obligations. The combination of the Monthly Dashboard, the Quarterly Updates, the ICANN Meeting Updates and the Annual Report compliance measures both efficiency and effectiveness per definitions below.

We define efficiency as "doing things right." Efficiency measures include process cycle time, response time, backlog, staffing utilization among other measures. We define effectiveness as "doing the right things." Measures include working within the contract and consensus policies , accomplishment or resolution, quality of service and customer satisfaction.

The Contractual Compliance and Safeguard budget from FY16 to FY17 remains flat with total expenses at $5.3 million. FY16 Portfolio numbers are 2.1.2, 2.3.3 and 2.3.7 for comparison. For a historical and year over year perspective, FY12 had a budget of $4.25 million. Over the last five years, the Contractual Compliance Functions budget has grown $1.1 million for a compounded annual growth rate of 4.5%.

Spending scaled up mostly due to the additional oversight and enforcement requirements, and due to the increased cost of operating and auditing based on the growth in contracted parties and contracts.

On 9 May 2016, ICANN Compliance asked the RySG how it defines efficiency and effectiveness and what measures it wants, so that ICANN can better understand RySG members' needs. Its response is presented below:

Efficiency
• The relationship between the activities carried out by ICANN Compliance and the resources used (i.e., whether activities are carried out in a timely and cost effective manner).

Here is a comment I received regarding 'efficiency': |

1. "Re efficiency, as a representative of a number of new gTLDs, I note the number of registry-related complaints represents no more than 5% of all complaints ICANN Compliance processed every year since 2012 (and similar ratio for registrar/registry audits), see annual reports at https://www.icann.org/resources/pages/compliance-reports-2015-04-15-en:

Year	Registrar Complaints	Registry Complaints
2012	48711	0
2013	26142	46
2014	39869	1921
2015	45926	2180

However, the staff and budget increases were justified in the name of new gTLDs. Therefore I am curious to know how a threefold increase in annual budget and four times increase in staff number are justified."

2. Efficiency is reduced by both the Compliance Team and registries when time is spent on non-applicable compliance complaints (see the comments under 'effectiveness' below).

Effectiveness
• The extent to which ICANN Compliance's goals are achieved.

Here are some comments I received regarding 'effectiveness':
1. "Re effectiveness, ICANN Compliance's mission is "to preserve the security, stability and resiliency of the Domain Name System and to promote consumer trust" (see https://www.icann.org/resources/pages/about-2014-10-10-en) so I think the onus is on ICANN Compliance to come up with appropriate metrics that measure the extent to which those stated goals are achieved. I also hope ICANN Compliance has well thought

out metrics for CCT Review, which defines Consumer Trust "as the confidence Consumers have in the domain name system and includes …confidence in ICANN's compliance function.""

2. "I thought we might refer to effectiveness as to the ratio of the processes for which goals were reached goals in a given period of time to those for which goals were not achieved."

3. To measure effectiveness accurately it is essential to differentiate between applicable and non-applicable compliance complaints. Applicable compliance complaints are those that are associated with actual registry agreement or consensus policy requirements. To avoid distorted measurements of compliance effectiveness, non-applicable complaints should be discarded. An example of a non-applicable complaint would be one that the Compliance Team created that cannot be tied back to a registry agreement requirement or a consensus policy.

4. "My thinking is that ICANN Compliance needs to investigate a complaint before opening a case to prevent creation of irrelevant cases/inquires and before time and money are spent on things outside of contractual obligations."

Second, the following request was made in response to my message asking for feedback:

"Please also kindly ask if ICANN Compliance would provide a copy of its internal audit report which assessed "the efficiency and effectiveness of the ICANN Contractual Compliance's Core Operations", as mentioned at page 13 of its 2013 Annual Report, or at least share with the RySG details of the "eight control activity exceptions and one process improvement recommendation".

See https://www.icann.org/en/system/files/files/annual-2013-10feb14-en.pdf and excerpt below:

"Contractual Compliance Internal Audit

#	Comment	Contributor	Response / Action Taken
			To assess the efficiency and effectiveness of the ICANN Contractual Compliance's Core Operations, ICANN established and implemented an internal risk and audit plan in 2013. The plan was based on the community feedback and perception and focused on three areas: the Compliance Complaint Management System, the Performance Reporting, and the Prevention/Enforcement processing. In summary, the internal audit resulted in eight control activity exceptions and one process improvement recommendation. Six of the exceptions were due to known complaint system software." To address the comments regarding the 2013 Internal Audit. The internal audit is for internal use only. The 2013 Annual Report lists the general improvements related to the three focus areas: • System • Reporting • Process. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
32.	The description of Portfolio 4.4.3 (Contractual Compliance and Safeguards) says: "Projects relating to: (1) outreach to ICANN constituents regarding contractual compliance; (2) development of an analytic and nuanced approach to complex contractual compliance issues; and (3) cooperation and coordination on consumer safeguards that are beyond the scope of pure contract compliance." This could easily result in mission creep. ICANN is not a consumer protection agency. The RySG has had a significant concern over the last year or so about what we believe is a disconnect between ICANN Compliance enforcement activities and registry agreement requirements. The implementation of New gTLD Registry agreement Specification 11 3.b is a prime example as to why this is a big concern. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The Registry Agreement states the scope for Contractual Compliance. The how is determined based on compliance industry good practices in contract oversight and management. ICANN acknowledges that the contracted parties operate different business models, which is why every reported case of non-compliance is reviewed and analysis is done on a case by case scenarios. **Changes to be made in final FY17 planning documents** None.

#	Comment	Contributor	Response / Action Taken
33.	To ensure that spending on Compliance activities stays within the bounds of what registries are contractually obligated to do, we recommend that all Compliance activities be matched with specific registry agreement terms for both FY16 and FY17 and that the percentage of the compliance activities that could not be correlated with contract requirements be measured and published. This data could then be used to identify instances where inquiries were initiated by ICANN Compliance staff that were outside the scope of contractual obligations so that adjustments can be made in compliance actions accordingly. We note that these comments apply to all ICANN agreements with contracted parties including the Registry Agreements, the Registrar Accreditation Agreements, and Escrow Agreements. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Contractual Compliance activities are matched to the projects listed in the ICANN Portfolio Management System. **Changes to be made in final FY17 planning documents** None.

| 34. | The BC notes that management instruments are provided to the community through periodic reports on a range of operation concerns. However, we observe that there is **no report on registry and registrar compliance with signed agreements. These are key metrics that should be regularly reported.**

See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf | BC | **Response**
ICANN met with the BC to discuss its comments in a scheduled public call ([recording available](#)) on 9 May 2016. A request for the specific metrics the BC wants the ICANN Contractual Compliance team to report on was submitted to the BC on 10 May and the response below was provided on 19 May 2016.

The Business Constituency would like to see comprehensive reports published on a regular basis that measure and track all key obligations in the Registry Agreements and RAA – including every key RA specification and every key RAA requirement – in order to provide our members and the greater ICANN community with an understanding of registrars and registries domain name activities. Such a report should also include,
1. Number and nature of compliance complaints, including # of complaints per Registry and Registrar,
2. Compliance actions to follow-up on complaints (warnings, queries, breach notices),
3. Number of outstanding complaints that have not been resolved.

Community members have requested specific data regarding the above mentioned items, in addition to the broader reports on Rgr and Rgy obligations.

The BC believes that such a report does not solely involve the work of ICANN's Compliance Team, but also involves, at minimum, the GDD and the CTO's staff input as well. It is noteworthy to mention that the current Compliance Team's published metrics are of quite limited value to the community, which would indicate that this Team should not be leading an effort to support gathering, analyzing, and publishing data that supports community insight. As such, the BC suggests the establishment of a cross-functional staff group to develop the proposed report/data sets that they believe meet these objectives. The BC would be more than happy to provide feedback. |

#	Comment	Contributor	Response / Action Taken
			Comprehensive reports are published at completion of every audit that measure and track the key obligations in an aggregate manner. The specific reports as requested in items #1, 2 and 3 related to the number of complaints by registrars and registries will not be made available. This is consistent with what has been said about maintaining confidentiality. Outstanding complaints, if not resolved, will reach the enforcement phase which is then made public. Please refer to the rolling 13-months global reports to learn about complaints by regions/country. The volume of complaints alone is not a direct measure of compliance issues. ICANN measures the number of complaints by contracted party in relation to the number of registered domain names. **Changes to be made in final FY17 planning documents** While no changes will be made in the FY17 planning documents, ICANN will review the BC's request for a cross-functional group for reporting..

#	Comment	Contributor	Response / Action Taken
35.	IPC commends the decision to move contract compliance under this strategic goal "so there is separation from GDD" (see 5-yr op plan, page 14, under item 2.3). We agree that a sound, credible, independent contract compliance program is a critical "mechanism to increase trust within the ecosystem rooted in the public interest," and without it, such trust is unlikely to develop. We note, however, that more than 90% of the personnel, and 85% of the overall resources dedicated to compliance, are devoted to "day to day activities" under Portfolio 4.4.1. The objectives of "addressing contractual compliance interpretation issues, working with the ICANN stakeholders to define relevant metrics … development of an analytic and nuanced approach to complex contractual compliance issues, and cooperation and coordination on consumer safeguards that are beyond the scope of pure contract compliance" should be given much greater priority. We question whether the assignment of 2 FTEs and total expenditure of $800K is sufficient, since satisfactory resolution of these issues will be critical to achievement of the stated "increased trust" goal, and to "generate institutional confidence in ICANN." We also encourage ICANN compliance to take steps to increase the transparency of their compliance activities, and to be provided adequate resources for keeping complainants better informed of the status of their complaints and the reasons for actions taken. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** Regarding whether the assignment of resources to address (a) contractual compliance interpretation issues, working with ICANN stakeholders to define relevant metrics . . . development of an analytic and nuanced approach to complex contractual compliance issues and (b) cooperation and coordination on consumer safeguards that are beyond the scope of pure contractual compliance, ICANN notes that the items identified in (a) above are largely strategic and designed to provide overall direction to those personnel involved in day to day activities; and that we are currently seeking to fill a consumer safeguards director position to address the items identified in (b) above. As for the comment about "keeping complainants better informed on the status of their complaint and the reasons for actions taken" – ICANN will take this comment into consideration as it transitions the contractual compliance ticketing system to the Salesforce platform. **Changes to be made in final FY17 planning documents** None.

