

CIT
CENTER FOR INNOVATIVE TECHNOLOGY

June 5, 2007

The Honorable Vincent F. Callahan, Jr.
Chairman, House Appropriations Committee
9th Floor, General Assembly Building
Capitol Square
Post Office Box 406
Richmond, Virginia 23218

Dear Chairman Callahan:

I am pleased to submit the Center for Innovative Technology's (CIT) fiscal year 2008 Operating Plan, which was approved by the CIT Board of Directors on May 24, 2007.

For 2008, CIT continues its mission of "accelerating the next generation of technology and technology companies." To ensure that Virginia achieves the status of top destination for new company formation, our plan contains objectives designed to secure national recognition for the Commonwealth as the premier services provider engaged in technology company creation and growth.

Similar to the 2007 Plan, CIT will continue to migrate toward federal and private sector funded services that support our mission and objective.

The 2008 Plan contains minor adjustments to the 2007 Operating Plan. These adjustments are reflected in the process and procedure CIT will use to both predict and record the contribution that CIT makes to the Commonwealth. These adjustments are necessary to reflect programmatic changes resulting from funding variables.

On behalf of the entire CIT organization, we would like to express our gratitude for the ability to serve the Commonwealth by building its future economic engines.

Please feel free to call me at 703-689-3000 if you have any questions.

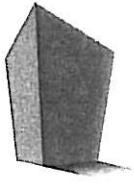
Respectfully,

Peter Jobse
President & CEO
The Center for Innovative Technology

cc: Mr. Richard Brown, Director, Department of Planning and Budget
Mr. Billy Barbee, Senior Budget Analyst, Department of Planning and Budget
Mr. Robert P. Vaughn, Staff Director, House Appropriations Committee
The Honorable John H. Chichester, Chairman, Senate Finance Committee
Ms. Betsy Daley, Staff Director, Senate Finance Committee

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Enclosure



CIT
CENTER FOR INNOVATIVE TECHNOLOGY

June 5, 2007

The Honorable John H. Chichester
Chairman, Senate Finance Committee
10th Floor, General Assembly Building
Capitol Square
Room 626
Richmond, Virginia 23219

Dear Chairman Chichester:

I am pleased to submit the Center for Innovative Technology's (CIT) fiscal year 2008 Operating Plan, which was approved by the CIT Board of Directors on May 24, 2007.

For 2008, CIT continues its mission of "accelerating the next generation of technology and technology companies." To ensure that Virginia achieves the status of top destination for new company formation, our plan contains objectives designed to secure national recognition for the Commonwealth as the premier services provider engaged in technology company creation and growth.

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Enclosure

Center for Innovative Technology

OPERATING PLAN

Fiscal Year 2008

Approved by the Board of Directors on May 16, 2007

Table of Contents

Executive Summary 4

Strategic Goals, Plan of Work, Milestones, and Metrics - Fiscal Year 2008 ... 6

Research and Development Service Line6

Goal 1: Create new industry clusters in advanced technologies 6

Objective 1.1 – Establish and advocate development of an innovation index to evaluate and manage industry cluster development in Virginia..... 6

 Program and Plan of Work.....6

 2008 Program Impact.....7

 Milestones7

 Management Reporting Tools.....7

Objective 1.2 – Conduct a study for the potential establishment of a national sensor institute in Virginia 8

 Program and Plan of Work.....8

 2008 Program Impact.....8

 Milestones8

 Management Reporting Tools.....8

Goal 2: Solve national technological challenges through world class R&D solutions..... 9

Objective 2.1 – Deliver solutions to national defense and homeland security challenges through IDHS 9

 Program and Plan of Work.....9

 2008 Program Impact.....11

 Future Program Impact11

 Milestones12

 Management Reporting Tools.....13

Objective 2.2 – Deliver technology solutions to solve national and regional economic challenges... 13

 Program and Plan of Work.....13

 2008 Program Impact.....14

 Future Program Impact14

 Milestones15

 Management Reporting Tools.....15

Entrepreneur Service Line.....	16
--------------------------------	----

Goal 3: Secure global leadership in the development of entrepreneurial technology ventures..... 16

Objective 3.1 – Identify and accelerate opportunities for small technology firms to obtain federal R&D awards..... 16

Program and Plan of Work.....	16
2008 Program Impact.....	17
Milestones.....	17
Management Reporting Tools.....	17

Objective 3.2 – Accelerate funding for early-stage technology firms 18

Program and Plan of Work.....	18
2008 Program Impact.....	19
Future Program Impact.....	19
Milestones.....	20
Management Reporting Tools.....	20

Connect Service Line	21
----------------------------	----

Goal 4: Secure global leadership in the identification and assimilation of innovative technologies..... 21

Objective 4.1 – Accelerate the assimilation of new technology by large-scale federal and private sector technology consumers..... 21

Program and Plan of Work.....	21
2008 Program Impact.....	22
Future Program Impact.....	22
Milestones.....	23
Management Reporting Tools.....	23

Objective 4.2 - Accelerate the assimilation of new technology for Virginia-specific initiatives 24

Program and Plan of Work.....	24
2008 Program Impact.....	24
Future Program Impact.....	25
Milestones.....	25
Management Reporting Tools.....	25

Goal 5: Achieve national recognition as the knowledge source for the identification of technology companies and technology development opportunities..... 26

Objective 5.1 – Provide research, analysis and information dissemination services 26

Program and Plan of Work.....	26
2008 Program Impact.....	26
Future Program Impact.....	26
Milestones.....	27
Management Reporting Tools.....	27

<i>Objective 5.2 – Support a high-potential portfolio of developing technology companies</i>	27
Program and Plan of Work.....	27
2008 Program Impact.....	28
Milestones	29
Management Reporting Tools.....	29
Broadband Service Line	30
Goal 6: Expand the use and application of broadband technologies in rural and underserved areas	30
<i>Objective 6.1 – Serve as the Commonwealth’s Office of Telework Promotion and Broadband Assistance</i>	30
Program and Plan of Work.....	30
2008 Program Impact / Future Program Impact.....	31
Milestones	32
Management Reporting Tools.....	32
<i>Objective 6.2 – Provide demand generation and infrastructure development services that advance the presence of broadband in Virginia</i>	32
Program and Plan of Work.....	32
2008 Program Impact.....	33
Milestones	34
Management Reporting Tools.....	34
Commonwealth Support Programs	34
<i>Provide Commonwealth of Virginia’s Information Technology Symposium (COVITS) program management support</i>	34
Program and Plan of Work.....	34
2008 Program Impact.....	35
Milestones	35
Management Reporting Tools.....	35
<i>Serve as the executive director of Virginia Research and Technology Advisory Commission (VRTAC)</i>	35
Program and Plan of Work.....	35
2008 Program Impact.....	36
Milestones	36
Management Reporting Tools.....	36
<i>Manage the Commonwealth Technology Research Fund (CTRF)</i>	37
Program and Plan of Work.....	37
2008 Program Impact.....	37
Milestones	37
Management Reporting Tools.....	37
Organizational Structure for FY2008	38
Summary of Operating Budget for FY2008	40
Detailed Operating Budget for FY2008	43

Executive Summary

Introduction

Fiscal Year 2007 was the second year of execution of an operating plan that did not significantly change from the prior year's operating plan. This contrasts to previous years when plans were annually rebuilt due to funding fluctuations and mission re-definition. Achieving plan stability over a five to seven year horizon will allow CIT to maximize program value and return on invested capital.

During 2007, the Connect service line proceeded through validation and development stages and was positioned for growth in the federal and state markets, the GAP Fund expanded into two funds to accommodate new investment and start-up company demand, the Research and Development service line matured four pilot programs, and the Broadband service line contributed to rural broadband penetration and addressed telework promotion.

Also, to support CIT's growth a new cost accounting system, time management system and financial reporting system were implemented. These changes complete CIT's transformation from a grant allocation organization to a service based organization capable of serving state, federal and private sector clients.

Operating Environment

Annually, CIT reviews the economic climate for technology and technology company creation. As in 2007, the following observations have been validated:

1. There is a significant void in angel and early-stage investment capital for seed-stage companies nationally as well as in the Commonwealth.
2. Reductions in the federal research and development workforce and increased emphasis on security programs are creating opportunities for translational research programs involving multiple universities and companies.
3. Advanced technology fields including nanotechnology and biotechnology require pursuit of specific market segments in order to establish a market leadership position.
4. Changing economic and geopolitical environments create the need to stimulate innovation for new solutions to challenges in energy production and consumption.
5. Access to affordable broadband is mandatory to support rural economic development.
6. Federal funds play a significant role in supporting the capital requirements of early-stage companies.
7. Early-stage companies and large-scale technology consumers have a difficult time identifying each other, which prevents technology assimilation and young company growth.

Direction

After carefully reviewing environmental factors that are relevant to the mission of CIT, management determined that the programmatic direction for 2008 should be the same as 2007, with a few adjustments. These adjustments include:

1. Refining the metrics recordation and forecasting process to more accurately predict the financial impact of CIT programs, and in situations where financial measurement is not relevant, to more accurately define baseline measurements for progress assessment.
2. Alignment of the Connect service line to support the objectives of improving service to the citizen and cost reduction opportunities in Virginia state government.
3. Establishing a baseline innovation index that will serve to provide elected officials and private sector leaders with a metrics based assessment of the development of Virginia's high technology industry segments.

For 2008, the CIT mission of “*accelerating the next generation of technology and technology companies*” coupled with the objective to “*achieve national recognition as the premier services provider engaged in technology company creation and company growth*” will focus the organization on expanding its programs and in return make the Commonwealth the next innovation hub in the United States.

2008 Goals

CIT's 2008 goals and corresponding service lines are as follows:

Research and Development service line

- | | |
|---------------|----------------------------------------------------------------------------|
| Goal 1 | Create new industry clusters in advanced technologies. |
| Goal 2 | Solve national technological challenges through world class R&D solutions. |

Entrepreneur service line

- | | |
|---------------|-------------------------------------------------------------------------------------|
| Goal 3 | Secure global leadership in the development of entrepreneurial technology ventures. |
|---------------|-------------------------------------------------------------------------------------|

Connect service line

- | | |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Goal 4 | Secure global leadership in the identification and assimilation of innovative technologies. |
| Goal 5 | Achieve national recognition as the knowledge source for the identification of technology companies and technology development opportunities. |

Broadband service line

- | | |
|---------------|------------------------------------------------------------------------------------------|
| Goal 6 | Expand the use and application of broadband technologies in rural and underserved areas. |
|---------------|------------------------------------------------------------------------------------------|

Strategic Goals, Plan of Work, Milestones, and Metrics - Fiscal Year 2008

Research and Development Service Line

Goal 1: Create new industry clusters in advanced technologies

Objective 1.1 – Establish and advocate development of an innovation index to evaluate and manage industry cluster development in Virginia

Program and Plan of Work

Innovation is a recognized driver in economic success today and for the near future. Many public and private sector organizations track indicators of innovation, such as patent activity, private equity investment, company creation, corporate and academic research expenditures, and advanced degrees in science and engineering. Cities, states, and countries around the world, are using that data and measuring their own performance against it. These innovation indicators inform public and private sector officials' decisions about policies, investments, and other factors as they try to build industry clusters. By employing this data, leaders can align and position their investments so that their jurisdictions capture and maintain a leading role in the innovation and technology economies.

Clusters play a strategic role in economic prosperity. However, building clusters requires articulating short, medium, and long-term visions, as well as a long-term commitment by stakeholders – a commitment that spans multiple business cycles and terms of office. Two of today's most successful technology clusters, North Carolina's Research Triangle Park and California's Silicon Valley, began in the 1940s and 1950s. This long-term commitment by generations of stakeholders nurtured these technology clusters as they slowly grew into the powerful and profitable regions they now are.

