
Public Comment Summary Report

Draft PTI and IANA FY23 Operating Plan and Budgets

Open for Submissions Date:

Wednesday, 15 September 2021

Closed for Submissions Date:

Monday, 25 October 2021

Summary Report Due Date:

Tuesday, 30 November 2021

Category: Operations

Requester: ICANN org

ICANN org Contact(s): planning@icann.org

Open Proceeding Link:

<https://www.icann.org/en/public-comment/proceeding/draft-pti-and-iana-fy23-operating-plan-and-budgets-15-09-2021>

Outcome:

ICANN org and [Public Technical Identifiers](#) (PTI) (the ICANN-controlled entity set up to perform the IANA Functions under ICANN's mandate) received comments from five community groups, which consists of 28 comments. The comments are categorized into four themes: document structure, planning assumption, operating activities, and financials. This Public Comment summary report includes ICANN org and PTI's response to the comments received. All received comments will be taken into consideration, and where appropriate and feasible, incorporated into the revised Draft FY23 PTI and IANA Operating Plan and Budgets.

Section 1: What We Received Input On

[Public Technical Identifiers](#) (PTI) is a controlled affiliate of ICANN, set up to perform the operations of the IANA functions through [contracts and subcontracts](#) with ICANN. PTI's Bylaws require PTI to develop an annual Operating Plan and Budget (OP&B). The PTI OP&B includes all costs directly related to the delivery of the IANA services: 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.

The ICANN Bylaws require ICANN to prepare and submit to the ICANN Board a proposed annual OP&B for ICANN's overarching management and support of the [IANA functions](#). The IANA OP&B includes the PTI OP&B, ICANN activities related to contract oversight, and activities incurred by ICANN. Once the PTI OP&B is adopted by the PTI Board, it is then incorporated into the broader IANA OP&B, which is considered by the ICANN Board to support the operations of the IANA Functions.

ICANN org and PTI published the Draft FY23 PTI OP&B and the Draft FY23 IANA OP&B on 15 September 2021 for Public Comment, this proceeding closed on 25 October 2021. We received comments from five community groups.

This report includes ICANN org and PTI's responses to the comments received through this Public Comment process.

Section 2: Submissions

Organizations and Groups:

Name	Submitted by	Initials
At-Large Advisory Committee	ALAC staff on behalf of ALAC	ALAC
Business Constituency	Tim Smith and Lawrence Olawale-Roberts	BC
Generic Names Supporting Organization (GNSO) Council	Philippe Fouquart	GNSO Council
gTLD Registries Stakeholder Group	RySG staff on behalf of RySG	RySG

Section 2a: Late Submissions

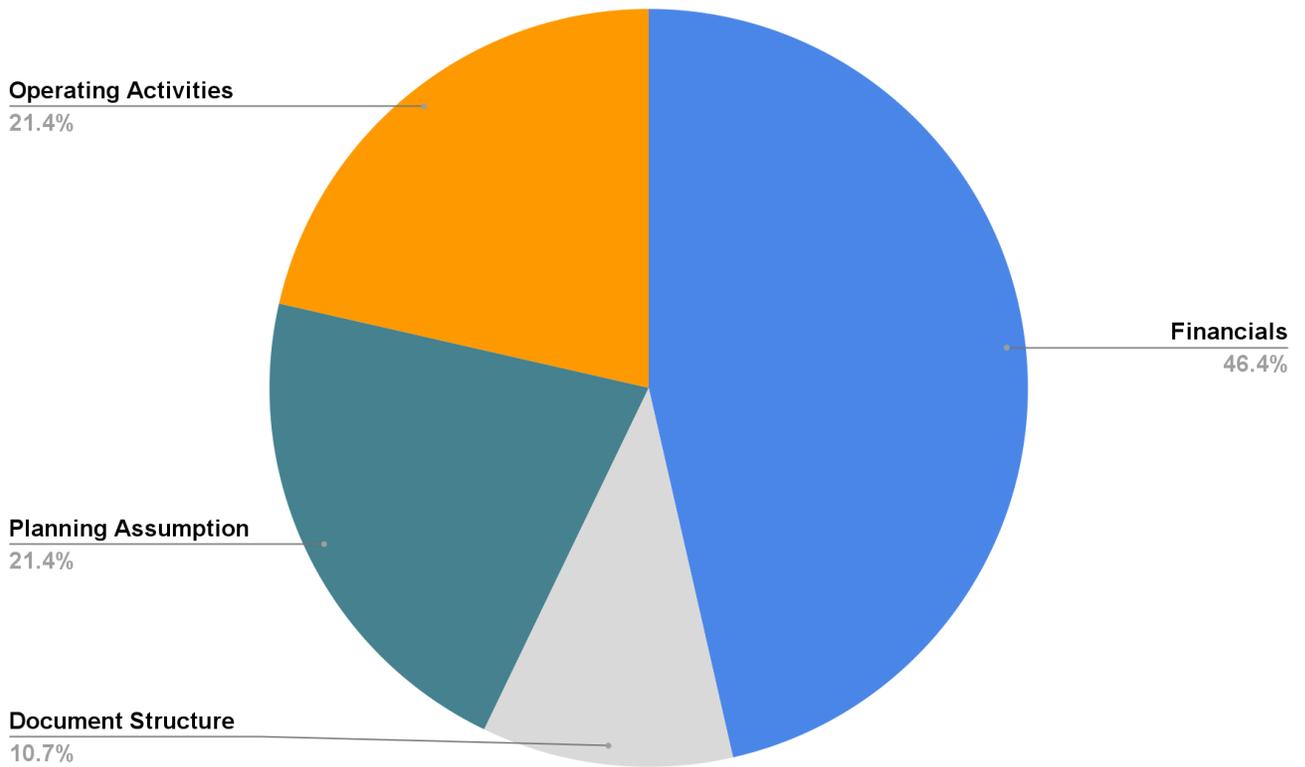
At its discretion, ICANN org accepted late submissions, which have been appended to this summary report (see Section 6.2).