Financial Management

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to Financial Management and ICANN's responses to them, along with whether a change will be made in the final documents. Please note that comments and questions on the IANA Stewardship Transition are detailed in the IANA Stewardship Transition section.			
36.	Within goal 3.1, it has been noted that there is outstanding work remaining before the conclusion of FY16. Will it be completed by the end of FY16? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** We plan to have all the work documented as scheduled for completion in FY16's goal 3.1 completed on time. **Changes to be made in final FY17 planning documents** None
37.	The calculation of the transaction fees for Legacy gTLDs and new gTLDs are conservative and therefore sound. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Thank you for the support. **Changes to be made in final FY17 planning documents** None
38.	Does ICANN expect any cost reduction in the baseline budget by implementing the Enterprise Resource Planning (ERP) System? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The new ERP will not reduce baseline costs but will provide ICANN with additional capabilities for reporting and analysis, multi-language and multi-currency support, and integration between financial management, HR, and procurement functions. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
39.	For FY 2017 the multiyear projects will be funded from ICANN's annual revenues. What will the funding guidelines be for future multiyear projects? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** There is definitely a need to define guidelines relative to multiyear projects for two key reasons: • to define what constitutes a multiyear project • to define the funding mechanism for multiyear projects. Staff will be developing draft guidelines to address the above over the next months. While such guidelines are being developed, it was considered prudent that such projects are funded through annual revenues. **Changes to be made in final FY17 planning documents** None
40.	We would appreciate further analysis of potential risks/opportunities, and to factor and quantify them in the budget. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** A list of possible risks and opportunities is provided on page 21 of the Draft FY17 Operating Plan and Budget. Where possible, such risks and opportunities have been quantified with estimates. Staff recognizes the value of providing visibility on such risks and opportunities as part of a planning exercise, notably when the timeframe between the development of the plan and the period planned for is long. Such risks and opportunities help provide a sensitivity analysis of the assumptions retained in the budget. The organization will evaluate the feasibility of expanding the use of this methodology in the ICANN budget development process, without compromising the ability to produce useful information and engage adequately with the community. The organization will also evaluate the impact on resource requirements associated with increased analysis of risks and opportunities. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
41.	It is not clear why ICANN is so optimistic about small chances of lower figures of Legacy/new gTLD registrations (p. 20 para 3.5), as we hear more and more pessimistic voices (see, for instance, Forbes, 22 Jan 2015), and ICANN's staff confesses that "Future risk cost through the end of the program cannot be estimated" (para 5.1 p.29). See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** There is an apparent contradiction between this comment and the comment also submitted by the ccNSO in the same document as per which "The calculation of the transaction fees for Legacy gTLDs and new gTLDs are conservative and therefore sound." Many factors are considered in the projection of transaction volume, including historical data, recent marketplace developments, and input from industry participants (provided both directly and via public statements/documents). In principle, the projected transaction volume is intended to be neither optimistic nor pessimistic, but rather, as realistic as possible, given all available data inputs. When choices need to be made on various options of revenue assumptions, ICANN chooses a conservative approach. **Changes to be made in final FY17 planning documents** Projections to be updated based on latest data.
42.	Driven by high overheads and other costs, ICANN will have no other choice but to launch a new round of new gTLDs, which may ultimately prove a haphazard and counterproductive move. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN operating costs are managed closely and are planned not to exceed forecast revenues. ICANN would only launch another New gTLD round to fulfill the objective of increase competition and consumer choice. The launch of a new round of new gTLDs will be determined on this basis. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
43.	Similar to what we communicated in our comments a year ago for the Draft FY16 Operating Plan and Budget, we again are concerned that planned expenses are growing too fast and faster than planned revenue. In particular, revenue is forecasted to grow by $11.6M (9.6%) while expenses are projected to grow by $17.8M (16.3%). We appreciate the fact that planned expenses balance planned revenue but we would suggest that continuing to simply spend all of increased revenue is not the only option; because gTLD registries, registrars and registrants fund well over 95% of ICANN's revenue, reducing gTLD fees should be considered as well. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** ICANN's expenses result from the activities that are required to fulfill ICANN's mission as developed through the community-defined and board approved strategic and operating plans. Revenues are driven by the DNS marketplace evolution (number of domain name registrations and number of contracted parties) and the contractual fee structure. The drivers for revenues and expenses are therefore not correlated. The only circumstance under which ICANN compares revenues and expenses is to ensure, in a fiduciary responsible manner, that expenses do not exceed revenues, unless highly exceptional and unavoidable circumstances arise. The elements of the growth in expenditure are show graphically on page 15 of the Draft FY17 Operating Plan and Budget. This is described further on page 16. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
44.	Considering the growth of the domain name industry with the ongoing introduction and growth of new gTLDs and considering what seem to be increasing security issues in the global economy, we support the expense increases for the GDD and IT/Cyber Security. And we support the 5.3% increase in SO/AC Policy & Engagement considering what seems to be an ever increasing policy development workload, especially in the GNSO. But these four areas only account for $7.9M out of a total increase of $17.8M in expenses. We understand that industry growth has an impact on some of the other areas as well, but question whether all the increases are warranted and suspect that costs could be controlled more tightly. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for the useful feedback on the specific areas of expenses increase that are considered valuable. The organization would welcome further interaction on other areas of growth that are not considered warranted. Regarding cost control, as illustration, all expenses require a minimum of a department manager approval and at least one officer (two officers over $50,000, three officers over $100,000). In the case of hiring, in addition to the above, the approval of Finance and the Chief Operating Officer is also needed. For any expense above $1,500, a request for pre-approval is required, allowing us to verify budgeting, rationale, and to optimize pricing negotiation. Subject to certain exceptions, a competitive bid process is required for expenses above $150,000. More information is published in our Procurement Guidelines. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
45.	Because of higher than normal unknown expenses for FY17, we have some empathy for a one-year contingency fund but we think this should be a one-time event. ICANN's very predictable revenue combined with the fact that expenses are typically relatively easy to predict means that a contingency fund should be unnecessary. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** As a matter of precision, ICANN does not have a contingency fund. A contingency budget line is included every year in the total operating expenses. This contingency line effectively represents an amount of expenses unallocated to specific activities or departments. There are no funds accumulated or dispersed as a result of the contingency existing. Assessing the predictability of revenues and expenses is a subjective exercise. The revenue results from market forces that are challenging to identify and more challenging to quantify. More importantly, ICANN has little to no control over its revenue, subjecting the organization to being fully exposed to negative variations. ICANN's expenses are also not correlated to revenues. This implies that a reduction of revenues will not mechanically trigger a reduction of expenses. In addition, as ICANN has continuously developed its operating plan and budget earlier and earlier, the accuracy of both the scope of activities and the precision of estimates is increasingly challenging, and the contingency allows us to fund activities that may not have been foreseen or that have been estimated at lower costs than reality. Separately, the contingency is designed to allow for contingent expenses, such as litigation or litigation prevention costs, which are unpredictable and can be significant. For the reasons above, a contingency item in budgets is a best practice and a necessity. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
46.	In addition, we recommend that ICANN reassess the need to target for such a large reserve fund. Any such reassessment should be done with significant input from the community, especially those who provide the majority of ICANN revenue. We believe that setting aside too many funds for unknown expenses undermines ICANN's accountability. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** ICANN's investment policy indicates that it should maintain a Reserve Fund equivalent to 10-12 months of operating expenses. We are currently below that level. The existence of the Reserve Fund directly supports the ability of the organization to carry out its mission in the long term ensure the stable and secure operation of the Internet's unique identifier systems. It allows ICANN to face any unforeseen event, or disaster, and still continue to carry out its mission. It is a fiduciary requirement for any nonprofit organization to be able to continue its mission for the public benefit. As a result, a Reserve Fund is one of the elements that allow a nonprofit organization to remain accountable to the public. The ICANN Board has engaged into a reassessment of the Reserve Fund requirement, in the context of its mission in the public benefit. **Changes to be made in final FY17 planning documents** None.

| 47. | With regard to the reserve fund, we believe that it would be helpful to describe ICANN's policy/procedures for managing it in the Operating Plan and Budget or at least provide a link to such information. To ensure that the reserve funds are managed effectively, we think that the following principles should be applied: 1) a reasonable amount should be maintained in a fairly liquid form so that it is readily available to meet unanticipated needs such as an emergency need to replace part of the infrastructure in case of a physical disaster or a longer term telecommunications failure; 2) funds should be maintained in at least two independent and reliably rated financial institutions; 3) some of the funds should be kept in relatively low risk accounts that provide opportunities for growth; 4) ICANN's investment portfolio and investment policy should be reviewed regularly with input from the community.

See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf | RySG | **Response**
Thank you for the suggestion to include information on the Reserve Fund in the Operating Plan and Budget documents. The organization will make a note to include information for the next annual process.

Note that ICANN's Reserve Fund is defined in the Investment Policy posted on ICANN's website (https://www.icann.org/resources/pages/investment-policy-2014-07-30-en). The Investment Policy is reviewed periodically, and the most recent update is in the process of Board approval.

Regarding the specific itemized suggestions included in the comment:
1. The current investment manager of the reserve fund maintains a small amount of funds in cash for operational reasons. In addition, the drawdown orders from the Reserve Fund investments can be made within three to five business days. And finally, ICANN can use its Operating Fund for shorter tem needs.
2. ICANN currently uses one investment manager to hold its Reserve Fund investments. The manager of the Reserve Fund is chosen notably on the basis of the highest financial ratings and insurance coverage. Those ratings are attributed mainly to large investment management firms, and large firms carry higher insurance coverage. Such firms often have minimum investment amount for a single account. As a result, distributing ICANN's reserve fund investment over two managers would reduce the amount allocated to each manager and would impair the ability to engage the highest rated managers. ICANN believes that using one manager with high financial rating and high insurance coverage provides more security to its investments than two smaller managers.
3. All of ICANN's Reserve Fund investments are considered low risk, as required by the ICANN Investment Policy, with an objective of long term growth.
4. ICANN performs periodic reviews of its investment policy with financial investment experts. Input from the community on the investment policy can be provided at any time (please refer to |

#	Comment	Contributor	Response / Action Taken
			the link above). Input from the community on the adequacy and performance of financial investments would require to be coming from community members that are qualified experts in financial management. ICANN has not engaged in identifying such expertise among interested community members. **Changes to be made in final FY17 planning documents** None
48.	How were the percentages for high & low registry revenue estimates calculated? Are we correct in assuming that the 'best estimates' were used in the draft budget? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Registry revenue includes three categories of fees: • New gTLD Registry Fixed Fees • New gTLD Registry-Level Transaction Fees • Legacy Registry Fees (combined fixed/variable and transaction fees). Revenue in each fee category is calculated separately. Many factors are considered in the projection of revenue in each category. The growth rates that are indicated in the draft budget took all available inputs into account, including: • historical data • recent marketplace developments • and input from industry participants. Our highest-confidence estimates, or "best estimates", are used in the draft budget, with the inclusion of "low" and "high" estimates as guidance for potential variance. **Changes to be made in final FY17 planning documents** None.

#	Comment	Contributor	Response / Action Taken
49.	For legacy TLD renewals, what rate was assumed for the China-based volumes from 4Q15? Publicly traded registry operators already have guided that those rates likely will be very low (< 10%). See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** In projecting transaction volume, it is impossible to precisely distinguish transactions by registrant location. Moreover, transaction volume is estimated, for the purposes of the budget, in the aggregate. That is, renewals are not explicitly broken out. Nevertheless, the transaction projections generally assume a reduced renewal rate in gTLDs that had the highest transaction volumes in FY16 and in which retail renewal fees are anticipated to be considerably higher than the initial (or promotional) registration fee. In other gTLDs, adjusted two-year historical averages were assumed to continue for the purposes of the baseline projections, with reductions from and additions to the "low" and "high" projections, respectively. **Changes to be made in final FY17 planning documents** Projections to be updated based on latest data.
50.	Why is ccTLD revenue fixed to amounts the same as the last several fiscal years when ccTLDs are experiencing comparable growth to gTLDs? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** ICANN cannot comment with knowledge on revenue evolution across ccTLDs. The organization encourages the interested community members with gTLD and ccTLD affinities to exchange views of market evolution. Separately, the ccTLD contributions are voluntary. Guidelines for contribution exist and are based on a banded model defined by domains under management. The ccTLD revenue has been budgeted conservatively at an amount of $2,000,000. The actual contributions received vary from year to year and are not driven by the budgeted amount. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
51.	Using the Best Estimates, note that revenue from gTLDs is 128.8M, 97.3% of Ops revenue. In the FY16 forecast, it was 117.1M, 96.9%. In other words, the share of ICANN revenue coming from gTLD sources is continuing to grow from already very high levels. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your comment. **Changes to be made in final FY17 planning documents** None
52.	The second sentence of the third paragraph of this section says: "For FY17, all but the IANA Stewardship Transition project are suggested to be funded from ICANN's annual revenues." It would be helpful to see a detailed listing of the projects that will be funded from the reserves in FY17. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The draft Operating Plan and Budget does not include a detailed list of projects for the IANA Stewardship Transition and implementation. The entire scope and content of work associated with this project was not fully defined at the time of publication. The Project Cost Support Team (PCST) was created in March 2016 to help develop cost estimates for activities for the IANA Stewardship Transition implementation project. They will then be incorporated into the FY17 Operating Plan and Budget. Once the list of activities and their expected costs will be known, the funding of these activities, from the Reserve Fund or otherwise, will be determined. **Changes to be made in final FY17 planning documents** Incorporate cost estimates developed by the PCST
53.	**Presumed to be in reference to the table published on p20 of the draft FY17 Operating Plan & Budget** Were the dollar amounts of the risks & opportunities in the table below calculated using the assumptions in the low and high revenue estimates? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** That is correct. The Risks and Opportunities items relative to revenue were derived from the High and Low scenarios in the revenue assumptions section. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
54.	The explanation of the 'Others' category says: "This includes actual risk costs of -$5.0M and net investment gains of -$4.0M. Future risk cost through the end of the program cannot be estimated." What do the Actual Risk Costs include? What is the plan for the very large amount allocated for Future Risk Costs? Why can no estimate be made of future risk costs? Is staff arguing that the total Remaining Balance must be retained until the end of the Program (which could be years away) 'just in case'? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The actual risk costs incurred to date include mainly dispute resolution and litigation costs, and system remediation costs. The net remaining funds correspond to the application fees collected less the amount of application processing costs and less the refunds for withdrawn applications. The costs of the program will also include future "hard-to-predict" costs, as defined in the "Update to the Cost Considerations of the New gTLD Program", dated 2 October 2009. Such "hard-to-predict" events include a variety of scenarios which are challenging to predict, and for which the cost impacts are difficult to estimate. The "hard-to-predict" costs, by nature, cannot be estimated predictably. Staff conducts periodic assessments of "hard-to-predict" costs, including potential risks, using available experience and knowledge of the program, with the limitations associated with speculative scenario-driven methodology. Approximately $89 million are expected to remain after all application processing expenses have been incurred. This will support future costs and they are hard to predict. As the program advances towards completion, it is expected that the number of potential risks will reduce. **Changes to be made in final FY17 planning documents** None.

| 55. | With regard to New gTLD excess revenue and the Last Resort Auction funds, we repeat a couple of the things we said in our comments for Section 3.1 above. We believe that it would be helpful to describe ICANN's policy/procedures these funds in the Operating Plan and Budget or at least provide a link to such information. To ensure that these funds are managed effectively, we think that the following principles should be applied: 1) funds should be maintained in at least two independent and reliably rated financial institutions; 2) the funds should be kept in relatively low risk accounts that provide opportunities for growth.

See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf | RySG | **Response**
Thank you for the suggestion to include information on the Reserve Fund in the Operating Plan and Budget documents. The organization will make a note to include information for the next annual process.
Note that ICANN's Reserve Fund is defined in the Investment Policy posted on ICANN's website (https://www.icann.org/resources/pages/investment-policy-2014-07-30-en). The Investment Policy is reviewed periodically, and the most recent update is in the process of Board approval.

