



2022 Grant Report

Dear Friends of the Harold Alfond Foundation:

We are pleased to share this grant report summarizing activities of the Harold Alfond Foundation in 2022 and offering guidance on our future grantmaking.¹ We include here a summary of the Foundation's financial position and grants awarded in 2022, as well as a list of future grant commitments. The report also features an overview of the values and strategies that guide our work and how we see our investments meeting Maine's needs and opportunities.

Nationwide, challenges were widespread in 2022, as inflation ballooned, interest rate hikes marched higher, financial markets steeply declined, war in Ukraine persisted, and national divisiveness grew deeper. While Maine was not immune to these challenges, the Foundation's philanthropic investments, and our grantee partners who led them, made significant progress and showed promise on multiple fronts, as did the Maine economy. In the pages that follow, we report on that progress and promise.

Born in 1914, Harold Alfond lived a life marked by the challenges of two world wars, the Great Depression, the Great Recession, four pandemics, and more. Yet, for Harold Alfond, pragmatic optimism in the face of challenging times was a way of being, and so it is at his Foundation. In the spirit of our founder, then, expect some good news about Maine and its future as this report unfolds.

Financial Standing and 2022 Grant Funding

In 2022, the Foundation paid \$74.7 million in grants to 47 organizations, with spending (on a dollar basis) concentrated among 17 recipients. Grant spending as a percentage of assets (our "spending rate," in philanthropic terms) equaled 5% of Foundation assets.

Geographically, 89% of grant funds were awarded to Maine institutions. Thirty percent of grant funds were awarded to institutions and projects with a statewide reach, and another 40% were for projects in Central Maine, including \$22 million for Waterville.

¹ With a commitment to transparency, this report is just one of the ways that we distribute information about our activities throughout the year. For ongoing updates and additional information, please visit www.haroldalfondfoundation.org.

After payment of all grants and operating expenses, the Foundation closed the 2022 calendar year with assets of \$1.45 billion, down from \$1.58 billion at the end of 2021. While the Foundation's assets decreased by \$130 million, roughly \$75 million of that decrease was attributable to grant payments. Although the Foundation's investment portfolio is broadly diversified to help mitigate losses, there was almost nowhere to hide in 2022. Bonds experienced unprecedented declines, and stocks were down double digits. A welcome exception to the decline in stocks was Berkshire Hathaway, which represented 25% of the Foundation's year-end assets and returned a positive 4% on the year, outperforming the equity markets by over 22%. Berkshire's 4% return countered declines of most all other holdings, leaving the portfolio with an overall negative investment return of 3.9%.

As this report is published in 2023, the public markets have regained ground and the Foundation's assets have grown by \$47 million. While we expect market volatility to continue and gains as experienced over the last decade to be muted, the Foundation's portfolio is constructed with a long-term time horizon and is well diversified with high-quality investments. These investments should ensure the Foundation can meet all existing and future grant commitments in the years to come.

The Foundation ended 2022 with binding grant commitments (money payable to charitable institutions for projects in *future* years) of \$421 million.²

Foundation Values and Mission

The Foundation makes grants primarily in Maine that are aligned with the values and historical giving areas of Harold Alfond, our founder. This means we favor projects meeting state needs that promote the 'underdog,' serve young people; encourage teamwork and high-quality leadership; support innovation and entrepreneurial action; and incentivize "skin in the game" by using matching challenge grants (one of Mr. Alfond's favored giving approaches).

The Foundation awards grants within three broad areas of giving: **Education, Health Care, and Youth and Community Development**. In 2022, 83% of all grants awarded were for educational causes. Health Care and Youth and Community Development funding represented 2% and 15% of grant awards, respectively.

Each year we receive far more worthy applications for funding than we can approve. As such, decisions to decline applications are as necessary as they are painful to make. Accordingly, for the initiatives that we do fund, we aim to maximize our return on each philanthropic dollar and award grants that promise to be *transformative*. We invest significant dollars within our areas of giving where there are compelling needs and opportunities for our state and where investment can catalyze and produce positive, long-lasting change.

² The Foundation's \$421 million of unpaid grant commitments does not include our commitment to ongoing support of the Harold Alfond College Challenge program beyond one year.

Our areas of giving are admittedly broad. This breadth gives us the discretion to approve a wide variety of grants, both large and small, and not always easy to categorize or label. That said, much of our recent grantmaking can be described as coordinated and targeted within a set of three strategic investment “themes”: (1) Building Maine’s Workforce; (2) Revitalizing the Economy of Waterville, Maine; and (3) Promoting High-Quality, Rural Health Care. Impressive progress was made in 2022 by all our grantee partners within all three themes. While we celebrate the value created by each of our grantee partners, the interest of brevity leads us to select just a few to highlight and discuss in the pages that follow, saving others for another day. Before we do, however, we offer observations on the Maine economy and workforce which are informing—and we hope validating—the strategic direction of the grants featured in this report.

Observations on Maine’s Current Challenges and Opportunities

Along with the impact of the pandemic, our recent grant reports have noted the historic economic headwinds of Maine, tied largely to a shrinking and aging population and a workforce misaligned with the demands and opportunities of the modern, tech-driven, global economy.³ In so doing, we have also noted the unique opportunity the pandemic created to reverse historic demographic and workforce misalignment.⁴ As we publish this report, the evidence is mixed but growing that a reversal is underway and that our grantmaking and grantee partners are targeted on initiatives best positioned to catalyze the growth of the state’s economy.

The evidence falls in three broad categories: (1) increased state economic output; (2) population growth due to net in-migration; and (3) STEM and frontline workforce growth. As may be apparent, the third category of evidence has the most direct linkage to much of our recent grantmaking.