Organizations and Groups:

Name	Submitted by	Initials
Registrar Stakeholder Group	Zoe Bonython	RrSG

Section 3: Summary of Submissions

There were five submissions to the Public Comment proceeding on the Draft FY23 PTI and IANA FY23 OP&B. The comments were further broken down into a total of 28 comments. Comments have been grouped into themes, not based on the submitting group, to gain a better understanding of the comments. The comment themes are listed below, and section four of this report contains summary responses of the comments received. All comments received are provided in the appendix. All comments received except the late submission are also available on the [Public Comment page](#).



Section 4: Analysis of Submissions

4.1 Document Structure

There were three comments submitted by three groups in regard to the document structure. The comments were in support of the improvement of the plan's structure, with additional narrative details, structure and linkage to the PTI FY21-FY24 Strategic Plan, specifically to the Scope of Work section of the Draft FY23 PTI OP&B. The RySG, BC and the GNSO appreciated the change in how PTI breaks down its activities to better align with the five strategic objectives in the PTI Strategic Plan.

The RySG suggested the consistency of terminology usage in both the Strategic Plan and the OP&B, and presenting operating activities in the same structure of the Strategic Objective, would better delineate the linkage between the two plans. The ICANN org and PTI agree that using common terminology is important and to achieve this, we will edit the plan to include the relevant Strategic Objectives to each of the Operating Plan's areas of focus.

The BC suggested to improve some of the financial tables for ease of review. ICANN org and PTI will incorporate the improvement in the next version of the draft plans.

4.2 Planning Assumptions

There were six comments regarding PTI's planning assumptions. Four related to PTI's staffing needs. Two comments were in anticipation of a return to face-to-face meetings and engagement.

Operations Assumption

Four comments relate to how PTI plans to address the risk of not having enough staff to conduct the work and why the plan does not include a budget for potential new hires. It is important to note that funding for the IANA functions and the activities laid out in the FY23 PTI OP&B is a priority of ICANN. ICANN org will centrally budget a certain amount of headcount, based on turnover, growth, backfills. When PTI identifies new resources needs, the request will be evaluated and given priority due to ICANN's commitment to fund any needed headcount that PTI requires to maintain stable service. ICANN org and PTI reference page 10 of the draft PTI OP&B "For FY23, additional headcount may be required but are not included in this budget in order to align with ICANN's common process for approving and budgeting for new positions. A certain amount of headcount turnover and growth is budgeted each year, but new positions are not allocated to the functional activities until they are hired. This process allows ICANN org to strategically evaluate each new hire, controlling headcount growth and ensuring proper allocation of resources. If PTI requires additional headcount in FY23, resources will be prioritized using this budgeting and approval process." PTI also assumes that the Contingency funds will remain available should unplanned activities arise during the fiscal year.

