



May 29, 2013

Mr. Daniel Timberlake
Director
Department of Planning and Budget
1111 East Broad Street, Room 5040
Richmond, Virginia 23219-3418

Dear Mr. Timberlake:

I am pleased to submit the Center for Innovative Technology's (CIT) fiscal year 2014 Operating Plan, which was approved by the CIT Board of Directors on May 23, 2013.

For 2014, CIT will continue programs that support its mission of "accelerating the next generation of technology solutions, companies and employment". Doing this enables us to position Virginia as the nexus of technology innovation in the increasingly competitive national and global economies.

Similar to the 2013 plan, CIT will continue to secure federal and private sector funded services that support our mission and objective.

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. Billy Barbee, Senior Budget Analyst, Department of Planning and Budget
The Honorable Lacey Putney, Chairman, House Appropriations Committee
Mr. Robert P. Vaughn, Staff Director, House Appropriations Committee
The Honorable Walter A. Stosch, Chairman, Senate Finance Committee
Ms. Betsey Daley, Staff Director, Senate Finance Committee

Enclosure



May 29, 2013

Mr. Billy Barbee
Senior Budget Analyst
Department of Planning and Budget
1111 East Broad Street, Room 5040
Richmond, Virginia 23219-3418

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May 29, 2013

The Honorable Lacey Putney
Chairman, House Appropriations Committee
General Assembly Building
P.O. Box 406
Richmond, Virginia 23218

Dear Chairman Putney:

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Staff Director, House Appropriations Committee
General Assembly Building
P.O. Box 406
Richmond, Virginia 23218

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Enclosure



May 29, 2013

The Honorable Walter A. Stosch
Chairman, Senate Finance Committee
Senate of Virginia
P.O. Box 396
Richmond, Virginia 23218

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May 29, 2013

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Staff Director, Senate Finance Committee
Senate of Virginia
P.O. Box 396
Richmond, Virginia 23218

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Enclosure

*Accelerating the Next Generation of
Technology Solutions, Companies, and Employment
For Virginia and the Nation*

**Center for Innovative Technology
(CIT)**

OPERATING PLAN

Fiscal Year 2014

Adopted by the Board of Directors on May 23, 2013

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Executive Summary

Fiscal Year 2014 Funding

Fiscal Year 2014 is budgeted to be the second highest year of mission related funding for CIT. Budgeted revenues of \$14.5 million are approximately \$500,000 less than the highest level of funding achieved by the organization since its founding. Considering the pipeline of contracting opportunities in development, there is a strong possibility that 2014 will produce record revenues for CIT. The 2014 revenue target of \$14.5 million represents an 8% increase over the current 2013 revenue forecast.

Elevated funding for Fiscal Year 2014 is the result of the following key drivers:

- Seed funding for MACH37™, the Cyber Accelerator
- Sustained Commonwealth appropriations for the GAP Fund
- Federal grant revenue for broadband program funding
- New contract funding from the Department of Defense (DOD)

In addition to the funding CIT receives directly, CIT is designated as the fiscal agent for \$4.8 million of funding for the Commonwealth Research Commercialization Fund (CRCF). The combined revenues of \$14.5 million for CIT and \$4.8 million for CRCF funding provide CIT with fund deployment capability of \$19.3 million to facilitate technology programs for the Commonwealth in Fiscal Year 2014.

Fiscal Year 2014 Operating Plan

For Fiscal Year 2014, CIT's mission will continue to be "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."

To achieve these objectives, CIT will operate four service lines and create the new Cyber Accelerator each under the leadership of a senior executive. These service lines are:

<u>Service Line</u>	<u>Responsible Executive</u>
Research and Development	Nancy Vorona
Entrepreneur	Thomas Weithman
Connect	Paul McGowan
Broadband	Karen Jackson
MACH37™ Cyber Accelerator	Pete Jobse

In addition to the service lines above, the following corporate support functions are delivered under the leaders identified below:

Operating Area

Responsible Executive

Commonwealth Operations
Finance and Administration
Government and Public Relations
Office of Chief Technology Officer

Bob Stolle
Linda Gentry
Hap Connors
Dave Ihrle

The Fiscal Year 2014 CIT Operating Plan provides a complete description of the goals, objectives, plan of work, value proposition, program impact, and milestones for each service line. The following sections provide a summary of the Plan and funding by service line.

Research and Development Service Line

For Fiscal Year 2014, the Research and Development service line will execute the following programs:

1. Maintain the Commonwealth Research and Technology Roadmap.
2. Establish the Innovation & Entrepreneurship Measurement System.
3. Structure, administer, and audit \$4.8 million of awards for the Commonwealth Research Commercialization Fund.
4. Operate the federally funded Mid-Atlantic Regional Association Coastal Ocean Observing System for high frequency radar-based oceanic research.
5. Complete the federally funded Mine Safety project for wireless environmental monitoring system for use in underground mines.

In addition to program operations, service line leadership will examine new opportunities identified by the other service lines. To execute these programs, the Research and Development service line will expend \$508,115 as outlined in the funds usage chart below.

Entrepreneur Service Line

For Fiscal Year 2014, the Entrepreneur service line will execute the following programs:

1. Operate CIT's Federal Funding Assistance Program which helps Virginia companies secure SBIR/STTR funding and ensures that the Commonwealth preserves its top 5 national ranking for total SBIR/STTR awards.
2. Accelerate seed-stage funding for Virginia's technology startup companies by operating the GAP Fund family of funds. Funding for Fiscal Year 2014 will allow the GAP Fund to place 18 investments and support second-round funding for existing high-growth portfolio companies.
3. Accelerate seed and growth funding for Virginia's energy companies by operating the Commonwealth Energy Fund. Federal funding for this Fund will enable the creation or growth of four energy companies.

The combination of the GAP Fund and Commonwealth Energy Fund will produce a projected 20 to 30 investment transactions for Fiscal Year 2014.

The Entrepreneur service line will offer additional operational support, as required, for programs executed by other service lines, including the Commonwealth Research Commercialization Fund program and CIT's newly-launched Cyber Accelerator.

In addition to program operations, service line leadership will implement a series of community outreach, advocacy and new business development issues consistent with maintaining and growing Virginia's appropriation in support of these programs and to identify sources of new business consistent with its leadership in new company formation and funding. To execute these programs, the Entrepreneur service line will expend \$10.3 million as outlined in the funds usage chart below.

Connect Service Line

For Fiscal Year 2014, the Connect service line will execute the following programs:

1. Department of Defense program. This is a \$1,148,811 program, \$623,442 of which has been funded with the remainder (Phases 3 and 4) to be funded contingent on Phases 1 and 2.
2. Ongoing execution of the Virginia Regional Extension Center contract with the Virginia Health Quality Center to assist physicians with the implementation of electronic medical records and achievement of Meaningful Use. The Virginia target for implementation is 2,300 physicians.

To execute these programs, the Connect service line will expend \$336,786 as outlined in the funds usage chart below.

Broadband Service Line

For Fiscal Year 2014, the Broadband service line will execute the following programs:

1. Operate the Office of Telework Promotion and Broadband Assistance to encourage the usage of telework alternatives for public and private sector employees.
2. Execute programs to support the efforts of public and quasi-public bodies within the Commonwealth to enhance availability of and access to affordable broadband services throughout Virginia. These programs include:
 - a. Mapping and Planning programs to refine the Commonwealth's broadband availability map and establish plans and an approach for adopting broadband applications and infrastructure.
 - b. Application development and deployment to stimulate usage and demand for broadband applications in areas including telemedicine and telework.

To execute these programs, the Broadband service line will expend \$2.5 million as outlined in the funds usage chart below.

MACH37™, Commonwealth Operations and Special Projects

Two special projects will be conducted in Fiscal Year 2014, the creation of the Cyber Accelerator, MACH37™, and the second year of assessment and program development to facilitate the Commonwealth's modeling and simulation industry. Similar to last year, to ensure our programs are aligned with regional interests and the diversity of the Commonwealth's technology industry, Bob Stolle will continue as Senior Vice President to coordinate all programs to ensure complete satisfaction with CIT's services.

To execute these initiatives, CIT will expend \$3.9 million as outlined in the funds usage chart below.

Corporate Support Groups

In addition to the operating service lines, CIT is supported by the Finance and Administration (F&A) group under the leadership of the Chief Financial Officer (CFO), Linda Gentry. CIT's F&A group is responsible for all financial, legal, and administrative functions of the corporation including the design and operation of a federal and state compliant financial management system.

The Chief Technology Officer (CTO), David Ihrie, provides leadership of the group responsible for technology vision, as well as information technology services. The goal of the CTO is to take a lead role in defining, promoting, and implementing forward-looking technology policies and processes that advance entrepreneurial activity and the assimilation of technology.

CIT is supported by the Government and Public Relations group under the leadership of Vice President Hap Connors. The Government and Public Relations group is responsible for state, federal, and public relations functions.

Operating Budget

The Fiscal Year 2014 budget, summarized below, reflects increased funding and the controlled use of net assets to achieve impact in all service lines. The projected year end net asset position of \$1.4 million ensures our ability to bridge fiscal year commitments and manage operating adjustments throughout the year.

Summary Budget	FY14 Budget	% of Total FY14 Budget	Operations Funded by Contracts & Grants	Operations Funded by VA Approp & Other Revenue
Revenue				
Virginia Appropriation	\$ 8,215,588	57%		\$ 8,215,588
CRCF Virginia Appropriation - GAP	\$ 3,200,000	22%		\$ 3,200,000
Program Revenue	\$ 2,940,572	20%	\$ 2,940,572	
Other Income	\$ 182,574	1%		\$ 182,574
Total Revenue	\$ 14,538,734	100%	\$ 2,940,572	\$ 11,598,162
Expenses				
Research & Development	\$ 508,115	3%	\$ 25,992	\$ 482,123
Entrepreneur	\$ 10,296,179	54%	\$ 213,617	\$ 10,082,562
Connect	\$ 336,786	2%	\$ 336,786	
Broadband	\$ 2,510,974	13%	\$ 2,368,667	\$ 142,307
Commonwealth Project	\$ 3,946,062	21%		\$ 3,946,062
Other Activities	\$ 205,251	1%		\$ 205,251
Communications & Marketing	\$ 574,009	3%		\$ 574,009
Business Development	\$ 753,228	4%		\$ 753,228
Advocacy	\$ 479,790	3%		\$ 479,790
Under-applied Indirects	\$ (698,150)	-4%		\$ (698,150)
Total Expenses	\$ 18,912,243	100%	\$ 2,945,062	\$ 15,967,181
Net	\$ (4,373,508)		\$ (4,490)	\$ (4,369,018)
Beginning Net Assets	\$ 5,784,000			
Ending Net Assets	\$ 1,410,492			

President and CEO's Perspective

For Fiscal Year 2014, CIT is positioned to achieve the highest revenue in the history of the organization. The funding sources for seed-stage investment and research commercialization introduced in Fiscal Year 2012 continue to provide strong levels of funding for Fiscal Year 2014. For the past two years we have attributed higher funding to new emphasis on entrepreneurship and research commercialization, coupled with confidence in CIT's ability to structure programs that secure significant private sector investment. We continue to earn the confidence necessary for appropriators and clients to increase their investment in CIT.