Regarding the specific itemized suggestions included in the comment:
• The current investment manager of the reserve fund maintains a small amount of funds in cash for operational reasons. In addition, the drawdown orders from the Reserve Fund investments can be made within three to five business days. And finally, ICANN can use its Operating Fund for shorter tem needs.
• ICANN currently uses one investment manager to hold its Reserve Fund investments. The manager of the Reserve Fund is chosen notably on the basis of the highest financial ratings and insurance coverage. Those ratings are attributed mainly to large investment management firms, and large firms carry higher insurance coverage. Such firms often have minimum investment amount for a single account. As a result, distributing ICANN's reserve fund investment over two managers would reduce the amount allocated to each manager and would impair the ability to engage the highest rated managers. ICANN believes that using one manager with high financial rating and high insurance coverage provides more security to its investments than two smaller managers.
• All of ICANN's Reserve Fund investments are considered low risk, as required by the ICANN Investment Policy, with an objective of long term growth.
• ICANN performs periodic reviews of its investment policy by financial investment experts. Input from the community on the investment policy can be provided at any time (please refer to the link above). Input from the community on the adequacy and |

#	Comment	Contributor	Response / Action Taken
			performance of financial investments would require to be coming from community members that are qualified experts in financial management. ICANN has not engaged in identifying such expertise among interested community members. **Changes to be made in final FY17 planning documents** None
56.	**Referring to Goal 3.1** The RySG believes that this goal should include a portfolio for cost benefit analysis and cost control of projects, especially major projects. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Cost benefit analysis is a fundamental part of ICANN's planning and prioritization process and not a separate activity. **Changes to be made in final FY17 planning documents** None
57.	**Referring to Goal 3.1** Item 1 under this goal says: "Achieve financial roadmap annual targets (as designed in FY16)." Where can the targets be found? If they are still to be developed, who will do that and when? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The targets for FY16 are detailed in the FY16 Operating Plan and Budget, which can be found on our website at: https://www.icann.org/en/system/files/files/adopted-opplan-budget-fy16-25jun15-en.pdf **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
58.	In line with ICANN commitments to transparency, the BC also requests that the Stakeholder community be given an opportunity to review external auditors' report on preceding FY ICANN financial operations as a standard corporate practice and for better input into future budget proposals. Further, the BC requests that ICANN regularly publish the names of all consultants, contractors, and vendors it engages, the purpose of the engagement, and expenditure ranges (if not specific expenditures). This disclosure should be part of ICANN's ongoing financial operations, and not simply a one-off posting when the community questions ICANN's legal and professional expenditures. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf	BC	**Response** ICANN publishes the audited financial statements for previous years on the financial pages of its website. ICANN is committed to continuously increasing transparency on its financial information. This is demonstrated in ICANN's latest annual tax return (IRS Form 990), where ICANN has expanded the disclosure of contractors above and beyond the IRS requirement of the top five contractors, by disclosing all contractors with an annual spend in excess of $1 million (listing the top 13 contractors as a result). Refer to ICANN's Form 990 published on 13 May 2016. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
59.	We are pleased to see ICANN's commitment to creating a budget without resorting to withdrawals from reserves to cover predictable expenses. We note that in FY15 and FY16, the IANA Transition, Public Responsibility and IT were funded out of the reserves.[1] Enough planning has been done around IANA that ICANN should be able to predict costs and balance those costs with revenue rather than reserves. [1] The IANA Transition was announced in the 3rd Quarter of FY14. While this may have been an unpredicted expense for FY15, by FY16 this expense should have been accounted for in the budget without the need to resort to reserves. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** It is ICANN's intention that its on-going operations should be funded from annual operating revenue. ICANN may be under circumstances where exceptional activities trigger exceptional costs. In its Draft FY17 Operating Plan and Budget, we included in activities and costs that are more operational and/or predictable by nature baseline operations those. Similarly, ICANN is still faced with exceptional work relative to the IANA Stewardship Transition/Implementation which, even though its occurrence is known in principle, the nature, extent and modalities are not known. Considering the level of materiality of this project with regards to ICANN's operations and resources, and its unpredictability, ICANN intends to draw funding for this project from its Reserve Fund. See here for more information on the IANA Stewardship Transition/Implementation expenses. These details will be published in section 4.1 of the final FY17 Operating Plan and Budget. **Changes to be made in final FY17 planning documents** Incorporate cost estimates developed by the Project Cost Support Team

GDD Operations and gTLDs

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to ICANN Operations and ICANN's responses to them, along with whether a change will be made in the final documents.			
60.	Within 2.1.4, Global Domains Division (GDD) Operations, we would be grateful if you could expand on the projects encompassed in this portfolio, and substantiate why it has been allocated the second highest budget for its implementation ($15.1) after the IANA Department Operations ($18.1)? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Thank you for your comments. We will enhance the project descriptions to provide further clarity as to the scope of these projects. **Changes to be made in final FY17 planning documents** Enhance descriptions for portfolio 2.1.4
61.	Within 2.1.4, 2.1.5 and 2.1.6, page 43, all descriptions need to be more specific. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Thank you for your comments. We will enhance the project descriptions to provide further clarity as to the scope of these projects. **Changes to be made in final FY17 planning documents** Enhance descriptions for portfolios 2.1.4, 2.1.5, and 2.1.6
62.	The description of Portfolio 2.3.2 (GDD Registrant Engagement & Support) says: "Support, engagement and advocacy for the global registrant community." In reading the description of the two projects included for this portfolio, we concluded that this is a customer service function. Is that correct? If so, the $800K budgeted for this seem reasonable, $700K for personnel (6.4 FTEs). In the description, it might be helpful to refer readers to the spreadsheet or PDF files listing the projects and/or expanding the description a little for those who might not take the time to go to those files. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your question. These projects are related to ongoing support to Registrants provided to the Registrant Community. These projects will be consolidated under the 2.1.5 Global Customer Support Portfolio. **Changes to be made in final FY17 planning documents** Projects to be consolidated under portfolio 2.1.5

#	Comment	Contributor	Response / Action Taken
63.	The description of Portfolio 2.3.5 (New gTLD Program) says: Projects and ongoing activities in support of the new gTLD Program. Because this is an $11.7M portfolio, we think it would be useful to specifically refer to the projects spreadsheet in the description and list the five projects included. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your comments. We will enhance the portfolio description to include reference to the specific projects included. **Changes to be made in final FY17 planning documents** Enhance descriptions for portfolios 2.3.5
64.	Portfolio 2.3.8 (Next gTLD Round Planning) is an important area for gTLD registries and registrars so the $2.5M budgeted is appreciated. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your comment. **Changes to be made in final FY17 planning documents** None.

Global Public Interest Framework

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to the Global Public Interest Framework and ICANN's responses to them, along with whether a change will be made in the final documents.			
65.	**Referring to: Objective 5: "Develop and implement a global public interest framework bounded by ICANN's mission"** We would appreciate more clarity on the overall objective and how it fits into ICANN's core mission. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** This objective resulted from the bottom-up multistakeholder effort to develop ICANN's Five Year Strategic Plan, which was approved by the Board in October 2015. **Changes to be made in final FY17 planning documents** None
66.	Within goal 5.1, we would like to be provided with more elements to fully understand the goal. What does "…rationalised on common consensus-based definition(s)" mean? What does this have to do with coordinating names and numbers? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** As part of ICANN's commitment to accountable decision making, ICANN produces rationales for each Board decision. This goal identifies that one way that ICANN will integrate the consensus-based definition(s) of public interest reached through the community process is to include a discussion of how the decision furthers the public interest. This helps assure that ICANN will include the community-agreed considerations of public interest into its decision making. ICANN's decisions must all be aligned with its mission and core values. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
67.	With reference to goal 5.2, whilst a laudable goal, how might this be affected by the IANA transition process? Will this lead to a Community sexual harassment policy? If so, how will that be developed, and by whom? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The framework for this goal is being expanded to include stakeholders/community in addition to staff and Board, in response to the stakeholder accountability dimension resulting from the IANA Stewardship Transition proposals. ICANN already has various policies and controls in place to address unethical behavior, such as sexual harassment and corruption, applicable to staff and Board. The development of a community sexual harassment policy would fall under this goal as the community component is developed. Currently, the development of a sexual harassment policy is led by community members, with guidance and support provided by ICANN subject matter experts. **Changes to be made in final FY17 planning documents** None
68.	The full statement of this goal is: "Promote role clarity and establish mechanisms to increase trust within the ecosystem rooted in the public interest." This goal is difficult to achieve let alone measure because there is no consensus within the community about how "public interest" should be defined within the ICANN context, and it may be very difficult to reach agreement on a definition because the term 'public' is itself extremely diverse. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** This goal resulted from the bottom-up multistakeholder effort to develop ICANN's Five Year Strategic Plan, which was approved by the Board in October 2015. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
69.	**Referring to Goal 5.1** Here is the activity listed for this goal: "To ascertain ICANN is acting within its global public interest mandate, ICANN will seek to measure and baseline the % of action by ICANN in decision making and how rationales are including the public interest assessments as part of decision making." ICANN is a public benefit corporation under California law; any other jurisdiction's definition of "public interest" is not necessarily global or consistent with ICANN's mandate. This should be clarified. It is proposed that the success of this goal be measured by the following: "# of ICANN decisions and advice (Board, staff and stakeholders) that are rationalized based on common consensus-based definition(s) and understandings of public interest within ICANN's remit." What happens if it is not possible to develop 'common consensus-based definitions'? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Until the community definition process concludes, ICANN will continue to work to identify how the public interest appears to be served through each of its decisions. **Changes to be made in final FY17 planning documents** None
70.	The description of Portfolio 5.1.3 (Legal Internal Support) says: "Provide legal support to all functions at ICANN. How do the budgeted legal costs of $4.3M trend against previous year(s)? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The total cost for Portfolio 5.1.3 has increased approximately 5% from FY16's 4.1 million. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
71.	The description of Portfolio 5.2.1 (Affirmation of Commitments (AoC) Reviews) says: "Conduct mandated, regularly scheduled reviews of ICANN commitments and ICANN entities to support effectiveness and ongoing improvement in ICANN's accountability and governance structures. Support effective community engagement and Board assessment and development of plans to maximize improvements to each entity and benefits to ICANN as a whole. Integrate outcomes into strategic planning efforts." We think that the description should include which AoC Reviews are budgeted. Does the amount budgeted include implementation of the current CCT Review? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Based on the AoC mandate and board action taken in July 2015, the following reviews are planned to take place in FY17 and are included in the budget – CCT (continuation of review started in FY16), SSR2, WHOIS2, and ATRT3. The budgeted amount includes expenditures related to the activities of the CCT Review Team; any costs associated with implementation of recommendations that may arise from the CCT Review are not included in this budget item. The review schedule is available on ICANN.ORG. **Changes to be made in final FY17 planning documents** Add listing of AoC Reviews to be conducted in FY17.

#	Comment	Contributor	Response / Action Taken
72.	The description of Portfolio 5.2.2 (Organizational Reviews) says: "Conduct regularly scheduled reviews of ICANN entities to support their effectiveness and ongoing improvement; Support Board assessment and development of plans to maximize improvements to each entity and benefits to ICANN as a whole." We think the description should include which organizational reviews are budgeted. Is it expected that independent reviews would be performed by third parties? If so, shouldn't there be funds budgeted under professional services? Does the budget include implementation of the GNSO Review? If not, it should. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Based on the bylaws mandate and board action taken in July 2015, the following reviews are planned to take place in FY17 and are included in the budget – At-Large2, NomCom2, RSSAC2, and SSAC2. Organizational Reviews are performed by an independent third party and anticipated expenditures are budgeted under professional services. The costs associated with the implementation of recommendations resulting from the GNSO Review are reflected within a different category. The draft FY17 budget for the GNSO review recommendations implementation is $74K and includes funding for internal staff and third party resources. The budget amounts can be found under goals 1.3 and 5.2 in projects 31438 and 31517, respectively. Please note, due to rounding to millions the budget appears to be $0 in the budget documents. 5.2.2 Organizational Reviews, Project 31517 GNSO Review: Implementation of Recommendations $38,063 1.3.1 Support Policy Development, Policy Related and Advisory Activities , Project 31438, GNSO non-PDP - GNSO Review Implementation - FY16-FY17 $36,000 Total $74,063 The review schedule is available on ICANN.ORG. **Changes to be made in final FY17 planning documents** Add listing of Organizational Reviews to be conducted in FY17.

73.	**Referring to Goal 5.3** The document is quite opaque in explaining what activities will be undertaken in furtherance of this goal. The four separate portfolios are described in almost identical verbiage with the substitution of one noun (tools, programs, collaborations) or phrase (new program development – is this not a subset of "programs"?). ICANN should more clearly explain what it plans to do in this area, which will occupy 8 FTEs and consume $3.6 million in total resources -- by way of comparison, this is 57% of what ICANN proposes to allocate to all the policy development and related activities of all the Supporting Organizations and Advisory Committees under goal 1.3. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** Thank you for your comment. Provided below are additional details, further clarifying the activities in question. Language in the current draft will also be updated to provide additional information. Portfolios are broken down into four distinct functional areas to help differentiate the activities carried out. This is used primarily for internal purposes. Projects are organized within these functional areas and assigned unique project IDs, which can be found here. The Development and Public Responsibility Department (DPRD) carries out the activities for this goal. DPRD strengthens existing initiatives and work, such as the ICANN Fellowship Program and ICANN Learn. It has also started new programs such as NextGen@ICANN and the Community Mentorship Pilot Program. These are all aimed at supporting and advancing diversity and inclusivity in the multistakeholder model. The programs, tools, and collaboration efforts are designed to address participation needs and focused along tracks identified by the community and ICANN's regional teams. Programs refers to: • the Fellowship Program • the Newcomer Program • NextGen@ICANN • the Internship Framework • the Leadership Training Program. Tools refers to: Supporting and helping to facilitate remote participation remote hubs the Online Learning Platform ICANN Learn. Collaborations includes:

