



December 18, 2023

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

Dear Director Maul:

Enclosed please find the REVISED third Quarterly Report for FY2023 for the Virginia Innovation Partnership Authority. The attached report fulfills the requirements of the Item 127.C.2 of the 2023 Special Session I, Virginia Acts of Assembly.

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

Sincerely,

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

Susan Aitcheson
CFO
Center for Innovative Technology

cc: The Honorable Caren Merrick, Secretary of Commerce and Trade
The Honorable Janet D Howell, Co-Chair, Senate Finance & Appropriations Committee
The Honorable George Barker, Co-Chair, Senate Finance & Appropriations Committee
The Honorable Barry Knight, Chair, House Appropriations Committee
Ms. Anne Oman, Staff Director, House Appropriations Committee
Ms. April Kees, Staff Director, Senate Finance & Appropriations Committee
Ms. Toni Walker, Associate Director, Department of Planning and Budget
Ms. Samantha Martin, Budget and Policy Analyst, Department of Planning and Budget
Dr. Rita Roy, VIPA and VIPC Board of Directors Chair
Mr. Rob Quartel, VIPC Board of Directors Finance Committee Chair

Item 127.C.2.a

Fiscal Year 2023 Quarter 3
March 31, 2023

Financial Performance

Virginia Innovation Partnership Authority
BUDGET ANALYSIS
For the Nine Months Ended March 31, 2023

(In Thousands)			(In Thousands)		
ACTUAL - Jul through Mar 2023			FORECASTED -Fiscal Year 2023		
Actual	Budget	Variance	Forecast	Budget	Variance
Revenue					
\$ 42,572	\$ 31,756	\$ 10,816	\$ 47,650	\$ 42,341	\$ 5,309
65	2	63	95	3	92
<u>42,637</u>	<u>31,758</u>	<u>10,879</u>	<u>47,745</u>	<u>42,344</u>	<u>5,401</u>
Expenses					
3	2	1	3	3	-
12,856	12,743	113	16,909	16,991	(82)
<u>29,716</u>	<u>19,013</u>	<u>10,703</u>	<u>30,741</u>	<u>25,350</u>	<u>5,391</u>
<u>42,575</u>	<u>31,758</u>	<u>10,817</u>	<u>47,653</u>	<u>42,344</u>	<u>5,309</u>
Consolidated Revenue, Expenses and Changes in Net Position					
42,637	31,758	10,879	47,745	42,344	5,401
<u>42,575</u>	<u>31,758</u>	<u>10,817</u>	<u>47,653</u>	<u>42,344</u>	<u>5,309</u>
62	-	62	92	-	92
<u>2,529</u>	<u>2,593</u>	<u>(64)</u>	<u>2,529</u>	<u>2,593</u>	<u>(64)</u>
<u>\$ 2,591</u>	<u>\$ 2,593</u>	<u>\$ (2)</u>	<u>\$ 2,621</u>	<u>\$ 2,593</u>	<u>\$ 28</u>

Virginia Innovation Partnership Corporation
BUDGET ANALYSIS
For the Nine Months Ended March 31, 2023

	(In Thousands)			(In Thousands)		
	ACTUAL YTD - Jul through Mar 2023			FORECASTED - FY2023 (June 30)		
	Actual	Budget	Variance	Forecast	Budget	Variance
Commonwealth Projects Funded by Appropriation & Other Revenue						
Revenue						
Commonwealth Appropriation - General Fund	\$ 12,856	\$ 12,743	\$ 113	\$ 16,909	\$ 16,991	\$ (82)
Interest, Sponsorship, Return on Investments & Misc. Income	4,872	113	4,759	5,141	150	4,991
Total Revenue	17,728	12,856	4,872	22,050	17,141	4,909
Expenses						
Commercialization Division	8,297	11,316	(3,019)	14,252	16,972	(2,720)
Investment Division	8,718	9,797	(1,079)	9,769	12,690	(2,921)
Entrepreneurial Ecosystems Division	1,135	1,791	(656)	2,128	2,667	(539)
Strategic Initiatives	2,005	952	1,053	1,438	1,286	152
Unmanned Systems	1,378	1,453	(75)	1,833	1,951	(118)
Activities Funded by Building Sale Proceeds	-	3,596	(3,596)	2,045	3,596	(1,551)
Policy, Communications and Commonwealth Engagement	1,134	1,475	(341)	1,540	1,951	(411)
Petersburg Founders Fund	-	-	-	577	-	577
(Over)/Underapplied Indirects	(2,219)	(2,214)	(5)	(1,691)	(3,078)	1,387
Total Expenses	20,448	28,166	(7,718)	31,891	38,035	(6,144)
	(2,721)	(15,310)	12,590	(9,841)	(20,894)	11,053
Strategic Initiatives and Other Funding Provided by Contracts & Grants						
Program Revenue - DHS Commercial First Innovation™	3,082	-	3,082	3,490	-	3,490
Program Expense	2,854	-	2,854	3,232	-	3,232
Profit/(Loss)	228	-	228	258	-	258
Program Revenue - VDEM iFLOWS	175	500	(325)	571	500	71
Program Expense	175	500	(325)	571	500	71
Profit/(Loss)	-	-	-	-	-	-
Program Revenue - VDEM VISA AO	66	-	66	200	-	200
Program Expense	66	-	66	200	-	200
Profit/(Loss)	-	-	-	-	-	-
Program Revenue - SSBCI	2,222	-	2,222	5,274	-	5,274
Program Expense	2,222	-	2,222	5,274	-	5,274
Profit/(Loss)	-	-	-	-	-	-
Program Revenue - EDA Planning Grant	129	-	129	298	-	298
Program Expense	129	-	129	298	-	298
Profit/(Loss)	-	-	-	-	-	-
Program Revenue - Fairfax Founders Fund	22	-	22	45	-	45
Program Expense	19	-	19	38	-	38
Profit/(Loss)	3	-	3	7	-	7
Program Revenue - SBA FAST 2022	47	53	(6)	107	53	54
Program Expense	47	53	(6)	107	53	54
Profit/(Loss)	-	-	-	-	-	-
Program Revenue	5,743	553	5,190	9,985	553	9,432
Program Expenses	5,512	553	4,959	9,720	553	9,167
Net	231	-	231	265	-	265
Consolidated Revenue, Expenses and Changes in Net Position						
Revenue	23,471	13,409	10,062	32,035	17,694	14,341
Expenses	25,960	28,719	(2,759)	41,261	38,588	2,673
Expenses - Capital Leases (Interest & Depreciation)	260	-	260	350	-	350
Change in Net Position	(2,749)	(15,310)	12,561	(9,576)	(20,894)	11,318
Beginning Net Position	73,140	71,417	1,723	73,140	71,417	1,723
Ending Net Position	\$ 70,391	\$ 56,107	\$ 14,284	\$ 63,564	\$ 50,523	\$ 13,041

