

API3 DAO Operations Team Proposal

Team: Operations

Operations cycle: #8

Period: 1 August 2022 – 31 October 2022 (3 months)

Amount: \$ 107,918.05

Destination: Gnosis Safe (Multi-sig Wallet)

address 0x00128492458fdB7f50ffE655153Bc91aE06e00F5

Signers:

- Mark - 0x439A2D8c08751aD4E8130c2585c7108FD3957f0C
- Mason - 0x98f1d35bB3A4570AeAa601aA3eB54d8fc7aB37e1
- Emily - 0xD78C5F70cD91Da7433329552c720f7F65FA1760e
 - $\frac{2}{3}$ signatures needed in order to make a transaction.

Scope

The Business Operations Team has the responsibilities outlined below. The scope of the project will vary periodically, and this list represents the current state. Much of the current scope remains similarly aligned with previous cycles, and any new developments are specified within this proposal. While much of the Operations Team responsibilities are consistent between cycles, there is also an increasing element of process building and defining organisational architecture in new areas as needs arise on an Ad Hoc basis. Any responsibility laid out in this proposal that seems beyond the scope of the Operations vertical should be considered as something newly identified where foundational processes are currently being defined before they are then either passed off to relevant verticals or new verticals become structured and are then open to new team proposals for adoption. This essentially serves as a way to fill gaps and set other teams up for success, but most of these processes are built in collaboration with other verticals.

Responsibilities

- Oversee general project development, including continuous facilitation of inter-vertical visibility
 - Align operations across verticals with project mission and objectives
 - Coordinate key operations and facilitate effective collaboration between teams across verticals
 - Continuous process building within CRM tools
 - Continuous process improvement and process building organization-wide
 - Define, structure, and build new roles where gaps or needs arise
 - Steer execution
- Maintain, monitor and operate infrastructure, including:
 - Mail server
 - Drive repository
 - Web servers
 - Websites and social channels
 - Security of infrastructure (Cloudflare etc)
 - Cloud backups
 - Communication and operations tools/platforms - Trello, DocuSign, etc.
- GDPR compliance oversight and maintenance

- Subject Access Requests
- GDPR Audits
- Training
- Regulatory contact and management point
- Facilitate DAO onboarding
 - Access to API3 operational infrastructure, provisioning of new users/contributors
 - Operational user accounts for performance of tasks - permissions etc
 - Access to and ongoing development of training resources and educational materials
- Business Documentation
 - Design, maintenance, curation, and auditing as required
- Legal and Compliance Services
 - Correspondence and negotiations with service providers, auditors, developers, partners, external counsel, partner projects and entities
 - Ad hoc terms and agreement drafting and negotiation
 - Compliance and regulatory research and communications
- Service Entity Partnership Facilitation and Implementation
 - Develop Accounting infrastructure and reporting in partnership with USAPI Services, LLC
 - Subscription payment processing facilitation
 - US Contributor HR and Grant Payment through USAPI Services, LLC and WorkDAO
 - Monthly Accounting Reconciliation processing with USAPI Services, LLC
- Additional Operational Tasking as required (ad hoc)

Requested Funds

Item	Amount (USDC)
Grants	\$ 78,625.00
Expenses	\$ 50,667.27
Less Cycle 7 Balance	\$ 21,374.22
Total	\$ 107,918.05

