

***Virginia Biosciences Health
Research Corporation***
dba: Virginia Catalyst

Achieving Competitive Critical Mass Through Collaboration

**Annual Report for Fiscal Year 2022
Submitted October 1, 2022 to:**

**Secretary of Commerce and Trade, the Chairs of the House
Appropriations and Senate Finance and Appropriations Committees,
the Director of the Department of Planning and Budget, and
Virginia Innovation Partnership Authority**

VBHRC
CATALYST Executive Summary

By The Numbers

Results through Sept 2022*

13 Grant Rounds Conducted

53 Funded Projects that Improve Human Health

AWARDED VS. ECONOMIC IMPACT

Through Round 13

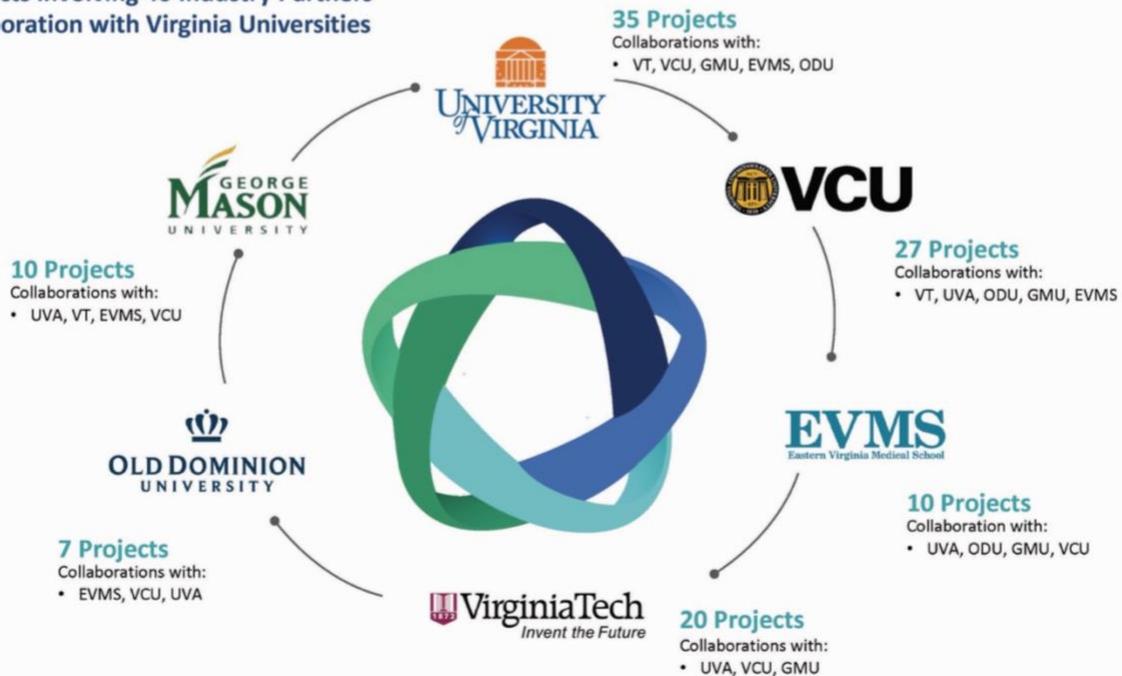
● Awarded ● Matching Funds ● Follow-on Funding



260 High Paying Jobs Created**

COLLABORATIVE STRENGTH

53 Projects involving 40 Industry Partners in collaboration with Virginia Universities



VBHRC Virginia Catalyst is a not-for-profit 501(c)(3) corporation created by the Virginia General Assembly and funded by the Commonwealth's General Fund and six Virginia public research universities: EVMS, GMU, ODU, UVA, VCU, and VT. Our mission is to stimulate and cultivate collaborations and partnerships among Virginia's research universities, major health systems, and industry to produce positive economic impact within the Commonwealth. Michael Grisham, CEO

*one-time COVID-19 Funding Round not included in totals
 **jobs created does not include indirect jobs

Forward

The 2020 Virginia Acts of Assembly, Chapter 1289 (approved May 21, 2020), Item 135 provides funding for the Virginia Biosciences Health Research Corporation (VBHRC), a 501(c)(3) non-stock corporation, to serve as a research consortium and catalyst to accelerate and focus life science research momentum at Virginia's universities (K.1).

This item also includes the requirement that you are provided, by October 1 of each year, a written report summarizing the activities of the VBHRC consortium. The report is to include a summary of how any funds disbursed to the consortium during the previous fiscal year were spent, and the consortium's progress during the fiscal year in expanding upon existing research opportunities and stimulating new research opportunities in the Commonwealth (K.6).

We are pleased to submit to you the following report to detail progress made on core objectives, with a focus on the results achieved during Fiscal Year 2021. Please note, as with our prior annual reports, we are continuing our practice of including details of ongoing efforts into the current fiscal year.

Statement from Mike Grisham, CEO

"On behalf of VBHRC Virginia Catalyst and its Board of Directors, we thank you for your continued support of these important and innovative efforts to advance commercialization of Virginia's life science innovations and create high-paying jobs in Virginia. This is achieved through collaborations with our research universities, health systems, and industry.

As always, if you have any questions or requests, or if we can be of any assistance, please do not hesitate to contact us!"

Mike Grisham
President and CEO
mgrisham@VirginiaCatalyst.org
804-543-5200

Suzanne Zeta, PhD, MBA
Vice President of Operations
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**Virginia Biosciences Health Research Corporation
Annual Report for Fiscal Year 2021**

VBHRC By the Numbers	i
Forward	ii
Table of Contents	iii
Overview of VBHRC	1
Progress on Core Objectives	
Grant Funding Program	3
Overview and Objectives	3
Project Management and Oversight Panel	3
Fiscal Year 2022 Awarded Projects	4
Economic Returns	4
COVID-19 Grant Round	5
Appendices	
Appendix A: Governance Overview	7
A.1 Members of Board of Directors	7
A.2 Members of Project Management and Oversight Panel	9
A.3 Members of Management	10
Appendix B: Funding History of VBHRC	11
Appendix C: Financial Statements and Independent Auditor’s Report	
C.1 Fiscal Year 2021 Financial Statements	12
C.2 Fiscal Year 202 Independent Auditor’s Report	21
C.3 Fiscal Year 2023 Pro Forma Budget	40
Appendix D: Grant Funding Rounds	
D.1 Summary of Awarded Projects to Date	42
D.2 Summary of Economic Returns to Date	53
D.3 Summary of COVID-19 Grant Round	57
D.3.a Members of Subject Matter Expert Consultant Panel	57
D.3.b Summary of Awarded Projects	57
D.3.c Summary of Economic Returns to Date	58
Appendix E: Press Releases	
E.1 Grant Round 12: Awarded Projects	59
E.2 Grant Round 13: Call for Proposals	61

Overview of Virginia Biosciences Health Research Corporation

Established in 2013 as Virginia's research consortium the Virginia Biosciences Health Research Corporation (VBHRC) was founded through the vision and joint efforts of the Commonwealth of Virginia and the five (5) founding members consisting of Virginia's premiere research institutions: Virginia Commonwealth University, Eastern Virginia Medical School, George Mason University, Virginia Tech, and the University of Virginia. In 2014, Old Dominion University became the sixth member institution. In October 2016, William & Mary joined as the seventh member institution of this consortium but withdrew membership in 2021.

As stated in the 2020 Virginia Acts of Assembly (approved May 21, 2020), Chapter 1289, Item 135, the overarching purpose and focus of VBHRC is to stimulate and cultivate collaborations and partnerships among Virginia's research universities, major health systems, and industry to produce a positive economic impact within the Commonwealth. This is measured by tracking job creation and follow-on funding for commercializing Virginia's innovations. VBHRC's strategic initiatives increase corporate-sponsored, federal, industry, and philanthropic research funds brought into Virginia, resulting in commercialization of new technologies, formation of new companies, creation of jobs, and expansion of bioscience companies in Virginia.

VBHRC is governed by a Board of Directors (BOD)¹ with primary duties that include:

- Reviewing and approving the annual budget
- Reviewing annual and periodic financial statements and information
- Reviewing Chief Executive Officer's performance annually, establishing salary
- Reviewing and approving all program grant projects
- Reviewing and approving all supplier contracts over \$25,000
- Reviewing and approving all non-budgeted expenditures over \$10,000
- Reviewing and advising staff on internal controls and accounting policies and procedures
- Annually contracting for an audit of the VBHRC and meeting at least annually with the external auditor to review the results of the audit.

The BOD is comprised of a maximum of sixteen directors, nine of whom are ex-officio directors as follows:

- Secretary of Commerce and Trade of Virginia
- President and Chief Executive Officer, Virginia Economic Development Partnership Authority
- President of each of the (seven) applicable institutions

Each of the nine ex-officio directors may designate an employee of his or her agency or institution to act in his or her stead. The remaining seven directors represent the United States Department of Veterans Affairs, health care system providers in Virginia, life sciences companies, venture capital firms, and the biosciences industry in Virginia.

¹ [Appendix A](#) lists members of VBHRC Board of Directors, Project Management and Oversight Panel, and Management

The 2020 Virginia Acts of Assembly, Chapter 1289 (approved May 21, 2020), Item 135, K.1. provides funding for VBHRC for fiscal years 2021 and 2022 to achieve established core objectives. In addition, the President of each member university agreed to commit a cash contribution of \$50,000 each year.² As stated in the aforementioned Acts of Assembly, along with supporting the administrative, promotional and legal costs of establishing and administering the consortium, funding may be used to develop or maintain investments in research infrastructure tools to facilitate bioscience research (Item 135:K.2), and to capture and perform research in the biosciences (Item 135:K.3).

In fiscal year 2021, VBHRC was funded \$3,750,000 by the Commonwealth of Virginia and \$300,000 through the member institutions (\$50,000 per each year of the six (6) member institutions), bringing the total funding for fiscal year 2021 to \$4,05,000.

In fiscal year 2022, VBHRC was funded \$3,750,000 by the Commonwealth of Virginia and \$350,000 through the member institutions (\$50,000 per each year of the seven (7) member institutions), bringing the total funding for fiscal year 2022 to \$4,050,000.

See [Appendix C](#) for Fiscal Year 2022 Financial Statements, Independent Auditor's Report, and Fiscal Year 2023 Budget.

Core Objectives

The aforementioned Acts of Assembly also include core objectives of VBHRC, a research consortium, to contract with private entities, foundations and other governmental sources to:

- capture and perform research in the biosciences,
- promote the development of bioscience infrastructure tools which can be used to facilitate additional research activities, and
- develop or maintain investments in research infrastructure tools to facilitate bioscience research.

The overarching purpose of these core objectives and efforts is to have a positive economic impact to the Commonwealth by increasing corporate-sponsored research resulting in commercialization of new technologies, formation of new companies, creation of jobs, and expansion of bioscience companies in Virginia.

VBHRC, doing business as *Virginia Catalyst*



As VBHRC expanded its work and initiatives of collaborations broadly across Virginia as well as funding from corporate-sponsored, federal and industry outside of Virginia, the need and benefits of an effective branding and marketing became apparent. In June 2017 the Commonwealth of Virginia, State Corporation Commission recognized VBHRC doing-business-as the *Virginia Catalyst*.

² [Appendix B](#) provides details regarding the funding history of VBHRC

Progress on Core Objectives

Grant Funding Program

Overview and Objectives

The Virginia Catalyst conducts formalized, competitive Grant Funding Rounds to:

- encourage collaborative partnerships between two or more Virginia research universities and an industry partner,
- fund the development and commercialization of life science projects that address major unmet needs for improving human health,
- accelerate commercialization of Virginia research university inventions and discoveries,
- increase Virginia's national and global competitiveness in the life sciences by creating critical mass through collaborations between and among Virginia's research universities, health systems, and industry partners,
- create jobs and economic growth in Virginia.

The eligibility requirements for obtaining funding through the Virginia Catalyst Grant Rounds are:

- Substantive collaboration between investigators from at least two (2) Virginia research universities³ and an industry partner,
- matching funds of at least 1:1 for the project. The match must be a cash dollar-for-dollar match, not in-kind services, nor a waiver of indirect overhead charges. Matching funds are verified by the Virginia Catalyst.

Awards range from \$200,000 to \$800,000 per project and are non-dilutive. All Virginia Catalyst funding is disbursed over the project period based upon verified completion of objective and measurable milestones. The Virginia Catalyst disburses the funds directly to the Prime University, not the industry partner. The Prime University then disburses funds to the Partner University and the Industry Partner.

Project Management and Oversight Panel

The Project Management and Oversight Panel⁴, the CEO, and the Board of Directors developed and approved criteria and standardized processes which govern the Virginia Catalyst Grant Rounds including:

- Project solicitation from institutions and companies
- Determination that eligibility requirements have been satisfied
- Project review for scientific rigor and impact on unmet needs for improving health

³ Virginia research universities and member institutions of the Virginia Catalyst (fiscal year 2021): University of Virginia, Virginia Commonwealth University, Eastern Virginia Medical School, George Mason University, Old Dominion University, Virginia Tech, William & Mary

⁴ [Appendix A](#) lists members of VBHRC Board of Directors, Project Management and Oversight Panel, and Management

- Project review for abilities of commercialization, obtaining follow-on funding, and job creation
- Progress reporting by the project team including progress towards milestones and continuation of the project
- Related project management issues and decisions.

