

TECHNICAL PROPOSAL PACKET

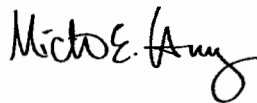
AEDC-25-0001

***Venture Capital Access
and Startup Growth Initiative***

PROPOSAL SIGNATURE PAGE

PROSPECTIVE CONTRACTOR'S INFORMATION					
Company:	Northwest Arkansas Council Foundation				
Address:	4100 Corporate Center Drive, Suite 205				
City:	Springdale	State:	AR	Zip Code:	72726
Minority or Women-Owned Designation <small>See the <i>Minority and Women-Owned Business</i> section of the Solicitation.</small>		<input checked="" type="checkbox"/> Not Applicable		AR Certification #: <u>600004879</u>	
PROSPECTIVE CONTRACTOR CONTACT INFORMATION					
<i>Provide contact information to be used for Solicitation related matters.</i>					
Contact Person:	Michael Harvey	Title:	Director		
Phone:	479.582.2100	Alternate Phone:	479.799.4311		
Email:	mikeharvey@nwacouncil.org				
CONFIRMATION OF REDACTED COPY					
<input type="checkbox"/> YES, a redacted copy of submission documents is enclosed. <input checked="" type="checkbox"/> NO, a redacted copy of submission documents is <u>not</u> enclosed. I understand a full copy of non-redacted submission documents will be released if requested. If a redacted copy of the submission documents is not provided with Prospective Contractor's response packet, and neither box is checked, a copy of the non-redacted documents, except for financial data (other than pricing), will be released in response to any request made under the Arkansas Freedom of Information Act (FOIA). See the <i>Proprietary Information</i> section of the Solicitation.					
REQUIRED CERTIFICATIONS					
By signing and submitting a response to this Solicitation, Prospective Contractor represents, warrants, and certifies that they are not a Scrutinized Company and they do not currently and shall not for the aggregate term of a resultant contract: <ul style="list-style-type: none"> Boycott Israel. Knowingly employ or contract with illegal immigrants. Boycott Energy, Fossil Fuel, Firearms, or Ammunition Industries. Employ a Scrutinized Company as a contractor. Prospective Contractor further represents, warrants, and certifies that it shall not become a Scrutinized Company during the aggregate term of a contract resulting from this Solicitation.					

An official authorized to bind the Prospective Contractor to a resultant contract **shall** sign below. The signature below signifies agreement that any exception that conflicts with a Requirement of this Solicitation may cause the Prospective Contractor's proposal to be rejected.



Authorized Signature: _____ **Title:** Director

Printed/Typed Name: Michael E. Harvey **Date:** 11.08.2024

SUBMISSION REQUIREMENTS CHECKLIST

The following items **must** be submitted with the Prospective Contractor's proposal:

- Proposal Signature Page*
- Written Acknowledgement of being a Private Non-Profit and in Legal Compliance with all state and federal laws governing nonprofits (see section 2.1)*
- Proposed Subcontractors Form*
- Recommended Options Form*
- Information for Evaluation*
 - Experience*
 - Business Plan / Solution*
- Copy of Prospective Contractor's Equal Opportunity Policy*
- Completed Official Solicitation Price Sheet*

The following items, which must be submitted prior to a contract award to the Prospective Contractor, may also be included with the Prospective Contractor's proposal:

- EO 98-04: Contract and Grant Disclosure Form*

The following items should be submitted with the Prospective Contractor's proposal, if applicable:

- Voluntary Product Accessibility Template (VPAT)*
- Redacted copy of the submission documents*
- Signed addenda*

RECOMMENDED OPTIONS FORM

Prospective Contractors should identify optional recommended services available to the State, along with the schedule impact and cost details of each item. If the Prospective Contractor does not offer optional recommended services, Prospective Contractor should indicate so by checking the appropriate box. Responses to this form *will not* be scored for evaluation purposes.

Costs associated with the optional recommended services **must** be included on this form and **must not** be included in the completed *pricing response*.

Prospective Contractor proposes the following optional recommended services under a resulting contract:

Item Description:	
How Will This Add Value?	
Schedule Impact:	
Cost Details:	

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Cost Details:	

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Cost Details:	

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Schedule Impact:	
Cost Details:	

Item Description:	
How Will This Add Value?	
Schedule Impact:	
Cost Details:	

Prospective Contractor does not offer optional recommended services.

PROPOSED SUBCONTRACTORS FORM

Prospective Contractors **shall** complete the form for all subcontractors the Prospective Contractor proposes to use under a resulting contract (*Services Contract (SRV-1) Fillable Form*, section 14). If the Prospective Contractor does not intend to use subcontractor(s), Prospective Contractor should indicate so by checking the appropriate box.

Prospective Contractors should not include additional information relating to subcontractors on this form or as an attachment to this form.

Prospective Contractor proposes to use the following subcontractor(s) under a resulting contract:

SUBCONTRACTOR'S COMPANY NAME	STREET ADDRESS	CITY, STATE, ZIP

Prospective Contractor does not propose to use subcontractors under a resulting contract.

INFORMATION FOR EVALUATION – EXPERIENCE

Using this template, Prospective Contractors should provide the Prospective Contractor's experience and capabilities to meet the Solicitation requirements. The information provided should be prioritized beginning with the most important and/or relevant experience listed first.

There is an unlimited page limit for this subsection. See RFP Section 3.5 for more information about this subsection.

Prospective Contractors may delete the instructions above.

INFORMATION FOR EVALUATION - EXPERIENCE

The Northwest Arkansas Council, established in 1990, has been instrumental in advancing economic development, infrastructure, and innovation across the region. With over three decades of impact, the Council has consistently mobilized resources, fostered strategic partnerships, and built a supportive environment for business growth and entrepreneurship. This extensive track record and strong regional network make the Northwest Arkansas Council an ideal leader for initiatives that drive venture capital engagement and ecosystem development in Arkansas.

