

September 30, 2022

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

Dear Director Maul:

Enclosed please find the fourth Quarterly Report for FY2022 for the Virginia Innovation Partnership Authority. The attached report fulfills the requirements of the Item 127.C.2 of the 2022 Special Session I, Virginia Acts of Assembly.

If you have any questions, please call me at 703-689-3021.

Sincerely,

Susan Aitcheson

CFO

Center for Innovative Technology

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cc: The Honorable Caren Merrick, Secretary of Commerce and Trade

The Honorable Janet D Howell, Chair, Senate Finance & Appropriations Committee

The Honorable Barry Knight, Chair, House Appropriations Committee

Ms. Anne Oman, Staff Director, House Appropriations Committee

Ms. April Kees, Staff Director, Senate Finance & Appropriations Committee

Ms. Toni Walker, Associate Director, Department of Planning and Budget

Ms. Samantha Martin, Budget and Policy Analyst, Department of Planning and Budget

Dr. Barbara Boyan, VIPC Board of Directors Chair

Mr. Rob Quartel, VIPC Board of Directors Finance Committee Chair

Item 127.C.2.a

Fiscal Year 2022 Quarter 4 June 30, 2022

Financial Performance

Virginia Innovation Partnership Authority

BUDGET ANALYSIS

For the Fiscal Year Ended June 30, 2022

	(In Thousands)						
		ı	Fiscal Year 2022				
	Actual		Budget	<u>Variance</u>			
Revenue							
Commonwealth Appropriation - General Fund	\$	41,495 \$	41,550	\$ (55)			
Interest & Misc. Income		6	4	2			
Total Revenue		41,501	41,554	(53)			
Expenses and Transfers							
VIPA Administrative Expense		-	3	(3)			
Appropriation Transfers to VIPC		16,045	16,100	(55)			
Appropriation Disbursements to Centers of Excellence		25,519	25,450	69			
Total Expenses & Transfers		41,564	41,553	11			
Consolidated Revenue, Expenses, Transfers and Cl	nang	es in Net Position	on				
Revenue		41,501	41,554	(53)			
Expenses and Transfers		41,564	41,553	11			
Change in Net Position		(63)	1	(64)			
Beginning Net Position		2,592	2,028	564			
Ending Net Position	\$	2,529 \$	3,029	\$ 500			

