

Proposal Name

Working Group Charter - Treasury

Category

Process Proposal

Authors

[Mona El Isa](#) CEO and founder of [Avantgarde Finance](#)

[@moss](#), Business Development Lead at Avantgarde Finance

WG0 Stewards: [@adventurousape](#), [@Amplify](#), [@badteeth](#), [@Halina.eth](#), [@Lost](#), [@Vulkan](#), [@Waabam](#)

Working Group Zero (WG0) is the working group mandated with proposing Working Group guidelines and transitioning DAO operations into the hands of the community.

[Avantgarde](#) has been the core contributor to the Enzyme protocol since it was decentralized in Feb 2019. Enzyme has a four year track record on chain as the first decentralized asset & treasury management protocol.

Avantgarde also runs an asset management business which currently manages more than \$30m in assets for its clients. Customers include Nexus Mutual, ADEX Protocol and others. References can be provided upon request.

Abstract

As indicated in [this AIP](#), the following Treasury Working Group Charter outlines how a Treasury Working Group would operate within the ApeCoin DAO in order to oversee decentralized ownership of assets with a mandate of exploring options for sustaining the daily operations of the DAO.

Introduction

The goal of this proposal is to establish the ApeCoin DAO Treasury Working Group. The Treasury Working Group's mandate is to: "Explore legal and governance structures that would enable the DAO to sustain operations and Initiatives in perpetuity. The Treasury Working Group would also request a grant from the foundation, exploring ways to deploy it thoughtfully on-chain while promoting a non-custodial environment."

Working Groups enable a sustainable community-led infrastructure that further decentralizes the DAO, creates operational efficiency, and is flexible enough to adapt to any opportunities that may arise. The guidelines for how this Working Group will function are proposed in [AIP-239](#).

Motivation

The ApeCoin DAO is going through an important restructuring with the recent effort to create several dedicated Working Groups. There is clear support for a more professional and transparent treasury management evidenced by the recent [Transparency Report](#) and the [WG0 AIP](#).

The fragmentation of the \$APE reserves on a plethora of scattered wallets and the hefty fees paid by the DAO for centralized custody services are examples of foundational aspects that need to be tackled and can be improved upon with time.

Rationale

The recent activity in the community shows that the direction of the ApeCoin DAO is to favor increased and developing automated solutions.

The first step towards decentralizing the management of DAO assets would be to explore the legal and governance structures for an "enDAOment" Initiative for the ApeCoin DAO in order to ensure sustainable operations forever.

The second step would be to request a budget from the DAO and increase the level of transparency and accountability for those assets. In a third step, the Working Group would be planning for future on-chain non-custodial management of these assets.

Key Terms

- Working Group Charter:

A document published to the Discourse category relevant for each Working Group, which outlines a Working Group's mandate, scope, and reporting requirements.

- Funding Window

: The final 15 days of February and August each calendar year in which Working Group Leads propose Working Group Budget Proposals.

Specifications

Treasury Working Group Charter

Treasury Working Group Mandate and Scope:

The Treasury Working Group is responsible for exploring legal and governance structures that would enable the DAO to sustain operations and Initiatives in perpetuity. The Treasury Working Group would also oversee a portion of the ApeCoin DAO's assets, received by the Treasury Working Group as a grant from the DAO, exploring ways to deploy them thoughtfully on-chain while promoting a non-custodial environment. This includes but is not limited to:

- Researching and consulting on legal and governance structures which can support the activities of an “enDAOment” Initiative in order to sustain the daily operations of the DAO;
- Exploring ways to implement a soft deployment of an on-chain ApeCoin DAO Treasury;
- Researching and implementing a risk assessment and management framework;
- Researching and implementing a monitoring framework to give community transparency;
- Defining the reporting requirements and future practices for the treasury; and
- Considering any regulatory implications for individuals involved;

OKRs to complete before August 2023 Funding Window:

- Deploy a [Gnosis Safe](#) multisig for the Working Group.
- Develop a comprehensive risk assessment criteria for asset management and allocation.
- Research and design an on-chain treasury management strategy.

Given the delay in this AIP being pushed to vote and the fact that the Aug 2023 funding window is rapidly approaching, these OKRs will be completed on a best-effort basis and may not be finalized by the Aug 2023 funding window.

Treasury Working Group Reporting Requirements:

The Treasury Working Group will report to the DAO semi-annually on asset allocation, risk profile and budget expenditures.

Treasury Working Group Stewards:

All three Stewards of the Treasury Working Group will be elected by the Ape Assembly. The election process is outlined in [AIP-239](#) in the Working Group Guidelines & Process section.

Treasury Working Group Budget until August 2023 Funding Window:

This AIP serves as a general temperature check for incorporating this Working Group. The three elected Stewards will propose an initial budget 1-3 weeks after being onboarded.

—End of Charter—

Steps to implement

1. Approve the formation of a Treasury Working Group.
2. Hold an election to elect three Stewards who will oversee this Groups' operations.
3. Establish a budget and set of guidelines for the Treasury Working Group to follow.
4. Engage the community to surface new ideas and contributions.
5. Provide regular updates to the DAO community on the group's operations and decisions.

Timeline

- 1-3 weeks after Stewards sign onboarding documents

: Establishment of budget and guidelines.

- Within 45 days of the Stewards onboarding

: Treasury Working Group begins operations.

Overall Cost

\$0. This AIP serves as an initial framework to establish this Working Group. The three elected Stewards will propose a budget 1-3 weeks after being onboarded.

Disclaimers

Avantgarde Finance is the core contributor to the [Enzyme protocol](#) (formerly known as Melonport). Avantgarde has been developing purpose-built treasury management infrastructure since 2019 and wants to be an integral part of the Treasury WG and one of the objectives is to help Apecoin DAO deploy capital onto Enzyme. However, as the value of sound risk management is clear, Avantgarde is also open to providing asset management service outside

the natural infrastructure of choice.