OSC Budget Proposal

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Organization:
Open Source Committee
Intersect Member Based Organization
Cardano Ecosystem

Executive Summary

The Open Source Committee in conjunction with the Open Source Office (OSO) seeks to enact a **Paid Open Source Model for Sustainable Development in Cardano**. A **budget proposal of ₳5,885,000 (approx. $2.94M USD),** designed to ensure the long-term sustainability of open-source development within the Cardano ecosystem. This initiative will be managed by the **Open Source Committee (OSC) pending approval by the DReps**, and seeks to address the critical funding gaps that hinder the maintenance, security, and growth of essential open-source projects.

Key Objectives & Strategic Impact

- **Sustainable Open-Source Development** – Funding for **50+ key projects** via the **Maintainer Retainer Program** ensures continuous innovation and maintenance of mission-critical repositories.
- **Developer Onboarding & Retention** – Programs like **Cardano Summer of Code**, **Code For Us**, and **Developer Advocates** provide clear pathways for new and experienced contributors to engage in Cardano development.
- **Security & Infrastructure Reliability** – Investments in **Bug Bounties**, **Incident Monitoring**, and **Tooling Sustainability** safeguard the network and strengthen ecosystem resilience.
- **Commercialization & Ecosystem Growth** – The **Accelerator Research Program** and **Expanded Project Support Services** transition promising projects from incubation to sustainable businesses.
- **Community Engagement & Governance** – The OSC ensures **transparent fund allocation, performance monitoring, and open participation** for contributors across Cardano.

Requested Budget & Allocation (June–December 2025); Price conversion (ADA price estimation based on $.50 USD)

Initiative	Funding (ADA)	Funding (USD)	Paid in
Maintainer Retainer Program	₳1.8M	$900K	ADA
Tooling Sustainability Program	₳2M	$1M	ADA
Bug Bounty Program	₳600K	$300K	ADA
Developer Advocacy	₳160K	$80K	ADA
Incident Monitoring & Security	₳175K	$87.5K	USD

Cardano Summer of Code	₳400K	$200K	USD
Code For Us Community Bounties	₳250K	$125K	ADA
Events, Travel, and Conferences	₳250K	$125K	USD
Accelerator Research Program	₳100K	$50K	ADA
Total Allocation	₳5.885M	$2.94M	

Governance & Delegated Authority

This proposal requests that the **OSC in conjunction with the OSO be granted delegated authority to manage the entire allocation**, ensuring:
✅ **Project Selection & Funding Oversight** – Strategic deployment of resources to maximize ecosystem impact.
✅ **Contract & Vendor Management** – Efficient execution of agreements to support development and security initiatives.
✅ **Facilitation of Broad Community Participation** – Open collaboration channels for developers, maintainers, and ecosystem stakeholders.

Return on Investment (ROI) for Cardano

- **Ensures long-term sustainability** of open-source projects.
- **Attracts & retains top developer talent** through structured funding.
- **Strengthens security & reliability** via proactive monitoring and bug bounties.
- **Expands the contributor base** through incentive programs and mentorship.
- **Drives commercialization & adoption** by supporting high-potential projects.

By **securing funding through this proposal, Cardano will reinforce its position as a leading open-source blockchain ecosystem**, ensuring that critical infrastructure, security, and development efforts remain well-supported for the long term.

Detailed documentation on how each process works and are in draft with OSC to finalize once current new budget processes are finalized, ETA on the docs is around end of Q2, 2025 or earlier.

Original Budget Sheet: 2025 Draft Bucket Budget - details sheet (work-in-progress) - Google Sheets
Cardano Forum post: Cardano Core Budget Proposal - Governance / Budgets 2025 - Cardano Forum

Section 1: Governance & Delegated Authority

This budget proposal requests that the **Open Source Committee (OSC) in close collaboration with the Open Source Office (OSO)** be granted **delegated authority** on behalf of **DReps (Delegate Representatives)** to manage the entire ₳5,885,000 allocation. This delegation would empower the OSC to:

- **Oversee the selection and funding of projects** that align with Cardano's open-source development priorities.
- **Manage contracts and vendor relationships** to ensure timely execution of initiatives.
- **Distribute funding efficiently** to maintainers, developers, security researchers, and community participants.
- **Facilitate broad participation** by incorporating community feedback, governance transparency, and open engagement in decision-making.