Even though we are positioned to achieve record revenue, we are investing significant leadership resources in examining strategic initiatives that are vital to the growth and continued high level of performance of the organization. During March and April, the leadership team analyzed 37 different initiatives for their relevance to current operations and future growth opportunities. Of the 37, five specific initiatives were identified as requiring higher levels of resource investment. Our challenge is to examine, predict, propose, and implement the next generation of solutions that ensure that CIT is nationally recognized as the premier services provider focused on technology company creation and company growth.

Fiscal Year 2014 holds significant opportunity and equally significant growth challenges for CIT. The entire team is energized for the challenge; we are focused on achieving both our Fiscal Year 2014 goals and designing our future value proposition and programs.

Plan of Work, Milestones, and Metrics - Fiscal Year 2014

Research and Development (R&D) Service Line

Goal 1: Solve national technological challenges through world-class R&D solutions

Objective 1.1 – Deliver technology solutions to solve national and regional challenges

Program and Plan of Work

CIT provides customers with technology-based solutions that solve Commonwealth, regional, and national challenges by conducting high-value scientific projects that drive research toward commercialization and deployment. In Fiscal Year 2014, CIT R&D and its project teams will continue to solve these challenges, with an emphasis on energy and marine sciences. CIT's technology priorities align with those of the Commonwealth Research and Technology (R&T) Strategic Roadmap and may evolve as Roadmap priorities change.

CIT's roles include identifying translational research opportunities in areas of strategic importance, creating teams, and managing these projects to develop and deliver effective and innovative solutions. By managing these contracts and grants on time and on budget, CIT achieves research and commercialization results that meet or exceed program-specific goals. Additionally, CIT's translational R&D programs provide industry, academia, and other team members with vehicles to develop research expertise and intellectual property. These activities help enterprises grow and drive revenue and job creation, as well as the potential for company creation.

CIT's key activity for Fiscal Year 2014 will be performing on its existing grants. CIT R&D will actively monitor developments in offshore energy to determine translational research opportunities that advance Virginia's position in this field. Additionally, CIT R&D will support pursuit of funding opportunities identified as complementary to projects performed by other services lines.

CIT will continue its participation in MARACOOS, the Mid-Atlantic Regional Association Coastal Ocean Observing System. This program leverages CIT's high frequency (HF) radar infrastructure and expertise and provides data for weather forecasting, search and rescue operations, recreational and commercial boating, fisheries management, and other markets. CIT will provide site support for its five radars along the Virginia and Maryland coastline

and, in early Fiscal Year 2014, expects to extend this project with a follow-on year of funding.

CIT will complete a Mine Safety project dedicated to developing and deploying a wireless environmental monitoring system for use in underground mines. This system adds methane and oxygen sensors to a carbon monoxide detection product that communicates over a low-cost, data-only wireless mesh network. The system, developed in collaboration with two small Virginia businesses, minimizes the effects of potentially catastrophic events through continuous, remote sensing of dangerous conditions induced by high or low gas levels and by alerting mine officials to potentially hazardous situations, even if power is interrupted in an emergency.

Unique Value Proposition

CIT R&D is uniquely positioned to develop solutions for regional and national challenges in such sectors as defense and national security, energy, and marine and life sciences, and in technology sectors that are identified in the Roadmap and complement CRCF, GAP, Connect, and other CIT programs. A nonprofit with a decades-long reputation for neutrality, CIT is an expert in identifying and managing the best teams and developing and deploying innovative technology-based solutions to complex problems. CIT's professionals have a history of successfully managing proof-of-concept projects in partnership with industry, academia, and government. In providing solutions, CIT also helps companies and universities move research from the lab to real-world settings, ensuring that local economies benefit from research and commercialization.

2014 Program Impact

CIT provides significant value to the Commonwealth by contributing to the development of technology solutions for regional and national challenges, as well as facilitating the expansion of research and industry developing these solutions. For Fiscal Year 2014, CIT will provide \$26,000 in revenue and \$12,500 in research contract awards to support the programs.

In addition to executing existing contracts, CIT will actively monitor offshore energy developments and will support examination of new project opportunities that result from prospects identified by other service lines or CIT leadership.

Future Program Impact

CIT has invested in national security, energy, and life sciences projects in order to help solve the challenges of the Commonwealth, the region, and the nation. Through these initiatives, CIT helps position companies and research institutes to participate in what will become significant national programs through intellectual property creation and technology development and deployment. The programs also educate and train students and the workforce in important technologies and fields.

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 MARACOOS and Mine Safety programs	In accordance with project deadlines	VP, Research Investment
Provide status and other compliance reports for other contracts and grants performed in FY14	In accordance with project deadlines	VP, Research Investment
Monitor offshore energy development	February 2014	VP, Research Investment
Support pursuit of funding opportunities in translational research	Ongoing	VP, Research Investment

Management Reporting Tools

- Prepare periodic and final performance and financial reports to the Small Business Administration (SBA) for the Mine Safety program and other contract-specific federal project reports as required
- Prepare reports as required by Rutgers University for the MARACOOS project
- Receive subcontractors' final reports and invoices
- Prepare compliance reports as required by client agencies

Goal 2: Establish and maintain a statewide research and technology plan

Objective 2.1 – Coordinate and facilitate Virginia's research and technology strategic planning process

Program and Plan of Work

Setting strategic direction helps align the Commonwealth's strengths with short- and longer term goals, drives smart investment decisions and innovation, and best positions Virginia for economic benefits, including job and company creation and higher wages.

CIT is at the nexus of the Research and Technology (R&T) Strategic Roadmap and three new and related initiatives: the Innovation & Entrepreneurship Measurement System (IEMS), *Virginia Performs'* planned Innovation & Entrepreneurship (I&E) category, and the Virginia Chamber's *Blueprint Virginia*. The collective attention on these initiatives and the widely recognized importance of strategic planning and metrics provides CIT with an opportunity to:

-
-
- define what I&E in Virginia should be
 - develop the system to measure and track I&E
 - analyze and interpret trends, and
 - develop strategies and recommend programs designed to build this segment of our economy.

CIT strives to be the Commonwealth's leading information resource as well as an advocate for I&E. Through demonstrated value, CIT will strive for the Roadmap and IEMS to become the Commonwealth's de facto strategic planning and metrics tools addressing technology-related research and commercialization, innovation, and entrepreneurship.

The Roadmap is a strategic planning tool for the Commonwealth to identify research areas worthy of economic development and institutional focus. The process, powered by CIT, engages the state's technology community in setting investment priorities by identifying the ten technology council regions' 10-15 year technology priorities. Technology executives and officials, including those from the private sector, academia, and state government, identify strategic priorities, critical assets, technologies and skills needed to meet regional technology goals, and approaches to close gaps. CIT facilitates the dialogue and compiles information at a statewide level in order to identify investment priorities, including those technology sectors eligible for Commonwealth Research Commercialization Fund (CRCF) investment. CIT couples input from technology and economic development executives with empirical data to identify technologies and markets with strength in Virginia and that show the greatest promise.

Furthermore, CRCF investments must align with technology sectors identified in the Roadmap; as a result, the Roadmap and CRCF drive those sectors in which the state has current strengths, a likelihood of excelling in applied research and commercialization, and where significant growth is forecast.

CIT's R&D service line will manage the ongoing development of the Roadmap. The Roadmap is designed to be dynamic; legislation passed in 2011 (HB2324) requires an update every three years. Given the pace of change, CIT R&D evaluates the environment prior to each CRCF solicitation and will perform a refresh in Fiscal Year 2014. CIT will undertake a more extensive review every three years.

In Fiscal Year 2014, CIT will perform both shorter and longer term tasks. CIT R&D will recommend technology sectors eligible for Fiscal Year 2014 CRCF awards after assessing the refresh. Additionally, CIT will examine in greater depth the technology areas that merit future investment in preparation for the fall 2014 Roadmap refresh. The Roadmap will continue to be a grassroots initiative, with development facilitated through such avenues as regional meetings hosted by the *Blueprint* and those organized by CIT, and ongoing dialogue with Virginia's research assets, economic development officials, and technology executives. Additionally, the Roadmap will include an empirical component, with analysis of specific leading and lagging indicators. CIT R&D will work with Marketing and Communications to enhance the Roadmap's visibility and bolster community utilization through a webpage on CIT.org and outreach via social media.

As a new process may be instituted, R&D programs will work with the Department of Planning and Budget (DPB) to monitor how capital outlay decisions are made for Virginia's institutions of higher education. CIT will work with the Six-Year Capital Outlay Plan Advisory Committee, DPB, and the State Council of Higher Education for Virginia (SCHEV) as appropriate.

CIT R&D will work closely with colleagues, including the Senior Vice president of Operations, whose support will include a perspective from and outreach to *Blueprint Virginia's* advisory committee, and the Vice President of Government and Public Affairs for assistance with outreach and public relations.

Unique Value Proposition

The statewide R&T Strategic Roadmap allows the Commonwealth to align investments in research and technology with strategic industry opportunities. The Roadmap provides elected and other officials with information on sectors that have commercial promise and will drive economic growth in the Commonwealth. A result of its nearly 30 years advancing technology and technology companies, CIT has unique knowledge of Virginia's technology strengths and drivers of innovation, along with unique experience developing strategic plans and technology roadmaps. Additionally CIT has the relationships in academia, government and other nonprofits, and the private sector required to develop, implement, and advocate for the Roadmap.

2014 Program Impact

This objective focuses on identifying technology sectors eligible for award in the Fiscal Year 2014 CRCF solicitation(s) and preparing the Fiscal Year 2015 Roadmap update to be delivered in fall 2014. Program impact is determined by Commonwealth and investments and policies in research and technology in academia, as well as the private sector.

Future Program Impact

Future impact will be based on investments and other decisions that elected and other officials make as a result of information garnered through Roadmap, as well as economic outcomes. It is expected that the Roadmap will permit the Commonwealth to conduct a more informed review of research and development initiatives, appropriate investments and regulatory and other policies, and economic development initiatives and outcomes.

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
Define approach for refresh prior to FY14 CRCF solicitation(s)	July 2013 / November 2013	VP, Research Investment

Define schedule and approach for fall 2014 refresh	September 2013	VP Research Investment
Refresh R&T Strategic Roadmap on CIT.org	October 1, 2013	VP, Research Investment
Develop public relations campaign	October 2013	VP, Government and Public Affairs
Advise Virginia congressional delegation on the statewide R&T Strategic Plan	May 2014	VP, Government and Public Affairs

Management Reporting Tools

- Post R&T Strategic Roadmap updates on CIT.org; assess against schedule

Objective 2.2 – Establish the Innovation & Entrepreneurship Measurement System

Program and Plan of Work

A newly established metrics tool, the Innovation & Entrepreneurship Measurement System (IEMS), will provide CIT, other Commonwealth leadership, and the public with a clear view of Virginia’s performance and trends in innovation and entrepreneurship measures. IEMS performance measures will be presented in dashboard format and will heighten the understanding of Virginia’s strengths, priorities, and gaps as gleaned through the primarily grassroots-based Research and Technology (R&T) Strategic Roadmap. Tracking Virginia’s performance will also help CIT and the Commonwealth identify areas that require policy changes and other initiatives to improve the innovation ecosystem and outcomes.