Within the Council's framework, **StartupNWA**—a program overseen by Serafina Lalany—serves as a cornerstone of the Council's efforts to stimulate entrepreneurial growth. Under Serafina's leadership, StartupNWA has executed targeted programming that supports and scales Arkansas-based startups. In just two cycles, the program has supported 184 startups, recruited 12 new companies (11 of which are led by underserved entrepreneurs) to Arkansas, and facilitated substantial funding for local businesses, including:

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- **Rainfall Health:** \$700K
- **Videon:** \$100K

The StartupNWA VC Immersions pilot program alone facilitated \$6.2 million in first financings over nine months, positioning Arkansas as a growing center for early-stage capital.

Serafina Lalany brings extensive experience in venture capital engagement and ecosystem development, especially in secondary markets. Throughout her career, she has managed venture funds and incubator programs focused on community building, mentorship, and capital access, connecting over 2,000 startups with networks of opportunity. Collectively, these startups have raised over \$3 billion in follow-on funding, underscoring her ability to catalyze economic growth and innovation.

Serafina's ecosystem-building expertise is exemplified by her leadership in Houston, where she launched a city-wide initiative supporting 25,000+ startups, investors, and service providers. Her efforts were critical in establishing an innovation district and 40

accelerators and incubators, helping drive regional venture investment from \$260 million in 2016 to over \$2.4 billion in 2021.

The combination of the Northwest Arkansas Council's established credibility helping to build the Northwest Arkansas economy over the past thirty years and its long standing relationships with key regional businesses and philanthropists combined with Serafina's venture capital expertise provides a robust foundation for the proposed initiative, positioning Arkansas for sustained growth in its startup ecosystem.

INFORMATION FOR EVALUATION – BUSINESS PLAN / SOLUTION

Using this template, Prospective Contractors should include a narrative to address and provide a high-level overview of the solution and/or approach proposed using the requirements outlined in the Solicitation.

There is an unlimited page limit for this subsection. See RFP Section 3.5 for more information about this subsection.

Prospective Contractors may delete the instructions above.

Increasing Venture Capital Activity in the Arkansas Ecosystem

Prepared by:

STARTUP^{NW}_{AR}

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Executive Summary

This proposal outlines a comprehensive strategy to increase venture capital activity in Arkansas, addressing the critical gaps in early-stage funding and startup support. By attracting venture capitalists from across the country and connecting them to Arkansas-based startups, this initiative will drive economic growth, enhance local innovation, and position Arkansas as a dynamic hub for entrepreneurship. The initiative includes a statewide marketing campaign, targeted investor engagement, and partnerships with local entrepreneurial organizations. With StartupNWA and the Northwest Arkansas Council Foundation leading these efforts, this program is poised to create a lasting impact on Arkansas's venture ecosystem.

Expected Outcomes:

- Increased venture capital engagement in Arkansas, measured by the number of participating VCs, the number of direct engagements with founders and funders and the level of investment attracted to Arkansas startups.
- Enhanced visibility for Arkansas startups on a national and international stage, resulting in stronger brand awareness and reputation for the state's innovation ecosystem.
- Strengthened statewide ecosystem partnerships and corporate involvement, fostering long-term sustainability and community support.
- BoostArkansas's broader economic growth through job creation, talent attraction and retention, local business growth, and increased tax revenue.

Landscape Overview

In the broader American heartland, Arkansas faces significant challenges in venture capital access, ranking among the lowest in VC investment per GDP—just \$1.43 per \$1,000 of state GDP compared to the national average of \$7.65. The Milken Institute's State Science and Technology Index places Arkansas in the bottom quintile for risk capital availability. Between 2010 and 2016, Arkansas companies received only 0.05% of total U.S. venture capital, exacerbating the state's underperformance in young firm activity—a key driver of innovation, economic growth, and job creation. Metropolitan areas like Fayetteville-Springdale-Rogers, Little Rock-North Little Rock, and Pine Bluff rank low in young firm employment share, highlighting a significant gap in nurturing new businesses.

This disparity becomes evident when comparing states' VC achievements: in 2022, Utah startups raised \$4.88 billion, Austin startups raised \$16.38 billion, while Arkansas startups secured just \$213 million. Such comparisons underscore the urgent need for Arkansas to bolster its efforts in attracting venture capital and supporting young firms, critical for realizing its full potential as an innovation hub.

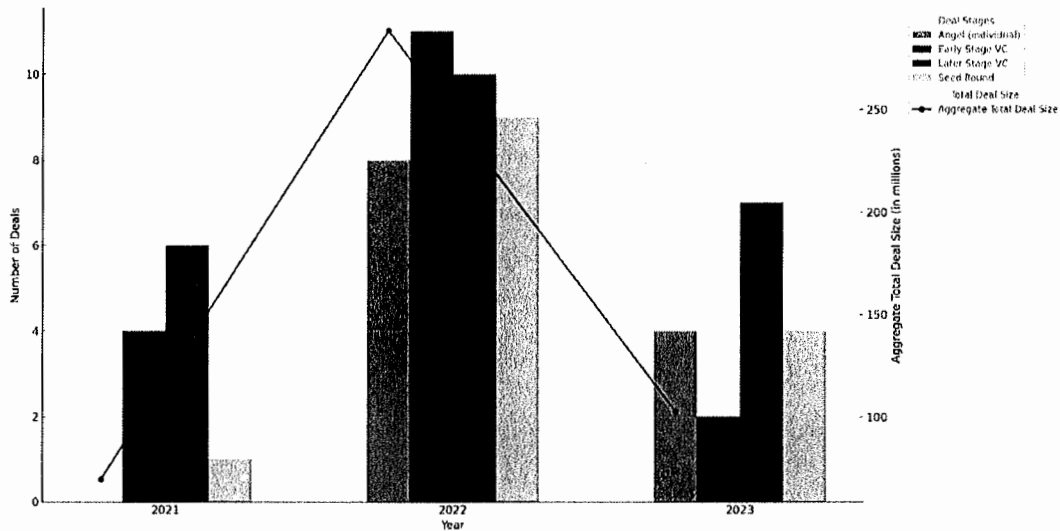
This grant aims to solve the problem of underinvestment and lack of support for burgeoning firms, positioning Arkansas to unlock its full potential as an innovation hub. The grant will leverage existing and ongoing efforts across the state to incubate and build new startup companies by affording founders ready for investment access to venture capitalists from across the nation.

