

Maryland E-Innovation Initiative Program (“Program”)

Evaluation Criteria for Applications Submitted on or before June 1, 2020¹

In evaluating whether and the extent to which it will allocate matching funds to a nonprofit institution of higher education (“NPIHE”) for a research endowment plan (“REP”) submitted to the Authority with the NPIHE’s application for matching funds from the Program, the Authority will consider the following criteria, all of which will be weighted equally in the overall allocation determination:

1. Scientific and Technical Fields of Study. The Authority has identified the scientific and technical fields of study eligible under the Program in regulations. The Authority has determined that these scientific and technical fields of study are identical to the fields of study included in the Act. At this time, the Authority will weight each such field of study equally.
2. Leverage Provided by the Qualified Donations. In order to constitute a Qualified Donation under the Act, the donation (or bundled donations) from a donor must be at least \$500,000. Qualified Donations that result in a greater than 1:1 match of Program funds will receive a proportionately higher ranking in the evaluation process. For example, all other factors being equal, an application that includes a Qualified Donation of \$1,000,000 and requests an allocation of matching funds from the Program of \$500,000 (e.g., a 2:1 match) will receive a higher ranking in the evaluation process than an otherwise identical application that includes a Qualified Donation of \$500,000 and requests an allocation of matching funds from the Program of \$500,000 (e.g., a 1:1 match).
3. Entrepreneurial Activity. The Act provides that an individual in a position that is funded by endowment proceeds under the Program shall (a) work at least one day of each week in support of a federal laboratory or associated federal laboratory research support organization; (b) hold a joint appointment or secondary position at another nonprofit institution of higher education in the State; or (c) work at least one day each week in support of entrepreneurial activities with a company engaged in one or more of the research areas identified in the Act. Although the Authority will consider REPs that include any or all of these activities as part of a proposed faculty profile, the Authority has determined that entrepreneurial activities will have a greater impact on the economic development goal that underlies the Program. Therefore, the Authority will rank REPs that contemplate the pursuit of purely entrepreneurial activities higher in the evaluation process than a research endowment plan that is mostly or solely focused on research activities. A research endowment plan that includes a mix of both entrepreneurial and research activities will be ranked somewhere in the middle of the purely entrepreneurial side of the

¹ These evaluation criteria will remain in effect until the Authority announces new evaluation criteria. Such announcement will be made in accordance with the regulations promulgated by the Department of Commerce for the Program. The regulations provide that such announcement will be made at least 90 days prior to each First Submission Date.

spectrum and the purely research-focused side of the spectrum, with the exact placement to be determined by the degree of entrepreneurial activity included in the REP.

4. Retention of Faculty. The Authority is authorized to award matching funds from the Program to NPIHEs to both recruit and retain top university researchers. The Authority has determined that at this time, the recruitment of these top university researchers will have a greater impact on the economic development goal underlying the Program. Therefore, the Authority will rank REPs that contemplate the recruitment of faculty and researchers higher in the evaluation process than a REP that contemplates the use of the endowment funds under the Program for use in the retention of current faculty. A REP that includes a mix of both recruitment of faculty and retention of other faculty will be ranked somewhere in the middle of the purely recruitment side of the spectrum and the purely retention side of the spectrum, with the exact placement to be determined by the degree of recruitment included in the REP.
5. Compliance with Reporting Requirements. The Authority is authorized to consider a NPIHE's lack of compliance with reporting requirements when evaluating new applications. COMAR 24.05.22.05D allows the Authority to consider (1) compliance with other research endowment plans previously approved for the institution; and (2) "such other evaluation criteria as the Authority may establish from time to time." Noncompliance of the reporting requirements (including the proper formatting of reports) will be considered and weighted against a NPIHE who is not in compliance at the time of application submissions.

In addition to the evaluation criteria set forth above, the Authority will provide additional guidance to NPIHEs for purposes of preparing their applications for submission by the First Submission Date (June 1, 2020) in an application form, which will be made publicly available on or about March 16, 2020.