



2023 Grant Report

Dear Friends of the Harold Alfond Foundation:

We are pleased to share this Grant Report of the Harold Alfond Foundation summarizing the Foundation's activities for 2023 through mid-2024.¹ On the following pages, we provide an overview of the Foundation's financial position, recent grant awards, and ongoing programs, in addition to a word about our grant spending constraints going forward.

Beyond serving as an update of our activities and a guide to our grantmaking, this report is also a reminder of Harold Alfond's enduring legacy and commitment, through his Foundation, to bettering the state for generations to come. On that subject, we open with news of the Foundation's signature program, the Harold Alfond College Challenge, also known as My Alfond Grant.²

Conceived in 2007 and approved for launch by Harold Alfond in the last autumn of his life, the College Challenge provides every Maine newborn with a \$500 grant at birth for higher education. The \$500 grant is accompanied by our call to parents encouraging them to join us in saving for their child's higher education. The grant is automatically invested for each newborn in Maine's NextGen 529 Plan along with contributions from parents, the Finance Authority of Maine, and employers. Now in its 16th year, the program has reached a new milestone: with market gain, over a half billion dollars (\$503,000,000) in higher education savings has been invested for just over 158,000 children. On that celebratory note, the remainder of our report follows.

¹ This report is just one of the many ways that we share information throughout the year. For ongoing updates and additional information about the Foundation, please visit haroldalfondfoundation.org.

² For information on the Harold Alfond College Challenge and MyAlfondGrant, please visit MyAlfondGrant.org.

Financial Standing, 2023 Grant Funding, and Grant Spending Outlook

In 2023, the Foundation paid \$76.9 million in grants to 43 organizations with spending (on a dollar basis) concentrated among 13 recipients. Grant spending as a percentage of assets (our “spending rate”) equaled 5%, a spending rate designed to ensure the Foundation can meet all future binding grant spending obligations, but also preserve the Foundation’s long-term grant spending power for future needs of our state.

Geographically, 99% of 2023 grants were awarded for projects in Maine. Twenty-seven percent of grants went to projects with a statewide reach, and another 31% were for projects in Central Maine, including \$16.8 million for Waterville alone.

After payment of all grants and operating expenses, the Foundation closed the 2023 calendar year with assets of \$1.53 billion, up from \$1.45 billion at the end of 2022. This increase of \$80 million is net of our \$76.9 million in 2023 grant spending.

In 2023, contrary to the cautionary outlook we expressed in last year’s report, the stock market soared as the potential for extraordinary growth from artificial intelligence infected market temperament along with hopes of a Federal Reserve rate cut. The S&P 500 index was up 26.3% on the year driven by a handful of mega-cap technology growth stocks, often referred to as the “Magnificent 7.” If only we had invested in just those seven stocks! But we didn’t. In fact, the Foundation’s diversified investment portfolio which, by design, includes equities across all sectors of the market as well as cash, bonds, and real assets, returned a relatively modest 12.1%.

In years of relative underperformance like 2023, we comfort ourselves by recounting the wisdom of diversification. Diversification puts preservation of capital first and, in so doing, dampens returns in years when favored sectors of the market soar, but provides protection when they decline.

As in the past, the Foundation continues to hold a concentrated position in Berkshire Hathaway. Led and overseen by legendary investor Warren Buffett, Berkshire is a wonderful collection of assets—from railroads to insurance companies, to utilities, to large cap stocks. Think of Berkshire as a diversified portfolio of investments in its own right. In 2023, Berkshire stock was 22% of the Foundation’s year-end assets and returned 15.8%—underperforming the S&P 500 index. As this report is published, however, the Foundation is benefiting from a strong year-to-date Berkshire performance, with the stock up 21.8% compared to the S&P 500’s return of 17.2%.

The Foundation ended 2023 with binding grant commitments (money payable to charitable institutions in *future* years) of \$489 million.³ New grants approved since the close of the year have increased this amount to \$613 million with grants paid in 2024 of \$69 million.

The Foundation's investment portfolio is managed to meet two fundamental objectives: (1) to be sure that binding grant commitments payable now and in the years to come can be paid, and (2) to be sure that the spending power of the Foundation over time, and its capacity to make future grants for the benefit of the people of Maine, is preserved. A word is in order about both fundamental objectives and where we find ourselves as this report is published.

Market volatility is a fact of life in the investment world. Looking forward, we are prepared to weather that volatility and the down markets it brings. As this report is published, geopolitical risks are particularly acute. War in Ukraine and the Middle East, strained relations with China, divisive domestic politics, inflation, deficits, all call for caution in any market outlook. Still, the Foundation's portfolio is built to last with high-quality diversified investments managed by skilled fund managers—all working to achieve our fundamental investment objectives.

In 2020, in the spirit of Harold Alfond, we responded to the challenges of the pandemic by announcing unprecedented commitments of a half billion dollars in grants payable over the next decade. Amid the pandemic and recovering from it, we were intent on doing our part to bring Maine out of COVID stronger and better than ever. To that end, our 2020 investments have been followed by more than \$418 million in additional grant commitments. As this report describes, evidence is growing that these commitments are yielding impressive results. With those commitments, however, has come the need for an exceptionally high rate of annual spending over the next several years, which may undermine the second of our financial objectives: to preserve spending power for future Maine needs.