Return to face-to-face engagement Assumption

Two comments centered around the return to face-to-face meetings and travel in FY23, including a suggestion for a phased plan. ICANN org and PTI appreciate the suggestion and note that a dedicated ICANN org team is conducting thorough risk assessments and developing comprehensive travel processes and procedures necessary to ensure the health and safety of the community and staff. ICANN org is working with several travel, security, and safety experts around the world and closely following guidance from the [World Health Organization](#) and the U.S. [Centers for Disease Control and Prevention](#). So, as needs arise, ICANN org and PTI will adapt, and update operations as required in close collaboration with the ICANN Board and community.

4.3 Operating Activities

There were six comments submitted by three groups on various aspects of PTI's operating activities.

The RySG asked for more opportunities to provide feedback before priorities were set. PTI clarified that, in July 2021, preliminary consultations were conducted with stakeholders on FY23 priorities for PTI. These engagements were in the form of discussions about key priorities with Supporting Organizations and Advisory Committees, as well as the Registries Stakeholder Group, Internet Advisory Board, and Regional Internet Registries. ICANN org and PTI also held two public [webinars](#) available for any interested party to join. The Public Comment process is the third opportunity for feedback.

One comment was received from the GNSO Council about PTI support activities in the policy development process. The FY23 IANA OP&B component refers to ICANN org's support to the policy development work, primarily through ICANN org's Policy Development Support team. The PTI direct dedicated team (the IANA department) works with ICANN's Policy department in its efforts to facilitate the community's understanding of the IANA functions to help inform future policy development, and provide subject matter expertise as needed within the policy development process. The IANA department also focuses on the continued enhancement of the Root Zone Management System (RZMS) to support increased customer demands and the

evolution of underlying community-developed policies. Those are reflected on pages 12 and 13 of the FY23 PTI OP&B.

The GNSO Council and BC emphasized the importance of continuing to focus on service improvement. ICANN org and PTI indicated that the draft PTI OP&B includes activities under Operational Excellence on page 12 and 13, which focuses on activities aimed at gathering, monitoring and reporting on perception and performance of the IANA team, and using those results to drive improvements. The Technical Services section on page 13 and 14 of the Draft PTI OP&B includes activities focused on the technical projects that are going to help improve performance. Those include delivering incremental improvements to our service delivery platforms such as the Root Zone Management System, our Registry workflow system, and to the iana.org website. All of those projects will lead to a better customer experience, reduce risk of errors, and improve overall operational workflows across the IANA services team. Regarding start and end dates for each planned activity, the draft covers activities from July 1, 2022 and June 30, 2023, it is challenging to forecast details of the project 12 months in advance, as part of the project plan also depends on resources availability. However, the PTI team plans to share a roadmap of our technical enhancements as well as project status updates during our regularly scheduled engagement with the community.

Two comments submitted by the BC asked for clarification on IANA's role in the performance of the Naming and Numbering functions. On the Naming function there was a question about what ongoing program(s) PTI has instituted in maintaining a repository and what advancements have been made towards achieving Universal Acceptance for IDNs and if such programs also budgeted for in FY23. PTI's baseline activity in this area is continuing to process change requests which is managed by the IANA services team. Exceptional activity that is underway and envisaged includes expanding the scope of the repository to reflect initiatives relating to the Root Zone LGR and reference tables that ICANN has developed. The IANA team also foresees opportunities to increase automation and utility of the repository. For universal acceptance, PTI has implemented necessary support throughout its systems to support these technologies. As an enabler of these technologies the IANA functions are often required to implement these technologies in advance of others (for example, implementing IDN support in the root zone in the 2000s). PTI continues to monitor emerging technologies so they are able to identify how to implement them appropriately in the IANA functions. PTI is also a beneficiary of ICANN's broader UA programs which evolves the shared technology platforms that ICANN provides to PTI to perform the IANA functions.

On the Numbering function the BC comment related to recent occurrences in the RIR for the Africa region, where access to its operational funds were blocked. PTI's role in the Numbering function, subcontracted from ICANN, is limited to allocating number resources to regional Internet registries (RIRs) in accordance with the prevailing global policies. PTI does not foresee any specific role it would have in relation to disturbances to an RIR's operational funding given the scope of the IANA functions.

