



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,

A handwritten signature in black ink, appearing to read "Susan Aitcheson", is written over a light gray rectangular background.

Susan Aitcheson
CFO
Center for Innovative Technology

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)

	Fiscal Year 2022		
	Actual	Budget	Variance
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 Changes in Net Position

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	\$ 2,029	\$ 500

BUDGET ANALYSIS

For the Fiscal Year Ended June 30, 2022

Commonwealth Projects Funded by Appropriation & Other Revenue

	(In Thousands)		
	Fiscal Year 2022		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenue			
Commonwealth Appropriation - General Fund	\$ 16,045	\$ 16,046	\$ (1)
Interest, Sponsorship, Return on Investments & Misc. Income	2,317	101	2,216
Total Revenue	18,362	16,147	2,215
Expenses			
Commercialization Division	5,478	11,772	(6,294)
Investment Division	11,899	8,691	3,208
Entrepreneurial Ecosystems Division	1,236	3,274	(2,038)
Strategic Initiatives	1,857	1,685	172
Unmanned Systems	1,667	1,871	(204)
Activities Funded by Building Sale Proceeds	-	2,000	(2,000)
Policy, Communications and Commonwealth Engagement	1,014	1,159	(145)
Unapplied (over-applied) indirects	(1,634)	(825)	(809)
Total Expenses	21,517	29,627	(8,110)
	(3,155)	(13,480)	10,325

Strategic Initiatives and Other Funding Provided by Contracts & Grants**Strategic Initiatives**

Program Revenue - DHS Commercial First Innovation TM	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
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
Ending Net Position	\$ 73,140	\$ 61,610	\$ 11,530

**Virginia Innovation Partnership Corporation
Fiscal Year 2022 Results by Fund**

	Operating Funds			Designated Funds						Total
	COV		Other	COV						
	Discretionary Fund Operating	Fund Rent	Grants & Contracts	Commercialization Division	Investment Division	Entrepreneurial Ecosystems Division	Strategic Initiatives Fund	Unmanned Systems Fund	Building sale Proceeds	
(In Thousands)										
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

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