Key activities of this program will include a robust marketing and communications plan, organizing highly curated networking engagements between startups and investors, and establishing partners across the state to identify and submit investment-ready startups into the program. These efforts will increase visibility, foster investor relationships, and drive economic development. StartupNWA and the Northwest Arkansas Council Foundation, with their established network and proven track record building the Northwest Arkansas ecosystem, are uniquely equipped to expand these efforts to benefit the entire State. The grant will enable us to achieve deliverables that will have a lasting impact, ensuring that Arkansas's startup ecosystem thrives and contributes to the state's overall economic prosperity.

Why Now

This strategy aligns with the state's current economic trajectory. Despite a growing ecosystem of incubators and accelerators, Northwest Arkansas (NWA) and the greater Arkansas ecosystem face a pronounced funding gap at the angel and seed levels. This presents a unique opportunity for a VC Immersions strategy to bridge the gap between supportive infrastructure and early-stage capital.

VC funding down over 60% from 2022 to 2023



Northwest Arkansas Data

Since 2017, an average of 17 deals have been funded annually in Northwest Arkansas, with significant concentration in later stages, as evidenced by recent VC spikes. A VC engagement strategy aims to address this imbalance by channeling investment into early-stage funds, particularly in sectors like the Retail Value Chain and Biotech/Med Device/HealthTech, which account for over 58% of all deal volume.

Moreover, the exponential growth of entrepreneurial support organizations in NWA reflects an ecosystem ready for further investment. This is further reinforced by the state government's supportive stance, offering incentives like the Equity Investment Tax Credit (EITC) and resources such as the Arkansas Development Finance Authority (ADFA).

The VC Immersions program in Arkansas isn't just timely—it's crucial. It has the potential to catalyze early-stage funding by building on the state's recent growth and enhancing the state's commitment to innovation and entrepreneurship. Through the program, we've already demonstrated success: two VC Immersion Days visits facilitated over \$6.2M in deals across nine companies. Moreover, Startup NWA has a long-standing strategic relationship with a Northwest Arkansas family office that has recently established a new fund of funds whereby the group is making strategic investments in funds from around the nation that have expertise and a funding thesis that aligns with the needs of the state of Arkansas. These fund managers will be coming to Arkansas and be exposed to Arkansas based startups more than ever because of this approach. Through Startup NWA's strategic partnership, we will have access to these funds and will be exposing them to Arkansas based startups through the ongoing VC Immersions events. In short,

companies that are seeking funding will be able to pitch fund managers from around the country in ways that they are not today through this program. With this additional funding support, this model can be scaled into a statewide initiative, addressing critical gaps in connectivity with the larger venture community and raising awareness of high-potential deals in Northwest Arkansas.

STARTUP **nwa**

Startups Funded Through VC Immersions



**Sober
Sidekick**

CHRIS THOMPSON

HEALTHTECH | SEED

Received a Term Sheet
for \$300K from High
Street Equity Partners



videon

TRICIA IBOSHI

MEDIATECH | SEED

Added a strategic
investor to the cap
table (The Collectiv,
\$100K)



Poppin's

NAMRATA SINGHAL

HEALTHTECH | SEED

Hustle Fund led
Poppin's Pre-Seed
Round with a \$250K
investment



> bastazo

MAURICIO IGLESIAS

HEALTHTECH | SEED

High Street Equity
leads the firm's second
NWA-based
investment with a
\$300K investment

Objective

This initiative facilitates interactions between outside investors and the local startup ecosystem. Through short (24 to 48 hours) curated visits, the program introduces venture capital funds, especially those with little to no previous activity in the state, to Arkansas's startup community. The schedule includes one-on-one meetings with selected startups, local investors, and interactive events like 'Ask Me Anything' forums and live pitch sessions.

The success of the VC Immersions program hinges on proactive outreach to venture capitalists, inviting them to discover the state's potential. This engagement opens doors for local startups to connect with significant investors and broadens investors' perspectives on the state's opportunities. By increasing funding opportunities in the state, we can increase the ability of founders to scale their companies here at home, generating more high-paying jobs while building long-term economic growth across the state.

The VC Immersions strategy aims to deepen connections between top-tier venture capital firms and the Northwest Arkansas startup ecosystem. It serves as a cornerstone for due diligence on prospective fund investments and a catalyst for amplifying VC activity in the state.

Strategic Program Design and Execution

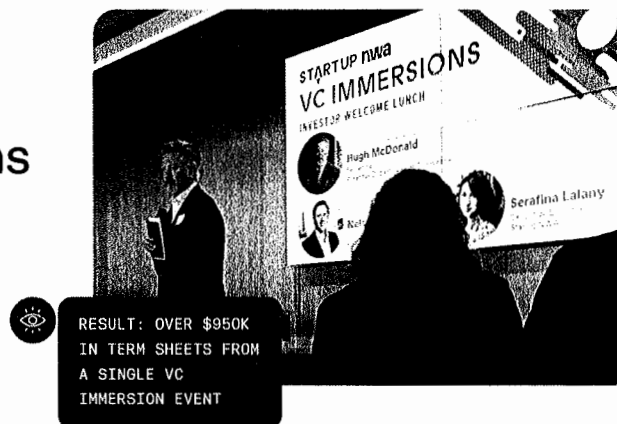
This initiative is built on a multi-faceted approach to connect Arkansas startups with national venture capitalists and create sustained engagement in the state's innovation ecosystem. The program includes targeted outreach to investors, immersive experiences for visiting VCs, and strategic engagement events to maximize Arkansas's appeal as an investment destination.