- 1. Economic Output** – After years of economic stagnancy and the initial economic downturn of the pandemic, Maine labor economist John Dorrer has noted that there is a new “buoyancy” for Maine, and the state’s economy is now positioned for a level of growth not previously thought possible.⁵ In 2022, Maine’s GDP, adjusted for inflation, was 9% higher than in 2019, the eighth highest rate of growth in the country and considerably higher than the 5.1% growth experienced by the country as a whole.⁶ How much of this growth can be attributed to COVID relief is unclear, but the growth is confirmed and certainly not unwelcomed.

³ You can read past years’ grant reports online [here](#).

⁴ In the [2020 Grant Report](#), we first detailed the ways in which the pandemic appeared to encourage in-migration to Maine, as a result of a decline in the desirability of large cities, the rise of remote work, and the growth of the COVID-related life science industries and jobs out of Boston and up into Maine. In the [2021 Grant Report](#), we shared census data supporting the notion that the pandemic helped move the needle for Maine: from July 2020 to June 2021, the state’s population grew by 10,000 people, primarily through net in-migration. This population increase was the highest in the nation and second highest in New England, behind only New Hampshire.

⁵ Dorrer, John, “The Transforming Maine Economy,” Vimeo, Jan 11, 2023, <https://vimeo.com/789053294>

⁶ “[US Bureau of Economic Analysis, Gross Domestic Product by State.](#)” Bureau of Economic Analysis, First Quarter 2023.

- 2. In-Migration Population Growth** – In a welcomed change, Maine’s population is now growing due to net in-migration—that is, the number of people moving to Maine in excess of the number leaving the state. Since 2020, Maine’s population has grown by 23,000 with total net in-migration of 34,000. Further, between July 1, 2021, and July 1, 2022, Maine’s population increased by an estimated 8,000 people, with a net in-migration of 14,000 new residents offsetting 6,000 more deaths than births. Maine’s net in-migration per capita in 2022 was 11th highest in the country.⁷ In fact, Maine was one of only three states (along with Delaware and New Hampshire) where every county saw net in-migration in 2022.⁸ While data is not as conclusive as we would like, it appears this in-migration includes significant numbers of young families and younger workers.⁹ Overall, this growth is encouraging and confirms the trend that we have sensed since the beginning of the pandemic. The acceptance of remote work, the attractiveness of less densely populated living environments, and the expansion of the STEM economy from Boston north with lower costs of living look to be significant factors contributing to growth of the state’s economy.
- 3. STEM and Frontline Workforce Growth** – Following the challenges of COVID-19, Maine’s employment has now almost fully rebounded to pre-pandemic levels. Private sector jobs have fully recovered in most industries. The Professional and Business Services sector has seen the most robust job growth relative to 2019, followed by Construction, and Educational Services. The sectors hardest hit by the pandemic—healthcare, leisure and hospitality, and retail trade—have not fully recovered, though they remain Maine’s largest industries.¹⁰ All Maine counties had lower unemployment rates in 2022 compared to 2021¹¹ and job openings are still near record highs—there are now an estimated two openings per unemployed job seeker.¹²

As noted in prior reports, the STEM and life science sectors have been important to the recent growth of Maine’s economy in general and its ability to compete in a global economy. Jobs in these sectors require high skills, command higher wages, and are needed by the state’s tech sector to expand and prosper. Here the evidence shows STEM and the life sciences are playing an increasingly substantial role in Maine’s economic growth. In a recent report, the organization *Science is US* reported that more than 275,000 people work in Maine’s STEM sector today, generating almost \$30

⁷ “U.S. Census Population Estimates.” U.S. Census Bureau, March 2023.

⁸ “U.S. Census Population Estimates.” U.S. Census Bureau, March 2023.

⁹ Maine remains the 42nd most populous state with 1.4 million residents. It is still unclear who the in-migrants are, though 2021 Census data (the most recent data available) indicates that many new residents are young families. Domestic in-migrants to Maine in 2021 had a median age of 33 and international in-migrants had a median age of 39, both younger than Maine’s overall median age of 45. Roughly 60% of in-migrants in 2021 were younger than 48 years old and just 13% were older than 64. In fact, partly as a result of younger in-migrants, Maine’s median age fell from 44.8 to 44.7 from 2020 to 2021, the only state in the country to experience a decrease.

¹⁰ “Quarterly and Annual Industry Employment and Wages.” Maine Department of Labor Statistics, March 2023.

¹¹ “Local Area Unemployment Statistics.” Maine Department of Labor Statistics, March 2023.

¹² “Labor Statistics, Job Openings and Labor Turnover Survey.” U.S. Bureau of Labor Statistics, March 2023.

billion in economic output.¹³ This represents more than a third of Maine's total economic activity.

Over the past decade in Maine, employment growth has been particularly strong in STEM occupations, including professional and technical occupations, up 8% and 28%, respectively, compared to 5% job growth in all other industries. Within the STEM sector, we are seeing sizable growth in the life sciences, which include health care, pharmaceutical manufacturing, and research, as life science firms are expanding north out of the Boston Metro area. In 2022, there were 9,500 life science jobs in 484 establishments in Maine. This figure represents a 42% increase in Maine life science jobs over the last five years, outpacing total job growth in Maine. The life sciences alone contributed \$2.2 billion to Maine's GRP in 2022.¹⁴

Looking ahead, the Maine Department of Labor projects that some of the strongest job growth over the next decade will also be in STEM fields, like health care and computer occupations. Meanwhile, though Maine's STEM sector growth *is* promising, the state still lags in developing its STEM workforce. The 2022 Milken Institute State Technology and Science Index ranks Maine 34th out of all 50 states for STEM workforce readiness and 40th for its investment in STEM education and training.¹⁵ To keep building positive economic momentum, to attract business and innovation, and to prepare people for the most promising jobs of today and tomorrow, Maine needs to invest in STEM education at all levels. This includes four-year institutions, as well as at community colleges, where a large swath of the STEM workforce receives training and credentials. It also includes K-12 classrooms, where the pipeline begins and where well-prepared teachers are crucial to student achievement in STEM. At the K-12 level, recruiting teachers and providing computer training for teachers are other priority needs for our state.