The 2013 General Assembly established the IEMS in order to help determine activities worthy of economic development or institutional focus as required by the previously-discussed Roadmap.

CIT’s R&D service line will establish the IEMS, including identification of initial metrics and a dashboard that depicts metrics by category. The dashboard and underlying metrics will be designed by CIT; metrics are envisioned as a blend of indicators – leading and lagging, and internal and external to CIT – that “roll up” into innovation and entrepreneurship-related categories. CIT R&D envisions annual updates to the IEMS. Chmura Economics & Analytics will support CIT and perform under contract data collection and analysis. CIT R&D will work closely with Marketing and Communications to develop and maintain the IEMS webpage on CIT.org and to enhance its visibility via social media. Additionally, R&D will perform outreach through speaking engagements and other avenues. Metrics tracked by CIT may evolve as we identify new ways to measure innovation and entrepreneurship, whether these metrics reflect data gathered by the federal government or other bodies, or they reflect CIT’s own programs that support entrepreneurs and technology development and commercialization.

The IEMS has potential to become the Innovation and Entrepreneurship section of *Virginia Performs*, with the Council on Virginia’s Future linking its scorecard to the IEMS. CIT R&D will work closely with the Senior Vice President of Operations and the Council to institute this.

Unique Value Proposition

The IEMS will help CIT identify and track trends in the Commonwealth’s innovation ecosystem and determine when and what policy and/or other initiatives are required to ensure a strong ecosystem. As with the Roadmap, CIT has unique knowledge of Virginia’s innovation economy and measures of innovation, and – in part through its strong relationships in government and industry – a unique ability to formulate policy and programs that drive innovation and strengthen the innovation ecosystem.

2014 Program Impact

This objective focuses on establishing initial metrics and publishing a dashboard in Fiscal Year 2014. Program impact is determined by FY2014 adoption of this dashboard by the Council on Virginia’s Future as the Council’s I&E scorecard, and by development and implementation, as needed, of policies and programs that reflect trends uncovered by the IEMS.

Future Program Impact

Future impact will be based on policies and other decisions that elected and other officials make as a result of information garnered through the IEMS, as well as economic outcomes. It is expected that CIT and other state leaders will develop and recommend policies and programs as a result of what is learned through IEMS performance measures and trends.

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
Define metrics, approach, and schedule for IEMS	August 2013	VP, Research Investment
Publish dashboard on CIT.org	February 2014	VP, Government and Public Affairs
Coordinate adoption of IEMS into <i>Virginia Performs</i>	March 2014	Sr. VP, Commonwealth Operations
Advise Virginia congressional delegation on the IEMS	March 2014	VP, Research Investment
Develop public relations campaign	March 2014	VP, Government and Public Affairs

Management Reporting Tools

- Establish metrics
- Establish approach for dashboard
- Post IEMS on CIT.org; assess against schedule

Objective 2.2 – Manage the Commonwealth Research Commercialization Fund (CRCF)

Program and Plan of Work

The Commonwealth Research Commercialization Fund (CRCF) advances science- and technology-based research, development, and commercialization to drive economic growth in Virginia and to encourage collaboration among its institutions of higher education and partnerships between these colleges and universities and business and industry. During the 2012 session of the General Assembly, \$4.8 million was appropriated to the Fund in support of its FY2014 programs. Legislation stipulates that CRCF awards be linked directly to projects supporting the Commonwealth Research and Technology (R&T) Strategic Roadmap and the key industry sectors identified therein.

CIT administers the CRCF, per legislative mandate. CIT's FY2014 management responsibilities include developing and updating program guidelines, issuing solicitation(s), receiving and vetting proposals, announcing awards, and reviewing and reporting on award recipients' progress. CIT will continue to support the Research and Technology Investment Advisory Committee (RTIAC); the RTIAC's primary responsibility is to recommend to the CIT Board those proposals it believes are most suited for award. CIT will prepare award agreements and/or memorandums of understanding, monitor projects, and arrange the disbursement of funds to award recipients. CIT will also provide public communications and outreach activities, including through website postings, email correspondence, social media, and press releases; as appropriate, CIT will coordinate throughout the process with the Administration, the General Assembly, and the technology community, including continued discussions with the University of Virginia to coordinate CRCF and the i6 / Virginia Innovative Partnership (VIP) program. As required by the Code of Virginia, CIT will file an annual report on CRCF awards with the Governor's Office and the General Assembly.

CIT will develop plans for a Fiscal Year 2014 solicitation(s), including the number of rounds and eligibility criteria, in late Fiscal Year 2013 and in Fiscal Year 2014. R&D's initial concept is to issue a targeted solicitation followed by a broader round in the 3rd quarter. Programs will be reviewed and recommended for Fiscal Year 2014 based on opportunities to advance technology commercialization and economic growth and will reflect legislation, funding availability, demand expressed in Fiscal Year 2012 and Fiscal Year 2013, and complementary programs such as Entrepreneur's Federal Funding Assistance Program (FFAP) and Growth Acceleration Program (GAP), as their prospects and clients can overlap with firms eligible for CRCF awards.

Additional Fiscal Year 2014 activities include managing Fiscal Year 2012 and Fiscal Year 2013 awards whose performance continues into Fiscal Year 2014, and monitoring commercialization progress and successes for those award recipients whose period of performance has concluded. For awardees with disbursements planned in Fiscal Year 2014, CIT will evaluate performance against proposed goals and metrics, as well as adherence to award terms and conditions. Based on that performance, CIT will arrange for distribution of funds and/or will coordinate with the award recipient regarding performance requirements.

Unique Value Proposition

The CRCF investments provide an invaluable and unique source of funds to propel commercialization in academia and the private sector that is targeted towards Virginia’s technology strengths and direction. In administering the Fund, CIT brings a unique ability to support applicants throughout the continuum from research to company creation and expansion, and unique experience and skills from managing the Commonwealth Technology Research Fund (CTRF), CRCF, GAP, and FFAP programs. Additionally, CIT has deep and broad relationships in academia, government, and the private sector that maximize program outreach and effectiveness.

2014 Program Impact

Award recipients will report contributions to the state’s R&D through federal or private matching funds, intellectual property creation and licensing, and other commercialization targets and outcomes. CIT will compile and summarize these contributions and alignments with goals of the Roadmap in the annual report to the Governor’s Office and the General Assembly.

Future Program Impact

Future impact will be based on investments and other decisions that elected and other officials make as a result of results achieved through CRCF investments. It is expected that targeted investments and increased collaboration will lead to substantial economic development outcomes, including licensing revenue, sales, company creation and attraction, and job creation.

Milestones

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

Activity	Date	Person Responsible
Determine solicitation schedule and approach	July 2013	VP, Research Investment
Issue CRCF solicitation(s)	September 2013 / January 2014	VP, Research Investment

Prepare and submit annual report on CRCF operations and awards to the Governor and General Assembly	October 2013	VP, Research Investment
Manage proposal and award process	February 2014 – June 2014	VP, Research Investment
Review and assess projects' performance	June 2014	VP, Research Investment

Management Reporting Tools

- Prepare the annual report for the Governor and General Assembly
- Receive interim, final, and status reports from grant recipients
- Manage budget covering administration and review process

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 maintained a third place ranking in the number and total funding of Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) awards behind California and Massachusetts in 2011, the latest year in which data is available. Virginia firms received 257 Phase I awards and 154 Phase II awards, for a total award amount of \$136.7 million in 2011.

To ensure the development of Virginia's next generation of technology companies, Virginia must increase both the number and dollar amount of SBIR and STTR awards. In addition, Virginia needs to increase the number of research awards companies receive from other federal funding programs, such as those presented by the Department of Energy (DOE), Department of Defense (DOD), National Institute of Standards and Technology (NIST), National Science Foundation (NSF), and the National Institutes of Health (NIH). Through CIT, the Commonwealth provides assistance to companies developing proposals to commercialize their technologies supported by SBIR/STTR grants.

CIT continues its statewide leadership in federal funding assistance for business through its Federal Funding Assistance Program (FFAP), which helps Virginia's technology companies obtain SBIR/STTR funding. Key program initiatives will continue for Fiscal Year 2014: delivery of specialized federal funding workshops throughout the Commonwealth; proposal development support; mentoring/commercialization assistance to awardees; and outreach to the federal R&D funding program management community, major and mid-tier prime contractors, universities, and applicable supporting professional resources.

In Fiscal Year 2014, the FFAP will continue to promote its services to a broad group of state university R&D, technology transfer, and patent office staffs, as well as the staffs of Small Business Development Centers (SBDC), Procurement Technical Assistance Centers (PTAC), the Virginia Economic Development Partnership (VEDP), and local economic developers. The FFAP will continue to examine federal funding sources to enhance program development.

Unique Value Proposition

CIT's FFAP brings non-dilutive financing to enhance the value of Virginia's early-stage technology companies and promotes a more robust and innovative R&D base within the Commonwealth. CIT's unique position in both monitoring statewide research initiatives and managing a seed-stage venture capital fund targeting Virginia startups provides the CIT FFAP with a singular ability to reach entrepreneurs in the Commonwealth best able to access and exploit federal R&D funding.

2014 Program Impact

The Fiscal Year 2014 plan for the FFAP will focus CIT's efforts on increasing the amount of SBIR/STTR funding to Virginia businesses by conducting online and offline training, as well as mentoring and proposal development support for 200 Virginia companies.

Future 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.

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
Market and conduct two SBIR training modules related to SBIR/STTR proposal preparation.	September 30, 2013	Director, Federal Funding
Market and deliver two SBIR training modules related to SBIR/STTR proposal preparation.	December 31, 2013	Director, Federal Funding
Market and deliver two SBIR training modules related to SBIR/STTR proposal preparation.	March 31, 2014	Director, Federal Funding

Provide mentoring and training support for 200 Virginia businesses developing proposals or conducting/commercializing research supported by SBIR/STTR awards	June 30, 2014	Director, Federal Funding
Market and deliver two SBIR training modules related to SBIR/STTR proposal preparation.	June 30, 2014	Director, Federal Funding

Management Reporting Tools

- Weekly federal funding activity reports
- Quarterly FFAP pipeline report
- Quarterly scorecard

Objective 3.2 – Accelerate funding for early-stage technology firms

Program and Plan of Work

CIT has benchmarked both aggregate venture capital deployment and seed capital investment in Virginia, compared to other states of similar size and economic composition. In doing so, CIT compared 60-month trailing venture investments in Virginia (2011 GSP: \$494 billion), Maryland (2011 GSP: \$301 billion), and Massachusetts (2011 GSP: \$392 billion). Over the past five years (2008–2012), Virginia companies have attracted \$2.2 billion in venture capital, tracking closely with neighboring Maryland, which has attracted \$1.9 billion. Virginia, however, suffers significantly in comparison to Massachusetts, which attracted \$14.4 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 23 seed-stage investments in Virginia, compared to 269 in Massachusetts and 64 in Maryland.