Fiscal Year 2022 Awarded Projects⁵

Virginia Catalyst concluded Grant Round 12, and conducted Grant Round 13 in fiscal year 2022. See [Appendix D.1](#) for a summary of all awarded projects to date.

Grant Round 12

In October 2021, VBHRC funded three (3) projects for a total amount of \$1.9 million. These projects brought a total of \$3.2 million in matching funds and involved:

- Four (4) Virginia research universities, and
- Three (3) industry partners

As of June 30, 2022, each of these projects were open and progressing towards milestones as per their respective award agreements. One of these projects has already secured \$325,000 in follow-on funding and created 15 new jobs in Virginia. Another project created 7 new jobs in Virginia.

Grant Round 13

In May 2022, VBHRC funded four (4) projects for a total amount \$2.25 million. These projects brought a total of \$2.9 million in matching funds and involved:

- Four (4) Virginia research universities, and
- Four (4) industry partners

As of June 30, 2022, each of these projects were open and progressing towards milestones as per their respective award agreements.

Economic Returns⁶

The Virginia Catalyst awarded its first Grant Rounds in December 2013, and as of June 30, 2022, has conducted thirteen (13) cycles of Grant Rounds, along with a one-time COVID-19 Grant Round. See [Appendix D.2](#) for details on economic returns to date.

⁵ [Appendix D.1](#) provides a summary of all awarded projects to date

⁶ [Appendix D.2](#) provides details on economic returns to date

Cumulatively through June 30, 2022

The Virginia Catalyst funded a total of \$25.4 million to 53 collaborative projects.

Together these projects brought a total of:

\$42.5 million in matching funds, and involved

Six (6) Virginia research universities, and forty (40) industry partners

And resulted in: \$408 million in follow-on funding, and

260 new high-paying jobs created in Virginia

COVID-19 Grant Round

During fiscal year 2021 the Virginia Catalyst conducted a one-time COVID-19 Grant Round in accordance with the 2020 Virginia State Budget, Special Session I, HB 5005, Item 135.K.1, which was amended to insert “and \$5,000,000 the first year from nongeneral funds,” and added K.9.a:

“The VBHRC shall administer a one-time grant program designed to support the acceleration of clinical testing of a therapeutic drug that treats clinical symptoms caused by COVID-19. VBHRC shall consult with subject matter experts in the healthcare industry or academia to develop criteria for awarding funds provided in paragraph P.3. of this item. At a minimum, these criteria must include: (i) the company was founded in and is headquartered in Virginia; and (ii) the company is actively conducting a Phase 1 or Phase 2 clinical trial of a therapeutic drug approved by the United States Food and Drug Administration (“FDA”) to treat life-threatening symptoms caused by COVID-19. In awarding these funds, the board of directors of the VBHRC may waive the requirements that (i) two of the participating institutions are actively and significantly involved in collaborating on the research, and (ii) funding be matched at least dollar-for-dollar by funding provided by private entities, foundations and other governmental sources.”

Subject Matter Experts

Unique to the COVID-19 Grant Round, the Virginia Catalyst Board of Directors selected a team of scientific experts associated with Virginia research universities and medical centers to write a report on the scientific merit and relevance of the proposed therapeutic. This Subject Matter Expert (SME) Consultant Panel⁷ reviewed applications to the COVID-19 Grant Round and conducted conference calls with the scientific members of each applicant team. Their report on

⁷ [Appendix D.3.a](#) lists members of the SME Consultant Panel

each of the applications was provided to the Project Management and Oversight Panel for consideration along with the proposal presentation.

Awarded Projects⁸

In March 2021, VBHRC funded three (3) projects for a total of amount \$4,985,000. These projects brought a total of \$6 million in matching funds and involved:

- Two (2) Virginia research universities, and
- Three (3) industry partners

As of June 30, 2022, one project was completed, one project was closed by the project team, and one project was open and progressing towards milestones as per their respective award agreements. The two projects that progressed have secured \$3.4 million in follow-on funding and created 2 new jobs in Virginia.⁹

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⁸ [Appendix D.3.b](#) Provides details on awarded projects in COVID-19 Grant Round

⁹ [Appendix D.3.c](#) provides details on economic returns to date

Appendix A: Governance Overview

Non-government related positions on the Board of Directors, as well as the Project Management and Oversight Panel, are filled on a pro bono basis by qualified individuals who hold important bioscience-related expertise, value the public service nature of this position, and possess a sincere interest in helping to advance Virginia’s bioscience community. VBHRC Virginia Catalyst and Virginia Innovation Partnership Authority are deeply grateful for their voluntary contributions to the Commonwealth.

A.1 Members of Board of Directors

As per the Articles of Incorporation of VBHRC, as amended July 16, 2019, VBHRC shall be managed by a board of directors consisting of a maximum of sixteen directors, nine of whom shall be ex-officio directors designated by entities controlled by the Commonwealth of Virginia. This is intended to satisfy Article IV, §16 of the Constitution of Virginia.

The nine ex-officio directors shall be: the Secretary of Commerce and Trade of Virginia; the President and Chief Executive Officer of the Virginia Economic Development Partnership Authority; the president of the University of Virginia; the president of the Virginia Polytechnic Institute and State University; the president of George Mason University; the president of Virginia Commonwealth University; the president of Eastern Virginia Medical School; the president of Old Dominion University; and the president of the College of William & Mary. Each of the nine ex-officio directors may, in a writing signed by the ex-officio director, designate an employee of his or her agency or institution to act in his or her stead or terminate or replace an earlier designation. The Chair and Vice-Chair of the Board of Directors need not be ex-officio directors, but any ex-officio director may, by written notice to the Chair, require a meeting of the Board of Directors, and may require any matter or motion to be placed upon the agenda and voted upon.

With respect to the remaining seven directors, one (1) shall be a representative of the United States Department of Veterans Affairs, two (2) shall be representatives of statewide health care system providers in Virginia, and the board of directors shall designate an additional three directors representing life sciences company, venture capital firm that regularly invests in life science companies, and statewide representative of the biosciences industry in Virginia.

The current members of the VBHRC Virginia Catalyst Board of Directors are as follows:

Designated Board Seat	Current Board Member
1. Secretary of Commerce and Trade of Virginia or his/her designee	Caren Merrick Secretary of Commerce and Trade Commonwealth of Virginia

2. President and Chief Executive Officer of the Virginia Economic Development Partnership Authority or designee	Vince Barnett Vice President, Business Investment
3. President of the University of Virginia or his/her designee	Melur K. Ramasubramanian, Ph.D. Interim Vice President for Research
4. President of the Virginia Polytechnic Institute and State University or his/her designee	Michael Friedlander, Ph.D. Vice President for Health Sciences and Technology, Virginia Tech Founding Executive Director, Fralin Biomedical Research Institute at VTC Senior Dean for Research, Virginia Tech Carilion School of Medicine
5. President of George Mason University or his/her designee	Andre Marshall, Ph.D. Vice President for Research, Innovation, and Economic Impact
6. President of Virginia Commonwealth University or his/her designee	Srirama Rao, Ph.D. Vice President for Research and Innovation
7. President of Eastern Virginia Medical School or his/her designee	Milton Brown, M.D., Ph.D. Vice Dean for Research
8. President of Old Dominion University or his/her designee	Morris Foster, Ph.D. Vice President for Research
9. President of College of William and Mary or his/her designee	Dennis Manos, Ph.D. Vice Provost for Research and Graduate/Professional Studies
10. Representative of the United States Department of Veteran Affairs	David X. Cifu, M.D. National Director for PM&R Services
11. Representative of statewide health care system provider in Virginia	Howard P. Kern President and CEO, Sentara Healthcare
12. Representative of statewide health care system provider in Virginia	Mickey Kim, MD, MBA Senior Vice President, Corporate Development and Strategy, CareDx
13. Representative of a life sciences company	Jeff Conroy Founder and CEO, Embody LLC
14. Representative of a venture capital firm that regularly invests in life sciences companies	Thomas D. Roberts, III General Partner Harbert Management Corporation
15. Representative of a venture capital firm that regularly invests in life sciences companies	Kyp Sirinakis Co-Founder and Managing Director Epidarex Capital
16. Statewide representative of the biosciences industry in Virginia	Jeffrey M. Gallagher Former CEO, Virginia Bio Interim Executive Director, Alliance for Building Better Medicine

A.2 Members of Project Management and Oversight Panel

As per the Articles of Incorporation of VBHRC, as amended March 7, 2017, the Board of Directors shall establish a Project Management and Oversight Panel with maximum of eleven members, which include up to six (6) scientists, one of which will be a medical doctor or clinical practitioner; three (3) shall be representative of life science companies; and two (2) shall be representative of venture capital firms that actively invest in life science companies. The current members of the VBHRC Virginia Catalyst Project Management and Oversight Committee are as follows:

Designated Panel Seat	Current Panel Member
1. Science and Clinical	Ali Andalibi, Ph.D. Associate Dean of Research George Mason University
2. Science and Clinical	O. John Semmes, Ph.D. Director, Leroy Canoles Jr. Cancer Research Center Eastern Virginia Medical School
3. Science and Clinical	George S. Bloom, Ph.D. Professor of Biology, Cell Biology and Neuroscience University of Virginia
4. Science and Clinical	Charles Anamelechi, Ph.D. Healthcare Strategy Manager, Monitor Deloitte
5. Science and Clinical	(Recruiting for Open Seat)
6. Life Science Company	Jeff Pompeo President and CEO, CareTaker Medical, LLC
7. Life Science Company	Rony Thomas President and CEO, LifeNet Health, Inc.
8. Life Science Company	Gerard Eldering President, Innovate Tech Ventures
9. Life Science Company	James C. Powers Chairman and CEO, Hemoshear, LLC
10. Venture Capital Firm	Bob Creeden Managing Director UVA Seed Fund and New Ventures
11. Venture Capital Firm	Scott Meza Shareholder and Attorney at Law, Greenberg Trauig
12. Venture Capital Firm	Monique Adams Executive Director, 757 Angels Group

A.3 Members of Management

As per the Articles of Incorporation of VBHRC, as amended March 7, 2017, the officers of VBHRC shall consist of a President, and such other officers and assistant officers and agents as may be deemed necessary by the Board of Directors. The President shall be the chief executive officer, shall have active executive management of the operations of VBHRC subject to the control of the Board of Directors.

Mike Grisham, MBA President and CEO

Mike Grisham has served as President and CEO of VBHRC Virginia Catalyst since 2014. Prior to this he is the Founder and CEO of GPB Scientific, Inc. He has extensive experience in biosciences, building diagnostic and healthcare companies. Mr. Grisham founded and served as CEO of Celective DX (acquired by On-Q-ity); Verinata Health Inc. (acquired by Illumina); and Paradigm Health Corporation (acquired by Alere). Grisham holds a BA from University of California, Berkeley and an MBA from Stanford Graduate School of Business.

Suzanne Zeta, PhD, MBA Vice President of Operations

In July 2018, Dr. Zeta joined VBHRC Virginia Catalyst as Vice President of Operations. Prior to this, Dr. Zeta worked for VBHRC to develop a marketing portfolio and provide support for the Virginia Neuroscience Initiative. Previously a member of Virginia Commonwealth University's Department of Physical Medicine and Rehabilitation, her clinical practice, instruction, research, and nationwide presentations led to recognition as a leader and expert in oncology rehabilitation. Taylor also has extensive healthcare management experience including serving as a Regional Director of Operations for American Retirement Corporation and Brookdale Senior Living. Along with being a licensed occupational therapist and having a Master of Business Administration in Healthcare Management degree, Zeta obtained a Doctor of Philosophy degree in Health Related Sciences from Virginia Commonwealth University.

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Appendix B: Funding History of VBHRC

The founding members of VBHRC were Virginia's premiere research institutions: Virginia Commonwealth University, Eastern Virginia Medical School, George Mason University, Virginia Polytechnic Institute and State University and the University of Virginia. Old Dominion University became the sixth member of the consortium effective in 2014, and effective in Fiscal Year 2017, the College of William & Mary became the seventh member of the consortium but withdrew in 2021.

The Commonwealth of Virginia committed funding for Fiscal Years 2013 and 2014 to establish the core objectives of the consortium. In addition to this funding, the President of each member university agreed to commit a cash contribution to participate. The Commonwealth's commitment during those two fiscal years totaled \$5 million, supplemented by a \$100,000 contribution from each member university, distributed as \$50,000 each year.

Funds from Fiscal Years 2013 and 2014 carried over to Fiscal Year 2015. Therefore there was not additional funding from the Commonwealth in Fiscal Year 2015.

For Fiscal Year 2016, VBHRC received \$2,500,000 in funding from the Commonwealth and a total of \$300,000 (\$50,000 each) from its member universities.

In Fiscal Year 2017, VBHRC was funded \$2,500,000 by the Commonwealth of Virginia and \$350,000 through the member institutions (\$50,000 per each year of the seven (7) member institutions), bringing the total funding for Fiscal Year 2017 to \$2,850,000.