Likewise, Maine needs to build the skills of our frontline workers across *all* job sectors. While technological innovation has transformed industries and the state's economy, it has also left many Mainers either out of the labor force or behind in low-wage employment with no options for career advancement. Individuals employed in mid-level and skilled frontline jobs are feeling the pressures of rapid innovations and automation, changes in consumer demand, and foreign competition. As automation, and now AI, create significant changes in the ways we do business, our skills gap grows. With these changes comes a promising opportunity and responsibility to help workers adapt and update their skills, for their own employability and well-being, but also to build a resilient economy for the future.¹⁶ In Maine, a state with an older population and fewer young adults entering the workforce, the need to upgrade our existing workers' skillsets is especially critical. While in the past some large employers have been able to invest in workforce training, the vast majority of the state's private workforce – the 99% of

¹³ ["An Inclusive Analysis of the U.S. STEM Workforce and Its Economic Impact."](#) Science is US, March 2023.

¹⁴ ["Life Sciences in Maine: State of the Industry 2022."](#) BioScience Association of Maine, 2022.

¹⁵ ["State Technology and Science Index 2022."](#) Milken Institute, November 2022.

¹⁶ ["Understanding the Impact of Automation on Workers, Jobs, and Wages."](#) Holzer, Harry J. Brookings. January 19, 2022

businesses with fewer than 500 employees¹⁷ – have had a tougher time. With approximately 70% of the workforce concentrated in “frontline” jobs¹⁸, upskilling this sizeable slice of our workforce is ripe for high returns on philanthropic investment.

Investing in Maine’s Future

The positive trends and challenges described above, and in previous reports, shape our thinking about the needs and opportunities of Maine and guide our continued investments in the state. We continue to believe that COVID changed the opportunity landscape for Maine.¹⁹ Growing evidence of increased economic output, in-migration, and workforce development lend further support to the belief that Maine is on an upward trajectory accelerated by the pandemic. Sharing that belief, and in the interest of assuring its reality, the Foundation has committed over \$520 million in new grant awards since 2020 by investing in the areas of education, health care, and youth and community development. In past reports, and as noted above, we have grouped and described our grants in these areas as coordinated and targeted within the strategic investment “themes” of: (1) Building Maine’s Workforce; (2) Revitalizing the Economy of Waterville, Maine; and (3) Promoting High-Quality, Rural Health Care.

Our grant investments in health care are making exciting progress, and we look forward to reporting on these investments—both current and new—as the year 2023 unfolds. So, stay tuned! Meanwhile, on the following pages, we describe a select few of the Foundation’s grants falling within our Building Maine’s Workforce and Revitalizing the Economy of Waterville, Maine themes.

Building Maine’s Workforce

In 2022, approximately 78% of the Foundation’s grant spending fell within our “Building Maine’s Workforce” theme. This funding stretched across all three major areas of giving, with an emphasis on grants to education institutions. We’ve noted for years the importance of secondary education in all its forms. Bill Gates recently agreed, remarking that “by 2025 two thirds of all jobs in the United States will require some education beyond high school.”²⁰ Our funding in this area is intended to meet people where they are, to address the skills gap in the workforce, and to prepare Maine and its people for the most needed, promising, and high-paying jobs of today and tomorrow. Our grants include support for experiential education programs designed and offered in partnership with businesses and for STEM education programs at all levels. Below is a sampling of recent grants, beginning with K-12 coursework up through advanced degree offerings.

¹⁷ “[The State of Small Business: Maine.](#)” *Business News Daily*, April 28, 2023.

¹⁸ “[Race In the Workplace: the Frontline Experience.](#)” McKinsey & Company, July 30, 2022.

¹⁹ See, e.g., the 2021 Grant Report, at page 5, [here](#).

²⁰ “[A Map From Classroom to Career.](#)” Gates, Bill. *GatesNotes: The Blog of Bill Gates*. June 13, 2023.

- **Maine Math and Science Alliance** – In 2022, the Foundation continued to see exciting developments in computer science education in Maine’s schools. Maine’s K-12 teachers increasingly found ways to integrate the fundamentals of computational thinking into their classrooms. In this effort, specifically at the K-8 level, the Foundation has supported the Maine Math and Science Alliance, under the leadership of Executive Director Ruth Kermish-Allen. In 2021, the Foundation awarded a \$1 million grant to support the organization in training 100 Pre-K through eighth-grade teachers to integrate computer science lessons into existing coursework, enabling over 10,000 young students statewide to gain computer science exposure and knowledge.²¹

This project recognizes the lack of computer science coursework in many Maine elementary and middle school classrooms and, as such, provides students with early exposure to these concepts to help pique their interest in rewarding and important career fields. Ultimately, we hope that this project will help inform and ensure that emerging opportunities in computer science, at Maine’s higher education institutions and throughout the state’s workforce, will be accessible to all Maine students and graduates. With this in mind, we are prepared to invest still further to advance computer science education in Maine.