	2011 GSP¹	Venture Funding	Seed-Stage Investments
Maryland	\$301 billion	\$1.9 billion	64
Massachusetts	\$392 billion	\$14.4 billion	269
Virginia	\$429 billion	\$2.2 billion	23

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.

CIT launched CIT GAP Fund in 2004 to provide critical seed-stage funding to the Commonwealth's high-potential, early-stage technology companies. Since that time, CIT

¹ Source: US Bureau of Economic Analysis. Numbers are considered preliminary and were last updated by the Bureau on June 5, 2012

GAP Funds 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. Today, CIT invests from six discrete funds – GAP Tech, GAP BioLife, GAP CleanTech, GAP Cyber, CIT's Innovation Fund and the Commonwealth Energy Fund to seed fund new companies in the Commonwealth. From the GAP Funds' launch through Q2 Fiscal Year 2013, CIT has drawn upon this system to leverage private money against Commonwealth funds at a rate of 13:1.

From an historical perspective, CIT has averaged leverage of private to GAP funding into portfolio companies at a rate of 3:1 at the time of seed investment close. Based on past portfolio performance, CIT anticipates growth of this leverage factor within a 24-48 month time period following seed round close as additional private investment is made in the portfolio company through subsequent angel financings and institutionally-led venture rounds.

In Fiscal Year 2013, CIT's investment pace dropped off slightly as compared to 2012 as CIT GAP Funds Virginia appropriation decreased from \$4 million in Fiscal Year 2012 to \$3.2million in Fiscal Year 2013. In Fiscal Year 2013 CIT launched its GAP Cyber Security Fund in response to increased deal flow from Virginia's emerging information system security companies. Also in Fiscal Year 2013, CIT continued to place energy investments through residual funds left over from the \$2.6M contract acquired from Virginia's Department of Mines, Minerals, and Energy (DMME) in 2011. Funded by the American Recovery and Reinvestment Act (ARRA) through the State Energy Program (SEP), this contract established the Commonwealth Energy Fund and provided CIT with investment capital to finance production stage energy and cleantech companies. Finally, in Fiscal Year 2013, CIT GAP Funds launched the "GAP 50" Awards Program. Through this highly-visible statewide program, CIT acknowledged 50 emerging entrepreneurs from around the Commonwealth, cited by their peers as most likely to stimulate the next generation of high growth technology companies.

Having secured \$3.2 million in funding for Fiscal Year 2014, CIT GAP Funds will continue to invest in Virginia's high-potential science and technology companies at an aggressive pace. To ensure continued availability of capital for its portfolio companies, CIT GAP Funds will continue its outreach activities of the past several years to key regional and east coast venture and angel investment markets such as Boston, Research Triangle Park, and Philadelphia to aggressively expand its base of seed-stage syndication partners and downstream investment sources for portfolio companies. Through its Fiscal Year 2014 investment efforts 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 \$8 million from placement by institutional and angel funds.

Also in Fiscal Year 2014, CIT GAP Funds will undertake additional business development and advocacy initiatives in coordination with CIT's Senior Vice President of Commonwealth Operations in an effort to sustain and grow its Virginia appropriation and to

acquire new business consistent with CIT's mission, goals and objectives. Among new initiatives anticipated are: an examination of the viability of CIT's launch of a crowd-funding portal designed to enhance funding prospects for university-developed technologies and university-based start-ups; a legislative outreach program to ensure that key members of the Virginia General Assembly have a working knowledge of CIT's investment and entrepreneurial support programs; continued exploration of the formation of privately financed investment funds managed by CIT GAP Funds; and CIT GAP Funds community outreach program to ensure that key entrepreneurial constituencies in Richmond, Charlottesville, Hampton Roads, Roanoke-Blacksburg, and Southside Virginia benefit from CIT's role as knowledge leader on subject matter relative to entrepreneurship and early-stage investment.

Unique Value Proposition

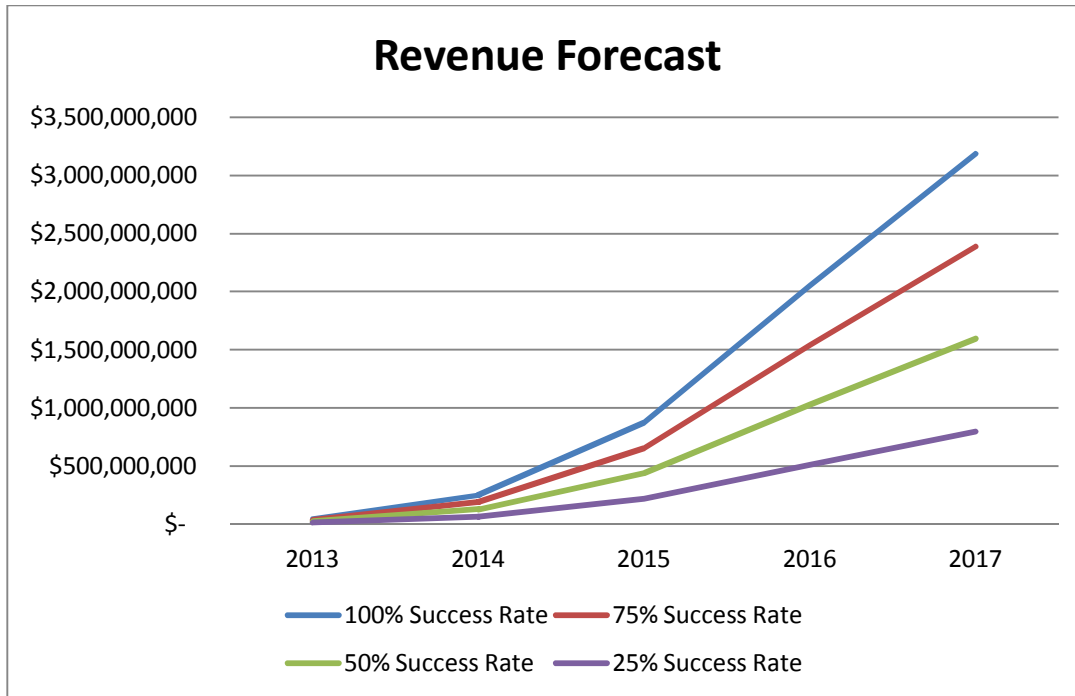
As a double-bottom-line fund designed to resolve Virginia's current shortage of seed-stage capital, CIT GAP Funds offer superior economic returns for entrepreneurs and co-investors, while providing significant economic development contribution to the Commonwealth.

2014 Program Impact

The Entrepreneur service line 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 Fiscal Year 2014, CIT will stimulate \$8 million of private-sector investment in new technology companies.

Future Program Impact

The companies that receive capital generation assistance from CIT are positioned for accelerated company growth 24 to 36 months after CIT's initial investment. This growth, recorded as company revenue, contributes to Virginia's gross state product (GSP) 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 graphs and includes thirteen new GAP Technology and GAP BioLife and four GAP Innovation investments in FY2014, sixty-seven existing investments, and three projected investments to close in Fiscal Year 13.



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
Deliver monthly updates of the Virginia Venture Calendar and quarterly updates of the GAP Funds Portfolio Newsletter	July 2013 – June 2014	Senior Investment Associate
Identify 25 new companies per quarter for investment consideration through the CIT GAP Technology, GAP BioLife, Commonwealth Energy Fund, and Innovation Investment Fund	September 2013 and quarterly	Director, Investments
Present six energy and cleantech companies to the Commonwealth Energy Fund and GAP CleanTech investment committees to yield four investments	March 2014	Managing Director
Present 25 life science, cleantech, cybersecurity or technology companies to CIT GAP Funds investment committees to yield a total of 18 investments	June 2014	Managing Director

Management Reporting Tools

- Quarterly pipeline analysis reports

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- Quarterly GAP portfolio update
 - Quarterly reports of leveraged cash
 - Quarterly reports of actual and projected GSP contribution

Connect Service Line

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

Executive Summary

At the conclusion of Fiscal Year 2013, the Connect service line will enter the new fiscal year with the following:

- An ongoing relationship focused on developing a proof-of-concept with the DOD
- An ongoing relationship with the Virginia Health Quality Center (VHQC) as we set up and operate the Virginia Regional Extension Center, as part of the joint \$13.5 million federal award
- An ongoing relationship with the Virginia Department of Education (VDOE) and a number of active projects, as part of the \$18.5 million federal award for the development and operation of a statewide longitudinal database system
- An ongoing initiative with VDOE, Apps4VA, with a number of different challenge based projects which could be expanded both nationally and across Virginia
- A sales pipeline which includes several high-probability high value opportunities to work with the Department of Homeland Security (DHS)
- A proven model for selling and delivering high-value consulting and research services

For Fiscal Year 2014, the Connect service line has three operating principles:

- Maintain and grow existing strategic client relationships
- Examine, propose, and pursue additional growth from new clients
- Recruit and bring onboard new team members to support new business and drive success.

Objective 4.1 – Accelerate the assimilation of new technology by large-scale public 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 that identify and assimilate early-stage technologies gain a competitive advantage because they can tailor emerging technology solutions to their requirements.

Connect provides 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
- Identification of potential strategic partners for clients
- Development of innovation roadmaps for clients
- Education and awareness of the potential impact of emerging technology for clients

For large technology consumers, the Connect service line provides identification of and access to innovation matching their requirements in markets they find 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 Fiscal Year 2014, Connect will continue to build on the client relationships developed in Fiscal Year 2013, aggressively execute business and proposal development efforts, and continue to build and refine the consulting service model, including an increased focus on the social media, big data, mobile learning, education, and Health IT sectors.

Connect has proven the market potential for its service; the challenge in Fiscal Year 2014 will be to maintain the momentum and continue the pace of growth. This will be addressed in four important ways:

1. Lead Generation – Connect will institute a more rigorous process to improve lead-generation, ensuring it is more productive and repeatable.
2. Early Stage Influencing/Deal Shaping – Connect will leverage its role in the education and mobile learning marketplaces to create a new set of opportunities focused in these areas.
3. Resource Optimization – In order to keep pace with the aggressive demands of client relationship management, proposal development, business operations, and client delivery, Connect will continue to leverage resources from within CIT and with external partners.
4. Deal Profiling and Selection – Connect will continue to screen and identify opportunities and select only the high-probability opportunities for full proposal development
5. Grow Current Client Engagements; the Connect team has demonstrated its ability to grow client relationships, deliver services based on client value propositions, create effective proposals, and deliver on-time and on-budget. Connect will continue to nurture

and develop its current relationships with VDOE, VHQC, and the Technical Support Working Group (TSWG).