Like North Carolina and California, Virginia has an admirable record of achievements in technology research, commercialization, and other activities that propel innovation. Progress in scientific research creates opportunities for the growth of new and existing industries that will become the next-generation economic engines for the Commonwealth. In Virginia, advances in energy, information technology, life sciences, nanotechnology, and other technology sectors provide opportunities to develop industry clusters that will enable the Commonwealth to compete globally.

To aid public sector decision makers in advancing Virginia's innovation economy, CIT will develop an innovation index model that identifies and includes limited data on critical elements of the innovation economy. The index will baseline Virginia's innovation activity and will benchmark the Commonwealth's performance against peer states, including Maryland, North Carolina, and Pennsylvania. The baseline will rely on publicly available sources of data, including that from the National Science Foundation, Small Business Administration, U.S. Patent and Trademark Office, Association of University Technology Managers, and the PriceWaterhouseCoopers / National Venture Capital Association MoneyTree™ Report.

CIT will inform state, local, and federal officials about the role of such data and its contribution to identifying, creating, and growing strategic industry clusters. CIT also will recommend procedures and develop cost estimates for a published report.

2008 Program Impact

This objective focuses on creating a sample innovation index and related education and advocacy with Virginia’s elected officials. The index is designed to be a tool to help the Commonwealth’s officials determine future industry direction and the targeted areas for investment that will enable the Commonwealth to maintain leadership in innovative fields. Program impact is ultimately determined by the Commonwealth’s decision to proceed with a fully functional Virginia Innovation Index and subsequent policies and investment in strategic sectors.

Milestones

The following milestones are specific to this objective and will be used to manage the objective’s deliverables and metrics.

Activity	Date	Person Responsible
Produce draft of Virginia Innovation Index model	August 2007	VP, Research Investment
Produce model Virginia Innovation Index	October 2007	VP, Research Investment
Brief VRTAC on the Innovation Index and on federal, state, and international trends in advanced technologies	September 2007	VP, Research Investment
Advise Administration, General Assembly, and commissions on the Innovation Index as well as on federal and state advanced technology priorities and capabilities	October 2007	VP, Research Investment
Advise Virginia Congressional delegation on the Innovation Index as well as on federal and state advanced technology priorities and capabilities	October 2007	VP, Research Investment

Management Reporting Tools

- Pilot product, Virginia Innovation Index
- Briefings for state and federal officials and commissions as scheduled

Objective 1.2 – Conduct a study for the potential establishment of a national sensor institute in Virginia

Program and Plan of Work

CIT will assist with a feasibility study regarding the creation of a National Sensor Science Center in the Hampton Roads region. The Commonwealth's FY2008 budget includes a \$75,000 appropriation for this study. CIT will coordinate with members of the Hampton Roads community to develop the plan of work.

2008 Program Impact

Goals of the Hampton Roads region include becoming a nationally recognized sensor cluster. The study will provide guidance on leveraging the area's federal, state, and private sector assets. Program impact will be determined ultimately the growth of sensor-related research, jobs, and companies in the region and Commonwealth.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Assist with production of National Sensor Science Center feasibility study	July 2007	VP, Research Investment
Advise and support state, federal, and local executives and officials regarding the study's findings	October 2007	VP, Research Investment

Management Reporting Tools

- National Sensor Science Center feasibility study
- Briefings for state and federal officials and commissions as scheduled

Goal 2: Solve national technological challenges through world class R&D solutions

Objective 2.1 – Deliver solutions to national defense and homeland security challenges through IDHS

Program and Plan of Work

CIT underwrites and operates the Institute for Defense and Homeland Security (IDHS). IDHS is an organization of university, industry, and government research and development partners dedicated to delivering solutions that support the United States' defense and homeland security objectives. Through this strategic partnership, IDHS conducts research and development, education, and technology transition at member institutions and firms, with an emphasis on telecommunications, biodefense, sensor systems, robotics, crisis management, and energy independence. Industry members commercialize technology and develop solutions that support rapid technology insertion and deployment.

As part of its original mandate, IDHS works to increase defense and homeland security R&D funding flowing to Virginia colleges and universities, businesses, and government laboratories. To accomplish this, IDHS and selected CIT staff identify and secure federal funding through strategic partnering agreements with government, industry, universities and non-profits; multi-institutional competitive solicitations; non-competitive solicitations; and Congressional appropriations. These funding arrangements include those in which CIT is the lead institution, conducts project management, or is the catalyst and facilitator for proposal submissions.

The defense and homeland security market is robust overall, but there is significant competition for R&D funding. While IDHS' structure is unique and offers advantages in the marketplace, it is not without competition. Multiple private and not-for-profit organizations are maneuvering for leadership in the homeland security consulting and R&D market sectors. To strengthen its competitive advantage, IDHS identifies opportunities that have unique requirements for university and private sector collaborative research and development.

In 2007, energy-related science and technology (S&T) efforts received the only increase in the Department of Defense S&T budget. Capitalizing on the IDHS Executive Director's participation on the Defense Science Board Task Force on Energy Strategy, IDHS proposed an FY2008 initiative for Military Energy Independence. Three of the proposed tasks -- Net Zero Military Bases, Net Zero Energy Forward Operating Bases, and an Energy Independence Research and Development Park -- are focused on alleviation of critical external energy vulnerabilities. The program will reduce external fuel requirements and accelerate the transition of key interrelated renewable energy and efficiency technologies. This will enable U.S. military bases and forward operating bases to function at a net zero consumption of external energy. The proposed programs will work with the Army Rapid Equipping Force and all military services to identify and develop the most promising technologies, identify and address deficiencies, demonstrate performance and deploy to theater as quickly as possible those systems that reduce vulnerability and increase

capability. Commercialization of these solutions will pave the way for Virginia to become a national leader in alternative energy technologies.

An additional energy-related proposal, Net Zero Plus Joint Capability Technology Demonstration (JCTD), is designed to reduce exponentially the logistics footprint and distribution requirements of fossil fuels by integrating mature and emerging alternative energy technologies into existing infrastructure thereby reducing external energy demands of committed units and providing increased mission capability. In coordination with the Army Rapid Equipping Force Power Surety Task Force, Department of Defense and interagency partners, this program is designed not only to decrease dependence on distributed fuel—and save lives—but to generate energy surplus for storage or distribution to surrounding communities. Execution of this proposed effort is dependent on its selection as an FY2008 JCTD by the DOD Joint Requirements Operations Committee in June 2007.

In addition to new energy-related initiatives, IDHS members, through the Partnership Intermediary Agreement with the Department of Defense, will prototype and demonstrate solutions for three translational research programs previously defined within the agreement: Red Cell, Remote Presence, and Environmental Bioterrorism Detection. These three research programs, conceived and nurtured by IDHS, are now mature enough to demonstrate.

In 2007, the Red Cell program -- an advanced warning system built on the existing U.S. cellular infrastructure -- proved feasible, with three of four concepts of operations recommended to proceed to concept development. However, due to funding limitations, only one will proceed to demonstration in 2008.

The Remote Presence program surveyed the warfighter and civilian first responder and recommended payload requirements for unmanned ground vehicles. The IDHS Operations Committee reviewed the survey results and recommended a subset of interoperable payloads as the program proceeds to concept development.

The Environmental Bioterrorism Detection program established a framework to assimilate accurate wildlife health data and alerts into human health systems. The program will evaluate detection data collected for avian influenza, the first disease to be monitored. It will also build upon the wildlife surveillance framework established through a nationwide network of wildlife rehabilitation centers, hospitals, and animal health care professionals.

A joint demonstration in September 2007 at Ft. Pickett in Blackstone, Virginia, will incorporate components of the Red Cell, Remote Presence, and Environmental Bioterrorism Detection programs. The demonstration will involve the Virginia National Guard, the Virginia Department of Emergency Management, and area fire and rescue, hazardous material, and medical response teams.

2008 Program Impact

IDHS builds on Virginia's core strengths through new and innovative applications of technologies that provide critical defense and homeland security solutions and support the expansion of research and industry developing these solutions. For FY2008, IDHS will execute \$1.2 million in research contract awards to support programs under the Partnership Intermediary Agreement. In parallel, IDHS is pursuing federal line item funding through the Department of Defense for FY2008 and beyond.

Future Program Impact

By design, Red Cell, Remote Presence, and the Environmental Bioterrorism Detection programs have established a framework for a systems-based approach to build, sustain, and improve national security, preparedness, and defense for a broad range of threats and hazards. These programs were also established for their commercial value. In keeping both research and commercialization results in mind, IDHS helps to position the Commonwealth's companies and research institutions to participate in significant national technology deployment programs.

The Red Cell program will provide the capability for an advanced warning system built on the existing U.S. cellular infrastructure. When completely deployed, this system will alert citizens in specific geographic locations to emergencies and security-related incidents. While IDHS is initially positioning Red Cell effectiveness for regional incidents, the scalable nature of the program will allow it to broaden to a national and potentially international capability.

The Remote Presence program leverages existing systems and Defense Department unmanned vehicle technologies for advanced military and first responder applications. The prototypes, an unmanned ground vehicle and an unmanned aerial vehicle, were originally designed to obtain remote camera access into security compromised locations. Solutions will provide greater situational awareness to deter, intercept, and defeat threats at a safe distance, thus achieving mission assurance and potentially saving lives. The technology will be transitioned for military operations, homeland defense and homeland security, first responder and other civilian applications. The Remote Presence program is currently developing an interoperable interface for unmanned ground vehicles that will spawn a market for interoperable payloads across multiple platforms. For out years, similar critical applications have been identified and are currently being explored for commercial impact.

The Environmental Bioterrorism Detection program expands current threat awareness, surveillance and detection capability, and risk and consequence management to mitigate both natural and intentional threats. Systems include an innovative use of wildlife as natural biosensors, a surveillance system that monitors Centers for Disease Control Category A, B, C agents/diseases, and a rapid pathogen detection and identification device that can be used for wildlife, insects, or humans. The program will continue to build on wildlife and livestock surveillance systems while exploring logical integration points into human health systems. The network not only will provide early detection to mitigate effects on human

health but also will function as a sentinel for livestock populations, thus protecting our food supply and diminishing the economic impact of the threat.

The Military Energy Independence proposal is designed to reduce dramatically external fuel requirements and accelerate the deployment of key interrelated renewable energy and efficiency technologies; this will enable U.S. military bases and forward operating bases to operate at a net zero consumption of external energy. Technologies developed will significantly impact industries such as transportation, aerospace, and commercial and residential construction. Commercialization of solutions identified within the program will pave the way for Virginia to become a leader in alternative energy technologies.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Issue Department of Defense Partnership Intermediary quarterly reports	August, November 2007	IDHS Program Managers
Red Cell, Remote Presence, and Environmental Bioterrorism Detection concept demonstrations in coordination with Vigilant Guard exercises with the Virginia National Guard at Ft. Pickett	September 2007	IDHS Executive Director and Program Managers
Develop Department of Defense Partnership Intermediary FY2007 annual report	October 2007	IDHS Executive Director
Red Cell, Remote Presence, and Environmental Bioterrorism Detection subcontractor final reports due for concept development phase	November 2007	IDHS Program Managers
IDHS Operations Committee concept development program review and recommendations	December 2007	IDHS Executive Director
Annual Partnership Intermediary Program review with the Office of the Secretary of Defense and Air Force Research Laboratory who maintain IDHS contracts	January 2008	IDHS Executive Director
Establish and educate congressional delegation on opportunities for program development and expansion	November 2007- March 2008	IDHS Executive Director

Management Reporting Tools

- Quarterly and annual Partnership Intermediary Agreements progress reports to DOD / Air Force Research Laboratory
- Monthly and final subcontractor reports
- Monthly financial reports for billing and project management
- Briefings for state and federal officials and commissions as required
- Annual program review with the Office of the Secretary of Defense and Air Force Research Laboratory

Objective 2.2 – Deliver technology solutions to solve national and regional economic challenges

Program and Plan of Work

To enable the development of scientific solutions to solve national and regional economic challenges, CIT conducts high-value scientific projects that push research toward commercialization. These translational R&D programs provide growth opportunities for research and business organizations while solving challenges for Virginia, the region, and the nation.

