

Bankless Treasury

Diversification Project – Key Objectives Document

Pain points/Key Objectives

1. How to better 🖐️🖐️🖐️
2. How to measure and track our business txns
3. How to report and review our financial performance for different time period – week/month/year and more
4. Improve general financial controls and bring in more dynamic and professional book keeping/financial tools to augment the finance function for the DAO

Solutioning and resource bank

1. Financial literacy

Accounting is driven by rules and regulations. From Record to Report, there's a ton of guiding docs and modules e.g. Revenue Recognition Principle, Inventory Valuation, Long or Short Term Assets, Current and Future Liabilities, and more.

2. Tools

From DAO-2-DAO token swaps for asset allocation/portfolio diversification, to using sophisticated accounting, treasury, payroll and expense management tools go a long way in keeping things organized and in motion.

Action item: Find and list all the tools – accounting/investing/organizing/visualizing/analyzing financial performance across projects, treasury, and bDAO.

3. Systems and Standard Operating Procedures (SOPs)

Accounting/Finance in a typical organization has the following structure:

- a. Top level – CFO/Finance Head/VP Finance
- b. Mid level – Finance Manager/AVP/Sr Finance Analyst - Usually we have multiple sub-teams e.g. Taxation, Financial Reporting, AR/AP reconciliation, Regulatory Filings, Banking & Treasury!
- c. Bottom – Accountants/Book keepers – Data entry operators, and processors

4. Systems and SOPs (2)

The accounting system is based on clearly identifying every transaction – Access to Wallet history in the DAO's case – A clear and precise nature of the transaction – income/expense – Revenue/Grant (money-in) vs. Contributor payments/Vendor fees (money-out)

Action item: Proper Documentation of all wallets/assets. We need to maintain and write down the system to capture information, record into our financial statements, and an internal control process – internal auditors to check for compliance. All of these need specific and actionable roles, and outcomes or goals defined for executing on above.

5. Financial Plan

Financial plans are created with a stated goal or objective for a given time period, and KPIs are set and tracked on defined periods to help the business in making broad decisions. The financial plan also sets the agenda – Are we looking to expand our contributor base, Is increasing our Treasury allocation into stables, are token swaps (strategic investments) with other projects in the cards, are we looking to build and launch web3 projects w/the community. These are all typical questions that should be answered.

Action item: The Treasury guild should coordinate guild wide, and with key bDAO members (Strategic Team) – To identify the organization, and guild specific goals, and ask for the budget requirements. This first key step will help the Treasury Team to make broad choices, identify conflicts, plan financial assistants, forecast revenue based on opportunities pipeline, and operate efficiently.

Potential Work plan

Note: Membership for each group is recorded here: Members:

Treasury Diversification Working Groups

1. Guiding Principles Working Group

- a. Working Document (please post link)
- b. Goals:
 - i. Determine the Mission Statement for the project
 - ii. Determine an appropriate set of time frames and risk “buckets” for categorizing both investable funds and potential investments
 - iii. Determine the North Star for any sets of investments (this may depend on each risk/reward profile)
 - iv. Create a set of resources/project documentation to be used by all three groups, new member orientation, and review of Best Practices for Treasury Management
 - v. Review performance, recommend and enact changes to working group structure and principles
 - vi. goto v.

2. Financial Reconciliation Committee

- a. Working Document (please post link)
- b. Goals:
 - i. Determine the current assets and liabilities across Bankless DAO (starting with bDAO but possibly including all guilds in the future).

- ii. Determine Revenues and Expenses over time and establish/report a set of forecasts for each flow
- iii. Calculate a projected cash flow for the enterprise
- iv. Report to Investment Planning Committee investable funds according to each time frame and risk category as defined in the guiding principles document

3. Investment Planning Committee

- a. Working Document (please post link)
- b. Goals:
 - i. Using projected Cash flows and report of investable funds propose specific sets of investments in each investment category
 - ii. Determine a set of recommended investments to fellow Committee members -> The Project Group -> the bDAO Treasury Committee (including a written proposal)
 - iii. Measure returns on investments and report results in a quarterly document
 - iv. Goto i

Financial templates for startups

Here's a list of some templates for managing, forecasting, reviewing financial statements in Google/Excel. Below are excel templates but it's easy to adapt them to GSheets if the core team is more experienced in that tool.

Learning Resources

- Badass Boss
- Consulting Techniques
- Cost reduction for managers
- Decision making
- Essential Excel
- Essential Finance & Accounting
- Essential Lean management
- Financial modelling for projects
- Business model cases
- Revenue streams innovation
- KPIs for managers
- Project management
- Performance improvement
- Personal finance
- Sales & Marketing
- Problem solving
- Supply chain management
- Training Financial/Business Analysts the right way

Link: https://drive.google.com/drive/folders/1ClRYlQr25uQ1h_GWncubAlzfGBDRNHf8?usp=sharing

Financial modelling templates

- Business model canvas
- Business modelling of a consulting company_excel_FM
- E-commerce model – Fashion_excel_FM
- E-commerce with Cash Flow_Excel_FM
- E-commerce generic_FM
- Financial modelling for startups (Help guide)
- Marketing efficiency modelling _Excel_FM
- Marketing efficiency v3_Excel_FM
- Marketplace_3sided_Excel_FM
- Marketplace_Activities to be tested_Excel_FM
- Marketplace_Physical Events_Excel_FM
- Marketplace_SaaS_Excel_FM
- Marketplace_Fixed fee per txn_Excel_FM
- Marketplace_Generic_Excel_FM
- Media_Business_Online Magazine/Content Creator_Excel_FM
- Restaurant_Generic_Excel_FM
- SaaS_Generic_Excel_FM

Link: https://drive.google.com/drive/folders/1BTJDZp_76-vbHSFbAqbFJDc704xORAcI?usp=sharing