In Fiscal Year 2018, VBHRC was funded \$3,750,000 by the Commonwealth of Virginia and \$350,000 through the member institutions (\$50,000 per each year of the seven (7) member institutions), bringing the total funding for Fiscal Year 2018 to \$4,100,000.

In Fiscal Year 2019, VBHRC was funded \$3,750,000 by the Commonwealth of Virginia and \$350,000 through the member institutions (\$50,000 per each year of the seven (7) member institutions), bringing the total funding for Fiscal Year 2019 to \$4,100,000.

In Fiscal Year 2020, VBHRC was funded \$3,750,000 by the Commonwealth of Virginia and \$350,000 through the member institutions (\$50,000 per each year of the seven (7) member institutions), bringing the total funding for Fiscal Year 2019 to \$4,100,000.

In Fiscal Year 2021, VBHRC was funded \$3,750,000 by the Commonwealth of Virginia and \$350,000 through the member institutions (\$50,000 per each year of the six (6) member institutions), bringing the total funding for Fiscal Year 2019 to \$4,050,000.

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Appendix C: Financial Statements and Independent Auditor's Report

C.1 Fiscal Year 2022: Financial Statements



Financial Statements For the Year Ended June 30, 2022 Table of Contents

	<u>Page</u>
Statement of Financial Position	1
Statement of Activities – Current Month, Prior Month and Year to Date	2
Statement of Activities – Budget vs Actual	3-4
Project Funding Status by Round	5-6
Funding Allocations by Prime University	7

BASIS OF ACCOUNTING. These statements are prepared in accordance with generally accepted accounting principles (GAAP); however, all disclosures required by GAAP have been omitted.

NO ASSURANCE. These financial statements have not been audited or reviewed and no CPA provides any assurance on them

Virginia Biosciences Health Research Corporation
Statement of Financial Position

As of June 30, 2022

	Jun 30, 22
ASSETS	
Current Assets	
Checking/Savings	
100000 · BB&T Checking 3407	9,669,284.39
105000 · BB&T MM 5225	1,319,930.74
Total Checking/Savings	10,989,215.13
Accounts Receivable	
120000 · Commonwealth of VA Approp	7,500,000.00
120500 · University Pledges Receivable	300,000.00
Total Accounts Receivable	7,800,000.00
Other Current Assets	
123000 · Prepaid Expenses	13,850.00
Total Other Current Assets	13,850.00
Total Current Assets	18,803,065.13
TOTAL ASSETS	18,803,065.13
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200000 · Accounts Payable	264,295.99
Total Accounts Payable	264,295.99
Other Current Liabilities	
213000 · Deferred Conference Revenue	1,350.00
Total Other Current Liabilities	1,350.00
Total Current Liabilities	265,645.99
Total Liabilities	265,645.99
Equity	
310000 · Net Assets w/o Donor Restrict	
311000 · Uncommitted and Relinquished	168,041.25
312000 · Committed to Projects	6,190,773.66
Total 310000 · Net Assets w/o Donor Restrict	6,358,814.91
320000 · Net Assets with Donor Restrict	
321000 · Time Restricted	7,500,000.00
Total 320000 · Net Assets with Donor Restrict	7,500,000.00
Net Income	4,678,604.23
Total Equity	18,537,419.14
TOTAL LIABILITIES & EQUITY	18,803,065.13

No CPA provides any assurance on these financial statements

Page 1

Virginia Biosciences Health Research Corporation
Statement of Activities - Current Month, Prior Month & YTD
 June 2022

	Jun 22	May 22	Jul '21 - Jun 22
Ordinary Income/Expense			
Income			
400000 · Virginia General Assembly			
400500 · Program support	6,500,000.00	0.00	6,500,000.00
401000 · General & admin. support	1,000,000.00	0.00	1,000,000.00
Total 400000 · Virginia General Assembly	7,500,000.00	0.00	7,500,000.00
410000 · Member University Contributions			
411000 · Eastern Va Medical School	50,000.00	0.00	50,000.00
412500 · George Mason University	50,000.00	0.00	50,000.00
413100 · Old Dominion University	50,000.00	0.00	50,000.00
413000 · University of Virginia	50,000.00	0.00	50,000.00
412000 · Virginia Commonwealth	50,000.00	0.00	50,000.00
410500 · Virginia Tech	50,000.00	0.00	50,000.00
Total 410000 · Member University Contributions	300,000.00	0.00	300,000.00
440000 · Other Income	10.85	11.21	132.00
Total Income	7,800,010.85	11.21	7,800,132.00
Gross Profit	7,800,010.85	11.21	7,800,132.00
Expense			
Stripe Payment Processing Fees	20.49	20.49	40.98
500000 · Program Expenses			
510000 · Collaborative Grant Program			
510800 · Round 8			
510803 · Embody	0.00	0.00	5,000.00
510804 · LifeNet	0.00	0.00	5,000.00
Total 510800 · Round 8	0.00	0.00	10,000.00
511000 · Round 10			
511001 · 1001 CytoRecovery	0.00	0.00	10,000.00
511002 · 1002 InterLeukin	0.00	0.00	472,700.00
511003 · 1003 Lytos	0.00	0.00	106,000.00
511004 · 1004 Monet	0.00	0.00	100,000.00
511005 · 1005 Rivanna	0.00	0.00	50,000.00
511006 · 1006 Tympanogen	0.00	0.00	70,000.00
Total 511000 · Round 10	0.00	0.00	808,700.00
511100 · Round 11			
511101 · 1101 Contraline	0.00	0.00	229,500.00
511103 · 1103 Meru	0.00	0.00	257,600.00
Total 511100 · Round 11	0.00	0.00	487,100.00
511200 · Round 12			
511203 · 1203 Tympanogen	0.00	0.00	191,717.00
511201 · 1201 AgroSpheres	0.00	0.00	245,000.00
511202 · 1202 Icarus	0.00	170,000.00	355,000.00
Total 511200 · Round 12	0.00	170,000.00	791,717.00
511901 · COVID PBM-UVA	0.00	0.00	310,500.00
511903 · COVID Serpin-UVA	0.00	0.00	250,000.00
Total 510000 · Collaborative Grant Program	0.00	170,000.00	2,658,017.00
590000 · Support and development			
590100 · Salaries and Benefits			
590110 · Salaries and Wages	28,750.02	28,750.02	347,226.71
590120 · Payroll Taxes	2,199.38	2,199.38	23,069.25
590130 · Other Benefits	2,000.00	2,000.00	24,402.00
Total 590100 · Salaries and Benefits	32,949.40	32,949.40	394,697.96

No CPA provides any assurance on these financial statements

Virginia Biosciences Health Research Corporation
Statement of Activities - Current Month, Prior Month & YTD
June 2022

	Jun 22	May 22	Jul '21 - Jun 22
590200 · Program development			
590210 · Advertising - Press Releases	0.00	0.00	850.00
590240 · Meals and Entertainment	0.00	0.00	500.00
590250 · Memberships and sponsorships	0.00	0.00	15,199.00
590260 · Travel and lodging	724.19	0.00	724.19
Total 590200 · Program development	724.19	0.00	17,273.19
Total 590000 · Support and development	33,673.59	32,949.40	411,971.15
Total 500000 · Program Expenses	33,673.59	202,949.40	3,069,988.15
600000 · General and administrative			
604000 · Accounting services	1,855.40	1,855.40	20,340.74
606000 · Audit and tax returns	4,450.00	0.00	10,609.75
612000 · Web Site	0.00	0.00	92.50
616000 · Insurance	384.00	0.00	768.00
617000 · Legal Expenses	3,363.00	0.00	14,132.00
618000 · Office and Computer Supplies	112.33	0.00	649.53
619000 · Office Rent	300.00	300.00	3,390.65
621000 · Parking	95.00	95.00	1,140.00
622000 · Postage	13.92	0.00	13.92
624000 · Telephone	361.55	0.00	361.55
Total 600000 · General and administrative	10,935.20	2,250.40	51,498.64
Total Expense	44,629.28	205,220.29	3,121,527.77
Net Ordinary Income	7,755,381.57	-205,209.08	4,678,604.23
Net Income	7,755,381.57	-205,209.08	4,678,604.23

No CPA provides any assurance on these financial statements

Virginia Biosciences Health Research Corporation
Statement of Activities Budget vs. Actual
 July 2021 through June 2022

	Jul '21 - Jun 22	Budget	% of Budget
Ordinary Income/Expense			
Income			
Stripe Sales	0.00		
400000 · Virginia General Assembly			
400500 · Program support	6,500,000.00	6,500,000.00	100.0%
401000 · General & admin. support	1,000,000.00	1,000,000.00	100.0%
Total 400000 · Virginia General Assembly	7,500,000.00	7,500,000.00	100.0%
410000 · Member University Contributions			
411000 · Eastern Va Medical School	50,000.00	50,000.00	100.0%
412500 · George Mason University	50,000.00	50,000.00	100.0%
413100 · Old Dominion University	50,000.00	50,000.00	100.0%
413000 · University of Virginia	50,000.00	50,000.00	100.0%
412000 · Virginia Commonwealth	50,000.00	50,000.00	100.0%
410500 · Virginia Tech	50,000.00	50,000.00	100.0%
Total 410000 · Member University Contributions	300,000.00	300,000.00	100.0%
440000 · Other Income	132.00		
Total Income	7,800,132.00	7,800,000.00	100.0%
Gross Profit	7,800,132.00	7,800,000.00	100.0%
Expense			
Stripe Payment Processing Fees	40.98		
500000 · Program Expenses			
510000 · Collaborative Grant Program			
510800 · Round 8			
510803 · Embody	5,000.00		
510804 · LifeNet	5,000.00		
510800 · Round 8 - Other	0.00	10,000.00	0.0%
Total 510800 · Round 8	10,000.00	10,000.00	100.0%
511000 · Round 10			
511001 · 1001 CytoRecovery	10,000.00		
511002 · 1002 InterLeukin	472,700.00		
511003 · 1003 Lytos	106,000.00		
511004 · 1004 Monet	100,000.00		
511005 · 1005 Rivanna	50,000.00		
511006 · 1006 Tympanogen	70,000.00		
511000 · Round 10 - Other	0.00	520,000.00	0.0%
Total 511000 · Round 10	808,700.00	520,000.00	155.5%
511100 · Round 11			
511101 · 1101 Contraline	229,500.00		
511103 · 1103 Meru	257,600.00		
511100 · Round 11 - Other	0.00	1,529,800.00	0.0%
Total 511100 · Round 11	487,100.00	1,529,800.00	31.8%
511200 · Round 12			
511203 · 1203 Tympanogen	191,717.00		
511201 · 1201 AgroSpheres	245,000.00		
511202 · 1202 Icarus	355,000.00		
511200 · Round 12 - Other	0.00	1,000,000.00	0.0%
Total 511200 · Round 12	791,717.00	1,000,000.00	79.2%
511300 · Round 13			
511901 · COVID PBM-UVA	0.00	250,000.00	0.0%
511901 · COVID PBM-UVA	310,500.00	345,000.00	90.0%
511902 · COVID ReAlta-ODU	0.00	1,356,000.00	0.0%
511903 · COVID Serpin-UVA	250,000.00	500,000.00	50.0%
Total 510000 · Collaborative Grant Program	2,658,017.00	5,510,800.00	48.2%

No CPA provides any assurance on these financial statements

Virginia Biosciences Health Research Corporation
Statement of Activities Budget vs. Actual
July 2021 through June 2022

	Jul '21 - Jun 22	Budget	% of Budget
590000 · Support and development			
590100 · Salaries and Benefits			
590110 · Salaries and Wages	347,226.71	355,000.00	97.8%
590120 · Payroll Taxes	23,069.25	27,158.00	84.9%
590130 · Other Benefits	24,402.00	24,402.00	100.0%
Total 590100 · Salaries and Benefits	394,697.96	406,560.00	97.1%
590200 · Program development			
590210 · Advertising - Press Releases	850.00	2,500.00	34.0%
590230 · Conferences	0.00	7,500.00	0.0%
590240 · Meals and Entertainment	500.00	1,000.00	50.0%
590250 · Memberships and sponsorships	15,199.00	20,000.00	76.0%
590260 · Travel and lodging	724.19	2,000.00	36.2%
Total 590200 · Program development	17,273.19	33,000.00	52.3%
Total 590000 · Support and development	411,971.15	439,560.00	93.7%
Total 500000 · Program Expenses	3,069,988.15	5,950,360.00	51.6%
600000 · General and administrative			
604000 · Accounting services	20,340.74	22,469.00	90.5%
606000 · Audit and tax returns	10,609.75	12,550.00	84.5%
608000 · Board of Directors Expense	0.00	1,000.00	0.0%
612000 · Web Site	92.50	425.00	21.8%
615000 · Dues and Subscriptions	0.00	545.00	0.0%
616000 · Insurance	768.00	500.00	153.6%
617000 · Legal Expenses	14,132.00	20,000.00	70.7%
618000 · Office and Computer Supplies	649.53	1,000.00	65.0%
619000 · Office Rent	3,390.65	3,474.00	97.6%
621000 · Parking	1,140.00	1,140.00	100.0%
622000 · Postage	13.92	100.00	13.9%
624000 · Telephone	361.55	1,000.00	36.2%
Total 600000 · General and administrative	51,498.64	64,203.00	80.2%
Total Expense	3,121,527.77	6,014,563.00	51.9%
Net Ordinary Income	4,678,604.23	1,785,437.00	262.0%
Other Income/Expense			
Other Expense			
810000 · Catalyst Conference expenses	0.00		
Total Other Expense	0.00		
Net Other Income	0.00	0.00	0.0%
Net Income	4,678,604.23	1,785,437.00	262.0%