Unique Value Proposition

Connect helps its clients solve mission-specific problems and challenges with technology solutions that deliver improvements in their operating objectives. CIT is uniquely positioned to help public and private organizations as a neutral party focused on improving the understanding and implementation of technology. CIT Connect does not engage in technology implementation contracts to assure clients that recommendations are neutral and do not position CIT for larger implementation contracts.

2014 Program Impact

For Fiscal Year 2014, the Connect service line is challenged with delivering on the existing services backlog and in converting \$1.5 million of additional sales.

Future Program Impact

As a by-product of delivering solutions to large-scale technology consumers, the Connect program accelerates the growth of early-stage technology companies by introducing their innovative technology to markets they have not explored. For early-stage companies residing in the Commonwealth, 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.

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
Build an aggressive marketing, public awareness and public relations plan	July 2013 – January 2014	VP, Connect VP Government and Public Affairs
Develop an updated business plan	July 2013	VP, Connect
Develop an outreach and communications strategy for additional Virginia agencies	September 2013	VP, Connect Sr. VP Commonwealth Operations VP Government and Public Affairs
Develop a plan to achieve a stretch-goal of doubling or tripling the size of the Connect practice	September 2013	VP, Connect

Management Reporting Tools

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

Broadband Service Line

Goal 5: Expand the use and application of broadband technologies in rural and underserved areas

Objective 5.1 – Serve as the Commonwealth’s Office of Telework Promotion and Broadband Assistance (OTPBA)

Program and Plan of Work

Access to affordable broadband services remains critical to the worldwide economic future, as nations, states, and communities are measured by the amount and cost of broadband services that are available. On March 16, 2010 the Federal Communications Commission (FCC) unveiled the nation’s first “National Broadband Plan” that provides a foundation upon which the case for applications advances in seven key sectors: economic opportunity, education, healthcare, energy/environment, government performance, civic engagement, and public safety can be made.

It is undeniable that access to affordable, high-quality broadband services is viewed as a “requisite” for economic growth and enhanced quality of life. Communities that lack affordable broadband access are unable to participate in the rapidly-advancing social, educational, commercial, medical, and economic development applications and opportunities made available through the Internet. Besides empowering businesses and communities, ubiquitous broadband positions the Commonwealth to lead the nation in technology company formation and the deployment of high-technology services and applications.

Furthermore, access to affordable, reliable broadband services is a key success factor for the adoption of telework – a family-friendly, business-friendly work structure that promotes workplace efficiency, reduces strain on the environment and transportation infrastructure, and provides employment opportunities outside of a traditional workplace. Businesses, as well as federal, state, and local governments, continue to leverage telework as a means of attracting and retaining employees.

This current emphasis on the availability of high-quality broadband services has led both federal and state leaders to examine broadband availability, affordability, and adoption rates and move from being reactive to proactive in their strategic planning and policy activities.

Acknowledging the importance of broadband and telework to Virginia's economy, the Commonwealth continues to maintain the Office of Telework Promotion and Broadband Assistance (OTPBA), created in 2006. The Office consists of a director appointed by the Secretary of Technology and additional professionals as the Secretary determines. Since its inception, the Director has been, and continues to be, provided by CIT.

The Director of the OTPBA has the following duties:

- Promote and encourage use of telework alternatives for public and private-sector employees
- Support the efforts of both public and private entities to facilitate access to competitively priced broadband services, infrastructure, and applications
- Specifically work toward identifying and filling service gaps in underserved areas of the Commonwealth
- Advocate for services such as telework, telemedicine, smart grid, and first responder interoperability
- Serve as a broadband information and applications clearinghouse for the Commonwealth
- Advise the Secretary of Technology on broadband adoption, deployment, and application issues

Unique Value Proposition

CIT delivers strategic guidance, broadband demand generation, service availability, and asset mapping services for the Commonwealth of Virginia. CIT is uniquely qualified to deliver these services due to its extensive experience with Commonwealth broadband deployment projects, federal broadband programs, and technological domain expertise.

2014 Program Impact

Performance metrics for the Secretary of Technology's OTPBA are tied primarily to the goals stated in the Code of Virginia:

- Determine "next generation" telework goals for the Commonwealth's eligible workforce
- Staff the Broadband Advisory Council
- Advance the Commonwealth's broadband agenda through funding secured from the National Telecommunications and Information Administration (NTIA)

Future Program Impact

Delivering access to high-quality, affordable broadband services provides Virginia's citizens and businesses with enhanced social, educational, commercial, medical, public safety, and

economic development opportunities. Besides empowering businesses and communities, ubiquitous broadband positions the Commonwealth to lead the nation in technology company development, and the deployment of high-technology services and applications.

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
Compile broadband and telework annual report to the Governor and General Assembly as required	November 2013	Director, OTPBA
Monitor federal broadband funding and revenue opportunities	December 2013	Director, OTPBA
Develop and monitor broadband- and telework-related legislation for the FY14 General Assembly session	January 2014	Director, OTPBA
Continue NTIA-funded broadband mapping and planning initiatives	June 2014	VP, Broadband Programs
Create an environment that facilitates collaboration between broadband technology researchers, service providers, and consumers	June 2014	Director, OTPBA
Support ongoing activities of the Commonwealth’s Broadband Advisory Council	June 2014	Director, OTPBA

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 reports (as required by legislation)
- Federal funding reports
- Meeting minutes and reports
- Presentations and briefings as requested

Objective 5.2 – 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 (OTPBA), 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 affordable broadband services throughout Virginia. CIT is charged with monitoring trends and advances in advanced telecommunications technology, planning and forecasting future needs for such technology, and identifying funding options.

Although this charge emphasizes the infrastructure portion of the broadband equation, experts now acknowledge (through the National Broadband Plan) that technology infrastructure alone will not solve the access problems of rural/unserved 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 Fiscal Year 2014 will build upon the work and findings developed by the Broadband Advisory Council and the National Broadband Plan to develop programs and collaborations that will ensure that communities throughout Virginia have the opportunity to actively participate in the information economy. CIT staff will work with communities, federal and state legislators, and industry leaders to develop and institute holistic broadband policies and strategies that emphasize both infrastructure acquisition and application development.

Unique Value Proposition

Mapping

In 2009, CIT was designated to serve as the Commonwealth's liaison to the National Broadband Initiative.

In March 2010, CIT was awarded a series of grants from the National Telecommunications and Information Administration (NTIA) to augment and refine the Commonwealth's broadband availability map, contribute data to the national broadband map, and support the development of resources and tools to support broadband-related decision making. CIT has partnered with the Virginia Geographic Information Network (VGIN), Virginia Polytechnic Institute and State University (Virginia Tech), and several private-sector organizations to carry out the initiative.

Planning

In addition to developing a next generation map, CIT's award from NTIA will provide the means by which CIT will work with the Office of the Secretary of Technology, the OTPBA, and the Commonwealth's Broadband Advisory Council to conduct a series of regional planning meetings to develop a framework for deploying and adopting broadband infrastructure and applications. Additionally, the NTIA mapping/planning initiative includes conducting ongoing statewide assessments of e-commerce and healthcare adoption/usage as a means of tracking broadband adoption activities in Virginia and providing the basis for strategic partnerships and leverage cross-funding silos.

Application Development and Deployment

In order to support and sustain the broadband infrastructure being deployed in the Commonwealth, attention must be placed on building demand for the applications and services that it enables. During Fiscal Year 2014, CIT will continue to cooperate and collaborate with partners across Virginia to expand and develop programs and applications (telework, telemedicine, etc.) to build sustainable demand.

Both the infrastructure framework and the application development activities will contribute to the success of broadband deployments throughout the Commonwealth.

2014 Program Impact

CIT programs, in conjunction with the OTPBA, will:

- Update and maintain the Commonwealth's second generation broadband availability map in accordance with the technical guidelines released by NTIA; process will also include establishing a process for maintaining existing broadband data and for expanding broadband mapping capabilities in the Commonwealth
- Conduct regional planning meetings in conjunction with the Broadband Advisory Council to collect information on broadband activities and needs in the Commonwealth
- Maintain online broadband resources and serve as a coalescing point for teaming opportunities and Commonwealth-wide applications related to broadband funding
- Pursue federal funding and revenue opportunities to support program activities
- Generate a slate of broadband and telework legislative and policy priorities for consideration during the 2014 General Assembly session
- Work in conjunction with the Secretary of Technology to promote programs that will speed the deployment and adoption of broadband services in the Commonwealth
- Work with public safety and interoperability personnel to support activities related to FirstNet.
- Provide technical planning assistance to communities embarking on broadband network and adoption planning activities.

Future Program Impact

CIT programs will facilitate the establishment of broadband throughout the Commonwealth and accelerate the adoption of applications utilizing the infrastructure. This complementary approach will significantly extend the reach of public and private-sector telework programs, resulting in reduction in traffic and pollution. In addition, broadband will improve access to specialized medical care, educational opportunities, and employment options. 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
Provide staff support for Commonwealth Broadband Advisory Council – develop and publish reports as legislated	June 2014	VP, Broadband Programs
Conduct regional broadband meetings	June 2014	VP, Broadband Programs
Maintain and expand online broadband resources and information content on www.cit.org and www.wired.virginia.gov	June 2014	VP, Broadband Programs

Management Reporting Tools

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

Marketing

Executive Summary

Since 1985, the Center for Innovative Technology has been the Commonwealth's primary agent for advancing innovation, entrepreneurship, and technology-based economic development strategies. Today, CIT is increasingly being recognized as an integral component of Virginia's economic development and jobs creation strategies and has received additional funding for planning, consulting, commercialization, and financial services. This marketing plan continues a strategy that accelerates efforts to enhance CIT's brand as the Commonwealth's leader in innovation, entrepreneurship, and technology, and takes advantage of new opportunities arising from persistent challenges in both the public and private sectors.

Market Trends and Opportunities

The uncertain economy and federal budget constraints are forcing business leaders and elected officials to search for new ways to grow the economy and create jobs. CIT's mission is unique in the Commonwealth, and CIT is uniquely qualified to advance the role of innovation and entrepreneurship in fostering new economic opportunities. Unlike other departments, agencies, and authorities engaged in economic development activity in the Commonwealth, CIT was created in 1985 as the non-profit organization to foster research and development, innovation, and accelerate the next generation of technology and technology companies. It has built a reputation as a trusted resource and expert in

technology-based economic development solutions. CIT expertise includes not only credentialed employees, but a vast array of strategic alliances that provide additional resources to meet challenges. Examples of the trust in CIT's ability to play the leading role in innovation and entrepreneurship are the establishment of MACH37™ Cyber Accelerator and the Innovative & Entrepreneurship Measurement System. With all of these assets and attributes, CIT is well positioned to enhance its brand and grow its business in the coming year.

Marketing Strategy, Goals, and Objectives

CIT's brand is strong, and we will continue to strengthen the brand by reaffirming CIT as a:

- Trusted expert and resource for innovation, research, technology, and innovative solutions.
- Unique and indispensable agent for the Commonwealth's technology-based economic development strategies.
- Trusted partner and voice for the technology councils and technology community.