Virginia Innovation Partnership Corporation
Fiscal Year 2023 Q4 Forecast

	Operating Funds		Designated Funds							Total
	COV	Other	COV							
	Discretionary Operating	Grants & Contracts	Commercialization Division	Investment Division	Entrepreneurial Ecosystems Division	Strategic Initiatives Fund	Unmanned Systems Fund	Petersburg Founders Fund	Building Sale Proceeds for Opp Fund/ 127.0	
(In Thousands)										
Beginning Balance at 7/1/2022	\$ 1,169	\$ 980	\$ 33,013	\$ 11,586	\$ 4,327	\$ 233	\$ 1,154	\$ -	\$ 20,678	\$ 73,140
Transfer			\$	\$ (500)			\$	\$ 500		
REVENUE										
General Fund Appropriation	\$ 3,809		\$ 5,000	\$ 3,100	\$ 3,000	\$ 1,000	\$ 1,000			\$ 16,909
Interest, Sponsorship, Return on Investment	\$ 1,068		\$ 971	\$ 2,928	\$ 162		\$ 12			\$ 5,141
Contracts & Grants		\$ 9,985								\$ 9,985
Total Revenue	\$ 4,877	\$ 9,985	\$ 5,971	\$ 6,028	\$ 3,162	\$ 1,000	\$ 1,012	\$ -	\$ -	\$ 32,035
EXPENSES AND TRANSFERS										
Operating and Designated Programs	\$ 4,915		\$ 12,320	\$ 7,736	\$ 1,834	\$ 1,233	\$ 1,581	\$ 500	\$ 1,772	\$ 31,891
Contracts & Grants		\$ 9,720								\$ 9,720
Transfers and Indirect Application to Designated Programs	\$ (745)	\$ 245	\$ 260	\$ 164	\$ 39				\$ 37	\$ -
Total Expenses	\$ 4,170	\$ 9,965	\$ 12,580	\$ 7,900	\$ 1,873	\$ 1,233	\$ 1,581	\$ 500	\$ 1,809	\$ 41,611
Net Change	\$ 707	\$ 20	\$ (6,609)	\$ (1,872)	\$ 1,289	\$ (233)	\$ (569)	\$ (500)	\$ (1,809)	\$ (9,576)
Forecasted Ending Balance at 6/30/2023	\$ 1,876	\$ 1,000	\$ 26,404	\$ 9,214	\$ 5,616	\$ -	\$ 585	\$ -	\$ 18,869	\$ 63,564

Designated Funds are amounts which are to be spent on a specific purpose stated in the Appropriation Act with the exception of the Petersburg Founders Fund, which is designated as part of Governor Youngkin's "Partnership for Petersburg" Initiative

Item 127.C.2.b

**Fiscal Year 2023 Quarter 3
March 31, 2023**

Investments & Grants

Virginia Innovation Partnership Corporation
Investments & Grants Made and Return on Prior Investments
For the nine months ended March 31, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Investments made Virginia Venture Partners (VVP):</u>			
Investment in 39 companies	\$ 6,854,949.54	\$ 5,400,000.00	\$ 1,454,949.54
<u>Return on Prior Investments, including gains and losses:</u>			
Returns from 7 companies	\$ 579,443.01	\$ -	\$ 579,443.01
<u>Grants Made:</u>			
Commonwealth Commercialization Fund (CCF)	\$ 5,897,596.00	\$ 8,228,928.00	\$ (2,331,332.00)
Grants to 114 companies			
1st tranche payments to 90 companies			
2nd tranche payments to 23 companies			
3rd tranche payment to 1 company			
Regional Innovation Fund (RIF)	\$ 425,000.00	\$ 950,003.00	\$ (525,003.00)
Grants to 5 companies			
1st tranche payments to 3 companies			
2nd tranche payments to 2 companies			

Item 127.C.2.c

Fiscal Year 2023 Quarter 3
March 31, 2023

Financial & Programmatic
Performance of Operating
Entities Owned by VIPC

**No Operating Entities Owned
during FY23 Q3**