4.4 Financials

There were 13 comments submitted by all five commenting groups. The comments focused mainly on the structure and format of the budgeted expenses, as well as recommendations and requests for incremental information. There were comments addressing concern over the headcount budget and process for ICANN org to fund incremental approved headcount.

Financial Data:

In regard to questions about the IANA support activities variance between the FY23 Draft IANA Budget versus the FY22 IANA Budget, the \$0.1M and 8.8% variance shows that the FY23 IANA support activities are under the FY22 Budget. The decrease in expenses is due to the mix of personnel supporting the IANA support activities. The number of personnel and their time and level of support remains unchanged year over year. All other support items included in the IANA support activities remain the same as FY22.

The RySG requested a more interactive Public Comment with questions for the community on key expenditures. ICANN org and PTI are continually revising and assessing how best to utilize the Public Comment process and budget format. ICANN org and PTI acknowledge that a more interactive question format may be more beneficial to the community and will review the feasibility of adding this functionality to future Public Comments.

The RySG suggested structuring the budget with a more interactive approach and presenting levels of expense scenarios such as base, development, and investment for community input. ICANN org and PTI believe that the FY23 PTI and IANA Operating Plan and Budgets represent the appropriate support for the PTI and IANA services. Therefore, a need for a base and an investment budget is not applicable for this budget. If incremental investment is required in future planning cycles, the IANA Budget will reflect required expenses and be open to community feedback via the Public Comment process.

Per the request by the BC for more detail on costs within each cost category presented in the budget, ICANN org and PTI will take under consideration adding more detail on budgeted expenses by cost category. To address the question specifically for professional services detail, the main items in this cost category are audit services, community mandated studies, security testing, a customer satisfaction survey, and legal support.

The BC questioned why the FY23 PTI Budget would increase over the FY22 PTI Budget when there was no change to the scope of work in the Strategic Plan. The FY23 PTI Budget remains consistent with the FY22 Budget and the increase in costs year over year is driven by personnel due to an ICANN org standard three percent inflationary adjustment for standard of living increases, promotions, and health care benefits costs.

The BC questioned how PTI would be funded in the event that unplanned policy recommendations would become ICANN Board Approved during FY23 and require incremental funding beyond the budgeted contingency of \$0.5M. During the course of FY23, if there should be new and unplanned ICANN Board Approved activities that affect PTI and / or IANA and require incremental resources and funds, then contingency would be utilized initially. If the necessary expenditures should be greater than any unused contingency, then ICANN org has an obligation to fund PTI to perform the IANA functions as needed. ICANN org recently created a new fund called the [Supplemental Fund for Implementation of Community Recommendations \(SFICR\)](#). This fund was created to support implementation of recommendations for larger projects as approved by the ICANN Board. If PTI requires resources to provide subject matter expertise to ICANN org for the implementation of community recommendations, these needs may be funded by the SFICR.

Headcount and Personnel:

ICANN org and PTI received questions regarding the personnel process and prioritization of new hires. Personnel costs are the largest expense in the PTI Budget, so carefully planning for

resources is critical. For FY23, additional headcount may be required, although it is not allocated specifically, in order to align with ICANN's common process for approving and budgeting of new positions; it is budgeted each year, based on turnover, growth and planned activities. New positions will be allocated to the function when they are hired. This process allows for a strategic evaluation of each new hire, controlling headcount growth and ensuring proper allocation of resources. All additional headcount required by PTI in FY23 will be prioritized using this budgeting and approval process, and ICANN is committed to fund any needed headcount that PTI requires to maintain stable services.

Incremental headcount will be covered by any unused contingency. If the contingency is needed for non-personnel expenses, then ICANN will increase the funding for PTI as needed for approved headcount.

Travel Expenses:

The ALAC expressed concern that post-pandemic travel rates may increase and that those potential costs are not covered in the Draft FY23 PTI Budget. ICANN org and PTI acknowledge that travel rates may increase or fluctuate as a result of the pandemic. The FY23 PTI budget is based on historical rates for travel destinations. However, if the costs should increase significantly, the additional expenses will be covered by contingency in FY23. Future planning cycles will take into account travel rate changes as applicable.

The RySG noted that the FY23 budgeted travel expenses are under the FY22 budget. The decrease in travel expenses from FY22 PTI Budget to FY23 PTI Budget is driven by the allocation of shared services and the estimated travel from those shared service departments. Direct Dedicated and Direct Shared travel budgets are increasing slightly over the FY22 Budget due to higher rates of travel for ICANN75 in Kuala Lumpur versus ICANN72 in Seattle, as ICANN72 travel rates were lower due to location and estimated origin of travelers.

