

ICANN FY19 Planning

Overview of Draft FY19 Operating Plan and Budget Documents for Public Comment

Planning Team

Webinar
January 2018



INTRODUCTION



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Agenda

1

CEO Introduction

2

Current Status

3

FY 19 Document
Structure
Overview

4

Five Year Operating
Plan Update

5

Draft FY19 Operating
Plan and Budget
Highlights

6

Next Steps
and Q&A

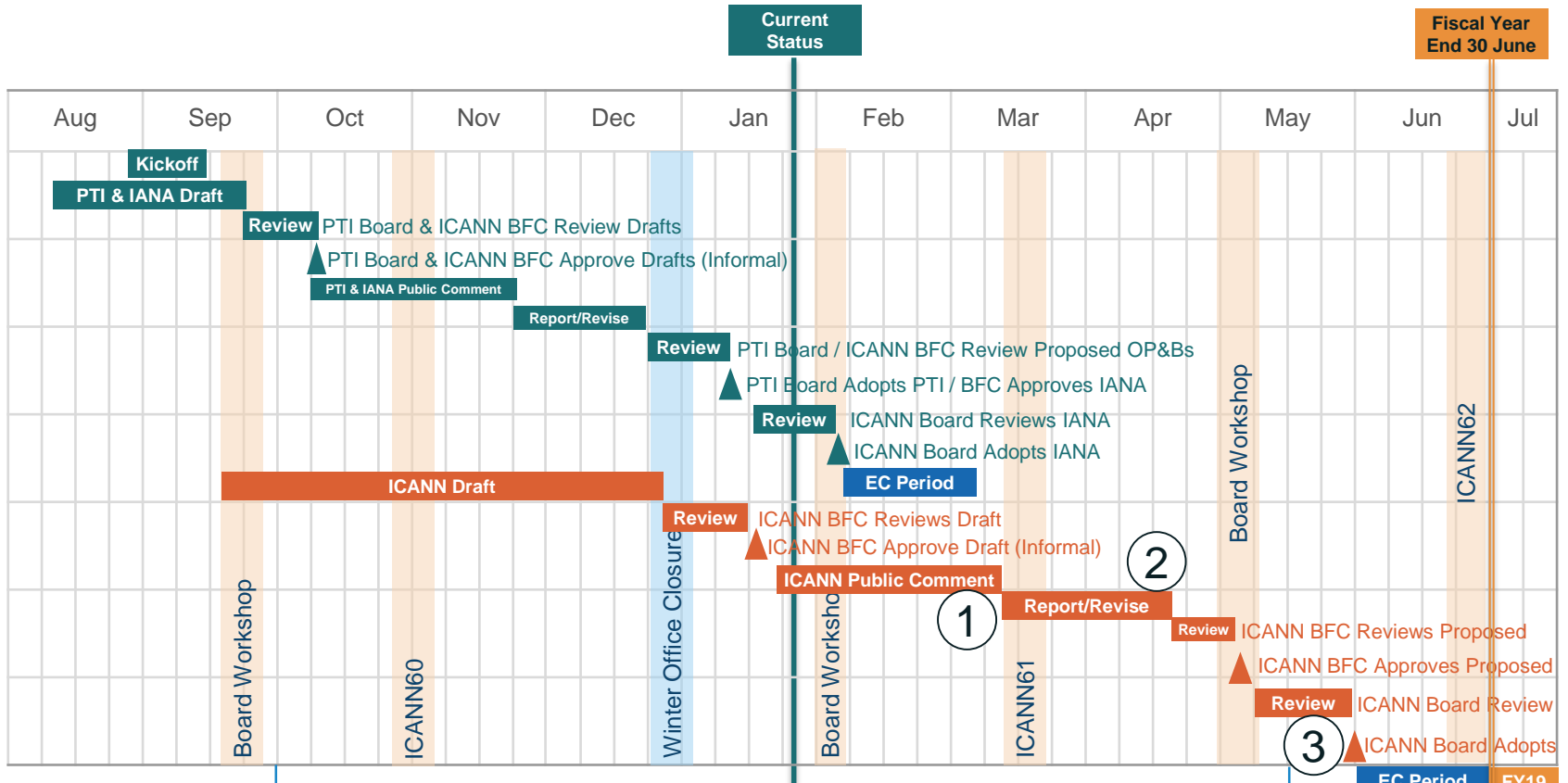
1. CEO Introduction

Introduction

- ⦿ Slowing growth of our funding
- ⦿ Cost containment approach: helps to focus on the right thing to do.
- ⦿ New approach in proposed FY19 Operating Plan & Budget published
- ⦿ Many in the community are ready for prioritization and cost containment.
- ⦿ Plan/Budget achievable but takes everyone's participation and contribution.