No CPA provides any assurance on these financial statements

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION

Project Awards, Allocations to Date, Funds Relinquished, and Remaining Awards

As of June 30, 2022

Round	Company	Lead School	Amount Awarded	Allocation Awarded	Funds Forfeited	Award Remaining
Round 01	BioTherapeutics		400,000	400,000	-	-
	Cavion LLC		200,000	200,000	-	-
	FirstString		200,000	200,000	-	-
	HemoShear		450,000	450,000	-	-
Round 01 Total			1,250,000	1,250,000	-	-
Round 02	Gencia		400,000	400,000	-	-
	LifeNet Health		255,000	255,000	-	-
	Neoantigenics		348,729	348,729	-	-
	SphynKx		400,000	400,000	-	-
Round 02 Total			1,403,729	1,403,729	-	-
Round 03	OncoSec Medical		585,000	585,000	-	-
	PhenoCHIP		270,000	270,000	-	-
	US Probe		536,000	406,000	130,000	-
Round 03 Total			1,391,000	1,261,000	130,000	-
Round 04	BioTherapeutics		400,000	400,000	-	-
	BrightSpec		400,000	400,000	-	-
	Ceres Nanotrap		500,000	500,000	-	-
	Embody		634,500	634,500	-	-
	FirstString		290,000	290,000	-	-
Round 04 Total			2,224,500	2,224,500	-	-
Round 05	Cavion LLC		306,985	306,985	-	-
	VoltMed		380,000	380,000	-	-
Round 05 Total			686,985	686,985	-	-
Round 06	BioTherapeutics		800,000	800,000	-	-
	Propagenix		425,000	320,000	105,000	-
	Pulse Biosciences		300,000	300,000	-	-
	Sanyal Biotechnology		100,000	100,000	-	-
	SerpinPharma		400,000	400,000	-	-
	VoltMed		800,000	800,000	-	-
Round 06 Total			2,825,000	2,720,000	105,000	-
Round 07	ImmunArray		500,000	180,000	320,000	-
	Indivior		500,000	222,222	277,778	-
	ReAlta Live Sciences		400,000	339,122	60,878	-
Round 07 Total			1,400,000	741,344	658,656	-

No CPA provides any assurance on these financial statements

Page 6

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION

Project Awards, Allocations to Date, Funds Relinquished, and Remaining Awards

As of June 30, 2022

Round	Company	Lead School	Amount Awarded	Allocation Awarded	Funds Forfeited	Award Remaining
Round 08	BrightSpec		400,000	400,000	1,078	(1,078)
	Continuum Biosciences		400,000	400,000	-	-
	Embody		800,000	800,000	-	-
	LifeNet Health		250,000	250,000	-	-
	SerpinPharma		350,000	350,000	-	-
	WynnVision		510,000	510,000	-	-
Round 08 Total			2,710,000	2,710,000	1,078	(1,078)
Round 09	AgroSpheres		600,000	600,000	-	-
	BrightSpec		400,000	400,000	-	-
	Ceres Nanotrap		600,000	570,000	-	30,000
	Perthera		500,000	500,000	-	-
Round 09 Total			2,100,000	2,070,000	-	30,000
Round 10	CytoRecovery		400,000	392,000	-	8,000
	InterLeukin		700,000	650,000	-	50,000
	Lytos		500,000	500,000	-	-
	Monet		400,000	375,000	-	25,000
	Rivanna		800,000	800,000	-	-
	Tympanogen		500,000	500,000	-	-
Round 10 Total			3,300,000	3,217,000	-	83,000
Round 11	Contraline		600,000	337,300	-	262,700
	ISOThrive		800,000	45,000	-	755,000
	Meru		700,000	675,000	-	25,000
Round 11 Total			2,100,000	1,057,300	-	1,042,700
Round 12	AgroSpheres		600,000	245,000	-	355,000
	Icarus		600,000	355,000	-	245,000
	Tympanogen		737,369	191,717	-	545,652
Round 12 Total			1,937,369	791,717	-	1,145,652
Round 13	Contraline		700,000	-	-	700,000
	PascalMed		375,000	-	-	375,000
	SlateBio		575,000	-	-	575,000
	SoundPipe		600,000	-	-	600,000
Round 13 Total			2,250,000	-	-	2,250,000
Round C19	PBM		345,000	310,500	-	34,500
	ReAlta Live Sciences		1,356,000	-	-	1,356,000
	SerpinPharma		500,000	250,000	-	250,000
Round C19 Total			2,201,000	560,500	-	1,640,500
Grand Total			\$ 27,779,583	\$ 20,694,075	894,734	6,190,774

No CPA provides any assurance on these financial statements

Page 7

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION
 Funding Allocations by Prime University
 As of June 30, 2022

Funding Allocations by Prime University						
	EVMS	GMU	ODU	UVA	VA Tech	VCU
Round 01	\$ -	\$ -	\$ -	\$ 650,000	\$ 600,000	\$ -
Round 02	255,000	-	-	348,729	400,000	400,000
Round 03	-	-	585,000	-	270,000	536,000
Round 04	-	500,000	634,500	400,000	690,000	-
Round 05	-	-	-	306,985	380,000	-
Round 06	100,000	400,000	300,000	-	1,600,000	425,000
Round 07	400,000	-	-	-	500,000	500,000
Round 08	-	350,000	1,050,000	-	400,000	910,000
Round 09	-	-	-	1,100,000	600,000	400,000
Round 10	500,000	400,000	-	1,300,000	400,000	700,000
Round 11	800,000	-	-	600,000	-	700,000
Round 12	737,369	-	-	600,000	600,000	-
Round 13	-	-	-	1,875,000	-	375,000
Round C19	-	-	1,356,000	845,000	-	-
Total	\$ 2,792,369	\$ 1,650,000	\$ 3,925,500	\$ 8,025,714	\$ 6,440,000	\$ 4,946,000

C.2 Fiscal Year 2022: Independent Auditor’s Report



REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors of
 Virginia Biosciences Health Research Corporation
 901 E. Cary Street, Suite 900
 Richmond, Virginia 23219

We have audited the financial statements of Virginia BioSciences Health Research Corporation (the “Corporation”) for the year ended June 30, 2022, and have issued our report thereon dated September 29, 2022. Professional standards require that we provide you with information about our responsibilities in accordance with auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 29, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Virginia BioSciences Health Research Corporation are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended June 30, 2022. We noted no transactions entered into by the Corporation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Current accounting standards require organizations to report expenses by their functional classification, such as by their programs and supporting activities. Costs common to multiple functions have been allocated based on activity reports prepared by key employees. Based on these reports, the Corporation has estimated the President and CEO’s salary to consist of 90% for program services and 10% for management and general activities, and the VP of Operations’ salary to consist of 95% for program services and 5% for management and general activities.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. There are no sensitive disclosures affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Your Success is Our Focus

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Significant Audit Matters (Continued)

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements to the financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 29, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Corporation’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Corporation’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the members of the Executive Committee and management of the Virginia BioSciences Health Research Corporation, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



CERTIFIED PUBLIC ACCOUNTANTS

Richmond, Virginia
September 29, 2022

Report to the Board of Directors
Virginia Biosciences Health Research Corporation

Brown, Edwards & Company
Certified Public Accountants
4951 Lake Brook Drive, Suite 375
Glen Allen, VA 23060

This representation letter is provided in connection with your audit of the financial statements of Virginia BioSciences Health Research Corporation d/b/a Virginia Catalyst (the Corporation), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 22, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related-party relationships and transactions, if any, have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.



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Brown, Edwards & Company
Page 2

Financial Statements (Continued)

7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. We have reviewed the proposed adjusting journal entries, if any, and understand the nature and impact these entries have on our financial statements.
9. There were no uncorrected misstatements or omitted disclosures which are material, either individual, or in the aggregate, to the financial statements taken as a whole.
10. There are no estimates that may be subject to a material change in the near-term that have not been properly disclosed in the financial statements. We understand that near-term means the period within one year of the date of the financial statements.
11. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
12. Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
13. Guarantees, whether written or oral, under which the Corporation is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
14. The Corporation's recording of contributions by net asset classification.
15. Reasonableness of bases for allocation of functional expenses.

Information Provided

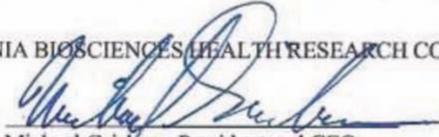
16. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Corporation from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
17. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
18. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
19. We have no knowledge of any fraud or suspected fraud that affects the Corporation and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
20. We have no knowledge of any allegations of fraud or suspected fraud affecting the Corporation's financial statements communicated by employees, former employees, grantors, regulators, or others.

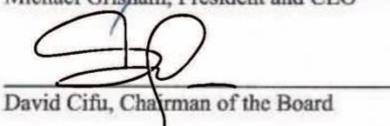
Brown, Edwards & Company
Page 3

Information Provided (Continued)

21. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements. Additionally, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
22. We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.
23. We have disclosed to you the identity of the Corporation's related parties and all related-party relationships and transactions of which we are aware.
24. The Corporation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
25. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
26. The Corporation is an exempt organization under Section 501(c)(3) of the *Internal Revenue Code*. Any activities of which we are aware that would jeopardize the Corporation's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up to date.
27. In regard to the nonattest services performed by you we have:
 - a. Assumed all management responsibilities.
 - b. Overseen the service, designating an individual, within senior management, who possesses suitable skills, knowledge, or experience.
 - c. Evaluated the adequacy and results of the services performed.
 - d. Accepted responsibility for the results of the services.
 - e. Evaluated and maintained internal controls, including monitoring ongoing activities.
28. Disclosures included in the financial statements regarding the relevant significant financial reporting impacts from enactment of the CARES Act, if any, accurately reflect management's full consideration of such impacts.
29. We reaffirm our representations made to the predecessor auditor in our letter September 24, 2021, with respect to the financial statements as of and for the year ended June 30, 2021.

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION D/BA VIRGINIA CATALST

Signed: 
Michael Grisham, President and CEO

Signed: 
David Cifu, Chairman of the Board

Date: 09/29/2022

**VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION
D/B/A VIRGINIA CATALYST**

FINANCIAL REPORT

June 30, 2022



CONTENTS

	Page
INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows.....	6
Notes to Financial Statements.....	7



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Virginia Biosciences Health Research Corporation d/b/a Virginia Catalyst
Richmond, Virginia

Opinion

We have audited the accompanying financial statements of Virginia Biosciences Health Research Corporation d/b/a Virginia Catalyst, (the Corporation), which comprise the statement of financial position as of June 30, 2022, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements (collectively, the financial statements).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Virginia Biosciences Health Research Corporation d/b/a Virginia Catalyst as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation’s abilities to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Prior Period Financial Statements

The financial statements as of June 30, 2021, were audited by Mitchell, Wiggins & Company, LLP, who were acquired by Brown, Edwards & Company, LLP effective November 1, 2021, and whose report dated September 24, 2021, expressed an unmodified opinion on those statements.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Richmond, Virginia
September 29, 2022

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION
D/B/A VIRGINIA CATALYST
STATEMENTS OF FINANCIAL POSITION
June 30, 2022 and 2021

ASSETS	2022	2021
CURRENT ASSETS		
Cash and cash equivalents	\$ 10,989,215	\$ 9,960,465
Pledges receivable, net current portion		
Member universities	300,000	300,000
Commonwealth of Virginia	3,750,000	3,750,000
Prepaid conference expenses	13,850	-
Total current assets	<u>15,053,065</u>	<u>14,010,465</u>
LONG-TERM ASSETS		
Pledges receivable, net, less current portion		
Commonwealth of Virginia	<u>3,750,000</u>	<u>-</u>
Total assets	<u>\$ 18,803,065</u>	<u>\$ 14,010,465</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 264,296	\$ 152,728
Deferred conference revenue	1,350	-
Total liabilities	<u>265,646</u>	<u>152,728</u>
NET ASSETS		
Net assets without donor restrictions	8,238,419	5,107,737
Net assets with donor restrictions	<u>10,299,000</u>	<u>8,750,000</u>
Total assets	<u>18,537,419</u>	<u>13,857,737</u>
Total liabilities and net assets	<u>\$ 18,803,065</u>	<u>\$ 14,010,465</u>

The accompanying notes are an integral part of these financial statements.