To be sure, we have adequate funds to pay all existing binding commitments. That said, making *new* commitments toward *new* projects will almost certainly risk impairing the Foundation's long-term spending power. Moreover, it may even compromise our ability to provide supplementary funding necessary to sustain ongoing grant projects in which we have existing substantial investment. As a result, and regrettably, spending on new

³ The Foundation's \$489 million of unpaid grant commitments does not include our commitment to ongoing support of the Harold Alfond College Challenge program beyond one year.

commitments will be constrained over the next several years and many worthy applications for new spending will be turned away.

Harold Alfond Foundation Values and Mission

Harold Alfond, the Foundation's founder, was a successful Maine businessman who dedicated his wealth, time, and talents to bettering the state where he and his family lived, worked, and prospered. Today, the Foundation furthers the values, vision, and giving philosophy of Harold Alfond through philanthropic investments in Maine that encourage teamwork and high-quality leadership; promote the 'underdog'; serve and inspire young people; support innovation and entrepreneurship in Maine's economy; and incentivize 'skin in the game' through use of matching fundraising challenges.

While each of these values are integral to our grantmaking, quality leadership was on full display among our grantees in 2023. To those leaders, we extend our sincere gratitude for the many accomplishments of 2023 and the directions they have set for future transformative change.

In this regard, quality leadership means continuity of leadership.

Transformative change takes time and requires a grantee to have quality leadership in place long enough to get the job done. With this in mind, we look to all our grantees, and particularly their boards of directors, to not only stand behind their leaders, especially in challenging times, but to retain them as well.

Mirroring Harold Alfond's own giving during his lifetime, the Foundation awards grants within three broad funding areas: **Education, Health Care, and Youth and Community Development**, with a heavy emphasis on funding Education projects. In 2023, 85% of all grants awarded were for educational causes. Health Care and Youth and Community Development funding represented 10% and 5% of grant awards, respectively.

As the Foundation aims to make grants that are transformative and are consistent with the values and historical giving areas of Harold Alfond, we are investing significant dollars where there are compelling opportunities to produce positive, long-lasting results. We do this through grants that are coordinated within a set of three strategic investment "themes": (1) Building Maine's Workforce; (2) Revitalizing the Economy of Waterville, Maine; and (3) Supporting High-Quality, Rural Health Care. We describe a selection of such grants and how they serve these themes later in this report. But first, as in prior years, we

review the landscape in Maine to provide context for and the rationale behind our grants and their intended impact.

The Post-Pandemic Landscape in Maine

Demographic and economic challenges in Maine have long featured an aging and shrinking population and, with it, an aging and shrinking workforce.⁴ Maine has faced these challenges as they have been compounded by the globalization of the world's economy. In Maine and beyond, major segments of the American workforce have been left behind due to globalization as lower-cost labor and supplies became available overseas. Simultaneously, with the rise of technology, Maine's workforce has fallen further behind, lacking the skills needed to compete. The negative impacts of shifting industry and this skills gap have extended beyond economics to diminish for too many the American dream of prosperity, dignity, and quality of life.

Ironically enough, the COVID-19 pandemic—the complex impacts of which we have also described in reports of recent years⁵—helped set into motion demographic and other change which is helping Maine meet its challenges in at least three ways.

First, with a pandemic-induced realignment of global supply chains, we are now seeing a return and resurgence of manufacturing in the United States. This is at a time when we are on the cusp of extraordinary advances in science and technology driven by artificial intelligence and automation. These advancements, predominant in the United States, combined with a resurgence of domestic manufacturing, are transforming the economy and creating new opportunities for our state.

Second, throughout the pandemic, urban, densely-populated cities became less desirable places to live and, accordingly, Maine became a more attractive place to live. In fact, Maine was one of only ten states to attract new residents during the pandemic and continues to outperform the national average in population growth.⁶

Third, during and following the pandemic, remote work emerged as a way of life meaning people could live in Maine yet be connected to employers anywhere. This trend continues today with an increasing number of people living in Maine and working remotely

⁴ We have discussed these challenges in depth in past years' grant reports, which are online [here](#).

⁵ You can read past years' grant reports online [here](#).

⁶ "Governor Mills Announces \$500,000 in Maine Jobs & Recovery Plan Awards to Attract and Support Remote Workers." Office of Governor Janet T. Mills, April 26, 2024.

for out-of-state employers.⁷ In hindsight, we can now confirm that pandemic-induced shifts in our way of working and living have ultimately aided Maine's demographics and helped attract more much-needed workers to the state.