The GNSO Council had questions on PTI Board-related travel support. Their first question was why the PTI Board has not been funded to ICANN meetings. In recognition that there might be need for travel funding for the PTI Board to attend, for example, ICANN Public Meetings or a PTI Board Workshop, there is a budget allocation as part of the Board Operations support component that could be used to support such travel needs. This allocation is informed by the PTI Board's meeting plans and work plan. Historically, the limited duties the PTI Board had with respect to face-to-face meetings has been adequately met by PTI board members that were otherwise already present at the meeting for non-board related business.

The council also asked if there are any duties for PTI board members that would directly and significantly benefit from their participation at ICANN meetings and, finally, if it is important for the PTI Board to attend ICANN meetings in person to be informed of GNSO policy efforts so that they can carry out their duties to the corporation. ICANN org understands the council's question and ensures that its policy support staff are tasked with tracking and distilling emerging policies, and that PTI staff are continuously assessing their operational impact on the IANA functions and reporting those findings to the PTI Board so that it can fulfil its corporate governance role. The PTI Board, however, is not expected to have any direct involvement in the ICANN policy-making processes, as the IANA Naming Function Contract between ICANN and PTI requires separation between IANA's operating role and involvement in the policy processes.

Section 5: Next Steps

Following the publication of this staff report, ICANN org and PTI will revise the Draft FY23 PTI and IANA OP&B, take into consideration the Public Comments, and where appropriate and feasible, incorporate the comments into the Revised Draft FY23 PTI and IANA OP&Bs.

The PTI Board will consider adoption of the Revised Draft FY23 PTI OP&B in December 2021. Once that occurs, the ICANN Board Finance Committee will consider recommending to the ICANN Board the adoption of the Revised Draft FY23 IANA OP&B in January 2022.

Following the ICANN Board's adoption of the FY23 IANA OP&B, the Empowered Community may consider whether it will reject the plan as adopted. So long as no Empowered Community rejection process remains pending, the FY23 IANA OP&B will go into effect on 1 July 2022. The FY23 PTI OP&B is not subject to the Empowered Community process.

Section 6: Appendix

The tables below contain all comments received. Follow these steps to find responses to submitted comments:

- Locate community groups or individuals' names in the left-hand column (the Contributor column) of the Appendix.
- View the comments submitted by groups or individuals in the center column marked with the heading "Question / Comment." Multiple comments by the same group or individual are located sequentially in the center column.
- View the reference column, which displays the section of this document containing the response to the submitted comment.

6.1 Public Comments Received

Contributor	Question / Comment By Submitters	Reference to Section of this Report
RySG	The FY23 budget is fiscally prudent in that it is forecast to be in line with the prior year (FY22). This prudence is welcomed by the RySG. The document notes that additional headcount may be required in FY23 to support IANA and insinuates that the current allocation of PTI's resources poses a risk to timely delivery of key projects. While we appreciate the organizational practice not to allocate new positions to the functional activities until they are hired, we would welcome more detail regarding the seemingly conflicting priorities of PTI's contractual deliverables and SLAs and other tasks and expectations, and the profile of a potential additional hire expected to solve this.	4.2 Planning Assumptions; Operations
RySG	We share the hope that FY23 will see a return to face-to-face meetings and engagement at pre-pandemic levels. We understand that the budget foresees travel based at historical levels and leaves room for adjustment because of challenges related to pandemic health concerns. We recommend taking	4.2 Planning Assumptions; Return to face-to-face engagement

