

gm Lido, nice to meet you all.

The final standalone period for RCC funding, following on from [Q2 2022](#), has begun on October 1, 2022 and will end on October 31, 2022. We are preparing the grounds for a final funding proposal as a followup to [this post](#) that will run the DAO as a whole starting on November 1, 2022. We will publish more details over the coming days.

We welcome your comments over the next few days on this proposal prior to starting a Snapshot vote.

Proposal Actions

- DAI 732,710

will be supplied to the RCC multisig wallet from the DAI treasury to allow the RCC to fulfill its operational needs

- LDO 50,311

will be supplied to the RCC multisig wallet from the LDO treasury for October and backdated LTI compensation

- If requested

, DAI 400k

will be made available to the RCC multisig from the DAI treasury in the event of threats to business continuity during the upcoming funding rounds * If not necessary, the DAI 400k will not be drawn at all

- If drawn, unused funds will be returned on 31-Dec-2022
- If not necessary, the DAI 400k will not be drawn at all
- If drawn, unused funds will be returned on 31-Dec-2022

RCC Actual Spend vs Budget

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image

850×367 56.8 KB

](<https://europe1.discourse-cdn.com/business20/uploads/lido/original/2X/0/0c03232fce79a7f80747772da78adb9d2091c1f9.png>)

As of 06-Oct-2022

The RCC budgets have been largely underspent, mainly in Q2 of the year, with a pickup in the last few days of Q3 behind marketing events such as Devcon or Binance Academy running up actuals at the last minute.

- Base compensation is slightly overspent behind higher than expected comp costs and hiring plans paid out of the RCC
- Travel and expenses are well overspent, as both the frequency and cost of travel have been greater than expected. Additionally, some last-minute requests at the end of Q3 to fund travel have come out of the RCC budget, which has further increased the overspend
- Marketing expenses across the past 6mo are underspent and will require a coherent plan going forward. That said, it's clear that many of the investments have been a learning process as well for the Marketing team, which seems like the right approach
- Merchandise production is also more expensive than budgeted, and a highly coveted marketing tool. We recommend increasing merchandising spend - each individual item can be expensive but swag increases the feeling of reciprocity and creates a feeling of loyalty to a brand

October Stopgap Funding

Lido will be moving to a continuous funding model starting on November 1, 2022, which has created a 1 month gap for operations financed out of RCC. The following request will bridge the gap for operating expenses for the month of October (many expenses are due at the end of the month).

A total of 50k LDO will be requested to cover September overdue LDO compensation and October LDO compensation.

This budget, on a monthly basis, is substantially larger than previous RCC asks for a few key reasons:

1. Deployment of marketing expenses in a busy month

There are real opportunities for deploying marketing budget in the month of October (50k remainder of Binance Academy sponsorship, 75k in Swissborg, 45k in Devcon, 30k in Solana Breakpoint, and other opportunities such as smaller sponsorships and performance marketing).

This comes with associated higher travel and expenses to account for ongoing conferences and travel in the month of October.

2. Transfer of Audits and Bug Bounties from LEGO to RCC

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Looking back, +60% of LEGO grantees have requested funding in stablecoins.

To better accommodate this, we propose a switch of the LEGO budget proportion to 40% LDO / 60% DAI (from Lido treasury) to remove unnecessary LDO selling pressure whilst better accommodating grantees.

[8:50 AM - 6 Oct 2022](#) ³

[Audits and Bug Bounties](#) will now be funded out of RCC in anticipation of passing to the DAO, as they are ordinary operating expenses and we should not be selling LDO to pay for them. These are however substantial expenses.

In October, we are expecting a 15k one-time audit and a EUR 150k Solana v2 audit.

3. Deployment of GCP and Github Funding

We will be requesting funding for Google Cloud Platform and Github. This represents ca. 20k on Google Cloud for the month of October, ca. 5k for Github for the month of October and the remainder as a buffer for Google Cloud and Github to prevent system downtime.

4. Contingency funding for operating expenses

We're adding 400k in contingency approval, to be drawn only

in the event of a substantial threat to business continuity for RCC operations.

Should these funds not be needed, they will never be drawn and the approval will expire on 31-Dec-2022. Should the funds be drawn, any unused funds will be returned on 31-Dec-2022.

Please let us know your thoughts and comments on this proposal. Happy to go into more details where helpful.

EDIT: Minor typo