Looking Forward and Reasons for Optimism

Given the landscape described above, the Foundation is optimistic about Maine's future. Since our last annual report, evidence to support that optimism continues to grow and falls in four broad categories:

1. **Economic Growth in Maine.** After years of economic stagnancy and the economic downturn of the pandemic, Maine's economy continues to improve. In 2023, Maine's GDP was just over \$91 billion. This was a 6.2% increase compared to 2022 in nominal dollars and a 1.9% increase in real, inflation-adjusted dollars, slightly higher than New England as a whole.⁸
2. **Population Increase.** For years, Maine's population has been stagnant or declining. But now, as noted above, Maine is beginning to attract people. Since 2020, Maine's population has grown by 32,500 people with total net in-migration of 48,000. In this same period, Maine's net in-migration per capita is the eighth highest in the country. Census data suggests that many newcomers are young families.⁹
3. **Growing STEM and Life Science Economies.** There are now over 278,500 people working in Maine's STEM sector, accounting for more than one-third of the state's workforce and generating almost \$30 billion in economic output.¹⁰ STEM industries added \$6 billion in value to Maine's economy between 2017 and

⁷ Between 2018 and 2023, jobs in Maine across all industries increased 4%, or by 24,700 jobs. The number of worksites in Maine during the same period jumped by 21%, to 64,222 from 53,137.

"[Remote Work, New Worksites, and the Industry Structure of Jobs.](#)" Maine Department of Labor, June 2024.

⁸ Maine ranked second among New England states (Connecticut was higher) for 2022-2023 real GDP growth. Maine's personal income growth in 2023 was 4.9%, higher than New England (4.6%). Maine's GDP ranked 26th among all states and fourth in New England.

"[Gross Domestic Product by State and Personal Income by State, 4th Quarter 2023 and Year 2022.](#)" U.S. Bureau of Economic Analysis. Mar 29, 2024.

⁹ "[Annual and Cumulative Estimates of Resident Population Change, 2020-2023.](#)" U.S. Census Bureau.

A recent study from the Boston University Questrom School of Business indicates many newcomers are moving to Maine from Massachusetts. The study analyzed out-migration from Massachusetts and cites Maine as one of the top five destinations for those leaving the Bay State in 2021. It also ranks Maine as having a slight competitive advantage score for cost of living and quality of life factors as compared to Massachusetts, and notes that, in 2021, Maine gained \$393 million in adjusted gross income due to net out-migration from Massachusetts.

Williams, Mark T., "Massachusetts Outmigration Study." Boston University Questrom School of Business. April 2024.

¹⁰ "[An Inclusive Analysis of the U.S. STEM Workforce and Its Economic Impact.](#)" *Science is US*. March 2023.

2021 at a rate higher than the national average.¹¹ This includes 9,500 life science jobs at roughly 500 companies, a 42% increase since 2018.¹² This growth is especially promising for Maine as the life science industry requires new forms of manufacturing with high-paying jobs for frontline workers, the very workers most disrupted by the pandemic and globalization.

4. **Collaboration & New Kinds of Experiential Learning Opportunities.** Maine businesses and education institutions are increasingly coming together to creatively upskill our labor force and to develop what Jeffery Selingo calls a “New Learning Economy” for our state.¹³ This includes transforming how we think about and where we access learning and how higher-education institutions can provide the career skills that employers demand. Many of the Foundation’s grantees exemplify this innovation including the Maine Community College System, the University of Maine System, and the Roux Institute.

In summary, there are four major reasons to be more optimistic than ever about Maine’s future. But why stop at four? In keeping with Harold Alfond’s love of University of Maine Athletics and how success feeds success, our fifth reason for optimism is all about the Maine Black Bears:

5. **Black Bears’ Banner Year.** The University of Maine (UMaine) Black Bears had a fantastic 2023-2024. Women’s Soccer and Men’s Baseball won America East championships. Women’s Basketball also won the America East championship, set the record for the most well-attended women’s sporting event in the state when playing Indiana University, and competed in the NCAA tournament. Men’s Ice Hockey led the league in sell-out games and advanced to the NCAA tournament for the first time in 12 years, creating excitement statewide!

The Foundation has long been committed to UMaine Athletics, the state’s only NCAA Division I program, and sees its success as closely tied to that of the University as a whole. In 2023, we reaffirmed this commitment and awarded another \$80 million toward athletics facility improvements at UMaine on top of the \$90 million grant committed in 2020. Consistent with the University’s Master Plan for Athletic Facilities, the Foundation’s support will help UMaine

¹¹ “An Inclusive Analysis of the U.S. STEM Workforce and Its Economic Impact.” *Science is US*. March 2023.

¹² “Life Sciences in Maine: State of the Industry 2022.” BioScience Association of Maine. 2022.

¹³ Selingo, Jeffrey. “The New Learning Economy White Paper.” 2023.

improve its athletics facilities to a level on par with what all Black Bear student athletes in a Division I program deserve.¹⁴

At the Foundation, we are energized by the positive momentum in Maine for the five reasons recounted above and more. On the following pages, a selection of our recent grants are described and organized by investment theme, each contributing to our optimism for Maine and its future.