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION
D/B/A VIRGINIA CATALYST
STATEMENTS OF ACTIVITIES
Years Ended June 30, 2022 and 2021

	2022			2021		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
REVENUE						
Contributions, Virginia General Assembly						
Program support	\$ -	\$ 6,500,000	\$ 6,500,000	\$ -	\$ 5,000,000	\$ 5,000,000
General and administrative support	-	1,000,000	1,000,000	-	-	-
Contributions, Member Universities						
Eastern Virginia Medical School	50,000	-	50,000	50,000	-	50,000
George Mason University	50,000	-	50,000	50,000	-	50,000
Old Dominion University	50,000	-	50,000	50,000	-	50,000
University of Virginia	50,000	-	50,000	50,000	-	50,000
Virginia Commonwealth University	50,000	-	50,000	50,000	-	50,000
Virginia Polytechnic Institute and State University	50,000	-	50,000	50,000	-	50,000
Other income	1,213	-	1,213	132	-	132
	<u>301,213</u>	<u>7,500,000</u>	<u>7,801,213</u>	<u>300,132</u>	<u>5,000,000</u>	<u>5,300,132</u>
Net Assets Released from Restrictions						
Satisfaction of time restrictions	5,951,000	(5,951,000)	-	3,750,000	(3,750,000)	-
Total support and revenues	<u>6,252,213</u>	<u>1,549,000</u>	<u>7,801,213</u>	<u>4,050,132</u>	<u>1,250,000</u>	<u>5,300,132</u>
EXPENSES						
Program services	3,069,989	-	3,069,989	2,931,894	-	2,931,894
Management and general	51,542	-	51,542	95,326	-	95,326
Total expenses	<u>3,121,531</u>	<u>-</u>	<u>3,121,531</u>	<u>3,027,220</u>	<u>-</u>	<u>3,027,220</u>
Change in net assets	<u>3,130,682</u>	<u>1,549,000</u>	<u>4,679,682</u>	<u>1,022,912</u>	<u>1,250,000</u>	<u>2,272,912</u>
Net assets, beginning	5,107,737	8,750,000	13,857,737	4,084,825	7,500,000	11,584,825
Net assets, ending	<u>\$ 8,238,419</u>	<u>\$ 10,299,000</u>	<u>\$ 18,537,419</u>	<u>\$ 5,107,737</u>	<u>\$ 8,750,000</u>	<u>\$ 13,857,737</u>

The accompanying notes are an integral part of these financial statements.

**VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION
D/B/A VIRGINIA CATALYST
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2022 and 2021**

	2022			2021		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Accounting services	\$ -	\$ 30,951	\$ 30,951	\$ -	\$ 35,829	\$ 35,829
Consulting services	-	-	-	6,000	-	6,000
Employee benefits	24,402	-	24,402	35,891	1,889	37,780
Grant expenses	2,658,018	-	2,658,018	2,604,200	-	2,604,200
Legal expenses	-	14,132	14,132	-	27,262	27,262
Marketing and promotion	850	-	850	2,550	-	2,550
Meals and entertainment	500	-	500	-	-	-
Memberships and sponsorships	15,199	-	15,199	18,750	-	18,750
Miscellaneous	-	768	768	-	-	-
Office expenses	-	757	757	-	970	970
Parking	-	1,140	1,140	-	935	935
Payroll taxes	23,069	-	23,069	15,751	1,442	17,193
Occupancy	-	3,391	3,391	-	2,831	2,831
Bank charges	-	41	41	-	-	-
Salaries and wages	347,227	-	347,227	248,752	23,619	272,371
Telephone	-	362	362	-	549	549
Travel and lodging	724	-	724	-	-	-
	<u>\$ 3,069,989</u>	<u>\$ 51,542</u>	<u>\$ 3,121,531</u>	<u>\$ 2,931,894</u>	<u>\$ 95,326</u>	<u>\$ 3,027,220</u>

The accompanying notes are an integral part of these financial statements.

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION
D/B/A VIRGINIA CATALYST
STATEMENTS OF CASH FLOWS
Years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 4,679,682	\$ 2,272,912
<i>Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities</i>		
<i>Changes in operating assets</i>		
Pledges receivable	(3,750,000)	3,800,000
Prepaid conference expenses	(13,850)	-
<i>Changes in operating liabilities</i>		
Accounts payable	111,568	(83,027)
Deferred conference revenue	1,350	-
Net cash and cash equivalents provided by operating activities	<u>1,028,750</u>	<u>5,989,885</u>
Cash and cash equivalents, beginning	<u>9,960,465</u>	<u>3,970,580</u>
Cash and cash equivalents, ending	<u>\$ 10,989,215</u>	<u>\$ 9,960,465</u>

The accompanying notes are an integral part of these financial statements.

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION D/B/A VIRGINIA CATALYST

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Nature of Organization and Summary of Significant Accounting PoliciesNature of organization

Virginia Biosciences Health Research Corporation d/b/a Virginia Catalyst (the Corporation) was organized as a not-for-profit corporation in 2013 and is operated for educational and research purposes. The mission of the Corporation is to foster life sciences research at universities located within the Commonwealth of Virginia by providing resources for partnering between public and private institutions and not-for-profit universities. The five founding institutions are Eastern Virginia Medical School, George Mason University, University of Virginia, Virginia Commonwealth University, and Virginia Polytechnic Institute and State University. Old Dominion University was admitted in December 2013 and College of William & Mary was admitted in October 2016 and exited in July 2020. Research is to be centered in three focus areas: bioinformatics and medical informatics, point of care diagnostics, and drug discovery and delivery.

A summary of the Corporation's significant accounting policies follows:

Financial statement presentation

Under current accounting standards, the Corporation is required to report information regarding its financial position and activities according to two classes of assets: net assets without donor restrictions and net assets with donor restrictions. The net asset classes are summarized as follows:

Net assets without donor restrictions include board designated and other funds without donor restrictions. The funds without donor restrictions include revenue and expenses used currently for the general operations of the Corporation. Contributions that are with donor restrictions are reported as increases in net assets without donor restrictions if the donor restrictions expire in the fiscal year in which the contributions are recognized.

Net assets with donor restrictions include contributions restricted by donor designation or time restrictions and are reported as increases in net assets with donor restrictions. When a restriction expires either with the passage of time or by actions of the Corporation, contributions with donor restrictions are released and reclassified to net assets without donor restrictions. Net assets with donor restrictions consist of pledged contributions due in future years and contributions designated for use in COVID-19 research.

Cash and cash equivalents

The Corporation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

(Continued)

7

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION D/B/A VIRGINIA CATALYST

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)Pledges receivable

Pledges are recognized when the donor makes a promise to give to the Corporation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue recognition

The Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue.

Contributions, including unconditional promises to give are scoped out of ASC 606 and are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and, therefore, are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Expense recognition and allocation

The cost of providing the Corporation's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and wages and payroll taxes are allocated based on activity reports prepared by key personnel.

Every three years, or more often when new programs are added, the bases on which costs are allocated are evaluated.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Corporation.

(Continued)

8

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION D/B/A VIRGINIA CATALYST

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Income taxes

The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not classified as a Private Foundation.

The Financial Accounting Standards Board issued guidance on accounting for uncertainty in income taxes. Management evaluated the Corporation's tax positions and concluded that the Corporation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

The Corporation includes penalties and interest assessed by income taxing authorities in management and general expenses. The Corporation did not have penalties and interest relating to income taxes for the years ended June 30, 2022 and 2021.

Classification of transactions

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses are reported as decreases in net assets without donor restrictions.

Note 2. Concentration of Credit Risk

The Corporation maintains its cash balances in one financial institution and the accounts, at times, may exceed federally insured limits. As of June 30, 2022 and 2021, the cash in the bank exceeded the federally insured limit by \$10,739,215 and \$9,710,465, respectively. The Corporation maintains its funds at a national bank and feels that the risk of loss is minimal.

(Continued)

9

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION D/B/A VIRGINIA CATALYST

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 3. Concentration of Revenue

For the year ended June 30, 2022 and 2021, the Corporation received the majority of its funding from appropriations approved by the General Assembly of the Commonwealth of Virginia. Funding is typically granted for a two-year period as stipulated in the budget of the Commonwealth. These funds were net assets with donor restrictions and are released based on time. The funding is used to support the mission of the Corporation to capture and perform research in biosciences, as well as promote the development of bioscience infrastructure tools which can be used to facilitate additional research activities.

Note 4. Pledged Contributions Receivable

The Corporation's policy is to record only written pledged contributions receivable. Management estimates that no allowance for doubtful accounts is required.

The pledged contributions receivable as of June 30, 2022 and 2021, are as follows:

	<u>2022</u>	<u>2021</u>
Commonwealth of Virginia	\$ 7,500,000	\$ 3,750,000
Eastern Virginia Medical School	50,000	50,000
George Mason University	50,000	50,000
Old Dominion University	50,000	50,000
University of Virginia	50,000	50,000
Virginia Commonwealth University	50,000	50,000
Virginia Polytechnic Institute and State University	50,000	50,000
	<u>\$ 7,800,000</u>	<u>\$ 4,050,000</u>
	<u>2022</u>	<u>2021</u>
Amounts expected to be received in:		
Less than one year	\$ 4,050,000	\$ 4,050,000
One to five years	3,750,000	-
	<u>\$ 7,800,000</u>	<u>\$ 4,050,000</u>

(Continued)

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION D/B/A VIRGINIA CATALYST

NOTES TO FINANCIAL STATEMENTS
June 30, 2022**Note 5. Liquidity and Availability**

Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of June 30, 2022 and 2021 are:

	2022	2021
Financial assets at year-end:		
Cash and cash equivalents	\$ 10,989,215	\$ 9,960,465
Pledges receivable	7,800,000	4,050,000
Total financial assets	<u>18,789,215</u>	<u>14,010,465</u>
Less financial assets held to meet donor-imposed restrictions:		
Purpose restricted net assets (Note 6)	(2,799,000)	(5,000,000)
Less board designations:		
Operating reserves	(180,000)	(180,000)
Pledges due in one to five years	<u>(3,750,000)</u>	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 12,060,215</u>	<u>\$ 8,830,465</u>

The board designation for operation reserves is in place to ensure the Corporation's ongoing and future viability to withstand the impact of economic downturns and invest in strategic opportunities. The Corporation only holds liquid assets consisting of cash and cash equivalents. The Corporation uses a budgeting process to manage its cash flow and liquidity needs.

Note 6. Net Assets with Donor Restrictions

As of June 30, 2022 and 2021, net assets with donor restrictions are available for the following purposes or periods:

	2022	2021
Purpose restrictions, available for spending:		
Covid-19 Research	\$ 2,799,000	\$ 5,000,000
Time restrictions:		
Contributions receivable, which are unavailable for spending until due	7,500,000	3,750,000
Total net assets with donor restrictions	<u>\$ 10,299,000</u>	<u>\$ 8,750,000</u>

(Continued)

11

VIRGINIA BIOSCIENCES HEALTH RESEARCH CORPORATION D/B/A VIRGINIA CATALYST

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Covid-19

On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it be a pandemic. COVID-19 and actions to mitigate it have had, and may continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Corporation operates. The extent to which the COVID-19 pandemic may impact operating results, financial condition, and cash flows will depend on future developments, which are highly uncertain and cannot be predicted as of the date of this report. The Corporation is adequately capitalized and continues to evaluate operational impacts and implement mitigation tactics where possible and necessary.

Note 8. Subsequent Events

Management has evaluated subsequent events through September 29, 2022, the date which the financial statements were available for issue.