#	Comment	Contributor	Response / Action Taken
			• SO/AC engagement work to identify gaps and barriers in ICANN participation • supporting academic outreach • collaborative efforts that strengthen the ecosystem around the DNS. Lastly, new program development refers to our incubator portfolio for pilot projects, as requested and identified by ICANN stakeholders. These include the Stakeholder Onboarding Mentors Program pilot and a separate pilot project exploring the topic of gender diversity at ICANN. **Changes to be made in final FY17 planning documents** Enhance the portfolio descriptions for goal 5.3
74.	**Referring to Goal 5.1** This is an ambitious goal, with the daunting objective of being able to measure, by the end of FY17, the percentage of ICANN decision making that includes a rationale that makes a public interest assessment against a common consensus-based definition and understanding that as of today, sixteen months before that target date, does not exist. How does ICANN expect to achieve this through the efforts of 0.1 FTE and a total resource allocation of less than $100K (per FY 17 Op Plan & Budget, page 60)? The debate about what is in the "public interest" as it relates to ICANN's remit rages on. The IPC has particular concerns that innovation and the protection of rights that give incentives for innovation have not been included as criteria for defining the public interest. There is much more work to do in this area and the resource allocation and timeline do not reflect that reality. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** ICANN's work supporting the explorations and discussions of the term 'public interest' within ICANN's remit is cross-functional and resources are also allocated as a project under portfolio 5.3.3. Once community-accepted definitions or understandings of this term are reached, ICANN will assess if it needs to increase resources to accomplish the objective of this Goal. Goal 5.1 is specifically about the incorporation of public interest considerations into rationales, for which the .1 FTE is a sufficient commitment. A High Interest Session on 'Public Interest within ICANN's Remit' was held at ICANN55 where discussions took place on next steps and planning. Detailed progress on this collaborative dialogue- along with details on developments to date are [here](#). **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to the IANA Stewardship Transition and ICANN's responses to them, along with whether a change will be made in the final documents.			
75.	Extract from ICANN budget: A placeholder for the above activities was offered for a range of $6m to $9m, awaiting a more detailed and comprehensive costs estimate. The activities and costs need to be defined, the corresponding expenses quantified, and their funding identified. The range of $6m to $9m is very high. A much more precise budget would be appreciated. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** We agree. The lack of information available to produce reliable estimates is the reason why the draft document, page 22, indicates a wide range of possible expenses, and that the amount included in the draft budget is simply a placeholder. To address the need for more precise information, the Project Cost Support Team was created in March and is supporting the cross-community working groups to estimate expected cost for FY17. It is anticipated that an estimate of the costs will be available in June for inclusion in the final FY17 Operating Plan and Budget to be approved. **Changes to be made in final FY17 planning documents** Incorporate cost estimates developed by the PCST
76.	We acknowledge the approach of sharing the IANA personnel (16 persons) between the 13 major activities related to the operations for the Names, Numbers and Protocol Parameters client groups. Due to the fact that Service Level Agreements (SLA) will be of higher importance, a greater allocation of personnel in this area would be appreciated. It would also be interesting to know where those SLA topics are going to be handled after Post Transition (in the Stakeholder Engagement Group)? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Reporting on the new SLAs will be automated and should not be manually intensive. Whereas there will be new reports to create and deliver, there are also a number of reports that will be retired thereby freeing resources for the new requirements. Based on current estimates staff of 16 should be adequate for reporting on SLAs. An area where we may consider increasing staff in FY18 will be development resources. The IANA Department has leveraged the resources in IT for many technical services including development of systems and tools. In a post-transition scenario, we will have to evaluate if additional resources for development will be necessary. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
77.	We suggest adding two columns to the following chart (Current costs/Post Transition costs): See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** We'll look into ways to clarify cost classification changes pre and post-transition. This section of the document will be updated as the PTI implementation plan has evolved since this document was drafted. **Changes to be made in final FY17 planning documents** Update document section 4.2- Focus on the Post-Transition IANA implementation with new implementation plan, and a clarified classification of costs (pre versus post transition).
78.	A graph is provided on page 24 to illustrate the planned post transition state. The following elements of the graph and the explanations that are provided on subsequent pages raise the following questions: • Will there need to be an IANA Department in ICANN after PTI is formed? o It is our understanding that PTI will provide IANA services for all three operational communities even though at the outset the protocol and numbers communities will likely contract directly with ICANN, not PTI. If our understanding is correct: ▪ Why would there need to be any IANA operations in an IANA Department? ▪ Why would there need to be an IANA Department budget as part of the ICANN budget? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** The PTI implementation plan has evolved since this document was drafted. The graph on page 24 has become obsolete and will be replaced to reflect the most recent implementation plan, which addresses the questions included in this comment. See also the response to the comment #79 below. **Changes to be made in final FY17 planning documents** Update graph to reflect new implementation plan.

#	Comment	Contributor	Response / Action Taken
79.	If there is an IANA Department in ICANN, what would it consist of? • It is our understanding that all of the current IANA staff will be moved to PTI: o Is that correct? o If so, why would dedicated resources be needed? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** The proposed current plan, which is different than the one assumed in the draft document published for public comment, is for the secondment of the IANA department staff to the affiliate organization (PTI). Therefore, there will still be an IANA department within ICANN to house these employees and their costs. The entirety of this department's costs will be transferred into the PTI, along with the costs of the shared resources associated with the performance of the IANA functions and the allocated costs of support functions. **Changes to be made in final FY17 planning documents** None
80.	What is IAOC in the Protocols Parameter Community portion of the graph? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** The IETF Administrative Oversight Committee (IAOC) is responsible for the fiscal and administrative support of the IETF standards process, is housed within the Internet Society, and is a part of IASA. More information at: https://iaoc.ietf.org/ **Changes to be made in final FY17 planning documents** None
81.	On page 25, the post-transition ICANN Budget shows separate components for PTI (#4) and IANA Operations Budget (#6). • Why wouldn't the IANA Operations Budget be included in the PTI Budget? • In fact, why wouldn't the following elements shown for the IANA Operations Budget simply be parts of the PTI Budget: #3 – Direct Costs/Dedicated Resources; #7 – Direct Costs/Shared Resources; #8 – Support Services Allocations. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** The PTI implementation plan has evolved since this document was drafted. The table on page 25 has become obsolete and will be replaced to reflect the most recent implementation plan, which addresses the questions included in this comment. **Changes to be made in final FY17 planning documents** The IANA Stewardship Transition implementation plan costings will be updated

#	Comment	Contributor	Response / Action Taken
82.	On page 26, the description of Item #4, Post-Transition IANA (PTI) is: "New legal entity, destined to host activities and costs of the IANA functions in service of the Names community." • As noted above, it is our understanding that PTI will provide IANA services for all three operational communities. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** The description of the PTI will be updated to reflect that it will provide IANA services for all three operational communities, consistently with the most recent implementation plan shared **Changes to be made in final FY17 planning documents** Update description of PTI (item #4 on page 26).
83.	If our understandings above are accurate, then edits should be made to the graph on page 24, the budget tables on page 25 and the descriptions on page 26. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** This section will be updated as the PTI implementation plan has evolved since this document was drafted. **Changes to be made in final FY17 planning documents** Update whole section 4.2- Focus on the Post-Transition IANA (PTI) implementation with new implementation plan (including new graph, new budget table and updated descriptions)

#	Comment	Contributor	Response / Action Taken
84.	A table is provided at the top of page 28 that shows a summarized view of the total IANA Functions costs with breakdowns by operational community and by the three sources of costs. It is our understanding that these costs include the costs for PTI and the IANA Department as shown in the diagram of the IANA implementation in Section 4.2 on page 24. • First of all we want to say that the breakdowns are very helpful. • Second, we would like to know what the PTI Specific Costs represent. • Aren't the three categories of costs above in the 'Names' column also specific to PTI? • A more detailed breakout of the PTI Specific costs is requested. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** PTI specific costs are costs that will be incurred by PTI as a new legal entity, for example, independent financial audit costs and taxes, Board support, potential independent legal advice, specific communication costs… **Changes to be made in final FY17 planning documents** A description of PTI specific costs will be included under the table provided on page 28.
85.	Third, if our assumptions in our comments above for Section 4.2 are correct, then it seems like all of the costs shown in the table on page 28 should be shown as PTI costs; if not, an explanation is requested. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** Per the change of PTI implementation plan, the table will be amended to show all costs as PTI costs. **Changes to be made in final FY17 planning documents** Update table on page 28 to show all costs as PTI costs.

#	Comment	Contributor	Response / Action Taken
86.	**Referring to: 2.1.7 Implementation of IANA Functions Stewardship Transition & Enhancing ICANN Accountability** On page 47, we note that $1.1M is budgeted for this portfolio: • The equivalent of one full-time person at a cost of $300K • $800K for Professional Services. From the spreadsheet that contains the breakout of costs by project, we see that this portfolio contains two projects both of which relate to enhancing ICANN Accountability. • Is it safe to assume that the costs for implementation of the IANA Functions Stewardship are contained elsewhere? o If so it would be helpful to provide a reference in this section to where they can be found, especially since the portfolio title includes the implementation of the IANA functions. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** The Excel spreadsheet will be updated to reflect the allocation of costs. **Changes to be made in final FY17 planning documents** The Excel spreadsheet will be updated to reflect the allocation of costs.
87.	It is difficult to determine whether the budgeted costs will be sufficient for implementing the ICANN Accountability recommendations in FY17. • How were the cost estimates determined? • Is it possible to see the cost build-up? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** The Project Cost Support Team (PCST) is working with the CWG-Stewardship and CCWG-Accountability to estimate the expected cost for FY17. It is anticipated that an estimate of the costs will be available in June. **Changes to be made in final FY17 planning documents** Incorporate cost estimates developed by the PCST

#	Comment	Contributor	Response / Action Taken
88.	**Referring to: 3.2 Ensure Structured coordination of ICANN's technical resources** For this goal, the second activity listed on pages 54-55 is: "Measure and compare metric for the IANA Functions against baseline for YoY improvement". It undoubtedly does not need to be said that this will need to include the new SLEs once they are finalized. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/docx8S5SIkN2KP.docx	Chuck Gomes	**Response** It is standard operating procedure to review key performance indicator trends and identify areas for improvement. **Changes to be made in final FY17 planning documents** None
89.	In the draft FY17 Operating Plan & Budget, it is considered that the PTI is established to carry out the IANA naming function only, and that there will be an IANA department in ICANN, different from the PTI, to carry out the other two IANA functions (numbering and protocol parameters). This is not consistent with what is proposed in the CWG-Stewardship Final Report. However, the ALAC understands that since the publication of the Draft FY17 Operating Plan & Budget, this issue has been discussed with the CWG Implementation Oversight Task Force and that the plan and budget will be fully aligned with the CWG Stewardship Final Report, with PTI assuming all three roles. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf0WDqyS9Oxn.pdf	ALAC	**Response** This section of the document will be updated as the PTI implementation plan has evolved since this document was drafted. **Changes to be made in final FY17 planning documents** This section of the document will be updated as the PTI implementation plan has evolved since this document was drafted.
90.	p. 27 refers to PTI budget whereas p. 43 refers to IANA department headcount. Since IANA is intended to be transferred 1:1 into PTI, how do the figures shown above fit together? What are the IANA related comparables in FY16? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfDDPStS7Wt1.pdf	ISPCP	**Response** The headcount of 16 indicated on page 27 refers to the dedicated IANA department headcount. The Full Time Equivalent number of 18.1 indicated on page 43 includes, in addition to the dedicated IANA department headcount, the fraction of the ICANN shared resources who contribute to the operation of the IANA functions but are not dedicated to them. **Changes to be made in final FY17 planning documents** None.

#	Comment	Contributor	Response / Action Taken
91.	While it is understandable that ICANN could not, at the time of publication of this document, confidently project the costs that would be incurred for all these activities, the $6-9 million "placeholder" figure is significant and should be reflected in the operating budget. It amounts to an increase of 5-7% in the overall baseline budget presented in item 3.1, and exceeds the amount of the budgeted excess of revenue over expenses. What is the timetable for arriving at a more precise figure? Will the budgeted excess simply be eliminated, or will cuts have to be made elsewhere in the budget to accommodate this additional expense? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** The Project Cost Support Team (PCST) is working with the CWG-Stewardship and CCWG-Accountability to estimate the expected cost for FY17. It is anticipated that an estimate of the costs will be available in June. Once costs estimates will be available, the funding of such costs will also be determined. The same costs for FY15 and FY16 have been funded from the Reserve Fund. **Changes to be made in final FY17 planning documents** Incorporate cost estimates developed by the PCST

