



October 30, 2024

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 first Quarterly report for FY2025 for the Virginia Innovation Partnership Authority. The attached report fulfills the requirements of Item 115.C.2 of the 2024 Special Session I, Virginia Acts of Assembly.

If you have any questions, please call me at 703-989-5497.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brandon Thorne", is written over a light blue horizontal line.

Brandon Thorne
CFO
Virginia Innovation Partnership Corporation

cc: The Honorable Caren Merrick, Secretary of Commerce and Trade
The Honorable L. Louise Lucas, Chair, Senate Finance & Appropriations Committee
The Honorable Luke E. Torian, 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. Chris Long, VIPC Board of Directors Finance Committee Chair

Item 115.C.2.a

Fiscal Year 2025 Quarter 1
September 30, 2024

Financial Performance

Virginia Innovation Partnership Authority
BUDGET ANALYSIS
For the Three Months Ended September 30, 2024

	in thousands			in thousands		
	ACTUAL YTD - Jul through Sep 2024			FORECASTED -Fiscal Year 2025 (June 30)		
	Actual	Budget	Variance	Forecast	Budget	Variance
Revenue						
Commonwealth Appropriation - General Fund	\$ 13,434	\$ 15,872	\$ (2,438)	\$ 63,489	\$ 63,489	\$ -
Interest & Misc. Income	36	31	5	125	125	-
Total Revenue	13,470	15,904	(2,434)	63,614	63,614	-
Expenses						
VIPA Administrative Expense	4	3	1	4	3	1
Appropriation Transfers to VIPC	4,284	4,262	23	17,136	17,136	-
Appropriation Disbursements to Centers of Excellence and USLS	9,150	11,588	(2,438)	46,353	46,353	-
Total Expenses & Transfers	13,438	15,853	(2,415)	63,493	63,492	1
Consolidated Revenue, Expenses and Changes in Net Position						
Revenue	13,470	15,904	(2,434)	13,470	63,614	-
Expenses	13,438	15,853	(2,415)	13,438	63,492	1
Change in Net Position	32	51	(19)	32	122	(1)
Beginning Net Position	2,791	2,622	169	2,791	2,622	169
Ending Net Position	\$ 2,823	\$ 2,673	\$ 150	\$ 2,823	\$ 2,744	\$ 168

Virginia Innovation Partnership Corporation
BUDGET ANALYSIS
For the Three Months Ended September 30, 2024

	in thousands			in thousands		
	<u>Fiscal Year 2025 (September 30)</u>			<u>FORECASTED - Fiscal Year 2025 (June 30)</u>		
	Actual	Budget	Variance	Forecast	Budget	Variance
Commonwealth Projects Funded by Appropriation & Other Revenue						
Revenue						
Commonwealth Appropriation - General Fund	\$ 4,284	\$ 4,284	\$ -	\$ 17,136	\$ 17,136	\$ -
Interest, Sponsorship, Return on Investments & Misc. Income	1,047	944	103	3,942	3,776	166
Total Revenue	5,331	5,228	103	21,078	20,912	166
Expenses						
Commercialization Division	1,036	2,000	(964)	9,522	9,795	(273)
Investment Division	1,177	1,738	(560)	7,773	6,950	823
Entrepreneurial Ecosystems Division	781	1,215	(434)	3,481	3,545	(64)
Strategic Initiatives	181	323	(142)	1,146	1,135	11
Unmanned Systems	329	329	-	1,115	1,122	(7)
Activities Funded by Building Sale Proceeds	-	1,332	(1,332)	4,505	4,993	(488)
Corporate and Other	309	462	(153)	1,777	1,888	(111)
(Over)/Underapplied Indirects	793	84	709	883	335	548
Total Expenses	4,606	7,483	(2,876)	30,202	29,763	439
	725	(2,255)	2,979	(9,124)	(8,851)	(273)
Contracts & Grants						
Program Revenue - DHS Commercial First Innovation™	477	2,721	(2,244)	1,982	2,721	(739)
Program Expense	442	2,520	(2,078)	1,836	2,520	(684)
Profit/(Loss)	35	201	(166)	146	201	(55)
Program Revenue - SSBCI	2,181	17,373	(15,192)	17,373	17,373	-
Program Expense	2,181	17,373	(15,192)	17,373	17,373	-
Profit/(Loss)	-	-	(0)	-	-	-
Program Revenue - EDA Planning Grant	-	22	(22)	64	22	42
Program Expense	-	22	(22)	64	22	42
Profit/(Loss)	-	-	-	-	-	-
Program Revenue - Fairfax Founders Fund	-	10	(10)	2	10	(8)
Program Expense	-	8	(8)	2	8	(6)
Profit/(Loss)	-	2	(2)	-	2	(2)
Program Revenue - SBA FAST	33	39	(6)	155	39	116
Program Expense	33	39	(6)	155	39	116
Profit/(Loss)	-	-	-	-	-	-
Program Revenue - DOAV Advanced Air Mobility Site Selection	-	-	-	1,000	-	1,000
Program Expense	-	-	-	1,000	-	1,000
Profit/(Loss)	-	-	-	-	-	-
Program Revenue	2,690	20,165	(17,475)	20,576	20,165	411
Program Expenses	2,656	19,962	(17,306)	20,430	19,962	468
Net	34	203	(169)	146	203	(57)
Consolidated Revenue, Expenses and Changes in Net Position						
Revenue	8,021	25,393	(17,372)	41,654	41,077	577
Expenses	7,262	27,445	(20,182)	50,632	49,725	907
Change in Net Position	759	(2,052)	2,810	(8,978)	(8,648)	(330)
Beginning Net Position	75,453	72,688	2,765	75,453	72,688	2,765
Ending Net Position	\$ 76,212	\$ 70,636	\$ 5,575	\$ 66,475	\$ 64,040	\$ 2,435