We will achieve the following objectives, while improving overall awareness of CIT's mission and services to specific audiences, through:

- Supporting service lines and new strategic initiatives with public relations, marketing and government relations support.
- Building on the new CIT website by expanding the use of social media corporately and for the service lines to lead an "ongoing conversation" about innovation, entrepreneurship, and technology.
- Continuing a federal advocacy strategy to take advantage of bipartisan opportunities, such as the JOBS Act and Startup Act 3.0, and other federal agency initiatives in cyber security, homeland security and mobile learning. This strategy also includes our work with the State Science & Technology Institute (SSTI) and the New School Venture Fund (NSVF) federal policy committees.
- Ongoing discussions with federal, state, and local elected officials to (1) assist them with innovative ideas and technology-based economic development strategies; (2) develop legislative initiatives; and (3) build new leads and customers for CIT Connect and other service lines.
- Targeted outreach, strengthening, and leveraging relationships with the technology councils, venture capital and angel groups, government agencies, and associations, as well as strengthen relationships with the Virginia Chamber, VAFREE, Virginia Manufacturers Association (VMA), and the Virginia Biotechnology Association (VABio), while looking for other opportunities to (1) strengthen the CIT brand and (2) build a technology-centric alliance to leverage our message.
- Continued level of increased public relations, including greater frequency of news releases and media availability for CIT leaders, to (1) take advantage of free media to strengthen the CIT brand and (2) become a trusted resource for news media outlets.

As noted, the CIT brand in the community is strong, and has been demonstrated with increased investments by the Administration and the General Assembly. In Fiscal Year 2014, CIT will build on those gains so that we can achieve long-term sustained support for innovation and technology in the 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
Launch and support MACH37™ website and communications strategies	July 1, 2013 – June 30, 2014	VP, Government and Public Affairs; CIT CEO, MACH37™ Team
Government relations (state) – pre-Session (meetings, developing legislative initiatives)	July – November/December, 2013	VP, Government and Public Affairs
Produce annual report	October – December 2013	VP, Government and Public Affairs; CIT Leadership
Government relations (state) – Session	January 2014 – March 2014	VP, Government and Public Affairs
Support service lines and new strategic initiatives	Ongoing	VP, Government and Public Affairs; Leadership
Continue with CIT website enhancements and integrated social media strategy	Ongoing	VP, Government and Public Affairs; CTO; CMG (content management group)
Outreach (tech councils and other organizations)	Ongoing	VP, Government and Public Affairs; Sr. VP, Commonwealth Operations; CIT Leadership
Public relations/press (four releases per month, media interviews)	Ongoing	VP, Government and Public Affairs; CIT Leadership

Management Reporting Tools

- Quarterly Google analytic reports on web traffic and social media outreach
- Develop and deploy survey tools for stakeholders
- Weekly updates on outreach activities, opportunities filed in Leadership Dropbox
- Weekly news releases, clips
- Briefings for state and federal officials and commissions as scheduled

MACH37™ Cyber Accelerator

Overview

MACH37™ is the nation's first accelerator dedicated to aligning the requirements of cyber security leaders from government, industry and investment communities with the creativity and entrepreneurship of cyber security startup companies. Drawn from nation-wide deal flow, 10-20 MACH37™ portfolio companies per year will participate in a 90-day residence program located minutes away from key federal decision-makers and influencers. During this time, portfolio companies will benefit from preferential customer access within federal, financial services and utility verticals, enhanced public visibility, superior connectivity to downstream capital sources and one-on-one mentoring from the MACH37™ Stars Network. The Mach37™ Cyber Accelerator will accept applicant companies for two cohort sessions per year, beginning with 6-8 companies in the fall of 2013 and ramping up to 10-12 companies in the spring of 2014.

MACH37™ will operate as an independent service line within CIT until it is transitioned to independent funding. Prior to self-funding, an assessment regarding the structure and relationship to CIT will be conducted to ensure that an effective mission aligned focus will be implemented.

Funding Profile

MACH37™ will be funded by CIT through a \$2.5 million appropriation provided by the Commonwealth of Virginia. This appropriation will fund MACH37™ for the first two years of operation. After two years of operation, the Accelerator will secure its own funding. The CIT GAP Fund, which has established a cyber security fund, will place seed-stage investments in companies that are accepted and successfully complete the MACH37™ program.

Projected Impact

In the area of cyber security, it is new, innovative products that will significantly propel economic growth. By anchoring the development of these new cutting-edge technologies in Virginia, CIT will stimulate job creation and growth in IT services businesses that will offer specialized engineering services for the installation, upgrade, and maintenance of new products. While new cyber security product companies create jobs themselves, they also enable the creation of four to five times the number of jobs in corresponding service companies. The impact of CIT's Cyber Accelerator is measured in private investment attracted to the Commonwealth, jobs created in the Commonwealth, and tax revenue produced by new companies. However, the most significant measurement of success for the CIT Accelerator will be the formation of a globally recognized industry center for cyber security. This achievement has the potential to produce thousands of jobs in private industry, public services, and education centered on advances in cyber security technology solutions

Milestones

The following milestones are specific to the formation of MACH37™, the Cyber Accelerator.

Activity	Date	Person Responsible
Recruit and establish the Executive Council for advisory support	May – June 2013	CIT CEO, MACH37™ Team
Recruit and hire MACH37™ partners	May – June 2013	CIT CEO, MACH37™ Team
Open application for fall 2013 session	June 2013	CIT CEO, MACH37™ Team
Launch website	July 2013	CIT CEO, VP, Government and Public Affairs; MACH37™ Team
Accelerator grand opening	September 2013	CIT CEO, MACH37™ Team
Fall session	September – December 2013	CIT CEO, MACH37™ Team
Spring session	March – June 2014	CIT CEO, MACH37™ Team
Recruit and establish the MACH37™ support network	Ongoing	CIT CEO, MACH37™ Team

Management Reporting Tools

- Implementation planning and tracking reports
- Pipeline management reports for company evaluation and support
- Quarterly portfolio reports for progress assessment of companies and investments
- Quarterly funds development reports for sponsorship development

2014 Strategic Initiatives

Overview

During the month of April 2013, CIT management conducted a strategic assessment and planning process. The month-long process was initiated to identify disruptive changes in the ecosystem that is defined as the target markets for CIT. Following the premise that “disruption fuels strategic opportunity”, CIT management executed a process that resulted in the identification of five strategic initiatives that require additional emphasis during 2014.

Strategic Planning Process

To facilitate a review of strategic opportunities, management developed a classification system to identify opportunities created by disruption. Three types of disruption were examined:

- Technology-based – originating from scientific discovery or engineering creativity
- Business process-based – originating from change in public or private ecosystems
- Governmental – originating in legislative, political or public investment

Changes that were identified in these classifications were further categorized based on the timing of the disruption:

- Currently disruptive – significant change is underway
- Potentially disruptive – change will manifest in 12 to 36 months

The CIT management team identified 37 initiatives for consideration. Each initiative was discussed, classified, and ranked for its potential impact on CIT's mission and operations. The ranking process produced four categories of initiatives:

- Operational – initiatives that are currently in the Fiscal Year 2014 Operating Plan and are proceeding with satisfactory progress
- Actively monitor – initiatives that will be monitored for potential engagement
- Wait list – initiatives that will be reviewed again in six months
- Strategic – initiatives that need to be discussed with the Board and addressed immediately

Strategic Initiatives

The five initiatives that are classified as “Strategic Initiatives” were identified as initiatives that require immediate review, planning and action. The initiatives fall into two groups, overarching initiatives and growth initiatives. Overarching initiatives are: 1) Tending toward privatization of CIT; 2) Alternative GAP funding and; 3) Defining Virginia's innovation economy. Growth initiatives are: 1) education technology industry development and; 2) modeling and simulation industry development.

Tending toward privatization

Privatization was identified as the strategic initiative to enable the independent funding of CIT operations if funding from the Commonwealth is reduced or eliminated. The recommended approach for this initiative includes:

- Maintaining the current self-funding structure for all new programs
- Pursuing and testing new models for mission funding
- Educating leaders on the balance between self-funding and contribution to Commonwealth objectives

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- Achieving a revenue run-rate to support overhead without Commonwealth contributions

The critical milestones for this initiative are:

- August 2013 – complete assessment of gubernatorial candidates position on technology and innovation
- September 2013 – review alternative funding options and mission impact
- February 2014 – realign strategy as necessary
- May 2014 – produce new plan and budget

Alternative GAP funding

Alternative GAP funding was identified as the strategic initiative to enable the independent funding of the GAP program if funding from the Commonwealth is reduced or eliminated. The recommended approach for this initiative includes:

- Examining alternative funding sources ranging from debt and bonds to private fund development
- Understanding the implementation mechanics of each option
- Determining the level of advocacy required to implement each option
- Assessing resource requirements for each option
- Developing an implementation schedule
- Selection of three options for pursuit

The critical milestones for this initiative are:

- June 2013 – initiate feasibility study
- September 2013 – select options to pursue
- October 2013 – develop advocacy campaign
- April 2014 – initiate implementation

Define and Advocate for Virginia’s Innovation Economy

Advocacy for Virginia’s innovation economy was identified as the strategic initiative to enable the development of a performance baseline for the Commonwealth’s innovation economy. This baseline would be used to evaluate innovation program performance, eliminate redundant programs, and advocate for programs that perform to established metrics. The recommended approach for this initiative includes:

- Identifying and collecting metrics for the statewide innovation and entrepreneurship metrics system
- Coordination of metrics with “*Virginia Performs*” and “*Blueprint Virginia*”
- Development of a metrics based profile for Virginia
- Development of a vision and programs to support targets

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- Communicate and ensure cooperation across stakeholders
 - Meet with new administration for support and guidance

The critical milestones for this initiative are:

- August 2013 – develop budget and legislative items for consideration
- October 2013 – update *Virginia Performs*
- November 2013 – brief new administration
- October 2014 – refresh Commonwealth Research and Technology Strategic Roadmap

Education Technology Industry Development

Education technology industry development was identified as the strategic initiative to enable the examination and facilitation of the education technology industry in the Commonwealth. The recommended approach for this initiative includes:

- Extending the current Virginia Department of Education (VDOE) partnership to include key school divisions
- Examining the feasibility of establishing an education technology fund
- Developing a proof-of-concept for a CIT information clearing house and center of excellence
- Developing a blueprint for K12 education technology integration and innovation center

The critical milestones for this initiative are:

- August 2013 – complete assessment of opportunity to expand VDOE relationship
- October 2013 – secure new Commonwealth and K12 school relationships for opportunity development
- December 2013 – develop blueprint and funding strategy
- May 2014 – complete operating model and funding plan

Modeling and Simulation Industry Development

Modeling and simulation (M&S) industry development was identified as the strategic initiative to facilitate industry development by leveraging existing assets and capitalizing on market realignments caused by sequestration and technology advancement. The recommended approach for this initiative includes:

- Partner with the Secretaries of Veterans' Affairs, Commerce and Trade, and Education to gain a more complete understanding of M&S in the Commonwealth
- Identify market concentrations and develop industry specific programs to coalesce capabilities and build collaborations