ICANN Operations

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to ICANN Operations and ICANN's responses to them, along with whether a change will be made in the final documents.			
92.	Personnel costs increase year-on-year by almost 20% (Baseline - FC FY16: 51.7m USD vs. FY17: 61.9m USD), while Travel & Meeting expenses by only 2% (Baseline - FC FY16: 15.4m USD vs. FY17: 15.7m USD). Is this comparably slight increase in Travel & Meetings reasonable? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Staff believes the increase in travel and meetings is reasonable. Travel and meetings costs are primarily driven by the size and number of ICANN meetings, which is minimally impacted by staff travel. Furthermore, the FY17 personnel costs increase is due primarily to the full year impact of staff hired during FY16, who will work a full year in FY17 instead of a partial year in FY16. There are also some staff members to be hired in FY17. Many of the new staff are not in roles that require travel. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
93.	Even a superficial glance at the staff/payroll figures allows for the assumption that the situation is far from perfect. Whilst empiric research discusses overhead figures in the region of 30% (see, for instance, http://ssir.org/articles/entry/the_nonprofit_starvation_cycle) as the most realistic for an NPO, ICANN's have climbed to a red flag figure of 50%. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN asked the ccNSO-SOP how it defined the term overhead and it responded: Overhead expenses are all costs on the income statement except for direct labour, direct materials, and direct expenses. Overhead expenses include accounting fees, advertising, insurance, interest, legal fees, labor burden, rent, repairs, supplies, taxes, telephone bills, travel expenditures, and utilities. The notion of "overheads", connected to the notion of "direct costs of operations" ("costs of sales" in commercial organizations), requires the organization to define which activities are direct, and what activities are not, or are carried out in support of the direct activities. The proportion of one over the other is, in ICANN's view, not driven by the status of ICANN as a not for profit organization, but by the nature of ICANN's activities, which are unique. Engaging in the analysis of which activities are direct and what overheads structure could be considered ideal for ICANN's activities, is considered at this stage an analytical activity and project that ICANN should not consider a priority that requires to reallocate resources to complete. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
94.	For the sake of a more balanced assessment it would be appropriate to examine the actual Executive-to-Middle-to-Junior staff ratio, otherwise in the absence of credible evidence it might be speculated that its unusually high value could fuel further payroll increases. In regard to said ratio, it would be safe to assume that for middle- and junior level staff, the number of projects per capita or the number of activities under a given project is much higher than averages posted in the budget. It may well look odd to have one worker in the field and a dozen executives overseeing their performance. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** Our planning documents refer to all ICANN activities as projects. But for practical purposes there are ongoing activities, such as delivering the IANA Functions and Customer Support, and project based work, such as tool development. As such, while some staff have a single "project" assigned to them, other will contribute to several projects over the course of a single fiscal year. This kind of activity reflects the variety of activities carried out across the organization, with some teams focusing on the delivery of ongoing services while others are significantly more project focused. In addition to the type of work carried out in different parts of the organization, the staff profile varies, too. Some teams require more highly qualified and experienced individual contributors while others have a more traditional pyramid structure. Our focus has increasingly turned towards efficiency and not just effectiveness. We are using continuous improvements methodologies, such as the EFQM Excellence Model, to help us achieve this and the further development of our KPI Dashboard is key to the success of this work. We will be developing it so that we are best able to perform benchmarks against other relevant organizations and industries. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
95.	We note that Governance support costs increased more than SO/AC policy & engagement. Why? Is this because of the new accountability measures? If not, this is concerning because, in our opinion, policy development is one of the most important elements of the multi-stakeholder model. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Governance Support includes Legal, Board Operations and Nominating Committee support. The increase in Governance Support's budget reflects an increase of activities at a variety of levels, including an increased usage of ICANN's accountability mechanisms and planning for modifications to the accountability mechanisms. In addition, Board Operations costs have scaled to better meet the operational needs of the Board. **Changes to be made in final FY17 planning documents** None
96.	What is the average percentage of salary increase for FY17? What is the average percentage increase of fringe benefits for FY17? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Measured across ICANN as a whole, ICANN budgets for an average of 3.5% for compensation increase with an additional 1.5% to cover for the impact of promotions. This is an average across all of ICANN's departments and locations. Actual compensation increases potentially granted to employees are based on annual compensation merit review, which include a performance review. ICANN staff members are concentrated in three hub locations and the annualized CPI rates for 2015, as reported by the OECD (all items less food and energy) and Singstat, were: | Singapore	-0.1%
Turkey	10.1%
USA	2.0%	 **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
97.	45 new employees were hired in FY16. It would be helpful to see a breakdown of those new hires by department, by project and by geographic location. It also would be helpful to know the inflation rates in the applicable geographic locations where ICANN has staff. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** On page 11 of the Draft DY17 Operating Plan and Budget we provide a staff breakdown by function. We also provide a breakdown of personnel costs by project and portfolio in the supporting documents to the FY16 plans. ICANN staff members are concentrated in three hub locations and the annualized CPI rates for 2015, as reported by the OECD (all items less food and energy) and Singstat, were: <table><tr><td>Singapore</td><td>-0.1%</td></tr><tr><td>Turkey</td><td>10.1%</td></tr><tr><td>USA</td><td>2.0%</td></tr></table> **Changes to be made in final FY17 planning documents** None
98.	Referring to the first row of the table in this section [3.4], what impacts are anticipated to contracted parties from the new Enterprise Resource Planning (ERP) system? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The new ERP will provide ICANN with additional capabilities for reporting and analysis, multi-language and multi-currency support, and integration between financial management, HR, and procurement functions. **Changes to be made in final FY17 planning documents** None
99.	In the same light, the Council would like further information about the activities of Governance Support, as its budget also exceeds that of SO/AC Policy and Engagement. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** Governance Support includes Legal, Board Operations and Nominating Committee support. The increase in Governance Support's budget reflects an increase of activities at a variety of levels, including an increased usage of ICANN's accountability mechanisms and planning for modifications to the accountability mechanisms. In addition, Board Operations costs have scaled to better meet the operational needs of the Board. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
100.	The document calls for a rapid increase in ICANN staffing (increased average headcount of 49.8 FTEs, $9 million increase in personnel expenses --- 16-17% in one year). The last time ICANN staffing underwent such rapid expansion, many of the new staff had little familiarity with ICANN methods of operation and history, and some unnecessary friction resulted. What steps does ICANN plan to avoid a repetition? If training is required, what costs will be incurred by such training? Although about half of the staffing increase is attributable to GDD/DNS/IANA/Ops, plus IT and Cybersecurity, we still find such training to be necessary. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** The year over year $9 million increase in personnel costs and average headcount is due to: • the full-year impact of staff members hired during FY16 who will work a full year in FY17 versus a partial year in FY16 • personnel costs increases, and • staff planned to be hired for FY17, partially offset by attrition (voluntary and involuntary terminations). A detailed breakdown of the headcount increase by area can be found in section 3.1 of the draft FY17 Operating Plan and Budget. The main point is that we hired 45 new staff in FY16. In FY16 ICANN reviewed and updated its onboarding program for staff by applying best in class practices. The new program focuses on culture and community and also covers all the other practical training requirements. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
101.	SO/AC Leaders' question regarding justification for a planned Outreach office in Nairobi, Kenya still has not been satisfactorily addressed. Under 7.3, KPI appears to be "availability for region = success" – regardless of whether it was asked for or any rationalization of the investment is available See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** ICANN leadership made a commitment to the regional community to place an engagement office in Africa that would bring ICANN closer to Africa's Internet users. It will allow ICANN to better serve stakeholders in the region. ICANN currently has four staff based in Africa working from home office locations in Egypt, Benin and Kenya. There are 54 countries in Africa and it is the largest region not directly served by an ICANN engagement office. The African regional community has been asking for an ICANN engagement office for several years. Opening the Nairobi engagement office using our existing ICANN staff person based in Kenya provides ICANN with a base for engaging with these stakeholders, and provides a space for the local community and regional stakeholders to interact with ICANN. The KPI for measuring the effectiveness of portfolio 1.1.1 (Raising Stakeholder Awareness Worldwide) is a separate issue from the justification for regional engagement offices. The KPIs in this portfolio are divided between KPIs for ICANN communications and the regional/functional area stakeholder engagement scorecards. **Changes to be made in final FY17 planning documents** None

IT Projects

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to IT Projects and ICANN's responses to them, along with whether a change will be made in the final documents.			
102.	Within goal 3.2, the document calls for an increase in reliability of ICANN's global IT infrastructure from 99.9% to 99.999% in 2020 for "top tier services". Presumably ICANN is referring to internal Administrative IT systems, and not to the IANA RZMS or the "L-root" services. An increase in reliability from 99.99% to 99.999% brings less than an hour of increased availability of the affected systems over a year. Is this really worth the effort or expense? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** We are referring to all community-facing services and not internal. Internal services are tier 2 and will be retained at 99.99 uptime. The services referred to include RZM, CZDS, GDD Portal and similar services. **Changes to be made in final FY17 planning documents** We will clarify the definition of "top-tier services" in the KPI for goal 3.2.
103.	Group Signup & Activity Management (continuation of Kavi Pilot during DMPM WG) – The Council notes that this is not listed within the multi-year projects. Is this allocated elsewhere in the budget for IT or Policy Development? The GNSO understand the tremendous value of a centrally managed tool that will organize and measure working group activities across the community. Not only will it enhance group management, but it will allow SO/AC leaders to better understand community resource utilization and allocation. This will be an invaluable tool to begin to address issues with community volunteer fatigue. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** ICANN recognizes that providing services and systems to more effectively manage working groups is important and will provide benefits across a wide range of community activities. There is ongoing activity within ICANN to improve these services, including: • working group signup • roster • attendance management • improved collaboration tools. The budget for this work is spread across several IT projects. **Changes to be made in final FY17 planning documents** None