CIT identifies opportunities for translational research, creates teams to develop effective solutions, performs project management, and grows projects into national programs. CIT identifies federal and other funding opportunities. It undertakes grants and contracts through strategic partnering agreements with government, industry, universities, and nonprofits. Competitive solicitations, non-competitive solicitations, and Congressional appropriations are also sources of funding. CIT may be the lead institution and/or conduct project management on behalf of its partners. In doing so, CIT manages grants and contracts, on time and on budget, and achieves research and commercialization results that meet or exceed program-specific goals.

CIT is currently engaged in a Coastal Observation initiative along the Delmarva coastline, which has state, regional and national environmental and economic implications. This translational research program calls for developing a system for collection, analysis and archiving of data related to coastal observation.

When completely deployed, the Coastal Observation system will dramatically improve researchers' ability to characterize and monitor the coastal ecosystem, including the influence of the Chesapeake Bay on coastal waters, by providing real-time, continuous information to a variety of users.

In order to expand the availability of the Coastal Observation research, increase the number of users of the data, and enhance education, CIT participates in regional activities and outreach with MACOORA, the Mid-Atlantic Coastal Ocean Observing Regional Association.

Key activities for FY2008 include performing on existing grants and contracts, supporting business development for Coastal Observation funding in FY2008 and FY2009, and developing a long-term business model for the Coastal Observation project.

In addition, CIT will continue development of a mine safety project, which engages private and public sector organizations to develop and deploy a personnel tracking and communications system.

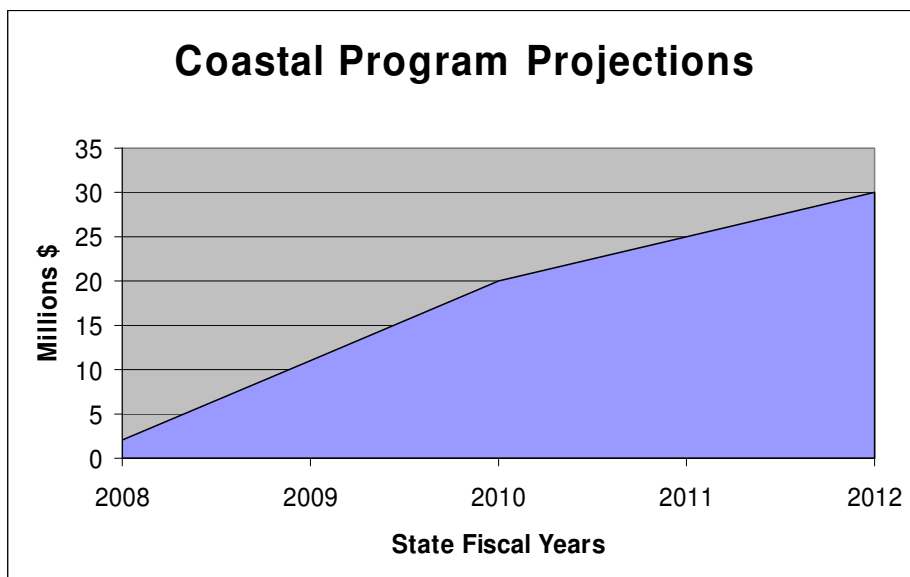
CIT will also examine additional opportunities to develop new translational research proposals in the areas of energy, biotechnology, communications, marine sciences, and nanotechnology.

2008 Program Impact

CIT provides significant value to the Commonwealth by contributing to the development of technological solutions for regional challenges as well as facilitating the expansion of research and industry developing these solutions. In FY2008, CIT will generate and record \$1.386 million in revenue from federal grants and contracts. Additionally, CIT will provide a minimum of \$800,000 in research contract awards to support programs that will be recorded as leveraged cash for CIT's metrics.

Future Program Impact

CIT has invested in the Coastal Observation program because of its ability to serve the citizens of the Commonwealth, the region, and the nation. Through this program, CIT helps position companies and research institutes to participate in what will become a significant national technology deployment program. Based on current prototype observations and bi-coastal technology deployment, the projected future value of the national Coastal Observation program is shown in the following graph.



Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Provide status and other compliance reports for the Coastal Observation project (Years IV and V)	September 2007 March 2008	VP, Research Investment
Identify and submit budget documentation for \$2 million in FY2008 Coastal Observation award	In accordance with federal deadlines (est. August 2007)	VP, Research Investment
Identify and submit budget documentation for FY2009 \$2 million Coastal Observation award	In accordance with federal deadlines (est. December 2007)	VP, Research Investment
Refine long term business model for Coastal Observation	October 2007	VP, Research Investment
Lead public-private team pursuing mine safety opportunities	September 2007	VP, Research Investment
Identify opportunities in translational research	October 2007	VP, Research Investment

Management Reporting Tools

- Semi-annual performance and financial reports to NOAA and other contract-specific project reports as required
- Subcontractors' monthly progress reports and invoices
- Monthly internal financial reports for billing and project management
- Compliance reports as required by client agency

Entrepreneur Service Line

Goal 3: Secure global leadership in the development of entrepreneurial technology ventures

Objective 3.1 – Identify and accelerate opportunities for small technology firms to obtain federal R&D awards

Program and Plan of Work

Virginia ranked third among states, behind California and Massachusetts, in Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) awards received in FY2004 (*the latest year for which data is available*). In that year, California firms won a total of \$453 million in SBIR/STTR awards while Massachusetts firms brought in \$305.7 million. In that same year, Virginia firms were awarded a total of \$122.9 million, much of which came from Defense Department SBIR/STTR awards. While Virginia's performance in winning SBIR and STTR awards remains solid, the Commonwealth lags its peers in two other key indicators of R&D commercialization -- patents awarded and venture capital attracted to SBIR/STTR involved companies.

To ensure the development of Virginia's next generation of technology companies, Virginia must maintain its current high number of SBIR and STTR awards from the Defense Department, provide greater assistance to those companies in commercializing their DOD-backed technology, and make greater inroads in obtaining federal R&D awards from other SBIR granting agencies, such as the National Science Foundation and the National Institutes of Health, as well as from other federal funding programs.

CIT continues its statewide leadership in federal funding assistance for business through its Federal Funding Assistance Program (FFAP). This program capitalizes on CIT's experience in helping Virginia's technology companies obtain funding through the SBIR/STTR programs, the National Institute of Standards and Technology's Advanced Technology Program (ATP), and the Advanced Research and Development Activity (ARDA) awards. Key program initiatives include CIT's continued and aggressive outreach to the federal R&D funding program management community; delivery of federal funding workshops throughout the Commonwealth, and provision of commercialization assistance to Virginia's federal funding awardees. In FY2008, FFAP will enhance its efforts to screen federal R&D award winners to tighten the linkage between that program and CIT's Capital Access Program.

During FY2008, CIT will work closely with CIT's Connect service line in supporting DARPA's Commercialization Pilot Program. Through this contract vehicle, the FFAP will provide outreach and commercialization assistance to Commonwealth companies seeking application to, or working under an award from, DOD's SBIR/STTR program. This federal program, along with CIT's existing SBIR/STTR programs, will be used to assist Virginia's early-stage technology companies in obtaining an additional \$122 million (leveraged cash) in R&D funding grants and contracts. To reach this target, CIT will provide support to a minimum of 210 federal funding applicants during the fiscal year.

2008 Program Impact

CIT's FFAP helps Virginia's emerging high technology companies attract R&D dollars from federal executive agencies. Through this program, CIT helps companies build significant value in their enterprises without the dilutive effects of private equity infusion. Projecting forward from recent year's actual numbers, CIT anticipates that Virginia companies will win more than \$122 million in SBIR/STTR awards in FY2008, distributed over approximately 400 awards. CIT will drive this success by supporting a target of 210 companies through training programs, educational seminars, and consultative services delivered in Hampton Roads, Charlottesville, Roanoke-Blacksburg, Richmond, and Northern Virginia. Additionally during FY2008, CIT will generate and record \$140,000 in revenue from federal grants and contracts.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Develop and deliver four federal funding workshops in support of DARPA Commercialization Pilot Program	March 2008	Director, Federal Funding
Deliver federal funding support services to a minimum of 210 companies across the Commonwealth	June 2008	Director, Federal Funding
Organize and host Virginia's Twelfth Annual Federal Funding and Innovation Conference in Northern Virginia	October 2007	Director, Federal Funding
Develop and deliver SBIR/STTR Phase I and II proposal workshops – northern, central, eastern, and western Virginia	December 2007	Director, Federal Funding

Management Reporting Tools

- Monthly federal funding company pipeline report
- Quarterly federal outreach status report
- Quarterly review of high-potential FFAP companies

Objective 3.2 – Accelerate funding for early-stage technology firms

Program and Plan of Work

CIT has benchmarked the magnitude of both aggregate venture capital deployment and seed capital investment in Virginia with reference to other states of similar size and economic composition. In doing so, CIT has compared 60-month trailing venture investments in Virginia (2005 GSP: \$351B), Maryland (2005 GSP: \$246B), and Massachusetts (2005 GSP: \$326B). Over the past five years, Virginia companies have attracted \$1.9 billion in venture capital, keeping approximately in pace with neighboring Maryland, which has attracted \$2.7 billion. Virginia, however, suffers significantly in comparison to Massachusetts, which attracted \$13.2 billion in venture capital during this same period. The difference becomes more acute with a comparison of the number of seed stage investments in these states during the same five-year period. During this time frame, investors placed 27 seed-stage investments in Virginia compared to 107 in Massachusetts and 117 in Maryland.

	2005 GSP	Venture Funding	Seed Stage Investments
Maryland	\$246B	\$2.7B	117
Massachusetts	\$326B	\$13.2B	107
Virginia	\$351B	\$1.9B	27

In order to be a leader in the development of the next generation of technology companies, Virginia must, at a minimum, perform on a par with Maryland. Optimally, Virginia should use Massachusetts as a model in the deployment of seed-stage capital investment.

Recognizing the critical role that private equity investment plays in the initiation and growth of high technology enterprises, CIT launched the GAP Fund in 2005 in order to provide critical, seed-stage funding to the Commonwealth's high-potential, early-stage technology companies. Since that time, the GAP Fund has served as the centerpiece of CIT's "feeder" system to identify and groom technology companies for target investment by the regional angel and venture capital communities. As a part of this system, CIT undertakes structured outreach to key funding entities by participation in investment events such as Early Stage East, the Mid-Atlantic Venture Association Capital Connection, the Century Club Grubstake Breakfast, and the Charlottesville Venture Forum. CIT also makes referrals of potential investment targets to individual investors and investment funds. From the GAP Fund's launch through FY2007, CIT has drawn upon this system to leverage private money against Commonwealth funds at a rate of 10:1.