- **Maine Community College System** – The jobs that Maine needs and that will propel our state’s prosperity are diverse. Importantly, those jobs do not all require higher education *degrees*. In fact, within Maine’s STEM sector alone, which we have described as driving significant economic growth in the state, 60% of workers do not hold a bachelor’s degree.²² In recognition of the importance of these jobs, and specifically those of “frontline workers” in our economy, the Foundation has supported the mission of Maine’s Community Colleges. In 2018, the Foundation awarded \$3.6 million to help build the system-wide infrastructure necessary to deliver short-term, employer-driven training programs for Maine workers. This was followed, in 2021, by a grant of \$15.5 million to establish the **Harold Alfond Center for the Advancement of Maine’s Workforce**, a System-wide initiative to provide 24,000 Mainers with short-term job training. The Center represents a continuum of support, designed by, and offered in partnership with, Maine employers. It provides short-term job training in multiple stages—from occupational skills for the unemployed to upgraded skills for current employees and college courses that lead to a credential.

²¹ The Foundation made multiple grants to the Center for Curriculum Redesign (CCR) in partnership with Waterville Public Schools to build high school computer science curricula offered in the Waterville Public School System. As part of this work, CCR created and has grown computer science professional development programs for teachers, offered in partnership with Thomas College.

²² “STEM and the American Workforce: An Inclusive Analysis of the Jobs, GDP, and Output Powered by Science and Engineering.” Aerospace Industries Association, American Association for the Advancement of Science, American Chemical Society, American Geophysical Union, American Physical Society, Consortium of Social Science Associations, Council on Competitiveness, Federation of American Societies for Experimental Biology, Institute of Electrical and Electronics Engineers – USA and Semiconductor Industry Association, 2020.

In 2022, under the outstanding leadership of System President Dave Daigler, Chief Workforce Development Officer Dan Belyea, and Deputy Executive Director of Workforce Training Charles Collins, the Center's growth and impact was nothing short of phenomenal. As of December 2022:

- 928 business and industry associations, representing nearly 222,398 Maine employees, joined the new Maine Workforce Development Compact to access the Center's training opportunities, far exceeding the initial goal of 250 members.
- 8,272 individuals received education and training through the Center.
- 563 training programs were launched in health care, manufacturing, hospitality, education, information technology, the trades, and the green energy sector; four micro-credentials were awarded in customer service, land surveying, education, and remote work; and industry-recognized certifications were offered in areas such as commercial driving, emergency medicine, and certified nursing assistant.
- 458 training providers had joined with the state's seven community colleges to form a coordinated network to make training readily available in all sectors of the Maine economy and all regions of the state. Through December 2022, 87% of the training coordinated and offered through the Center was delivered by third-party providers, among them local adult education programs, industry associations, colleges and universities, and private training vendors.

The momentum of 2022 continues. As this report is published, the Center has forged still additional partnerships with employers and training providers (now 1,200 members strong) and is working to meet the employment needs of many more individuals than originally projected. The Center is doing this through a clear focus on results and by leading and coordinating statewide efforts to increase skill levels and opportunities for those in Maine who need them most. This project exemplifies the kinds of leadership and teamwork Harold Alfond admired and, in so doing, targets our interest in enhancing the skills of STEM and frontline workers so essential to the state's economy and its growth.

- **Husson University** – Husson is another excellent example of a Maine institution focused on growing STEM competency through experiential education. In 2022, the Foundation awarded the University a \$2.2 million grant to support the launch of New England's first Extended Reality (XR) undergraduate degree program and other programs within Husson's growing School of Technology and Innovation. We did so at a time when there is growing workforce demand for XR skills. (XR is an umbrella term that includes both virtual and augmented reality.) With this grant, Husson aims to attract new students and increase enrollment, generate research tied to workforce

needs, and prepare Maine students for jobs in a growing and cutting-edge field. The University's XR students are now working with local businesses on XR-based applications, including developing customer service training. The University is also finalizing an agreement with the Roux Institute for graduate programming and is a training partner for the Maine Community College System's Harold Alfond Center for the Advancement of Maine's Workforce. Our congratulations to President Bob Clark and his team for the launch of this new program and for leading the way in New England in this field!

- **University of Maine System** – The UMaine System (UMS), under the outstanding leadership of Chancellor Dan Malloy, continues to be a strong partner of the Foundation. In 2020, the Foundation awarded the UMS a \$240 million grant to bolster and strengthen the System's offerings and capacity and programming to meet Maine's workforce needs. In recognition of the importance of teamwork given our state's limited resources, much of our grant promotes System-wide unification strategies. As described in prior reports, the grant has four components, each of which made significant progress in 2022 and in the months leading up to the publication of this report. Below we describe progress made in two of them and how they are serving the Foundation's strategic interests in advancing the STEM economy, cross disciplinary learning, and teamwork across the System.
 - *Maine Graduate and Professional Center* – Of the Foundation's \$240 million grant, \$55 million is allocated to the Maine Graduate and Professional Center (the "Maine Center"). The Maine Center is the country's first-ever university level initiative to integrate accredited business, law, and public service graduate education under one roof. With the terrific and tenacious leadership of the Chancellor, university presidents Joan Ferrini-Mundy and Jackie Edmundson, and graduate school deans, the Maine Center made great strides in 2022.

The Maine Center "under one roof" concept finally became a reality with the long-term lease and fit-up of 300 Fore St. The 64,000-square-foot building, in the heart of Portland's Old Port, was completely renovated. The building now boasts a beautiful innovation space, multiple conference rooms, flexible classrooms, and offices for graduate faculty in law, business, and public policy. The technology for all the classrooms and conference spaces is cutting edge, allowing vibrant educational opportunities, high-quality distance learning, and opportunities for brainstorming, creative planning, and innovation. The building officially opened on January 12, 2023.