2. Current Status

FY19 Planning Timeline Highlights



Key Next Steps:

1. Public Comment Period Ends 8 March
2. ICANN.org report on Public Comment Due 12 April
3. ICANN Board Approval 31 May 2018

3. FY19 Documents Structure Overview

FY19 Documents Structure

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ICANN Draft FY19 Operating Plan and Budget and Five-Year Operating Plan Update

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Open Date

19 Jan 2018 23:59 UTC

Close Date

8 Mar 2018 23:59 UTC

Staff Report Due

12 Apr 2018 23:59 UTC



Comments close in **43** Days

[Contents](#)

[Brief Overview](#)

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[Comments Forum](#)

[Section I: Description and Explanation](#)

[Section II: Background](#)

[Section III: Relevant Resources](#)

[Section IV: Additional Information](#)

[Section V: Reports](#)

Brief Overview

Purpose:

Focusing on ICANN's commitment to the multistakeholder model, ICANN's Draft FY19 Operating Plan and Budget and the current year update to the Five-Year Operating Plan are provided for community discussion and public comment. ICANN seeks structured feedback on the plans described in these documents. The documents incorporate improvements on previous years based on regular interaction with the ICANN community and reflect FY19's planned



<https://www.icann.org/public-comments/fy19-budget-2018-01-19-en>



Planning Document Structure

Document Number	Document Name	Description of Contents
1	FY19 Budget Introduction & Highlights	Overview of the key elements of the draft FY19 plans
2	FY19 Total ICANN Budget	High-level review of the draft FY19 budget
3	FY19 Key Projects & Activities	Information on key cross-functional projects and activities planned for FY19
4	FY19 Operating Plan	Section 1: Summary of 6 modules of work planned for FY19 Section 2: Breakdown of the operating plan with the budget by strategic goal
5	FY19 Five-Year Operating Plan Update	High-level five-year perspective on the operations ICANN undertakes to implement its strategic plan
6	FY19 Excel Spreadsheet	Detailed breakdown of the budget for each project

- New series of six documents that form the ICANN annual update to the fiscal Operating Plan and Budget.
 - Introduction and Highlights document recommended to read first
 - Each document is standalone and can be reviewed separately in no specific order, dependent on interest.
 - Key Projects and Operating Plan Modules provide more information on planned projects and activities

4. Five-Year Operating Plan Update

5YOPU FY18 → FY19 Types of Changes

1

Strategic Plan

Objectives and Goals are defined in the Strategic Plan and remain unchanged

4

Dependencies

Dependencies updated to reflect completed work, events that have happened, and arising situations

2

Portfolios

Portfolios updated to reflect work that will be completed in FY18, work to be started in FY19, and refinements to work that will continue. This includes moving portfolios between goals following organizational changes.

5

Phasing

Phasing updated based on planned progress for FY18 and to give additional detail in FY19 and beyond