C.3 Fiscal Year 2023: Pro Forma Budget

Virginia Biosciences Health Research Corporation Fiscal Year 2023 Budget									
	Fiscal Year 2023					Fiscal Year 2022			
	Proposed Budget	Budget Increase/ (Decrease)		Budget		Actual July 2021 - April 2022	Projected May 2022 - June 2022	Total	Over (Under) Budget
Income									
400500 · Program support	3,250,000	78.3%	-	3,250,000	80.2%	-	-	-	(3,250,000)
401000 · General and admin support	500,000	12.0%	-	500,000	12.3%	-	-	-	(500,000)
400000 · Virginia General Assembly	3,750,000	90.3%	-	3,750,000	92.5%	-	-	-	(3,750,000)
420000 · Catalyst Conference	98,750	2.4%	98,750	-	0.0%	-	-	-	-
430000 · VIP Dinner	2,500	0.1%	2,500	-	0.0%	-	-	-	-
410000 · Member University Contributions									
411000 · Eastern Va Medical School	50,000	1.2%	-	50,000	1.2%	-	50,000	50,000	-
412500 · George Mason University	50,000	1.2%	-	50,000	1.2%	-	50,000	50,000	-
413100 · Old Dominion University	50,000	1.2%	-	50,000	1.2%	-	50,000	50,000	-
413000 · University of Virginia	50,000	1.2%	-	50,000	1.2%	-	50,000	50,000	-
412000 · Virginia Commonwealth	50,000	1.2%	-	50,000	1.2%	-	50,000	50,000	-
410500 · Virginia Tech	50,000	1.2%	-	50,000	1.2%	-	50,000	50,000	-
Total 410000 · Member University Contributions	300,000	7.2%	-	300,000	7.2%	-	300,000	300,000	-
440000 · Other Sources (Interest income)	-	-	-	-	-	110	22	132	132
Total Income	4,151,250	100.0%	98,750	4,050,000	99.7%	110	300,022	300,132	(3,749,868)
Expenses									
500000 · Program Expenses									
510000 · Collaborative Grant Program- Industry/Research Universities									
510800 · Round 8	-	0.0%	(10,000)	10,000	0.2%	10,000	-	10,000	-
510900 · Round 9	30,000	0.7%	30,000	-	0.0%	-	-	-	-
511000 · Round 10	83,000	2.0%	(437,000)	520,000	12.8%	546,000	-	546,000	26,000
511100 · Round 11	1,042,700	25.1%	(487,100)	1,529,800	37.8%	487,100	-	487,100	(1,042,700)
511200 · Round 12	1,000,000	24.1%	-	1,000,000	24.7%	621,717	170,000	791,717	(208,283)
511300 · Round 13	1,500,000	36.1%	1,250,000	250,000	6.2%	-	-	-	(250,000)
511901 · C1901 PBM-UVA	-	0.0%	(345,000)	345,000	8.5%	310,500	-	310,500	(34,500)
511902 · C1902 ReAlta-ODU	-	0.0%	(1,356,000)	1,356,000	33.5%	-	-	-	(1,356,000)
511903 · C1903-Serpin-UVA	-	0.0%	(500,000)	500,000	12.3%	250,000	-	250,000	(250,000)
Total 510000 · Collaborative Grant Program- Industry/Research Universities	3,655,700	88.0%	(1,855,100)	5,510,800	136.0%	2,225,317	170,000	2,395,317	(3,115,483)
590000 · Support and development									
590100 · Salaries and Benefits									
590110 · Salaries and Wages	362,250	8.7%	7,250	355,000	8.8%	289,727	67,500	357,227	2,227
590120 · Payroll Taxes	25,350	0.6%	(1,808)	27,158	0.7%	18,670	4,400	23,070	(4,088)
590130 · Other Benefits	24,000	0.6%	(402)	24,402	0.6%	20,402	4,000	24,402	-
Total 590000 · Salaries and Benefits	411,600	9.9%	5,040	406,560	10.1%	328,799	75,900	404,699	(1,861)
590200 · Program development									
590210 · Advertising/press releases	2,500	0.1%	-	2,500	0.1%	850	-	850	(1,650)
590220 · Marketing and promotion	-	0.0%	-	-	0.0%	-	-	-	-
590230 · Conferences	7,500	0.2%	-	7,500	0.2%	-	-	-	(7,500)
590240 · Meals and Entertainment	1,000	0.0%	-	1,000	0.0%	500	-	500	(500)
590250 · Memberships and sponsorships	20,000	0.5%	-	20,000	0.5%	15,199	5,000	20,199	199
590280 · Other program development exp	-	0.0%	-	-	0.0%	-	-	-	-
590270 · Consulting fees	-	0.0%	-	-	0.0%	-	-	-	-
590260 · Travel and lodging	2,000	0.0%	-	2,000	0.0%	-	-	-	(2,000)
Total 590200 · Program development	33,000	0.8%	-	33,000	0.8%	16,549	5,000	21,549	(11,451)
Total 590000 · Support and development	444,600	10.7%	5,040	439,560	10.9%	345,348	80,900	426,248	(13,312)
Total 500000 · Program Expenses	4,100,300	98.7%	(1,850,060)	5,950,360	146.9%	2,570,665	250,900	2,821,565	(3,128,795)

**Virginia Biosciences Health Research Corporation
Fiscal Year 2023 Budget**

	Fiscal Year 2023			Fiscal Year 2022					
	Proposed Budget	Budget Increase/ (Decrease)	Budget	Actual July 2021 - April 2022	Projected May 2022 - June 2022	Total	Over (Under) Budget		
600000 · General and administrative									
604000 · Accounting services	22,469	0.5%	-	22,469	0.6%	16,630	5,000	21,630	(839)
606000 · Audit and tax returns	13,200	0.3%	650	12,550	0.3%	6,160	5,500	11,660	(890)
608000 · Board of Directors Expense	1,000	0.0%	-	1,000	0.0%	-	400	400	(600)
611100 · Catalyst Conference	97,200	2.3%	97,200	-	0.0%	-	-	-	-
611000 · VIP Dinner	4,950	0.1%	4,950	-	0.0%	-	-	-	-
615000 · Dues and Subscriptions	545	0.0%	-	545	0.0%	-	-	-	(545)
612000 · Web Site	425	0.0%	-	425	0.0%	93	-	93	(332)
616000 · Insurance	500	0.0%	-	500	0.0%	384	-	384	(116)
617000 · Legal Expenses	20,000	0.5%	-	20,000	0.5%	10,769	-	10,769	(9,231)
629000 · Miscellaneous operating expens	-	0.0%	-	-	0.0%	-	-	-	-
618000 · Office and Computer Supplies	1,000	0.0%	-	1,000	0.0%	537	-	537	(463)
619000 · Rent	3,474	0.1%	-	3,474	0.1%	2,791	600	3,391	(83)
621000 · Parking	1,140	0.0%	-	1,140	0.0%	950	190	1,140	-
622000 · Postage	100	0.0%	-	100	0.0%	-	100	100	-
624000 · Telephone	1,000	0.0%	-	1,000	0.0%	-	-	-	(1,000)
Total 600000 · General and administrative	167,003	3.8%	102,800	64,203	1.5%	38,313	11,790	50,103	(14,100)
Total Expenses	4,267,303	102.5%	(1,747,260)	6,014,563	148.4%	2,608,979	262,690	2,871,669	(3,142,895)
NET INCOME	(116,053)	-2.5%	1,846,010	(1,964,563)	-48.7%	(2,608,869)	37,332	(2,571,537)	(606,974)

FY 2023 Notes

Cash on Hand	Cash on Hand for Awards and Operating Expenses as of April 2022 is \$11.2M
400500 - Program support	\$6.5M pending approval with biennial FY23-24 budget. \$3.25M paid per year. Budget is \$3.25M to reflect FY 23 payout of 1/2 of biennial budget
401000 - General and admin support	\$1.0M pending approval with biennial FY23-24 budget. \$500K paid per year. Budget is \$500K to reflect FY 23 payout of 1/2 of biennial budget
511300 - Round 13	Total Award \$2,225,000 with payout expected over 18 months
590110 · Salaries and Wages	Reflects new salary for Suzanne. The salary is in-line with industry norms
590130 · Other Benefits	Suzanne's Health Insurance \$2,000 per month
604000 · Accounting services	Includes monthly accounting services and payroll fees
606000 · Audit and tax returns	Includes a \$650 (approx 5%) increase to match the previous year's increase
Conference and VIP Dinner	Detail for the Conference and VIP Dinner are located on the "Conference" and Leadership Dinner Tabs

Appendix D: Grant Funding Rounds

D.1 Summary of Awarded Projects to Date

Grant Round 1 – December 2013

Virginia Polytechnic Institute and State University
Virginia Commonwealth University

BioTherapeutics, Inc.

Blacksburg, VA

<https://www.biotherapeuticsinc.com/>

Company status: active

Jan 2020: publicly traded as: **Landos BioPharma**

<https://landosbiopharma.com/about-us/our-company/>

Development of novel anti-inflammatory drugs

University of Virginia
George Mason University

HemoShear Therapeutics, LLC

Charlottesville, VA

<https://www.hemoshear.com/>

Company status: active

Commercialization of a human tumor microenvironment system for pharmaceutical cancer drug discovery and development

Virginia Polytechnic Institute and State University
University of Virginia

FirstString Research, Inc.

Roanoke, VA; Headquarters Mt. Pleasant, SC

<https://firststringresearch.com/>

Company status: active

Novel regenerative drug

University of Virginia
Virginia Commonwealth University

Cavion (formerly Tau Therapeutics)
Charlottesville, VA and Cambridge, MA

<https://cavionpharma.com/>

Company status: active

Determining the optimal dosing schedule for the commercialization of mibefradil in front-line glioblastoma

Grant Round 2 – March 2014

**University of Virginia
Virginia Commonwealth University**

Neoantigenics, Inc.

Charlottesville, VA

<https://www.linkedin.com/company/neoantigenics-inc./>

Company status: inactive

UVA-VCU partnership to develop radioimmunotherapeutic and imaging agents to a unique cell-surface target relevant for multiple human cancers

**Virginia Commonwealth University
University of Virginia**

Gencia, LLC

Charlottesville, VA

<http://genciabiotech.com/>

Company status: inactive

Reversing bioenergetic deficits and improving cognitive function in Alzheimer's Disease

**Virginia Polytechnic Institute and State University
University of Virginia**

SphynKx Therapeutics, LLC

Charlottesville, VA

<https://www.linkedin.com/company/sphynkx-therapeutics/>

Company status: inactive

Lead optimization of a SphK2 inhibitor for the treatment of CKD

**Eastern Virginia Medical School
University of Virginia**

LifeNet Health

Global Headquarters: Virginia Beach, VA

<https://www.lifenethealth.org/>

Company status: active

Enhancement of healing in diabetic wounds using a decellularized dermal matrix

Grant Round 3 – August 2014

**Virginia Commonwealth University
Old Dominion University**

Ultrasonic Probe, LLC

Glen Allen, VA

Company status: inactive

Ultrasonographic probe

**Virginia Polytechnic Institute and State University
University of Virginia**

PhenoCHIP Technologies, LLC
(formerly Proteo Biosciences)
Blacksburg, VA

Company status: inactive

<https://govtribe.com/vendor/phenochip-technologies-llc-blacksburg-va>

PhenoCHIP-phenotype-based cell hierarchy and isolation platform

**Old Dominion University
Eastern Virginia Medical School**

OncoSec Medical, Inc
San Diego, CA and Pennington, NJ
<https://oncosec.com/>

Company status: active

Biomarker-driven optimization of IL-12 gene electrotransfer for the treatment of melanoma

Grant Round 4 – August 2015

**Virginia Polytechnic Institute and State University
University of Virginia**

FirstString Research, Inc.
Roanoke, VA and Mt. Pleasant, SC
<https://firststringresearch.com/>

Company status: active

Clinical trial of new drug in dogs to treat brain cancer in humans

**Old Dominion University
Eastern Virginia Medical School
Embody, LLC**

Norfolk, VA
<https://embody-inc.com/>

Company status: active

Nanofabrication of tissue scaffolds

**Virginia Polytechnic Institute and State University
Virginia Commonwealth University**

BioTherapeutics, Inc.
Blacksburg, VA
<https://www.biotherapeuticsinc.com/>

Company status: active
Created Spin-off, public traded: **Landos BioPharma**
<https://landosbiopharma.com/about-us/our-company/>

Optimizing oral delivery of BT-11 as a clinical candidate for treating inflammatory bowel disease

**Virginia Commonwealth University
University of Virginia**

BrightSpec
Charlottesville, VA
<http://brightspec.com/>

Company status: active

Three wave mixing technique for chiral analysis in continuous process manufacturing

**George Mason University
Virginia Polytechnic Institute and State University**

Ceres Nanosciences, Inc.
Manassas, VA
<http://www.ceresnano.com/>

Company status: active

Nanotrap® tick-panel test development

Grant Round 5 – December 2015

**University of Virginia
George Mason University
Yale University**

Cavion
Charlottesville, VA and Cambridge, MA
<https://cavionpharma.com/>

Company status: active

Development of a biomarker assay and protocol for the commercialization of mibefradil dihydrochloride as a first-line treatment for glioblastoma

**Virginia Polytechnic Institute and State University
University of Virginia**

VoltMed, Inc.
Blacksburg, VA
<https://voltmeddevices.com/>

Company status: active

INSPIRE to fight brain cancer

Grant Round 6 – October 2016

**Virginia Polytechnic Institute and State University
University of Virginia
VoltMed, Inc.**

Company status: active

Blacksburg, VA
<https://www.linkedin.com/company/voltmed-inc./>

Commercialization of INSPIRE brain cancer treatment

**Virginia Polytechnic Institute and State University
Virginia Commonwealth University**

BioTherapeutics, Inc.

Blacksburg, VA

<https://www.biotherapeuticsinc.com/>

Company status: active

Development of BT-11: First-in-class oral therapeutic for Inflammatory Bowel Disease

**George Mason University
Virginia Commonwealth University**

Serpin Parma, LLC

Manassas, VA

<http://www.serpinpharma.com/>

Company status: active

Novel and potent anti-inflammatory drug with cardio-protective effects to treat myocardial injury and prevent heart failure

**Eastern Virginia Medical School
George Mason University**

Sanyal Biotechnology, LLC

Virginia Beach, VA

<https://www.sanyalbio.com/>

Company status: active

Merged with: MetabAxis, Richmond, VA

<https://metabaxis.com/>

Accelerating the commercialization of the Diamond™ mouse model of Nonalcoholic Steatohepatitis

**Old Dominion University
Eastern Virginia Medical School**

Pulse Biosciences, Inc.

Hayward, CA

<http://pulsebiosciences.com/>

Company status: active

Translational research with nanosecond pulsed electric fields for immuno-oncology applications

**Virginia Commonwealth University
University of Virginia**

Propagenix, Inc.