	into account additional elements and scenarios when predicting the cost of post-pandemic travel (e.g. expected evolution in the cost of plane tickets).	
RySG	The PTI Budget document continues to improve by providing additional narrative detail, structure and linkage to the strategic plan. We appreciate the new presentation with activities grouped within four areas of focus (Operations - Operational Excellence - Technical Services - Governance). However, we wonder why the document's structure was not aligned with the five strategic objectives in the PTI Strategic Plan (Trust - Security - Delivery of Services - Operational Excellence - Governance). More comprehensive, explicit linkage of the Operating Plan and Budget to the Strategic Plan will be a welcome development. Using the same structure and terminology in both documents would further delineate the linkage between strategic and operational thinking.	4.1 Document Structure
RySG	The format of the documents largely is a statement of the budget as planned and proposed. Community input and comment may be better facilitated or complemented if the authors provided specific questions around key expenditure for community input and comment.	4.4 Financials; Financial Data
RySG	The document, as prepared, provides helpful narrative context regarding the Operational Activities and System Enhancements, and this is appreciated. But, as we indicated in previous comments, we would find it useful to have specific questions posed for our commentary response. Questions could be posed to anyone commenting or, at least, indications of the choices or compromises being made. As commenters, we are not familiar with the detailed choices or compromises being made. Therefore, absent such information, it is challenging for a commenter to provide substantial or material input. We welcome the development of the previously published Strategic Plan and the opportunity we had to comment on it at the time.	4.3 Operating Activities
RySG	Fiscal prudence is only one key parameter and, should the IANA services require investment or critical investment decisions, the RySG would welcome the opportunity to understand and comment on what investment may be required. To this extent, the RySG welcomes interaction with the IANA staff and, potentially, a more interactive style of budget. For example, the budget as presented could offer more than one option for investment. Such an approach could offer two or even three options along the lines of a base budget, a development budget and an investment budget that the community could comment	4.4 Financials; Financial Data

	on. We anticipate that users of the IANA services may find such an approach particularly helpful in facilitating more detailed and interactive community comment and input.	
ALAC	ALAC appreciates the opportunity to comment on the DRAFT PTI and IANA FY23 Operating Plan and Budgets. The FY23 Operating Plans and IANA budget look robust, indicating an improvement of PTI and IANA functions. We value the opportunity to be involved in the annual PTI planning process. Although there is a 27% increase in the budget from the last real results (FY21), in At-Large we are glad to see that ICANN org is dedicating more resources to its core function. We notice that there is a decrease in the budgeted amount for travel & meetings. We are wondering if this is due to lower venue costs, as many pandemic related travel restrictions will surely be resolved by FY23. With respect to staffing, it is not clear if PTI needs to increase the headcount (or FTE). We feel that, if the need exists, it should be reflected in the budget. Otherwise it may be difficult to fill a staffing gap 9-21 months from now.	4.4 Financials; Travel Expenses
BC	The BC notes the restructuring of reporting for FY23 from what obtained in the past, where work was divided into two portfolios: operations and system enhancements. We welcome the changes which aligns with the objectives defined in the strategic plan published in September 2020, and which divides reporting into four core areas of Operations, Operational Excellence, Technical Services and Governance. We are pleased with this categorization and believe it will assist in better articulation of PTI work for the coming years provided it is maintained as intended to the end of Fiscal 24. We also appreciate the improvement in navigation whereby links are placed at appropriate points that cross-reference and direct the reader to other pertinent areas of the presentation, particularly when referencing vital budgetary data. For ease of benchmarking growth, the BC suggests that the layout of the variance of FY23 to FY22 on pages 19-20 be laid side-by-side for ease of review.	4.1 Document Structure
BC	For FY23, while many of the items appear to be divided among Operations, Operational Excellence and Technical Services; there is no reference to budgetary allocations to individual incremental improvements that would demonstrate consistency with previous years other than the assignment of FTE staff.	4.4 Financials; Financial Data
BC	Projections for FY22 provided details of specific improvements but the FY23 draft does not. The BC requests clear understanding of improvements planned for the coming year and the identification of budget allocated to each and, where	4.3 Operating Activities

