

MVCA VENTURE FELLOWS PROGRAM

Frequently Asked Questions

As an accompaniment to the MVCA Venture Fellows Program Overview, following are frequently asked questions and answers. This document will be updated throughout the life of the program. If you have suggestions for additional questions, please contact Susan Renno, MVCA Project Coordinator.

- Q.** My venture capital firm is interested in applying for an award. How do I initiate the application process and what do I need to prepare?
- A.** Please contact Susan Renno, MVCA Project Coordinator, who will provide you with the following:
1. MVCA Venture Fellows Program Flyer 2023: General overview of requirements for both your firm and Venture Fellow candidate.
 2. MVCA Venture Fellows Application Instructions: Includes a detailed list of what is on the application and what you will need to gather/prepare. To help minimize the time you spend completing the application, please review prior to initiating the application.
 3. A link to complete an online application form; the link is specific to your firm.
- Q.** Are organizations other than venture capital firms eligible to apply for a grant award?
- A.** The initial program is for venture capital funds only. To be considered for an award, an organization must be a venture capital firm vs. one that is like, similar to, or mimics a venture capital firm.
- Q.** Can individuals apply to the Venture Fellows program?
- A.** Only venture capital firms who are members in good standing with the MVCA can apply for the program. Part of the firm's application process includes presenting an identified Venture Fellow candidate. However, if the MVCA is contacted by an individual, the MVCA will maintain a candidate pool for interested firms.
- Q.** How can individuals find out if a venture capital firm is hiring?
- A.** MVCA will post job openings as we become aware of them. You may also research firms by utilizing our Michigan Entrepreneur & Investment Landscape Guide to locate firms and conduct your own research.
- Q.** Why are Venture Fellows required to reside in Michigan?
- A.** The goal of this program is to increase the number of venture professionals in Michigan and expand job opportunities at Michigan venture capital firms. For this reason, Venture Fellows are required to reside in Michigan and are not allowed to commute from another state.



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- Q.** How were the experience requirements determined for prospective Venture Fellows?
- A.** An undergraduate or graduate degree is required and we expect some Venture Fellow candidates to be relatively junior when it comes to having much experience in the world of venture capital. At the same time, it is an expectation that candidates have in some way explored venture capital as an indicator of their interest and commitment to making a lasting career within the Michigan ecosystem. Accordingly, eligibility requirements were set to achieve program objectives and ensure we do not unnecessarily exclude otherwise qualified candidates.
- Q.** If a venture capital firm received funding from this program in the past, are they eligible to apply for new funding?
- A.** Firms that sponsored Venture Fellows in the past are eligible to apply for a new grant award.
- Q.** My firm has already hired the person we wish to bring forward as a Venture Fellow candidate. Are we still eligible to apply?
- A.** The Venture Fellows program is designed to assist firms with new hires coming on board within the grant period only. Once a hire has been made, the employee is no longer eligible to be a Venture Fellow. However, the firm is still eligible to apply if they have another candidate that is not a current employee.
- Q.** What portions of a Venture Fellow’s compensation do award funds cover?
- A.** Award funding covers a percentage (based on firm AUM match parameters) of the Venture Fellow’s starting annual base salary only. Award funding does not cover sign-on bonuses, merit increases, COLA increases, performance bonuses, etc.
- Q.** Can you provide a funding example for a venture capital firm with AUM less than \$100 million?
- A.** Assuming the baseline match requirement and an example starting annual base salary, funding on the part of the firm and the MVCA would be as follows:

Salary/Match Factors	Months 1 - 12	Months 13 - 24	24-month Period
Venture Fellow Annual Base Salary	\$70,000	\$70,000	\$140,000
Venture Firm Match %	40%	40%	40%
MVCA Match %	60%	60%	60%
Venture Firm Match \$	\$28,000	\$28,000	\$56,000
MVCA Match \$	\$42,000	\$42,000	\$84,000

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- Q.** Can you provide a funding example for a venture capital firm with AUM greater than \$100 million?
- A.** Assuming the baseline match requirement and an example starting annual base salary, funding on the part of the firm and the MVCA would be as follows:

Salary/Match Factors	Months 1 - 12	Months 13 - 24	24-month Period
Venture Fellow Annual Base Salary	\$70,000	\$70,000	\$140,000
Venture Firm Match %	60%	60%	60%
MVCA Match %	40%	40%	40%
Venture Firm Match \$	\$42,000	\$42,000	\$84,000
MVCA Match \$	\$28,000	\$28,000	\$56,000

- Q.** What is the maximum amount a venture capital firm may be awarded for this program?
- A.** During the 24-month fellowship period and based on match parameters, the MVCA grant will award up to \$100,000 of the Venture Fellow’s starting annual base salary.
- Q.** Are there any reporting requirements on the part of the firm or Venture Fellow?
- A.** Venture Fellows must submit quarterly progress reports to the MVCA due on the 15th of the month following each quarter. Missed or late reports will delay disbursement of the award payment. The MVCA will provide Venture Fellows with a progress report template.
- Q.** Do award monies need to be returned if a Venture Fellow leaves the firm’s employment before their 2-year commitment is fulfilled?
- A.** Award monies already dispersed do not need to be returned. The contract would be terminated, stopping disbursement of any remaining grant dollars.
- Q.** Beyond the workplace, will there be additional enrichment opportunities for Venture Fellows?
- A.** Our enrichment programming goal is to provide Venture Fellows with a steady stream of exposure and professional development opportunities throughout the course of their fellowship. Planned engagements include but are not limited to MVCA-sponsored networking events and educational sessions, blog features, and podcast series. Venture Fellows will also have grant monies available to pursue self-selected training/education opportunities.
- Q.** How are expenses related to Venture Fellow enrichment opportunities funded?
- A.** In addition to funding a portion of the Venture Fellow’s annual base salary, the MVCA grant award includes reimbursement of allowable and approved fellowship-related expenses up to \$5,000 for the 24-month fellowship period. Fellowship-related expenses are those that are directly associated with Fellow participation in (a) MVCA-sponsored events, and (b) non-MVCA educational/training opportunities that enrich career the Fellow’s career as a venture professional.



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- Q.** How do reimbursements for salary match and expenses work?
- A.** On a quarterly basis, Venture Fellows are required to submit quarterly progress reports as well as firm expense reports that indicate fellowship-related expenses. Receipt of these reports will initiate payment of quarterly award monies and expense reimbursements directly to the firm.