

## 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 Overview: 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.** What is the hiring window for Venture Fellow candidates?
- A.** Thanks to a generous grant from the Michigan Economic Development, the MVCA has obtained additional funding to support four more Venture Fellows. While applications will be accepted on a rolling basis, candidates brought forth by applying firms must be hired no sooner than **August 1, 2024 and no later than July 1, 2026**.
- Q.** When can an eligible firm submit its application for a grant award?
- A.** After extending an offer of employment and receiving the candidate's acceptance, the application can be submitted no earlier than three months before the candidate's start date and must be submitted before the candidate officially begins employment.
- 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.** 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.



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- Q.** Are organizations other than venture capital firms eligible to apply for a grant award?
- A.** The 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.** What types of roles are eligible for the Fellowship program?
- A.** While most of our Fellows have come on board in core investment roles, we haven't restricted program eligibility to those positions alone. The primary goal and design of the program is to *increase the number of venture professionals in Michigan in order to accelerate the fundraising and deployment of capital into early-stage companies*. Numerous roles within firms can contribute to this end goal and accordingly, eligibility is not limited eligibility to investment roles.
- 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 Landscape Guide portal 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.
- 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.** 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.

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- 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 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

- 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 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 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. The MVCA will provide Venture Fellows with dues dates and a progress report template. Missed or late reports will delay disbursement of the award payment. Additionally, firms are required to submit a summary report at the conclusion of the fellowship period.
- 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, which stops any remaining grant dollars.



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- Q.** Beyond the workplace, will there be additional enrichment opportunities for Venture Fellows?
- A.** MVCA will host both in-person and virtual experiences including educational sessions and networking events designed to enrich the Venture Fellow's career. Venture Fellows will also have the opportunity to showcase their skills and talents via ongoing blog and podcast features.
- 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 Venture Fellow related expenses up to \$5,000 for the 24-month fellowship period. Venture Fellow related expenses are those that are directly associated with Fellow participation in (a) MVCA-sponsored events, and (b) non-MVCA educational/training opportunities.