The OSC will operate under **clear governance principles**, ensuring:
✅ **Transparency** – Regular reporting on fund allocation, progress, and impact.
✅ **Accountability** – Clear milestones, performance reviews, and auditing mechanisms.
✅ **Community Involvement** – Open calls for participation, allowing contributors to engage in project selection, execution, and oversight.

By delegating this authority, the **DReps ensure that funding is deployed strategically and effectively**, avoiding unnecessary bottlenecks while **keeping decision-making in the hands of those closest to open-source development**. This model balances structured governance with community-driven participation, ensuring that Cardano's open-source ecosystem thrives sustainably.

Section 2: Problem Statement & Justification

The Challenge

Cardano's open-source ecosystem is critical to the network's long-term success, yet it lacks structured funding to support its growth. Unlike other blockchain ecosystems that provide clear financial backing for maintainers, contributors, and security efforts, Cardano's open-source projects often rely on ad-hoc funding or volunteer efforts.

This has led to several challenges:

- **Unmaintained Core Infrastructure** – Key open-source repositories, including those used by dApp developers and the broader ecosystem, lack dedicated funding for long-term maintenance.
- **Loss of Contributors** – Without clear incentives, experienced developers leave for other ecosystems, making it harder to sustain projects and onboard new talent.
- **Security Risks** – A lack of structured funding for bug bounties and incident response leaves Cardano exposed to vulnerabilities that could otherwise be proactively addressed.
- **Slower Ecosystem Growth** – The absence of stable funding for new tools, developer education, and strategic project support makes it difficult to keep pace with industry advancements.

Why This Matters

If Cardano wants to remain a competitive, developer-friendly blockchain, it **must invest in the sustainability of its open-source infrastructure**. Without structured funding, key projects will stagnate, developer engagement will decline, and security risks will increase.

A well-supported open-source ecosystem ensures:

- **Reliable infrastructure** for wallets, dApps, and developer tooling.
- **More engaged developers** who have clear pathways to contribute and earn.
- **Stronger security** with funding for bug bounties and incident response.
- **A faster-growing ecosystem** where teams can build with confidence, knowing key tools and services are actively maintained.

The Solution: The Paid Open Source Model

This budget proposal introduces a **Paid Open Source Model** to ensure that essential open-source projects receive structured funding. It includes:

- **A Maintainer Retainer Program** to fund developers maintaining critical repositories.
- **Bug bounty and security initiatives** to identify and fix vulnerabilities.

- **Developer advocacy and engagement programs** to onboard and retain contributors.
- **An incubation framework** to support promising open-source projects and help them scale.

By implementing this model, Cardano will create a **predictable, transparent, and sustainable funding mechanism** that supports long-term open-source development, improves security, and accelerates ecosystem growth.

Section 3: Proposal Scope & Governance

Governance Model

This budget proposal asks that the **Open Source Committee (OSC) be granted delegated authority by DReps** to manage the **₳5,885,000** allocation. This means the OSC will be responsible for:

- **Selecting and funding open-source projects** that align with Cardano's ecosystem needs.
- **Managing contracts** with maintainers, vendors, and contributors.
- **Allocating funds** efficiently across key initiatives, including maintenance, security, and developer growth.
- **Overseeing security programs** such as bug bounties and incident monitoring.
- **Ensuring community engagement** by keeping funding decisions transparent and performance-driven.

By giving the OSC direct oversight, **this approach avoids bottlenecks while keeping decision-making close to those who understand open-source development**.

Scope of Work

The proposal covers a range of open-source funding needs that are critical to Cardano's long-term success, including:

- **Maintainer Retainer Program** – Funding **50+ open-source projects**, split between Core Cardano and community-selected initiatives.
- **Security & Incident Response** – Running a **bug bounty program and 24/7 security monitoring** to mitigate vulnerabilities.
- **Developer Growth & Engagement** – Supporting **developer advocates, mentorship programs, and bounties** to expand the contributor pipeline.
- **Ecosystem Expansion** – Backing **early-stage open-source projects through incubation and accelerator programs** to drive adoption.
- **Operational & Community Support** – Funding **project support services, infrastructure improvements, and legal or educational initiatives** as needed.

