



May 29, 2020

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

Dear Mr. Timberlake:

Enclosed please find the third Quarterly Report for FY2020 for the Center for Innovative Technology. The attached report fulfills the requirements of the Code of Virginia, §2.2-2221.1.C (includes reporting requirements of Item 126.10.D.2 of the 2019 Appropriation Act).

Please feel free to call me at 703-689-3021 if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Susan Aitcheson', is placed above the typed name.

Susan Aitcheson
CFO
Center for Innovative Technology

cc: The Honorable Brian Ball, Secretary of Commerce and Trade
Ms. Cassidy Rasnick, Deputy Secretary of Commerce and Trade
The Honorable Janet D Howell, Chairman, Senate Finance Committee
The Honorable Luke E. Torian, Chairman, House Appropriations Committee
Ms. Anne E Oman, Staff Director, House Appropriations Committee
Ms. April Kees, Staff Director, Senate Finance Committee
Ms. Toni Walker, Associate Director, Department of Planning and Budget
Ms. Samantha Martin, Budget and Policy Analyst, Department of Planning and Budget
Mr. Rob Quartel, CIT Board of Directors Finance Committee Chairman
Mr. Bernard Mustafa, CIT Board of Directors Vice Chairman
Mr. Michael Steed, CIT Board of Directors Chairman

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Item 126.10.D.2.a

Fiscal Year 2020 Quarter 3
March 31, 2020

Financial Performance

**Center for Innovative Technology
Fiscal Year 2020 Q4 Forecast**

	Operating Funds		Designated Funds					Total
	COV	Other	COV					
	Discretionary	Grants & Contracts	BB Fund	Comm Fund	CRCF Fund	UAS and COE Fund	GAP Funds	
(In Thousands)								
Beginning Balance at 7/1/2019	\$ 997	\$ 192	\$ 130	\$ 679	\$ -	\$ 1,191	\$ 6,513	\$ 9,702
REVENUE								
Appropriation	\$ 3,446		\$ 550	\$ 400	\$ 3,321	\$ 1,000	\$ 3,100	\$ 11,817
Interest, Sponsorship, Return on Investment	\$ 211					\$ 125	\$ 8,651	\$ 8,987
Building Reserve	\$ 66							\$ 66
Contracts & Grants		\$ 2,458						\$ 2,458
Total Revenue	\$ 3,723	\$ 2,458	\$ 550	\$ 400	\$ 3,321	\$ 1,125	\$ 11,751	\$ 23,328
EXPENSES AND TRANSFERS								
Operating Programs Net of Over-applied Indirects	\$ 1,816							\$ 1,816
Designated Programs	\$ 2,476		\$ 563	\$ 739	\$ 3,321	\$ 1,205	\$ 4,899	\$ 13,203
Building Reserve	\$ 66							\$ 66
Contracts & Grants		\$ 2,293						\$ 2,293
Total Expenses	\$ 4,358	\$ 2,293	\$ 563	\$ 739	\$ 3,321	\$ 1,205	\$ 4,899	\$ 17,378
Net Change	\$ (635)	\$ 165	\$ (13)	\$ (339)	\$ -	\$ (80)	\$ 6,852	\$ 5,950
Ending Balance, GF at 6/30/2020	\$ 362		\$ 117	\$ 340	\$ -	\$ 1,111		\$ 1,930
Ending Balance, NGF at 6/30/2020		\$ 357					\$ 13,365	\$ 13,722
Ending Balance, Total at 6/30/2020	\$ 362	\$ 357	\$ 117	\$ 340	\$ -	\$ 1,111	\$ 13,365	\$ 15,652

Legend:

BB Fund = Broadband Program Fund

Comm Fund = Cyber Security Commission Fund

CRCF = Commonwealth Research Commercialization Fund

UAS and COE Fund = Unmanned Systems and Unmanned Center of Excellence Fund

GAP Funds = Growth Acceleration Program Family of Funds

Designated Funds are amounts which are to be spent on a specific purpose stated in the Appropriation Act

CENTER FOR INNOVATIVE TECHNOLOGY

BUDGET ANALYSIS

For the Nine Months Ended March 31, 2020

Commonwealth Projects Funded by Appropriation & Other Revenue					
(In Thousands)			(In Thousands)		
ACTUAL -Jul - Mar 2020			FORECASTED -Fiscal Year 2020		
Actual	Budget	Variance	Forecast	Budget	Variance
Revenue					
\$ 8,988	\$ 8,654	\$ 334	\$ 11,817	\$ 11,619	\$ 198
8,871	247	8,624	9,053	330	8,723
17,859	8,901	8,958	20,870	11,949	8,921
Program Expenses					
13	19	(6)	19	26	(7)
3,149	2,810	339	4,038	3,847	191
4,400	4,595	(195)	6,042	6,450	(408)
18	5	13	20	6	14
472	573	(101)	707	770	(63)
221	349	(128)	337	519	(182)
339	403	(64)	898	488	410
535	864	(329)	645	1,020	(375)
404	728	(324)	853	1,172	(319)
9,551	10,346	(795)	13,559	14,298	(739)
Other Expenses					
380	445	(65)	552	652	(100)
495	202	293	974	463	511
875	647	228	1,526	1,115	411
10,426	10,993	(567)	15,085	15,413	(328)
7,433	(2,092)	9,525	5,785	(3,464)	9,249