Rockville, MD

<http://www.propagenix.com/>

Company status: active

Bioengineering for the therapeutic delivery of massively expanded islet-derived human beta-cells

Grant Round 7 – July 2017

**Virginia Commonwealth University,
Virginia Polytechnic Institute and State University
Inova
George Mason University**

Indivior, PLC
Richmond, VA
<http://indivior.com/>

Company status: active

Novel Preventive Treatment Paradigm to Change the Standard of Care for Those Who Recover from Opioid Overdose

**Virginia Polytechnic Institute and State University
University of Virginia
Carilion**

BRAINBox Solutions
(Parent company: ImmunArray)
Richmond, VA
<https://brainboxinc.com/>

Company status: active

Virginia Brain Injury Diagnosis and Monitoring Initiative

**Eastern Virginia Medical School
Virginia Commonwealth University**

ReAlta Life Sciences, LLC
Norfolk, VA
<https://www.sbir.gov/sbirsearch/detail/1430737>

Company status: active

Development of peptide inhibitor of complement C1 as treatment for neonatal hypoxic-ischemic encephalopathy

Grant Round 8 – May 2018

**Old Dominion University
University of Virginia**

Embody, LLC

Company status: active

Vienna, VA
<https://govtribe.com/vendor/embody-llc-vienna-va>

Biofabrication of Regenerative Musculoskeletal Therapeutics

**Virginia Polytechnic Institute and State University
University of Virginia**

Continuum Biosciences, Inc.

Company status: active

Blacksburg, VA

<https://continuumbio.com/>

Development and commercialization of mitochondrial uncouplers

**Virginia Commonwealth University
University of Virginia
Virginia Polytechnic Institute and State University**

BrightSpec, Inc.

Company status: active

Charlottesville, VA

<http://brightspec.com/>

A major new chiral analysis technique for new drug discovery, development, and process control

**Virginia Commonwealth University
George Mason University**

Serpin Pharma, LLC

Company status: active

Manassas, VA

<http://www.serpinpharma.com/>

Novel anti-inflammatory drug: strong neuroprotective properties for treat of traumatic brain injury

**Old Dominion University
Eastern Virginia Medical School**

LifeNet Health

Company status: active

Global Headquarters: Virginia Beach, VA

<https://www.lifenethealth.org/>

Tissue preparations for therapeutic use in cardiovascular applications

**Virginia Commonwealth University
University of Virginia**

WynnVision, LLC

Company status: active

Richmond, VA

<https://www.wynnvision.com/>

Preventing Catheter Associated Infections

Grant Round 9 – May 2019

Virginia Polytechnic Institute and State University
University of Virginia

AgroSpheres, Inc.

Company status: active

Charlottesville, VA
<https://www.agrospheres.com/>

AgroSpheres-Enabled Biological Fungicide

Virginia Commonwealth University
University of Virginia
Virginia Polytechnic Institute and State University

BrightSpec, Inc.

Company status: active

Charlottesville, VA
<http://brightspec.com/>

Rapid Drug Development Using Molecular Rotational Resonance (MRR) for Structure Analysis

University of Virginia
George Mason University

Ceres Nanosciences, Inc.

Company status: active

Manassas, VA
<https://www.ceresnano.com/>

Nanotrap[®] Liquid Biopsy Collection Device (LBC) for Cancer Diagnostics

University of Virginia
Eastern Virginia Medical School

Perthera, Inc

Company status: active

McLean, VA
<https://perthera.com/>

Implementation and Clinical Impact of a Next Generation Precision Oncology Platform

Grant Round 10 – January 2020

Virginia Polytechnic Institute and State University
University of Virginia

CytoRecovery, Inc.

Company status: active

Blacksburg, VA
<https://www.cytorecovery.com/>

Microsystem for Label-Free Separation and Recovery of Tumor-Associated Cells from Biopsies for Precision Medicine

**Virginia Commonwealth University
University of Virginia**

InterLeukin Combinatorial Therapies, Inc. **Company status: active**
Richmond, VA
<https://aim-hiaccelerator.org/ilct/>

Commercializing a Novel Treatment for Metastatic Cancers

**University of Virginia
Virginia Polytechnic Institute and State University**

Lytos Technologies, LLC **Company status: active**
Charlottesville, VA
<https://www.lytotech.com/>

Design and Implementation of Green, Enzymatic Biofungicides for Pre- and Post-Harvest Crop Protection

**George Mason University
Virginia Polytechnic Institute and State University**

Monet Pharmaceuticals **Company status: active**
Manassas, VA
<https://opengovus.com/sam-entity/116975682>

Protein Painting of PD-1/PD-L1 for the Discovery of New Immune Checkpoint Inhibitors for the Treatment of Lung Cancer and Brain Metastasis

**University of Virginia
Virginia Commonwealth University**

RIVANNA Medical, LLC **Company status: active**
Charlottesville, VA
<https://rivannamedical.com/>

Automated 3D spinal navigation system for bedside lumbar puncture procedures

**Eastern Virginia Medical School
Virginia Commonwealth University**

Tympanogen, Inc. **Company status: active**
Richmond, VA
<http://www.tympanogen.com/>

Development of an applicator and training simulator for a gel patch for nonsurgical eardrum repair

Grant Round 11 – October 2020

**University of Virginia
Virginia Commonwealth University**

Contraline, Inc.

Charlottesville, VA

<http://www.contraline.com/>

Company status: active

Clinical Translation of a Male Contraceptive Procedure

**George Mason University
Eastern Virginia Medical School**

ISOThrive, Inc.

Healdsburg, CA

<https://pharma.iso thrive.com/>

Company status: active

Clinical Trial of Maltosyl-isomaltooligosaccharide (MIMO) to treat Gastroesophageal Reflux Disease (GERD), a Dysbiotic Infectious Disease, and its effect on Dysbiosis-Induced Carcinogenic Inflammation

**Virginia Commonwealth University
Old Dominion University**

Meru Biotechnologies, Inc.

Richmond, VA

<https://www.merubio.com/>

Company status: active

Innovative Bioanalytical Instrument for Improving Drug Discovery

Grant Round 12 – September 2021

**Virginia Polytechnic Institute and State University
University of Virginia**

Agrospheres, Inc.

Charlottesville, VA

<https://www.agrospheres.com/>

Company status: active

[June 2022: Partnership with Bayer](#)

Optimization and Commercialization of Environmentally-Sustainable Biofungicides

**University of Virginia
Virginia Commonwealth University**

Icarus Medical Innovations

Charlottesville, VA

<https://icarusmedical.com/>

Company status: active

Design Automation for Scaled Manufacturing of Advanced Custom Orthopedic Braces

**Eastern Virginia Medical School
Virginia Commonwealth University**

Tympanogen
Richmond, VA
<https://www.tympanogen.com/>

Company status: active

Pilot Study to Evaluate a Non-Surgical Gel Patch for Eardrum Repair in Human Patients

Grant Round 13 – May 2022

**University of Virginia
Virginia Commonwealth University**

Contraline, Inc.
Charlottesville, VA
<http://www.contraline.com/>

Company status: active

Development of a Medical Device for Intraluminal Implantations of a Male Contraceptive Hydrogel

**Virginia Commonwealth University
George Mason University**

Pascal Medical Corporation
Richmond, VA
<https://pascalmed.com/>

Company status: active

Orthopedic Surgical Site Infection Prevention via Controlled, Sustained, Targeted and Localized Antibiotic Releasing Click Hydrogel

**University of Virginia
Virginia Commonwealth University
Virginia Polytechnic Institute and State University**

Slate Bio, Inc.
Richmond, VA
<https://slatebio.com/>

Company status: active

Development of a First-in-Class Bifunctional Fusion Cytokine Therapy that Targets T_{regs} and Tissue Resident T_{regs} for the Treatment of Lupus and other Autoimmune Diseases

**University of Virginia
Virginia Commonwealth University**

SoundPipe Therapeutics
Charlottesville, VA
<https://www.sound-pipe.com/>

Company status: active

Preparing an Ultrasound Enhanced Drug Delivery System for First-in-Human

D.2 Summary of Economic Returns to Date

Collaborators	Amount of Grant Award	Matching Funds	Follow on Funding	Job Creation (FTE)
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Grand Round 1 - December 2013

VT, VCU	BioTherapeutics Inc. Blacksburg, VA	\$400,000	\$400,000	\$10,000,000	15
UVA, VCU	Tau Therapeutics (Cavion LLC) Charlottesville, VA	\$200,000	\$238,000	\$26,100,000	2.5
VT, UVA	First String Research Roanoke, VA and Mt. Pleasant, SC	\$200,000	\$1,000,000	\$3,000,000	10
UVA, GMU	HemoShear LLC Charlottesville, VA	\$450,000	\$800,000	\$14,000,000	12
Subtotal Round 1		\$1,250,000	\$2,438,000	\$53,100,000	39.5

Grand Round 2 - March 2014

VCU, UVA	Gencia, LLC Charlottesville, VA	\$400,000	\$400,000	\$8,800,000	2
UVA, VCU	Neoantigenics LLC Charlottesville, VA	\$348,729	\$2,000,000	\$3,000,000	1
VT, UVA	SphynKx Therapeutics Charlottesville, VA	\$400,000	\$400,000	\$150,000	4
EVMS, UVA	LifeNet Health Virginia Beach, VA	\$255,000	\$255,000	\$5,000	3
Subtotal Round 2		\$1,403,729	\$3,055,000	\$11,955,000	10

Grand Round 3 - August 2014

VT, UVA	PhenoCHIP Blacksburg, VA	\$270,000	\$386,000	\$450,000	5
ODU, EVMS	OncoSec Medical San Diego, CA	\$585,000	\$2,750,000	\$8,700,000	3.5
VCU, ODU	US Probe Glen Allen, VA	\$406,000	\$536,000	\$450,000	5.5
Subtotal Round 3		\$1,261,000	\$3,672,000	\$9,600,000	5

Grand Round 4 - August 2015

GMU, VT	Ceres Nanosciences Manassas, VA	\$500,000	\$500,000	\$5,000,000	13
VT, UVA	First String Research Roanoke, VA and Mt. Pleasant, SC	\$290,000	\$500,000	\$3,500,000	2
ODU, EVMS	Embody LLC Norfolk, VA	\$634,500	\$725,000	\$3,600,000	5

Collaborators		Amount of Grant Award	Matching Funds	Follow on Funding	Job Creation (FTE)
VT, VCU	BioTherapeutics Inc. Blacksburg, VA	\$400,000	\$400,000	\$2,500,000	14
UVA, VCU	BrightSpec, Inc Charlottesville, VA	\$400,000	\$400,000	\$2,150,000	6
Subtotal Round 4		\$2,224,500	\$2,525,000	\$16,750,000	27

Grand Round 5 - December 2015

UVA, GMU	Cavion Charlottesville, VA	\$306,985	\$352,862	\$26,100,000	2.5
VT, UVA	VoltMed, Inc. Blacksburg, VA	\$380,000	\$1,200,000	\$2,000,000	12
Subtotal Round 5		\$686,985	\$1,552,862	\$28,100,000	14.5

Grand Round 6 - October 2016

VT, UVA	VoltMed, Inc. Blacksburg, VA	\$800,000	\$800,000	\$3,894,000	8
VT, VCU	BioTherapeutics Inc. Blacksburg, VA	\$800,000	\$800,000	\$188,000,000	12
GMU, VCU	Serpin Pharma Manassas, VA	\$400,000	\$400,000	\$2,700,000	4.5
EVMS, GMU	Sanyal Biotechnology Virginia Beach, VA	\$100,000	\$100,000	\$580,000	3
ODU, EVMS	Pulse Biosciences Burlingame, CA	\$300,000	\$300,000	\$5,361,863	2
VCU, UVA	Propagenix Rockville, MD	\$425,000	\$1,200,000	\$220,000	1
Subtotal Round 6		\$2,825,000	\$3,600,000	\$200,755,863	29.5

Grand Round 7 - July 2017

VCU, VT, Inova	Indivior, Inc. Richmond, VA	\$500,000	\$500,000	\$0	2
UVA, VT, Carilion	BRAINBox, LLC Richmond, VA	\$500,000	\$500,000	\$0	2
EVMS, VCU	ReAlta Life Sciences, LLC Norfolk, VA	\$400,000	\$400,000	\$12,000,000	4
Subtotal Round 7		\$1,400,000	\$1,400,000	\$12,000,000	8

Grand Round 8 - June 2018

VCU-UVA-VT	BrightSpec, Inc. Charlottesville, VA	\$400,000	\$400,000	\$1,850,000	2
VT, UVA	Continuum Biosciences, Blacksburg, VA	\$400,000	\$800,000	\$4,289,000	9
ODU, UVA	Embodly, LLC Norfolk, VA	\$800,000	\$2,400,000	\$950,000	5
ODU, EVMS	LifeNet Health Virginia Beach, VA	\$250,000	\$250,000	\$0	3

Collaborators		Amount of Grant Award	Matching Funds	Follow on Funding	Job Creation (FTE)
GMU, VCU	Serpin Pharma Manassas, VA	\$350,000	\$350,000	\$2,600,000	2
VCU, UVA	WynnVision, LLC Richmond, VA	\$510,000	\$1,491,266	\$2,616,107	5
Subtotal Round 8		\$2,710,000	\$5,691,266	\$12,305,107	26

Grand Round 9 - April 2019

open	VT, UVA	AgroSpheres, Inc. Charlottesville, VA	\$600,000	\$600,000	\$8,800,000	9
	VCU, UVA, VT	BrightSpec, Inc. Charlottesville, VA	\$400,000	\$400,000	\$5,800,000	5
	UVA, GMU	Ceres Nanoscience, Inc. Manassas, VA	\$600,000	\$1,200,000	\$14,700,000	4
	UVA, EVMS	Perthera, Inc. McLean, VA	\$500,000	\$1,000,000	\$0	2
Subtotal Round 9		\$2,100,000	\$3,200,000	\$29,300,000	20	

