IANA FY24 Operating Plan and Budget

Internet Assigned Numbers Authority (IANA)

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Changes Between Draft and Adopted Versions

The table below shows the changes made to the FY24 PTI Operating Plan and Budget.

Section of the Plan	Description of Change
Introduction	Text in the introduction was updated to reflect the correct PTI FY24 Budget number. No change to the Budget figures, just a correction in the text.
Planning Process Overview	Minor descriptive text changes to Figure 1-3.

Introduction

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

PTI is an affiliate of ICANN and, through contracts and subcontracts with ICANN, is responsible for the operations of the IANA functions. PTI has its own Bylaws that require the organization to develop an annual PTI operating plan and budget (*PTI OP&B*) that is adopted by the PTI Board. The *PTI OP&B* includes all costs directly related to the delivery of the IANA functions: performing day-to-day operations, developing and evolving tools and systems, reporting on performance and customer satisfaction and maintaining the security and integrity of key elements of Internet infrastructure. For FY24, the total *PTI OP&B i*s $10.5M.

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

Planning Process Overview

The *FY24 IANA Operating Plan and Budget* (*FY24 IANA OP&B*) includes all of the services described in the *FY24 PTI OP&B* as well as activities related to the contract oversight and activities incurred by ICANN (see Figure 1 below).
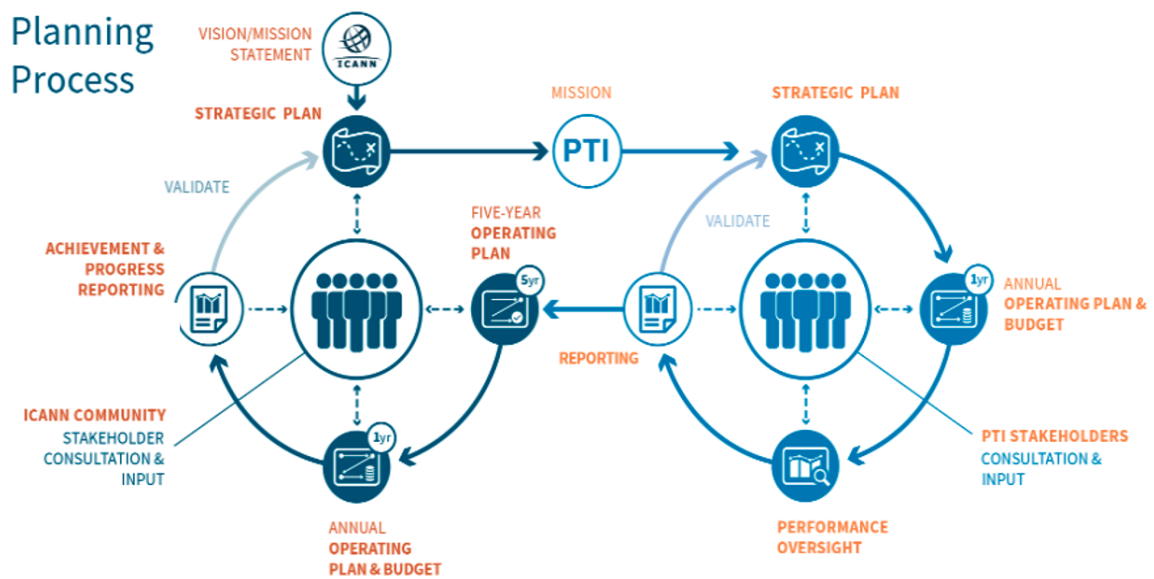
FIGURE 1 The IANA and ICANN Planning Process