3

Accountability Indicators

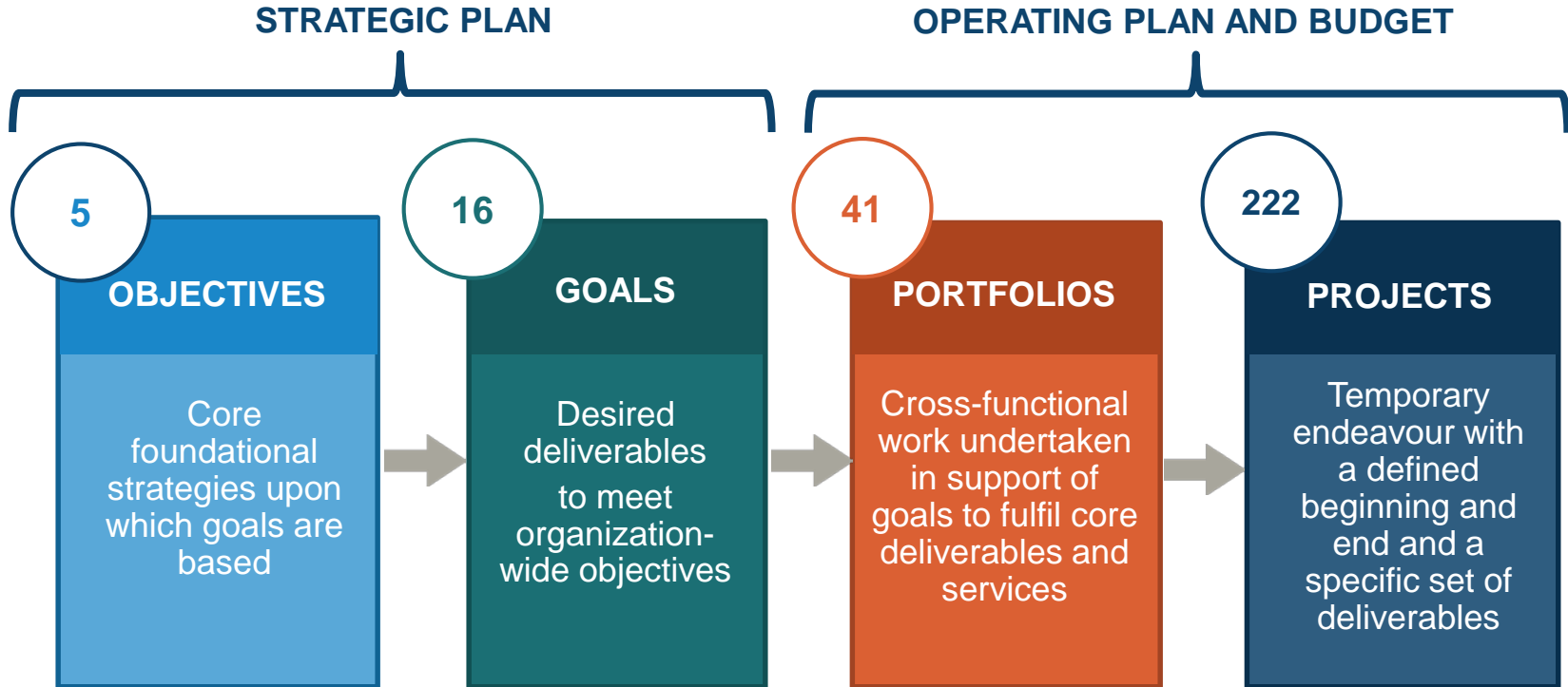
Accountability Indicators launched as a replacement for the KPI Dashboard early in FY18. We are now focusing on measuring our accountability to the community and many measurements are redesigned

Five-Year Operating Plan Updates

- ⦿ **This is year 4 of the Updates to the 5-year Operating Plan:**
 - Small differences in timing or deliverables, most notably in
 - WS2 implementation now funded by operations
 - Reviews associated with the Affirmation of Commitments that have now been incorporated into the Bylaws are called Specific Reviews.

