

MAINE STATE LEGISLATURE

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January 22, 2024

Honorable Troy D. Jackson
President of the Senate
3 State House Station
Augusta, Maine 04333

Honorable Rachel Talbot Ross
Speaker of the House
2 State House Station
Augusta, Maine 04333

Dear President Jackson and Speaker Talbot Ross:

Pursuant to 5 M.R.S.A., Section 12023, please consider this the letter of transmittal for the attached Report to Legislature for 2023 on behalf of the quasi-independent state entity, Small Enterprise Growth Board, due February 1, 2024.

Please contact me if you have any questions or need additional information.

Thank you.

Sincerely,

Terri Wark

Terri Wark
Office Operations Manager
Small Enterprise Growth Board d/b/a Maine Venture Fund

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Maine Venture Fund invests in Maine businesses that have the highest potential for growth and impact.

**QUASI-INDEPENDENT STATE ENTITY
SMALL ENTERPRISE GROWTH BOARD
REPORT TO LEGISLATURE
FOR 2023**

In compliance with P. L. 2011, c. 616 and the requirements of 5 MRSA § 12023 (2), the Small Enterprise Growth Board ("SEGB" or "Board"), the governing body of the Small Enterprise Growth Fund, d/b/a Maine Venture Fund ("MVF" or "Fund"), respectfully submits its Quasi-Independent State Entity Report for 2023 as follows:

A) A list of all procurements exceeding \$10,000 in the preceding year for which competitive procurement was waived under the policies adopted pursuant to § 12022 (3), including procurements exceeding \$10,000 that were made under contracts previously entered into for which competitive procurement was not required.

- 1) *Baker, Newman, Noyes, Accountants & Advisors
280 Fore Street, Portland, ME 04101
Cost for Fiscal Year 2023: \$13,700*

This accounting firm performed the Fund's annual audit for FY23 and has performed all annual financial audits since 1996. The audit generally occurs from July to early September of the following fiscal year after the accounting firm submits its Communication Letter and Letter of Engagement to the Board of Directors. The Fund conducted a request for proposal (RFP) in 2007, contacting approximately six accounting firms, resulting in no change due to lack of competitive accounting firm pricing. A second RFP was conducted in the spring of 2014, sent to six accounting firms and resulting in responses from three, but resulting in no change due to lack of competitive pricing.

B) A list of all persons to which the entity made contributions greater than \$1,000 in the preceding year and the total amount contributed to each.

- 1) *Northeastern University / The Roux Institute / Techstars
100 Fore Street
Portland, ME 04101
Cost for Fiscal Year 2023: \$25,000*

To allow the Fund to promote its interest in investing in Maine-based companies entering into the Institute's programs as well as to catalyze companies from outside the State settling in Maine, the Fund entered into a master collaboration agreement, approved by the Fund's Executive Committee (December 2021), Marketing Committee and legal counsel.

Included in the agreement:

- *The Fund agreed to reserve an amount of capital for each TechStars cohort to consider investments, although there is no requirement for investment.*
- *The Fund committed to a 3-year sponsorship at \$25,000 per year and*
- *The Fund will have workspace at the Institute and embed fully into the activities and the companies there.*

2) *Blue Venture Forum*
513 Broadway, Suite 218
Newport, RI 02840
Cost for Fiscal Year 2023: \$1,500

Blue Venture Forum is a volunteer-led, nonprofit organization that strives to bring more capital into the blue economy through programming. Blue Venture partnered with the Gulf of Maine Ventures to bring the Blue Venture Investment Summit to Maine. The goal of the summit – to bring investors, founders and key ecosystem participants together to discuss emerging blue economy investment trends, showcase promising blue economy startups and early-stage companies and highlight the programs that are supporting the growth of the sector within the region.

C) A description of changes made in the preceding year to the written policies and procedures required by §12022 or to the procedures used by the governing body to monitor compliance with those policies and procedures.

No changes were made to the written policies and procedures in 2023.