In FY2008, CIT will build on the past success of the GAP Fund by launching the GAP BioLife Fund, underwritten in partnership between CIT and Johnson & Johnson. This new fund will be dedicated to seed stage investment in medical devices, biotechnology, and pharmaceuticals.

CIT will continue to invest in other technologies through the GAP Technology Fund. Additionally, CIT anticipates submitting a proposal to the Virginia Tobacco Commission for funds to formally establish the Virginia South Technology Acceleration Program (TAP) Fund. This fund will continue investment activity in early-stage technology companies in far southwest and Southside Virginia begun in FY2007 under CIT's Virginia South TAP Fund pilot. Beginning in FY2008, CIT will also expand its outreach and marketing efforts to other angel and venture investment communities outside the lower Mid-Atlantic region. In order to bring additional out-of-region finances to promising Virginia startups, CIT will actively market the GAP Technology Fund and GAP BioLife Fund portfolios to early-stage financiers in other national technology centers such as Boston, Research Triangle Park, New York, Austin, Atlanta, and Silicon Valley. Finally, CIT will expand on the partnership model developed with Johnson & Johnson by seeking to attract other corporate strategic and foundation assets to invest in the GAP Funds.

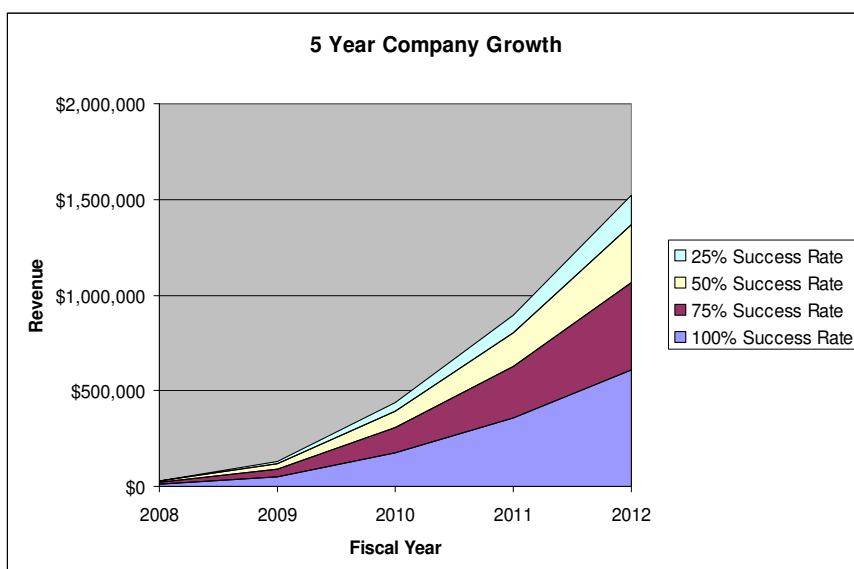
Through the administration and distribution of the GAP Technology Fund, the GAP BioLife Fund, the Virginia South TAP Fund, and through additional referral work that CIT will conduct on behalf of other companies in which it may elect not to invest, CIT anticipates helping more than 30 early-stage technology companies gain critical exposure to the nation's early-stage investment community. CIT will contribute to the ability of Virginia's companies to raise \$7 million from placement of institutional and angel funds.

2008 Program Impact

The Capital Access Program facilitates the creation of new high-impact technology companies in Virginia. By providing programs and funding that stimulate private sector investment, these public-private partnerships jumpstart the next generation of the Commonwealth's economy. For FY2008, CIT will stimulate \$7 million of private sector investment in new technology companies. This investment will be recorded as leveraged cash for CIT's performance metrics.

Future Program Impact

The companies that receive capital generation assistance from CIT are positioned for accelerated company growth in 24 to 36 months after their initial investment. This growth, recorded as company revenue, contributes to Virginia's gross state product and the economy of Virginia through new job creation. Since new company formation is a high-risk activity, the aggregated value of the future contribution of CIT client companies is factored at 75%, 50% and 25% success rates. The projected value of company revenue growth is profiled in the following graph.



Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Present 10-14 technology companies to the GAP Technology Fund Investment Committee to yield five to seven annual investments	June 2008	VP, Entrepreneurship and Investment Services
Present 10 life science or biotech companies to the GAP BioLife Fund Investment Committee to yield five annual investments	June 2008	VP, Entrepreneurship and Investment Services
Identify 15 new companies per quarter for investment consideration through the CIT GAP Technology and GAP BioLife Funds	September 2007 and quarterly	Director, Investments
Deliver semi-annual private investment workshops and educational events	December 2007 June 2008	Investment Associate

Management Reporting Tools

- Monthly Capital Access Program pipeline analysis report
- Monthly report of projected and actual leveraged cash
- Quarterly report of actual and projected GSP contribution

Connect Service Line

Goal 4: Secure global leadership in the identification and assimilation of innovative technologies

Objective 4.1 – Accelerate the assimilation of new technology by large-scale federal and private sector technology consumers

Program and Plan of Work

Reductions in expenditures for government and private sector research create an opportunity for early-stage science and technology companies to fill the innovation gap by delivering solutions that meet the mission objectives of large-scale technology consumers. These larger consumers gain a competitive advantage when they identify niche technologies and companies during their developmental stages. They are then able to adopt solutions tailored to their requirements.

In the fall of 2004, CIT was awarded a contract with a Department of Defense agency to identify innovative private sector companies whose technology could be applied to certain defense requirements. Relevant experience from this contract coupled with the field service of CIT's regional operations are the foundation of the Connect service offering, which helps large-scale federal and corporate consumers of technology identify and assimilate innovation created in private sector startup companies. This service line accelerates the adoption of innovation on a national scale, fuels the growth of advanced technology companies in the Commonwealth, attracts new technology companies to the Commonwealth, and diversifies CIT's revenue base.

Connect was initiated in July 2005 as a new service line. During CY2005, staff analyzed market opportunities and developed an outreach program to identify the small innovative technology companies. In early 2006, a Vice President & Managing Director was hired to manage the new service.

Connect is a consulting service for large-scale technology consumers that offers:

- Requirements definition for client innovation objectives
- Identification of technology solutions that map to objectives
- Analysis, vetting, and presentation of relevant technology solutions
- Technology assimilation planning and support services

For large technology consumers, the Connect service provides identification of and access to innovation matching their requirements, in markets they had found difficult or inefficient to explore. Smaller innovative technology companies are attracted to Connect's outreach program because it gives them a new channel for market development in an untapped client base.

Virginia benefits from the Connect service line because it attracts new companies and high technology jobs to the state. In addition to economic development value, the Connect program gives Virginia the ability to translate technology requirements from the national agenda to solutions for the Commonwealth.

In 2006 and 2007, Connect activities focused on the validation of the market and the service model, focusing on several key clients, and refining the marketing and positioning of the service.

The activities resulted in the submission of 12 proposals to clients in calendar year 2006. The key lessons learned from these activities are:

- DOD and national intelligence communities are natural and logical markets for Connect, but the service needs to focus on defined and open solicitations, versus ‘cold call’ selling.
- The Commonwealth of Virginia is a natural target for Connect’s capability and more time should be spent focusing in the needs of Virginia.
- SBIR commercialization and the DOD’s Commercialization Pilot Program are key markets for Connect’s pipeline of innovative technology – as evidenced by the expansion of Connect’s work with DARPA and its down-selection as one of the two finalists for the Army CPP program.

In FY2008, the Connect service line will continue the second phase of development. It will establish a database of innovative technology companies, define and brand a consultative service offering, incorporate field services, implement sales and marketing programs, close sales, and initiate projects with clients.

2008 Program Impact

For FY2008, the Connect service line is targeted to record \$1.2 million of revenue for CIT. Additionally, another \$2 million of newly awarded contracts during 2008 will be achieved, and the Connect team will build a sales pipeline of opportunities exceeding \$3 million for FY2009.

Future Program Impact

The Connect program is designed to accelerate the growth of early-stage technology companies by introducing their innovative technology to markets they cannot afford to explore at this stage of their funding and development. As a result of these introductions, companies will record new sales. For Commonwealth-resident companies, increased sales will contribute to Virginia’s gross state product and create new jobs. For companies outside the Commonwealth, new sales with large clients like the federal government will give them an opportunity to expand into Virginia, creating new job opportunities for Virginians.

Performance measurements for this program will be recorded as company revenue growth and company attraction. These projections will be developed for FY2009 based on clients that are secured in FY2008.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Refine segment-specific marketing and sales strategy	July 2007	VP, Connect Connect Sales Executive
Develop robust pipeline of sales opportunities across government and commercial sectors	July 2007	VP, Connect
Sell and close three initial projects	July 2007	VP, Connect VP, Regional Operations
Hire new team members to fulfill contract requirements	July 2007	CIT President VP, Connect
Hire additional business development resources to focus on specific market sectors and clients	August 2007	VP, Connect CIT President
Improve pipeline – boost closed business success rate to 30%	December 2007	VP, Connect Connect Sales Executive
Establish GSA schedule	December 2007	VP, Finance and Administration Contracting Director VP, Connect

Management Reporting Tools

- Innovative company creation report
- Client database report on active clients
- GSA schedule development status report
- Consulting service development status report
- Target market analysis report
- Monthly sales pipeline report tracking opportunities and awards
- Client satisfaction surveys

Objective 4.2 - Accelerate the assimilation of new technology for Virginia-specific initiatives

Program and Plan of Work

The Commonwealth of Virginia's government operations has many opportunities for the infusion of new and appropriate technologies. Through 2006 and 2007 CIT has had several discussions with Virginia government representatives on topics such as electronic medical records, wireless communication, and intelligent transportation systems and technologies.

There is a significant opportunity to leverage the CIT Connect service for the direct benefit of Commonwealth agencies such as The Secretary of Health and Human Resources, the Department of Transportation, and other departments.

Because of its size and regulated procurement environment, government at all levels has been a late adopter of new enterprise-wide technology and capability. Enabling government to more readily adopt technology sooner provides three important benefits:

1. Ability to drive cost or service improvements, at a faster pace, and thus deliver greater value to the citizen / taxpayer.
2. Ability to learn more about new technologies, and to learn at a faster pace, which drives secondary benefits in terms of collaboration, teamwork, and coordination among and across different government agencies.
3. Increased chances of success for emerging technology companies that address government needs, which will drive benefits for those companies and consequently economic benefits for Virginia.

2008 Program Impact

In FY2008, CIT anticipates engaging three Virginia agencies to develop a future concept of operations so that they can more effectively evaluate, identify and integrate new and emerging technology. Preliminary discussions have uncovered some specific agency needs that CIT will address:

CIT will cooperate and team with the Governor's Office of Enterprise Solutions to leverage innovative technologies to help drive more effective and improved government operations in Virginia.

VDOT has a variety of wireless communications architectures and capabilities in place. It wishes to take advantage of recent innovations to develop a future-oriented architecture with a standard set of solutions and approaches.

The Virginia Department of Motor Vehicles is trying to understand how it can adapt to and comply with new federal requirements, such as the Real ID Act. DMV needs to understand what the implementation of this new technology will mean in terms of the provisions of services to citizens.

Future Program Impact

There will be four significant long term contributions:

1. Development of “Future Innovation Architectures” for Virginia agencies. This will ensure that the Virginia agencies can provide standard platforms for the latest technology from innovative companies by having a proactive, ‘innovation ready’ architecture rather than the current mixture of capabilities.
2. Establishment of a forum of public sector opportunity for small, entrepreneurial companies, particularly those in Virginia. CIT will help Virginia companies develop and position themselves to better support the technology requirements of state agencies.
3. Recognition of Virginia’s state government as a key driver of innovative technology through government operations and practice.
4. Reduction in costs and improvements in services to Virginia’s citizens.

