I am introducing a proposal to the ArbitrumDAO for financial compensation for a number of winners that participated in "ArbitrumDAO's Biggest Minigrants Round Ever."

This was a grant round with 32 winners over a period of 8 weeks, starting in January 2024. I shared a timeline and summary of the experience on the Arbitrum Forum here:

[ArbitrumDAO's 'Biggest Minigrants Program Ever' Fiasco Summary](/c/grants-discussions/11)[Grants Discussions

](/c/grants-discussions/11)

I am sharing here on this forum as one of the contest winners in the ArbitrumDAO/ThankARB Jokerace contest initiated in late January of 2024. For those that are not familiar, this was an 8-week series with four winners each week. It was coined 'Arbitrum's Biggest Mini-Grant Series Ever' with 32 winners, each winning 2500 ARB (equivalent of roughly $5k USD at the time). Each week, contest applicants and winners were highlighted on social media, and winners were excited about their winnings and …

Thrive Protocol's team was able to collect the wallet addresses and payout dates of those that were a part of the grant series. These are those dates and # of projects:

1 company (Feb 25th)

12 companies (April 16th)

8 companies (May 17th)

2 companies (June 4th)

4 companies (June 7th)

4 companies (June 19th)

1 company (Aug 1st)

There were 19 projects that received their payouts in May and June. The original payout value was 2500 ARB, or during the contest window before Arbitrum's 70% token unlock the equivalent of roughly $4,500-$5,700 USD. Due to the extensive delays and large drop in ARB value, many of us received significantly less. The drop in ARB value was not the only damage incurred. As can be read in the comments and testimonials, teams experienced other forms of damages including stress, loss of teammates, and downturns in team and community morale.

I began to step into this grant round as an unpaid advocate in month 4, and tried to help organize the managing parties to send payouts. In this process I reached out and connected to as many of the 18 projects paid out in May or June that I could reach. Of those, 5 are still interested in executing, weren't able to execute or partially execute, and are still interested and able to move forward now 9 months later from their orginal grant proposals where they were voted on as a winner.

The request is for the losses incurred by the winners that received their payouts in time frames ranging from 3-7 months later after their week's round closed. We have collected the following data below and have adjusted the price differential to a 2-week post-winning time period, which we believe is a fair payout timing for grantees, and embeds a normal currency fluctuation risk period taken on by grantees.

I would also like to add $5,000 USD for myself as a community advocate for the last 6 months on this grant round, performing the following activities over many hours from:

- Organizing program managers from Arbitrum, Thrive Protocol, and Fractal into a Telegram group and with phone calls to help streamline communication and move the process along

- Speaking with numerous grantees in chats and calls over the last months while gathering data and working on my own project

- Gathering and presenting data to all groups in Telegram, this forum, and on an ArbitrumDAO call.

Hopefully this data is helpful learning as Arbitrum is now updating their incentives processes. I had no plan of being paid. I am a diversity and financial inclusion-focused community leader in Web3, which is why for my focus it has been very important for the winners to have someone voicing their issues to the parties managing this grant, and advocating for them, in addition to myself.

The following projects are all winners from the Minigrants round, are reachable, were paid out in May, June, and/or August, and are interested in executing their project as proposed and are ready to begin or continue immediately. This is the most detailed status update we could acheive together:

please note, it is still unclear why some projects were paid twice as this grant round had a 1 time payout of 2500 ARB

PROJECT 1: SI<3>

Week 3 winner (Feb 2nd): 2500 ARB. ARB value on Feb 16th

(two weeks after the February 2nd winning - an equitable time range): $2.08*2500 = $5,200 USD

Payouts:

1. May 14th (625 ARB * $0.98) = $612 USD

2. June 4th (1850 ARB * $1.10) = $2,035 USD

Total payouts in USD for 2500 ARB = $2,617

Original value $5,200 USD - $2,617 = $2,583 USD lost

Time delay to payout: 4 MONTHS

Project Status Update:

We were able to execute the technical aspects of our proposal, which included finishing the development of our Web3 website publishing system. The four month delay negatively affected the other aspect of our grant winnings which included being able to offer scholarship opportunities to women in Web3 in Africa. We shared with a women in web3 community in Africa we had won this contest and would be able to offer 30 scholarships to their members, but due to the delays this was not able to be executed (5 were given instead of 30 through our applications). With the additional $2,597 USD we will be able to offer the remaining 25 scholarships and bring in women into the future of Web3 identity (the grant category we won first place in out of 30 projects).

Commiting to share project status updates on Karma GAP: Yes

PROJECT 2: RadDreams

Week 1 winner (January 19th): 2500 ARB.

ARB value on Feb 2nd (two weeks after Jan 19th winning date

= ($1.76 * 2500 ARB) = $4,400 USD

Payouts:

This project's payment was never received as it was sent in August to an old wallet that he asked program managers to update on file as it was so many months later, but they never did so no funds were received.