Building Maine's Workforce

The vast majority of the Foundation's investments—approximately 85% of all 2023 grants—fall within the Building Maine's Workforce theme. This theme stretches across the Foundation's three areas of giving, with an emphasis on Education. Grants within this theme are often to support skills-building education programs which deploy cross-disciplinary and experiential learning models; STEM education programs that spawn innovation and boost the skills of our workforce in high-return sectors of the economy; programs that advance knowledge and opportunity for all Maine workers; and projects that encourage collaboration among higher-education institutions and businesses. Six of the Foundation's grants falling within this theme are described below.

- **The Maine Community College System** – The Maine Community College System serves over 25,000 learners statewide through one- and two-year academic programs as well as through increasingly important short-term job training credentials. In 2021, with \$20 million of Foundation funding, alongside Governor Mills' allocation of pandemic funds and the contributions of business partners, the Maine Community College System launched the **Harold Alfond Center for the Advancement of Maine's Workforce**. Over the past 30 months, the Center has provided short-term job training programs statewide, designed and offered *in partnership* with Maine employers, for front-line Maine workers at every stage in their careers. Workers include those just coming into the labor

¹⁴ The Foundation's total \$170 million commitment (included within the \$320 million in total grant support for the University System) represents one of the largest single contributions to a Division I athletics program in the nation and reaffirms the Foundation's commitment to the importance and promise of Maine's public university system and all that it continues to accomplish. UMaine President Joan Ferrini-Mundy said it best: "The successful seasons of Black Bear teams... builds upon other UMaine achievements, including the opening of the world-class Ferland Engineering Education and Design Center, development of the first 3D-printed home made entirely of bio-based materials, and attainment of R1 Carnegie Classification, putting Maine's flagship among the nation's top 146 high-performing research universities." Ferrini-Mundy, Joan. "Opinion: On behalf of the Black Bear Nation, a hearty thank you." *Portland Press Herald*, April 2, 2024.

force as well as existing workers looking to “upskill” or advance in their professions, with programs for the “new collar” jobs of today that require advanced skills but not advanced degrees.¹⁵

Since first launched in 2021, the Center has achieved extraordinary success. Here are the facts:

- Over 1,640 business and industry associations have partnered with the Center for training opportunities;
- More than 27,000 individuals have received training; and
- Over 4,100 training programs have been launched, 28% of which are STEM related.

Best of all, the Center is just getting started! To keep it going, the Foundation announced a new \$75.5 million grant for the Center in June of 2024. With this new grant, another 70,000 Maine workers will be upping their game over the next five years.

Our enthusiasm for the Center cannot be overstated. To us, the workforce Center’s model of experiential education in close partnership with employers embodies exactly the kind of adaptation, innovation, and teamwork needed to meet today’s workforce needs and those of the future. There are many reasons for our confidence in this model, but here are four.

First, there is a serious shortage of workers in this state.¹⁶ Young people leaving the state together with retiring baby boomers and low birth rates relative to deaths have led to a historic undersupply of skilled workers. But, as noted above, in recent years our population has increased because of net in-migration. Many of these newcomers are mid-age workers who will need to upgrade their skills as technological innovation advances and, with it, the need of employers to adapt. The Center’s model of education is an important way to provide newcomers, as well as existing residents, the skills needed by Maine’s economy.

Second, we have long believed that forms of higher education must be diverse, inclusive, and flexible to fully engage and harness the talent of Mainers from all

¹⁵ Kelley, Lora. “Wanted: ‘New Collar’ Workers.” *The New York Times*. Dec. 29, 2023.

¹⁶ Maine has 42 available workers for every 100 open jobs as of September 2023.

Cates, Lindsay, and Ferguson, Stephanie. “Understanding America’s Labor Shortage: The Most Impacted States.” U.S. Chamber of Commerce. July 30, 2024.

walks of life, at different times in life. One size does not fit all in higher education any more than it does in making and selling shoes.

The Center's model of education not only serves the compelling need of employers for skilled workers, but offers Mainers who have not chosen, do not thrive in, or cannot afford the more traditional college or university experience a way to learn—a way which produces the immediate tangible benefit of a job.

Third, for over two decades the Foundation has looked to support higher education programs which provide Maine people with relevant job-ready skills that translate into economic return on tuition investment. A recent study from Georgetown University's Center on Education and the Workforce underscored the economic imperative of this linkage and how we are falling short in today's ever-changing economy.¹⁷

This mismatch—what Georgetown called “The Great Misalignment”—is exactly what the Alfond Center for the Advancement of Maine's Workforce is designed to fix.

Finally, our economy is rapidly changing with artificial intelligence looming and blooming and technological innovation exploding. In the days and years ahead, this phenomenon will only accelerate. This means that Maine businesses of all kinds must adapt quickly to remain competitive. And to adapt, businesses will need a way to upskill employees at all levels, from frontline workers to mid and senior management. The Center is the perfect model and partner for employers looking to efficiently meet this critical need now and in the future.

- **Maine Math and Science Alliance** – As technology has become part of most every job, computer science education has become an imperative. While a state inventory of computer science in Maine's public schools is not yet complete, there is compelling anecdotal evidence of the need to strengthen computer science education in our public school system.