As this report is published, the Chancellor and his team have secured additional space for the expansion of the Maine Center's programs through the lease of an adjoining 36,000 square-foot building at 7 Custom House. This space fronts

Commercial Street and overlooks Portland Harbor. When combined with 300 Fore Street, the Custom House building will not only provide additional space for collaborative and cross-disciplinary programming in law, business, and policy, but will also provide space for engineering programs, innovation labs, and research.

When the Chancellor described the vision of adding engineering to the co-location dynamic of law, business, and public policy, the Foundation could see how perfectly this concept would advance building a highly-skilled workforce for our growing STEM economy. It is no accident that CEOs of our nation's leading tech companies have earned dual degrees in law or business and engineering. Here at the Foundation, we are confident the Maine Center will be producing CEOs for our state with such credentials in the years to come.

Co-locating the Maine Center's graduate schools was a highlight of 2022. That said, impressive growth and recognition of its programs continued in the 2022 year and up through the date of this report. Interdisciplinary programming at the heart of the Maine Center's mission was robust with the Graduate School of Business offering 13 new concentrations across a variety of subject areas informed by academic programs from different schools and departments within the University of Maine (UMaine), University of Southern Maine (USM), and the University of Maine School of Law (Maine Law). The Maine Center Internship Program, now in its fourth year, placed over 50 MBA, law, and public policy students in paid internships at businesses and organizations throughout Maine with excellent reviews by the students and employers. Meanwhile, the Maine MBA, with business faculty from both the UMaine and USM, continues to climb in rankings and is recognized as a top-tier program both globally and nationally. In 2023, the program was ranked #26 in the nation by Fortune ²³ and #51 in the nation by U.S. News & World Report²⁴, while CEO Magazine listed the Maine MBA as a "Top Tier" program globally. ²⁵ Since the merger of the UMaine and USM MBA programs, enrollment has grown from a combined 88 students to over 400. Enrollment is also up at Maine Law (12% in 2022) and the Muskie School (9% since 2019).

As 2023 unfolds into 2024 and beyond, enrollment and applicant quality should increase as co-location of the Maine Center's graduate programs in the hub of the legal and business district of Portland proves to be a draw.

- *Maine College of Engineering and Computing* - Consistent with the Foundation's interest in helping to build the STEM workforce and encouraging unification efforts across the System, the Foundation committed \$75 million of the \$240

²³ "Best Online MBA Programs in 2023." Fortune Magazine, 2023.

²⁴ "Best Online MBA Programs." US News & World Report, 2023.

²⁵ "2023 Global MBA Rankings." CEO Magazine, 2023.

million grant to create a new Maine College of Engineering and Computing (MCEC). The College officially launched in April of 2023 following important governance, academic, facilities, and program organization work last year. Responsive to the need for more engineers and computer and data scientists in Maine's workforce, the new College aims to increase access to STEM education and research for students throughout the System and to innovative experiential and research collaborations with Maine's businesses.

A key milestone thus far has been the appointment of Dr. Giovanna Guidoboni as the inaugural dean of MCEC. She joins the UMS from the University of Missouri, where she held a joint appointment in electrical engineering and computer science. Her background is interdisciplinary with a research focus on mathematical modeling and data science applied to engineering and life sciences. In addition to her extraordinary experience and credentials, Dr. Guidoboni exudes an infectious enthusiasm for leading the new college and is off to a great start as a huge advocate for teamwork, experiential learning, and cross disciplinary academic programs.

As for facilities, 2022 saw the UMaine engineering programs boosted by the opening of the Ferland Engineering Education and Design Center on the University of Maine's Orono campus. This spectacular facility, built with generous lead funding by Jim and Eileen Ferland and \$5 million from the Foundation, includes a 10,000-square-foot multidisciplinary student design suite supported by shops for biomedical, electronics, 3D printing, metals, wood, and composites. It serves as an anchor for the integration of education and research that will characterize MCEC for many years to come.

All told, the University of Maine System's plans are as ambitious as our grant commitment is large. As we publish this report, we are grateful for the progress made, but mindful of the need for sustained effort over the next decade to achieve the transformative objectives of each grant component. To that end, in future years, we look forward to reporting on progress with UMaine athletic facilities and System-wide student retention (the grant's other two components), as well as sharing more on the College of Engineering and Computing, and the Maine Center.

- **Roux Institute** – In 2020, the Foundation committed \$100 million to the Roux Institute, Northeastern University's new graduate school and research center in Portland. The Institute is focused on the disciplines of AI, computer and data science, digital engineering, and the advanced life sciences and medicine. The great majority of the Foundation's support of the Institute is for the *Alfond Scholars Initiative*, providing scholarships for graduate students to pursue high-tech, in-demand, careers of the future. At the center of a Roux education is Northeastern's experiential approach to learning and its hallmark co-op programs. These six-month long programs place

Northeastern learners in full-time work, providing opportunities to explore and refine career paths, make valuable industry connections, and acquire the skills and knowledge needed to succeed, in fields ranging from Analytics to Data and Computer Science, to Bioinformatics.

The Institute's growth and accomplishments have accelerated at a remarkable pace. At the time of this report, 570 students are enrolled and 150 students have graduated from the Institute's 2022 and 2023 classes. A majority of these graduates have taken on new professional roles or been promoted in their careers, and 90% of the inaugural class have remained in Maine to build their futures.