Milestones

The following milestones are specific to this objective and will be used to manage the objective’s deliverables and metrics.

Activity	Date	Person Responsible
Initiate Pilot Project w/VDOT	July 2007	VP, Connect
Initiate Pilot Project w/Office of Enterprise Services	July 2007	VP, Connect
Develop and leverage Research Project	August 2007	VP, Connect
Develop ITS Project w/VDOT	July 2007	VP, Connect

Management Reporting Tools

- Client database report on active clients
- Consulting service development status report
- Target market analysis report
- Monthly sales pipeline report tracking opportunities and awards
- Client satisfaction surveys

Goal 5: Achieve national recognition as the knowledge source for the identification of technology companies and technology development opportunities

Objective 5.1 – Provide research, analysis and information dissemination services

Program and Plan of Work

CIT operations require the ability to acquire and manage technology and business intelligence information over a wide range of requirements. These requirements include in-depth information retrieval and database mining, analysis, briefing preparation, and decision-support analysis for both internal and external customers. In its 20 year history, CIT has developed and deployed a comprehensive range of information sources to meet this demand. Formalizing CIT's business intelligence services ensures that CIT maintains an efficient process for collecting, analyzing, and presenting the information that its high quality services depend on.

2008 Program Impact

For FY2008, the operation and continuing capability expansion envisioned for this objective will directly support the achievement of the metrics reported under Goal 5 as well as indirectly assist with those under the other goals. The resources developed and deployed for this work will allow CIT to perform company and technology identification and assessment, market research, intellectual property analysis, as well as identification of researchers and their work on an international basis.

Future Program Impact

This service will enable CIT to achieve national recognition as a leading advanced technology identification and solution mapping service. Additionally, this service will continue to deliver the competitive intelligence that supports CIT's existing and emerging programs and services.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Establish v.1 of research methodology	July 2007	VP, Regional Operations
Establish v.1 of project tracking and cost control methods	October 2007	VP, Regional Operations
Review current generation of information resources and integration tools for opportunities to enhance capabilities	February 2008	VP, Regional Operations
Establish v.2 of research methodology	April 2008	VP, Regional Operations
Establish v.2 of project tracking and cost control methods	April 2008	VP, Regional Operations

Management Reporting Tools

- Project tracking report
- Project cost report

Objective 5.2 – Support a high-potential portfolio of developing technology companies

Program and Plan of Work

Continuing a history of cultivating relationships with technology-based companies, CIT's Regional Operations staff and partners will maintain a highly selective portfolio of early-stage technology companies that require assistance in their development. Companies will be chosen to participate in CIT support programs based on their potential to succeed and to make significant contributions to local Virginia economies. For example, in the case of tenants of the Hampton Roads Technology Incubator System (HRTIS), an advisory board will interview and screen candidates to determine status of technology innovation (including intellectual property), market prospects, competitive position, management capability, barriers to market entry, and requirements for growth. Companies considered for the portfolio from other regional sources will be screened for the unique qualities of their technology, the potential market and entry barriers, competitive analysis, the quality of the management team, and status of intellectual property.

Field personnel will assist these companies through referrals to CIT programs, other Virginia and federal programs, and other relevant services organizations. Members of the Regional Operations team will also work with Virginia's technology councils to provide

guidance on council programs and contribute to the development of the local technology economy.

CIT will maintain a High-Tech Industry Portal accessible to Virginia's local tech councils that will provide the latest available statistics on the performance of the high-tech industry in Virginia compared to all industries by jurisdiction, firm size, region, and industrial class. The portal will provide statistics on net change in employment, average wages, number of firms, entering/exiting firms, and those firms losing employees during the last four quarters of available data. This data will allow the tech councils to track significant trends in their communities and focus their advocacy and company support efforts.

CIT will continue its work to promote international technology transfer collaborations between U.S. high tech firms and organizations and their counterparts in the U.K. in accordance with the Strategic Innovation Gateway Network (SIGN) agreement with Kent County Council and Technology Enterprise Kent (TEK) signed on November 14, 2005. Under this agreement, CIT develops technology offers from its Virginia clients and searches for U.S. collaborators for U.K. technology offers. TEK provides technology offers from U.K. firms and searches for collaborators interested in the technology offers from Virginia firms.

As appropriate, technologies developed by the CIT client companies will be high priorities for infusion into the portfolios of CIT Connect customers.

2008 Program Impact

For FY2008, CIT client companies will realize \$10 million of company revenue growth as a result of CIT support services. This company revenue will be recorded as company growth in CIT's performance metrics.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Facilitate reporting of FY2007 corporate metric impacts	August 2007	VP, Regional Operations
Portfolio reviews	Quarterly	VP, Regional Operations
Provide support for Connect contracts requiring mentoring of early-stage technology firms engaged in commercialization of products or services	On-going	VP, Regional Operations
Establish and facilitate five tech transfer collaborations including the TEK technology offers	April 2008	VP, Regional Operations
Team with W&M's Technology Business Center to provide full range of services to HRTIS tenants	On-going	VP, Regional Operations
Assist HRTIS refine its methods and expand the capacity of its tenant services	On-going	VP, Regional Operations
Report five noteworthy success stories from clients served	December 2007 March 2008 May 2008	VP, Regional Operations
Provide resources to the Virginia Technology Alliance and local tech councils to enable their growth and support to the tech-based industries	On-going	VP, Regional Operations
Initiate FY2008 corporate metric impact collection	May-June 2008	VP, Regional Operations

Management Reporting Tools

- CRM account activity report
- Standard operation procedures
- Client success reports

Broadband Service Line

Goal 6: Expand the use and application of broadband technologies in rural and underserved areas

Objective 6.1 – Serve as the Commonwealth’s Office of Telework Promotion and Broadband Assistance

Program and Plan of Work

Widespread access to broadband services is critical to the economic well-being of the Commonwealth of Virginia. Access to broadband provides communities with the foundation necessary for economic growth for their businesses and a sustainable quality of life for their citizens. Those communities, both rural and urban, without affordable broadband access, are unable participate in the enhanced social, educational, commercial, medical, and economic development opportunities available through the Internet. Besides empowering businesses and communities, ubiquitous broadband positions the Commonwealth to lead the nation in the deployment of high technology services and applications.

Affordable broadband-level telecommunication services are a key success factor for the adoption of telework -- a family-friendly, business-friendly public policy that promotes workplace efficiency and reduces strain on transportation infrastructure. Businesses as well as federal, state, and local governments have begun to support public and private sector efforts to promote widespread adoption of telework efforts.

Acknowledging the importance of broadband and telework to Virginia’s economy, in September 2006, Governor Kaine signed Executive Order 35 establishing the Office of Telework Promotion and Broadband Assistance within the Office of the Secretary of Technology. The Office consists of a director appointed by the Secretary of Technology and additional professionals as the Secretary determines. At the current time, the director and staff support are provided by CIT.

The director shall have the following duties:

- Promote and encourage use of telework alternatives for public and private sector employees, including but not limited to appropriate policy and legislative initiatives.
- Support the efforts of both public and private entities within the Commonwealth to enhance or facilitate the deployment of, and access to, competitively priced, advanced electronic communications services (commonly known as “broadband”), and Internet access services of general application throughout the Commonwealth.
- Specifically work towards establishing affordable, accessible broadband services to underserved areas of the Commonwealth and monitor advancements in communication that will facilitate this goal.

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- Advocate for, and facilitate the development and deployment of applications, programs and services including, but not limited to: telework, telemedicine, and e-learning that will bolster the usage of and demand for broadband-level telecommunications.
 - Serve as a broadband information and applications clearinghouse for the Commonwealth and a coordination point for broadband-related services and programs in the Commonwealth.
 - Advise the Secretary on broadband adoption, deployment and application issues.
 - Coordinate activities regarding telework with, and regularly report to, a board consisting of the Secretaries of Administration, Commerce and Trade, Finance, Technology, and Transportation. The Secretary of Technology shall serve as chair of the board. Additional members may be designated by the Governor. Staff support to this group shall be provided by the offices of the Secretaries of Technology and Transportation.

2008 Program Impact / Future Program Impact

Performance metrics for the Secretary of Technology's Office of Broadband Assistance are tied primarily to the goals stated in the Code of Virginia and the Commonwealth's Economic Development Strategic Plan:

- 20% of the Commonwealth's eligible workforce teleworking by 2010
- Broadband access available to all Commonwealth businesses by 2010

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Develop and implement programs and strategies for building the acceptance and use of teleworking	June 2008	Director, Office of Telework Promotion & Broadband Assistance
Create an environment that promotes collaboration between broadband technology researchers, service providers, and end consumers	June 2008	Director, Office of Telework Promotion & Broadband Assistance
Coordinate resource development and delivery of broadband educational programs	June 2008	Director, Office of Telework Promotion & Broadband Assistance
Compile Broadband and Telework annual report to the Governor and General Assembly as required	November 2007	Director, Office of Telework Promotion & Broadband Assistance
Develop and monitor broadband and telework-related legislation for the FY2008 General Assembly session	January 2008	Director, Office of Telework Promotion & Broadband Assistance

Management Reporting Tools

CIT in conjunction with the Office of the Secretary of Technology will use several reporting tools to track its performance against these milestones:

- Broadband and Telework annual report (as required by legislation)
- Meeting minutes and reports
- Presentations and briefings as requested

Objective 6.2 – Provide demand generation and infrastructure development services that advance the presence of broadband in Virginia

Program and Plan of Work

In addition to its work for the Office of Telework Promotion and Broadband Assistance, CIT is charged by the General Assembly to support the efforts of public and quasi-public bodies within the Commonwealth to enhance or facilitate the prompt availability of and access to advanced electronic communications services (broadband) throughout the Commonwealth, monitoring trends and advances in advanced telecommunications technology to plan and forecast future needs for such technology, and identify funding options.

Although this charge emphasizes the infrastructure portion of the broadband equation, experts now acknowledge that technology infrastructure alone will not solve the access problems of rural / underserved areas. Rather, the acquisition of broadband infrastructure needs to be embedded in a broader planning and development approach that acknowledges broadband as a critical ingredient for improvements in education, business, and overall quality of life.

CIT's broadband program for FY2008 will ensure that communities throughout Virginia have the opportunity to actively participate in the information economy. CIT staff will work with communities to develop and institute holistic broadband strategies that emphasize both infrastructure acquisition and application development. On the infrastructure side, CIT will provide a framework for attracting and supporting affordable broadband infrastructure. For application development, CIT, with partners across the Commonwealth, will create programs and opportunities to increase the online sophistication of businesses and local governments. Both the infrastructure framework and the application development activities will contribute to the success of broadband deployments throughout the Commonwealth.

2008 Program Impact

CIT programs will generate \$25,000 in revenue for CIT clients, which will be recorded as leveraged cash for CIT metrics.

