



Advisory and Allocator Support, SSBCI VCLP
Program for TEDCO Investment Funds
Request for Proposals (“RFP”)

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I. Request to Submit Proposals

The Maryland Technology Development Corporation, a body politic and corporate and an instrumentality of the State of Maryland (“TEDCO”), is seeking services from a qualified firm (“Firm”) that can help to identify qualified minority owned and run early stage venture capital funds. TEDCO is looking for an experienced allocator to vet, qualify, and recommend 3 to 4 venture fund managers. The “Firm’s” role is to review the candidate funds’ DDQ, Operations and Administration Manual, Compliance Guide, and perform an internal process review to ensure that the funds have the necessary processes and administrative structure to responsibly manage and invest U.S. Department of the Treasury SSBCI (State Small Business Credit Initiative) funds on behalf of TEDCO. TEDCO will expect the Allocator to recommend other industry best practices to ensure that a transparent and fair process is completed (the foregoing, collectively, the “Services”).

The goal of this RFP is to receive proposals from potential Firms, evaluate those submittals, and then select the Firm best suited to provide Services. Firm will provide managed services and support commencing on May 9, 2022.

All information included in this RFP is considered confidential and intended only for use by responders. No information included in this document, or in discussions related to TEDCO’s Firm selection efforts, may be disclosed to another party or used for any other purpose without TEDCO’s express written consent.

Minority business enterprises, as defined in Section 14-301(f) of the State Finance and Procurement Article of the Annotated Code of Maryland, are encouraged to respond to this RFP.

Enclosed, please find copies of:

- Exhibit A: TEDCO Procurement Contract Standard Terms and Conditions
- [Exhibit B: Practical and Legal Considerations for SSBCI Investments]

II. TEDCO Overview

Mission

Enhance economic development by fostering an inclusive and entrepreneurial innovation ecosystem. Identify, invest in, and help grow early-stage technology-based businesses in Maryland.

Vision

TEDCO will be the recognized national leader for supporting translational research, and technology-based, economic and entrepreneurial development while being the hub of Maryland’s innovation ecosystem.

TEDCO’s Background

TEDCO is a technology-based economic development (TBED) organization. It was created in 1998 by the Maryland General Assembly to facilitate the transfer and commercialization of technology from Maryland's research universities and federal labs into the marketplace, and to assist in the creation and growth of technology-based businesses in the State. Over the past 23 years, the organization has evolved into an organization with three major areas of focus: technology advancement, investments, and entrepreneurial & ecosystem support. TEDCO is, among other things, a resource for mentoring, funding, and networking for entrepreneurs and start-ups that need guidance as they bring innovative concepts to market. It is more than an early-stage funding resource; it is also a hub of Maryland's entrepreneurial network where start-ups find mentors, organizational assistance, facilities for daily operations, and a roadmap for success.

Nationally recognized as one of the most active seed/early-stage investors in the nation, TEDCO has a portfolio of more than 400 seed investments since 1998 through several funding, mentoring, and education programs. TEDCO's five largest funding programs collectively resulted in \$2.3 billion in economic activity and 10,400 Maryland jobs as of 2021.

TEDCO directly manages multiple funds and programs. The investment funds include the Social Impact Funds, s, Seed Funds, , and Venture Funds TEDCO is overseen by a 19-member Board of Directors appointed by the Governor, the Senate President, and the Speaker of the House. TEDCO is funded largely by the State through an annual allocation of approximately \$28 million, through returns from direct investments, and through other sources of funding including grants and sponsorships. TEDCO has an active and diverse team of 32 employees and sub-contractors. TEDCO's role is to help entrepreneurs create, sustain, and grow technology-based businesses in the State of Maryland. To this end, TEDCO's staff is constantly identifying needs in the entrepreneurial ecosystem and creating programs to address those needs.

III. Scope of Services Required

TEDCO's Venture Capital Limited Partner (VCLP) strategy aspires to focus on first time underrepresented fund managers who actively invest in the State of Maryland. \$10,000,000 from Maryland's SSBCI allocation is earmarked for "Fund of Funds" (VCLP), which will be broken down into three investments into three separate funds. Federal law requires a 1:10 leverage ratio, whereby for every one dollar is invested in a company, will result in 10 dollars in follow-on investments over the life of the investment. The funds will follow their own investment thesis, operations, administration, and compliance process, which will comply with State and Federal regulations.