VIPC | FY2025 Q2 Forecast (3 Months Actual + 9 Months Forecast)

	Operating Funds				Designated Funds							Total
	COV	Other			COV							
	Corporate	Grants & Contracts	Investment Division		Commercialization Division	Entrepreneurial Ecosystems Division	Strategic Initiatives Fund	Unmanned Systems Fund	Building Sale Proceeds for Opp Fund/ 127.0			
SSBCI			VVP									
(In Thousands)												
Beginning Balance at 7/1/2024	\$ 2,640	\$ 1,500	\$ -	\$ 15,326	\$ 27,958	\$ 7,711	\$ 281	\$ 174	\$ 19,863	\$ 75,453		
REVENUE												
General Fund Appropriation	\$ 4,036			\$ 3,100	\$ 5,000	\$ 3,000	\$ 1,000	\$ 1,000		\$ 17,136		
Interest, Sponsorship, Return on Investment	\$ 1,917			\$ 156	\$ 1,501	\$ 358	\$ 10			\$ 3,942		
Federal and State Grants & Contracts		\$ 3,203	\$ 17,373							\$ 20,576		
Total Revenue	\$ 5,953	\$ 3,203	\$ 17,373	\$ 3,256	\$ 6,501	\$ 3,358	\$ 1,010	\$ 1,000	\$ -	\$ 41,654		
EXPENSES AND TRANSFERS												
Operating and Designated Programs	\$ 6,822			\$ 3,514	\$ 1,176	\$ 817	\$ 1,010	\$ 1,000	\$ 4,500	\$ 18,839		
Investments/Grants			\$ 17,373	\$ 1,703	\$ 7,360	\$ 2,300				\$ 28,736		
Federal and State Grants & Contracts Operating Expenses		\$ 3,057	\$ -							\$ 3,057		
Transfers and Indirect Application to Designated Programs	\$ (500)	\$ 250		\$ 61	\$ 100	\$ 36			\$ 53	\$ -		
Total Expenses	\$ 6,322	\$ 3,307	\$ 17,373	\$ 5,278	\$ 8,636	\$ 3,153	\$ 1,010	\$ 1,000	\$ 4,553	\$ 50,632		
Net Change	\$ (369)	\$ (104)	\$ -	\$ (2,022)	\$ (2,135)	\$ 205	\$ -	\$ -	\$ (4,553)	\$ (8,978)		
Forecasted Ending Balance at 6/30/2025	\$ 2,271	\$ 1,396	\$ -	\$ 13,304	\$ 25,823	\$ 7,916	\$ 281	\$ 174	\$ 15,310	\$ 66,475		

Designated Funds are amounts which are to be spent on a specific purpose stated in the Appropriation Act
VVP reflects administrative recovery for SSBCI program activity

Item 115.C.2.b

**Fiscal Year 2025 Quarter 1
September 30, 2024**

Investments & Grants

Virginia Innovation Partnership Corporation
Investments & Grants Made
For the three months ended September 30, 2024

	Actual	Budget	Variance
<u>Convertible Debt and Equity Investments made:</u>			
Virginia Venture Partners (VVP)			
Investment in 4 companies	\$ 205,000	\$ 240,000	\$ (35,000)
State Small Business Credit Initiative (SSBCI)			
3 direct investments in companies, 3 contributions to 3 different funds	\$ 2,180,818	\$ 2,478,000	\$ (297,182)
Each SSBCI direct investment is a co-investment with VVP			
90% SSBCI funds 10% VVP Funds			
<u>Grants Made:</u>			
Commonwealth Commercialization Fund (CCF)			
16 grants made to 12 recipients	\$ 684,486	\$ 1,470,000	\$ (785,514)
Regional Innovation Fund (RIF)			
5 grants made to 5 recipients	\$ 500,000	\$ 650,000	\$ (150,000)

Virginia Innovation Partnership Corporation
Return on Prior Investments
For the three months ended September 30, 2024

	Actual	Budget	Variance
<u>Return on Prior Investments, including realized gains and losses:</u>			
Returns from 1 company	\$ 6,243	\$ -	\$ 6,243

Item 115.C.2.c

Fiscal Year 2025 Quarter 1
September 30, 2024

Financial & Programmatic
Performance of Operating
Entities Owned by VIPC

**No Operating Entities Owned
during FY25 Q1**