	appropriate, start and end dates for each improvement.	
BC	The BC notes PTI’s expectation in FY23 for continued efforts to improve the root zone management system (RZMS) and the registry workflow system used for protocol parameter assignments (codenamed Opal) amongst others. As the FY23 PTI Operating Plan and Budget represents about 90 percent of the FY23 IANA Operating Plan and Budget; the BC would like to see detailed notes especially as to the nature of professional services incurred by PTI. The BC notes that the total cost of the activities covered in the FY23 PTI Operating Plan is \$5.1M but see NO detailed breakdown of the cost components. The BC notes that the PTI FY23 Operating Plan and Budget sustains current performance of the IANA services, will incrementally improve systems and processes and does not envisage significant new undertakings. This indicates stability from a budgeting standpoint though the document does not identify any smaller undertakings that may be included.	4.4 Financials; Financial Data
BC	We note that PTI worked in close collaboration with ICANN's planning team to review operating initiatives and functional activities as laid out in the Five-Year ICANN Operating Plan and the work to date supports an assumption that no changes be made to the PTI 2020-2024 Strategic Plan. Thus this should suggest that there will be no increase to the PTI Budget for FY23 as against last year’s budget, which isn’t totally the case.	4.4 Financials; Financial Data
BC	The BC notes that a key assumption in developing the FY23 PTI Budget is that funding for the IANA functions and the activities laid out in the FY23 PTI OP&B will remain a priority for ICANN. PTI is expected to exercise careful cost control in its operations. The BC also notes that Personnel costs are the highest expenses in the PTI Budget and for FY23, additional headcount may be required but are not included in this budget in order to align with ICANN’s common process for approving and budgeting for new positions. If PTI requires additional headcount in FY23, the draft budget document states that resources will be prioritized using budgeting and approval process.	4.4 Financials; Headcount and Personnel
BC	The BC requires clarification on two matters that appear concerning from a budgetary standpoint: First, we see “For FY23, additional headcount may be required but are not included in this budget...not allocated to the functional activities until they are hired.” While we understand this to be consistent with standard ICANN budgeting process for new hires, the BC requests to know if any such new hires would be accommodated within the \$500,000 contingency of the	4.2 Planning Assumptions; Operations

	budget or whether this would require additional funding from ICANN.	
BC	Second, we are concerned that "...the current allocation of PTI's Direct Dedicated resources poses a risk to timely delivery of key projects." The BC wonders what risks are being foreseen with such a statement. While cost containment is admirable when presenting budgets for ongoing activities, if it is already known that the budget is not adequate for the scope of work, we believe this should be identified in detail. The BC notes that PTI currently has 17 direct dedicated Full Time Employees (FTE) and would like to know what percentage of the Personnel costs accounts for the total cost of \$6.3M absorbed by Personnel in the budget.	4.2 Planning Assumptions; Operations
BC	The BC notes that the volume of transactions performed across the IANA functions typically shows a modest year-on-year increase, and this is expected to continue for the scope of the existing services. The BC is however concerned that despite the realization that the current allocation of PTI's Direct Dedicated resources poses a risk to timely delivery of key projects as the relatively small team of highly specialized individuals juggle between meeting its contractual deliverables and Service Level Agreements, and also serving as subject matter experts to the various system improvements and policy implementation projects, no budgetary plan is made to mitigate this risk nor clear operational plan to mitigate the risk.	4.2 Planning Assumptions; Operations
BC	The BC notes plans to continue managing costs by working remotely and holding all meetings virtually. We however encourage a phased plan to return to face-to-face meetings and engagement at pre-pandemic levels. The Key signing key (KSK) ceremonies planned to resume as normal operations in FY23 should be hybrid events with options for remote participation.	4.2 Planning Assumptions; Return to face-to-face engagement
BC	The BC notes that PTI assumes that the Contingency funds will remain available to fund any ongoing review and policy-related work that is not yet Board-approved and has not been included in the FY23 PTI Operating Plan and Budget for urgent unplanned activities if and when they arise as the PTI will remain available for implementation of Board-approved recommendations. In the case where significant funding is required, the BC would like to know what contingency plans are available?	4.4 Financials; Financial Data

BC	<p>The BC notes that the Draft FY23 IANA Budget stands at \$10.4 million, of which \$9.8 million is for performing the core IANA services and \$0.6 million is for IANA support activities (not performed by PTI). On the surface, \$0.6 million remains consistent with FY22, and even FY21 and FY20. Nonetheless, as noted in the narrative, there is actually a \$100,000 increase Year over Year. This represents an 8.8% increase as identified below. While this is explained as being due to an increase of personnel costs due to inflation, The BC seeks clarification on how it has remained flat for the past three years yet is not sufficient for FY23.</p>	4.4 Financials; Financial Data
BC	<p>The FY23 PTI Budget is \$100,000 higher than the FY22 PTI Budget but the IANA support activities component is \$100,000 lower compared to the FY22 IANA Budget due to the mix of personnel support. Overall the services remain the same as the FY22 Budget, however while the IANA Support Activities remain at \$0.6million for Root Zone Maintainer function, Customer Standing Committee, Root Zone Evolution Committee, and IANA Naming Function reviews; There is actually an increase by \$100,000 or 8.8% Year over Year? We would appreciate an explanation as to why?</p>	4.4 Financials; Financial Data
BC	<p>Page 5 of the PTI FY23 OP&B lays out the IANA Naming Function activities. The BC is particularly interested in the reference to “Fostering support for Internationalized Domain Names (IDNs) by maintaining a shared repository of IDN practices and label generational rulesets (LGRs) across TLDs”. We are interested in seeing this activity be better defined for purposes of understanding PTI’s work in this area and also it is foreseen that time commitment to IDN will increase from FY22 to FY23 and beyond. The BC would like to know what ongoing program(s) the PTI have instituted in maintaining a repository and what advancements have been made towards achieving Universal Acceptance for IDN’s and if such programs also budgeted for in FY23?</p>	4.3 Operating Activities
BC	<p>As noted, The IANA Numbering Function consists of the administration of Internet number resource registries in accordance with global policies, and any applicable and mutually acceptable and agreed upon guidelines and procedures. Recent occurrences in the African RIR where access to its operational funds were fully blocked indefinitely is at variance with maintaining stability of the Internet and the absence of contingency plans in the IANA budget to mitigate this issue further places the Region at a huge risk. The BC</p>	4.3 Operating Activities