Team Grants & Accounting Structure

Member	Role	August	September	October
Heikki	Strategy	0.00	0.00	0.00
Mark	Systems	5,000.00	5,000.00	5,000.00
Erich	Legal	2,500.00	2,500.00	2,500.00
Mason	Lead Operations	4,375.00	4,375.00	4,375.00
Emily	Systems & Processes	7,500.00	7,500.00	7,500.00
Greg	CRM Admin Analyst	2,500.00	0.00	0.00
Brandon	Account Management Coordinator	5,000.00	5,000.00	5,000.00
Laura	CRM Systems Analyst	3,000.00	0.00	0.00
Grant Subtotal		29,875.00	24,375.00	24,375.00
Expenses				
USAPI Services, LLC Reimbursements (subscriptions)				
	Monday.com	\$ 848.00	\$ 848.00	\$ 848.00
	Bunch	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
	Calendly	\$ 306.35	\$ 306.35	\$ 306.35
	Monday.com	\$ 372.00	\$ 372.00	\$ 372.00
	Cloudflare	\$ 200.00	\$ 200.00	\$ 200.00
	Cookiebot	\$ 10.48	\$ 10.48	\$ 10.48
	Slack	\$ 468.14	\$ 468.14	\$ 468.14
	Google Pay	\$ 120.00	\$ 120.00	\$ 120.00
	Google Cloud	\$ 750.00	\$ 750.00	\$ 750.00
	Subtotal:	\$ 6,074.97	\$ 6,074.97	\$ 6,074.97
	USAPI Cost Plus Fee 5%	\$ 303.75	\$ 303.75	\$ 303.75
	Legal & Consultation Fees	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
	WorkDAO Operating expense (12% of Ops Team US contributors total salaries - \$58,125)	\$ 6,975.00	\$ 6,975.00	\$ 6,975.00
	Miscellaneous Expenses (10% of Expenses)	\$ 1,535.37	\$ 1,535.37	\$ 1,535.37
	Expenses Subtotal	\$ 16,889.09	\$ 16,889.09	\$ 16,889.09
	Forecasted Monthly Subtotal	\$ 46,764.09	\$ 41,264.09	\$ 41,264.09
Cycle #8 Projected Total				\$ 129,292.27
Less Remaining Balance from Prev. Cycle				\$ (21,374.22)
Total				\$ 107,918.05

*The destination for this proposed budget is a multi-sig wallet address managed by Mason, Emily, and Mark via Gnosis Safe.

Expenses

For Cycle #8, there are a few main changes to operational expenses:

In addition to further work around the API3 DAO's relationship with ChainAPI, Jon Stevenson has also aided Mason in the recent implementation, structuring, and/or partnership details of the service entities WorkDAO and USAPI Services, LLC. The development of these relationships are ongoing.

In the previous cycle the relationship with WorkDAO has been further refined. An operational fee associated with the US Based Contributors that will now be under WorkDAO has been negotiated at 12% above the grant payment for each contributor. This fee will cover the tax liabilities and operating expenses incurred by WorkDAO.

The newest operational contractor service entity relationship is with USAPI Services, LLC. USAPI Services, LLC is an independent third party services provider that provides payment for vendor procurement and management, backend accounting services, and employment resource services for DAOs and therefore charges a small fee on a cost plus basis, currently estimated at 5% of operating expenses. These costs may include but are not limited to the following:

1. Fidelity Insurance
2. Accounting Expenses
3. Tax Filing
4. Vendor Payments
5. Gas Fees
6. Other costs of doing business

The relationship with USAPI Services, LLC was established to more clearly define and account for cash flows related to fixed and variable expenses all teams may incur that require prompt payment to third party vendors in fiat. The structuring of this relationship is in progress, and any new developments will be reported in future cycles. As several prior operations contributors are likely to move over to USAPI Services, LLC, any net cumulative difference in grant amount for the new contractor entity relationship is projected to be minimal.

Over the last cycle, it has been determined that community moderation activity on our social pages, such as the removal of scams and bots in a timely fashion, is becoming more critical as our communities grow. Keeping these channels safe for community engagement falls under maintaining and monitoring of the infrastructure on our social pages. Ensuring the community is following the rules outlined by our legal team and ensuring security risks are reviewed are examples of these operational tasks. Without effective moderation, we would be putting our DAO and community members at risk of a growing variety of scams that target social audiences. By removing moderation activity from the marketing team, they are more able to focus on community growth and generating thoughtful communications with the community. Further this critical function has been outsourced to BUNCH, a team dedicated to community moderation. This added expense is outlined in the accounting table above.