Grand Round 10 - October 2019

open	VT, UVA	CytoRecovery, Inc. Blacksburg, VA	\$400,000	\$400,000	\$1,426,000	9
	VCU, UVA	InterLeukin Combiinatorial Therapies, Inc. Richmond, VA	\$700,000	\$700,000	\$2,715,000	15
	UVA, VT	Lytos Technologies, LLC Charlottesville, VA	\$500,000	\$500,000	\$310,000	3
	GMU, UVA	Monet Pharmaceuticals Nokesville, VA	\$400,000	\$400,000	\$0	0
	UVA, VCU	RIVANNA Charlottesville, VA	\$800,000	\$800,000	\$19,425,340	16
	EVMS, VCU	Tympanogen Richmond, VA	\$500,000	\$1,500,000	\$1,325,000	3
Subtotal Round 10		\$3,300,000	\$4,300,000	\$25,201,340	46	

Grand Round 11 - October 2020

open	UVA, VCU	Contraline Charlottesville, VA	\$600,000	\$1,005,000	\$7,200,000	4
open	GMU, EVMS, UVA	ISOThrive Healdsburg, CA	\$800,000	\$3,200,000	\$0	3
open	VCU, ODU	Meru Richmond, VA	\$700,000	\$700,000	\$1,089,000	7
Subtotal Round 11		\$2,100,000	\$4,905,000	\$8,289,000	14	

Collaborators	Amount of Grant Award	Matching Funds	Follow on Funding	Job Creation (FTE)
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Grand Round 12 - September 2021

open	VT, UVA	AgroSpheres, Inc. Charlottesville, VA	\$600,000	\$1,900,000	\$0	7
open	UVA, VCU	Icarus Medical Innovations Charlottesville, VA	\$600,000	\$600,000	\$325,000	15
open	EVMS, VCU	Tympanogen, Inc. Richmond, VA	\$737,369	\$737,369	\$0	0
		Subtotal Round 12	\$1,937,369	\$3,237,369	\$325,000	22

Grand Round 13 - May 2022

open	UVA, VCU	Contraline, Inc. Charlottesville, VA	\$700,000	\$700,000	\$0	0
open	VCU, GMU	Pascal Medical Corp. Richmond, VA	\$375,000	\$430,000	\$0	0
open	UVA, VCU, VT	Slate Bio, Inc. Charlottesville, VA	\$575,000	\$575,000	\$0	0
open	UVA, VCU	SoundPipe Therapeutics Charlottesville, VA	\$600,000	\$1,243,000	\$0	0
		Subtotal Round 9	\$2,250,000	\$2,948,000	\$0	0

	Amount of Grant Award	Matching Funds	Follow on Funding	Job Creation
Totals:	\$25,448,583	\$42,524,497	\$407,681,310	262

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D.3 Summary of COVID-19 Grant Round

D.3.a. Members of Subject Matter Expert Consultant Panel

The following individuals were selected by the Virginia Catalyst Board of Directors to serve as subject matter experts (SME) for purposes of conducting the COVID-19 Grant Round:

- **Antonio Abbte, MD, PhD**
'Roberts' Professor of Cardiology,
 Medical Director Clinical Research Unit
 Associate Director of the *'Write'* Center for Clinical and Translational Research
 Virginia Commonwealth University, Richmond, VA

- **Carla Finkelstein, PhD**
 Scientific Director, Molecular Diagnostics Laboratory
 Fralin Biomedical Research Institute, Roanoke, VA

- **Arun Sanyal, MD**
 Professor of Medicine, Associate Director Education Core Center for Clinical and
 Translational Research
 Virginia Commonwealth University, Richmond, VA

- **Paul Skolnik, MD, FACP, FIDSA**
 Chair and Professor of Medicine, Virginia Tech Carilion
 Senior Vice President, Carilion Clinic, Roanoke, VA

D.3.b. Summary of Awarded Projects

University of Virginia

PBM C19 Research, LLC
 Charlottesville, VA

Company status: active
 Completed project

Clinical Trial of Dupilumab to Block IL-13 in Severe COVID-19

Old Dominion University

ReAlta Life Sciences
 Norfolk, VA
<https://realtalifesciences.com/>

Company status: active
 Team closed project prior to disbursements

RLS-0071 to Treat Acute Lung Injury Related to COVID-19

University of Virginia

Serpin Pharma, LLC
 Manassas, VA
<https://serpinpharma.com/>

Company status: active
 Open project, progressing towards Milestones

SP16 as a Therapeutic for SARS-CoV-2 Induced ARDS

D.3.c. Summary of Economic Returns to Date

Collaborators	Amount of Grant Award	Matching Funds	Follow on Funding	Job Creation (FTE)
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COVID-19 Grant Round

UVA	PBM C19 Research, LLC Charlottesville, VA	\$345,000	\$345,000	\$1,000,000	2
ODU	ReAlta Life Sciences Norfolk, VA	\$3,390,000	\$3,390,000	\$0	0
EVMS, VCU	Serpin Pharma, LLC Manassas, VA	\$1,250,000	\$2,350,000	\$2,440,778	0
Total COVID-19 Round		\$4,985,000	\$6,085,000	\$3,440,778	2

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Appendix E: Press Releases

E.1 Grant Round 12: Awarded Projects



FOR IMMEDIATE RELEASE

Media Contact:

A.J. Guenther
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Virginia Catalyst Awards \$1.9 Million in Grants to Support Life Sciences in the Commonwealth

Three collaborative projects involving Virginia research universities and industry selected to address major unmet healthcare needs, drive economic growth in Virginia

RICHMOND, VA – October 28, 2021 – The Virginia Catalyst, also known as the Virginia Biosciences Health Research Corporation (VBHRC), today announced that it has awarded \$1.9 million in grants to three life and bioscience projects in the Commonwealth of Virginia. These grants, which will be met with significant matching funds from partner companies, were awarded through Grant Round 12 of Virginia Catalyst’s ongoing mission to stimulate economic development by promoting collaborative projects that address large, unmet needs for improving human health, and that can create high-paying jobs in the Commonwealth.

“We are excited to continue our mission of supporting collaborations and fostering economic growth in Virginia’s life sciences, enabling the Commonwealth to compete on a national and global scale,” said Mike Grisham, CEO, Virginia Catalyst. “The critical mass achieved by these collaborations provides Virginia with competitive advantages over other states and has resulted in significant outside capital being invested to finance the commercialization of Virginia’s innovations and create significant high-paying jobs for the Commonwealth.”

Through this 12th round of funding, Virginia Catalyst has awarded 49 grants totaling \$24 million, resulting in over \$44 million in matching funds and an additional \$250 million in follow-on funding to date.

The awards, which range from \$200,000 to \$800,000, help fund collaborative efforts between industry and Virginia research universities with the goal of:

- Funding innovative, collaborative, translational research projects that elevate the level of sponsored research at Virginia’s universities and have the potential to significantly improve human health and create high value jobs in the Commonwealth
- Accelerating commercialization of Virginia research university inventions and discoveries and to achieve competitive critical mass through robust collaborations of Virginia research universities and industry

Grant Round 12 project awardees:

Project: Optimization and commercialization of environmentally-sustainable biofungicides

- Company: [AgroSpheres, Inc.](#) (Charlottesville, VA)
- University collaborators: Virginia Tech and University of Virginia

- Funding amount: \$600,000

Project: Design automation for scaled manufacturing of advanced custom orthopedic braces

- Company: [Icarus Medical Innovations](#) (Charlottesville, VA)
- University collaborators: University of Virginia and Virginia Commonwealth University
- Funding amount: \$600,000

Project: Pilot study to evaluate a nonsurgical gel patch for eardrum repair in human patients

- Company: [Tympanogen](#) (Richmond, VA)
- University collaborators: Eastern Virginia Medical School and Virginia Commonwealth University
- Funding amount: \$737,369

Supporting Quotes

"AgroSpheres is grateful for the continued support from VA Catalyst. Our first award from Virginia Catalyst helped seed our innovative RNAi-based biofungicide. The successful execution of the grant cemented us as a leader in developing the next generation of environmentally friendly crop health products. With Round 12 funding, the AgroSpheres research team led by Ameer Shakeel will continue working collaboratively with Dr. Kester of UVA and Dr. Sherif of Virginia Tech to field test a broad-spectrum fungicide that is better for the environment. We are excited to recruit Dr. Taghavi of Virginia State University (VSU), one of the top HBCUs in the country, to evaluate the post-harvest control of our biofungicide. Her expertise in postharvest disease models will help us tackle another major global problem: food waste. Virginia is becoming an innovative hub for AgBiotech thanks to our state-of-the-art research facilities, thriving, inclusive entrepreneurial ecosystem, and hardworking farmers. This award will help accelerate our path to regulatory approval."

– Payam Pourtaheri, Co-Founder and Chief Executive Officer of AgroSpheres

"Icarus is honored to receive the prestigious Catalyst award. We'd like to thank the Catalyst staff and our partners at VCU, UVA and the VA for their support and involvement. We'd also like to recognize our talented and brilliant team of engineers, fabricators, salespeople, and support staff, who are inventing solutions to the most complex problems every day, as well as our stakeholders. Icarus is advancing the state of knee brace technology by combining rapid 3D-scanning from a phone, design automation, and rapid 3D-printing. The result is a customized brace with superior function and quality that helps those with osteoarthritis live a more active and healthier lifestyle. Knee osteoarthritis impacts nearly 1/10th of the population, and for many people, this translates into a reduced quality of life, increase in comorbidities, and shortened lifespan. We are fortunate to have a mission that directly improves the quality of life for millions."

– Dave Johnson, Chief Executive Officer and Founder of Icarus Medical Innovations

"We are honored to have Virginia Catalyst's continued support for a technology that will transform patient care. With our grant partners EVMS and VCU, we look forward to kicking off our first-in-human study with the Perf-Fix Otologic Gel Patch for nonsurgical eardrum repair. This grant will accelerate the growth of a Virginia medical device company and help eliminate a common surgery."

– Elaine Horn-Ranney, PhD, Co-Founder and Chief Executive Officer of Tympanogen

About Virginia Catalyst

Virginia Biosciences Health Research Corporation (VBHRC), doing business as Virginia Catalyst, has a vision of advancing life sciences throughout Virginia as a means of addressing large unmet medical needs to improve human health and to create high-paying jobs throughout the Commonwealth. Funded by the Virginia General Assembly's General fund, the University of Virginia, Virginia Commonwealth University, Virginia Tech, Eastern Virginia Medical School, George Mason University, and Old Dominion University. Virginia Catalyst has funding opportunities to support collaborative projects in the Commonwealth. For more information, visit www.virginiacatalyst.org.

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E.2 Grant Round 13: Call for Proposals



FOR IMMEDIATE RELEASE

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Virginia Catalyst Announces Round 13 of Grant Funding
Could you use \$200,000 to \$800,000 in a Non-Dilutive Grant?

RICHMOND, VA – December 9, 2021– The Virginia Catalyst, also known as the Virginia Biosciences Health Research Corporation (VBHRC), today announced that it is accepting letters of intent (LOI) for Grant Round 13 to fund the development and commercialization of life science projects that address major unmet needs for improving human health and advance Virginia’s economy.

“When you combine world class research with entrepreneurial management and capital, then stir, good things happen,” said Mike Grisham, CEO of Virginia Catalyst. “We are looking for passionate research scientists and entrepreneurial leaders in high-growth life science businesses in Virginia who could use \$200,000 to \$800,000 in non-dilutive grant funding to further a project that improves human health and advances economic development in the Commonwealth. Our Grant Round 13 is now open, and we strongly encourage interested parties to visit the [Virginia Catalyst website](#) and apply.”

[Letters of Intent \(LOI\)](#) must be received by March 1, 2022 at 5:00 PM EST. Projects that meet funding criteria will be invited to submit a full application by April 10, 2022. Applications will be reviewed and scored by an independent review team of scientists, venture capitalists and CEOs of Virginia-based life science companies. The top eight applicant teams will be invited to present their proposal the week of May 16, 2022. Awards will be announced at the end of May 2022. The LOI submission form, along with funding criteria and frequently asked questions, are available on the Virginia Catalyst website (www.virginiacatalyst.org/apply.html).

We encourage all interested applicant teams to view our webinar that was co-hosted by Virginia Catalyst and Virginia Bio. This webinar featured an expert panel, facilitated by Mike Grisham, CEO of Virginia Catalyst, to share what it takes to score highly, get funding and position your company and research university for significant follow-on funding from large corporations, venture capitalists, DARPA, NIH and philanthropic foundations. This webinar can be viewed, and the slides downloaded on the home page of Virginia Catalyst at: <https://www.virginiacatalyst.org/>

Cumulatively through the first twelve funding rounds, Virginia Catalyst has dedicated a total of \$24 million for 49 collaborative projects. Together, these projects have created over 200 new jobs and have attracted an additional \$250 million of investment capital from venture capital, private equity, corporations and government agencies including DARPA, NIH and NSF. We are proud to continue supporting research investigators and entrepreneurs in achieving value for Virginia and the nation.”

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End of VBHRC Virginia Catalyst: Annual Report FY22