

PROPOSAL NAME

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PROPOSAL CATEGORY

Ecosystem Fund Allocation

ABSTRACT

The expiration of the APE Foundation's administrator contract for the second time in 2022 has magnified the need to develop internal capabilities and avoid reliance on any external resource that could result in a single point of failure in the DAO. This AIP represents progress over perfection – the only thing possible in this messy and amazing world of decentralized governance we love.

Compared to the costs of the previous version of this proposal – the above expenses represent a savings to the DAO of \$372,812 over the 3-month period. It's important to note that there will be other expenses related to WG0, but their allocation will be based fully on specific budget requests made by WG0 Stewards and subject to the approval of the Special Council.

AUTHORS

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Updated title courtesy of CoachMcGuirk

MOTIVATION

Summary

The problem:

1. Per AIP-113, the current APE Foundation administrator contract expires December 31, 2022
2. There is an imperative need to maintain continuity and compliance of APE Foundation operations
3. ApeCoin DAO does not currently have the organizational structure or capabilities to execute any internal operations

The solution:

1. Extend contract with current APE Foundation administrator (Cartan Group, LLC.) two months to maintain continuity and compliance
2. Implement a transparent Request for Proposals ("RFP") process to identify future APE Foundation administrators during the extension period (January 1 - February 28, 2022). If necessary, complete handover to future DAO administrator
3. Form interim working group composed of key DAO stakeholders tasked with developing DAO working group structures and internal capabilities

RATIONALE

Summary

Along with implementing a transparent RFP process to find the next APE Foundation administrator, we're motivated to further the decentralization of the DAO by creating a working group composed of key stakeholders. These stakeholders are community members who have shown commitment to the DAO through either participation in the governance process or willingness to hold significant amounts of \$APE and all their voices are valuable in determining the future of ApeCoin DAO.

When we create a foundational and operational alignment of the stakeholders within this working group, we will further realize our core mission to serve as a more decentralized protocol layer for community-led initiatives that drive culture forward into the metaverse and continue to actively support the growth of the \$APE ecosystem.

We have avoided granular specificity in this proposal for one very simple reason – we don't know what we don't know. Until we're able to get under the hood with the current DAO administrator we won't have a clear understanding of all the tasks we're about to undertake. That is why we've established a clear way to assemble our first official working group of key stakeholders, who will then have a per wallet vote on the direction of the DAO for an intentionally short 3-month period, that will give us the structure and capabilities we need to take on any challenges we face in the future.

To summarize, it's imperative to note that there are certain roles and responsibilities that a Cayman Foundation Administrator must legally fill for the ApeCoin DAO. The current DAO Administrator (Cartan) is filling those roles as well as items that are out of their initial scope of work. The aim of creating working groups is to fill in the areas that are out of scope for the current DAO Administrator (Cartan) and any future Administrators of the ApeCoin DAO going forward.

KEY TERMS

Summary

1. Working Group:

A working group is a group of individuals who have come together to work on a specific task or project. Working groups are typically formed to address a specific issue or problem, and they often have a specific goal or objective in mind. Members of a working group may be experts in a particular field or may represent different perspectives and viewpoints. Working groups are often used in organizations to facilitate collaboration and problem-solving, and they may be composed of employees, volunteers, or a combination of both. Working groups may be temporary or permanent, and they may be formally established by an organization or informally created by a group of individuals.

1. Stakeholder / Key Stakeholder:

Community members who have met any of the three following requirements:

- a. ApeCoin DAO members who have achieved Trust Level Status 2 (Member) or higher on ApeCoin Discourse (the Official communication platform for DAO functions) on or before December 21, 2022; or
- b. \$APE holders who have voted on at least 50% of the AIPs that have gone to Snapshot; or
- c. \$APE holders with 50,000 APE or more in voting power on or before December 21, 2022.

1. Working Group Zero (or "WG0"):

WG0 is an interim working group in ApeCoin DAO with a 3-month mandate to decentralize and operationalize the DAO. WG0 is composed of key stakeholders who have shown commitment to the DAO through either participation in the governance process or willingness to hold significant amounts of \$APE and all their voices are valuable in determining the future of ApeCoin DAO. Along with specific operational tasks, WG0 will propose Official ApeCoin DAO Working Groups that will assume the responsibilities of WG0 upon the expiration of its mandate.