Future Program Impact

CIT programs will facilitate the establishment of broadband throughout the Commonwealth and accelerate the adoption of applications utilizing the infrastructure. This combined approach will significantly extend the reach of telework programs, resulting in reduction in traffic and pollution as well as improve access to specialized medical diagnostics through telemedicine deployment. These programs will positively impact the quality of life of Virginians.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Assist three communities with their broadband planning and deployment initiatives (infrastructure assessments, demand aggregation / development, project definition and deployment)	Assist two communities in quarters 1 and 2; assist one additional community in quarters 3 and 4	VP, Broadband Programs
Present eight topical educational opportunities (broadband/e-commerce) to augment existing broadband infrastructure deployments. Educational program deployment dependent on availability of adequate funding	Four programs opportunities completed by December 2007; the remaining three opportunities will be presented by June 30, 2008	VP, Broadband Programs

Management Reporting Tools

- Briefings for local, state, and federal officials and commissions as requested
- Broadband annual report (as directed by the Office of the Secretary of Technology)

Commonwealth Support Programs

Provide Commonwealth of Virginia's Information Technology Symposium (COVITS) program management support

Program and Plan of Work

COVITS (the Commonwealth of Virginia's Innovative Technology Symposium) annually brings together a community of senior-level executives and thought leaders from state and local government, business, and academia to identify, discuss, and propose solutions to Virginia's critical technology issues. The conference, in its eighth year, will be hosted by Virginia's Secretary of Technology, Aneesh P. Chopra, on behalf of Governor Tim Kaine. COVITS 2007 will convene in Chantilly, Virginia, on September 16-18, 2007.

CIT will coordinate production of COVITS 2007 and will direct the preparation of final reports and wrap up activities for the conference.

2008 Program Impact

CIT will provide program management services for the development and execution of the 2007 COVITS program. As part of these services, CIT will collect \$460,000 of sponsorship revenue from companies participating in COVITS. In addition, the COVITS conference and exposition is expected to stimulate in excess of \$1 million of related local economic activity.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Coordinate production of event	September 2007	Grants and Contracts Administrator
Oversee preparation of final financial and administrative reports	October 2007	Grants and Contracts Administrator

Management Reporting Tools

- COVITS project report
- COVITS project budget
- Monthly status report

Serve as the executive director of Virginia Research and Technology Advisory Commission (VRTAC)

Program and Plan of Work

CIT will provide executive oversight and administrative support for the Virginia Research and Technology Advisory Commission (VRTAC) to support its charter of advising the Governor on appropriate research and technology strategies for the Commonwealth. VRTAC provides the Governor with policy recommendations that will enhance the global competitive advantage of research institutions as well as technology-based commercial endeavors in Virginia.

VRTAC and its subcommittees are structured to accomplish various objectives throughout the fiscal year, and CIT will provide operational support to the groups' meetings.

CIT will maintain public communications for VRTAC events and meetings, including quarterly meetings and subcommittee meetings. CIT also will support the Secretary of Technology and VRTAC on HJR 647, which requests that the Secretary of Technology, in conjunction with VRTAC, develop recommendations to enable the networking of and

access to nanotechnology instrumentation at Commonwealth institutions of higher education, forming a Nanotechnology Users Network.

In addition, CIT will maintain the VRTAC website as well as a database of contact information of VRTAC members and their subcommittee assignments. CIT will ensure compliance with state reporting and public information requirements. With resources as available, CIT will support program development for initiatives identified by the Commission and will provide research and guidance on opportunities to build advocacy or develop policy recommendations.

2008 Program Impact

VRTAC sets the strategic direction for the Commonwealth in research and technology-based economic development. State universities and other entities collect and report data relevant to these strategies; therefore, CIT does not duplicate the reporting of these metrics.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables and metrics.

Activity	Date	Person Responsible
Coordinate quarterly VRTAC meetings	September 2007, November 2007, March 2008, May 2008	VP, Research Investment
Coordinate VRTAC subcommittee meetings	All quarters as required	VP, Research Investment
Support HJR 647	July – December 2007	VP, Research Investment
Prepare annual report for the Governor	December 2007	VP, Research Investment
Prepare annual report for JCOTS and the FOIA Council	December 2007	VP, Research Investment

Management Reporting Tools

- Minutes from VRTAC meetings and related meeting documentation
- Annual report for the Governor
- Annual report for JCOTS and the FOIA Council

Manage the Commonwealth Technology Research Fund (CTRF)

Program and Plan of Work

The Commonwealth Technology Research Fund (CTRF) was created in 2000 to attract increased public and private research funding for Virginia's public institutions of higher education.

The goal of the fund is to increase technological and economic development in Virginia, through investment in higher education research. The fund has four strategic component programs: matching funds, which leverages federal and private research dollars; strategic enhancement, which upgrades university research capacity; industry inducement, which upgrades research capacity in key university departments to attract specific companies to Virginia; and technology commercialization, which helps universities commercialize technologies developed through their research

CIT administers the CTRF, per legislative mandate. CIT duties will include coordination and oversight of grants awarded with FY2008 monies as well as grants funded in previous years that have performance periods into FY2008. If required, CIT's duties may include modification of guidelines for the FY2008 program. Finally, CIT will prepare an annual report and file it with the Governor's Office and the General Assembly, as required by the Code of Virginia.

2008 Program Impact

At the time of plan development, funding for the CTRF program was awaiting budget approval. Contributions to the state's R&D and commercialization targets will be developed based on the award profile approved by the Grant Allocation Committee.

Milestones

The following milestones are specific to this objective and will be used to manage the objective's deliverables. Metrics are contingent upon CIT administrative funding.

Activity	Date	Person Responsible
Manage proposal and award process	September 2007	VP, Research Investment
Prepare and submit annual report on CTRF operations to the Governor and General Assembly	October 2007	VP, Research Investment
Support Grant Allocation Committee	Quarterly	VP, Research Investment
Review and assess projects' performance	January 2008	VP, Research Investment

Management Reporting Tools

- Annual report prepared for Governor and General Assembly
- Interim and final reports from grant recipients
- Reports for Grant Allocation Committee, as required

Organizational Structure for FY2008

There are 32 full-time and 4 part-time employees in CIT's FY2008 operating plan.

CIT's ***Research and Development service line*** personnel are responsible for:

1. Implementing strategy and program development for CIT's initiative focusing on the creation and growth of technology industry clusters.
2. Developing research and development programs with partners from academia, industry, and government to solve national technology challenges in defense and homeland security.
3. Identifying opportunities for translational research, creating teams to develop effective solutions, performing project management, and growing projects into national programs.

CIT's ***Entrepreneur service line*** personnel are responsible for:

1. Developing and managing federal funding assistance programs for small businesses.
2. Providing entrepreneurial support services to assist company development.
3. Managing CIT's early-stage investment fund to attract private sector investment for seed stage companies.

CIT's ***Connect service line*** personnel are responsible for:

1. Marketing and technology consulting services to large-scale federal and private sector technology consumers.
2. Developing and maintaining a database of innovative technology companies that serves as a resource for large-scale technology consumers seeking emerging technology solutions.
3. Providing one-on-one support to a highly selective portfolio of early-stage technology companies to assist their growth and development.

CIT's ***Broadband service line*** director is responsible for:

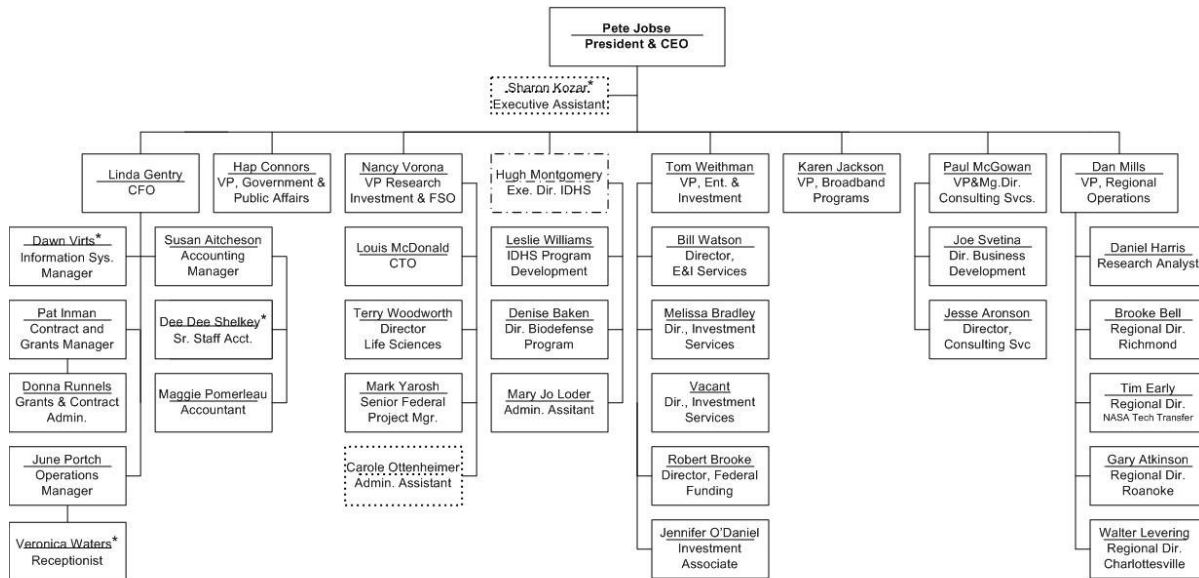
1. Serving as the Commonwealth's Office of Telework Promotion and Broadband Assistance.
2. Implementing strategy and program development to increase the deployment of affordable last-mile technologies into underserved areas of Virginia.
3. Examining opportunities to expand the broadband infrastructure of the Commonwealth.

The operating divisions with responsibility for strategic programs receive support from two additional divisions within CIT: Communications, and Finance and Administration.

1. The ***Communications division*** provides marketing, government advocacy and education, and public relations support for all program activities and major events.
2. The ***Finance and Administration division*** provides all finance, accounting, information technology, legal, human resources, and office and building operations support.

Center for Innovative Technology

Organizational Chart
As of May 1, 2007



Legend

- * = 4 Part-time Employees
- [- - -] = IPA contracted from Potomac Institute for Policies Studies
- [·····] = Dual Support – Sharon Kozar also supports Linda Gentry
Carole Ottenheimer also supports Paul McGowan and Hap Connors

Summary of Operating Budget for FY2008

CIT R&D	FY08
GOAL 1. DEVELOP INDUSTRY CLUSTERS	
Objectives - Establish and advocate development of an innovation index to evaluate and manage 1.1 industry cluster development in VA	
Project # RD130 - 00 - Virginia Innovation Index	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 179,332
Costs	\$ (179,332)
1.2 Objectives - Conduct a study for the potential establishment of a national sensor institute in VA	
Project # RD140 - 00 - Sensor Science Center Study	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 74,850
Costs	\$ (74,850)
GOAL 2. SOLVE NATIONAL TECHNOLOGY CHALLENGES	
2.1 Objectives - Deliver solutions to national defense and homeland security	
Project # RD030-00-IDHS	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 707,112
Costs	\$ (707,112)
Project # RD040 - 55 - Airforce PIA - Remote Presence	
Revenue - Airforce PIA	\$ 332,240
Costs	\$ (332,240)
Project # RD040 - 00 - Airforce PIA - Remote Presence	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 15,264
Costs	\$ (15,264)
Project # RD050 - 55 - Airforce PIA - Environmental Bioterrorism	
Revenue - Airforce PIA	\$ 403,712
Costs	\$ (403,712)
Project # RD050 - 00 - Airforce PIA - Environmental Bioterrorism	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 15,264
Costs	\$ (15,264)
Project # RD060 - 55 - Airforce PIA - Red Cell	
Revenue - Airforce PIA	\$ 420,910
Costs	\$ (420,910)
Project # RD060 - 00 - Airforce PIA - Red Cell	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 15,264
Costs	\$ (15,264)
2.2 Deliver technology solutions to national and regional economic challenges	
Project # RD090 - 55 - NOAA - Coastal Observation	
Revenue - NOAA Grant	\$ 1,386,074
Costs	\$ (1,386,074)
Project # RD150 - 00 - Mine safety and new translational research projects	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 102,634
Costs	\$ (102,634)
CIT ENTREPRENEUR	FY08
GOAL 3. LEADERSHIP IN DEVELOPMENT OF ENTREP VENTURES	
3.1 ID and accelerate opportunities for small tech firms to obtain federal R&D awards	
Project # EN090- 55 -DARPA - SBIR/STTR Outreach portion	
Revenue - New Contracts	\$ 71,175
Costs	\$ (71,175)
Project # EN090 - 55 -DARPA - CPP portion	
Revenue - New Contracts	\$ 53,240
Costs	\$ (53,240)
Project # EN090- 00 -DARPA - Match	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 149,727
Costs	\$ (149,727)
Project # EN020 - 00- Federal Proposal Assistance	
Revenue - FY08 Appropriation & FY07 Carry-over funds	\$ 228,488
Costs	\$ (228,488)