In order to make a fair decision; we expect the Allocator to make recommendations from a pool of at least 10 VC funds.

Working with TEDCO's legal team in the MD Office of the Attorney General, each fund that is selected will be required to provide quarterly reports on the specific use of the funds, economic development data and returns

TEDCO has successfully run other LP/GP “Fund” relationships. TEDCO has managed relationships with 8 top-tier venture funds, who have committed to supporting the Maryland start-up ecosystem, with a total financial exposure of roughly \$49,000,000 across those funds. TEDCO is looking to continue investing in external funds in a “fund of funds” structure with this \$10,000,000 SSBCI allocation.

Specifically, TEDCO is seeking a Firm to help TEDCO:

Identify suitable venture funds through diligence on internal processes, DDQ, and policies and procedures of potential ventures funds.

TEDCO recommends that Firms propose a fee structure that includes:

- i. Support in the form of consulting and advisory services until August 1, 2022.
- ii. Rates and/or estimates for proposal development and submission – one or more, and
- iii. Rates and/or estimates for compliance associated with one or more awarded programs.

Within the federal parameters, firms are welcome to recommend fee structures for other recommended or proposed activities that would expand the Services, provided that they are consistent with the objectives outlined in this RFP.

IV. Submittal Requirements

Proposals must include the following items:

- An overview of the experience of the Firm, describing work performed in similar projects, key personnel qualifications, and relevant experience;
- Professional biographies and/or resumes of qualified professionals who will be providing support on behalf of the Firm;
- A list of references, with names and contact information, from organizations or businesses for which the Firm has performed similar work;
- A description of the Firm’s approach to providing the Services including strategies for monitoring and identifying funding opportunities, for leading efforts to develop and submit proposals or other responses to funding opportunities, and for ensuring compliance in funded programs consistent with the OMB Uniform Guidance and any other applicable regulations;
- A clear fee schedule including the elements described in the previous section and any other fee related information applicable to the proposal that has not been covered;
- A description of all provisions, termination clauses, and/or penalties required by the Firm for providing the Services; and

- A listing of any additional Services and costs aligned with this RFP that may be of interest to TEDCO.

V. General Requirements and Deadline

Please direct any questions in writing via e-mail to response@tedco.md, no later than **April, 18, 2022**. A reasonable effort will be made to reply to all questions.

To be considered for selection, Firms responding to this RFP (“Respondents”) must submit a **complete response to this RFP** in the form of a proposal that includes all RFP Submittal Requirements, **by 5:00 p.m. on April 19, 2022**. One (1) digital file of each complete proposal must be submitted to TEDCO at response@tedco.md.

If a response is submitted by a corporation, joint venture, etc., the Proposal shall be signed by an officer authorized to do so. If made by an individual, that individual shall sign it. One or more of the partners shall sign if the Respondent is a general partnership, or by the managing partner or general partner if a limited partnership. If submitted by a limited liability company, the submittal shall be signed by a managing member.

TEDCO reserves the right to require the submission of additional information regarding experience and qualifications as it may deem necessary, and may consider any available evidence on the financial, technical, or other qualifications and abilities of the Firm.

TEDCO reserves the right to reject all Proposals, reduce the scope of work, or abandon all or part of this RFP prior to award of any contracts. Proposals may be rejected for any or no reason.

TEDCO reserves the right to waive any and all irregularities and informalities in the submission of RFP Submittal Requirements, and to request clarification of qualifications prior to qualifying a Firm.

The selected Firm must provide evidence of valid business registration and of good standing to conduct business in the State of Maryland.

VI. Firm Selection Process

TEDCO will evaluate the responses based on multiple criteria and will select 3 – 4 finalists based on the best overall solution to fit its needs. TEDCO may request an interview with the finalists prior to making a final selection. Interviews may be virtual in nature. TEDCO is not obligated to select the lowest price bidder. All responses will be evaluated in the following areas:

- Quality of response to RFP Submittal Requirements and general clarity of the proposal,
- Demonstrated ability of the Firm to provide the Services,
- Previous relevant experience of the Firm and key personnel,
- Creativity in approach to providing the Services,

- Approach to customer service,
- Proposed fees for services, and
- Other factors including, but not limited to, the Firm's presence in Maryland and the Firm's strategy for diversity, equity, and inclusion.