Total funds lost: $4,400

Time delay to payout: 7 MONTHS

Project Status Update:

RadDream will be able to execute its project on ARB which includes adding the ability to auto-deploy NFT collections created and curated by these communities using nothing more than a bot.

Commiting to share project status updates on Karma GAP: Yes

PROJECT 3: Everest Mobility

Week 8 winner (March 7th): 2500 ARB. ARB value March 21st

(two weeks after March 7th winning date): $1.67*2500 = $4,175 USD

Payments:

1. June 7th payout for (2500 ARB *$1.10)= $2,700

Original value $4,175 USD - $2,700 USD = $1,775 lost

Time delay to payout: 3 MONTHS

Project Status Update:

We were only able to finish initial phase of MVP development with the ride-hailing. It was a major draw back that led to postponement of our deliverables which was suppose to help us meet the timeline partnering with 2 major events to drive initial usability of our product (mvp), by a few thousand people. Not only did this happen, but also lost resourceful engineer whom we were to make initial payment to, via the grant at the time. We also experienced significant emotional/agility/moral down-trend that followed with the grant payment delay. With the additional funds, we will be able to deploy on chain, enable

incentivized tokenization and minting rewards, then move on to Digital ID (as SBT) through the drivers KYC onboarding system.

Commiting to share project status updates on Karma GAP: Yes

PROJECT 4: AgroForest DAO

Week 6 winner (Feb 23rd): 2500 ARB. ARB value March 8th

(two weeks after Feb 23rd winning date): ($2.25 *2500) = $5,600 USD

Payments:

1. June 6th payout for 2500 ARB = $1.09*2500 ARB = $2,452

Original value $5,600 USD - ($0.86 *2250)=$1935 USD = $5600- $1935 = $3,148 USD lost

Time delay to payout: 4 MONTHS

Project Status Update:

AgroforestDAO is onboarding members in their learning journeys and using the ARB to reward them for participating in the sessions, for creating profiles and sharing a design plan and updates in our charmverse workspace. Our project will be able to continue and onboard more members into the learning journeys using ARB.

Commiting to share project status updates on Karma GAP: Yes

PROJECT 5: PLAY2LEARN Games

Week 2 winner (January 29): 2500 ARB. ARB Value on February 12th

(two weeks after Jan 29th winning date): $2.06*2,500 = $5,150

Payments were made to us in the following orders:

1. March 20th (625 ARB *$1.61) =$1,006

2. June 18, 2024 (1,875 ARB * $0.77) =$1,443

Total payouts for 2500 ARB = $2,450

Original value $5,150 - $2,450 = $2,700 lost value

Time delay to payout: 4 MONTHS

Project Status Update:

We were unable to execute any of our plans for the funds as the delay in payment did not reach the amount for the listed activities to be embarked upon. We have held our payout and with the additional funds will be able to execute our gaming experience with ARB in our West Africa region.

Commiting to share project status updates on Karma GAP: Yes

Total funds requested = $14,606 USD (5 grantees) + $5,000 USD (karakrysthal's community management and advocacy fee for 6 months of program follow-on support) = $19,606 USD.

To note, I have kept this proposal process as open for all grantees to be aware of as possible so as to not miss anyone. This included posting numerous times in our group Telegram chat, and DMing those that I saw had payouts in May, June and August. Many projects were unreachable or no longer building on ARB any more. Without having a system to backtrack every winners detailed payout as this needed to be confirmed by them personally in order to do this detailed status update, it can be estimated that on average $2.5k USD was lost by 32 projects due to the delays or roughly $80,000 USD.

We are hopeful to demonstrate through our status updates the losses incurred, both financially and in the delays and disruption in execution. Our contest winners were not required to submit our projects on Karma GAP, but we are all commiting to do so as we are wanting to deliver value as in our grant proposals to both Arbitrum and our projects. We can also share updates here on this forum as we make progress.

Thank you to this forum's commenters that have left constructive feedback. We understand the complexities of managing projects with new tools and processes, as this is what we are also experiencing developing our projects. We align with the commenters here that support our perspective that extreme delays in payouts due to organizational bottlenecks should not burden those that have been selected through their own hard work and dedication to executing their projects as proposed.

The goal of the post and proposal was for financial compensation for grantees, and also for open and shared learning to

support the DAO in it's evolution. As with any project, the best results come from alignment of goals and the right tools and processes to support them. For future rounds, an additional point of feedback and what I am seeing with some other grant operators is to partner with ecosystems and communities. This can be from ecosystems with vertical expertise (such as a Gaming DAO), or regional communities. This can support grantors in seeing greater long-term ROI, as the success of the grantees is also important to that vertical/community/region as a whole.

It would also be helpful not to run a grant round in the future right before executing a large token unlock, as this should have been anticipated.

Thank you.