3.2 Accelerate funding for early-stage technology firms		
Project # EN070 - 00 - GAP Fund Program		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 2,954,733
Costs		\$ (2,954,733)
Project # EN080 - 00 - TAP Fund		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 11,380
Costs		\$ (11,380)
CIT CONNECT		FY08
GOAL 4. SECURE LEADERSHIP IN THE ID AND ASSIMILATION OF INNOVATION		
4.1 Accelerate the assimilation of new technology by large-scale technology consumers		
Project # CN010 - 00 - Connect		
Revenue - New Contracts		\$ 1,200,000
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 692,477
Costs		\$ (1,892,477)
Project # CN120- 55 - Rosetex Data Retention		
Revenue - New Contracts		\$ 7,215
Costs		\$ (7,215)
4.2 Accelerate the assimilation of new technology for Virginia specific initiatives		
Project # CN090 - 00 - Virginia Connect		
Revenue - New Contracts		\$ 250,000
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 187,454
Costs		\$ (437,454)
GOAL 5. NATIONALLY RECOGNIZED IDENTIFIER OF INNOVATIVE TECHNOLOGY COMPANIES		
5.1 Establish a national outreach program		
Project # CN040 - 00 - Build and use the optimum information resources		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 294,734
Costs		\$ (294,734)
5.2 ID and support innovative technologies and technology companies		
Project # CN050 - 00 - Establish and mentor collaborative/development activities for SIGN technology offers		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 128,359
Costs		\$ (128,359)
Project # CN060 - 00 - Management support for HRTIS		
Revenue - HRTIS		\$ 40,000
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 169,049
Costs		\$ (209,049)
Project # CN070 - 00 - Mentor high potential early-stage technology businesses		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 477,224
Costs		\$ (477,224)
Project # CN080 - 00 - CONNECT pilot project		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 23,258
Costs		\$ (23,258)
CIT BROADBAND		FY08
GOAL 6. EXPAND THE USE OF BROADBAND TECHNOLOGIES		
6.1 Serve as the focal point for broadband resources and programs for SoTech		
Project # BB010 - 00 - Estab./staff "Office of Broadband Assistance" in SOTECH		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 131,890
Costs		\$ (131,890)
Project # BB020 - 00 - Broadband Deployment Program		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 138,065
Costs		\$ (138,065)
Project # BB030 - 00 - VECTEC - Pass-thru only		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 308,771
Costs		\$ (308,771)

COMMONWEALTH SUPPORT PROGRAMS		FY08
Project # VA010 - 00 - Provide COVITS conference program management support		
Revenue - Registration		\$ 247,150
Revenue - Sponsorships		\$ 515,000
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 139,570
Costs		\$ (901,720)
Project # VA110 - 00 - VRTAC and CTRF		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 62,692
Costs		\$ (62,692)
ADMINISTRATIVE PROGRAMS		FY08
Project # VA040 - 00 - Communications and Marketing		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 381,378
Costs		\$ (381,378)
Project # VA050 - 00 - Business Development		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 759,095
Costs		\$ (759,095)
Project # VA060 - 00 - Advocacy		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 557,064
Costs		\$ (557,064)
Project # VA070 - 00 - Entertainment		
Revenue - FY08 Appropriation & FY07 Carry-over funds		\$ 4,323
Costs		\$ (4,323)
SUMMARY BUDGET		FY08
Total FY08 Appropriation (\$6,234,337) & FY07 Carry-over funds (\$2,749,980)		\$ 8,984,317
Total Program Revenue		\$ 4,926,716
Total Program Costs		\$ (13,836,168)
Total Unapplied Indirects		\$ (74,865)
Net FY08 Budget		\$0

Detailed Operating Budget for FY2008

CIT R&D		FY08
GOAL 1. DEVELOP INDUSTRY CLUSTERS		
1.1	Objectives - Establish and advocate development of an innovation index to evaluate and manage industry cluster development in VA	
	Project # RD130 - 00 - Virginia Innovation Index	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	179,332
	Total Revenue	179,332
	Programs Costs	
	Total Salaries	65,883
	Fringe	38,190
	Travel	6,749
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	0
	Temporary Services	0
	Other	0
	Overhead	34,376
	Total Costs Before G&A	145,198
	G&A	34,134
	Equipment	
	Contractual-Over-Cap	
	Total Costs	179,332
	Net	0
1.2	Objectives - Conduct a study for the potential establishment of a national sensor institute in VA	
	Project # RD140 - 00 - Sensor Science Center Study	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	74,850
	Total Revenue	74,850
	Programs Costs	
	Total Salaries	7,681
	Fringe	4,453
	Travel	700
	Supplies (only direct supplies such as for workshops or conferences)	
	Contractual	43,762
	Temporary Services	
	Other	
	Overhead	4,008
	Total Costs Before G&A	60,603
	G&A	14,247
	Equipment	
	Contractual-Over-Cap	
	Total Costs	74,850
	Net	0
GOAL 2. SOLVE NATIONAL TECHNOLOGY CHALLENGES		
2.1	Objectives - Deliver solutions to national defense and homeland security	
	Project # RD030-00-IDHS	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	707,112
	Total Revenue	707,112

	Programs Costs	
	Total Salaries	93,898
	Fringe	54,429
	Travel	8,000
	Supplies (only direct supplies such as for workshops or conferences)	1,200
	Contractual	
	IDHS Director	282,000
	Brad Holloman	40,000
	ORNL	40,000
	Other	
	Temporary Services	
	Other - conferences	4,000
	Overhead	48,993
	Total Costs Before G&A	572,521
	G&A	134,591
	Equipment	
	Contractual-Over-Cap	
	Total Costs	707,112
	Net	0
	Project # RD040 - 55 - Airforce PIA - Remote Presence	
	Revenue	
	Federal Fiscal Year 2006 PIA	332,240
	Total Revenue	332,240
	Programs Costs	
	Total Salaries	30,282
	Fringe	17,553
	Travel	2,700
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	
	Temporary Services	0
	Other	250
	Overhead	15,800
	Total Costs Before G&A	66,586
	G&A	15,653
	Equipment	0
	Contractual-Over-Cap	250,000
	Total Costs	332,240
	Net	0
	Project # RD040 - 00 - Airforce PIA - Remote Presence	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	15,264
	Total Revenue	15,264
	Programs Costs	
	Total Salaries	5,881
	Fringe	3,409
	Travel	0
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	
	Temporary Services	0
	Other	0
	Overhead	3,069
	Total Costs Before G&A	12,359
	G&A	2,905
	Equipment	0
	Contractual-Over-Cap	
	Total Costs	15,264
	Net	0
	Project # RD050 - 55 - Airforce PIA - Environmental Bioterrorism	
	Revenue	
	Federal Fiscal Year 2006 PIA	403,712
	Total Revenue	403,712

	Programs Costs	
	Total Salaries	45,862
	Fringe	26,584
	Travel	4,350
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	
	Temporary Services	
	Other	250
	Overhead	23,929
	Total Costs Before G&A	100,975
	G&A	23,738
	Equipment	0
	Contractual-Over-Cap	279,000
	Total Costs	403,712
	Net	0
	Project # RD050 - 00 - Airforce PIA - Environmental Bioterrorism	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	15,264
	Total Revenue	15,264
	Programs Costs	
	Total Salaries	5,881
	Fringe	3,409
	Travel	0
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	
	Temporary Services	0
	Other	0
	Overhead	3,069
	Total Costs Before G&A	12,359
	G&A	2,905
	Equipment	0
	Contractual-Over-Cap	
	Total Costs	15,264
	Net	0
	Project # RD060 - 55 - Airforce PIA - Red Cell	
	Revenue	
	Federal Fiscal Year 2006 PIA	420,910
	Total Revenue	420,910
	Programs Costs	
	Total Salaries	10,066
	Fringe	5,835
	Travel	1,200
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	
	Temporary Services	
	Other	
	Operations Committee	250
	Overhead	5,252
	Total Costs Before G&A	22,603
	G&A	5,314
	Equipment	0
	Contractual-Over-Cap	392,994
	Total Costs	420,910
	Net	0
	Project # RD060 - 00 - Airforce PIA - Red Cell	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	15,264
	Total Revenue	15,264

	Programs Costs	
	Total Salaries	5,881
	Fringe	3,409
	Travel	0
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	
	Temporary Services	0
	Other	0
	Overhead	3,069
	Total Costs Before G&A	12,359
	G&A	2,905
	Equipment	0
	Contractual-Over-Cap	
	Total Costs	15,264
	Net	0
	2.2 Deliver technology solutions to national and regional economic challenges	
	Project # RD090 - 55 - NOAA - Coastal Observation	
	Revenue	
	NOAA - Coastal Current Grant	1,386,074
	Revenue	1,386,074
	Programs Costs	
	Total Salaries	95,069
	Fringe	55,107
	Travel	5,040
	Supplies	650
	Contractual	25,000
	Temporary Services	0
	Other (Post-Docs, Insurance, Editing)	18,900
	Overhead	49,604
	Total Costs Before G&A	249,370
	G&A	58,623
	Equipment	235,000
	Contractual-Over-Cap	843,081
	Total Costs	1,386,074
	Net	0
	Project # RD150 - 00 - Mine safety and new translational research projects	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	102,634
	Revenue	102,634
	Programs Costs	
	Total Salaries	37,165
	Fringe	21,543
	Travel	4,000
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	0
	Temporary Services	
	Other	1,000
	Overhead	19,391
	Total Costs Before G&A	83,099
	G&A	19,535
	Equipment	
	Contractual-Over-Cap	
	Total Costs	102,634
	Net	0

CIT ENTREPRENEUR			FY08
GOAL 3. LEADERSHIP IN DEVELOPMENT OF ENTREP VENTURES			
3.1 ID and accelerate opportunities for small firms to obtain federal R&D awards			
Project # EN090- 55 -DARPA - SBIR/STTR Outreach portion			
Revenue			
New DARPA Grant			71,175
FY08 Appropriations & FY07 Carry-over funds			0
Revenue			71,175
Programs Costs			
Total Salaries			12,981
Fringe			7,524
Travel			2,900
Supplies (only direct supplies such as for workshops or conferences)			600
Contractual			26,850
Temporary Services			
Other			
Overhead			6,773
Total Costs Before G&A			57,628
G&A			13,547
Equipment			
Contractual-Over-Cap			
Total Costs			71,175
Net			0
Project # EN090 - 55 -DARPA - CPP portion			
Revenue			
New DARPA Grant			53,240
FY08 Appropriations & FY07 Carry-over funds			0
Revenue			53,240
Programs Costs			
Total Salaries			15,469
Fringe			8,966
Travel			4,000
Supplies (only direct supplies such as for workshops or conferences)			
Contractual			6,600
Temporary Services			
Other			
Overhead			8,071
Total Costs Before G&A			43,106
G&A			10,134
Equipment			
Contractual-Over-Cap			
Total Costs			53,240
Net			0
Project # EN090- 00 -DARPA - Match			
Revenue			
New DARPA Grant			
FY08 Appropriations & FY07 Carry-over funds			149,727
Revenue			149,727