STARTUP nwa

Curating VC & Startup Connections

Leveraging StartupNWA's expertise to boost deal activity and enhance the likelihood of securing risk capital in NWA. Since launching in February we have:

- ✓ ENGAGED WITH OVER 80 INSTITUTIONAL VCS
- ✓ BUILT A DATABASE OF 100+ STARTUPS
- ✓ FACILITATED OVER 60 ONE-ON-ONE MEETINGS



hustle fund mercury COWBOY VENTURES M&C

Recap from the pilot event in February 2024

A. Ecosystem Activation Function

Objective: The "Ecosystem Activation" function is a multi-faceted approach designed to bolster the startup community in Arkansas, serving as a crucial component for attracting investment and supporting startup growth.

Strategic Database Management and Deal Flow Curation:

- **Startup Database:** Establish and maintain a comprehensive database of startups, providing a foundation for ongoing deal flow curation and analysis.
- **Ad Hoc Curation:** Actively identify promising startups on an ad hoc basis, leveraging data to bolster investment opportunities and catalyze community growth.

Investor Readiness and Showcase Events:

- **Investor Readiness Activities:** Support startups with pitch preparation, deck reviews, mentorship, and the creation of data rooms and investment memos.

Public Relations and Media Outreach:

- **PR Activities:** Conduct public relations and media campaigns to spotlight the state's startup dynamism, addressing awareness gaps and spotlighting investment potential.
- **Media Strategy:** Implement a strategic media approach to contribute to the state's long-term economic growth and reputation as an innovation hub.

B. Venture Capitalist Activation

We will proactively engage top-quartile VC firms, focusing on those whose investment strategies align with Arkansas's core sector strengths, including the Retail Value Chain, HealthTech, AgTech, and emerging technology sectors. The approach includes:

- **VC Outreach:** Directly inviting and engaging VCs with an investment focus that matches Arkansas's sector strengths and growth-stage requirements.
- **Customized Agendas:** Developing tailored schedules for visiting VC firms to ensure that their immersion is strategically organized to showcase the local ecosystem and investment-ready startups.

Immersion Experience and Community Engagement

Our 48-hour immersion experience is designed to provide an in-depth, on-the-ground introduction to Arkansas's startup ecosystem. This experience will include:

- **Curated Visits:** Strategically planned itineraries for VCs that emphasize the vibrancy and potential of Arkansas's startup scene.
- **Social Integration:** Networking events where visiting VCs can connect with local investors and members of the startup community, establishing a foundation for long-term partnerships.

- **Startup Curation and Interactions:** Carefully selecting and preparing startups that match the VCs' investment focus. These startups will participate in targeted one-on-one meetings, allowing for in-depth discussions and due diligence.
- **Investor Community Engagement:** Hosting discussions with potential limited partners (LPs), angel investors, and high-net-worth individuals. Additionally, inclusive community events will be organized to bring together startups, investors, and ecosystem builders, fostering a cooperative investment environment.

C. Roadshow Events and Investor Engagement Sessions

To expand the reach of Arkansas's venture ecosystem, we will organize virtual roadshows in both traditional venture hubs and emerging secondary markets. This outreach will involve:

- **Digital Investor Sessions:** Virtual events, such as "Arkansas Innovation Spotlight" webinars, where Arkansas-based founders can present their ventures to a remote audience of investors. These sessions will facilitate connections with investors who may not be able to attend in-person events but are interested in Arkansas's growing ecosystem.

Scalability and Sustainability

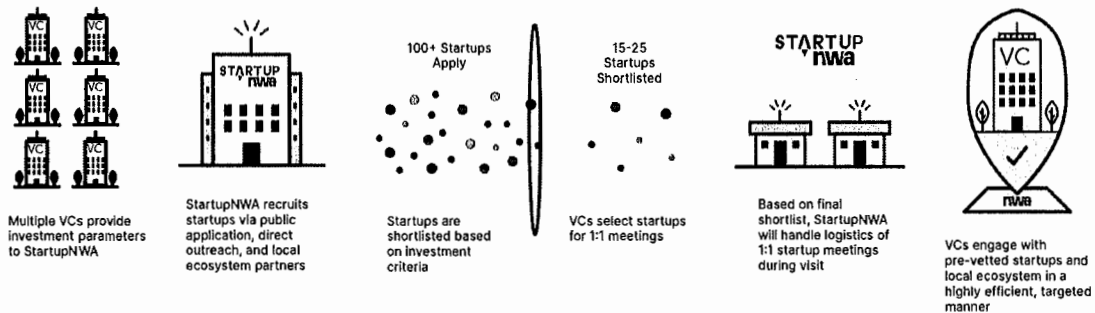
To ensure this initiative's long-term impact, we have designed the program with scalability in mind. Initial successes and venture inflows will build a foundation to attract further investment, and we plan to reinvest returns and leverage local stakeholder support to create a lasting, self-sustaining program.

Through this strategic program design, we will create meaningful interactions between Arkansas startups and national VCs, laying the groundwork for increased venture capital inflows and a thriving innovation ecosystem.

Maximizing Local Economic Impact

- Recruiting VCs**
Managing inbound and outbound VC introductions to build strategic partnerships
- Elevating State and Regional Profile**
Showcasing local startup successes and deal activity to enhance regional visibility
- VC Immersions**
Creating deep connections between investors and regional opportunities
- Startup Investor Readiness**
Preparing entrepreneurs for successful fundraising and scaling
- Due Diligence**
Evaluating and underwriting startups for informed investment decisions
- Deal Syndication**
Facilitating collaborative investments across a national VC network

Overview of VC Immersions Program Process:



Statewide Marketing and Communications Campaign

A statewide marketing and communications campaign will be integral to elevating the visibility of Arkansas startups to both national and international investors. This strategy will be data-driven, using targeted outreach and strategic messaging to spotlight Arkansas's growing ecosystem and investment-ready startups.

Objective

This campaign aims to reshape perceptions, presenting Arkansas as a thriving startup hub. By highlighting local success stories, unique sector strengths and coordinating with AEDC and stakeholders across the state, we will foster investor interest and increase the state's competitiveness on the national stage.