The *FY24 IANA OP&B* is then incorporated into *ICANN's FY24 Operating Plan and Budget*, which is sent to the ICANN Board for review and consideration of adoption. See Figure 2 below.
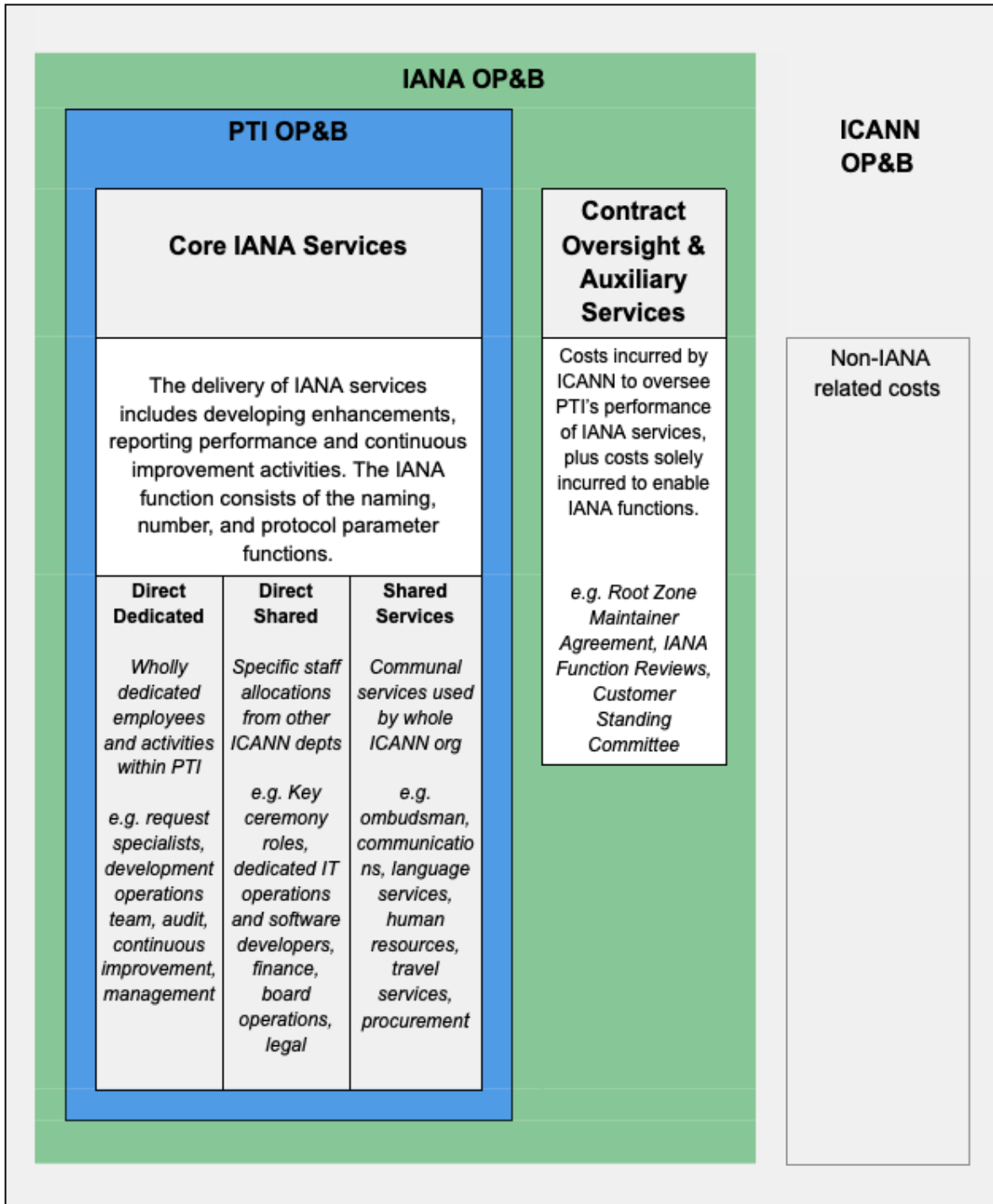
FIGURE 2 The PTI, IANA and ICANN Annual Operating Plan and Budgets

FY24 IANA Operating Plan and Budget

The services described in the *FY24 PTI OP&B* represent a very large component of the *FY24 IANA OP&B*. The other components are the services that are not borne directly by PTI in its role as the IANA functions operator. These services are performed by ICANN.

Scope of Work

The largest set of activities that are in scope for the *FY24 IANA OP&B* are laid out in the *FY24 PTI OP&B*. Reviewing that plan is essential to understanding the *FY24 IANA OP&B* as it will detail the planned assumptions, the scope of work and the budget structure used to deliver the IANA functions.

The additional components of the *FY24 IANA OP&B* are IANA support activities that are performed by ICANN org and excluded from the *FY24 PTI OP&B*:

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

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

Funding

PTI is the affiliate of ICANN that is responsible for the operations of the IANA functions. PTI invoices ICANN org every quarter for performing those functions. ICANN org, in accordance with its Bylaws, subcontracts with PTI to perform the IANA functions. ICANN org is committed to providing the funding of PTI for the IANA functions. ICANN org has a sustainable model of funding expected to generate approximately $150 million per year, which allows ICANN org to confidently commit to the funding of PTI.