Community Involvement

While the OSC will oversee funding, the broader **Cardano community will play an active role** in shaping open-source growth. The proposal ensures:

✅ **Open participation** – Developers, maintainers, and contributors can engage through funded programs, bounties, and mentorship.
✅ **Transparency & accountability** – The OSC will report on **funding allocation, project**

milestones, and impact.
✅ **Performance-based funding** – Projects will be held to clear milestones and deliverables.

This approach **keeps funding structured while maintaining an open, collaborative process** where the community has a say in how Cardano's open-source development evolves.

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Section 4: Budget Breakdown & Allocation

This budget request covers a **₳5,885,000 allocation** based on $.50 USD Evaluation for a **six-month period (June – December 2025)**, funding key open-source initiatives that are critical for Cardano's sustainability, security, and ecosystem growth. The funds will be distributed across four main areas:

Breakdown of Funding Categories

Category	Initiative	Description	ADA Amount	USD Equivalent
Sustainability Programs	Maintainer Retainer Program	**Contract Type:** Structured funding initiative. **Core Maintenance:** Supports key maintainers for 50 open-source projects, with half focused on Core Cardano and the other half on community-nominated projects through the Open Source Committee (OSC). **Support:** Ensures a sustainable pool of experienced maintainers who provide long-term stewardship for essential repositories. **Operational:** Guarantees continued development and maintenance of crucial open-source components. **Community:** Enables wider community participation by supporting new and diverse maintainers.	₳1,800,000	$900,000
	Tooling Sustainability Program	**Contract Type:** Open Source Tooling Sustainability Program **Core Maintenance:** Funds critical open-source libraries and tools essential to the Cardano ecosystem, ensuring their long-term sustainability. **Support:** Provides resources for project identification, community feedback integration, licensing assessment, and ongoing project monitoring.	₳2,000,000	$1,000,000

		Operational: Manages funding distribution, tracks project development, and ensures alignment with governance standards and community needs. **Community:** Engages developers and stakeholders through contribution opportunities, roadmap visibility, and support for high-demand tools like dApp frameworks, wallets, and explorers OSC voted on 2/20/25 to be added. Proposal Here: Tooling WG Proposal		
Security & Incident Response	Bug Bounty Program	**Contract Type:** Incentive-based security initiative. **Core Maintenance:** Funds rewards for ethical hackers identifying vulnerabilities. **Support:** Covers the administration and evaluation of reported security issues. **Operational:** Ensures continuous security improvements for Core Cardano. **Community:** Engages security researchers and enhances overall blockchain resilience.	₳600,000	$300,000
	Incident Monitoring & Response	**Contract Type:** Security personnel and software costs. **Core Maintenance:** Ensures rapid response to security incidents. **Support:** Covers 24/7 monitoring, incident detection, and mitigation. **Operational:** Provides funding for dedicated security engineers and tools. **Community:** Strengthens network resilience and safeguards user assets.	₳175,000	$87,500

Developer Growth & Engagement	Developer Advocate Program	**Contract Type:** Salaried part time roles supporting open-source adoption. **Core Maintenance:** Advocates for developers by addressing their needs and technical challenges. **Support:** Guides new developers, creates educational content, and enhances ecosystem collaboration. **Operational:** Ensures a smooth onboarding experience for developers across different regions. **Community:** Strengthens developer relations by providing dedicated support in North America, Africa, India, and Vietnam.	₳160,000	$80,000
	Code For Us Bounty Model	**Contract Type:** Community-driven funding initiative. **Core Maintenance:** Directly supports the development of requested features or tools for Cardano's ecosystem. **Support:** Provides financial assistance to projects aiming to enhance open-source tooling and development. **Operational:** Allocates funds to initiate trials and measure the effectiveness of the model. **Community:** Allows contributors to earn bounties by developing features for qualified projects and tooling.	₳250,000	$125,000
	Cardano Summer of Code	**Contract Type:** Stipend program for student developers. **Core Maintenance:** Encourages students to work on essential open-source projects. **Support:** Provides mentorship and structured project guidance.	₳400,000	$200,000