¹⁷ The study found that more than a quarter (28%) of “middle-skills credentials” granted by higher education institutions are granted in programs with no direct occupational match. And further, that this misalignment between credentials and jobs is most pronounced in rural areas and for disadvantaged populations. Strohl, Jeff; Mabel, Zachary; and Peltier Campbell, Kathryn. [“The Great Misalignment: Addressing the Mismatch between the Supply of Certificates and Associate's Degrees and the Future Demand for Workers in 565 US Labor Markets.”](#) Washington, DC: Georgetown University Center on Education and the Workforce. 2024.

In 2021, the Foundation awarded a \$1 million pilot grant to the Maine Math and Science Alliance (MMSA). The grant funded training of 100 pre-K through eighth-grade teachers to integrate computer science into existing coursework. Professional development, we were persuaded, was a most effective way of enhancing the computer science skills of students.

In 2023, following the success of this 2021 initial grant, the Foundation awarded the MMSA an additional \$8.3 million. The latest grant is designed to broaden the reach of the program. At least 1,000 Maine teachers will receive computer science training and tools for students across some 36 school districts. By integrating computer science throughout K-12 and across all areas of study, Maine teachers will be helping Maine's public-school graduates to have the competencies and technological fluencies needed to thrive in a dynamic global economy. In the capable hands of the MMSA, the training will be delivered via summer programs and seminars, ongoing peer-to-peer networking and support, and connections to Maine's STEM businesses.

- **Jobs for Maine's Graduates** – Jobs for Maine's Graduates (JMG) is recognized nationally as a highly-effective program that ensures Maine students at risk graduate from high school, attain post-secondary credentials, and pursue meaningful careers. Led by the outstanding executive team of Craig Larrabee and Kim Lipp, JMG's track record is second to none.¹⁸ Beginning in 2013, HAF awarded JMG a series of grants totaling \$6 million to support its operations and endowment and to launch its College Success Program (CSP).

The CSP provides support and one-on-one mentorship for students as they transition from high school into college. Once students are in college, JMG mentorship continues helping to assure a successful transition to what, for many, is a challenging adjustment. Under CSP, if JMG students disengage from a campus, JMG helps them find their way back, either to a degree or credential program or gainful employment.

¹⁸ JMG's average four-year high school graduation rate is consistently 90% or higher. (The state's is 87%). In 2021, the American Institute for Research assessed JMG's impact and found that high school graduation rates increased for students taking JMG by 8 percentage points as compared to all other students with similar backgrounds; graduation rates increased by 15 points for economically disadvantaged students; and, increased by 12 points for students with disabilities.

In 2023, the Foundation awarded JMG a new \$10.4 million, five-year grant to expand the CSP onto all Maine public university and community college campuses and to continue support of JMG's career and college focused high school courses.

- **The University of Maine System** – With over \$320 million in committed grant funding from the Foundation since 2020, the University of Maine System (UMS) is growing and advancing multiple strategic initiatives with big impact in this state and on Maine's workforce.

Among these initiatives, \$75 million of Foundation funding has helped launch the new **Maine College of Engineering and Computing (MCEC)**. The MCEC expands access to STEM courses across all universities in the Maine System and encourages new opportunities for research and innovation. Formally approved by the UMS Board in 2023, MCEC is now led by its inaugural Dean, Giovanna Guidoboni, who has an interdisciplinary background in mathematical modeling and data science applied to engineering and life sciences. She also has an unbridled energy and love of teamwork.

With Chancellor Dan Malloy, UMaine President Joan Ferrini-Mundy, and Dean Guidoboni at the helm, MCEC is off to a strong start:

- System-wide engineering student enrollment was up 4.6% from 2022 to 2023;
- Over the same period, engineering and computing enrollments were both up at UMaine, with graduate enrollments up a combined 10%;
- Enrollment in UMaine's undergraduate Survey Engineering Technology program, among the top two programs of its kind in the nation, was up 76% over the prior four years; and
- Enrollment in the Master of Data Science and Engineering program, which includes courses from UMaine, the University of Southern Maine (USM), and the University of Maine at Augusta, has grown 300% in only two years.

Foundation grant funds of \$55 million are also supporting the **Maine Graduate and Professional Center**, or the "Maine Center." The Maine Center is the country's first-ever graduate education initiative to combine accredited graduate business, law, public service, and engineering programs. Early last year, the Maine Center opened its new building at 300 Fore Street in Portland's Old Port, a

state-of-the-art space that co-locates the Maine Center's interdisciplinary programs under one roof. Last summer, the UMS Board approved the acquisition of adjacent space at 7 Custom House, which will expand the Maine Center's physical presence to 100,000 square feet.