Key Components

1. Digital Outreach and Content Marketing

- **Investor-Centric Messaging:** Tailored content will be developed to resonate with venture capital firms, emphasizing Arkansas's strengths in fields like the Retail Value Chain, HealthTech, and AgTech.
- **Social Media Campaigns:** Engaging content across platforms such as LinkedIn, Twitter, and sector-focused channels will consistently showcase high-potential startups and recent investment successes.
- **Content Strategy:** Through case studies, video profiles, and infographics, we will tell the story of Arkansas's innovation landscape, appealing to investors seeking new opportunities.

2. Media Relations and Public Relations

- **National and Trade Press:** By partnering with leading business and industry publications, we will secure media placements that spotlight Arkansas startups and create broad exposure within the venture capital community.
- **Thought Leadership:** We will position local startup leaders, investors, and program leaders as thought leaders through contributed articles, interviews, and speaking engagements, further establishing Arkansas as a notable hub for innovation.

3. Investor Engagement Events

- **Roadshow Events:** We will host targeted roadshow events across both coastal venture hubs, such as New York, San Francisco, and Austin, as well as secondary markets where we can identify aligned investors. By expanding to other thriving yet often overlooked markets, we increase the chance of connecting with investors open to regional opportunities.
- **Digital Investor Sessions:** Virtual events like "Arkansas Innovation Spotlights" will feature live presentations by Arkansas-based startups, allowing investors to connect and explore opportunities for collaboration.

4. Branding and Positioning

- **Unified Brand Identity:** We will create a cohesive brand for Arkansas's venture ecosystem that resonates with investors. This will include a distinctive visual identity and messaging framework that reflects Arkansas's entrepreneurial spirit and growth potential.
- **Website and Investor Portal:** A centralized online portal will feature profiles of Arkansas startups, sector insights, and curated investor resources,

establishing a go-to destination for investor information on the state's venture opportunities.

Execution Plan

Our phased rollout will ensure sustained visibility:

Phase 1: Establish the Foundation: Launch Arkansas's new venture brand and investor portal. Distribute foundational content, including startup success stories and a landscape overview for potential investors.

Phase 2: Amplify Arkansas's Reach: Initiate national and targeted media outreach to highlight the state's value in the venture landscape. Begin the first round of roadshows across both primary and secondary markets, as well as virtual engagement sessions.

Phase 3: Sustain Visibility: Continue media engagement efforts, using ongoing developments within Arkansas's startup ecosystem to secure regular coverage. Leverage feedback from roadshows and virtual events to refine messaging and explore additional content opportunities.

Partnership Building and Collaboration

The proposed venture capital initiatives represent the next logical phase in the evolution of Arkansas's startup ecosystem. For too many years, our state has remained in the bottom decile for venture activity across the country. While the infrastructure for startup formation and support has grown exponentially, the capital component has not kept pace with this growth. Currently, only 7% of all venture activity in Arkansas is directed towards the earliest stages, leaving a significant gap in the ecosystem.

To address this, we have built and maintained strategic partnerships with key stakeholders across Arkansas, including economic development organizations, startup incubators, accelerators, and investors. Our collaboration extends to Entrepreneurial Support Organizations (ESOs) statewide, and we have historically worked closely with leaders of the 19 incubators, accelerators, and 6 venture studios in Northwest Arkansas to support their portfolio companies and respective communities. Building on these relationships, we aim to create a robust, interconnected statewide network that reflects the success achieved in Northwest Arkansas.

Furthermore, by collaborating with the Arkansas Economic Development Commission (AEDC) and the Arise program, our efforts aim to address this critical imbalance. The Arise program has been instrumental in identifying and supporting high-potential startups across the state, but these startups often lack access to the necessary early-stage capital to scale effectively. In addition, in a unique and exclusive partnership with a private family

office in Northwest Arkansas, we are provided an opportunity to channel substantial early-stage investment directly into the region's most promising startups. This private family office is actively deploying capital through its new Fund of Funds strategy, with a specific focus on fueling Arkansas-based innovation. By leveraging their investment network and capital, this collaboration will help attract additional outside capital, create new growth opportunities for Arkansas startups. This partnership enables us to align resources effectively, connecting a regional Fund of Funds with our statewide startup pipeline, thus establishing a model for long-term, high-impact investment in Arkansas's innovation ecosystem.

Our initiative will build on the foundation laid by the Arise program and other state-wide entrepreneurial support organizations, focusing specifically on increasing the flow of venture capital into these early stages. This approach will ensure that the capital infrastructure grows in proportion to the expanding support and formation activities, ultimately creating a more robust and sustainable startup ecosystem in Arkansas.

Through this collaboration, high-potential startups will be funneled into our venture capital initiatives, where they will receive the specialized support needed to raise capital and accelerate their growth. A two-way data-sharing agreement between NWA Council and ecosystem partners will further enhance this partnership, enabling both organizations to maximize their impact on the state's entrepreneurial landscape.

In sum, our program is not just an addition to the existing efforts but a necessary progression in the value chain, designed to ensure that Arkansas's startup ecosystem continues to thrive and compete on a national level.

Experience and Qualifications

The Northwest Arkansas Council, established in 1990, has been instrumental in advancing economic development, infrastructure, and innovation across the region. With over three decades of impact, the Council has consistently mobilized resources, fostered strategic partnerships, and built a supportive environment for business growth and entrepreneurship. This extensive track record and strong regional network make the Northwest Arkansas Council an ideal leader for initiatives that drive venture capital engagement and ecosystem development in Arkansas.

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Performance Measurement and Reporting

Key Performance Indicators (KPIs)

1. **Investment-Ready Startups Identified:** A targeted number of high-potential startups identified annually.
2. **Networking Engagements Between Startups and Investors:** Number and quality of curated events and investor interactions.

3. **Total Venture Capital Attracted:** Investment amount secured through the program, tracked quarterly.

Progress Communication Plan

1. **Monthly Summaries:** Brief updates on metrics and recent activities.
2. **Quarterly Reports:** Detailed KPI performance, event insights, and feedback.
3. **Annual Performance Review:** In-depth analysis of KPIs and investment metrics, with an optional real-time data dashboard for AEDC and stakeholders.

