

**ICANN BOARD PAPER NO. 2024-02-15-1a**  
*(Subject to Board Finance Committee Approval)*

**TITLE:** **IT Service Provider Staff Augmentation**

**PROPOSED ACTION:** **For Board Consideration and Approval**

**EXECUTIVE SUMMARY:**

The ICANN organization has previously engaged an expert third-party outsourcing firm called to partially augment ICANN’s IT capacity on an ad hoc basis. Our relationship and first contract with the outsourcing firm started in 2013. The most recent contract was signed in February 2022. Since then, the outsourcing firm resources have helped ICANN Engineering launch and support software for ICANN Contracted Parties, Community, and Technical Services.

Accordingly, ICANN organization is now seeking a <sup>Confidential Negotiation Information</sup> on these resources to ensure continued high levels of quality and service delivery. The outsourcing firm's expertise and core competencies continue to complement those of our primary labor outsourcing vendor. This <sup>Confidential Negotiation Information</sup> leverages the same full-time staff of the outsourcing firm, with the same prior rates for an annual total cost of <sup>Confidential Negotiation Information</sup> total not-to-exceed cost is <sup>Confidential Negotiation Information</sup>

Privileged and Confidential

Because the proposed contract is for more than USD500,000, under ICANN’s Contracting and Disbursement Policy the Board is required to approve entering into the contract.

**ICANN ORGANIZATION AND BOARD FINANCE COMMITTEE (BFC)**

**RECOMMENDATION (Subject to Board Finance Committee Approval):**

Both ICANN organization and the BFC recommend that the Board authorizes the interim President and CEO, or her designee(s), to take all necessary actions to enter into, and make disbursement in furtherance of, a new contract with its existing expert third-party outsourcing firm, for the period <sup>Confidential Negotiation Information</sup> months) with a not-to-exceed value of <sup>Confidential Negotiation Information</sup>

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Confidential Negotiation Information

**PROPOSED RESOLUTION:**

Whereas, ICANN organization has a need for continued third-party development and quality assurance support to augment its Engineering and IT capacity.

Whereas, ICANN’s current expert third-party outsourcing firm has provided services in software engineering and quality assurance over the last several years.

Resolved (2024.02.15.XX), the Board authorizes the interim President and CEO, or her designee(s) to enter into, and make disbursement in furtherance of, a further renewed contract with ICANN’s current expert third-party outsourcing firm for a term of

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Resolved (2024.02.15.xx), specific items within this resolution shall remain confidential for negotiation purposes pursuant to Article 3, section 3.5(b) of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

**PROPOSED RATIONALE:**

In order to provide supplemental support and maintain vendor competition ICANN has previously contracted with ICANN’s current expert third-party outsourcing firm on a smaller scale to support Engineering and IT projects. These resources helped recently launch the Registration Data Request System (RDRS) as well as CES Events 2.0. ICANN will receive its unchanged, discounted rate on procured engineering resources assuming ICANN signs a \_\_\_\_\_ ICANN has the ability to cancel at any time with a 30-day notice without penalty. Per ICANN organization, the relationship with ICANN’s current expert third-party outsourcing firm has been beneficial to ICANN on delivery of its commitments and has been a success overall.

ICANN org considered the cost and efficiency of either issuing an RFP for outsourced IT capacity or further renewing the contract with ICANN’s current expert third-party outsourcing firm and determined that it was more efficient and cost effective to renew the contract with the current firm. The firm’s quality assurance (QA) and engineering resources consistently deliver with cultural fit, institutional knowledge, and zero

turnover. Despite inflation and a highly competitive market rate for resources, the charge rate for resources will remain the same. Moreover, retaining ICANN's current expert third-party outsourcing firm's deep ICANN knowledge, technical skills, and existing resources will ensure business continuity and not jeopardize any committed project delivery dates.

After considering the information presented, the Board agrees that it makes fiscal sense to enter into this renewed agreement.

This action is within ICANN's Mission and is in the public interest as it is important to ensure that, in carrying out its Mission, ICANN utilizes available funding in the most effective and efficient manner so as to be in the best interests of ICANN and the global Internet community.

This decision will have a fiscal impact, but the impact has already been accounted for in the FY24 and FY25 budgets and will be for the future budgets as well. Further, this decision is intended to have a positive impact on the security, stability or resiliency of the domain name system.

This is an Organizational Administrative Function that does not require public comment.

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**ICANN BOARD PAPER NO. 2024.02.15.1b**  
*(Subject to Board Finance Committee Approval)*

**TITLE:** Strategic expert support vendor for New gTLD Program Next Round development phase

**PROPOSED ACTION:** For Board Consideration and Approval

**EXECUTIVE SUMMARY:**

In August 2023, ICANN org put forward an aggressive [Implementation Plan](#) to build and prepare for the acceptance and processing of applications for new gTLDs beginning in April 2026. To accomplish this plan, many of the planning and building activities are to be done in parallel, requiring high degrees of expertise and collaboration with ICANN org teams as described in the Program Development section of the Implementation Plan. The selected vendor has been identified as a key partner who can provide a unique mix of high-quality services and expertise in the areas of business process design and documentation, risk management, and third party diligence.

