



February 7, 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 second Quarterly Report for FY2023 for the Virginia Innovation Partnership Authority. The attached report fulfills the requirements of the Item 127.C.2 of the 2022 Special Session I, Virginia Acts of Assembly.

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

Sincerely,

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

Susan Aitcheson  
CFO  
Center for Innovative Technology

cc: The Honorable Caren Merrick, Secretary of Commerce and Trade  
The Honorable Janet D Howell, Co-Chair, Senate Finance & Appropriations Committee  
The Honorable George L. 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. Barbara Boyan, VIPC Board of Directors Chair  
Mr. Rob Quartel, VIPC Board of Directors Finance Committee Chair

**Item 127.C.2.a**

**Fiscal Year 2023 Quarter 2  
December 31, 2022**

**Financial Performance**

Virginia Innovation Partnership Authority  
**BUDGET ANALYSIS**  
For the Six Months Ended December 31, 2022

(In Thousands)			(In Thousands)		
<b>ACTUAL - Jul through Dec 2022</b>			<b>FORECASTED -Fiscal Year 2023</b>		
<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Forecast</b>	<b>Budget</b>	<b>Variance</b>
<b>Revenue</b>					
\$ 28,462	\$ 21,171	\$ 7,291	\$ 42,341	\$ 42,341	\$ -
36	2	34	70	3	67
<u>28,498</u>	<u>21,173</u>	<u>7,325</u>	<u>42,411</u>	<u>42,344</u>	<u>67</u>
<b>Expenses</b>					
3	2	1	3	3	-
8,521	8,496	25	16,991	16,991	-
19,941	12,675	7,266	25,350	25,350	-
<u>28,465</u>	<u>21,173</u>	<u>7,292</u>	<u>42,344</u>	<u>42,344</u>	<u>-</u>
<b>Consolidated Revenue, Expenses and Changes in Net Position</b>					
28,498	21,173	7,325	42,411	42,344	67
28,465	21,173	7,292	42,344	42,344	-
33	-	33	67	-	67
2,529	2,593	(64)	2,529	2,593	(64)
<u>\$ 2,562</u>	<u>\$ 2,593</u>	<u>\$ (31)</u>	<u>\$ 2,596</u>	<u>\$ 2,593</u>	<u>\$ 3</u>

Virginia Innovation Partnership Corporation  
**BUDGET ANALYSIS**  
For the Six Months Ended December 31, 2022

**Commonwealth Projects Funded by Appropriation & Other Revenue**

(In Thousands)			(In Thousands)		
<b>ACTUAL - Jul through Dec 2022</b>			<b>FORECASTED - Fiscal Year 2023</b>		
<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Forecast</b>	<b>Budget</b>	<b>Variance</b>
<b>Revenue</b>					
\$ 8,521	\$ 8,496	\$ 25	\$ 16,909	\$ 16,991	\$ (82)
1,536	75	1,461	2,281	150	2,131
<u>10,057</u>	<u>8,571</u>	<u>1,486</u>	<u>19,190</u>	<u>17,141</u>	<u>2,049</u>
<b>Expenses</b>					
5,155	6,673	(1,518)	15,087	16,972	(1,885)
7,277	6,884	393	11,033	12,690	(1,657)
624	1,261	(637)	2,241	2,667	(426)
1,546	595	951	1,530	1,286	244
907	718	189	2,145	1,951	194
-	1,798	(1,798)	2,840	3,596	(756)
657	992	(335)	1,918	1,951	(33)
-	-	-	599	-	599
(1,380)	(1,238)	(142)	(3,662)	(3,078)	(584)
<u>14,786</u>	<u>17,683</u>	<u>(2,897)</u>	<u>33,731</u>	<u>38,035</u>	<u>(4,304)</u>
<u>(4,729)</u>	<u>(9,112)</u>	<u>4,383</u>	<u>(14,541)</u>	<u>(20,894)</u>	<u>6,353</u>

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

<b>Strategic Initiatives</b>					
2,168	-	2,168	3,544	-	3,544
2,007	-	2,007	3,282	-	3,282
<u>161</u>	<u>-</u>	<u>161</u>	<u>262</u>	<u>-</u>	<u>262</u>
104	500	(396)	574	500	74
104	500	(396)	574	500	74
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
38	-	38	200	-	200
38	-	38	200	-	200
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Investment Division</b>					
-	-	-	7,701	-	7,701
-	-	-	7,701	-	7,701
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other</b>					
-	-	-	262	-	262
-	-	-	262	-	262
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
47	53	(6)	121	53	68
47	53	(6)	121	53	68
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,357	553	1,804	12,402	553	11,849
2,196	553	1,643	12,140	553	11,587
<u>161</u>	<u>-</u>	<u>161</u>	<u>262</u>	<u>-</u>	<u>262</u>

