

Audit Report

Core Unit Name: DUX

Audit ID: 2022-11-DUX-001

Audit Cycle: 2022-11/2

Audit Date: 12-20-2022

CU published BS date: 12-14-2022

Audit Result: Approved with comments

Facilitator contact: @venture

Core Unit Clarification Received Date: 12-19-2022

Transparency Report: <https://github.com/makerdao-dao/transparency-reporting/blob/main/Monthly%20budget%20statements/2022-11.md>

MIP40c3-SP26: <https://forum.makerdao.com/t/mip40c3-sp26-development-ux-core-unit-budget-dux-001/9774>

MIP40c3-SP52: <https://forum.makerdao.com/t/mip40c3-sp52-development-ux-core-unit-budget-dux-001/12085>

MIP40c3-SP27: <https://forum.makerdao.com/t/mip40c3-sp27-development-ux-core-unit-mkr-budget-dux-001/9777>

#	Audit Question	<div><div>Approved</div><div>Needs action before approval</div><div>Disputed</div></div>	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 DUX MIP40c3-SP52						
0.1	Are the sections in the transparency report in the right order: Actuals, Forecast, MKR vesting and Transfers?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.	
0.2	Does the actual section include breakdowns per wallet with Budget Category, Forecast, Actuals, Difference and Payments?	<input checked="" 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"/>	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"/>	Yes.	
0.5	Does the budget forecast summary contain the Global/total budget cap?	<input checked="" 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-SP52?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	DUX has adopted the standard MakerDAO nomenclature for the budget categories.	
	Is the operational wallet Multi-sig wallet setup the same as described in the MIP40c3-SP52?		No. DUX clarified the change of wallet address for one team member in Feb 2022. ETH address eth:0xEd1cC76C86AaE8eA08b1B918aB2eDcA1465745c was added February 8th 2022 and eth:0x066e928BBD8D8A43DDEE179Ac22b6e16ec850DA was removed on February 9th 2022.			The Budget implementation diagram in the MIP40c3-SP52 was updated with the new operational wallet eth address eth:0xEd1cC76C86AaE8eA08b1B918aB2eDcA1465745c and the removal of eth address eth:0x066e928BBD8D8A43DDEE179Ac22b6e16ec850DA
0.7	Is the DUX operational wallet controlled by more than 1 signer?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes, the DUX operational wallet has a current policy of 3 out of 6 signers.	
0.8	Is the auditor's wallet Multi-sig wallet setup the same as described in the MIP40c3-SP52?		Yes. The Auditor Wallet requires 2 out of 2 confirmations. Auditor's wallet eth address: eth:0x5A99d8428CCEbCC153863CdA9D28b6352f89ad Signers: Accountant role wallet eth:0xA2A85A48D2a92a8A5437690875261535c8320C Auditor role wallet eth:0x82da57e224949acDDe173a5b8A8160c023ea86e6			
0.9	Has the DUX auditor wallet receive funds from the protocol?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Auditor Wallet received 804,191.45048903 DAI from the protocol on November 2nd, 2022. https://gnosissale.io/app/eth:0x5A99d8428CCEbCC153863CdA9D28b6352f89ad/transactions/history	
0.10	Has the DUX auditor wallet sufficient funds to top up the Dux operational wallet?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes. The Auditor Wallet's current balance is 672,103.32 DAI on December 19th, 2022.	
0.11	Has the DUX operational wallet received a top-up after the audit of the last transparency report?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No. DUX has not received the requested funds in the October 2022 due to a delay in the production of expense report caused by a general expense revision.	
0.12	Audit Questions to Transparency Report - Section 1. Last Month Actuals -					
1.1	Is the actuals budget category breakdown the same as in the MIP40c3-SP52?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes. DUX has adopted the standard MakerDAO nomenclature.	

Audit Report

Core Unit Name: DUX

Audit ID: 2022-11-DUX-001

Audit Cycle: 2022-11/2

Audit Date: 12-20-2022

CU published BS date: 12-14-2022

Audit Result: Approved with comments

Facilitator contact: @venture

Core Unit Clarification Received Date: 12-19-2022

Transparency Report<https://github.com/makerdao-dux/transparency-reporting/blob/main/Monthly%20budget%20statements/2022-11.md>

MIP40c3-SP26: <https://forum.makerdao.com/t/mip40c3-sp26-development-ux-core-unit-budget-dux-001/9774>

MIP40c3-SP52: <https://forum.makerdao.com/t/mip40c3-sp52-development-ux-core-unit-budget-dux-001/12085>

MIP40c3-SP27: <https://forum.makerdao.com/t/mip40c3-sp27-development-ux-core-unit-mkr-budget-dux-001/9777>



