

This Charter outlines the structure and responsibilities of the Grants Council and its participants.

This Charter is a draft that will be implemented if the corresponding Grants Council Operating Budget proposal passes. If adopted, this Charter shall supersede and replace the Season 3 and 4 Charters.

Council Structure

The Governance Fund grants process will be managed by an elected Grants Council. The Grants Council will be comprised of a Lead, an Ops team and 13 Reviewers sitting across three sub-committees. The Council will have full decision-making authority as to which projects are named finalists for Governance Fund grants. Each sub-committee will have a clear mandate and be tied to a specific grant objective, as outlined below.

Builders Sub-Committee

:

- Goal: maximize the number of builders building projects within a specified Intent. Each Intent shall be defined by the Optimism Collective.
- Non-goal: retroactive funding
- “Builders” shall not be limited to developers.
- The sub-committee will publish forms and rubrics in advance of each Cycle in line with the goals of the sub-committee. The sub-committee will consider community feedback on the rubrics.
- Format: proposers receive grants that are locked for a period of 1-year
- Reviewers: 5
- Consensus: 3/5 vote required to name a finalist

Experiments Sub-Committee:

- Goal: maximize the number of users interacting with applications that further a specified intent defined by the Optimism Collective
- Non-goal: retroactive airdrops
- The sub-committee will publish forms and rubrics in advance of each Cycle in line with the goals of the sub-committee. The sub-committee will incorporate community feedback
- Format: proposers receive milestone-based grants to pass on directly to their users as incentives for engaging with a protocol, platform, product or service. 40% of the grant will be distributed to the proposer upfront and the remaining 60% will be distributed upon completion of a mid-way point milestone. Completion of all milestones should be achievable in 3-6 months, but may extend beyond with sub-committee approval of milestones
- All grants are subject to the no-sale rule
- The Grants Council has the authority to recommend to the Foundation that the second milestone installment not be distributed if milestones are not completed
- Reviewers: 5
- Consensus: 3/5 vote required to name a finalist

Milestones and Metrics Sub-Committee:

- Goals: assessing historical grant finalist progress on milestones, confirming final milestones for Season 5 grants, and maintaining relevant council and reviewer metrics
- Non-goal: not meant to be punitive for the sake of being punitive
- The sub-committee will create a Milestone Hub in coordination with the operations manager in order to provide a clear location for proposers to report milestones and for the community to review milestone progress
- The sub-committee will create and track minimum standards for reviewer performance in the Builders and Experiments Sub-Committees
- The sub-committee will track reviewer-level KPIs for Season 5, which shall include (but not be limited to):
- Reviewer comment frequency on substantive rubric components

- Reviewer comments on failed intake proposals
- Reviewer attendance of sub-committee meetings
- Reviewer voting on sub-committee and full council polls
- The sub-committee will review the application of review rubrics for each of the other two sub-committees and offer recommendations on how rubrics can be more finely tailored to their purposes
- Reviewers on this sub-committee may be assigned to sufficiency reviews (e.g., intake) if the Lead determines additional capacity is needed
- The sub-committee may define, adopt, or amend procedures for the administration of prior grants, such as RFGs 3 and 5 from Season 4
- Responsible for monitoring trust tiers
- Reviewers: 3
- Consensus: 2/3 vote unless otherwise stated.
- This sub-committee will be capable of amending milestone assessment procedures by majority vote. Changes can be vetoed by a simple majority of the full Council within five days of the proposal to change the procedures.
- The sub-committee will consider any change-of-use or change of milestone proposals from prior finalists and make recommendations to the full Council. A simple majority of the full Council reviewers (7/13) shall be required to approve a change-of-use or change of milestone proposal.
- The Sub-Committee will have the authority to determine how many votes are needed to accept or reject milestone completion reports through its internal operating procedures.

