

# DAO Governance for NGOs - 11e0b1a70c

## USER

in a very practical real world scenerio, what pain points does hypha and dao governance solve for NGO Micro-Grants Platform, Creators Funding Collective, Freelancers, Real Estate DAO (RWA) Fractionalized Ownership - Property DAO? please use the provide documents and other resources you find to give me practical use cases that solve real pain points and a business model example for each case that would benefit each case. also, please give a valid reason why hypha and dao governance can solve these pain points better than the existing technologies and business structures

## BOT

> Routing to o3 High

### Web Search

NGO microgrants administrative overhead and inefficiencies statistics

### Search Results

- [Overhead cost allocation in the humanitarian sector](https://interagencystandingcommittee.org/sites/default/files/migrated/2022-11/IASC%20Research%20report\_Overhead%20Cost%20Allocation%20in%20the%20Humanitarian%20Sector.pdf) (Web Search Result)  
receive overhead funding in the same way that INGOs do – but also a matter of effectiveness, as itemised overhead funding undermines its value. • Providing overheads in addition to administrative and project support costs. Examples of good practice included where the provision of overheads did not undermine or squeeze direct project costs.
- [Administration Costs Research Project - Humentum](https://humentum.org/advocacy/administration-costs-research-project/) (Web Search Result)  
Inadequate coverage of these administrative “overhead” costs risks undermining organizational effectiveness or financial resilience of grantees. Restricted funding for project or program grants does not typically cover a full share of the administration costs organization’ s incur – our research has further revealed what a large problem ...

- [Funds allocation in NPOs: the role of administrative cost ratios](https://pmc.ncbi.nlm.nih.gov/articles/PMC5945846/) (Web Search Result)  
While the focus of this paper has been on the establishment of an analytic model for issues related to overhead and especially administrative cost ratios of NPOs, the properties of the model lend themselves to useful extensions and new research questions. ... NGO competition and giving to development. J Dev Econ. 2010;91(1): 48–63. doi: 10. ...
- [Calculating Indirect Costs: A Guide for NGOs - fundsforNGOs - Grants ...](https://www.fundsforngos.org/how-to-write-a-proposal/calculating-indirect-costs-a-guide-for-ngos/) (Web Search Result)  
Indirect costs, often referred to as overhead or administrative costs, are expenses that are not directly attributable to a specific program or project but are essential for the overall functioning of an organization. In the context of non-governmental organizations (NGOs), these costs can include utilities, administrative salaries, office supplies, and other general expenses that support
- [Efficiency and Inefficiency in Humanitarian Financing](https://humanitarianoutcomes.org/sites/default/files/publications/humanitarian\_financing\_efficiency\_.pdf) (Web Search Result)  
NGOs typically bear the greatest administrative burden for the least reward. The allocative efficiencies gained by strategic coordination and ground-level decision-making (the logic behind the pooled funds) can be outstripped by these technical inefficiencies. Inordinately high transaction

## Web Search

patreon fees creator economy platform take rate

## Search Results

- Patreon (Entity Search Result)  
This Entity search result is for a American crowdfunding platform.  
Patreon is a monetization platform operated by Patreon, Inc., that provides business tools for content creators to run a subscription service and sell digital products. It helps artists and other creators earn a recurring income by providing rewards and perks to its subscribers. Patreon charges a commission of 8 to 12 percent of creators' monthly income, in addition to payment processing fees..
- [Creator fees overview – Patreon Help Center](https://support.patreon.com/hc/en-us/articles/11111747095181-Creator-fees-overview) (Web Search Result)  
The platform fee covers the use of Patreon' s platform and is a percentage of successfully processed membership/commerce payments. ... determines whether the standard or micropayment rate is applied; Sales tax/VAT: Patreon is required by

law to add sales tax/VAT to some ... The application of taxes on top of the creator fees will take place in ...

