

Audit Report

Core Unit Name: SAS

Audit ID: 2022-09-SAS001

Audit Cycle: 2022 - 09/ 1

Audit Result: Needs CU Action

Audit Date: 11-03-2022

Budget Statement Submission Date: 11-02-2022

Facilitator contact: @danik

Core Unit Clarification Received on Date:

Transparency Report: <https://github.com/makerdao-sas/transparency-reporting/blob/main/Monthly%20Budget%20Statements/2022-09.md>

MIP40c3-SP43: <https://forum.makerdao.com/t/mip40c3-sp43-adding-sidestream-auction-services-core-unit-budget-sas-001/10799>

MIP40c3-SP44: <https://forum.makerdao.com/t/mip40c3-sp44-adding-sidestream-auction-services-core-unit-mkr-budget-sas-001/10802>



| # | Audit Question | Approved | Approved with comments | Needs action before approval | Disapproved | Audit Assessment | Core Unit's Clarification | Immediate CU Action to improve transparency report | Medium Term CU Action to improve transparency report |
|------|---|-------------------------------------|-------------------------------------|------------------------------|--------------------------|---|---------------------------|--|--|
| | Audit Questions to the Structure of the transparency report and consistency with SAS MIP40c3-SP43 | | | | | Note- This audit has assessed the data published in Github "SAS: September 2022 Budget Statement" and the SAS expense site at https://expenses.makerdao.network/ | | | |
| 0.1 | Are the sections in the transparency report in the right order: Actuals, Forecast, MKR vesting and Transfers? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | The SAS Budget statement in the Github repository has only the MKR data and Transactions data, the actuals and forecast are published in the SAS expense site at expenses.makerdao.network . Suggestion to continue to publish the budget statement as it was done before September 2022 so that the community still has a complete overview of the SAS operational finances until the Ecosystem Dashboard can provide the same data. | | | Suggestion to continue to publish the budget statement as it was done before September 2022 so that the community still has a complete overview of the SAS operational finances until the Ecosystem Dashboard can provide the same data. |
| 0.2 | Does the actual section include breakdowns per Budget Category, Forecast, Actuals, Difference and Payments? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 0.3 | Does the budget forecast cover 3 months with summary and budget category breakdown? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 0.4 | Does the budget forecast summary and breakdown contain the quarterly budget caps for comparison? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 0.5 | Does the budget forecast summary contain the Global/total budget cap? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 0.6 | Are the budget forecast categories in the transparency report the same as in the MIP40c3-SP43? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | SAS is using the MakerDAO standard budget categories in the budget statement. | | | |
| 0.7 | Is the SAS operational Multi-sig wallet setup the same as described in the MIP40c3-SP43? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. SAS Operational Wallet quorum (2:3) Controlled by the SAS Core Unit team Address: 0x465AA62a82E220B331F5ECcA697c20E89554B298 Signers: 0x274736890166046f00f424fE864b2E468841ebfE 0x4f3B7fb6204C614B28F0e1f50Dc1C99175631678 0xD95802afC02B49e5C1a6016D44d08fe37EAFec9d | | | |
| 0.8 | Is the SAS operational wallet controlled by more than 1 signer? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes, the SAS operational wallet has a current policy of 2 out of 3 signers | | | |
| 0.9 | Has the SAS auditor wallet receive the initial seed funds from the protocol prior transfer to the SAS wallet? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes, the auditor wallets has received 245,738 DAI from the protocol https://etherscan.io/tx/0xab810a967ba4a68862c4433ec4185fbc1a3ff121bf4b38535a2aab4a8e9908ad The MIP40c3-SP43 total budget cap less contingency buffer is 245,737.50 DAI and with the 15% buffer included the grand total is 282,598.13. | | | |
| 0.10 | Has the SAS operational wallet received a top-up after the audit of the last transparency report? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes, the SAS operational wallet received 71,977.37 DAI on September 14th, 2022. https://etherscan.io/tx/0xb0051da7511ea4200151b162532bd6db5c3b568e241 | | | |
| 0.11 | Is the SAS Auditor Multi-sig wallet setup the same as described in the MIP40c3-SP43? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. SAS Auditor Wallet quorum (2:2) eth address: 0xb1f950a51516a697E103aaa69E152d839182f6Fe Signers: SES Auditor Role Wallet eth: 0xb2da57e224949acDDe173a5b8A8160c023ea86e6 SES Accountant Role Wallet eth: 0xA2A855Ac8D2a92e8A5a437690875261535c8320C | | | |
| 0.12 | Has the SAS Auditor wallet received the funds from the protocol? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. The last transaction was 177,605.74003198 DAI received on October 28th, 2022. The auditor wallet balance is 341,430.86261622 DAI on November 11th, 2022. https://etherscan.io/tx/0x885b5862f787c00fb0b2e0f567721a1ae2e271f4f09268112f2581d278c94d59 Any excess of funds in the auditor wallet will be sent back to the DssBlow after the operational wallet is replenished. | | | |
| 0.13 | Has the SAS Auditor wallet sufficient funds to be sent to the SAS operational wallet? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| | Audit Questions to Transparency Report - Section 1. Last Month Actuals - | | | | | | | | |
| 1.1 | Is the actuals budget category breakdown the same as in the MIP40c3-SP43? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | SAS is using the standard budget categories. | | | |