5. FY19 Operating Plan and Budget Highlights

Strategic / Operating plan overview



Document 4: FY19 Operating Plan

TABLE OF CONTENTS

1 INTRODUCTION	4
SECTION 1: SIX MODULES OF WORK FOR FY19	5
Module 1 – Engagement Activities	6
Module 2 – Direct Community Activity Support	15
Module 3 – Domain Name System (DNS) Marketplace and Identifier Ecosystem	23
Module 4 – Technology and DNS Security	34
Module 5 – Contractual Compliance and Consumer Safeguards	37
Module 6 – Reviews	40
SECTION 2: OPERATING PLAN BY OBJECTIVES, GOALS AND PORTFOLIOS	46
Management System	46
1.1 Further Globalize and Regionalize ICANN Functions	47
1.2 Bring ICANN to the World by Creating a Balanced and Proactive Approach to Regional Engagement with Stakeholders	49
1.3 Evolve Policy Development and Governance Processes, Structures and Meetings to be More Accountable, Inclusive, Efficient, Effective and Responsive	50
2.1 Foster and Coordinate a Healthy, Secure, Stable and Resilient Identifier Ecosystem	51
2.2 Proactively Plan for Changes in the Use of Unique Identifiers and Develop Technology Roadmaps to Help Guide ICANN Activities	53
2.3 Support the Evolution of Domain Name Marketplace to be Robust, Stable and Trusted	54
3.1 Ensure ICANN's Long-Term Financial Accountability, Stability and Sustainability	56
3.2 Ensure Structured Coordination of ICANN's Technical Resources	57
3.3 Develop a Globally Diverse Culture of Knowledge and Expertise Available to ICANN's Board, Organization and Stakeholders	58
4.1 Encourage Engagement with the Existing Internet Governance Ecosystem at National, Regional and International Levels	59
4.2 Clarify the Role of Governments in ICANN and Work with them to Strengthen their Commitment to Supporting the Global Internet Ecosystem	60
4.3 Participate in the Evolution of a Global, Trusted, Inclusive Multistakeholder Internet Governance Ecosystem that Addresses Internet Issues	61
4.4 Promote Role Clarity and Establish Mechanisms to Increase Trust within the Ecosystem Rooted in the Public Interest	62
5.1 Act as a Steward of the Public Interest	63
5.2 Promote Ethics, Transparency and Accountability Across the ICANN Community	64
5.3 Empower Current and New Stakeholders to Fully Participate in ICANN Activities	66
APPENDIX A: FY19 BUDGET BY PROJECT	67

Draft FY19 Budget Summary

ICANN Operations	FY17 Actuals	FY18 Adopted Budget ¹	FY18 Forecast ²	Draft FY19 Budget
Funding	\$135	\$143	\$135	\$138
Cash Expenses	\$128	\$143	\$137	\$138
Funding from FY17 Savings (Approved by Board)	\$0	\$0	\$2	\$0
Excess/(Deficit)	\$6	\$0	\$0	\$0

\$ in USD Millions

¹ FY18 Adopted Budget June 2017

² FY18 Forecast is the most recent data on FY18

FY19 Budget Highlights

1

FY19 Budget balanced

- Funding = Operations expenses = \$138M
- Significant shift in budgeting only for defined requirements, and not including tentative and unapproved potential work.
- Draft budget include \$6m of cost reductions to offset inflation and necessary increases.

2

Funding increases at a slower rate

- Funding of \$138M, 2.6% above the FY18 forecast \$135M.
- Slower growth in funding as all new gTLDs are now delegated.

3

ICANN Operations expenses

- Operations expenses are stable year on year.
- Personnel expenses increase offset by cost reductions (FY19 \$133.5M vs. FY18 Forecast \$133.3M, both excluding contingency).

4

Headcount Trends

- Total ICANN headcount in FY19 is growing at a slower pace.
- End of Period headcount for FY19 is 425 or 1% higher than the expected headcount of 421 for the end of FY18.

6. Next Steps and Q&A

FY19 Planning Timeline – Key Dates

Step	Target Dates	Note
ICANN Public Comment	19 Jan – 8 Mar	49 Days (7 weeks)
Clarifying Questions on Documents	30 Jan 2018	Community submits clarifying questions to planning@icann.org
Responses to Clarifying Questions Published	12 Feb 2018	Approximately 4 weeks before end of public comment
SO/AC Additional Budget Request Submission Due Date	30 January	Process timing similar to last year
ICANN 61 Community Forum	10 Mar – 15 Mar	2 Public Sessions to discuss comments received on ICANN OP&B. Attend SO/AC/SG Meetings to discuss comments as needed.
ICANN.org Report on Public Comment	12 April	Report on Responses to Public Comment Published
ICANN Proposed OP&B Submitted to ICANN Board	11 May	At Least 45 Days Before Next Fiscal Year (Per Bylaws)
ICANN Board to Approve ICANN OP&B	31 May	Target to allow for EC Review Period before 1 July

Q&A

Engage with ICANN



Thank You and Questions

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