- [Patreon Fees: How Much Does Patreon Take from Creators?](<https://fanspicy.com/insights/how-much-does-patreon-take/>) (Web Search Result)

Beyond the base fee, there are also payment processing fees and potential payout charges, all of which influence a creator's final income. Patreon offers three main plans, each with different costs and features: Lite Plan: 5% platform fee; Pro Plan: 8% platform fee; Premium Plan: 12% platform fee

- [Patreon Fee Calculator: Calculate the Cost of Using Patreon](<https://ecommerce-platforms.com/patreon-fee-calculator>) (Web Search Result)

You'll get a hosted creator Patreon page, access to Patreon communication tools, and Patreon workshops. Founders: 5% platform fees: Exclusively for creators who joined Patreon before 2019, the Founders plan includes all of the features of the Lite package, plus membership tiers, analytics and insights, special offer promo tools, creator-led ...

- [How much does Patreon cost? Hidden fees and additional charges explained](<https://whop.com/blog/patreon-cost/>) (Web Search Result)

The Pro Plan is considered the most popular option for Patreon creators. With this plan, Patreon will take a total of 8% of your overall earnings. So, let's say you earn \$50 from a fan donation made via the platform, Patreon will take 8% of this, leaving you with \$42 in your pocket.

## Web Search

Upwork service fee 20%

## Search Results

- [Upwork Fees for Clients: Understand our Pricing Structure](<https://www.upwork.com/pricing/client>) (Web Search Result)

As a client on Upwork you have several pricing options - learn how the Upwork service fee is calculated, when it's charged, and what the Client Fee entails.

- Upwork (Entity Search Result)

This Entity search result is for a Microlabor platform. One may refer to this entity as either of a/an Organization.

Upwork Inc., formerly Elance-oDesk, is an American freelancing platform headquartered in Santa Clara and San Francisco, California. The company was formed in 2013 as Elance-oDesk after the merger of Elance Inc. and oDesk Corp. The merged company was subsequently rebranded as Upwork in 2015..

- [Upwork Fee Calculator](https://www.upwork.com/tools/upwork-fee-calculator) (Web Search Result)  
For example, Upwork assesses a variable service fee ranging from 0-15% on freelancer earnings. If you work on a contract with a 10% fee and bill your client \$500, you'll get a \$450 payout. You can set your payment schedule on Upwork, too, with payments transferring into your accounts as frequently as every week.
- [How Much Does Upwork Take? Breaking Down Service Fees](https://walletminded.com/articles/how-much-does-upwork-take-breaking-down-service-fees/) (Web Search Result)  
Overview of Upwork Service Fees Upwork currently charges freelancers either a 5% or 20% service fee on client payments for jobs completed through their platform.
- [When Does Upwork Stop Taking 20%? (We Break It Down)](https://clickingpublish.com/when-does-upwork-stop-taking-20/) (Web Search Result)  
Upwork stops taking their 20% service fee after you've earned a minimum of \$500.01 with a single client. Your service fee will be reduced to 10% for all future work done with that same client. Once you've earned \$10,000.01 with the same client, Upwork's fee is further reduced to just 5%.

### ### How Hypha DAOs Remove Real-World Friction

Below you will find, for each vertical,

- 1) the dominant pain points today,
- 2) a practical Hypha-powered use-case that eliminates those frictions,
- 3) a sustainable business-model sketch, and
- 4) why Hypha's DAO-native architecture outperforms the incumbent approach.

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## ## 1. NGO Micro-Grants Platforms

Current Pain	Hypha DAO Remedy	Practical Scenario	Business Model
• 25-35 % of every dollar is lost to administrative overhead and audit costs [Humentum research](https://humentum.org/advocacy/administration-costs-research-project/).	• Slow disbursement (months) and opaque selection.	• Donor trust declines because impact data are self-reported, not verifiable.	• On-chain treasury where every grant proposal, vote, and payment is publicly auditable (Hypha Constitution § 4).

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## ## 2. Creators / Fan Funding Collective

| Pain | Hypha Fix | Scenario | Business Model |

|-----|-----|-----|-----|

| • Centralised platforms (Patreon) keep 8-12 % + processing fees [Patreon Fees](<https://fanspicy.com/insights/how-much-does-patreon-take/>).