	would like to know what contingency plans are being made to mitigate the current situation and efforts being put in place to forestall any future occurrence.	
GNSO	The GNSO Council notes the restructuring of reporting for FY23, which aligns with the objectives defined in the strategic plan published in September 2020, and which divides reporting into four areas: Operations, Operational Excellence, Technical Services and Governance. We believe this categorization will assist in better articulation of PTI work going forward.	4.1 Document Structure
GNSO	We also note that within Operational Excellence, as stated on Page 12 of the Draft PTI FY23 OP&B that "FY23 work is planned to stay consistent with previous years with structural enhancements to align with the PTI Strategic Plan and overall maturity level of PTI:" In the GNSO Council comment for FY22, we stated our expectation that PTI will continue to focus on service improvement as a culture and that PTI will continue to invest in incremental improvements to its service delivery platforms; for which \$600,000 was allocated to include modern tooling to improve the customer experience, provide new self-service capabilities, reduce the risk of error, and improve operational workflows within the processing teams.	4.3 Operating Activities
GNSO	For FY23, while many of the items from our previous submission would appear to be divided among Operations, Operational Excellence and Technical Services; there is no reference to budgetary allocations to individual incremental improvements that would demonstrate consistency with previous years other than the assignment of FTE staff. While FY22 provided details of specific improvements, FY23 does not. Accordingly, GNSO Council requests clear understanding of improvements planned for the coming year and the identification of budget allocated to each and, where appropriate, start and end dates for each improvement.	4.4 Financials; Financial Data
GNSO	Additionally, In the SCBO's review of the draft materials, it appears that the PTI Board is not funded for travel to the ICANN meetings. Whilst the GNSO Council understands that the PTI board has historically not been funded to ICANN meetings, it is concerned that PTI's ability to interact with the ICANN policy-making process could be negatively impacted as a result. Therefore, the GNSO Council has the following questions for PTI: 1. Can PTI provide information as to why the PTI Board has historically not been funded to ICANN meetings? 2. Are there any duties for PTI board members that would	4.4 Financials; Travel Expenses

	<p>directly and significantly benefit from their participation at ICANN meetings?</p> <p>3. Is it important for the PTI Board to attend ICANN meetings in person to be informed of GNSO policy efforts so that they can carry out their duties to the corporation?</p>	
GNSO	<p>Lastly, the GNSO Council notes that additional components of the FY23 IANA OP&B are IANA support activities that are performed by ICANN org and excluded from the FY23 PTI OP&B, including “support for policy development work that will have a direct impact on IANA service delivery.” Therefore, the GNSO Council looks forward to submitting future comments as they relate to ICANN’s finances and budget-related proceedings.</p>	4.3 Operating Activities

6.2 Public Comment Submissions Received After the Close Date

Contributor	Question / Comment By Submitters	Reference to Section of this Report
RrSG	<p>The RrSG is pleased to see more and clearer information than in previous Operating plans and budgets, particularly as this has been repeatedly called for. Budget increases appear to be minimal and therefore reasonable. We do note that there are no F2F meetings planned until 2023, but the budget that year (\$0.5M) is less than in 2022 (\$0.6M). The key signing location is always LA, so the budget would normally be the same. The RrSG is also happy to see an overall reduction in expenses. Personnel costs have risen by 3%, but it is in line with inflation.</p>	4.4 Financials; Travel Expenses