1. Official ApeCoin DAO Working Groups:

Official ApeCoin DAO Working Groups will be proposed by WG0 and serve to decentralize and operationalize DAO functions.

1. Focus Groups:

WG0 members will be expected to organize into focus groups based on particular domain expertise amongst the membership of WG0.

- a. Priority focus groups will be Operations, Governance, and Communications in order to effectively execute against the mandate of WG0.
- b. As subject matter experts, lead participants of any working groups currently approved by AIP, or in AIP Draft status, will form the core membership focus groups in their specific domain, if they so desire, for the duration of WG0. E.g. Boring Security, will form the core of the Security Focus Group, ApeComms will form the core of the Communications Focus Group,

IRL Events will form the core of the Events Focus Group, et al.

- c. Additional focus groups will convene around any specific domains as desired by the members of WG0.
 - d. The above does not preclude any WG0 participants from participating in any domain specific focus group.
1. Steward:

A total of seven members who serve Working Group Zero on behalf of the DAO. They perform administrative oversight, are responsible for budgeting based on the needs of WG0 as approved by the Special Council, and they are responsible for reporting on all WG0 activities between the Special Council, the Administrators, and the Community during the 3-month mandate of WG0.

1. Steward Election Window / Election Window:

The period between January 7th and January 14th in which WG0 will elect four of the seven total Stewards of WG0.

SPECIFICATIONS

DAO Administrator Functions Under 2-month Extension:

Summary

1. Cartan Group LLC ("Cartan") will continue to provide APE Foundation administration services as initially detailed in AIP-1 then extended in AIP-113, for the period January 1, 2023 - February 28, 2023.
2. Cartan will assist the interim ApeCoin DAO working group ("Working Group Zero" or "WG0") in determining and transitioning all functions that don't explicitly require a Cayman foundation administrator to the DAO on a schedule as determined by WG0. WG0, in consultation with the Special Council of the APE Foundation, will determine which tasks explicitly require a Cayman foundation administrator.
3. Cartan will assist WG0 in running a transparent RFP process to elect the next DAO administrator by sharing all relevant information related to the administration of the APE Foundation with WG0. Cartan is not precluded from submitting a proposal under the RFP process that will be evaluated on its merit along with all other applicants.
4. Cartan will assist WG0 in transitioning APE Foundation administration to the next administrator in the case that they are not willing or elected to serve as the APE Foundation administrator following the conclusion of the RFP process.

Interim Working Group Functions Under 3-month Mandate:

Summary

1. Working Group Zero will determine and submit a budget to the Special Council on a monthly basis for approval to execute the functions transitioned from the current APE Foundation administrator and complete the additional functions listed below during the 3-month interim period. The first month's budget will be pre-approved up to US\$44,710 in order to be able to begin executing immediately upon the start of the interim term January 4, 2023. WG0 will review budget requests weekly with the Special Council throughout the interim term. Any money not allocated to expenses approved by the Special Council during the interim term will be returned to the APE Foundation.
2. WG0 will determine and transition all functions that don't explicitly require a Cayman foundation administrator to the DAO on a schedule as determined by WG0. Due to the corporate structure of the APE Foundation it is not legal for WG0 to take on all of the responsibilities of any Cayman foundation administrator.
3. WG0 will run a transparent RFP process to elect the next DAO administrator in Q1 2023.
4. WG0 will propose recommendations for the extension or evolution of AIP-1 prior to its next expiration.
5. WG0 will propose future Official ApeCoin DAO Working Group guidelines and objectives via AIP that will also delegate all WG0 responsibilities to said working groups by the end of the 3-month term and dissolve.

STEPS TO IMPLEMENT

DAO Administration

Summary

The APE Foundation will contract Cartan Group, LLC. for the 2-month period January 1, 2023 through February 28, 2023 under the specifications listed above in "DAO Administrator Functions Under 2-month Extension."