Part	Commonwealth Projects Funded by	Appropriation & Ot	her	Revenue			
Revenue Actual Budget Variance Commonwealth Appropriation - General Fund Interest, Sponsorship, Return on Investments & Misc. Income 16,048 \$ 16,048 \$ 1,048 \$ 1,01 2,215 Interest, Sponsorship, Return on Investments & Misc. Income Total Revenue 18,362 16,147 2,215 2,215 2,215 2,215 2,215 2,215 2,215 2,215 3,208 3,208 3,208 3,208 11,879 8,691 3,208 2,208 1,236 1,687 1,685 1,208 3,208 1,687 1,618 1,208 2,209 2,208 1,687 1,685 1,279 2,208 1,629 1,685 1,771 2,209 2,209 1,439 1,439 1,439 1,439 1,439 1,430 1,439 1,430 1,439 1,430					(In	Thousands)	
Commowalth Appropriation - General Fund Sind					Fisc	al Year 2022	
Marcial Region Sprogram Revenue - DHS Commercial First Innovation Marcial Region M		•		<u>Actual</u>		<u>Budget</u>	<u>Variance</u>
Program Revenue - DHS Commercial First Innovation ™ Profit (Loss)			Φ	40.045	Φ	10.040	(4)
Total Revenue	· · ·		Ф		Ф		
Expenses	interest, Sponsorship, Neturn on investments & wisc. Income	Total Revenue					
Commercialization Division 5,478 11,772 (8,294) Investment Division 11,899 8,691 3,208 Entrepreneurial Ecosystems Division 11,897 1,885 1226 Entrepreneurial Ecosystems Division 1,897 1,895 172 Unmanned Systems 1,857 1,895 172 1,891 Command Systems 1,867 1,895 172 1,892 Activities Funded by Building Sale Proceeds 1,607 1,817 (204) Activities Funded by Building Sale Proceeds 1,014 1,159 (145) Unapplied (over-applied) indirects 1,014 1,159 (145) Unapplied (over-applied) indirects 1,014 1,159 (1,154) Unapplied (over-applied) indirects 1,014 1,159 (1,154) Unapplied (over-applied) indirects 1,014 1,159 (1,154) Unapplied (over-applied) indirects 1,014 1,015 Strategic Initiatives 1,014 1,015 (1,154) (1,154) Frogram Revenue - DHS Commercial First Innovation 1,014 1,015 Frogram Revenue - DHS Commercial First Innovation 1,014 1,015 Frogram Revenue - VDEM iFLOWS 3,062 2,125 1,837 Frogram Revenue - VDEM iFLOWS 3,04 2,000 1,000 Frogram Revenue - VDEM iFLOWS 3,000 3,000 3,000 Frogram Revenue - SBA FAST 2022 1,000 5,000 Frogram Revenue - SBA FAST 2022 1,000 5,000 Frogram Revenue - SBA FAST 2022 1,000 5,000 Frogram Expense 1,014 1,015 Frogram Revenue 4,431 2,353 2,078 Frogram Expense 1,000 1,000 Frogram Expense 2,000 1,000 Frogram Expense 1,000 1,000 Frogram Expe		Total Hovellag		10,002		10,111	2,210
Investment Division	Expenses						
Enterpreneurial Ecosystems Division							
Strategic Initiatives						•	•
Umanined Systems						•	
Activities Funded by Building Sale Proceeds 1,014 1,151 1,145						•	
Policy, Communications and Commonwealth Engagement Unapplied (over-applied) indirects				1,667		•	
Description (over-applied) indirects Total Expenses 1.634) (825) (809)				1 014			
Total Expenses 21,517 29,627 (8,110) (3,155) (13,480) 10,325 (13,480) 10,425 (13,480)							, ,
Strategic Initiatives and Other Funding Provided by Contracts & Grants	Chappinou (Croir applica) manosto	Total Expenses					
Strategic Initiatives and Other Funding Provided by Contracts & Grants		•		-		,	<u> </u>
Strategic Initiatives Program Revenue - DHS Commercial First Innovation ™ Program Expense 4,277 (3,95) 1,982 (2,125) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,837 (2,295) 1,982		•		(3,155)		(13,480)	10,325
Program Revenue - DHS Commercial First Innovation ™ 4,277 2,295 1,982 Program Expense 3,962 2,125 1,837 Profit/(Loss) 315 170 145 Program Revenue - VDEM iFLOWS 34 - 34 Program Expense 34 - 34 Program Expense 120 58 62 Program Expense 120 58 62 Program Expense 120 58 62 Program Expense 4,431 2,353 2,078 Program Expenses 4,116 2,183 1,933 Net 315 170 145 Expenses 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177)	Strategic Initiatives and Other Funding	Provided by Cont	ract	s & Grants			
Program Expense 3,962 2,125 1,837 Profit/(Loss) 315 170 145 Program Revenue - VDEM iFLOWS 34 - 34 Program Expense 34 - 34 Profit/(Loss) - - - Program Revenue - SBA FAST 2022 120 58 62 Program Expense 4,431 2,353 2,078 Program Expenses 4,116 2,183 1,933 Net 315 170 145 Consolidated Revenue, Expenses and Changes in Net Position Revenue 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177) Expenses 25,633 31,810 (6,177) Expenses Capital Leases (Interest & Depreciation) 346 - 346 <	Strategic Initiatives						
Program Expense 3,962 2,125 1,837 Profit/(Loss) 315 170 145 Program Revenue - VDEM iFLOWS 34 - 34 Program Expense 34 - 34 Profit/(Loss) - - - Program Revenue - SBA FAST 2022 120 58 62 Program Expense 120 58 62 Program Expense 120 58 62 Profit/(Loss) - - - Program Expense 4,431 2,353 2,078 Program Expenses 4,116 2,183 1,933 Net 315 170 145 Program Expenses 4,116 2,183 1,933 Net 315 170 145 Expenses 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177) Expenses 25,633 31,810 (6,177) Expenses Capital Leases (Interest & Depreci	Program Revenue - DHS Commercial First Innovation ™			4,277		2,295	1,982
Program Revenue - VDEM iFLOWS 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 - 34 -		_		3,962		2,125	1,837
Program Expense 34 - 34 Other Program Revenue - SBA FAST 2022 120 58 62 Program Expense 120 58 62 Profit/(Loss) -<		Profit/(Loss)		315		170	145
Program Expense 34 - 34 Other Program Revenue - SBA FAST 2022 120 58 62 Program Expense 120 58 62 Profit/(Loss) -<	Program Revenue - VDEM iELOWS			3/1		_	3/1
Other Program Revenue - SBA FAST 2022 120 58 62 Program Expense 120 58 62 Program Expense 120 58 62 Profit/(Loss) -						-	
Other Program Revenue - SBA FAST 2022 120 58 62 Program Expense 120 58 62 Profit/(Loss) - - - - Program Revenue 4,431 2,353 2,078 Program Expenses 4,116 2,183 1,933 Net 315 170 145 Consolidated Revenue, Expenses and Changes in Net Position Revenue 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177) Expenses - Capital Leases (Interest & Depreciation) 346 - 346 Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406		Profit/(Loss)				-	
Program Revenue - SBA FAST 2022 Program Expense 120 58 62 Profit/(Loss) - - - - Program Revenue 4,431 2,353 2,078 Program Expenses 4,116 2,183 1,933 Net 315 170 145 Consolidated Revenue, Expenses and Changes in Net Position Revenue 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177) Expenses - Capital Leases (Interest & Depreciation) 346 - 346 Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406		` ' <u>.</u>					
Program Expense 120 58 62 Profit/(Loss)	Other						
Program Expense 120 58 62 Profit/(Loss)	Program Revenue - SRA FAST 2022			120		58	62
Profit/(Loss)							
Program Expenses Net	•	Profit/(Loss)		-			
Program Expenses Net		Program Revenue		1 131		2 353	2 078
Net 315 170 145 Consolidated Revenue, Expenses and Changes in Net Position Revenue 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177) Expenses - Capital Leases (Interest & Depreciation) 346 - 346 Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406							
Revenue 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177) Expenses - Capital Leases (Interest & Depreciation) 346 - 346 Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406							
Revenue 22,793 18,500 4,293 Expenses 25,633 31,810 (6,177) Expenses - Capital Leases (Interest & Depreciation) 346 - 346 Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406		•					
Expenses 25,633 31,810 (6,177) Expenses - Capital Leases (Interest & Depreciation) 346 - 346 Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406	Consolidated Revenue, Expenses	and Changes in Ne	et Po				
Expenses - Capital Leases (Interest & Depreciation) 346 - 346 Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406							
Change in Net Position (3,186) (13,310) 10,124 Beginning Net Position 76,326 74,920 1,406							
Beginning Net Position 76,326 74,920 1,406		•					
Dogining Not 1 Coulon 14,020 14,020 1,400							
Ending Net Position \$ 73,140 \$ 61,610 \$ 11,530		•	\$		\$		