With the physical space established, the System is redoubling its efforts on Maine Center programmatic growth, with an emphasis on the MaineMBA, where enrollment exceeds 400 students. Nationally ranked by *US News and World Report*, *Fortune*, and *CEO Magazine*, the MaineMBA distinguishes itself through flexibility and integration with other disciplines, including, but not limited to, policy, law, and engineering. The MaineMBA has 13 concentrations and counting (with Life Sciences in the works). Furthermore, Maine Law is seeing increases in student applications and new students and is rising in national rankings and bar passage. Enrollment in USM's Muskie School of Public Service programs is up 10% since 2019.

Over the long-term, the success of the Maine Center will depend on its ability to develop market-responsive programming to meet the workforce needs of Maine. Toward these ends, a significant highlight of 2023 was the hiring of Seth Goodall as the Maine Center Executive Director and Maine Center Ventures Chief Executive Officer. Seth is uniquely qualified, having joined the UMS from a global financial services institution and with a background in business, law, and policy in Maine. Seth will lead the Maine Center's internal program coordination and outreach to Maine's business, legal, and policy communities.

- **Northeastern University's Roux Institute** – In 2020, the Foundation matched Barbara and Dave Roux and committed \$100 million to launch the Roux Institute, Northeastern University's new graduate school and research center in Portland, Maine. The Institute is focused on the disciplines of AI, computer and data science, digital engineering, and the advanced life sciences and medicine. Like that of the Community College System, the Roux Institute's model of education is intensely focused on the needs of employers and working with them as partners. The Institute asks businesses and nonprofits what they need and then works with them to deliver solutions.

Since 2020, the Institute's growth and accomplishments have accelerated at a remarkable pace. Today, it boasts 645 students and 340 graduates, 80% of whom have stayed in Maine. Some 70 start-up companies have worked in

residence at the Institute's temporary home adjoining the corporate headquarters of WEX.

The Institute is now developing a new permanent campus in Portland. As the Institute's roots deepen and its partnerships across Maine expand, we could not be more optimistic about its potential to build Maine's STEM workforce, to strengthen existing businesses, and to spawn new ones.

When Dave and Barb Roux decided to partner with Northeastern to fulfill their vision for the Institute and Maine, we knew Harold Alfond's notion of "skin in the game" had reached a whole new level. So, we were delighted beyond words to join the team. As the new campus is developed, the Foundation looks forward to deepening and increasing our support for the Roux Institute and all it offers for Maine's future.

- **FocusMaine** – Acknowledging that additional strategies and pathways are important to creating jobs and building Maine's workforce, the Foundation continues its support of FocusMaine. Founded by Andrea Cianchette Maker and our own trustee, Mike Dubyak, FocusMaine was launched in 2018 to create quality jobs in three of Maine's most globally competitive sectors: agriculture, aquaculture, and biopharma. Between 2018 and 2022, with more than \$11.7 million in Foundation funding, FocusMaine catalyzed \$131 million in business sales revenue, \$37.6 million in business earnings, and 351 direct and 336 indirect/induced jobs in Maine. In recognition of this momentum, the Foundation awarded FocusMaine a new \$6.9 million grant in 2023. With co-founder Andrea Cianchette Maker stepping in as CEO, we are confident our grant will build on FocusMaine's impact over the next three years.

Revitalizing the Economy of Waterville, Maine

Revitalizing the economy of Waterville is another important theme for the Foundation, crossing all three of our giving areas. Waterville was the home of Harold and Bibby Alfond and their family. During much of their lives, Waterville was a thriving manufacturing town with a busy Main Street. But like many communities across America, Waterville suffered as the decline and loss of its paper and textile industries unfolded. Today, the Foundation continues the Alfonds' commitment to their hometown through its ongoing investment in the City's revitalization. While the Foundation cannot effectively

invest in the many other Maine towns which have suffered from the manufacturing decline, we hope Waterville can serve as a revitalization model for others.

Funding for Waterville has comprised a major portion of the Foundation's spending for decades. In 2023, it made up 22% of overall Foundation spending. Below we describe our investments and the continuing impact of our grants on the City's revitalization.

- **Main Street Waterville** – Since 2016, the Foundation has heavily invested in the revitalization of Main Street, in partnership with Colby College. Over this time, we have made more than \$43 million in grants for projects intended to support a thriving downtown and to promote living and working in Waterville. Projects on Main Street have included development of the **Lockwood Hotel**; revamped office and retail spaces; and the **Paul. J. Schupf Arts Center**. Together, these investments and others, led by the extraordinary leadership of Colby College's David Greene and his team, have brought a renewed sense of place, energy, and possibility to the city and its Main Street.

Speaking of the Colby team, the Foundation's gratitude and admiration extend to so many at the College for their devotion to Waterville's revitalization on Main Street and beyond. At the top of our list would be President Greene, but also Brian Clark, his right-hand man, who has moved on to other opportunities. Brian, a consummate professional with a wide array of interests from urban development to the classic Caribbean Painkiller cocktail, will be missed.

- **Waterville Creates** – As this report is published, the Foundation's spotlight is on Waterville Creates. In late 2022, the new Paul J. Schupf Art Center on Main Street became 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.

To sustain Waterville Creates' promise of social and economic contributions to the city, the Foundation awarded the organization a \$3.2 million grant in 2022 to fund its ongoing programming as it settled into its new home at the Schupf Center.