FY24 IANA Budget

The FY24 IANA Budget is $11.0 million, of which $10.5 million is for performing the core IANA services and $0.6 million is for IANA support activities (not performed by PTI). The FY24 PTI Budget is $0.6M higher than the FY23 PTI Budget, primarily due to an increase in personnel costs to address inflation and incremental professional services for projects such as the algorithm rollover study and the iana.org website improvement; these costs have been partially offset by lower administration and capital expenses. The IANA support activities component is relatively flat compared to the FY23 IANA Budget due to consistent support requirements.

The FY24 IANA Budget includes 24.1 Full-Time Equivalents (FTE). Additional resources may be required in FY24 to support IANA, but are not included in this budget to align with the organizational process for approving and budgeting new positions. A certain amount of staff turnover and growth is budgeted each year, but new positions are not allocated to the functional activities until they are hired. This rigorous process allows the organization to strategically evaluate each new hire, controlling headcount growth and ensuring proper allocation of resources. If IANA requires an additional FTEs in FY24, resources will be prioritized using this budgeting and approval process.

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

The FY24 PTI Budget is $10.5 M, which is $0.6M higher than the FY23 budget. For more detail about the budget, see the tables below.

FY24 PTI Budget in Millions, USD		FY24 Budget	FY23 Budget	Under/(Over)		FY22 Actuals	Under/(Over)	
				Total	%		Total	%
FUNDING		**$10.5**	**$9.8**	**($0.6)**	**-6.5%**	**$8.1**	**($2.4)**	**-29.1%**
Personnel		$6.7	$6.3	($0.4)	-6.7%	$6.3	($0.4)	-6.6%
Travel & Meetings		$0.4	$0.5	$0.1	24.9%	$0.1	($0.3)	-397.1%
Professional Services		$1.8	$1.3	($0.5)	-41.65%	$0.9	($0.9)	-101.2%
Administration		$0.9	$0.9	($0.0)	3.1%	$0.8	($0.1)	-18.5%
Contingency	**(a)**	$0.5	$0.5	$0.0	0.0%	$0.0	($0.5)	0.0%
Capital		$0.1	$0.3	$0.2	68.3%	$0.0	($0.1)	-345.7%
Depreciation	**(b)**	$0.0	$0.0	$0.0	0.0%	$0.0	($0.0)	-101.6%
TOTAL CASH EXPENSES		**$10.5**	**$9.8**	**($0.6)**	**-6.5%**	**$8.1**	**($2.4)**	**-29.1%**
EXCESS/(DEFICIT)		**$0.0**	**$0.0**	**$0.0**	**0.0%**	**$0.0**	**$0.0**	**0.0%**
Average Headcount (FTE)	**(c)**	22.6	22.0	(0.6)	-2.9%	21.6	(1.0)	-4.8%

(a) Contingency is an amount included in the budget but not allocated to specific activities; it can be used for unforeseen costs or to cover the difference between budgeted and actual costs.
(b) Depreciation is treated as a cash expense for PTI since it will be reimbursed to ICANN.
(c) FTE stands for Full-Time Equivalent.

FY24 IANA Budget in Millions, USD	FY24 Budget	FY23 Budget	Under/(Over)		FY22 Actuals	Under/(Over)	
			Total	%		Total	%
PTI Budget	$10.5	$9.8	($0.6)	-6.5%	$8.1	($2.4)	-29.1%
IANA Support Activities (1)	$0.6	$0.6	($0.0)	-0.3%	$0.6	$0.0	1.8%
TOTAL	**$11.0**	**$10.4**	**($0.6)**	**-6.1%**	**$8.7**	**($2.3)**	**-27.1%**
Average Headcount (FTE)	24.1	23.5	(0.6)	-2.5%	23.0	(1.1)	-4.7%

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

Caretaker Budget

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

Appendix

FY24 PTI Operating Plan and Budget

The *FY24 PTI Operating Plan and Budget* represents the majority of the *FY24 IANA OP&B* scope. The total PTI OP&B for Fiscal Year 2024 is $10.5M.

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