Strategic Initiatives Funded by Contracts & Grants					
Entrepreneur					
46	-	46	64	-	64
46	-	46	64	-	64
-	-	-	-	-	-
Strategic Initiatives					
1,317	1,754	(437)	2,282	1,754	528
1,219	1,624	(405)	2,119	1,625	494
98	130	(32)	163	129	34
17	-	17	25	-	25
16	-	16	23	-	23
1	-	1	2	-	2
87	-	87	87	-	87
-	-	-	87	-	87
87	-	87	-	-	-
1,467	1,754	(287)	2,458	1,754	704
1,281	1,624	(343)	2,293	1,625	668
186	130	56	165	129	36

Consolidated Revenue, Expenses and Changes in Net Position					
19,326	10,655	8,671	23,328	13,703	9,625
11,707	12,617	(910)	17,378	17,038	340
7,619	(1,962)	9,581	5,950	(3,335)	9,285
9,702	9,328	374	9,702	9,328	374
\$ 17,321	\$ 7,366	\$ 9,955	\$ 15,652	\$ 5,993	\$ 9,659

INNOVATION AND ENTREPRENEURSHIP INVESTMENT AUTHORITY
BUDGET ANALYSIS FOR BUILDING OPERATIONS ONLY
For the Nine Months Ended March 31, 2020

In thousands			<i>BUILDING ANALYSIS</i>			In thousands		
<i>ACTUAL - July to March 2020</i>						<i>FORECASTED - Fiscal Year 2020</i>		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>				<u>Forecast</u>	<u>Budget</u>	<u>Variance</u>
REVENUE								
\$ 483	\$ 492	\$ (9)	Rental Income			\$ 634	\$ 612	\$ 22
<u>483</u>	<u>492</u>	<u>(9)</u>		Total Revenue		<u>634</u>	<u>612</u>	<u>22</u>
BUILDING EXPENSES								
167	173	(6)	Payroll			212	244	(32)
242	306	(64)	Utilities			320	356	(36)
100	102	(2)	Administrative			136	135	1
23	79	(56)	Operating & Maintenance			70	80	(10)
232	226	6	Contracts			303	346	(43)
75	75	-	Insurance			100	100	-
1	2	(1)	Leasing Commission and Miscellaneous			15	15	-
<u>840</u>	<u>963</u>	<u>(123)</u>		Total Expenses		<u>1,156</u>	<u>1,276</u>	<u>(120)</u>
<u>\$ (357)</u>	<u>\$ (471)</u>	<u>\$ 114</u>		Net Income		<u>\$ (522)</u>	<u>\$ (664)</u>	<u>\$ 142</u>

Item 126.10.D.2.b

Fiscal Year 2020 Quarter 3
March 31, 2020

Investments & Grants

Center for Innovative Technology
Investments Made and Return on Prior Investments
For the nine months ended March 31, 2020

Investments made:

	Actual	Budget	Variance
Blue Triangle Technologies, Inc.	\$ 22,289.00		
Brazen Careerist, Inc.	21,457.93		
Buddy Technology, Inc	50,000.00		
Curbside Kitchen Inc.	149,999.50		
CytoRecovery, Inc	150,000.00		
Dark3, Inc	78,352.83		
DHK Storage, LLC	50,000.00		
Edconnective, Inc	100,000.00		
Embody, Inc.	95,000.00		
Fend, Inc	50,000.00		
Fennis, Inc.	100,000.00		
FRNGE, Inc.	100,000.00		
HyperQube Technologies, Inc	100,000.00		
Jeeva Informatics Solutions, Inc	50,000.00		
Kamana Inc	50,000.00		
KinergyCare, LLC	50,000.00		
Kinometrix, Inc	50,000.00		
Liteldeas, LLC	200,000.00		
MarginEdge Co	112,910.00		
Metistream Incorporated	100,000.00		
Ostendio, Inc	123,378.90		
Panaceutics Nutrition, Inc.	125,000.00		
Quirk, Inc	25,000.00		
RunSafe Security, Inc	65,999.44		
Student Opportunity Center, Inc	50,000.00		
Suvola Corporation	50,000.00		
SylLab Systems, Inc	50,000.00		
	<u>\$ 2,169,387.60</u>	<u>\$ 2,015,000.00</u>	<u>\$ 154,387.60</u>

Return on Prior Investments, including gains and losses:

CIT's interest in M37 Carried Interest, LLC	4,475,652.00
Distil Networks, Inc	351,309.73
Eventbrite, Inc	12,186.72
Huntress Labs Incorporated	1,890,612.75
Ringobon, LLC	7,500.00
South49 Solutions, Inc	400,666.66
Synoptos, Inc./Ignite/Ohmygov	3,825.76
TypeZero Technologies, Inc. (TZ Holdings LLC)	1,733.48
VividCortex, Inc.	1,254,881.55
Vthreat, Inc	122,880.84
	<u>\$ 8,521,249.49</u>

CRCF Grants Awarded

N/A