Risk Mitigation

To address potential risks, we have developed strategies to mitigate common challenges:

- **Low Initial Investor Engagement:** If initial engagement is low, we will adjust outreach to include a wider range of sectors and leverage additional virtual engagements.
- **Shifts in Startup Readiness:** To address varying levels of startup readiness, we will provide support through mentoring and investor-readiness programs to ensure startups are equipped to engage VCs effectively.

Budget Narrative and Timeline

1. Budget Narrative

The following budget outlines the funding requirements for the VC Activation program over a 3 year period. This comprehensive approach supports our primary goals: fostering venture capital engagement, supporting Arkansas startups, and creating a sustainable ecosystem for innovation and growth.

In addition to the requested funding, the Walton Family Foundation has expressed potential interest in providing match funding to support the VC Activation Program. This matching fund would enable us to expand outreach and engagement efforts, particularly in underserved areas, and enhance our capacity to attract high-quality investors. By leveraging this additional support, we can maximize program impact and ensure a more comprehensive, statewide approach to building Arkansas's startup ecosystem.

Personnel: \$114,412 annually

The Head of Operations oversees all aspects of the VC Activation Program, ensuring operational efficiency, strategic alignment, and program success. This role is responsible for:

- **Event Planning and Execution:** Leading the coordination and delivery of investor engagement events, roadshows, and networking sessions to ensure meaningful interactions between Arkansas startups and external investors.
- **Startup Relations:** Providing direct support to participating startups, including organizing mentoring, guiding pitch preparation, and managing follow-up engagement. The Head of Operations ensures startups are well-prepared for investor interactions, enhancing program outcomes.
- **Investor Relations:** Cultivating and maintaining relationships with national and international investors to build a network of engaged capital partners for Arkansas startups. Through targeted outreach and relationship management, this role drives investor interest and capital flow into the Arkansas startup ecosystem.
- **Resource Management and Team Coordination:** Overseeing program resources, leading internal teams, and ensuring seamless coordination between all program functions to maximize impact.

Platforms and Software: \$6,588 annually

This line item includes CRM, marketing automation, and event management software necessary for effective program management, participant tracking, and reporting.

Marketing and PR Initiatives: \$60,000 annually

This budget enables robust digital and media campaigns, amplifying Arkansas's profile as an investment hub. The program can deploy continuous PR and social media outreach, enhancing Arkansas's startup visibility.

Engagement and Event Production: \$69,000 annually

This budget supports the planning and execution of multiple investor engagement activities, including networking events, investor meetings, roadshows, and Demo Days. Funds cover venue rentals, promotional materials, transportation, accommodations, and meal costs, ensuring high-quality experiences that foster meaningful investor connections.

Total Budget: \$250,000 annually

Scalability and Future Funding Potential

This budget provides foundational resources to establish and sustain the VC Activation Program, with all essential functions covered to support core engagement activities and investor outreach. However, additional funding would allow the program to scale and enhance its capacity, particularly in the following areas:

- **Expanded Personnel:** Hiring additional team members to support outreach and event coordination would increase program reach and deepen investor relationships statewide.
- **Broader Marketing Reach:** Expanding digital and PR campaigns to reach a broader national and international audience, positioning Arkansas as a leading investment destination for high-quality startups.
- **Increased Event Frequency and Scope:** Hosting additional events and roadshows across the U.S., enhancing Arkansas startups' access to capital through more frequent and diverse investor touchpoints.

With flexible scaling capabilities, this budget structure allows the program to adjust based on funding availability, maximizing its impact on Arkansas's venture ecosystem over time.

2. Timeline

Year 1: Foundation Building and Initial Engagement

Objective: Establish foundational elements, build investor relationships, and prepare Arkansas startups for sustained investor engagement.

Q1 (Months 1-3): Program Launch and Team Assembly

- **Milestone 1:** Complete hiring and onboarding of core personnel, including the Head of Operations, Head of Events, Startup Relations, and Investor Relations leads.
- **Milestone 2:** Develop and establish the program's startup and investor database, enabling organized tracking and management of participants.
- **Milestone 3:** Launch the program's brand identity and initial PR push, positioning Arkansas as a promising investment destination.

Q2 (Months 4-6): February Investor Networking Event and Partnership Development

- **Milestone 4:** Host the February investor networking event, leveraging the program's prior experience to facilitate high-impact interactions between Arkansas startups and national investors. The event will include panel discussions, one-on-one meetings, and networking sessions.
- **Milestone 5:** Establish partnership agreements with local ESOs, economic development organizations, and state agencies to ensure a coordinated support network.
- **Milestone 6:** Launch the first wave of digital and social media marketing, highlighting Arkansas's key sectors (Retail Value Chain, HealthTech, AgTech) to attract investor attention.

Q3 (Months 7-9): Investor Outreach and Expanded Media Presence

- **Milestone 7:** Initiate new partnership discussions with prominent investors and gather insights to inform future program activities.
- **Milestone 8:** Continue targeted media outreach, emphasizing Arkansas's competitive advantages and program updates.
- **Milestone 9:** Strengthen connections with media outlets to ensure consistent coverage of Arkansas's startup achievements.

Q4 (Months 10-12): Initial Roadshow and Program Evaluation

- **Milestone 10:** Launch the first roadshow event in a key market, introducing Arkansas startups to national investors.
- **Milestone 11:** Conduct a comprehensive review of Year 1, evaluating initial program outcomes, partnership development, and investor engagement metrics.
- **Milestone 12:** Plan and adjust Year 2 activities based on Year 1 learnings, incorporating investor and partner feedback.

Year 2: Scaling Engagement and Expanding Visibility

Objective: Deepen investor engagement, expand Arkansas startups' national reach, and increase marketing activities to broaden visibility.

Q1 (Months 13-15): Expanded Investor Readiness and Media Outreach

- **Milestone 1:** Host investor readiness workshops for a new cohort of Arkansas startups.
- **Milestone 2:** Launch a second wave of media outreach, focusing on high-profile national business and investment publications.
- **Milestone 3:** Update and expand the startup database to include promising new entrants from Arkansas's ecosystem.