The contract used for engaging a Firm will be based upon TEDCO's Procurement Contract, which is attached hereto as Exhibit A.

TEDCO anticipates making a final selection by May 6, 2022. Work will begin immediately.

VII. Respondent's Conditions, Representations and Authorizations

By submitting its proposal, each Firm understands, represents and acknowledges that:

- A Respondent and his/her/its authorized representative may withdraw or modify his/her/its proposal by written notice received prior to the exact hour and date specified for proposal receipt.
- All of Respondent's information and representations in the proposal are material and important, and TEDCO may rely upon the contents of the proposal in negotiations, contractual obligations, and awarding a contract. Respondent agrees that the proposal will remain firm for a period of one hundred twenty (120) calendar days after the date specified for receipt of proposal or until the TEDCO Procurement Contract agreement is fully executed, whichever is later.
- Respondents are expected to fully inform themselves of all conditions, requirements and specifications before submitting a proposal. After the proposal submission deadline, a Respondent may not change its proposal or obtain relief in case of errors or omissions in the submitted proposal.
- TEDCO may waive minor informalities or errors in proposals if it determines that the error does not undermine the overall integrity of the proposal.

VIII. Term and Termination

The term of the Procurement Contract shall be for a period of one (1) year from when it is executed by the parties. Subject to the annual review and the satisfactory negotiation of terms (including a price acceptable to both TEDCO and the selected Firm), the contract may be renewed annually without seeking other proposals for up to three (3) renewals of one (1) year each.

TEDCO may, at any time, terminate the Procurement Contract in whole or in part for TEDCO's convenience and without cause if it determines in its sole discretion that termination is in the

public interest. Upon receipt of an order of termination for convenience, the Firm shall not proceed with any item or work, unless specifically authorized to do so in writing. In such a case, unless mutually agreed to by the parties, the Firm will not be entitled to payment for any services provided after the effective date of such termination.

If there are any questions regarding the Request for Proposals, please direct them by email to response@tedco.md no later than April 18, 2022.

IX. Key Dates

The following table outlines TEDCO's key dates and events in the RFP process.

Task	Completion Date
RFP Released	April 6, 2022
Last date to accept written questions	April 18, 2022
PROPOSAL DUE DATE	April 19, 2022
Firm Selection	May 6, 2022
Engagement Begins	May 9, 2022

Exhibit A: TEDCO Procurement Contract Standard Terms and Conditions

PROCUREMENT CONTRACT AGREEMENT

BETWEEN

MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION

AND

THIS AGREEMENT (the "Agreement" or "Contract"), is made as of the ____ day of _____, 20__, by and between the **MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION** ("TEDCO"), a body politic and corporate and a public instrumentality of the State of Maryland, and:

_____ ("Contractor")

TEDCO and Contractor do mutually agree as follows:

1. Services to be Provided.

(a) TEDCO shall purchase Contractor's services, and Contractor shall _____, in accordance with Contractor's Proposal dated _____, 20__ ("the Proposal"), attached as Exhibit A and incorporated herein, to the extent that the Proposal is consistent with this Agreement.

(b) TEDCO retains the unilateral right to require changes in the services to be rendered, so long as the changes are within the general scope of work to be performed hereunder.

2. Term of Agreement. Performance under this Agreement commences on _____, 20__, and continues until agreed upon services are completed, but in any case no later than _____, 20__.

3. Compensation and Method of Payment.

(a) Compensation. TEDCO shall compensate Contractor for services satisfactorily performed at the rates set forth in Exhibit A. The total cost to TEDCO for the services to be provided by Contractor under this Agreement may not exceed _____ Dollars (\$_____).

(b) Method of Payment. TEDCO shall pay Contractor no later than thirty days after TEDCO receives a proper invoice from Contractor, which invoices shall be tendered at monthly intervals. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1, State Finance and Procurement Article, Maryland Code, are prohibited.

4. Contract Officer. TEDCO designates _____ to serve as Contract Officer for this Agreement. All contact between TEDCO and Contractor regarding all matters relative to this Agreement shall be coordinated through the Contract Officer.

5. Responsibility of Contractor. Contractor shall perform the services with that standard of care, skill, and diligence normally provided in the performance of similar services.