KPI Definition and Structure

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to KPI Definition and Structure and ICANN's responses to them, along with whether a change will be made in the final documents.		
104.	Overall, it is hard to see the metrics for the goals, particularly for the portfolios, which include very distinct characteristics and cannot be measured by one overall metric. Some portfolios provide metrics (such as 1.1.1) but most do not. It is crucial to include metrics in order to be able to assess success and progress. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** We appreciate that the KPIs for different parts of the organization look quite different. It is easier to develop and measure KPIs for the operational parts of the organization and that is why those parts of ICANN have more developed KPIs. We have put significant effort into improving KPIs for the engagement parts of the organization. This has involved: • best practice research • cross-functional teamwork among staff • collaboration with stakeholders and Board on setting appropriate metrics and targets. We have also invested in technology platforms, like Salesforce.com, to help us improve the automation of our measurement and analysis. This is a part of our commitment to continuous improvement. KPI development work has continued throughout FY16. High-level version release roadmaps have been developed through FY18 for continuous improvements and automation. **Changes to be made in final FY17 planning documents** None
105.	We would like to better understand what the Meeting Services Scorecard is, and why it represents an improvement on the previous index. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The meeting services scorecard is a broader representation of the services made available at each ICANN Public Meeting and the usage of such services, beyond simply the adobe connect usage. It also includes remote hubs, mobile app usage, interpretation, and other technical services. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
106.	Within 1.1, we read "% of ICANN organisational functions globalised and available by region" (Page 37) – How is the percentage calculated? What percentage would be considered a success? Is the baseline determined by function or by region? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** This KPI was removed in FY16 and is being reworked for FY17. **Changes to be made in final FY17 planning documents** None
107.	Within 1.2, "We will measure our success in achieving this goal by" (Page 39), we acknowledge that this part has been significantly improved compared to the previous year, but it seems that the global/regional engagement scorecard needs to be further clarified. Moreover, we recommend the strategy include academia as a stakeholder (i.e. universities) to promote more engagement and globalisation. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The scorecard is a data driven way to allow the regions to report on the efficacy of outreach and engagement efforts by bringing in different quantitative and qualitative metrics that are important to each region, while still maintaining clear focus on the global goals and objectives of the organization. Also, academia is already included as a stakeholder in the regional calculations. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
108.	**Referring to: Objective 2: Foster and coordinate a healthy, secure, stable, and resilient identifier ecosystem** Overall, it is hard to see the metrics for the goals, particularly for the portfolios, which include very distinct characteristics and cannot be measured by one overall metric. Some portfolios provide metrics but most do not. It is crucial to include metrics in order to be able to assess success and progress. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** We appreciate that the KPIs for different parts of the organization look quite different. It is easier to develop and measure KPIs for the operational parts of the organization and that is why those parts of ICANN have more fully developed KPIs. We have put significant effort into developing KPIs of equivalent quality for the engagement parts of the organization. This has involved, best practice research, collaboration with stakeholders and Board on setting appropriate metrics and targets. In addition to this, we have invested in technology platforms, like Salesforce.com, to help us improve the automation of our measurement and analysis and so further refine the KPIs. This is a part of our commitment to continuous improvement. KPI development work has continued throughout FY16 and updated KPIs and associated measurements will be published in FY17. Additional enhancements are refinements to the definition, measurement, and analysis of KPIs is planned over the next two years. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
109.	We would like to see more detail of the service level targets mentioned as the measure of success for the goal of 2.1. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The composite index in 2.1 is calculated based on individual operational metrics used to measure the service delivery levels of the IANA, GDD Operations, and Customer Service departments. The components for this index are all published independently. The IANA department provides extensive reporting and these reports will be enhanced based on improvements agreed with the community. The IANA department also publishes reports on its annual customer satisfaction survey on its reports page.: The GDD Operations department publishes extensive metrics and the Customer Service department dashboard are included in ICANN's Quarterly Stakeholder Calls. **Changes to be made in final FY17 planning documents** None
110.	Within 2.2, we invite you to provide more details on the calculation of the Technical Reputation Index (Page 4), as we notice the lack of a formula for the index, its structure, its weights, and the lack of a target value for the index. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** This KPI, a technical reputation index for ICANN, is being developed. We will be consulting with community members to develop the metrics and their structure and the weighting of the metrics within the index. After the index is defined, we will be able to establish a baseline, which will allow targets for improvement to be identified. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
111.	Within 2.3 - Support the evolution of domain name marketplace to be robust, stable and trusted - we recommend ICANN to further expand on what the Domain Market Place Health Index is (we note the lack of a formula for the index, or a more detailed explanation - such as structure and weights - as well as the lack of a target value for the index). We had highlighted the same points for the FY16 Operating Plan and Budget. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN appreciates the ccNSO's continued interest in the domain marketplace health index and has considered this recommendation along with a large volume of additional community input on the topic. A beta version of the index is expected to be published before the end of FY16. Development and expansion of the index will continue, in close consultation with the community, in FY17 and beyond. ICANN would welcome the opportunity to coordinate with the ccNSO's Strategic and Operational Planning Working Group to increase participation of ccTLD managers on this project as work on the index proceeds. **Changes to be made in final FY17 planning documents** None
112.	Furthermore, we would like to highlight that the expected levels of a "healthy year on year growth in the domain name industry" are too vague, and should be more accurate on the basis of currently available historic data. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN expects that the beta version of the index will include historical data for several discrete metrics. Once this data is published in this beta index, community consultation will continue as ICANN works with the community to further expand and refine the index. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
113.	**Referring to the KPIs for Goal 1.2** We wonder whether the proposed metrics are skewed. For example, the Fellowship Program criteria doesn't consider applicants from many parts of the world. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your comment relating to the Fellowship Program criteria and the reporting of associated metrics. Multiple metrics are collected under goal of 1.2 within each region. These are used to measure how effective outreach and engagement efforts are. As each region has different needs, priorities, and avenues for engagement, not all metrics will be applicable to each region. However, comparable metrics have been identified for each region to ensure that this effectiveness measurement is being captured accurately at the regional level. KPIs to measure the performance of the program itself are reported under goal 5.3. The Fellowship Program sits here under the community-endorsed Goal to 'Empower current and new stakeholders to fully participate in ICANN activities'. As we approach the 10th anniversary of ICANN's Fellowship Program, we are currently conducting a review to further improve and enhance the program based on past experience and stakeholder feedback. One issue that is being reviewed as part of this overall effort is that of the criteria for the program. At the heart of this review - which will be subject to public comment - is that the Fellowship selection process remains accountable, transparent, and independent while continuing to strengthen the ICANN Multistakeholder Model. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
114.	Within 1.3, "Number of participants in the policy development and governance by type, status and location" (Page 40), absolute numbers should not be considered to be enough. It would be good to consider the introduction of relative indicators, growth, targeted values, and potential deviations. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** The ccNSO-SOP provides some excellent suggestions that we will investigate as part of ICANN's continuing effort to benchmark and track the progress toward achieving this goal. The additional indicators could prove to be useful additions to the current metrics the team is beginning to track. **Changes to be made in final FY17 planning documents** None
115.	**Referring to Goal 4.2** The success of this goal will be achieved by the following metric: "Increase # of GAC members (level of actual active participation and level of representation at ICANN meetings)." This could be a misleading metric if ICANN continues to offer travel support to more GAC attendees. It would seem to be more meaningful to measure the level of active participation instead of just attending meetings. Contributions such as GAC list activity and meeting interventions are examples of what might be good metrics. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** As noted above in this section, ICANN has put significant effort into developing more meaningful KPIs for its engagement activities and developing the tools to provide effective measurements of success. We anticipate changes to this and other engagement KPIs in FY17 as this work delivers fruit. Also, as noted below in the section on Travel Funding, ICANN is a conducting a thorough examination of community supported travel in FY17 so that more strategic consideration can be given to levels of travel support among all community activities and groups across the organization. This work will be done in cooperation with the community throughout FY17. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
116.	DMPM Pilot (SO/AC Special Budget Request) – The GNSO Council submitted within the Special SO/AC Budget request to fund a GNSO Council approved pilot on certain requests for data and metrics for policy making. That request was more an advertisement than a request expected to be approved there. First, the Council feels that this type of requests does not meet the original intent of what Special SO/AC budgets requests and therefore we do not want to have those funds consume it. More importantly, the Council feels that the funding of special requests for data and metrics should be a part of the normal Goal 1.3 budget. To ensure that funds are available, the GNSO Council prefers to see a project level budgeted line item to meet the needs of the DMPM pilot. Should the pilot succeed, it can then be determined whether this remains an individual line item, or absorbed and allocated under the core policy budget. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** The availability to resource targeted requests for data and metrics for policy making on particular issues could indeed prove to be an important and critical component of informed policy development efforts as ICANN moves in to a post-transition environment. As noted by the GNSO Council, this is appropriately a matter of strategic importance properly addressed through the main annual budget process and not the Community Special Budget Request Process. Availability of funds for this purpose will be recommended to the Board so that appropriate pilot efforts can be pursued in FY17. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
117.	The BC urges ICANN to provide more meaningful Key Performance Indicators (metrics) aligned with the Strategic and Operating Plans and budgets. Most of the KPI's in the draft and noted during quarterly report calls are vague and not very useful in understanding what ICANN is trying to achieve for with its spending and how ICANN would measure the success of that spending. Where metrics are more specific, they often simply track ongoing activities disconnected from benchmarks and goals. (Just because items are measurable, it does not mean that those measures are informative.) ICANN continues to have difficulty in committing to and maintaining meaningful metrics, which are key to its claim of transparency and community engagement in ICANN's planning process. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf	BC	**Response** We appreciate that the KPIs for different parts of the organization look quite different. It is easier to develop and measure KPIs for the operational parts of the organization and that is why those parts of ICANN have more fully developed KPIs. We have put significant effort into developing KPIs of equivalent quality for the engagement parts of the organization. This has involved, best practice research, collaboration with stakeholders and Board on setting appropriate metrics and targets. In addition to this, we have invested in technology platforms, like Saleforce.com, to help us improve the automation of our measurement and analysis and so further refine the KPIs. This is a part of our commitment to continuous improvement. KPI development work has continued throughout FY16 and updated KPIs and associated measurements will be published in FY17. Additional enhancements are refinements to the definition, measurement, and analysis of KPIs is planned over the next two years. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
118.	Quantifying ICANN's success in making its policy development processes "more accountable, inclusive, efficient, effective and responsive" will be very difficult. IPC suggests based on recent experience that "# of public comments submitted in ICANN public forums" could be a questionable metric in this context. In the comment forum on the draft report of the PPSAI Working Group, by some counts over 11,000 comments were submitted, but the vast majority of them simply parroted one or two talking points that reflected ignorance or misunderstanding of the proposal that was submitted for comment. Based on the uniform response, it is highly unlikely that more than a fraction of these commenters read any part of the Working Group's initial report; it is far more likely that these comments are reactions to the way third party websites described the report, which bears little relationship to the report itself. This should not be considered an indicator of a healthy and robust policy development process, but more accurately the opposite. IPC urges ICANN to proceed with great caution in developing this metric. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** ICANN understands and appreciates the perspective offered by the IPC. We have initiated an annual reporting effort measuring a variety of metrics to assess the health of the public comments infrastructure. The report was first initiated to assess progress on the ATRT2 recommendations regarding public comment improvements and will now become an annual report. While the number of comments submitted is tracked as a part of that reporting effort, as IPC notes additional metrics should also be considered to evaluate the effectiveness of this process. We will work to incorporate additional elements into the next annual report produced to assess calendar year 2016 activity. **Changes to be made in final FY17 planning documents** None
119.	**Referring to the indices referred to in Goals 2.2 and 2.3** We are not clear what these indices describe or how they differ. Clarity is important if we are to comment in a meaningful way. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** The Technical Reputation Index and the Domain Name Marketplace Health Index are being developed concurrently. The two have distinct charters and objectives. The roadmaps published on https://www.icann.org/progress describe in detail the planned work for FY16. The work will continue into FY17. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
120.	**Referring to a "legitimacy survey" in 2.2 and 2.3 of the Five-Year Operating Plan** The IPC has asked about this initiative in previous years. On page 24, under goal 2.1, it is stated that it was moved to Goal 2.3, but there is no reference to it there (pages 27-28). How does ICANN explain this discrepancy? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** This work was superseded by the work conducted by CWG-Accountability. Depending on the outcome of the process later in 2016, this or similar work will be replanned for the future. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to Multistakeholder Engagement and ICANN's responses to them, along with whether a change will be made in the final documents.			
121.	**Referring to: Objective 4: "Promote ICANN's role and multi stakeholder approach"** Whilst seeing a need to promote ICANN's role and the multi stakeholder approach that it represents, there is serious concern that the manner in which this might be carried out might impede the conclusion of the IANA transition, given sensitivities within the US Congress and its ability to meddle with the transition. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** We thank the ccNSO–SOP for their comments and expressing their concern about any impediment to the conclusion of the IANA Stewardship Transition. Management is mindful of this concern and it certainly influences the decisions about the amount, level, location and topic of engagement. It also influences the messaging about this matter. **Changes to be made in final FY17 planning documents** None
122.	Within goal 4.1, reflecting the statement in the section "Overall comments" above, it is recommended that future engagements be undertaken in a manner so as not to elicit concern in the US Congress whilst the IANA transition is "on the table". See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN thanks the ccNSO–SOP for this recommendation and agrees with the sentiment. We believe that ICANN's work with global stakeholders – including governments - is crucial to the conclusion of the IANA Stewardship Transition as it is aimed at managing any opposition to the transition and in fact works to generate support for the transition. One part of that initiative is precisely to ensure that any discussions or efforts in this space would be conducted to educate participants, manage language and messages and engagement to minimize concern and address it in a timely manner if it is raised. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
123.	Within goal 4.2, reflecting the statement in the section "Overall comments" above, we recommend ICANN to introduce balance mechanisms against this objective to attempt to achieve their stated objective for garnering further commitment from governments for the ICANN approach to Internet governance, without seeming to "give in" to governments, and thus eliciting US Congressional scrutiny of the IANA transition. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN thanks the ccNSO–SOP for its comments. The process of engagement in a multistakeholder model is one of balancing the priorities and interests of all of the constituency groups. We are mindful of the need for balance to prevent the perception that ICANN has "given in" to any individual or groups at the expense of any other groups represented in the multistakeholder model. The various objectives are balanced across the various constituencies. **Changes to be made in final FY17 planning documents** None
124.	How does ICANN define the term 'Internet governance'? It is essential to understand this considering that ICANN's mandate is supposed to be limited to management of technical identifiers (names and numbers) and not trying to solve all problems online across myriad jurisdictions. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** As agreed at WSIS, "a working definition of Internet governance is the development and application by governments, the private sector and civil society, in their respective roles, of shared principles, norms, rules, decision-making procedures, and programmes that shape the evolution and use of the Internet." For ICANN's work in the global IG ecosystem, we clearly work within our remit, the system of unique identifiers and making sure all understand what we can do and what is outside our remit. This includes participation as one of the global players in the global forums that discuss IG issues but within our technical remit. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
125.	The description of Portfolio 4.1.1 (Coordination of ICANN Participation in Internet Governance) says: "This portfolio includes those projects that coordinate ICANN's support for and participation in the Internet Governance Ecosystem as well as collaboration with other entities in the ecosystem on projects and initiatives of shared interest." Would "investments" in initiatives like NetMundial or the Chinese forum be included here? How can the community obtain some predictability before the new CEO goes on a spending spree? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** For FY17 no. Portfolio 4.1.1 Coordination of ICANN Participation in Internet Governance) does not include the NetMundial initiative work or the participation in any Chinese Forum. This portfolio covers activities like the global IGF; the regional and national IGFs staff and community participate in and other IGF initiatives such as support for the IGFSA and the IGF Secretariat. Some previous activity in the Internet Governance sphere were conducted under other portfolios or projects. In FY16 NetMundial activities were managed under the project ID 31751 of Development and Public Responsibility Dept., preserving an inclusive IG ecosystem, but there is no NetMundial funding in the FY17 budget **Changes to be made in final FY17 planning documents** None
126.	The description of Portfolio 4.2.2 (Engagement with Governments and IGOs) says: "This portfolio includes those projects supporting and coordinating outreach and engagement with governments and IGOs nationally, regionally and internationally to increase governments' knowledge of and participation in the global Internet Governance ecosystem." This seems to go beyond ICANN's mission. Wouldn't it be more appropriate to word it something like the following: ". . . increase governments' knowledge of and participation in the ICANN multi-stakeholder governance system"? Could this portfolio be combined with 4.3.1 (Support Internet Governance Ecosystem Advancement)? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Outreach to governments and IGOs serves to explain how they can participate in ICANN's ecosystem of constituencies, working groups, meetings, PDP, etc. We will investigate whether the suggested clarification in language to 4.2.2 is possible to emphasize the encouragement of participation within the ICANN multistakeholder model. Combining separate portfolios that support separate strategic objectives would require reviewing and updating the Strategic Plan. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
127.	BC believes that budget items 7.15 - 4.1 & 7.17 - 4.5 on Internet Governance (IG) may be duplicative and recommends that the budget items be aggregated. Also, a bullet pointer on ICANN IG engagement would be helpful to clarify what the engagement activities are. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf	BC	**Response** 7.15-4.1 and 7.15 – 4.3 are included as separate items because they are for different work. While they are aligned and coordinated we have not aggregated them because they support separate strategic goals. As explained in response to another comment - there needs to be an alignment of the projects into portfolio and portfolio into the Strategic Objectives. As the strategic objective and goals are set it in the Five Year Strategic Plan it is not appropriate to combine the portfolios that support the separate goals under the objectives in this operating plan. This is meant to be an illustrative list but is not an exhaustive or exclusive one. Currently some of the IG-related events we anticipate in FY17 include: • Regional and National IGF and IG events such as the European Dialogue on Internet Governance; Meissen Studentkrisse; SEEIG, SISS; APrIG; the Africa Internet Summit and several of the African regional IGF; US IGF and others • Global IGF in Guadalajara, Mexico December 2016 • ITU Council meetings and WG on Internet Public Policy • Enhanced Cooperation WG of the CSTD reporting to ECOSOC • WSIS Forum • WTSA regional preparatory meetings • Global WTSA meeting in Tunisia November 2016 **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
128.	What are the "trust agreements" whose numbers ICANN will seek to increase? How do they differ from whatever was the previous wording (see list of wording changes under item 4.2 in revised 5-yr op plan, page 15)? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** The trust agreements encompass a number of types of agreements between various stakeholders and ICANN. These include: - Memorandums of Understanding - Letters of Intent - Collaboration Agreements - Affirmation of Commitment agreements - Letters of Engagements. All of these types of agreements are a demonstration by the agreeing parties of recognition of ICANN and its role and support for the multistakeholder model. The agreements illustrate a willingness to work with ICANN and participate in its multistakeholder model. This language is more accurate and more inclusive than just using the term MoUs. Different entities use different forms of agreements and the term trust agreements more appropriately covers the various types of agreements that are needed to address the specific needs of the different types of parties we enter into agreements with. **Changes to be made in final FY17 planning documents** None

People Development

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to People Development and ICANN's responses to them, along with whether a change will be made in the final documents.			
129.	Within goal 3.3, what exactly is ICANN trying to achieve here, and what does this have to do with its core mission of name and number coordination? What is ICANN trying to achieve by developing a "globally diverse culture of knowledge"? What does this actually mean? Will the stated FY16 objectives be met on time? What is the "stakeholder internship programme"? What exactly are the programmes to "increase stakeholder participation"? What are the proposed "educational programmes"? Lastly, what sort of "academic outreach to the community" is planned? This appears to be a serious mission creep far beyond ICANN's core responsibilities. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf	ccNSO-SOP	**Response** ICANN's mission is global. To achieve it we need to attract, develop, motivate and retain staff, Board members and stakeholders across the world. This portfolio is intended to enable these three groups to achieve their highest potential and make meaningful contributions to ICANN across the globe. By attracting the best talent, we will be able to ensure decisions are informed by the best available operational, technical and legal expertise from within and outside the global ICANN community. This in turn enables ICANN to be recognized by the global community as having technical excellence and thought leadership. We ensure objectives will be met by undergoing a thorough twice a year internal goal setting and evaluation process. Some of ICANN's activities support multiple strategic goals. In this case, there is a close relationship between this information activities, how they relate to the strategic goal, and to which goal they relate. Thank you for your feedback- this language will be updated to include more accuracy and descriptions. **Changes to be made in final FY17 planning documents** Update phasing for 5.3 to clarify its relationship with the strategic goal

#	Comment	Contributor	Response / Action Taken
130.	From the Headcount projected the CTO area is the only one suffering from a 1 FTE reduction (besides the Corporate which seems to be removed at all) although the CTO budget is increased by roughly $ 1 Mio. We hope this isn't a sign of lessening ICANN's technical expertise. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfDDPStS7Wt1.pdf	ISPCP	**Response** Technical expertise in the Office of the CTO will not be reduced in FY17. At the time the budget was constructed there were 15 staff members forecasted for FY16 in the Security and Technical areas. Due to delayed hires that number has changed to 13, which results in an increase of one in FY17. **Changes to be made in final FY17 planning documents** None
131.	Talent Management. While acknowledging that training and staff capacity improvement is implied here, the BC seeks assurance that the budget earmarked would be sufficient to tackle past security gaps exploited by social engineering and other forms of cyber attacks. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf	BC	**Response** ICANN has developed and deployed a systematic approach to assessing cybersecurity issues and making continuous improvements. Cybersecurity is fundamental and so it is incorporated across a number of operational areas and budgets, including: improved email filtering, threat intelligence and mitigation, web application vulnerability testing and remediation, continuing social engineering awareness training, incident response planning and exercises and improved training (talent management) for IT security staff. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
132.	In its response to clarifying questions from the GNSO, ICANN staff has explained that *"ICANN Technical University is intended to provide a mechanism for staff and the community to better understand the technologies related to the unique identifiers ICANN helps coordinate. Examples of work done within the ICANN Technical University project would be the "How It Works" tutorials offered at the Buenos Aires, Dublin, and Marrakech meetings. It is a project within the Office of the Chief Technology Officer."* What other courses or services are provided? We are also curious to whether has ICANN considered how the launch of a program likely to be abbreviated as "ITU" will impact policy development on protection of IGO acronyms? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** The ICANN Technical University project also includes some staff-focused technology explanation lectures. We are not concerned about the abbreviation as the actual activities use other names, such as "How It Works" tutorials. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to Policy Development and ICANN's responses to them, along with whether a change will be made in the final documents.			

| 133. | Within 1.3.1, "Description: Optimise efficiency and effectiveness of community policy development and advice efforts" (Page 40), we would like to receive additional elements such as key steps, methods, etc.