Q2 (Months 16-18): Second Annual February Networking Event and Partnership Expansion

- **Milestone 4:** Host the second February investor networking event, reinforcing relationships and building on past successes to attract repeat and new investors.
- **Milestone 5:** Strengthen partnerships with an expanded group of ESOs and accelerators across Arkansas, ensuring a robust pipeline of investment-ready startups.

- **Milestone 6:** Implement targeted marketing efforts to showcase Arkansas startups at key industry conferences and investor events.

Q3 (Months 19-21): Second Roadshow Series and Strategic Investor Engagement

- **Milestone 7:** Conduct roadshows in two additional markets, increasing Arkansas's exposure to coastal and secondary investors.
- **Milestone 8:** Solidify relationships with key investors through personalized follow-up meetings and interactions.
- **Milestone 9:** Track roadshow outcomes and investor interest, refining strategies for Year 3 based on feedback.

Q4 (Months 22-24): Mid-Program Review and Continued Marketing

- **Milestone 10:** Execute a comprehensive mid-program evaluation, assessing startup outcomes, investor engagement, and marketing effectiveness.
 - **Milestone 11:** Launch a digital marketing campaign featuring success stories and case studies from Year 1 and Year 2.
 - **Milestone 12:** Adjust program activities and allocate resources as necessary to optimize for Year 3 objectives.
-

Year 3: Sustaining Impact and Driving Long-Term Growth

Objective: Maximize investment outcomes, foster sustainable partnerships, and position Arkansas as a leading destination for early-stage venture capital.

Q1 (Months 25-27): Final Cohort Preparation and PR Push

- **Milestone 1:** Launch investor readiness workshops for the final cohort, focusing on strategies for securing substantial investments.
- **Milestone 2:** Execute a final PR campaign, targeting national and international media to amplify Arkansas's startup success stories.
- **Milestone 3:** Expand the startup database with additional Arkansas-based companies, creating a strong foundation for ongoing deal flow.

Q2 (Months 28-30): Third Annual February Networking Event and Final Roadshow Series

- **Milestone 4:** Host the third annual February networking event, with a focus on highlighting the top-performing startups from prior cohorts.

- **Milestone 5:** Conduct the final roadshow series in key markets, maximizing visibility and investor interest for Arkansas startups.
- **Milestone 6:** Secure partnership renewals with ESOs and other ecosystem partners, ensuring a sustained support network.

Q3 (Months 31-33): Partnership Finalization and Exit Strategy Development

- **Milestone 7:** Formalize long-term agreements with ecosystem partners to continue supporting Arkansas startups beyond the program's duration.
- **Milestone 8:** Develop an exit and sustainability strategy to transition program responsibilities, preparing Arkansas for ongoing venture engagement.

Q4 (Months 34-36): Program Evaluation and Reporting

- **Milestone 9:** Conduct a comprehensive final program evaluation, assessing cumulative outcomes, ROI, and long-term ecosystem impact.
 - **Milestone 10:** Submit a final report to AEDC, including KPI analysis, investor engagement metrics, success stories, and recommendations for sustaining program impact.
 - **Milestone 11:** Celebrate program achievements with a closing event, recognizing all participating startups, investors, and partners.
-

EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of the Northwest Arkansas Council and the Northwest Arkansas Council Foundation to provide an equal employment opportunity to all individuals. We value all employees' talents and support an environment that is inclusive and respectful. We are strongly committed to this policy and believe in the concept and spirit of the law.

We are committed to assuring that:

- _All recruiting, hiring, training, promotion, compensation and other employment-related programs are provided fairly to all persons on an equal opportunity basis;
- _Employment decisions are based on the principles of equal opportunity. All personnel actions such as compensation, benefits, transfers, training, and participation in social and recreational programs are administered without regard to any characteristic protected by state, federal or local law;
- _Employees and applicants will not be subjected to harassment, intimidation, threats, retaliation, coercion or discrimination because they have exercised any right protected by law; and
- _Reasonable accommodations will be made for disabilities and religious beliefs.

We believe in and practice equal opportunity. The Chief Operations Officer serves as our Equal Opportunity Coordinator and has overall responsibility for assuring compliance with this policy. All employees are responsible for supporting the concept of equal opportunity and assisting the Northwest Arkansas Council and Northwest Arkansas Council Foundation in meeting its objectives.

Written Acknowledgement of being a Private-Non-Profit and in Legal Compliance with all state and federal laws governing nonprofits.

To the best of our knowledge, the Northwest Arkansas Council Foundation is in legal compliance with all state and federal laws governing nonprofits.

Attached is the Council's letter of determination from the IRS.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAR 14 2014

Employer Identification Number:

46-0807914

DLN:

17053354337002

NORTHWEST ARKANSAS COUNCIL
FOUNDATION

Contact Person:

BRENDA WILKINS

ID# 52338

C/O KATHERINE G COYLE CONNER & WINTER
4000 ONE WILLIAMS CENTER
TULSA, OK 74172-0148

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

509(a)(3)

Form 990 Required:

Yes

Effective Date of Exemption:

April 18, 2012

Contribution Deductibility:

Yes

Addendum Applies:

No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Specifically, we have determined that you are a Type II supporting organization under section 509(a)(3). A Type II supporting organization is supervised or controlled in connection with one or more publicly supported organizations.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947

NORTHWEST ARKANSAS COUNCIL

Sincerely,

A handwritten signature in black ink that reads "Tamera Rippanda". The signature is written in a cursive, flowing style.

Director, Exempt Organizations

Enclosure: Publication 4221-PC

OFFICIAL BID PRICE SHEET

AEDC-25-0001 Venture Capital Access and Startup Growth Initiative

Prospective Contractor Name: Northwest Arkansas Council Foundation

Cost proposal must be submitted sealed separately from the *Technical Proposal*. Any reference to actual cost(s) included with the *Technical Proposal* shall result in Offeror's proposal being rejected.

The *Official Solicitation Price Sheet* is to be used as a cost evaluation tool for comparison of bidders' costs. Pricing must include all relative expenses as outlined in the bid.