6. Disputes. This Agreement shall be deemed subject to Title 15, Subtitle 2 (Dispute Resolution), State Finance and Procurement Article, Maryland Code and to COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, Contractor must proceed diligently with the performance of the Agreement in accordance with the Contract Officer's decision. Unless a lesser period is provided by law, Contractor must file a written notice of claim with the Contract Officer within thirty days after the basis for the claim is known or should have been known, whichever is earlier. Contemporaneously with or within thirty days of the filing of a notice of claim, but no later than the date of final payment under the Agreement, Contractor must submit to the Contract Officer its written claim containing the information specified in COMAR 21.10.04.02.

7. Termination for Convenience. TEDCO may terminate the performance of work under this Agreement in whole, or, from time to time, in part, whenever TEDCO determines that such termination is in the best interest of TEDCO. TEDCO shall pay all reasonable costs associated with this Agreement that Contractor has incurred up to the date of termination and all reasonable costs associated with termination of the Agreement. TEDCO may not reimburse Contractor for any anticipatory profits that have not been earned up to the date of termination.

8. Termination for Default. If Contractor fails to fulfill its obligations under this Agreement properly and on time, or otherwise violates any provision of the Agreement, TEDCO may terminate the Agreement by written notice to Contractor. The notice must specify the acts or omissions relied on as cause for termination. All finished or unfinished supplies and services provided by Contractor shall, at TEDCO's option, become TEDCO's property. TEDCO shall pay Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by Contractor's breach. If the damages caused by

Contractor are more than the compensation payable to the Contractor hereunder, Contractor remains liable after termination and TEDCO may affirmatively collect such damages.

9. Set-Off, Etc. TEDCO may deduct from and set off against any amounts due and payable to Contractor any back-charges, penalties, or damages sustained by TEDCO, by virtue of any breach of this Agreement by Contractor. Nothing herein shall be construed to relieve Contractor of any liability for additional costs resulting from a failure to satisfactorily perform the services. Upon receipt and acceptance of the final payment due under the Contract in accordance with its original terms or with an early termination by TEDCO, the Contractor waives any and all rights or claims arising under the Contract, unless otherwise agreed in writing by TEDCO.

10. Contingent Upon Appropriations. If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any period of this Agreement, this Agreement must be canceled automatically as of the beginning of the period for which funds were not appropriated or otherwise made available. Cancellation does not affect either TEDCO's rights or Contractor's rights under any termination clause in this Agreement. The effect of cancellation of the Agreement hereunder will be to discharge both Contractor and TEDCO from future performance of the Agreement, but not from their rights and obligations existing at the time of termination. TEDCO shall reimburse Contractor for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Agreement. TEDCO shall notify Contractor as soon as it has knowledge that funds may not be available for the continuation of this Agreement.

11. Dissemination of Information. (a) Contractor shall not release any information related to the services or performance of the services under this Agreement, nor publish any final reports or documents, without the prior written approval of TEDCO, or unless such release is otherwise required by law or reasonably necessary to be disclosed in judicial proceedings.

(b) Contractor agrees: (i) to keep all information Contractor may acquire during the performance of this Agreement about TEDCO or any entity applying to TEDCO for financial or other assistance ("Information") in strict confidence; (ii) not to use, disclose, divulge or reveal the Information or any part of it to any person without TEDCO's prior written consent; and (iii) not to disclose, other than to TEDCO or its designee, any analysis or conclusions made by Contractor about any such Information without TEDCO's prior written consent.

(c) Notwithstanding the foregoing, Contractor shall not be obligated to maintain in confidence any Information: (i) which was already known to Contractor; or (ii) which is or comes into the public domain through no fault of Contractor; or (iii) which is independently developed by Contractor; or (iv) which comes to Contractor from a third party who is not in violation of any obligation of confidentiality to TEDCO or, if applicable, to the entity applying to TEDCO for financial or other assistance.