See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfwgUrhqXrjj.pdf | ccNSO-SOP | **Response**
We have worked diligently to establish benchmarks to permit the longer term assessment and measurement of the road to achieving this goal. In this area, hawse have established five particular "pillars" designed to track and measure progress in this area. They include the following:

• 1.3.1 Representation - Formal Membership Totals Across Supporting Organizations and Advisory Committees
• 1.3.2 Participation – Measure of community activity in policy development and engagement
• 1.3.3 Activity - Project status tracking, Working Groups, and conference and mail list activities
• 1.3.4 Productivity - Measure of Council resolutions and advice activities from the SOs/ACs
• 1.3.5 Impact [Under Construction] – A measure of the policy activities as an end result after implementation

To help achieve 1.3.1, the staff teams supporting policy development and community applications are developing a better community working group tool. It is intended to make initiating and populating community working groups and more streamlined and efficient process. It should help both veteran and newcomer SO and AC community members to organize policy development activities.

Over the last 12 months, ICANN has established some pilot efforts designed to more effectively support the "stakeholder journey" of community participants. Participants are attracted to ICANN's work by various outreach initiatives.

Examples of these pilot efforts include the GNSO Secretariat Pilot program and a pilot program designed to expand the capability of community groups to absorb and respond to public comment opportunities. The participation of knowledgeable and informed community members can substantially improve the efficiency and effectiveness of ICANN's policy development work. |

#	Comment	Contributor	Response / Action Taken
			The ccNSO-SOP comments reinforce the recognition that staff must be focused on identifying, developing, and itemizing these various efforts. Staff will continue to work on these elements in FY17. **Changes to be made in final FY17 planning documents** None
134.	**Referring to Portfolio 1.3.1** $6.3M is budgeted for this portfolio. That represents only 4.8% of ICANN's total FY17 expenditures. Considering the importance of policy development and multistakeholder processes, this percentage seems quite low? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The amount budgeted for this portfolio reflects the resources needed to handle the core ongoing work of the community at FY16 levels. In planning the overall allocations for the FY17 operational year, it is expected that these levels will properly resource the community in the core work of its SOs and ACs. To the extent additional resources are needed, the budget plan allows us to redirect or re-apportion resources to the area of greatest need. **Changes to be made in final FY17 planning documents** None
135.	We suppose that the SG/C secretariat support is covered but couldn't find it. Does it belong to Proj. ID 124868? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfDDPStS7Wt1.pdf	ISPCP	**Response** Yes. Continuation of the GNSO Secretariat Pilot Program in FY17 is accounted for in the core Policy Development Support budget in current Project ID 124868. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
136.	The GNSO Council takes notice of the $1.1M increase in FY17 at 33 FTE for the 1.3 Goal which we understand to be dedicated to policy development and support with ICANN. We support this increase in FY17 but concern still exists as to whether this is enough. The GNSO has recently commenced work on three extensive PDPs (gTLD, RPM, RDS), in addition to other ongoing projects and reviews. We anticipate these being multi-year efforts, not including other issue deliberations outside of the GNSO for which we participate. The Council will continue to collaborate with Policy staff to understand if the resourcing is adequate. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** ICANN is committed to supporting and resourcing all necessary policy development work for the community. As noted by the GNSO Council, FY17 is slated to be an active year and we are geared to support that work. We have observed in the past that projected work often does not take place within anticipated community or budget time frames and endeavors to provide budget flexibility within the annual plan. To the extent additional resources are needed in FY17 to handle the increased workload, the budget plan allows us to redirect or re-apportion resources to the area of greatest need when necessary. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
137.	The GNSO Secretariat Support Program continues to exist as in kind support and as a separate line item. Is the program still under evaluation, is there consideration of moving it to a permanent portion of the budgeting process and if so when? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** ICANN is pleased that the community finds this new resource to be working and improving their effectiveness. Continued feedback will help us to define the program parameters for future fiscal years. While the goal is to remove the "pilot" label for FY18, the program will be available for regular evaluation to fine-tune the services offered to the community and to determine if it can potentially be expanded to other groups as well. The Secretariat Pilot Program is one of a series of initiatives over the past few years designed to provide expanded community resource support. Over the last few years, several new concepts and ideas presented within the framework of the Community Special Budget Request Process have been developed, tested and reviewed as pilot efforts to determine if consistent funding and human resource support can be made available to manage and deliver each new capability that gets introduced. This process has been successfully applied in a number of ways (for example, expanded GNSO community leadership travel – first for non-contracted and then more recently for contracted parties). This same process is being implemented with the secretariat pilot program. In FY17 the GNSO Secretariat pilot will be under the core Policy Development Support budget for a final "pilot" year. The "pilot" term is still active because aspects of the program have only been in place for some communities for a relatively short period of time (it has been found that it takes time for community to "ramp-up" to effectively utilize and manage their new resources). Retention of the "pilot" classification for this program is a reflection of the growth and flexibility of the program rather than a statement of its permanence, as all programs are evaluated every year to some degree. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
138.	The Council wishes to recognize the support for the F2F PDP WG meetings Project and now properly allocated to the core Policy Team budget. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** Inclusion in the core policy development budget of F2F PDP WG Meetings at ICANN Public Meetings is an example of the effectiveness of the annual Community Special Budget Request Process. A few years ago, the concept of the F2F meeting sessions was proposed, approved on a provisional "pilot" basis, tested, evaluated and, over a period of a couple fiscal years, proven to be a productive use of organizational resources. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
139.	The IPC is extremely pleased with the quality of staff secretariat support currently being provided, and would like to see this made a permanent feature of the ICANN operating plan and, if possible, at a higher quantitative level of support. We do not agree that "more experience is needed to confirm the value of a permanent resource," and ask that ICANN explain in detail what stands in the way of making this part of the 5-year operating plan beginning with FY 17. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** ICANN is pleased that the IPC finds this new resource to be working and improving their effectiveness. Continued feedback will help us to define the program parameters for future fiscal years. While the goal is to remove the "pilot" label for FY18, the program will be available for regular evaluation to fine-tune the services offered to the community and to determine if it can potentially be expanded to other groups as well. The Secretariat Pilot Program is one of a series of initiatives over the past few years designed to provide expanded community resource support. Over the last few years, several new concepts and ideas presented within the framework of the Community Special Budget Request Process have been developed, tested and reviewed as pilot efforts to determine if consistent funding and human resource support can be made available to manage and deliver each new capability that gets introduced. This process has been successfully applied in a number of ways (for example, expanded GNSO community leadership travel – first for non-contracted and then more recently for contracted parties). This same process is being implemented with the secretariat pilot program. In FY17 the GNSO Secretariat pilot will be under the core Policy Development Support budget for a final "pilot" year. The "pilot" term is still active because aspects of the program have only been in place for some communities for a relatively short period of time (it has been found that it takes time for community to "ramp-up" to effectively utilize and manage their new resources). Retention of the "pilot" classification for this program is a reflection of the growth and flexibility of the program rather than a statement of its permanence, as all programs are evaluated every year to some degree. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to Technical Engagement and ICANN's responses to them, along with whether a change will be made in the final documents.			
140.	Regarding the 'ICANN Contribution to IPv6 Uptake' project, what does 'will look at contractual parties and ccTLD operators' mean? From where does ICANN derive any authority to engage registries or registrars on IPv6 adoption? See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** This can be seen as a measure of ensuring the security, stability, and resiliency of the Internet's unique identifiers. Because both the DNS and IPv4/6 are unique identifiers, ICANN wants to ensure the stability of the Internet ecosystem by encouraging the use of IPv6 in areas that work with, or manage, key resources that affect the global community. **Changes to be made in final FY17 planning documents** None
141.	We note that Universal Acceptance is not included as a multiyear project. Why is that? It definitely seems to be one that will be ongoing over many years. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** We agree that Universal Acceptance will require a multiyear effort. As noted above in the Financial Management theme, ICANN is developing guidelines to do two key things: • define what constitutes a multiyear project • define the funding mechanism for multiyear projects. While Universal Acceptance was not identified as a multiyear project in the FY17 plans we expect the work to continue into FY18 and beyond. **Changes to be made in final FY17 planning documents** None
142.	**Referring to portfolio 2.2.4** It seems appropriate that a large majority of the total expenses for Goal 2.2 is spent on SSR. ($3.8M out of $5.1M, 74.5%). See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your comment. **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
143.	The description of Portfolio 2.3.4 (Internationalized Domain Names) says: "Description: Support the introduction and universal acceptance and adoption of Internationalized Domain Names (IDNs). The $1.2M budgeted for this seems very worthy. Noting that $800K is budgeted for professional services, it would be helpful to identify what professional services are planned. Referring to the projects spreadsheet, we see that this portfolio includes seven (7) projects but only four (4) of them have any funds allocated: three for IDN variants and one for ccTLD evaluations. In other words, except for the indirect benefits that may be accrued from the variant work and the evaluation of IDN ccTLDs, there are no funds for actually facilitating universal acceptance of IDNs, which we think is a mistake. Are funds for universal acceptance budgeted elsewhere? If so, that should be noted here or the portfolio description should be changed. If not, then we strongly believe that funds should be budgeted to support universal acceptance of IDNs and to promote IDNs in general. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The work on Internationalized Domain Names is a subset of Universal Acceptance work. Work is spread across these two portfolios but focuses on a common purpose. In addition to the projects you identify, please note that two key projects focused on facilitating universal acceptance of IDNs are: • 32011 (Universal Acceptance Research/Development) with a planned budget of $300k • 19104 (Universal Acceptance of TLDs) with a planned budget of $1.3 million **Changes to be made in final FY17 planning documents** None

#	Comment	Contributor	Response / Action Taken
144.	The description of Portfolio 2.3.9 (Universal Acceptance) says: "ICANN support to the Internet community to enable all protocol valid domains - including ccTLDs, gTLDs, and IDNs - to work in applications regardless of the age or script. This work is intended to support the goals of the user choice, user confidence, and competition." Universal acceptance is a critical issue for the RySG. Are we correct in assuming that universal acceptance of IDNs is covered in this portfolio rather than Portfolio 2.3.4 even though the description of 2.3.4 includes universal acceptance of IDNs? We note that $1.3M is budgeted for professional services for this portfolio. Because of its importance, we request that more detail be provided regarding what services are being considered. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** The work on Internationalized Domain Names is a subset of Universal Acceptance work. Work is spread across these two portfolios but focuses on a common purpose. Portfolio 2.3.9 is focused on promoting the technical acceptance of all TLDs in software so that names that include new TLDs can be used just like those that include old TLDs. In contrast, 2.3.4 hosts a number of projects, including work on a Label Generation Ruleset tool and supporting processes, updates to ICANN's systems and processes, and smaller projects for IDN ccTLD evaluations, the publication of IDN tables, and the development of guides and communications. Some project budgets appear empty because the granularity of budgets is $10k. **Changes to be made in final FY17 planning documents** None

Travel Funding

#	Comment	Contributor	Response / Action Taken
Section Summary: This section excerpts comments and questions relating to Travel Funding and ICANN's responses to them, along with whether a change will be made in the final documents.			