Operations team

- Goal: Ensure smooth operations for the council, including data management, vendor selection and management, and creation of Milestone Hub. Ensure consistent communications from the Council.
- Non-Goal: Creation of complexity
- Reviewers: NA
- Will consist of three managers, an Operations Manager, a Milestone and Metrics Manager, and a Communications Manager, appointed by the Council Manager
- The Operations Manager will manage matters such as ensuring reviewer forms reflect the latest updates, managing the backend (like updating the landing page + forum, populating polls) and front-end, and ensuring meetings are scheduled and hosted. The Ops Manager will review and propose any vendors to the Council for approval. The Ops Manager must be an elected reviewer and will be appointed by the Council Lead.
- The Milestone and Metrics Manager shall administer the milestone program and develop a system of metrics for the Council, including reviewer KPIs. The Milestone and Metrics Manager must be an elected reviewer and will be appointed by the Council Lead.
- The Communications Manager will ensure timely communications on key informational channels (e.g., Discord, Twitter, Forum). The Communications Manager must be an elected reviewer and will be appointed by the Council Lead.

The Operations Manager will manage requests for grants for Council Operations and will set forth timing and process for those proposals, as specified in the Council's prospective Internal Operating Procedures.

Participants

All Council members will be required to abide by the Code of Conduct. All Council members will be required to disclose all anticipated conflicts of interest when applying to serve on the Council and all actual conflicts of interest if engaged in a vote affected by the conflict. Where a conflict is known to be present, a reviewer should recuse themselves or provide a written voting rationale if the reviewer believes that they can vote impartially.

Cohorts and Election Terms

Members of the Grants Council, will be elected in the Reflection Period prior to each Season. Elected members serve for the duration of the Season and must be re-elected to serve in future Seasons.

Responsibilities

The Grants Council will:

- Process Delegate Mission Applications proposed in accordance with the Council's internal operating procedures
- review applications in regular cycles, which include a reasonable deadline for proposal submission before a review period begins
- publish a report outlining grant finalists for each Intent within three days of the end of Season 5. Council should additionally publish a report at the end of each review cycle
- use best efforts to assess whether grant recipients have met pre-defined milestones

o ensure ongoing Council operations and performance are reasonably transparent to the community

The Council Lead will oversee the general administration of the grants program and should:

- oversee the provision and/or maintenance of external and internal information about the grants program, and any other resources needed by the Council
- facilitate coordination across sub-committees by scheduling and hosting regular Council meetings. It is suggested that meeting minutes or summaries be made available to the community
- not vote on Council decisions or score proposals
- prepare regular reports to communicate grant decisions at the end of each cycle to be published within a reasonable timeframe of the Cycle's conclusion
- exercise decision-making authority in the event that sub-committees cannot come to consensus on an administrative or operational matter

Reviewers will vote on grant proposals submitted to their sub-committees and should:

- have the subject matter expertise required to evaluate advanced proposals. It is recommended that at least one member of each sub-committee have a technical background
- be accessible to grant applicants - within reason - to provide feedback, answer questions, and respond to comments. Reviewers should favor feedback on public channels but may provide direct feedback where doing so is efficient.
- work with proposers to ensure proposed milestones are clear, measurable, and achievable within the specified timeframe
- maintain a participation rate >70% on Council votes and sub-committee meetings
- aim to document voting rationale for each grant that receives a substantive review
- provide any information required to publish regular reports and periodic updates in a timely manner
- dedicate sufficient time on a weekly basis to accomplish the reviewers duties

Accountability

Council members will be subject to the following checks on their authority:

- All Council members are subject to the Code of Conduct and the enforcement procedures outlined therein.

All Council members will be subject to re-election if they wish to be a member for an additional Season.

- A high degree of transparency will be required of Council operations so that non-Council Token Holders are able to provide effective oversight on the Council
- The Council lead will be term-limited at serving three Seasons
- The Council will conduct a retrospective at the end of Season 5

Budget

[Link to operating budget proposal](#)

While the Council must abide by the above guidelines, specific operational and administrative details are left to the Council Lead to determine with input from Reviewers. These will be outlined in an Internal Operating Procedures document on the Grants Council landing page before the start of the next Season and updated periodically as determined by the Council.

The grants council will not make an explicit or implicit promotion or endorsement of the projects or their underlying products.

Rather, the grants council will acknowledge which grant proposers are most suited to receive a grant given the parameters applied by the mandate of Season 5 governance. KYC and grants distribution will be managed by the Foundation for Season 5. All grants are subject to KYC review and other terms.

Iteration

The canonical version of the approved Charter will be published to GitHub. Any material updates to the Charter will be reflected with a new version number at the top of this document, at which point the updated version will go into effect.