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- Work with existing industry leaders to gain guidance, buy-in, and support for M&S activities
 - Partner with economic development organizations to market Virginia assets and cultivate new markets capable of leveraging Virginia capabilities

The critical milestones for this initiative are:

- October 2013 – hold M&S industry leadership event
- December 2013 – complete statewide M&S assessment
- December 2013 – update university based M&S assets
- January 2014 – launch full program

Summary of Operating Budget for Fiscal Year 2014

Summary Budget	FY14 Budget	% of Total FY14 Budget	Operations Funded by Contracts & Grants	Operations Funded by VA Approp & Other Revenue
Revenue				
Virginia Appropriation	\$ 8,215,588	57%		\$ 8,215,588
CRCF Virginia Appropriation - GAP	\$ 3,200,000	22%		\$ 3,200,000
Program Revenue	\$ 2,940,572	20%	\$ 2,940,572	
Other Income	\$ 182,574	1%		\$ 182,574
Total Revenue	\$ 14,538,734	100%	\$ 2,940,572	\$ 11,598,162
Expenses				
Research & Development	\$ 508,115	3%	\$ 25,992	\$ 482,123
Entrepreneur	\$ 10,296,179	54%	\$ 213,617	\$ 10,082,562
Connect	\$ 336,786	2%	\$ 336,786	
Broadband	\$ 2,510,974	13%	\$ 2,368,667	\$ 142,307
Commonwealth Project	\$ 3,946,062	21%		\$ 3,946,062
Other Activities	\$ 205,251	1%		\$ 205,251
Communications & Marketing	\$ 574,009	3%		\$ 574,009
Business Development	\$ 753,228	4%		\$ 753,228
Advocacy	\$ 479,790	3%		\$ 479,790
Under-applied Indirects	\$ (698,150)	-4%		\$ (698,150)
Total Expenses	\$ 18,912,243	100%	\$ 2,945,062	\$ 15,967,181
Net	\$ (4,373,508)		\$ (4,490)	\$ (4,369,018)
Beginning Net Assets	\$ 5,784,000			
Ending Net Assets	\$ 1,410,492			

Project Budget by Funding Source for Fiscal Year 2014

Operations Funded by Virginia Appropriation & Other Revenue	
Revenue	
Transfer from IEIA - Virginia Appropriation	\$ 8,215,588
CRCF Virginia Appropriation - GAP portion	\$ 3,200,000
Interest & Misc Income	\$ 182,574
Total Revenue	\$ 11,598,162
Program Expenses	
R&D - Commonwealth research and technology strategic roadmap	\$ 193,903
R&D - Innovative Metrics	\$ 116,597
R&D - Commonwealth research commercialization fund (CRCF)	\$ 171,624
Entrepreneur - Federal proposal assistance	\$ 287,121
Entrepreneur - GAP	\$ 9,795,441
Broadband - Office of telework promotion & BB assistance & deployment	\$ 142,307
Commonwealth projects - Cybersecurity	\$ 717,638
Commonwealth projects - Cyber Accelerator MACH37	\$ 2,030,665
Commonwealth projects - Regional growth	\$ 233,404
Commonwealth projects - Modeling and Simulation	\$ 964,353
Other Activities - Innovation center	\$ 155,738
Other activities - Cabinet secretaries support	\$ 49,513
Program Expenses	\$ 14,858,305
Other Expenses	
Business Development, Marketing, Advocacy	\$ 1,807,027
Indirects Unapplied (Over-applied) to Projects	\$ (698,150)
Other Expenses	\$ 1,108,876
Total Expenses	\$ 15,967,181
Net Operations funded by VA Appropriation & Other Rev	\$ (4,369,018)
Operations Funded by Contracts & Grants	
R&D	
Project # RD163 - 55 - Small Business Administration (SBA) - Mine Safety II	\$ 11,158
Program Expense	\$ 11,158
Profit/(Loss)	\$ -
Project # RD172 - 55 - Rutgers - MARACOOS	\$ 14,834
Program Expense	\$ 14,834
Profit/(Loss)	\$ -
Entrepreneur	
Project # EN102 - 55 - SBA - Federal and State Technology (FAST) Partnership Program III	\$ 34,387
Program Expense	\$ 44,175
Profit/(Loss)	\$ (9,788)
Project # EN110 - 55 - DMME - Commonwealth Energy Fund	\$ 169,442
Program Expense	\$ 169,442
Profit/(Loss)	\$ -

Connect	
Project # CN210 - 99 - Virginia Health Quality Center (VHQC) - Total Summary Project	\$ 27,024
Program Expense	\$ 27,024
Profit/(Loss)	\$ -
Project # CN230 - 56 - NIAC Media	\$ 313,597
Program Expense	\$ 309,763
Profit/(Loss)	\$ 3,834
Broadband	
Project # BB080 - 55 - Frederick County Broadband Plan	\$ 16,666
Program Expense	\$ 15,202
Profit/(Loss)	\$ 1,464
Project # BB070 - 57 - NTIA Mapping Expanded	\$ 1,001,067
Program Expense	\$ 1,001,067
Profit/(Loss)	\$ -
Project # BB070 - 58 - NTIA Capacity Building	\$ 602,180
Program Expense	\$ 602,180
Profit/(Loss)	\$ -
Project # BB070 - 59 - NTIA Indian Country Broadband	\$ 578,857
Program Expense	\$ 578,857
Profit/(Loss)	\$ -
Project # BB070 - 60 - NTIA Technical Assistance	\$ 171,361
Program Expense	\$ 171,361
Profit/(Loss)	\$ -
Program Revenue	\$ 2,940,572
Program Expenses	\$ 2,945,062
Net Operations funded by Contracts & Grants	\$ (4,490)
Consolidated Revenue & Expenses & Changes in Net Assets	
Total Revenue	\$ 14,538,734
Total Expenses	\$ 18,912,243
Change in net assets	\$ (4,373,508)
Beginning Net Assets	\$ 5,784,000
Ending Net Assets for FY14	\$ 1,410,492

Project Budgets for Fiscal Year 2014

RESEARCH AND DEVELOPMENT SERVICE LINE		
GOAL 1. SOLVE NATIONAL TECHNOLOGICAL CHALLENGES THROUGH WORLD-CLASS R&D SOLUTIONS		
1.1	Objective - Deliver technology solutions to solve national and regional challenges	
	Project # RD163 - 55 - Small Business Administration (SBA) - Mine Safety II	
	Revenue	
	Program Revenue	11,158
	FY14 Appropriations & FY13 Reserves	0
	Total Revenue	11,158
	Programs Costs	
	Total Salaries	1,317
	Fringe	757
	Travel	
	Supplies	
	Contractual	
	Temporary Services	
	Other	
	Overhead	460
	Total Costs Before G&A	2,535
	G&A	623
	Equipment	
	Contractual-Over-Cap	8,000
	Total Costs	11,158
	Net	0
	Project # RD172 - 55 - Rutgers - MARACOOS	
	Revenue	
	Program Revenue	14,834
	FY14 Appropriations & FY13 Reserves	0
	Revenue	14,834
	Programs Costs	
	Total Salaries	3,186
	Fringe	1,832
	Travel	600
	Supplies	
	Contractual	675
	Temporary Services	
	Other	4,500
	Overhead	1,114
	Total Costs Before G&A	11,906
	G&A	2,928
	Equipment	
	Contractual-Over-Cap	
	Total Costs	14,834
	Net	0

GOAL 2. ESTABLISH & MAINTAIN A STATEWIDE RESEARCH & TECHNOLOGY PLAN		
2.1	Objective - Coordinate & facilitate initiation of Virginia's research and technology strategic planning process	
	Project # RD130 - 00 - Commonwealth R&T Strategic Roadmap	
	Revenue	
	Program Revenue	
	FY14 Appropriations & FY13 Reserves	193,903
	Total Revenue	193,903
	Programs Costs	
	Total Salaries	69,330
	Fringe	39,865
	Travel	2,200
	Supplies	
	Contractual	20,000
	Temporary Services	
	Other	
	Overhead	24,238
	Total Costs Before G&A	155,633
	G&A	38,270
	Equipment	0
	Contractual-Over-Cap	
	Total Costs	193,903
	Net	0
	Project # RD220 - 00 - Innovative Metrics	
	Revenue	
	Program Revenue	
	FY14 Appropriations & FY13 Reserves	116,597
	Total Revenue	116,597
	Programs Costs	
	Total Salaries	36,363
	Fringe	20,909
	Travel	3,600
	Supplies	
	Contractual	20,000
	Temporary Services	
	Other	
	Overhead	12,713
	Total Costs Before G&A	93,584
	G&A	23,012
	Equipment	0
	Contractual-Over-Cap	
	Total Costs	116,597
	Net	0
2.2	Objective - Manage the Commonwealth Research Commercialization Fund (CRCF)	
	Project # VA140 - 55 - Commonwealth Research Commercialization Fund (CRCF)	
	Revenue	
	Program Revenue	171,624
	FY14 Appropriations & FY13 Reserves	0
	Total Revenue	171,624
	Programs Costs	
	Total Salaries	53,830
	Fringe	30,952
	Travel	2,800
	Supplies	
	Contractual	10,000
	Temporary Services	
	Other	21,350
	Overhead	18,819
	Total Costs Before G&A	137,751
	G&A	33,873
	Equipment	0
	Contractual-Over-Cap	0
	Total Costs	171,624
	Net	0

ENTREPRENEUR SERVICE LINE

GOAL 3. SECURE GLOBAL LEADERSHIP IN DEVELOPMENT OF ENTREPRENEURIAL TECH VENTURES

3.1 Objective - ID and accelerate opportunities for small firms to obtain federal R&D awards		
Project # EN020 - 00- Federal Proposal Assistance		
Revenue		
FY14 Appropriations & FY13 Reserves		287,121
	Total Revenue	287,121
Programs Costs		
Total Salaries		83,941
Fringe		48,266
Travel		9,800
Supplies		750
Contractual		26,000
Temporary Services		
Funding Pool		19,350
Other		13,000
Overhead		29,346
	Total Costs Before G&A	230,453
G&A		56,668
Equipment		
Contractual-Over-Cap		
	Total Costs	287,121
	Net	0
Project # EN102 - 00 - SBA - Federal and State Technology (FAST) Partnership Program III		
Revenue		
FY14 Appropriations & FY13 Reserves		9,788
	Total Revenue	9,788
Programs Costs		
Total Salaries		4,082
Fringe		2,347
Travel		
Supplies		
Contractual		
Temporary Services		
Other		
Overhead		1,427
	Total Costs Before G&A	7,856
G&A		1,932
Equipment		
Contractual-Over-Cap		
	Total Costs	9,788
	Net	0
Project # EN102 - 55 - SBA - Federal and State Technology (FAST) Partnership Program III		
Revenue		
Program Revenue		34,387
FY14 Appropriations & FY13 Reserves		0
	Total Revenue	34,387
Programs Costs		
Total Salaries		
Fringe		0
Travel		
Supplies		
Contractual		9,050
Temporary Services		
Other		18,550
Overhead		0
	Total Costs Before G&A	27,600
G&A		6,787
Equipment		
Contractual-Over-Cap		
	Total Costs	34,387
	Net	0