**Consolidated Revenue, Expenses and Changes in Net Position**

12,414	9,124	3,290	31,592	17,694	13,898
16,982	18,236	(1,254)	45,871	38,588	7,283
169	-	169	350	-	350
(4,737)	(9,112)	4,374	(14,629)	(20,894)	6,265
73,140	71,417	1,723	73,140	71,417	1,723
<u>\$ 68,403</u>	<u>\$ 62,306</u>	<u>\$ 6,097</u>	<u>\$ 58,511</u>	<u>\$ 50,523</u>	<u>\$ 7,988</u>

**Virginia Innovation Partnership Corporation**  
**Fiscal Year 2023 Q3 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)										
<b>Beginning Balance at 7/1/2022</b>	\$ 1,169	\$ 980	\$ 33,013	\$ 11,586	\$ 4,327	\$ 233	\$ 1,154	\$ -	\$ 20,678	\$ 73,140
<b>Transfer</b>			\$	\$(500)			\$	\$ 500		
<b>REVENUE</b>										
General Fund Appropriation	\$ 3,809	\$	\$ 5,000	\$ 3,100	\$ 3,000	\$ 1,000	\$ 1,000	\$	\$ -	\$ 16,909
Interest, Sponsorship, Return on Investment	\$ 855	\$ -	\$ 810	\$ 480	\$ 136	\$ -				\$ 2,281
Contracts & Grants		\$ 12,402								\$ 12,402
<b>Total Revenue</b>	\$ 4,664	\$ 12,402	\$ 5,810	\$ 3,580	\$ 3,136	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ 31,592
<b>EXPENSES AND TRANSFERS</b>										
Operating and Designated Programs	\$ 5,786	\$	\$ 12,422	\$ 7,907	\$ 1,813	\$ 1,233	\$ 1,753	\$ 500	\$ 2,667	\$ 34,081
Contracts & Grants		\$ 12,140								\$ 12,140
Transfers and Indirect Application to Designated Programs		\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenses</b>	\$ 5,786	\$ 12,140	\$ 12,422	\$ 7,907	\$ 1,813	\$ 1,233	\$ 1,753	\$ 500	\$ 2,667	\$ 46,221
<b>Net Change</b>	\$ (1,122)	\$ 262	\$ (6,612)	\$ (4,327)	\$ 1,323	\$ (233)	\$ (753)	\$ (500)	\$ (2,667)	\$ (14,629)
<b>Forecasted Ending Balance at 6/30/2023</b>	\$ 47	\$ 1,242	\$ 26,401	\$ 6,759	\$ 5,650	\$ -	\$ 401	\$ -	\$ 18,011	\$ 58,510

**Item 127.C.2.b**

**Fiscal Year 2023 Quarter 2  
December 31, 2022**

**Investments & Grants**

**Virginia Innovation Partnership Corporation**  
**Investments & Grants Made and Return on Prior Investments**  
**For the six months ended December 31, 2022**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b><u>Investments made Virginia Venture Partners (VVP):</u></b>			
Investment in 29 companies	\$ 4,704,949.75	\$ 3,800,000.00	\$ 904,949.75
<b><u>Return on Prior Investments, including gains and losses:</u></b>			
Returns from 5 companies	\$ 475,046.92	\$ -	\$ 475,046.92
<b><u>Grants Made:</u></b>			
Commonwealth Commercialization Fund (CCF)	\$ 2,041,524.00	\$ 4,756,428.00	\$ (2,714,904.00)
Grants to 84 companies			
1st tranche payments to 59 companies			
2nd tranche payments to 24 companies			
3rd tranche payment to 1 company			
Regional Innovation Fund (RIF)	\$ 100,000.00	\$ -	\$ 100,000.00
2nd tranche payment to 1 company			

Item 127.C.2.c

Fiscal Year 2023 Quarter 2  
December 31, 2022

Financial & Programmatic  
Performance of Operating  
Entities Owned by VIPC

**No Operating Entities Owned  
during FY23 Q2**