1.2	Is the transparency report actual's forecast the same as the forecast last published 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
1.4	Are the DUX actual expenses within the monthly MIP40c3-SP52 budget cap?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
1.5	Are the DUX actual expenses within the Global/total MIP40c3-SP52 budget cap?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
1.6	Has the DUX Compensation & Benefits any significant deviations between forecast and actuals?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The forecast is 88,635.36 DAI and the actual expense is 89,928.44 DAI, this results in a negative difference of 1,293.08.	DUX explains in the budget report that the difference is due to "Variation on estimate. No outstanding reason."		
1.7	Has the DUX Travel & Entertainment any significant deviations between forecast and actuals?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes. The forecast is 4,500 and the actual expense is 5,533.27, this results in a negative difference of 1,033.27.	DUX explains in the budget report that the difference is due to "Event sponsorship paid for."		
1.8	Has the DUX Software Expense any significant deviations between forecast and actuals?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes, the forecast is 4,700 DAI and the actual expense is 4,259.94 DAI, which gives a negative difference of 10.			
1.9	Has the DUX Gas Expense any significant deviations between forecast and actuals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	This budget category was not reported in the Actuals section.		Report the budget category even if the forecast is 0 and the actual is 0.	
1.10	Has the DUX Admin Expense any significant deviations between forecast and actuals?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes, the forecast is 4,700 and the actual expense is 4,437.31	DUX explains that the difference is due to "Slight deviation on estimation without outstanding reason. is a percentage of total costs. Payment to cover credit card expenses."		
1.11	Has the DUX one-time expense any significant deviations between forecast and actuals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	This budget category was not reported in the Actual section.			
1.12	Has the DUX Professional Services any significant deviations between forecast and actuals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	This budget category was not reported in the Actual section.			
1.13	Has the DUX 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 DUX 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-SP52 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-SP52?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
2.3	Are the quarterly forecast within the bounds of the MIP40c3-SP52 budget caps?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
2.4	Are the monthly forecast totals within the MIP40c3-SP52 monthly budget cap?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
2.5	Has the DUX presented the correct calculation of amounts for the budget forecast?	<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 DUX 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, the FTE is included in the MKR Vesting overview section of the transparency report.			
3.2	Has the MKR vesting overview the same FTE comparing it to the MIP40c3-SP27?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No. The FTE has changed from 6.0 to 5 people working full time and 1 person working 60%.			
3.4	Are the MKR vesting dates the same as in the MIP40c3-SP27?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No, the MIP40c3-SP27 includes the following vesting date December 2021 - 0 MKR. However, all other vesting dates are the same as in the MIP40c3-SP27.			
3.5	Is the MKR total budget cap in the transparency report the same as in the approved MIP40c3-SP27?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			

Audit Report

Core Unit Name: DUX

Audit ID: 2022-11-DUX-001

Audit Cycle: 2022-11/2

Audit Date: 12-20-2022

CU published BS date: 12-14-2022

Audit Result: Approved with comments

Facilitator contact: @venture

Core Unit Clarification Received Date: 12-19-2022

Transparency Report:<https://github.com/makerdao-dux/transparency-reporting/blob/main/Monthly%20budget%20statements/2022-11.md>

MIP40c3-SP26: <https://forum.makerdao.com/t/mip40c3-sp26-development-ux-core-unit-budget-dux-001/9774>

MIP40c3-SP52: <https://forum.makerdao.com/t/mip40c3-sp52-development-ux-core-unit-budget-dux-001/12085>

MIP40c3-SP27: <https://forum.makerdao.com/t/mip40c3-sp27-development-ux-core-unit-mkr-budget-dux-001/9772>

	Has DUX changed the MKR amounts comparing it to the last published transparency report?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes. The MKR amount with vesting date Dec 31, 2022 has changed from 210.85 to 180.6 due to a decrease in FTE.	DUX explains the budget statement that the reason for the change from 210.85 MKR to 180.6 MKR is due to "One worker is part time."		
3.6									
	Has DUX explained the MKR change in the transparency report?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
3.7									
	Other observations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	MKR table corrected, however DUX needs to update the Dec vesting date in the MKR table.			
3.8									
Audit Questions to Transparency Report - Section 4, Transfers -									
	Does the DUX operational wallet balance match the transparency report current balance in the calculation made for the new transfer?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
4.1									
	Are the payments from the operational wallet the same as in the actuals payments?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
4.2									
	Are the MKR actuals in the MKR table correct?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
4.3									
	Is the DUX auditor wallet current balance in MKR correct?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes.			
4.4									
	Other observations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4.5									