12. Ownership of Documents, Equipment, and Materials. (a) Ownership. Contractor agrees and shall ensure that all documents, equipment, and materials including but not limited to reports, drawings, studies, specifications, estimates, maps, software, photographs, designs, graphics, mechanicals, artwork, and computations prepared by or for, or purchased by or for, Contractor in connection with the performance of this Contract shall at any time during the term of the Contract be available to TEDCO and shall become and remain the exclusive property of TEDCO upon termination or completion of the services. TEDCO shall have the right to use same without restriction and without compensation to Contractor or others other than that provided in this Contract. TEDCO shall be the owner for purposes of copyright, patent or trademark registration, and Contractor hereby transfers to TEDCO any rights it may have in the work produced pursuant to this Contract. Contractor agrees that at all times during the term of this Contract and thereafter, the works created and services performed shall be “works made for hire” as that term is interpreted under copyright law. To the extent that any products created under this Contract are not TEDCO works for hire, Contractor hereby transfers and assigns to TEDCO all of its rights, title and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with TEDCO in effectuating and registering any necessary assignments. (b) Third party; Indemnification. If Contractor obtains or uses for purposes of this Contract any design, device, material, process, or work covered by patent, copyright, or trademark, Contractor shall ensure TEDCO that it is licensed to possess and to use such design, device, material, process, or work. Contractor shall indemnify TEDCO, its officials, agents and employees with respect to any claim, action, cost or judgment for patent, trademark or copyright infringement by Contractor arising out of the possession or use of any design, device, material, process, supplies, equipment, services or other work covered by this Contract.

13. Retention of Records. Contractor shall retain and maintain all records and documents relating to this Agreement for three years after final payment by TEDCO hereunder or any applicable statute of limitations, whichever is longer. Contractor shall make such records and documents available for inspection and audit by authorized representatives of TEDCO, including the Contract Officer or designees, at all reasonable times.

14. Responsibility for Claims and Liability. TEDCO is not liable in any action of tort, contract, or otherwise for any actions of Contractor arising out of this Agreement. Contractor shall be responsible for all damage to life and property due to its activities or those of its agents or employees. Contractor shall indemnify and absolve TEDCO, the State, their officials, agents, and employees from and against all claims, suits, judgments, expenses, actions, damages and costs of every name and description, including reasonable attorney's fees, arising out of or resulting from the goods provided or Contractor's performance of services under this Agreement.

15. Compliance with Laws. Contractor hereby represents and warrants that:

(a) It is qualified to do business in the State of Maryland and that it will take such action as, from time to time, may be necessary to remain so qualified;

(b) It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including, but not limited to, the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Agreement;

(c) It shall comply with all federal, State, and local laws applicable to its activities and obligations under this Agreement; and

(d) It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Agreement.

16. Non-Discrimination in Employment. Contractor shall operate under this Agreement so that no person, otherwise qualified, is denied employment or other benefits on the basis of: (a) race, color, creed, national origin, or marital status; (b) sex or age, except when sex or age constitutes a bona fide occupational qualification; or (c) the physical or mental disability of a qualified individual with a disability. Except in subcontracts for standard commercial supplies or raw materials, Contractor shall include a clause similar to this clause in all subcontracts. Contractor shall provide actual notice of the foregoing to employees and applicants for employment.

17. Subcontracting; Assignment. Contractor may not, during the term of this Agreement or any renewals or extensions of the Agreement, assign any of its rights hereunder nor delegate or subcontract all or any part of its duties hereunder without the prior written approval of the Contract Officer. Any approved subcontract or assignment is subject to all terms and conditions that TEDCO deems necessary. TEDCO is not responsible for Contractor's obligations to its subcontractors.

18. Contract Modification. Except as provided in section 1(b) above, this Agreement may be amended only as TEDCO and Contractor mutually agree in writing.

Except for the specific provision of the Agreement which is amended, the Agreement remains in full force and effect after such amendment and is subject to the same laws, obligations, conditions, provisions, rules, and regulations, as it was before the amendment.

19. Maryland Law. This Agreement shall be construed, interpreted, and enforced according to the laws of the State of Maryland.

20. Entire Agreement. This Agreement, together with any Exhibits incorporated by reference, represents the complete and final understanding of the parties. No other understanding or representations, oral or written, regarding the subject matter of this Agreement, may be deemed to exist or to bind the parties at the time of execution.

[Remainder of page intentionally left blank- signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Agreement on or before the date first set forth herein.

WITNESS/ATTEST:

CONTRACTOR:

By:

Name Typed

Title

WITNESS:

TEDCO:

By:

Troy A. LeMaile-Stovall, Executive Director
& Chief Executive Officer

Approved for form and legal sufficiency:

Ira Schwartz, Esq., TEDCO Gen'l. Counsel
Office of the Attorney General

Attachment: Exhibit A: Contractor's Proposal