#	Comment	Contributor	Response / Action Taken
145.	The RSSAC respectfully requests support for one (1) additional traveler at ICANN 57 - 59 as part of the FY17 Operating Plan and Budget. Since receiving travel support for five (5) RSSAC members at ICANN meetings as part of the FY16 Operating Plan and Budget, the RSSAC has consistently resorted to a lottery or another random selection process to select these five (5) support travelers from a pool of six (6) applicants. The demand for six (6) supported travelers has remained consistent over recent ICANN meetings (ICANN49-54). RSSAC supported travelers are expected to present on behalf of RSSAC at the "How It Works" tutorial series organized by the Office of the CTO and present in other RSSAC public sessions. RSSAC supported travelers also recruit new Caucus members through outreach activities at ICANN meetings. Indeed, 16 new Caucus members joined in 2015 as a result of outreach activities by RSSAC members. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfCXpPXtX9KB.pdf	RSSAC	**Response** ICANN's commitment to support community travel to ICANN Public Meetings has increased substantially over the last several years. Since the ICANN 33 meeting in Cairo, supported travelers per ICANN meeting have increased over 325% and out of pocket travel costs have increased 250%. Many of those increases have been from decisions made tactically to respond to particular events, immediate needs or special community budget requests over the years. Where possible, ICANN has expanded support for community travel to public meetings from meeting-to-meeting or year-to-year. But, during that time the organization has not examined those increases in a structured way. In view of the expansion of travel support for the last several years and expected changes prompted by the potential IANA Stewardship Transition implementation, the organization intends - in partnership with the community - to conduct a thorough examination of community supported travel in FY17 so that more strategic consideration can be given to levels of travel support among all community activities and groups across the organization. In the meantime, it would be premature to permanently expand travel slots requested by the community for FY17. As a result, while the FY17 budget does not permit full support of all requests submitted, partial support can be provided at least at the SO-AC level. The staff will recommend that the Board consider expanding the constituency travel support budget for the RSSAC – for FY17 only – by the one travel slot. This will mean a total of six per ICANN Public Meeting in FY17, consistent with the current travel guidelines. It is hoped that a more comprehensive review and discussion of the strategies, benefits and opportunities for in-person meeting participation can be conducted to improve the resourcing plan or this area to ensure productive and consistent support in FY18 and beyond. **Changes to be made in final FY17 planning documents** Add extra supported travel for RSSAC

#	Comment	Contributor	Response / Action Taken
146.	Therefore, in order to facilitate such Members' attendance to GAC Meetings in FY17 and thereafter, and also reminding about the previous agreement with the ICANN CEO, the GAC requests that the number of GAC travelers supported be increased to 50 per ICANN meeting, starting in FY17 and to continue in future years as a permanent part of ICANN's core budget. Like for earlier years, 5 of the travel support slots would be dedicated to "pre-approved organizations", meaning IGOs fulfilling specific GAC criteria for travel support, while the remaining 45 slots would be dedicated to representatives from GAC Members fitting the GAC criteria for travel support. See full comment: https://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/msg00004.html	GAC	**Response** ICANN's commitment to support community travel to ICANN Public Meetings has increased substantially over the last several years. Since the ICANN 33 meeting in Cairo, supported travelers per ICANN meeting have increased over 325% and out of pocket travel costs have increased 250%. Many of those increases have been from decisions made tactically to respond to particular events, immediate needs or special community budget requests over the years. Where possible, ICANN has expanded support for community travel to public meetings from meeting-to-meeting or year-to-year. But, during that time the organization has not examined those increases in a structured way. In view of the expansion of travel support for the last several years and expected changes prompted by the potential IANA Stewardship Transition implementation, the organization intends - in partnership with the community - to conduct a thorough examination of community supported travel in FY17 so that more strategic consideration can be given to levels of travel support among all community activities and groups across the organization. In the meantime, it would be premature to permanently expand travel slots requested by the community for FY17. As a result, while the FY17 budget does not permit full support of all requests submitted, partial support can be provided at least at the SO and AC level. The staff will recommend that the Board consider expanding the constituency travel support budget for the GAC – for FY17 only – by 10 travel slots. This will mean a total of 40 per ICANN Public Meeting in FY17, consistent with the current travel guidelines. It is hoped that a more comprehensive review and discussion of the strategies, benefits and opportunities for in-person meeting participation can be conducted to improve the resourcing plan or this area to ensure productive and consistent support in FY18 and beyond. **Changes to be made in final FY17 planning documents** Add extra supported travel for GAC

#	Comment	Contributor	Response / Action Taken
147.	The GNSO Council Development Session has been funded the last three years as a pilot as part of the special community budget requests. As the evaluation of this pilot has clearly demonstrated the benefits, the GNSO Council welcomes that this project has now moved into the general budget and as a result has graduated from a pilot into a permanent feature. The GNSO Council fully supports this move and thanks ICANN for their continued support. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** Inclusion of the annual GNSO Council Development Session in the core policy development budget is an example of the effectiveness of the annual Community Special Budget Request Process. A few years ago, the concept of the developmental session was proposed, approved on a provisional "pilot" basis, tested, evaluated and, over a period of a couple fiscal years, proven to be a productive use of organizational resources. A similar approach is now being tested on a pilot basis for the ALAC. **Changes to be made in final FY17 planning documents** None
148.	The Council notes that each fiscal year, both the CPH and NCPH have annual retreats (CPH within GDD & NCPH within Policy), and the monies spent has been a recent topic within the GNSO. • Goal 1.3 – Project 124780 - $100,000 for NCPH Intersessional • Goal 2.1 – Project 124349 - $400,000 for GDD Summit See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdf6g8VOWVbLO.pdf	GNSO	**Response** Inclusion of an annual intersessional meeting of the GNSO's non-contracted parties in the core policy development budget is an example of the effectiveness of the annual Community Special Budget Request Process. A few years ago, the concept of the intersessional meeting was developed after several communities proposed individual intersessional meetings. Subsequently, the joint intersessional meeting was, tested on a pilot basis, evaluated and, over a period of a couple fiscal years, proven to be a productive use of organizational resources. The GDD Summit concept has evolved on a separate track and appears to be well received by the community. **Changes to be made in final FY17 planning documents** None

| 149. | As part of the FY17 budget process, the Business Constituency (BC) also requests a small expansion of the ICANN Travel guidelines to enable it to send its entire executive team of four (4) leaders to all ICANN Public Meetings.

The BC currently has authority to fill a total of five (5) travel slots at ICANN Public Meetings. The existing travel slots are devoted to the constituency's two (2) elected GNSO Council representatives and only three (3) of its community executive leaders. This smaller number reduces the effectiveness of the community as it prevents the BC from regularly bringing together its entire leadership team face-to-face.

To bring these four (4) leaders together on a regular basis at public meetings, the BC seeks public meeting travel support for all its volunteer leaders – an increase of only one travel slot per ICANN meeting from the current BC allocation. For the last several years (FY13, FY14, FY15, and FY16) the business community has sought to expand this resource so that the travel of all its executive committee members is supported. Unfortunately, those requests have not been resourced through the Community Special Request budget program.[1]

The BC is one of the most active community groups within ICANN. Representing the needs of a critical community within the ICANN ecosystem, the BC has participated actively in all aspects of the work of ICANN for over a decade. Given the increased profile of ICANN activities and the importance of ICANN public meetings within the ICANN new meeting strategy, it is critical that all BC executive leaders have the opportunity to participate at the meetings in-person and maintain the high level of participation that has become | BC | **Response**
ICANN's commitment to support community travel to ICANN Public Meetings has increased substantially over the last several years. Since the ICANN 33 meeting in Cairo, supported travelers per ICANN meeting have increased over 325% and out of pocket travel costs have increased 250%. Many of those increases have been from decisions made tactically to respond to particular events, immediate needs or special community budget requests over the years. Where possible, ICANN has expanded support for community travel to public meetings from meeting-to-meeting or year-to-year. But, during that time the organization has not examined those increases in a structured way.

In view of the expansion of travel support for the last several years and expected changes prompted by the potential IANA Stewardship Transition implementation, the organization intends - in partnership with the community - to conduct a thorough examination of community supported travel in FY17 so that more strategic consideration can be given to levels of travel support among all community activities and groups across the organization.

In the meantime, it would be premature to permanently expand travel slots requested by the community for FY17. In fact, the FY17 budget does not permit full support of expanded public meeting travel support requests below the SO and AC level. As a result, the current BC support level will have to remain at a total of five supported travelers, pending further review of the overall travel guidelines in FY17. It is hoped that a more comprehensive review and discussion of the strategies, benefits and opportunities for in-person meeting participation can be conducted to improve the resourcing plan or this area to ensure productive and consistent support in FY18 and beyond.

Changes to be made in final FY17 planning documents
None |

#	Comment	Contributor	Response / Action Taken
	expected of the business community. An expanded community leadership presence at public meetings (including face-to-face meetings of the entire executive committee) will substantially enhance these contributions. The BC believes that this incremental increase in travel support will substantially increase the effectiveness of the business community at ICANN public meetings and bolster the community's ability to more effectively participate in the wave of new policy work that is coming in FY17. BC leadership would be delighted to discuss this expansion with senior staff leaders and Board members. [1] Now that the special budget request program is no longer open to requests for expanded public meeting travel support (see Principle 22 - Community Special Budget Request Principles (vFY17-2015), the BC is making the request through this broader FY17 budget proceeding. See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfJkvJ9zLjAW.pdf		

| 150. | The five year cycle of General Assemblies and Summits has proven to be a reasonable balance of volunteer and staff effort, costs, and benefits. We therefore recommend that we continue with a Summit scheduled every five years, and a cycle of RALO General Assemblies in the four year interval between Summits and that these meetings be incorporated into the ICANN Operating Plan and Budget. Ideally this should be spread among the years, as follows:

• Year 1: 1 year with no General Assembly post-Summit in order to allow time for implementation of recommendations.
• Years 2-4: 1 or 2 General Assemblies per year, 5 in total, with a preference for nothing late in year 4 in preparation for the Summit.
• Year 5: At-Large Summit.

This pattern reduces the draw on ICANN funds in the year after a Summit, and allows time for Summit recommendations and action items to be implemented. Although we met the overall target in FY10-FY13, in practice, flexibility is, and will be, required due to the regional rotation of ICANN meetings, funding that is available in any given year and regional issues and region- and venue-specific issues.

See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfkZXbB6GSYb.pdf | ALAC | **Response**
Value in Face-to-Face Meetings
ICANN recognizes the fundamental importance of the representation of users in ICANN's multistakeholder model, and of the participation of such representatives in its activities. ICANN also recognizes that the existing structures of the At-Large organization depend for their effectiveness on face-to-face meetings, and that the past experience of the value resulting from such face-to-face meetings has received broad consensus from the community.

ICANN Agrees with the At-Large Request
ICANN welcomes the request from At-Large for a multiyear schedule of General Assemblies and Summits. It is consistent with the organization's efforts to plan more and better in both short and long terms.

It allows the existing meetings and costs to be put in the longer term perspective of a five-year cycle. This will improve the predictability of activities and costs for the ICANN organization and allow better planning and increased efficiency in the organization of such meetings. It also makes explicit the commitment of the At-Large organization to the suggested structure of meetings included in the proposal.

The Way Forward
ICANN plans to integrate the At-Large multiyear schedule of General Assemblies and Summits, and similar requests from other parts of the community, into ICANN's Five-Year Operating Plan. This means At-Large will not have to make new requests every year for the inclusion in the Fiscal Year Operating Plan and Budget.

Future Considerations
The Fiscal Year Operating Plan and Budget are subject to community and Board approval each year. Because of the longer term planning arising from this process, both the ICANN and At-Large organizations will need to be flexible and adjust the scheduling of General Assemblies and Summit meetings to take account of circumstances as they arise. |

#	Comment	Contributor	Response / Action Taken
			We also recommended that At-Large provides periodic updates of the five-year cycle of meetings. These should happen at least once a year and at least two months before the scheduled date of publication of the draft annual operating plan and budget for public comment. **Changes to be made in final FY17 planning documents** Integrate the proposed multiyear planning proposal into the FY17 Operating Plan and Budget

#	Comment	Contributor	Response / Action Taken
151.	The IPC wishes to take this opportunity to request additional ICANN public meeting travel support slots in accordance with Principle 22 of the SO-AC Additional Budget Requests (vFY17-2015).[4] As part of the FY17 budget process, the IPC requests a limited expansion of the ICANN Travel Guidelines to enable it to send its entire executive team to all ICANN public meetings and to expand IPC membership participation to handle an increasing community workload. The IPC respectfully requests the addition of three (3) travel slots. [4] See https://community.icann.org/pages/viewpage.action?pageId=56987383&preview=/56987383/56987385/Principles%20of%20SO-AC%20Additional%20Budget%20Requests%20(vFY17-2015).pdf) . See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** ICANN's commitment to support community travel to ICANN Public Meetings has increased substantially over the last several years. Since the ICANN 33 meeting in Cairo, supported travelers per ICANN meeting have increased over 325% and out of pocket travel costs have increased 250%. Many of those increases have been from decisions made tactically to respond to particular events, immediate needs or special community budget requests over the years. Where possible, ICANN has expanded support for community travel to public meetings from meeting-to-meeting or year-to-year. But, during that time the organization has not examined those increases in a structured way. In view of the expansion of travel support for the last several years and expected changes prompted by the potential IANA Stewardship Transition implementation, the organization intends - in partnership with the community - to conduct a thorough examination of community supported travel in FY17 so that more strategic consideration can be given to levels of travel support among all community activities and groups across the organization. In the meantime, it would be premature to permanently expand travel slots requested by the community for FY17. In fact, the FY17 budget does not permit full support of expanded public meeting travel support requests below the SO-AC level. As a result, the current IPC support level will have to remain at a total of five supported travelers, pending further review of the overall travel guidelines in FY17. It is hoped that a more comprehensive review and discussion of the strategies, benefits and opportunities for in-person meeting participation can be conducted to improve the resourcing plan or this area to ensure productive and consistent support in FY18 and beyond. **Changes to be made in final FY17 planning documents** None

WHOIS

#	Comment	Contributor	Response / Action Taken
	Section Summary: This section excerpts comments and questions relating to WHOIS and ICANN's responses to them, along with whether a change will be made in the final documents.		
152.	The third bullet under Portfolio 2.3.1 (WHOIS Coordination & Implementation) says: "Determining whether there is a better system for providing information about gTLD domain names, consistent with applicable data protection and privacy laws." To measure this would require collection and updating of 'applicable data protection and privacy laws' around the world. How will that be done? Is $200K for ICANN personnel sufficient for doing this? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfADy6CzS3xi.pdf	RySG	**Response** Thank you for your comments. The project in 2.2.1 is focused on improvements to the current system of WHOIS and recently adopted consensus policies, such as thick WHOIS, translation and transliteration. The work planned for 2.3.1 relates to a possible future system and new policy framework that may emerge from the work of the PDP underway for the next generation RDS system. We will make the distinction between the two clearer in the portfolio descriptions. **Changes to be made in final FY17 planning documents** Clarify the descriptions for 2.2.1 and 2.3.1.
153.	These two sections provide exactly the same description for two separate portfolios relating to Whois (portfolios 2.2.1 and 2.3.1). How does ICANN differentiate between the two? And how does ICANN expect to materially advance the ambitious goals stated (identically) for each portfolio with a total commitment of 1.6 FTEs and a personnel expense of $500,000? See full comment: http://forum.icann.org/lists/comments-op-budget-fy17-five-year-05mar16/pdfy83RWCZbT2.pdf	IPC	**Response** Thank you for your comments. The project in 2.2.1 is focused on improvements to the current system of WHOIS and recently adopted consensus policies, such as thick WHOIS, translation and transliteration. The work planned for 2.3.1 relates to a possible future system and new policy framework that may emerge from the work of the PDP underway for the next generation RDS system. We will make the distinction between the two clearer in the portfolio descriptions. **Changes to be made in final FY17 planning documents** Clarify the descriptions for 2.2.1 and 2.3.1.