

## ICANN's Functional Reporting – Description

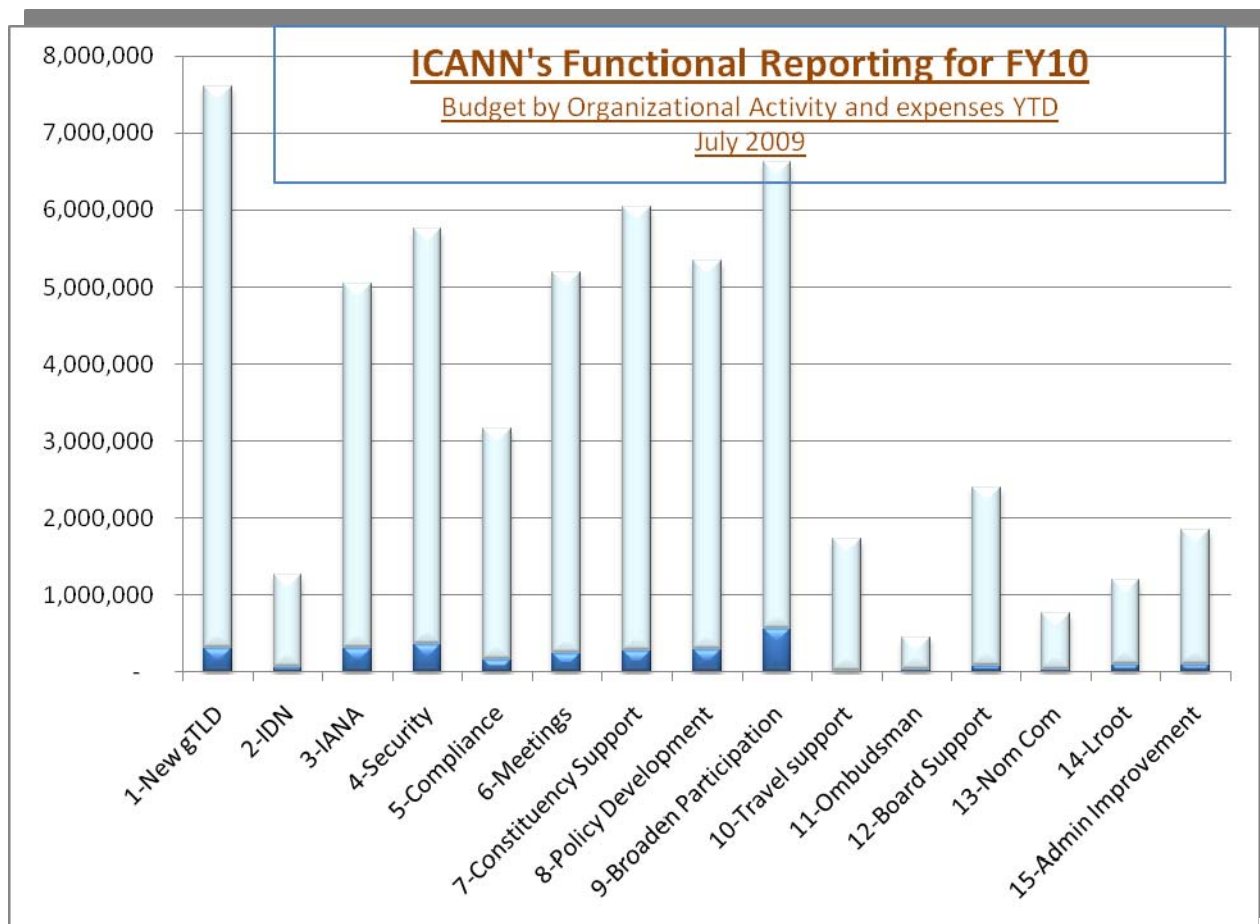
To support ICANN's core principles of accountability and transparency, ICANN has developed more detailed reports of expenses and has provided more views of ICANN's expenses. The reports are in response to community requests to better understand the manner in which ICANN's spending is prioritized. Ultimately, this type of reporting helps facilitate the setting of priorities for ICANN's budgets as well as help ensure community confidence that funds are spent efficiently and wisely. We welcome suggestions to further improve on financial reporting for the future. If you have suggestions, please send them to ICANN's CFO:

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### Functional Reporting

A new report launched in December 2008 is called Functional Reporting. The new reporting aligns with the way the community considers the organizational activities of ICANN (e.g., new gTLD program, contractual compliance, IANA function, and security which is in contrast with the traditional reporting of expenses by personnel, travel, etc.).

Here is a sample of the July 2009 actual expenditures by organizational activities as compared to the FY10 annual budgets:



The organizational activities captured in the functional reporting include:

1. **New gTLD:** Complete new gTLD implementation including completing the applicant guidebook, set up application processing (e.g., TAS), and launch worldwide communication program.
2. **IDN:** Progress on IDN activities including process for fast track requests for IDN ccTLD strings, IDNA protocol revision, and completing draft variant table criteria.
3. **IANA Function:** Strengthen the IANA function and infrastructure including being operationally ready to deploy DNSSEC signing of the root, eIANA/RZM on-line, deployed automated process, and a complete plan for service maintenance/replacement
4. **Security, stability and resiliency:** Carry out security initiatives including establishing plan for ICANN role in enhancing Internet security. Conducting programs, with TLD community related to security/stability/resiliency, develop plans and processes for security of ICANN's information/assets/personnel.
5. **Contractual Compliance:** Expand contractual compliance activities including conducting audits, WHOIS studies, and enforcement of all contractual provisions with accredited registrars and registries.
6. **Core Meeting Support:** Effectively administer meetings and events including holding ICANN's thrice-annual meetings and developing long term strategic plan for meetings to enhance the work of ICANN's policy development and other activities.
7. **Constituency Support:** Build out registry/registrar support including executive outreach, site visits, publish registry failover plan, test plan, and continue registrar data escrow efforts
8. **Community Travel support:** Travel support for members of the stakeholder community including At Large, Supporting organizations (SO), and advisory committees (AC)
9. **Policy Development:** Further develop policy development processes at ICANN including completing reviews and implementation plans for organizational improvement for the GNSO, Board, NomCom, and other supporting organizations and advisory committees.
10. **Broaden Participation:** Broaden participation includes awareness of ICANN's processes to all current and future stakeholders, global engagement, regional liaisons, monitoring international activities relating to ICANN's roles with the Internet ecosystem, extend outreach program, and expanding the translation programs.
11. **Ombudsman:** Support ombudsman efforts including investigation costs and outreach activities.
12. **Board Support:** Support Board activities including travel support for Board Members to ICANN meetings and Board retreats as well as training and online tools for Board management.
13. **Nom Com:** Support for NomCom meetings and travel support for candidates.
14. **DNS Operations/L-Root:** Support for scaling and other technical efforts including root operation equipment, bandwidth, and license fees.
15. **Admin Improvement:** Continue administrative improvements including enhance remote participation and post JPA development efforts.