Due to the ever-evolving nature of organizational support as the DAO grows, a 10% overage rate is applied to the Cycle #8 budget as it has been in past budgets. This is to hedge against unforeseen miscellaneous or external legal or consultation expenses. Any amounts left over in the end of Cycle #8 will be applied to the following budget cycle, which also serves as an adequate buffer for the time-cost of making a new proposal and waiting for it to pass or requiring resubmission before being able to pay for mission critical infrastructure in a timely manner. This approach has been working well every cycle since it was implemented, and has allowed us to manage unforeseen expenses as intended. Thus far, this has also helped the Operations team avoid any deficits in grant funding while ensuring any surplus in grant funding is small and rolled over into the next cycle as expected.

Deliverables will revolve around increasing the quality and effectiveness of verticals DAO-wide through continued support while aiding in the reduction of costs and inefficiencies where possible as the DAO evolves. The team at its core believes that it is always better to work efficiently, and so most of our endeavours revolve around reducing costs and increasing the quality of our overall output.

Deliverables

The majority of the team's work is a regular series of daily operational tasks and management of internal business resources built to facilitate the successful business functions of API3 on a daily/weekly/monthly basis. These relate to the maintenance and operation of critical tools, infrastructure, and regulatory compliance requirements such as GDPR, privacy, security etc. Most granular details are confidential by necessity for legal and operational reasons by request from counterparties.

Additionally, the operations team has been designed to serve as a readily available support vertical to all other API3 DAO teams. This means that the team plays an active role in identifying gaps and strategic initiatives, and then defines and builds the processes and structure needed to adapt to or fix an observed inefficiency or problem. As such, deliverables will revolve around increasing the quality and effectiveness of verticals DAO-wide while aiding in the reduction of costs and inefficiencies as the DAO evolves and grows.

Finally, the service coverage pricing, flow, and operations are nearing finalization in the related documentation (terms and conditions, policy document form, and submission template) by Erich for signoff by counterparts at Kleros. Latest versions of the service coverage terms and conditions are publicly available [here](#) and [here](#). Erich will also continue to provide Solidity development support to the claims-manager repository [here](#).

Cycle #7 Deliverables Achieved - *Much of our efforts have been ongoing and new items are incorporated into these deliverables when relevant. Deliverables previously mentioned in past cycles and also in this current cycle indicate ongoing and iterative collaboration aimed at continuous improvement of existing processes and workflows.*

- Operational support provided to the Integrations, Marketing, and Hackathon teams.
- Guidance and collaboration to facilitate various restructuring measures based on internal and external feedback to better suit the needs of other verticals, including

building new relationships with third party service providers for purposes outlined in this proposal.

- Continued work regarding translation of the interdependencies of verticals into CRM needs.
- Continued assistance and support of the Business Development vertical with outreach and data retention and tracking efforts regarding the recent roll out of Beacons.
- Maintained and managed existing processes - marking and addressing areas for improvement as needed.
- Continued drafting/negotiation/implementation of Enterprise proofs of concept and Airnode integrations.
- Promulgated memos and articles on API3 DAO governance contract and legal entity wrapping retrospective; other regulatory research and writings on general liability mitigation.
- Onboarding new contributors and ecosystem projects, drafting necessary Grant/Contributor/Service Provider Agreements.
- Drafted initial Service Coverage Terms and Conditions, Policy Documents, and Submission Templates.
- Continued the process of building bookkeeping and accounting infrastructure for maintenance of fiat payments to third party vendors by partnering with USAPI Services, LLC.
- Completed the negotiation and engagement process with WorkDAO for U.S. based contributors that serve the API3 Foundation in order to mitigate regulatory risk associated with incorrectly identifying the DAO as an employer.
 - Onboarded 90% of US Based Contributors to the new WorkDAO entity.
- Continued engagement with Jon Stevenson who has been providing ongoing consultative and legal support for ChainAPI.
- Designed and began implementation of the USAPI Services, LLC entity that will serve the DAO for various accounting and vendor management needs.