Virginia Innovation Partnership Corporation Fiscal Year 2022 Results by Fund

		0	pera	iting Fun	ds		Designated Funds												
		cov				Other						cov	,						
		Discretion	nary F	Fund	(Grants &	Co	Entrepreneurial ommercialization Investment Ecosystems			Strategic Initiatives	Unmanned Systems	Building sale						
	Ор	erating		Rent	C	Contracts		Division		Division		Division		Fund		Fund	Pr	oceeds	Total
										(In	Tho	ousands)							
Beginning Balance at 7/1/2021	\$	994	\$	-	\$	665	\$	32,384	\$	16,383	\$	3,296	\$	542	\$	1,384	\$	20,678	\$ 76,326
REVENUE																			
General Fund Appropriation	\$	3,180	\$	750			\$	5,000	\$	3,100	\$	2,000	\$	1,000	\$	1,000			\$ 16,030
Interest, Sponsorship, Return on Investment	\$	74					\$	86	\$	1,823	\$	10	\$	213	\$	126			\$ 2,332
Contracts & Grants					\$	4,431													\$ 4,431
Total Revenue	\$	3,254	\$	750	\$	4,431	\$	5,086	\$	4,923	\$	2,010	\$	1,213	\$	1,126	\$	-	\$ 22,793
EXPENSES AND TRANSFERS																			
Operating and Designated Programs	\$	3,483	\$	346			\$	4,457	\$	9,720	\$	979	\$	1,522	\$	1,356			\$ 21,863
Contracts & Grants					\$	4,116													\$ 4,116
Transfers and Indirect Application to Designated Programs																			\$ -
Total Expenses	\$	3,483	\$	346	\$	4,116	\$	4,457	\$	9,720	\$	979	\$	1,522	\$	1,356	\$	-	\$ 25,979
Net Change	\$	(229)	\$	404	\$	315	\$	629	\$	(4,797)	\$	1,031	\$	(309)	\$	(230)	\$	-	\$ (3,186)
Forecasted Ending Balance at 6/30/2022	\$	765	\$	404	\$	980	\$	33,013	\$	11,586	\$	4,327	\$	233	\$	1,154	\$	20,678	\$ 73,140

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

Item 127.C.2.b

Fiscal Year 2022 Quarter 4 June 30, 2022

Investments & Grants

Virginia Innovation Partnership Corporation Investments & Grants Made and Return on Prior Investments For the fiscal year ended June 30, 2022

	 Actual	Budget	Variance
Investments made Virginia Venture Partners (VVP): Investment in 43 companies	\$ 7,150,099.63	\$ 4,500,000.00	\$ 2,650,099.63
Return on Prior Investments, including gains and losses: Returns from 11 companies	\$ 1,659,883.05		
Grants Awarded: Commonwealth Commercialization Fund (CCF), awards to 64 companies Regional Innovation Fund (RIF), awards to 2 companies	\$ 3,523,931.00 200,000.00	\$ 8,401,000.00 1,400,000.00	\$ (4,877,069.00) \$ (1,200,000.00)

Item 127.C.2.c

Fiscal Year 2022 Quarter 4 June 30, 2022

Financial & Programmatic Performance of Operating Entities Owned by VIPC

No Operating Entities Owned during FY22 Q4