		Operational: Funds six-month full-time work placements. **Community:** Expands the contributor base and develops long-term maintainers.		
Ecosystem Growth & Commercializ ation	Accelerator Research Program	**Contract Type:** Pilot Program Funding **Core Maintenance:** Funds pilot programs across three accelerator stages, covering staffing, mentorship, materials, and participant stipends. **Support:** Provides strategic guidance, business model mentoring, and commercialization readiness support to participating projects. **Operational:** Develops a scalable Accelerator SaaS framework integrated into Intersect's web domain to streamline operations and reduce long-term staffing needs. **Community:** Connects projects with mentors, investors, and ecosystem partners, fostering ecosystem-wide growth and collaboration. Proposal approved by OSC (3/20/25) Link: Accelerator Research Proposal	₳100,000	$50,000
	Expanded Project Support Services	**Contract Type:** Funding for extended open-source services. **Core Maintenance:** Supports more complex services beyond the standard OSO catalog. **Support:** Provides tailored assistance for projects needing in-depth expertise. **Operational:** Addresses the backlog of service requests. **Community:** Strengthens ecosystem collaboration and best practices.OSO Service Catalog	₳150,000	$75,000

	Events & Travel (Workshops, Meetups, Hackathons)	**Contract Type:** Funding for participation and organization.	₳250,000	$125,000
		Core Maintenance: Supports attendance at blockchain-related conferences.		
		Support: Facilitates workshops, hackathons, and meetups.		
		Operational: Funds logistics, travel, and sponsorship expenses.		
		Community: Promotes open-source contributions and network building.		
		Contract Type: Travel and reimbursement expenses.		
		Core Maintenance: Supports OSC member participation at key events.		
		Support: Covers ticket, travel, and lodging expenses for committee members.		
		Operational: Ensures representation at open-source and blockchain conferences.		
		Community: Enhances outreach and public engagement.		
Total Allocation			₳5,885,000	$2,942,500

Funding Priorities & Impact

1. Sustainability Programs

- Ensures **long-term maintenance** for over **50 open-source projects** through **the Maintainer Retainer Program**.
- Funds **critical open-source libraries, dApp frameworks, and developer tools** through **the Tooling Sustainability Program**.

2. Security & Risk Mitigation

- Expands **Cardano's Bug Bounty Program**, encouraging security researchers to identify vulnerabilities.

- Funds **incident monitoring and rapid response**, ensuring Cardano's security posture remains strong.

3. Developer Growth & Engagement

- **Developer Advocacy Program** supports **onboarding and education** for developers in key regions.
- **Code For Us Bounty Model** incentivizes open-source contributions for ecosystem tooling.
- **Cardano Summer of Code Equivalent** program brings new developers into the ecosystem through structured mentorship and project funding.

4. Ecosystem Growth & Commercialization

- **The Accelerator Research Program** helps **early-stage open-source projects** transition to commercial viability.
- **Expanded Project Support Services** provide technical, legal, and operational support for open-source teams.
- **Event & Travel Budget** ensures **Cardano's presence at key conferences, workshops, and hackathons** to grow the open-source ecosystem.

Budget Justification

This funding request is structured to **maximize impact while maintaining accountability and transparency**. By aligning investments across **sustainability, security, developer engagement, and commercialization**, this proposal ensures **long-term viability for Cardano's open-source development**.

Section 5: Expected Outcomes & Return on Investment (ROI)

This funding request is focused on **strengthening Cardano's open-source ecosystem, improving security, and driving real adoption**. By investing in core infrastructure, developer engagement, and commercialization efforts, this proposal ensures that open-source projects remain viable and continue contributing to the network's success.

Key Outcomes

1. Sustainable Open-Source Development

- **50+ critical open-source projects will receive structured funding** through the **Maintainer Retainer Program**, ensuring long-term maintenance and improvements.
- **Essential developer tooling and infrastructure** will be actively supported, reducing the risk of abandoned or underfunded projects.
- The **Paid Open Source Model will establish a clear funding framework**, allowing contributors and maintainers to focus on building rather than seeking financial support.