We were not disappointed. In 2023, its first year in the new building, Waterville Creates welcomed over 97,000 visitors to the art center. Through hundreds of high-quality, accessible, all-ages arts programs offered 365 days a year,

Waterville Creates is bringing a new unmatched vitality to downtown, drawing arts audiences from throughout the state and beyond with significant impact on the local economy.¹⁹

In June of 2024, we awarded Waterville Creates a new \$7.5 million grant with confidence that it will continue its high-quality progress under the fine leadership of CEO Shannon Haines over the next three years.

- **Thomas College** – The Foundation has long been a supporter of Thomas College, an important institution in Waterville committed to increasing access to higher education for Mainers from all economic backgrounds. In 2020, the Foundation provided Thomas with a \$13.5 million grant to launch new academic programs, enhance student retention programs, expand affordability initiatives, and deepen the work of the Harold Alfond Institute for Business Innovation. The Foundation’s 2020 grant was the largest in the history of Thomas and helped push the institution to a successful finish of its *Guarantee the Future* campaign, which raised \$30 million. All of this occurred under the visionary leadership of Thomas College President Laurie Lachance, who will be retiring later this year.

Because of Laurie’s vision and resilience, Thomas College has played a multi-faceted role in the development of our state’s workforce, through recruiting first-generation college students into higher education; providing a job placement guaranty to graduates; and supplying skilled employees for Central Maine businesses. Under her leadership, the Harold Alfond Institute for Business Innovation was launched providing internships, certificates, professional development programs, and innovative entrepreneurial “ecosystem” events for the region.

As President Lachance prepares to depart, we join countless other appreciative Mainers in thanking her for her years of compassionate leadership, resilience, tireless commitment to Maine’s young people, and the lasting impact she has made at Thomas College and beyond. Laurie, you will be missed.

¹⁹ A study by Americans for the Arts found that, in 2022, the Waterville arts sector generated \$13.5 million in economic activity in the region, including \$9.7 million in spending by arts and culture organizations and an additional \$3.9 million in event-related expenditures by their audiences. This supported 174 jobs, provided \$9.0 million in personal income to residents, and generated \$2.4 million in tax revenue to local, state, and federal governments. Roughly 43% of Waterville arts attendees came from outside Kennebec County, spending an average of \$53.60 per person per event, with 81.4% citing the arts as their primary reason for visiting Waterville.

High-Quality, Rural Health Care

Harold Alfond knew that Maine's future success was dependent on many factors. These include not just a strong workforce and vibrant communities, but also access to high-quality health care for all, especially those underserved in Maine's rural communities. The Foundation's focus on Health Care, as a major area of giving, stems both from Harold Alfond's support for health care causes during his lifetime and his own personal battle with cancer. Today, our High-Quality, Rural Health Care investment theme is focused on making coordinated grants which improve access to high-quality, cutting-edge diagnostics, care, and treatments throughout the state.

As this report is published, Foundation grants supporting close-to-home cancer treatment continue to help enhance quality of life and survivorship for Maine cancer patients through three ongoing investments: the MaineHealth Cancer Care Network,²⁰ the Jackson Laboratory-led Maine Cancer Genomics Initiative (MCGI),²¹ and the Harold Alfond Center for Cancer Care in North Augusta. Over the past eight years, our investment in this space totals over \$55 million.

In 2023, we committed an additional \$25 million to MaineGeneral's Harold Alfond Center for Cancer Care. The Center first opened in 2007 on a scenic tract of land in North Augusta once serving as a golf course. Personally identified and then purchased at the direction of then MaineGeneral CEO Scott Bullock and Harold Alfond, the tract proved to be an ideal site for the Center given its central location in the state and proximity to Interstate 95.

In the Center's first year, it served 800 patients. With 9,000 statewide new cancer cases diagnosed each year and evolving cutting-edge treatments enhancing the quality and duration of life for patients, the Center's patient volume has grown exponentially. Today, it serves roughly 2,000 patients a year. Simply put, it is bursting at the seams.

²⁰ The MaineHealth Cancer Care Network is a collaboration between 300 of New England's cancer care providers and is designed to give Maine patients high-quality care as close to home as possible. The Network offers patients support in navigating through the treatment process, reduced travel times and repeat visits, and better access to treatments and clinical trials.

²¹ MCGI partners with Maine oncology practices to improve Maine patients' genomic tumor testing, expert clinical analysis, and precision medicine therapies. These services help reduce the disparities between rural and urban access to advanced technologies for cancer diagnostics and care.

The Foundation's additional \$25 million grant to MaineGeneral will renovate and upgrade 9,000 square feet of the Center's existing space and construct 14,000 square feet of new space.

Looking to 2024 and Slowed Spending

The last four years have brought historic change for Maine, beginning with the pandemic and followed by recovery, growth, and the emergence of promising new opportunities. With optimism for the state and its future, the Foundation is committed to spending a historic \$613 million in the years to come, every dollar centered on supporting the well-being and future prosperity of Maine communities and families. Today, evidence continues to grow that our state has recovered and emerged from the pandemic stronger than ever and with previously unimaginable possibilities on the horizon. That horizon includes some 158,000 Maine children in whose future over a half-billion dollars has been invested for their higher education.