Interim Working Group

Summary

The work-related activities of the ApeCoin DAO should take place within decentralized working groups. The future working groups will each have a specific focus area, budget and mandate, aligned with the needs, mission statement, and guiding values of the ApeCoin DAO.

This proposal will create an interim working group, tentatively named Working Group Zero, with a conceptual mandate of operationalizing the DAO, empowering and rewarding community members for domain expertise and work on DAO operations, while taking further steps towards decentralizing the DAO in order to eliminate single points of failure in core DAO operations.

This AIP establishes Working Group Zero as a 3-month trial under the specifications listed above in, "Interim Working Group Functions Under 3-month Mandate" to assess the effectiveness of the initial working group structure so we can iterate and improve as necessary.

Key Stakeholders Eligible to Participate in Working Group Zero:

Summary

To ensure participants in the working group have the necessary prior experience and skin in the game with ApeCoin DAO we propose the following eligibility criteria:

1. ApeCoin DAO members who have achieved Trust Level Status 2 (Member) or higher on ApeCoin Discourse (the Official communication platform for DAO functions) on or before December 21, 2022; or
2. \$APE holders who have voted on at least 50% of the AIPs that have gone to Snapshot; or
3. \$APE holders with 50,000 APE or more in voting power and have voted on at least one AIP on or before December 21, 2022.

Stewards:

Summary

A total of seven members who serve within Working Group Zero on behalf of the DAO.

1. Stewards are responsible for:
 - a. Administrative oversight
 - b. Budgeting based on the needs of WG0 as approved by the Special Council
 - c. Reporting on all WG0 activities between the Special Council, the Administrators, and the Community.
 1. The APE Foundation Special Council will appoint three Stewards from amongst ApeCoin DAO members who have achieved Trust Level Status 3 (Regular) on ApeCoin Discourse on or before December 21, 2022, to lead the priority focus groups – Operations, Governance, Communications.
- a. The purpose of this appointment is to be able to have resources in place to hit the ground running immediately upon the commencement of this interim mandate.
- b. While the Special Council will appoint the first three Stewards, they will not be eligible to vote in the election of the remaining four Stewards.
 1. WG0 will elect the four remaining Stewards from amongst WG0 participants in a process to be completed no later than January 14, 2023, detailed below.
 2. Prior to taking their position as a Steward in WG0, all potential Stewards must pass AML and KYC checks. These are the same checks that anyone running for Special Council had to pass.
 3. Special Council members cannot serve in the position of Steward.

Steward Elections:

Summary

To ensure the integrity of Steward elections, a Snapshot Space will be set up by the authors of this AIP with the "Whitelist" strategy listed here: <https://docs.snapshotx.xyz/protocol/voting-strategies#whitelist>

1. Authors of this AIP will publish a post titled: "WG0: A Call for Contributors" in the General category on Discourse which formally asks the community to register their interest in either voting during WG0 elections, or becoming a Steward of WG0.
 - a. All members of WG0 are eligible to vote during the election window for Stewards, but those members qualifying through the Trust Level 2 Discourse criteria will need to provide their ETH Address to the author of "WG0: A Call for Contributors" in order to have their address included in the Snapshot Space before January 7th, 2023.
 1. Authors of this AIP will gather the ETH addresses in the following ways:
 - a. A historical snapshot of holders of APE on Dec 21st with 50,000 or more in voting power who have voted on at least one AIP.
 - b. A historical snapshot of holders of APE on Dec 21st that have voted on 50% or more of all AIPs.
 - c. The authors will request ETH addresses from all participants in Trust Level 2 or above who wish to vote or run for Steward. This list will be used to verify that a user registering their interest is eligible to participate and vote on the Steward elections.
 1. Stewards may be removed at any time by:
 - a. A two-thirds majority vote among WG0, with the outcome of the vote communicated in the ApeCoin DAO governance forum.
 - b. Stewards may step down from their position at any time by communicating their intention to step down in the ApeCoin DAO governance forum.
 1. In the event that a Steward is removed, steps down, or is unable to continue as a Steward, for whatever reason, any temporary vacant positions will be filled by a contributor within WG0, as voted on by WG0.