2. Security & Risk Mitigation

- A **fully funded bug bounty program** will attract security researchers to find and fix vulnerabilities before they become serious threats.
- **An incident monitoring and response** will improve security readiness and reduce the risk of critical failures to support Security Council operations.
- With proper funding, **security issues will be identified and fixed faster**, increasing trust in Cardano's infrastructure.

3. Developer Growth & Community Engagement

- Programs like **Code For Us and the Cardano Summer of Code** will create clear entry points for new developers to contribute to Cardano.
- A **Developer Advocate Program** will provide hands-on support, mentorship, and guidance to help onboard and retain talent in key regions.
- **More funded opportunities through bounties and grants** will give developers more reasons to build in the Cardano ecosystem instead of seeking opportunities elsewhere.

4. Ecosystem Growth & Commercialization

- The **Accelerator Research Program** will help early-stage open-source projects grow into sustainable businesses.
- **Expanded project support services** will ensure that teams have access to the resources they need to scale.
- **Cardano's presence at industry events, hackathons, and developer workshops** will increase, leading to stronger partnerships and broader adoption.

Why This Investment Makes Sense for Cardano

- **Stable open-source funding leads to a more reliable ecosystem** – Developers and businesses building on Cardano can trust that critical infrastructure will continue to be maintained.
- **Better security makes Cardano more resilient** – With bug bounties and incident monitoring in place, vulnerabilities can be identified and addressed before they cause major problems.
- **More developers contribute, stay, and grow within the ecosystem** – With clear funding paths, the best talent will have incentives to keep building on Cardano.
- **New tools and infrastructure improvements will accelerate adoption** – A well-funded open-source ecosystem makes it easier for new projects to launch and scale successfully.
- **Incubation and commercialization efforts will drive long-term adoption** – The bridge from open-source development to sustainable businesses will be clearer, benefiting the entire ecosystem.

This proposal ensures that **Cardano's open-source ecosystem is built to last**, giving developers, maintainers, and security experts the resources they need to keep the network strong, secure, and growing.

6. Supporting Documentation & Additional Resources

For further details on the governance framework, funding structure, and key initiatives outlined in this proposal, refer to the following resources:

Original Budget Sheet: 2025 Draft Bucket Budget - details sheet (work-in-progress) - Google Sheets

Cardano Forum post: Cardano Core Budget Proposal - Governance / Budgets 2025 - Cardano Forum

Governance & Open Source Strategy

- **Paid Open Source Model Whitepaper** – This research paper, endorsed by OSC, outlines the overall gameplan, sustainability plan, and governance structure for open-source development in Cardano. Outlines, the Maintainer Retainer Program, Code For US Model, Open Source Committee Role, Open Source Office, Role, Working Group Roles, and Project Support Services.
  - 📄 Whitepaper PDF
  - Explainer Video: The Paid Open-Source Model Concept

- **Contribution Ladder Framework** – Defines the structure for open-source contributors, ensuring clear pathways for recognition and funding.
  - 📄 Contribution Ladder
  - Explainer Video: Enhancing Cardano's Ecosystem with a Contribution Ladder

- **Project Incubation Lifecycle** – This structured program fosters the growth of sustainable open-source projects that align with Cardano's mission of community empowerment and technical excellence. It provides mentorship, technical guidance, and structured governance support to ensure projects meet ecosystem standards and are positioned for long-term sustainability.
  - 📄 Incubation Program
  - Explainer Video: Project Framework and Incubation

Programs & Initiatives Funded in This Proposal

- **Developer Advocate Program** – Supporting developer onboarding, education, and advocacy in key regions.
  - 📄 Developer Advocate Program
  - Explainer Videos:
    - ■

- **Project Support Services** – Technical and operational assistance for open-source teams building on Cardano.

- ○ 📄 [Project Support Services](#)
- ○ Explainer Video: [Project Support Services and Open Source Office](#)

- **Tooling Program & Accelerator Research** – Initiatives designed to fund, mentor, and expand the open-source contributor base.
  - ○ 📄 [Tooling WG Proposal](#)
  - ○ 📄 [Accelerator Research](#)

These resources provide **detailed insight into how this funding will be allocated, managed, and tracked**, ensuring transparency and accountability in execution.