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| # | Audit Question | Green | Yellow | Orange | Red | Audit Assessment | Core Unit's Clarification | Immediate CU Action to improve transparency report | Medium Term CU Action to improve transparency report |
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| 1.2 | Is the transparency report actual's forecast the same as the last published forecast for the same month? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 1.3 | Are the differences between forecast and actuals explained in the transparency report? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | No. SAS needs to download the newest version of the budget tool that allows entering comments. This budget tool updated version will be available on November 3rd, 2022 https://github.com/liberium/budget-tool/releases . | | | |
| 1.4 | Are the SAS actual expenses within the monthly MIP40c3-SP43 buget cap? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 1.5 | Are the SAS actual expenses within the quarterly total MIP40c3-SP43 budget cap? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 1.6 | Has the SAS contractor fees any significant deviations between forecast and actuals? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | No. There is a perfect match. | | | |
| 1.7 | Has the SAS travel & events costs any significant deviations between forecast and actuals? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. The forecast is 1,500, and the actual expense is 996, this gives a positive difference of 505. | SAS needs to download the newest version of the budget tool that allows entering comments. | | |
| 1.8 | Has the SAS Software Development expense costs any significant deviations between forecast and actuals? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | No. | | | |
| 1.9 | Has the SAS gas expenses any significant deviations between forecast and actuals? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. The gas fees forecast is 750 and the actual expense is 58 this gives a positive difference of 692. | SAS needs to download the newest version of the budget tool that allows entering comments. | | |
| 1.10 | Has the Admin Expense significant deviations between forecast and actuals? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | No. | | | |
| 1.11 | Has the SAS Professional Services costs any significant deviations between forecast and actuals? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. The forecast is 3,246 and the actual expense is 3,496.03, this gives a negative difference of 250.03. This expense is within the monthly approved budget of 5,000. | SAS needs to download the newest version of the budget tool that allows entering comments. | | |
| 1.12 | Has the Compensation & Benefits costs any significant deviations between forecast and actuals? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | No. | | | |
| 1.13 | Has the SAS presented the correct calculation of amounts for the actuals, forecast and difference? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 1.14 | Has the SAS any budget category that seems inconsistent and needs further investigation? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | No. | | | |
| Audit Questions to Transparency Report - Section 2. Budget Forecast - | | | | | | | | | |
| 2.1 | Does the transparency report display the MIP40c3-SP43 caps for both total and budget categories? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 2.2 | Are the monthly and quarterly budget caps (both totals and per category) the same as in the MIP40c3-SP43? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 2.3 | Are the monthly forecast totals within the MIP40c3-SP43 monthly budget cap? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 2.4 | Is the quarterly forecast within the bounds of the MIP40c3-SP43 budget caps? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 2.5 | Has the SAS presented the correct calculation of amounts in the budger forecast section? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| Audit Questions to Transparency Report - Section 3. MKR Vesting Overview - | | | | | | | | | |
| 3.1 | Has the SAS indicated the number of FTE in the transparency report's MKR vesting overview? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 3.2 | Has the MKR vesting overview the same FTE comparing it to the MIP40c3-SP44? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |

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| 3.3 | Are the MKR vesting dates the same as in the MIP40c3-SP44? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | SAS should add the year complete the December date 2023 on the original approved budget and review the MKR budget taking in consideration new onboardings. |
| 3.4 | Has SAS changed the MKR amounts comparing it to the MIP40c3-SP44? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | No. | | | |
| 3.5 | Has SAS explained the MKR change in the transparency report? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | This control can only be made if the above question is yes. | | | |
| 3.6 | Is the SAS auditor wallet's lifetime MKR transfer amount correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. | | | |
| 3.7 | Is the SAS MKR current balance in the auditor wallet correct? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. The current MKR balance is 0. | | | |
| Audit Questions to Transparency Report - Section 4. Transfers - | | | | | | | | | |
| 4.3 | Does the SAS operational wallet balances match the transparency report current balance in the calculation made for the new transfer? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Yes, the current balance in the transparency report is 170,652.94 and the actual balance in the operational wallet is 145,757.9103133 DAI on November 11th, 2022. https://gnosis-safe.io/app/eth-0x465AA62a82e2208331f5ECcA697c20E895348298/balances | | | |
| 4.2 | Are the payments from the operational wallet the same as in the actual section payments? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Yes. The payment amount is 46,635.56 DAI on September 23h, 2022 https://etherscan.io/tx/0x84572ce6a2ed38918fd341f62485af95bf0bb6e00515fe27e563b1aee450cce | | | |