ICANN org is seeking authorization for Confidential Negotiation Information with the selected vendor as a strategic vendor to support the preparations for the New gTLD Program Next Round, in a total not to exceed Confidential Negotiation Information. This engagement would be executed via individual statements of work to accomplish specific deliverables or fill certain needs for the Next Round Program Team over the coming Confidential Negotiation Information.

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This requested authorization for the selected vendor to be recognized as a strategic partner for the New gTLD Program Next Round would allow ICANN org to sole source certain work allowing ICANN org to continue to move at the speed required to meet the aggressive schedule for accepting Next Round applications. Because the anticipated contract value is greater than US\$500,000, under ICANN's Contracting and Disbursement Policy, Board approval is required before entering into and making disbursements in furtherance of the contract.

**ICANN ORGANIZATION AND BOARD FINANCE COMMITTEE (BFC)  
RECOMMENDATION** *(Subject to Board Finance Committee Approval):*

Both ICANN org and the BFC recommend that the Board authorize the Interim President and CEO, or her designee(s), to take all necessary actions to continue to work with the selected vendor <sup>Confidential Negotiation Information</sup> to support the delivery of the New gTLD Program Next Round, in a total amount not to exceed <sup>Confidential Negotiation Information</sup>

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**PROPOSED RESOLUTION:**

Whereas, ICANN org has identified a critical need for qualified vendors with specialized expertise and capabilities to help ICANN org build and prepare to operate the Next Round of the New gTLD Program.

Whereas, ICANN org used a Next Round specific vendor procurement strategy that considered price, timing, and operational requirements.

Whereas, the selected vendor is a long-time partner for ICANN and was a key partner in assisting ICANN with the development and execution of the New gTLD Program 2012 Round.

Whereas, the Board Finance Committee has recommended that the Board authorize the Interim President and CEO, or her designee(s), to take all necessary actions to continue to work with the selected vendor <sup>Confidential Negotiation Information</sup> to support the delivery of the New gTLD Program Next Round.

Resolved (2024.02.15.xx), the Board authorizes the Interim President and CEO, or her designee(s), to enter into, and make disbursement in furtherance of, a new contract with the selected vendor for a term of <sup>Confidential Negotiation Information</sup>

Resolved (2024.02.15.xx), specific items within this resolution shall remain confidential for negotiation purposes pursuant to Article 3, section 3.5(b) of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

**PROPOSED RATIONALE:**

ICANN org identified the selected vendor as having a comprehensive understanding of the New gTLD Program Next Round needs. The vendor is a long time partner for

ICANN and was a key partner in assisting ICANN with the development and execution of the New gTLD Program 2012 Round. For the 2012 Round the selected vendor provided valuable expertise to ICANN in a variety of ways including:

- Assisting ICANN to define the application evaluation criteria and methodology.
- Led the Evaluation Vendor training, including materials development and exercises.
- Led the quality control program for Evaluations.
- Provided coordination services for the evaluation of Financial and Technical Panels, ensuring common outcomes across three evaluation firms.

Since the 2012 Round, the selected vendor has continued to support ICANN's day to day operations as the evaluator of Financial and Technical competence for potential new registries. It has also helped ICANN establish and provide staff augmentation services for several operational functions until ICANN org was able to expand the teams to support the increased demands created by new registries from the New gTLD Program 2012 Round. This included the Emergency Backend Registry Operator (EBERO) program, as well as the teams that are now responsible for services management and service delivery to the registries and registrars.

The selected vendor is currently playing a key role in the form providing expertise in business process design, as described in the Program Development section of the Implementation Plan. ICANN org expects to continue to utilize the selected vendor's unique knowledge of ICANN's needs and capabilities for the remainder of the development phase of the New gTLD Program Next Round. The needs for support to the New gTLD Program Next Round are front loaded. Given the aggressive timeline, ICANN org does not possess the requisite capacity and expertise to deliver this extensive work independently today. Over time, as ICANN hires and trains new staff to support the latter stages of the development and preparations for the operational phase of the program, ICANN org expects the needs for staff augmentation to significantly decline.

This action is within ICANN's Mission and is in the public interest as it is important to ensure that, in carrying out its Mission, ICANN utilizes available funding in the most

effective and efficient manner so as to be in the best interests of ICANN and the global Internet community.

This decision will have a fiscal impact, but the impact has already been accounted for in the FY24 and FY25 budgets and will be for the future budgets as well. Further, this decision should not have a negative impact on the security, stability or resiliency of the domain name system, and likely will have a positive impact.

This is an Organizational Administrative Function that does not require public comment.

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Date Noted: 16 January 2024

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