Acknowledging where we are and our optimism for where we are going and, given the Foundation's coming obligations for heightened annual spending, the next several years will be a time of pause and constrained new spending for the Foundation. That said, we will honor all of our existing commitments in continued partnership with, and support of, the many organizations statewide who share our vision for a better Maine. And to them, we extend our gratitude.

On the following pages, the future commitments and grants paid in 2023 are listed.

Sincerely,



Gregory W. Powell
Chairman of the Board

Harold Alfond Foundation – 2023 Grantees

<i>Areas of Giving and Organization</i>	<i>Amount</i>	<i>Theme</i>
Education		
Alfond Scholarship Foundation (My Alfond Grant)	\$ 7,244,449	◆
Bigelow Laboratory for Ocean Science	\$ 4,000,000	◆
Center for Curriculum Redesign	\$ 435,000	◆●
Colby College	\$ 12,025,000	◆●
Educare Central Maine	\$ 385,190	
Foundation for Maine's Community Colleges	\$ 7,581,367	◆
Husson University	\$ 500,000	◆
JMG	\$ 1,687,658	◆
Northeastern University (The Roux Institute)	\$ 11,000,000	◆
Region 10 Technical High School	\$ 113,245	◆
Thomas College	\$ 1,500,000	◆●
University of Maine	\$ 13,025,000	◆
University of Maine Foundation	\$ 500,000	◆
University of Maine System	\$ 3,950,000	◆
University of New England	\$ 1,500,000	◆❖
Health Care		
Belgrade Regional Health Center	\$ 15,000	
Jackson Laboratory	\$ 2,500,000	❖
Kennebec Behavioral Health	\$ 2,000	
Maine Behavioral Health	\$ 20,000	
MaineGeneral Health	\$ 5,000,000	❖
Mid Coast Hospital	\$ 10,000	
Spaulding Rehabilitation	\$ 1,000	
St. Jude Hospital	\$ 1,000	
Youth and Community Development		
7 Lakes Alliance	\$ 500,000	
Alfond Youth and Community Center	\$ 625,100	
Aroostook Teen Leadership Camp	\$ 2,500	
Beth Israel Congregation Bath	\$ 2,000	
Beth Israel Congregation Waterville	\$ 640,361	
Brunswick Community Education Foundation	\$ 3,000	
Brunswick-Topsham Land Trust	\$ 5,000	
Center for Grieving Children	\$ 10,000	
FAME Leaders Inc. ('set-aside' for Alfond Leaders program)	\$ 242,142	◆

Full Plates Full Potential	\$	5,000
Gulfshore Playhouse	\$	70,000
Maine Children's Home for Little Wanderers	\$	15,000
Maine Community Foundation	\$	100,000
Maine Public Broadcasting	\$	25,000
Paul Taylor Dance Foundation	\$	40,000
Spectrum Generations Meals on Wheels	\$	1,200
Susan Curtis Foundation	\$	14,700
Tedford Housing	\$	10,000
Waterville Creates	\$	1,615,000 ●
Waterville Historical Society	\$	10,000
Total Foundation Funding in 2023	\$	76,931,912

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 12/31/23

<i>Areas of Giving and Organization</i>	<i>Amount</i>	<i>Theme</i>
Education		
Alfond Scholarship Foundation (My Alfond Grant)	\$ 7,627,009	◆
Bigelow Laboratory for Ocean Science	\$ 3,869,390	◆
Carrabassett Valley Academy	\$ 500,000	
Colby College	\$ 2,000,000	◆●
Educare	\$ 750,000	
Foundation for Maine's Community Colleges	\$ 2,313,015	◆
Jobs for Maine's Graduates	\$ 8,737,739	◆
Maine Math and Science Alliance	\$ 8,687,719	◆
Northeastern University	\$ 75,000,000	◆
Rollins College	\$ 10,000,000	
Thomas College	\$ 4,500,000	◆●
University of Maine	\$ 153,000,000	◆
University of Maine Foundation	\$ 1,000,000	◆
University of Maine System	\$ 138,000,000	◆
University of New England	\$ 26,250,000	◆❖
Health Care		
Jackson Laboratory	\$ 6,424,000	❖
MaineGeneral Health	\$ 20,000,000	❖
Youth and Community Development		
7 Lakes Alliance	\$ 1,500,000	
Alfond Youth and Community Center	\$ 4,423,828	
Beth Israel Congregation Waterville	\$ 109,639	
Coastal Maine Botanical Gardens	\$ 4,500,000	
FocusMaine	\$ 6,900,000	◆
National Trust for Local News	\$ 1,500,000	
Waterville Creates	\$ 1,600,000	●
Waterville Historical Society	\$ 102,500	
Total Outstanding Grant Commitments	\$ 489,294,839	

Investment Themes

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