A detailed budget must be provided to support the *Official Solicitation Price Sheet* that includes a breakdown of all expenditures and hourly rates included in the annual amounts. The detailed budget must be sealed with the *Official Solicitation Price Sheet*.

TABLE 1:

ITEM DESCRIPTION		UNIT PRICE
1 Personnel (Head of Operations)	3 year initial term	\$343,236.00
2 Platforms and Software	3 year initial term	\$19,764.00
3 Marketing and PR Initiatives	3 year initial term	\$180,000.00
4 Engagement and Event Production (Travel, Events, Meals)	3 year initial term	\$207,000.00
	GRAND TOTAL	\$750,000.00

ADDENDUM 1

11/12/24

AEDC-25-0001 – Venture Capital Access and Startup Growth Initiative

The following change(s) to the above referenced RFP have been made as designated below:

- Change of Specification(s)
 Additional Specification(s)
 Change of bid opening time and date
 Cancellation of bid
 Other / Replace Official Bid Price Sheet

CHANGE OF SPECIFICATIONS

(Please remove the stricken language as indicated below.)

1.8 RESPONSE DOCUMENTS

A. Original *Technical Proposal Packet*

1. Prospective Contractors **shall** utilize the *Technical Proposal Packet* to submit their responses.
2. The following items are proposal Submission Requirements and **must** be submitted as a hardcopy part of a Prospective Contractor's proposal response.
 - a. Signed *Proposal Signature Page*; signature may be ink or digital.
 - b. One (1) original hardcopy of the Technical Proposal response to the *Information for Evaluation* section included in the *Technical Proposal Packet*, which **must** be in the English language.
 - e. One (1) original hardcopy of the completed *Official Solicitation Price Sheet*. ~~which must be separately sealed from the *Technical Proposal Packet* and clearly marked as "Pricing."~~
 - i. Pricing **must** be proposed in U.S. dollars and cents.
 - ii. Quantities stated are estimates only and are not guaranteed. Prospective Contractor **must** submit unit price on the estimated quantity and unit of measure specified.
 - The State may order more or less than the estimated quantity on term contracts, and the Contractor **shall** sell to the Department quantities ordered at no more than the submitted price.

- iii. If pricing documents do not allow for accurate pricing, Prospective Contractor should notify the Buyer at least seventy-two (72) hours before the proposal opening time.
- iv. Prices **must** be firm offers and adjustments may be negotiated at the time of contract renewal.
 - A request for a price increase **must** include supporting documentation demonstrating that the increase in contract price is based on an increased cost to the Contractor and that the proposed pricing is still competitive in the marketplace. The State has the right to approve or deny any request for a price adjustment.
- v. Discount from list pricing is not acceptable unless requested elsewhere in the Solicitation.
- vi. State or local sales taxes should not be included in the price. Trade discounts should be deducted from the unit price and the net price should be shown in the submitted pricing.

d. *Recommended Options Form*

- i. The *Recommended Options* form included in the *Technical Proposal Packet* allows Prospective Contractors to identify any recommended options or optional service ideas that may benefit the State that were not included in the Requirements and the proposed solution.

e. Copy of Prospective Contractor's *Equal Opportunity Policy*

- i. Pursuant to Arkansas Code Annotated § 19-11-104, the State requires a Prospective Contractor bidding on a state contract to submit a copy of the Prospective Contractor's *Equal Opportunity (EO) Policy*.
- ii. Prospective Contractors not required by law to have an *EO Policy* **must** submit a written statement to that effect.

f. Proposed *Subcontractors Form* (see SRV-1, section 14)

- 3. The following items, which **must** be submitted prior to a contract award to the Prospective Contractor, may also be included with the Prospective Contractor's proposal:
 - a. *EO 98-04: Contract and Grant Disclosure Form* (see SRV-1, section 11)
 - b. *Voluntary Product Accessibility Template (VPAT)*, if applicable
- 4. Prospective Contractors should not include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

B. Additional copies

- 1. In addition to the original *Technical Proposal Packet*, the following items should be submitted:
 - a. Three (3) complete hardcopies (marked "COPY") of the *Technical Proposal Packet*.
 - b. Four (4) electronic copies of the *Technical Proposal Packet*.
 - c. ~~One (1) electronic copy of the *Official Solicitation Price Sheet*.~~

- d. One (1) redacted (marked "REDACTED") copy of the original *Technical Proposal Packet* if applicable (see *Proprietary Information*).
- ~~2. All copies of the *Official Solicitation Price Sheet* must be separately sealed from the *Technical Proposal Packet* copies and should be clearly marked as "PRICING."~~
- 3. Electronic copies should be submitted on flash drives and in PDF format.
- 4. All additional hardcopies and electronic copies **must** be identical to the original hardcopy.
 - a. In case of a discrepancy, the original hardcopy governs.
- 5. If the Department requests additional copies of the proposal, the copies **must** be delivered within the timeframe specified in the request.
- ~~C. Prospective Contractors shall not include any pricing in the hardcopies or electronic copies of their *Technical Proposal Packet*.~~
- D. Prospective Contractors should not alter language in Solicitation document(s) or *Official Solicitation Price Sheet* provided by the State.
- E. Prospective Contractor's proposals cannot be altered or amended after the proposal opening except as permitted by law or rule.
- F. Prospective Contractors may submit multiple proposals.

OFFICIAL BID PRICE SHEET

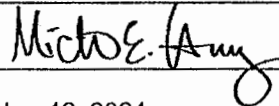
Please replace the Official Bid Price Sheet with the revised Official Bid Price Sheet.

.....

The specifications by virtue of this addendum become a permanent addition to the above referenced RFP. Failure to return this signed addendum may result in rejection of your bid response.

If you have any questions, please contact Teresa Funderburg, Teresa.funderburg@arkansas.gov

COMPANY Northwest Arkansas Council Foundation

Signature 

Date November 12, 2024

OFFICIAL BID PRICE SHEET

AEDC-25-0001 Venture Capital Access and Startup Growth Initiative

Prospective Contractor Name: _____

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