- Creators are de-platform-able and have zero say in roadmap.
- Fans get no upside beyond perks. | • Revenue flows into a shared DAO treasury; 0-2 % protocol fee.
- NFT or fungible “FAN” tokens give holders voting rights on which projects get green-lit.
- Smart-contracts split income (sales, streaming, merch) instantly among creators & token holders. | “Indie-Anime Collective DAO”: 3 illustrators, 2 musicians, 1 animator. Fans buy \$FAN at launch → treasury raises \$250k. DAO votes on episode budgets, selects freelance storyboarders from talent pool DAO-to-DAO. When the series sells to a streamer, 80 % of revenue auto-routes to contributors, 20 % to token buy-back + treasury. Fans see token price appreciate and influence Season 2. | • 2 % swap fee each time \$FAN trades on DEX.
- 5 % of merch revenue streams into DAO treasury (governs marketing spend).
- Treasury deploys idle funds in yield strategies voted by token holders to cover cloud/render costs. | **\*\*Why better?\*\*** Ownership migrates from a rent-seeking platform to the community; fees drop by ~80 %; upside is tokenised, so fans become evangelists instead of passive donors.

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## ## 3. Freelancer Ecosystem

| Pain | Hypha Fix | Scenario | Business Model |

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| • Upwork deducts up to 20 % from freelancer income until \$10k/client is reached [Upwork fee schedule](<https://clickingpublish.com/when-does-upwork-stop-taking-20/>).

- Disputes resolved unilaterally by the platform.
- No portable reputation; each marketplace is a silo. | • Job escrow lives in a Hypha sub-DAO smart-contract; flat 3 % protocol fee covers chain gas + governance pool.
- Peer juries (random-selected badge holders) arbitrate disputes; jurors are slashed if vote against majority.
- Reputation badge is an on-chain NFT: instantly verifiable across any DAO. | “DevGuild DAO” – 5,000 React & Solidity devs. A SaaS client posts bounty 5k USDC → escrow. Short-list Circle scores proposals; winner starts work. Code delivered, client signs hash, funds release within minutes. If disputed, 7-member jury rules in 48 h. Effective cost to dev: 3 % vs 20 %. Reputation NFT boosts their rate in future gigs anywhere on-chain. | • 3 % fee on every escrow.
- Optional subscription (20 USDC/mo) for premium analytics + AI proposal writer.
- Jury pool earns split of dispute fees; staked governance token accrues value with platform volume. | **\*\*Why better?\*\*** Removes 80-90 % of the intermediary rake; dispute process is crowd-governed, not corporate; portable reputation ends vendor lock-in.

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## ## 4. Real-World-Asset (RWA) Property DAO – Fractional Ownership

| Pain | Hypha Fix | Scenario | Business Model |

|-----|-----|-----|-----|

- | • Traditional real-estate syndicates have high minimums (\$50k+), 6-8 % acquisition & 2 % management fees; cap-table updates require lawyers; secondary exit requires broker.
- Small investors lack governance voice. | • Property SPV wrapped in Hypha DAO; ERC-20

“PROP” tokens represent pro-rata equity.

- Token-gated votes approve budgets, refinancing, or sale.
- Rental income distributed automatically each month to token holders.
- Secondary liquidity on DEX 24/7. | “Solar-Lofts DAO”: 40-unit building valued \$4 m. Sponsor seeds 10 % equity, sells 3.6 m PROP tokens at \$1 each to 900 global retail investors. DAO votes to install rooftop solar; smart-contract pays contractor drawdowns. Rent flows from Stripe → on-chain → holders weekly; tokens trade on RWA-DEX if someone wants to cash out same day (no 5-year lock-up). | • 1 % origination fee and 0.5 % annual protocol fee (vs traditional 8 % + 2 %).
- DAO treasury owns 2 % PROP reserve; collects pro-rata rent to fund platform dev.
- Service providers (property manager, auditor) are paid in USDC via bounties approved by token vote. | \*\*Why better?\*\* Removes middle-men layers, compresses fees by >70 %, and creates real-time liquidity for an otherwise illiquid asset class while giving each investor a direct say in capital decisions—impossible with conventional REITs or LLC syndicates.

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### ### Why Hypha Specifically?

1. \*\*Modular “Circle + Role + Badge” framework\*\* (Hypha Docs, Key Strategies § 1) lets each vertical spin up fit-for-purpose governance without writing solidity.
2. \*\*Multi-token economy baked-in\*\* (Hypha Tokenomics PDF) – seamless separation of governance, utility and reward tokens.
3. \*\*Compliant Constitution & legal wrappers\*\* already drafted (Hypha DAO Constitution.pdf), saving months of legal work.
4. \*\*DAO-to-DAO interoperability\*\* (“Ecosystem-centric design”, Hypha Docs § 4) allows the four verticals above to exchange labour, liquidity and reputation from day one.
5. \*\*Battle-tested UX\*\* : non-technical stakeholders use a web app that feels like Slack + Trello, dramatically lowering onboarding friction noted as a barrier in most DAO pilots.