Beyond bringing graduate students and professionals to Maine, the Roux Institute is also building a faculty of extraordinary talent. In 2022, Roux faculty expanded to include 45 teaching professors and, in doing so, built Maine's largest computer science faculty. The work of the Institute's faculty is not limited to teaching: in 2022, the Institute's 15-person research faculty continued to develop five research practices, fueling discovery and innovation in AI, Computational Medicine, and Human-Data Interaction. The teams are laser-focused on innovations that will benefit all of Maine, and we look forward to following these developments.

Always innovative in its approach, the Roux Institute is also reinventing the way universities support entrepreneurs—from day-long introductions to entrepreneurship, to year-long residencies for first-time founders from underrepresented demographics. In 2022, more than 700 people took part in the Institute's entrepreneurship programs, and the Institute is actively attracting new companies and talent to the state. To date, 44 companies have taken part in entrepreneurship residency programs, including seven startup companies that elected to *relocate* to Maine as a result of the experience.

In the fall of 2022, we visited the *temporary* campus of the Roux Institute under lease from WEX. The activity and energy were palpable! It was also obvious that the Roux Institute would someday soon outgrow its current campus. To support the Institute's growing student body, team, and research and business partnerships well into the future, the charitable foundation of Dave and Barbara Roux has purchased thirteen acres on the site of the former B&M Baked Beans factory, and design and development work is now underway. As the Institute's roots deepen and its partnerships expand in Maine, we could not be more excited about its contributions to building Maine's STEM economy and the workforce to support it.

- **Bigelow Laboratory for Ocean Sciences** – The Foundation's recent investments in workforce development and the STEM economy is a new \$7.9 million grant to Bigelow Laboratory for Ocean Sciences. The Foundation's award will support expansion of

Bigelow’s main laboratory building in East Boothbay through the construction of a new wing with classrooms, teaching labs, a cryopreservation facility, artificial intelligence collaboration space, laboratories, and a multi-function interactive space. The addition will enable Bigelow, which is at capacity in its current space, to continue to grow its oceanographic research, commercial, and education initiatives, all of which lie at the intersection of ocean science, AI, aquaculture, and more. Further, the project will support Bigelow’s partnership with Colby College on the “Sea Change” undergraduate semester program. In this program, Colby students live on Bigelow’s campus, learn from scientists, and participate in hands-on research in the lab and aboard research vessels. The building’s expansion will also facilitate the growth of Bigelow’s work with the University of Maine, the University of New England, the Roux Institute, and Maine’s Community Colleges. Led by Dr. Deborah Bronk, Bigelow is truly a world-class research institution, right here in Maine. In short, we are proud to continue our support of Bigelow Labs!

- **My Alfond Grant** – At the Foundation, building Maine’s workforce starts early in the life of every child. Established in 2008, the Foundation’s signature program, My Alfond Grant, awards \$500 to every child born in Maine to be used for education beyond high school. The program, administered by the Alfond Scholarship Foundation and the Finance Authority of Maine (FAME), seeks to increase early awareness of the importance of higher education and inspire Maine families to save on their own, through opening and contributing to the [State of Maine’s NextGen 529 Investment Plan®](#).

In 2022, with the Foundation’s funding, the ASF awarded \$500 grants for the benefit of 11,792 Maine newborns, for a total of \$5,896,000 in new grant awards. Since the program’s inception through March 2023, the Foundation has invested a total of \$72.6 million for 145,000 Maine children. Over this period, Maine families have contributed \$192.2 million of their own funds to their children’s NextGen accounts and FAME an additional \$26.1 million. With investment returns totaling \$77.5 million, the total savings for higher education for Maine children was just over \$368.5 million at year end.

Aside from securing funds to help make higher education more affordable, the program also seeks to establish a mindset of post-secondary education as a goal early on in a child’s life. Research shows that dollars in a dedicated higher education savings account (in any amount) increase a child’s likelihood of pursuing higher education, with impacts often greater for low-income and disadvantaged children. When that mindset is coupled with funds saved by families themselves, the key elements for our program’s success are in place. Recent surveys show that families with Alfond grants have strong expectations of continued education for their children. Over 90% say they think it *very* or *highly likely* their child will attain postsecondary

education. Importantly, the program raises the aspirations of low-income families: 86% of low-income families report that they believe their child will attain at least an associate degree.²⁶

As proud as we are of the My Alfond Grant program, we are also the first to point out that much work still needs to be done to ensure it achieves its intended success and impact. In recent years, only 25% of families receiving the \$500 grant have established NextGen accounts for their children. Getting more families to enroll in Maine’s NextGen plan, and to contribute their own funds to their children’s accounts, continues to be a challenge for the program and something we hope to see improve in 2023 and beyond. This goal aligns with a core tenet of most all of the Foundation’s grantmaking—that having grantees with “skin in the game” helps maximize the potential for successful outcomes. In this, our signature program, that tenet is fully applicable. Maine’s 529 plan was authorized by our state government and intended to be a worthy higher education savings vehicle for all Maine families of all income and wealth levels. With this in mind, savings by more Maine families alongside our grant is a key objective fully embraced by our teammates at the ASF and FAME. To fulfill that objective, steps are being taken to increase enrollment in at least three ways: (1) engaging employers, who encourage account enrollment in NextGen and paycheck deductions by their employees; (2) broadening efforts to increase awareness of the My Alfond Grant program and recognition of NextGen as a worthy higher education savings vehicle for Maine children; and (3) creating more user-friendly subscription portals for families to open their own NextGen accounts, particularly for low-and moderate-income families. Such measures are necessary to ensure that the promise of My Alfond Grant is maximized and put to work for all Maine children. We look forward to great progress from the deployment of these measures and more in 2023.