TIMELINE

Summary

If approved, this AIP shall go into effect January 4, 2023 for a time period of 3 months.

- The three Stewards for the Operations, Governance, and Communications focus groups within WG0 will be selected by the Special Council on January 4, 2023.
- The window in which members of the community can register their interest in voting on Steward elections and be registered as a voter on the Snapshot Space is January 6, 2023.
- The election window for WG0 Stewards will be live on a TBA custom Snapshot Space January 7, 2023 until January 14, 2023.
- The RFP process and the future Cayman-based DAO administrator will be in place by March 1, 2023 barring any unforeseen delays.

OVERALL COSTS

Summary

The monthly cost for DAO Administrative Functions under this AIP are as below. All amounts are denominated in USD and payable in ApeCoin based on the previous 30-day average exchange rate. Any expenses beyond what are described below will not be allocated to Working Group Zero without approval of the Special Council:

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](<https://global.discourse-cdn.com/apecoin/original/2X/6/60cd1fb92cfd8d60c46d73f5d27718d30b7906a3.png>)

Compared to the costs of the previous version of this proposal – the above expenses represent a savings to the DAO of \$372,812 over the 3-month period. It's important to note that there will be other expenses related to WG0, but their allocation will be based fully on specific requests made by WG0 Stewards and subject to the approval of the Special Council.

CHANGELOG

20221223 Update

Summary

- Title changed
- Reduced APE Foundation administration expenses by \$225,000 during the 3-month term
- Cost savings recalculated to reflect 50% cut in monthly pay to current DAO administrator along with reducing term by one month from 3 to 2 months for a minimum total savings of 60% over prior proposal
- Authors: Alucard0x changed to Mantis, jmart changed to j-mart
- New title credit added for Coach McGuirk
- Removed AIP-1 extension after discussion with Special Council who confirmed AIP-1 processes remain in effect until changed by future AIP
- Changed current Ape Foundation administrator extension term to 2 months instead of three
- Changed Working Group v0 to Working Group Zero or WG0 to reflect typical usage
- Changed “create” to “propose” where necessary when it comes to WG0 recommendations as WG0 has no power to create any official changes without sending to AIP for vote
- Added definition and structure to priority focus groups – Operations, Governance, Communications
- Reduced WG0 first month budget max approval from \$150,000 to \$85,000
- Clarified description of Discourse Trust Level to reflect TL2 (Member) or higher
- Updated WG0 requirements to reflect specific date (December 21, 2022) this AIP Idea was published to avoid gaming requirements for participation
- Further defined SC appointed Stewards to reflect their need to have domain expertise in the priority focus groups – Operations, Governance, Communications
- Changed deadline for start date of future APE Foundation administrator to March 1, 2023 from April 1, 2023
- Provided further clarification that this is the maximum budget ask during the 3-month term

20221228 Update

Summary

- Updated budget to reflect that bulk of WG0 expenses must be requested by Stewards and approved by Special Council.
- Added Stakeholder / Key Stakeholder definition to clarify that they are community members that meet WG0 participation criteria
- Added definition of Steward Election Window
- Reduced first months budget pre-approval by \$40,290
- Changed BORED AIP mandate period to begin January 4, 2023 to reflect earliest possible date of implementation following vote
- Added in provision that 50k \$APE holders had to have voted at least once to participate on WG0
- Updated Stewards section
- Added deadline to achieve TL3 status in line with all other snapshot dates
- Clarified that SC will appoint first three WG0 Stewards, but cannot vote on next four Stewards
- Added AML and KYC requirements for Stewards
- Added deadline to achieve TL3 status in line with all other snapshot dates
- Clarified that SC will appoint first three WG0 Stewards, but cannot vote on next four Stewards
- Added AML and KYC requirements for Stewards

- Added description of Steward Election process
- Added Steward election dates to TIMELINE
- Clarified the cost section to reflect that any expenses beyond what is described in OVERALL COSTS must be requested by WG0 Stewards and approved by Special Council

20221229 Update

Summary

- Corrected Buddha's name in author section
- Updated budget - DAO Administrator first month compensation adjusted to \$125,000 to reflect new information received regarding transition tasks