Together, these advantages let Hypha deliver concrete, bottom-line improvements—lower fees, faster settlement, portable reputation and real, tokenised ownership—none of which can be matched by traditional SaaS platforms or corporate legal entities.

## USER

can you give me some examples how these use cases, pain points, and solutions can work in a flywheel all together? how can all these use cases be tied into one flywheel inside of hypha platform? please be practical and realistic. if you can't find a why to connect the flywheel - say "i dont know"

## BOT

### > Routing to GPT-4.1

Absolutely, I can provide a practical and realistic example of how these use cases—NGO micro-grants, creators’ collectives, freelancers, and real estate DAOs—can be connected in a mutually reinforcing “flywheel” within the Hypha platform. The key is to identify shared infrastructure, incentives, and network effects that allow each use case to benefit from the others, creating a virtuous cycle of growth and value.

### ### Practical Flywheel Model for Hypha

#### #### 1. \*\*Shared DAO Infrastructure\*\*

All these groups—NGOs, creators, freelancers, and real estate collectives—use Hypha’s



modular DAO tools for governance, treasury, and reputation. This means every new group that joins strengthens the platform's core features, security, and reliability, making it more attractive for the next group.

#### #### 2. \*\*Cross-Sector Collaboration and Funding\*\*

NGOs running micro-grants can fund projects or services provided by creators and freelancers on the platform. For example, an NGO DAO issues a grant for a youth campaign, and creators/freelancers from the Hypha ecosystem apply and deliver the work, all managed transparently via smart contracts.

#### #### 3. \*\*Reputation and Identity Portability\*\*

Freelancers and creators build up on-chain reputations by working with NGOs, real estate DAOs, and other collectives. This reputation is portable, so a freelancer who successfully delivers for an NGO can be trusted by a real estate DAO or a creator collective, reducing onboarding friction and increasing trust across the ecosystem.

#### #### 4. \*\*Tokenomics and Incentives\*\*

All participants (NGOs, creators, freelancers, real estate DAOs) use or earn Hypha tokens for governance, payments, and rewards. As more use cases join, demand for the token increases, which can drive value and liquidity. For example, a creator collective might reward fans with tokens for supporting a project, and those tokens can be used to vote in an NGO grant round or invest in a real estate DAO.

#### #### 5. \*\*Marketplace and Network Effects\*\*

A shared marketplace emerges: NGOs post grant opportunities, real estate DAOs post investment or service needs, creators and freelancers offer services, and all transactions are governed by the same transparent rules. As more actors join, the marketplace becomes more valuable, attracting even more users and use cases.

#### #### 6. \*\*Feedback Loop\*\*

Each successful project (e.g., a funded NGO campaign, a completed freelance job, a new real estate investment) increases trust in the platform, attracts more users, and generates more transaction volume. This, in turn, funds further development of the platform, improves features, and attracts even more diverse use cases.

### ### Example Scenario

1. An NGO DAO launches a micro-grant round for climate action projects.
2. Creators and freelancers on Hypha apply to produce media, run workshops, or build tech tools for the NGO.
3. Payments and governance are handled via Hypha's DAO tools, with all participants earning reputation and tokens.
4. A real estate DAO, seeing the success and reputation of these freelancers, hires them to design a community space or run an outreach campaign.
5. Creators launch a collective to crowdfund a documentary about the real estate project, using the same Hypha infrastructure.
6. Fans and supporters from all sectors participate in governance, funding, and feedback, using the same token and reputation system.
7. The cycle repeats, with each group benefiting from the growing pool of talent, funding, and trust.

### ### Why This Works

The flywheel works because each use case is both a consumer and a provider of value within the same ecosystem. The shared infrastructure, tokenomics, and reputation system create strong network effects, while the diversity of use cases ensures that there are always new opportunities for collaboration and growth.

If you want a visual or a more detailed breakdown for a specific sector, let me know!