3.2 Objective - Accelerate funding for early stage technology firms		
Project # EN070 - 00 - GAP Fund Program		
Revenue		
Program Revenue		
FY14 Appropriations & FY13 Reserves		9,795,441
	Total Revenue	9,795,441
Programs Costs		
Total Salaries		648,246
Fringe		372,741
Travel		
Supplies		
Contractual		328,500
Temporary Services		
GAP Investments - Tranche A		1,616,212
GAP Investments - Tranche B		3,088,814
Portfolio Follow-On		250,000
Innovation Investments		395,623
Mach37 Seed Fund		850,000
GAP BioLife Fund - J&J		14,977
Other		70,400
Overhead		226,627
	Total Costs Before G&A	7,862,140
G&A		1,933,300
Equipment		
Contractual-Over-Cap		0
	Total Costs	9,795,441
	Net	0
Project # EN110 - 55 - DMME - Commonwealth Energy Fund		
Revenue		
Program Revenue		169,442
FY14 Appropriations & FY13 Reserves		0
	Total Revenue	169,442
Programs Costs		
Total Salaries		0
Fringe		0
Travel		
Supplies		
Contractual		
Commonwealth Energy Fund		136,000
Temporary Services		
Other		
Overhead		0
	Total Costs Before G&A	136,000
G&A		33,442
Equipment		
Contractual-Over-Cap		
	Total Costs	169,442
	Net	0

CONNECT SERVICE LINE

GOAL 4. SECURE LEADERSHIP IN THE ID AND ASSIMILATION OF INNOVATION TECHNOLOGIES

4.1	Objective - Accelerate the assimilation of new technology by large-scale federal and private-sector technology consumers	
	Project # CN210 - 99 - Virginia Health Quality Center (VHQC) - Total Summary Project	
	Revenue	
	Program Revenue	27,024
	FY14 Appropriations & FY13 Reserves	0
	Total Revenue	27,024
	Programs Costs	
	Total Salaries	11,270
	Fringe	6,480
	Travel	0
	Supplies	0
	Contractual	0
	Temporary Services	0
	Other	0
	Overhead	3,940
	Total Costs Before G&A	21,690
	G&A	5,334
	Equipment	
	Contractual-Over-Cap	
	Total Costs	27,024
	Net	0
	Project #CN230 - 56 - NIAC Media	
	Revenue	
	Program Revenue	313,597
	FY14 Appropriations & FY13 Reserves	-3,834
	Total Revenue	309,763
	Programs Costs	
	Total Salaries	31,966
	Fringe	18,380
	Travel	100
	Supplies	
	Contractual	
	Temporary Services	
	Other	
	Overhead	11,175
	Total Costs Before G&A	61,622
	G&A	15,153
	Equipment	
	Contractual-Over-Cap	232,988
	Total Costs	309,763
	Net	0

BROADBAND SERVICE LINE

GOAL 5. EXPAND THE USE OF BROADBAND TECHNOLOGIES IN RURAL & UNDERSERVED AREAS

5.1 Objective - Serve as the Commonwealth's Office of Telework Promotion and Broadband Assistance		
Project # BB060 - 00 - Office of Telework Promotion and Broadband Assist & Broadband Deployment		
Revenue		
FY14 Appropriations & FY13 Reserves		142,307
	Total Revenue	142,307
Programs Costs		
Total Salaries		35,966
Fringe		20,680
Travel		20,000
Supplies		22,500
Contractual		
Temporary Services		
Other		2,500
Overhead		12,574
	Total Costs Before G&A	114,220
G&A		28,087
Equipment		0
Contractual-Over-Cap		
	Total Costs	142,307
	Net	0
5.2 Objective - Provide demand-generation and infrastructure-development that advance the presence of broadband in Virginia		
Project # BB080 - 55 - Frederick County Broadband Plan		
Revenue		
Program Revenue		16,666
FY14 Appropriations & FY13 Reserves		-1,464
	Total Revenue	15,202
Programs Costs		
Total Salaries		3,827
Fringe		2,201
Travel		800
Supplies		
Contractual		4,036
Temporary Services		
Other		
Overhead		1,338
	Total Costs Before G&A	12,202
G&A		3,000
Equipment		
Contractual-Over-Cap		
	Total Costs	15,202
	Net	0
Project # BB070 - 57 - NTIA Mapping Expanded		
Revenue		
Program Revenue		1,001,067
FY14 Appropriations & FY13 Reserves		0
	Total Revenue	1,001,067
Programs Costs		
Total Salaries		58,238
Fringe		33,487
Travel		5,500
Supplies		
Contractual		
Temporary Services		
Other		
Overhead		20,360
	Total Costs Before G&A	117,585

G&A		28,914
	Equipment	0
	Contractual-Over-Cap	854,568
	Total Costs	1,001,067
	Net	0
Project # BB070 - 58 - NTIA Capacity Building		
Revenue		
	Program Revenue	602,180
	FY14 Appropriations & FY13 Reserves	0
	Total Revenue	602,180
Programs Costs		
	Total Salaries	23,669
	Fringe	13,610
	Travel	15,100
	Supplies	
	Contractual	
	Temporary Services	
	Other	
	Overhead	8,275
	Total Costs Before G&A	60,653
	G&A	14,915
	Equipment	0
	Contractual-Over-Cap	526,612
	Total Costs	602,180
	Net	0
Project # BB070 - 59 - NTIA Indian Country Broadband		
Revenue		
	Program Revenue	578,857
	FY14 Appropriations & FY13 Reserves	0
	Total Revenue	578,857
Programs Costs		
	Total Salaries	45,294
	Fringe	26,044
	Travel	5,953
	Supplies	
	Contractual	3,884
	Temporary Services	
	Other	
	Overhead	15,835
	Total Costs Before G&A	97,010
	G&A	23,855
	Equipment	0
	Contractual-Over-Cap	457,992
	Total Costs	578,857
	Net	0
Project # BB070 - 60 - NTIA Technical Assistance		
Revenue		
	Program Revenue	171,361
	FY14 Appropriations & FY13 Reserves	0
	Total Revenue	171,361
Programs Costs		
	Total Salaries	59,703
	Fringe	34,329
	Travel	9,100
	Supplies	13,295
	Contractual	
	Temporary Services	
	Other	
	Overhead	20,872
	Total Costs Before G&A	137,299
	G&A	33,762
	Equipment	0
	Contractual-Over-Cap	300
	Total Costs	171,361
	Net	0

COMMONWEALTH PROJECT & OPERATIONS

Project # VA160 - 00 - Cybersecurity		
Revenue		
FY14 Appropriations & FY13 Reserves		717,638
Total Revenue		717,638
Programs Costs		
Total Salaries		0
Fringe		0
Travel		
Supplies		
Contractual		576,000
Temporary Services		
Other		
Overhead		0
Total Costs Before G&A		576,000
G&A		141,638
Equipment		0
Contractual-Over-Cap		
Total Costs		717,638
Net		0
Project # CA100 - 00 - Cyber Accelerator MACH37		
Revenue		
FY14 Appropriations & FY13 Reserves		2,030,665
Total Revenue		2,030,665
Programs Costs		
Total Salaries		615,879
Fringe		354,130
Travel		21,000
Supplies		
Contractual		20,000
Temporary Services		
Other		243,031
Overhead		215,311
Total Costs Before G&A		1,469,352
G&A		361,314
Equipment		200,000
Contractual-Over-Cap		
Total Costs		2,030,665
Net		0
Project # VA170 - 00 - Regional Growth		
Revenue		
FY14 Appropriations & FY13 Reserves		233,404
Total Revenue		233,404
Programs Costs		
Total Salaries		78,116
Fringe		44,917
Travel		12,000
Supplies		
Contractual		
Temporary Services		
Other		24,996
Overhead		27,309
Total Costs Before G&A		187,338
G&A		46,066
Equipment		0
Contractual-Over-Cap		
Total Costs		233,404
Net		0

Project # VA175 - 00 - Modeling and Simulation		
Revenue		
FY14 Appropriations & FY13 Reserves		964,353
Total Revenue		964,353
Programs Costs		
Total Salaries		38,534
Fringe		22,157
Travel		
Supplies		
Contractual		699,859
Temporary Services		
Other		
Overhead		13,471
Total Costs Before G&A		774,022
G&A		190,332
Equipment		0
Contractual-Over-Cap		
Total Costs		964,353
Net		0
OTHER ACTIVITIES		
Project # IN010 - 00 - Innovation Center		
Revenue		
FY14 Appropriations & FY13 Reserves		155,738
Total Revenue		155,738
Programs Costs		
Total Salaries		0
Fringe		0
Travel		
Supplies		
Contractual		
Temporary Services		
Other		125,000
Overhead		0
Total Costs Before G&A		125,000
G&A		30,738
Equipment		
Contractual-Over-Cap		
Total Costs		155,738
Net		0
Project # VA150 - 55 - Cabinet Secretaries Support		
Revenue		
Program Revenue		4,950
FY14 Appropriations & FY13 Reserves		44,563
Total Revenue		49,513
Programs Costs		
Total Salaries		20,649
Fringe		11,873
Travel		
Supplies		
Contractual		
Temporary Services		
Other		
Overhead		7,219
Total Costs Before G&A		39,741
G&A		9,772
Equipment		
Contractual-Over-Cap		
Total Costs		49,513
Net		0

ADMINISTRATIVE PROGRAMS

Project # VA040 - 00 - Communications and Marketing		
Revenue		
FY14 Appropriations & FY13 Reserves		574,009
Total Revenue		574,009
Programs Costs		
Total Salaries		113,751
Fringe		65,407
Travel		5,200
Supplies		
Contractual		55,200
Temporary Services		
Other (\$153,000 Other + \$28,393 ISP payment)		181,393
Overhead		39,767
Total Costs Before G&A		460,718
G&A		113,291
Equipment		0
Contractual-Over-Cap		0
Total Costs		574,009
Net		0
Project # VA050 - 00 - Business Development		
Revenue		
FY14 Appropriations & FY13 Reserves		753,228
Total Revenue		753,228
Programs Costs		
Total Salaries		314,125
Fringe		180,622
Travel		
Supplies		
Contractual		
Temporary Services		
Other		
Overhead		109,818
Total Costs Before G&A		604,565
G&A		148,663
Equipment		
Contractual-Over-Cap		
Total Costs		753,228
Net		0
Project # VA060 - 00 - Advocacy		
Revenue		
FY14 Appropriations & FY13 Reserves		479,790
Total Revenue		479,790
Programs Costs		
Total Salaries		106,825
Fringe		61,424
Travel		9,500
Supplies		
Contractual		150,000
Temporary Services		
Other		20,000
Overhead		37,346
Total Costs Before G&A		385,095
G&A		94,695
Equipment		
Contractual-Over-Cap		0
Total Costs		479,790
Net		0