Revitalizing Waterville

Waterville, the longtime home of Bibby and Harold Alfond and their family, was once a thriving mill town. However, like many towns in Maine, Waterville declined as paper, textile, and other manufacturing and business enterprises, and the employment they provided, were lost to the global economy. Today, the Foundation carries on the support and love that Harold and Bibby provided and felt for their hometown and **Colby College** by investing in revitalization initiatives in Waterville. In 2022, Foundation funding for Waterville projects made up 30% of overall spending.

Within Waterville, the Foundation has been fortunate to partner with **Colby College** to fund the revitalization of the city’s downtown. Under President David Greene’s extraordinary

²⁶ Alfond Scholarship Foundation Biennial Benchmark Survey, Spring 2023.

vision and leadership, Colby's efforts and investment in the city have been seen as a national model for how colleges can support revitalization in the cities and towns they call home.²⁷ While total foundation funding in Waterville in recent years has totaled more than \$150 million, the Foundation has provided some \$43 million alone to Colby and Waterville arts organizations to support projects on Main Street.²⁸ Collectively, these investments have brought new vitality to Main Street. That vitality accelerated in 2022, a banner year, with the opening of two new downtown buildings and a new \$3.2 million grant for continued arts programming. We summarize a few of these projects below.

- **Lockwood Hotel** – In August 2022, the new Lockwood Hotel opened to the public on the corner of Front and Main Streets. The \$26 million project was developed by Colby, with \$10 million in grant support from the Foundation. Downtown Waterville's first new hotel in over a century, the Lockwood features 53 guest rooms as well as the acclaimed *Front & Main* restaurant. If you haven't paid a visit to the Lockwood, you are missing out. Whether you are looking for a great hotel room overlooking the Kennebec River or a terrific meal at *Front and Main*, the Lockwood is a must. Check it out [here](#).
- **The Paul J. Schupf Art Center** – In December 2022, Waterville celebrated the opening of the new Paul J. Schupf Arts Center on Main Street overlooking Castonguay Square. The stunning, 32,000-square-foot art center, graced with glass and open space, was built through a partnership between Colby and **Waterville Creates**, and supported by \$11 million in Foundation funding. The Center includes the Colby College Museum's Joan Dignam Schmaltz Gallery of Art; three cinemas; another gallery; the Art of Clay Studio in honor of Dorie M. Hawkes; rehearsal space; communal gathering areas; classrooms; concessions; the Bixby chocolate shop and café; and the "Bibby and Harold Alfond Sky Bridge," an enclosed glass skywalk that connects the center to the historic 800-seat Waterville Opera House. The Center's features, amenities, and outdoor space on Common Street welcome residents and visitors to gather, spend time and money, and enjoy all that Waterville has to offer. The Center is named in honor of the late Paul J. Schupf, a former Colby Trustee and an accomplished art collector, who made generous gifts to Colby to support the arts, sciences, and residential life. The Schupf Art Center exemplifies the essence of teamwork so valued by Harold Alfond and symbolizes Waterville's resurgence, as well as the essential role of the arts in strengthening a city's cultural *and* economic fabric.

²⁷ "[In Maine, Town and Gown, Together, Make Arts Win.](#)" Allen, Brian T., *National Review*, Feb 2, 2023; and "[Colleges Invest So 'What's the Town Like?' Gets an Upbeat Answer.](#)" Prevost, Lisa, *The New York Times*, Feb 25, 2020.

²⁸ These include: The Lockwood Hotel, with its new *Front and Main* restaurant; commercial buildings on Main Street, housing tech firm CGI and other businesses; The Bill & Joan Alfond Main Street Commons, with lead funding by Bill and Joan Alfond and the Bill and Joan Alfond Foundation; Greene Block + Studios, with lead funding by Peter and Paula Lunder of the Lunder Foundation; streetscape and infrastructure improvements; and, most recently, the Paul J. Schupf Center for the Arts.

- **Waterville Creates Program Grant** – The Paul J. Schupf Art Center now serves as the home of Waterville Creates and its year-round film, visual, and performing arts programming offered through its three divisions: the Maine Film Center, Ticonic Gallery + Studios, and the Waterville Opera House. In acknowledgement of Waterville Creates’ contributions to the city under the terrific leadership of CEO Shannon Haines and board chair Jim LaLiberty, the Foundation awarded Waterville Creates a \$3.2 million grant in 2022 to fund its ongoing programming and operations. This grant also supports a marketing campaign tied to the Schupf Center’s opening, including blockbuster events designed to bring new audiences to Waterville. Be on the lookout for big things to come from Waterville Creates. And, be sure to visit the beautiful new Paul J. Schupf Arts Center, if you haven’t already! You can check out the programming and home of Waterville Creates [here](#).

Continuing Investment in Maine: 2023 and Beyond

In 2023, the Foundation will continue its work in support of the State of Maine and pay out approximately \$75 million in grants. Over the next decade, Foundation grants should total some \$775 million. While a large portion of these payments will be made in support of existing programs and projects and the ongoing success of current grantee partners, we remain committed to meeting the state’s many challenges and open to new grant opportunities as they arise.

There is not a day that goes by when the trustees and staff of the Foundation are not humbled by the responsibility and privilege entrusted to us by Harold Alfond. Likewise, there’s not a day that goes by when we are not in grateful awe of the many organizations statewide who share our vision for and commitment to a better Maine. With that in mind, we close this report on a note of pragmatic optimism for Maine’s future, like that of Harold Alfond.