	Programs Costs	
	Total Salaries	3,657
	Fringe	2,120
	Travel	2,000
	Supplies (only direct supplies such as for workshops or conferences)	
	Contractual	93,700
	Temporary Services	
	Funding Assistance Fund, Proposal Assistance - DOD	10,560
	Other	7,284
	Overhead	1,908
	Total Costs Before G&A	121,228
	G&A	28,499
	Equipment	
	Contractual-Over-Cap	
	Total Costs	149,727
	Net	0
	Project # EN020 - 00- Federal Proposal Assistance	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	228,488
	Total Revenue	228,488
	Programs Costs	
	Total Salaries	58,388
	Fringe	33,845
	Travel	6,300
	Supplies (only direct supplies such as for workshops or conferences)	1,200
	Contractual	28,900
	Temporary Services	0
	Funding Pool	20,000
	Other	5,900
	Overhead	30,465
	Total Costs Before G&A	184,998
	G&A	43,490
	Equipment	
	Contractual-Over-Cap	
	Total Costs	228,488
	Net	0
	3.2 Accelerate funding for early-stage technology firms	
	Project # EN070 - 00 - GAP Fund Program	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	2,954,733
	Total Revenue	2,954,733
	Programs Costs	
	Total Salaries	386,800
	Fringe	224,212
	Travel	12,000
	Travel over-per-diem	3,000
	Supplies (only direct supplies such as for workshops or conferences)	500
	Contractual	194,000
	Temporary Services	
	GAP I Investment Pool	300,000
	GAP Tech Investment Fund Pool	550,000
	GAP BioLife Investment Fund Pool	500,000
	Other	20,000
	Overhead	201,821
	Total Costs Before G&A	2,392,332
	G&A	562,401
	Equipment	
	Contractual-Over-Cap	
	Total Costs	2,954,733
	Net	0

Project # EN080 - 00 - TAP Fund		
Revenue		
FY08 Appropriations & FY07 Carry-over funds		11,380
Total Revenue		11,380
Programs Costs		
Total Salaries		3,814
Fringe		2,211
Travel		1,200
Supplies (only direct supplies such as for workshops or conferences)		0
Contractual		0
Temporary Services		
Other		0
Overhead		1,990
Total Costs Before G&A		9,214
G&A		2,166
Equipment		
Contractual-Over-Cap		
Total Costs		11,380
Net		0
CIT CONNECT		FY08
GOAL 4. SECURE LEADERSHIP IN THE ID AND ASSIMILATION OF INNOVATION		
4.1 Accelerate the assimilation of new technology by large-scale federal and private sector technology consumers		
Project # CN010 - 00 - Connect		
Revenue		
New Contracts		1,200,000
FY08 Appropriations & FY07 Carry-over funds		692,477
Total Revenue		1,892,477
Programs Costs		
Total Salaries		158,114
Fringe		91,652
Travel		
Supplies (only direct supplies such as for workshops or conferences)		
Contractual		1,200,000
Temporary Services		
Other		
Overhead		82,499
Total Costs Before G&A		1,532,265
G&A		360,212
Equipment		
Contractual-Over-Cap		
Total Costs		1,892,477
Net		0
Project # CN120- 55 - Rosettex Data Retention		
Revenue		
Rosettex - Data Retention		7,215
FY08 Appropriations & FY07 Carry-over funds		
Total Revenue		7,215

	Programs Costs	
	Total Salaries	2,761
	Fringe	1,600
	Travel	40
	Supplies (only direct supplies such as for workshops or conferences)	
	Contractual	
	Temporary Services	
	Other	
	Overhead	1,440
	Total Costs Before G&A	5,841
	G&A	1,373
	Equipment	
	Contractual-Over-Cap	
	Total Costs	7,215
	Net	0
	4.2 Accelerate the assimilation of new technology for Virginia specific initiatives	
	Project # CN090 - 00 - Virginia Connect	
	Revenue	
	New Contracts	250,000
	FY08 Appropriations & FY07 Carry-over funds	187,454
	Total Revenue	437,454
	Programs Costs	
	Total Salaries	49,580
	Fringe	28,740
	Travel	
	Supplies (only direct supplies such as for workshops or conferences)	
	Contractual	250,000
	Temporary Services	
	Other	
	Overhead	25,869
	Total Costs Before G&A	354,189
	G&A	83,265
	Equipment	
	Contractual-Over-Cap	
	Total Costs	437,454
	Net	0
	GOAL 5. NATIONALLY RECOGNIZED IDENTIFIER OF INNOVATIVE TECHNOLOGY COMPANIES	
	5.1 Establish a national outreach program	
	Project # CN040 - 00 - Build and use the optimum information resources	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	294,734
	Total Revenue	294,734
	Programs Costs	
	Total Salaries	55,331
	Fringe	32,073
	Travel	8,000
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	109,360
	Temporary Services	0
	Other	5,000
	Overhead	28,870
	Total Costs Before G&A	238,635
	G&A	56,099
	Equipment	0
	Contractual-Over-Cap	
	Total Costs	294,734
	Net	0

5.2 ID and support innovative technologies and technology companies		
Project # CN050 - 00 - Establish and mentor collaborative/development activities for SIGN technology offers		
Revenue		
FY08 Appropriations & FY07 Carry-over funds		128,359
Total Revenue		128,359
Programs Costs		
Total Salaries		48,742
Fringe		28,254
Travel		1,500
Supplies (only direct supplies such as for workshops or conferences)		0
Contractual		0
Temporary Services		0
Other		
Overhead		25,432
Total Costs Before G&A		103,928
G&A		24,432
Equipment		0
Contractual-Over-Cap		
Total Costs		128,359
Net		0
Project # CN060 - 00 - Management support for HRTIS		
Revenue		
HRTIS		40,000
FY08 Appropriations & FY07 Carry-over funds		169,049
Total Revenue		209,049
Programs Costs		
Total Salaries		73,407
Fringe		42,551
Travel		15,000
Supplies (only direct supplies such as for workshops or conferences)		0
Contractual		0
Temporary Services		0
Other		0
Overhead		38,301
Total Costs Before G&A		169,259
G&A		39,790
Equipment		0
Contractual-Over-Cap		
Total Costs		209,049
Net		0
Project # CN070 - 00 - Mentor high potential early-stage technology businesses		
Revenue		
FY08 Appropriations & FY07 Carry-over funds		477,224
Total Revenue		477,224
Programs Costs		
Total Salaries		128,907
Fringe		74,722
Travel		10,000
Supplies (only direct supplies such as for workshops or conferences)		0
Contractual		72,500
Temporary Services		0
Other		33,000
Overhead		67,260
Total Costs Before G&A		386,390
G&A		90,834
Equipment		0
Contractual-Over-Cap		
Total Costs		477,224
Net		0

	Programs Costs	
	Total Salaries	41,299
	Fringe	23,939
	Travel	10,000
	Supplies (only direct supplies such as for workshops or conferences)	15,000
	Contractual	
	Temporary Services	
	Other	
	Overhead	21,548
	Total Costs Before G&A	111,786
	G&A	26,279
	Equipment	
	Contractual-Over-Cap	
	Total Costs	138,065
	Net	0
	Project # BB030 - 00 - VECTEC - Pass-thru only	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	308,771
	Total Revenue	308,771
	Programs Costs	
	Total Salaries	0
	Fringe	0
	Travel	0
	Supplies (only direct supplies such as for workshops or conferences)	0
	Contractual	250,000
	Temporary Services	0
	Other	0
	Overhead	0
	Total Costs Before G&A	250,000
	G&A	58,771
	Equipment	0
	Contractual-Over-Cap	
	Total Costs	308,771
	Net	0
COMMONWEALTH SUPPORT PROGRAMS		FY08
	Project # VA010 - 00 - Provide COVITS conference program management support	
	Revenue	
	Registration - COVITS 07	122,150
	Registration - COVITS 08	125,000
	Sponsorship - COVITS 07	115,000
	Sponsorship - COVITS 08	400,000
	FY08 Appropriations & FY07 Carry-over funds	139,570
	Total Revenue	901,720
	Programs Costs	
	Total Salaries	3,456
	Fringe	2,003
	Travel	
	Supplies (only direct supplies such as for workshops or conferences)	
	Contractual - COVITS 07	442,825
	Contractual - COVITS 08	280,000
	Temporary Services	
	Other	
	Overhead	1,803
	Total Costs Before G&A	730,088
	G&A	171,633
	Equipment	
	Contractual-Over-Cap	
	Total Costs	901,720
	Net	0

Project # VA110 - 00 - VRTAC and CTRF		
Revenue		
FY08 Appropriations & FY07 Carry-over funds		62,692
Total Revenue		62,692
Programs Costs		
Total Salaries		20,205
Fringe		11,712
Travel		2,800
Supplies (folders, tent cards, name badges, etc.)		500
Contractual (potential VRTAC-associated study(s))		
Temporary Services		0
Other (catering and space)		5,000
Overhead		10,542
Total Costs Before G&A		50,760
G&A		11,933
Equipment		0
Contractual-Over-Cap		
Total Costs		62,692
Net		0
ADMINISTRATIVE PROGRAMS		FY08
Project # VA040 - 00 - Communications and Marketing		
Revenue		
FY08 Appropriations & FY07 Carry-over funds		381,378
Total Revenue		381,378
Programs Costs		
Total Salaries		54,147
Fringe		31,387
Travel		8,000
Supplies (only direct supplies such as for workshops or conferences)		0
Contractual		185,000
Temporary Services		0
Other		2,000
Overhead		28,252
Total Costs Before G&A		308,787
G&A		72,591
Equipment		0
Contractual-Over-Cap		
Total Costs		381,378
Net		0
Project # VA050 - 00 - Business Development		
Revenue		
FY08 Appropriations & FY07 Carry-over funds		759,095
Total Revenue		759,095
Programs Costs		
Total Salaries		272,010
Fringe		157,673
Travel		40,000
Travel Over-Per-Diem		3,000
Supplies (only direct supplies such as for workshops or conferences)		
Contractual		
Temporary Services		
Other		
Overhead		141,927
Total Costs Before G&A		614,610
G&A		144,485
Equipment		
Contractual-Over-Cap		
Total Costs		759,095
Net		0

	Project # VA060 - 00 - Advocacy	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	557,064
	Total Revenue	557,064
	Programs Costs	
	Total Salaries	61,807
	Fringe	35,827
	Travel	3,000
	Supplies (only direct supplies such as for workshops or conferences)	
	Contractual	318,000
	Temporary Services	
	Other	150
	Overhead	32,249
	Total Costs Before G&A	451,033
	G&A	106,031
	Equipment	
	Contractual-Over-Cap	
	Total Costs	557,064
	Net	0
	Project # VA070 - 00 - Entertainment	
	Revenue	
	FY08 Appropriations & FY07 Carry-over funds	4,323
	Total Revenue	4,323
	Programs Costs	
	Total Salaries	0
	Fringe	0
	Travel	
	Supplies (only direct supplies such as for workshops or conferences)	
	Contractual	
	Temporary Services	
	Other	3,500
	Overhead	0
	Total Costs Before G&A	3,500
	G&A	823
	Equipment	
	Contractual-Over-Cap	
	Total Costs	4,323
	Net	0