Protocol Engineering Core Unit Transition

As mentioned by Rune in [MIP102c2-SP2: MIP Amendment Subproposals](), PECU is shutting down and will manage an orderly transition to independent ecosystem actors to take its place.

Summary

With the successful onboarding of Endgame and the Constitution MIPs, it is evident that Scope Frameworks are changing the way in which work is requested from contributors. The Protocol Engineering Core Unit will therefore be ceasing operations at the end of April 2023 in favor of smaller independent teams to pursue the [Scope Frameworks](). PECU will work with community members to ensure there is a successful transition to the new project-based funding framework.

Initiative Types

PECU is currently involved in a number of different initiatives, and as such it is important that MakerDAO ensure an efficient handover process to empower Ecosystem Actors to take more responsibility and further decentralize. This includes the following areas:

Governance Security

PECU will function throughout April to ensure a clean handoff to other Ecosystem Actors for spell crafting and management (EAs as mentioned in the [Ecosystem Scope Framework]()). Beyond April, Prototech Labs, and other individuals or entities, may be available for consulting oversight from these other Ecosystem Actors if/where required. It is however intended that these ecosystem actors will pick-up spell duty responsibilities as the core spell cadence is reduced in favor of SubDAO activities.

L2 & Multichain

The L2 and Multichain initiative has made great strides across Optimism, Arbitrum, StarkNet and is in the process of discussing Scroll, ZkEVM, ZkPolygon integrations amongst others. This work is complex and should continue with a dedicated group of technical specialists.

Innovation Engineering

Endgame introduces a number of core protocol enhancements requiring dedicated engineering effort which would otherwise be hindered by L2 or weekly spell work. This independent team will streamline product & design requests from the Scope Frameworks.

Handover Items for Facilitator/Scopes Ownership

PECU also maintains relationships with external 3rd parties. It is our recommendation that these be picked up by the Scope Facilitators to ensure prioritization across SubDAOs occurs transparently for those that need them, including:

- Audit resources - a retainer to ensure auditor bandwidth is readily available to all SubDAOs/EAs developing code. Approximately $1M cost per year.

- Formal Verification Tooling - a retainer to ensure developers have access to formal verification tooling for code correctness. Approximately $250k cost per year.

Budgeting Details

PECU's DAI budget stream will cease at the end of April. In addition to this, there are a number of other details, including;

- All team member MKR vests will cease by the end of April 2023

- For any team members (1) that have not hit their cliff date, their cliff will be accelerated and paid out immediately, the rest of their vesting, like all other members will be forfeited.

- Any unused team multisig funds will be used to pay outstanding audit expenses, software licensing, legal expenses, and outstanding contractual agreements. The remainder will be returned to the pause proxy.

- PECU will retain management of the emergency fund multisig for the statute of limitations as an insurance fund to cover any retroactive legal actions related to the period of time it was in existence and the individuals who worked directly under its mandate.

Summary of Governance's Next Steps

To ensure a smooth transition, and as per the above descriptions, PECU suggests MakerDAO Governance read the [Amendment subproposals](#) to ensure that work can continue as per the new Scope Frameworks.