On the following pages, the entirety of the Foundation’s 2022 grants and future grant commitments are listed.

Sincerely,



Gregory W. Powell
Chairman of the Board

Harold Alfond Foundation – 2022 Grantees

| <i>Areas of Giving and Organization</i> | <i>Amount</i> | <i>Theme</i> |
|--|---------------|--------------|
| Education | | |
| Alfond Scholarship Foundation (My Alfond Grant) | \$7,180,824 | ◆ |
| Brunswick Community Education Foundation | \$3,000 | |
| Center For Curriculum Redesign | \$520,000 | ◆● |
| Colby College | \$15,000,000 | ◆● |
| Educare Central Maine/Kennebec Valley Community Action Program | \$114,810 | ◆ |
| The Foundation for Maine's Community Colleges | \$2,120,104 | ◆ |
| The Governor's Academy | \$1,000,000 | |
| Husson University | \$4,200,000 | ◆ |
| Jobs For Maine's Graduates Inc. | \$581,716 | ◆ |
| Kents Hill School | \$500,000 | ◆ |
| Maine Maritime Academy | \$250,000 | |
| Maine Mathematics and Science Alliance | \$329,548 | ◆ |
| Maine State Chamber of Commerce Education Foundation | \$5,000 | ◆ |
| Northeastern University (Roux Institute) | \$9,000,000 | ◆ |
| Region Ten Technical High School | \$113,255 | ◆ |
| Rollins College | \$7,000,000 | |
| Thomas College | \$4,558,652 | ◆● |
| University of Maine Foundation | \$2,500,000 | ◆ |
| University of Maine System | \$5,550,000 | ◆ |
| University of New England | \$1,750,000 | ◆❖ |
| Health Care | | |
| Belgrade Regional Health Center | \$15,000 | |
| The Jackson Laboratory | \$1,500,000 | ❖ |
| Kennebec Behavioral Health | \$2,000 | |
| Maine Behavioral Health | \$10,000 | |
| Maine Medical Center | \$10,000 | |
| Mid Coast Hospital | \$10,000 | |
| National Multiple Sclerosis Society | \$1,000 | |
| Youth and Community Development | | |
| 7 Lakes Alliance | \$1,520,000 | |
| Alfond Youth and Community Center | \$1,156,024 | |
| Aroostook Mental Health Services Inc. (Teen Leadership Camp) | \$2,500 | |
| Beth Israel Congregation Waterville | \$300,000 | |
| Beth Israel Congregation Bath | \$2,000 | |
| Cathance River Education Alliance | \$5,000 | |
| The Center for Grieving Children | \$10,000 | |
| Children's Center Early Intervention and Family Support | \$1,000,000 | |
| FAME Leaders Inc. ('set-aside' for Alfond Leaders program) | \$423,189 | ◆ |

| | | |
|--|---------------------|---|
| FocusMaine | \$4,332,476 | ◆ |
| Gulfshore Playhouse | \$70,000 | |
| Kennebunk Free Library | \$1,000 | |
| The Maine Children's Home for Little Wanderers | \$50,000 | |
| Maine Public Broadcasting Network | \$30,000 | |
| Maine Working Communities Challenge | \$200,000 | ◆ |
| Paul Taylor Dance Foundation | \$40,000 | |
| Spectrum Generations | \$1,200 | |
| Susan L. Curtis Foundation | \$14,700 | |
| Waterville Creates | \$1,515,000 | ● |
| Waterville Development Corporation | \$200,000 | ● |
| Total Foundation Funding in 2022 | \$74,697,998 | |

Investment Themes

- Building Maine's Workforce ◆
- Revitalizing the Economy of Waterville, Maine ●
- Promoting High-Quality, Rural Health Care ❖

Harold Alfond Foundation – Outstanding Grant Commitments

As of 12/31/22

| <i>Areas of Giving and Organization</i> | <i>Amount</i> | <i>Theme</i> |
|--|----------------------|--------------|
| Education | | |
| Alfond Scholarship Foundation (<i>My Alfond Grant</i>) | \$7,627,009 | ◆ |
| Bigelow Laboratory | \$7,869,390 | ◆ |
| Carrabassett Valley Academy | \$500,000 | |
| Center for Curriculum Redesign | \$435,000 | ◆● |
| Colby College | \$14,000,000 | ◆● |
| Educare | \$135,190 | ◆● |
| Foundation for Maine's Community Colleges | \$9,894,383 | ◆ |
| Maine Math and Science Alliance | \$387,890 | ◆ |
| Northeastern University | \$86,000,000 | ◆ |
| Region 10 Technical High School | \$113,245 | ◆ |
| Rollins College | \$10,000,000 | |
| Thomas College | \$6,000,000 | ◆● |
| University of Maine Foundation | \$1,500,000 | ◆ |
| University of Maine | \$86,000,000 | ◆ |
| University of Maine System | \$141,950,000 | ◆ |
| University of New England | \$27,750,000 | ◆❖ |
| Health Care | | |
| Jackson Laboratory | \$8,924,000 | ◆❖ |
| Youth and Community Development | | |
| 7 Lakes Alliance | \$2,000,000 | |
| Alfond Youth and Community Center | \$1,798,788 | ● |
| Beth Israel Congregation Waterville | \$750,000 | ● |
| Coastal Maine Botanical Gardens | \$4,500,000 | |
| Waterville Creates | \$3,200,000 | ● |
| Total Outstanding Grant Commitments | \$421,334,895 | |

Investment Themes

- Building Maine's Workforce ◆
- Revitalizing the Economy of Waterville, Maine ●
- Promoting High-Quality, Rural Health Care ❖