

LEGISLATIVE REPORT
**BEN FRANKLIN TECHNOLOGY
DEVELOPMENT AUTHORITY**
MARCH 2018



*Texas Instruments Lehigh Valley,
Bethlehem, PA*

INTRODUCTION



Governor Wolf participates in a fireside chat with AOL Co-Founder, Steve Case, and Penn State University President, Eric Barron during the Rise of the Rest Tour, HMC in Harrisburg, PA

The Ben Franklin Technology Development Authority (BFTDA), established in 2001, is one of the largest and most widely recognized technology-based economic development programs in the country. The twenty-one member board is tasked with promoting an entrepreneurial business environment, advancing technology innovation, and helping to create a technology-ready workforce.

The BFTDA supported the following programs which infuse vital capital into the commonwealth's technology sector:

1. Ben Franklin Technology Partners
2. Innovate in PA - Venture Investment Program
3. Keystone Innovation Zone Program

By encouraging and coordinating strategic programs and investments, the BFTDA advances the competitiveness of Pennsylvania companies and universities in the global economy.

To learn more about each of the Ben Franklin Technology Partners' programs and assistance, please visit dced.pa.gov.

"Since day one, Governor Wolf has been firmly committed to developing our technology and innovation sector and creating family-sustaining jobs here in Pennsylvania. The Ben Franklin Technology Development Authority has proven to be a crucial element of that commitment."

- Secretary Davin

BFTDA 2017 IMPACT

1,637

COMPANIES
ASSISTED

189

NEW COMPANY
FORMATION

1,890

JOBS CREATED

11,580

JOBS RETAINED



\$19.7 MILLION

PUBLIC INVESTMENT

\$390 MILLION

PRIVATE INVESTMENT

\$3.1 BILLION

REVENUE EARNED

281

NEW PRODUCTS
COMMERCIALIZED

167

PATENTS AND
SOFTWARE COPYRIGHTS

\$165 MILLION

RDT&E EXPENDITURES

125

NEW INTERNAL
PROCESSES IMPLEMENTED

279

LICENSES GRANTED TO
OTHER PA COMPANIES

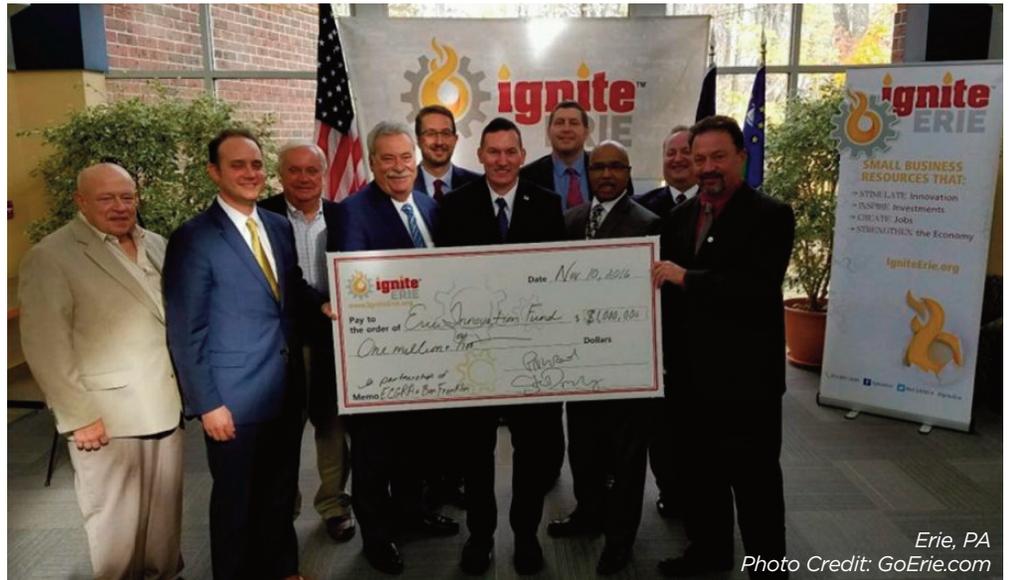


SUCCESS STORIES

BEN FRANKLIN TECHNOLOGY PARTNERS OF CENTRAL AND NORTHERN PA

Sphere Brakes, LLC

Sphere Brakes, LLC patented the air sphere service brake and the sphere brake driveline retarder both of which compete with air disc brakes, air drum brakes and electromechanical brake retarders in size, weight and performance. In addition to BF funding, the Transformation Business Services Network and the Innovation Partnership provided resources including mentoring on business planning, negotiating, and financial and strategic planning. The Center also helped foster relationships between other companies who have successfully received a SBIR Grant. The Innovation Partnership was instrumental in helping review the company's SBIR application draft and put the company in touch with a successful reviewer resulting in the award of a Phase 1 SBIR contract.



Erie, PA
Photo Credit: GoErie.com

BEN FRANKLIN TECHNOLOGY PARTNERS OF NORTHEASTERN PA

Rea.deeming Beauty

Rea.deeming Beauty manufactures the award-winning elliptical-shaped beautyblender® makeup applicator. Combining an innovative design and material, the applicator allows for streak-free makeup application and has gained wide market acceptance.

BFTP/NEP invested in the company in 2014-2017 and linked it with Lehigh University for plant design, operations support, and improvements in production capacity and efficiency. The result was a productivity increase of 28%.



Bethlehem, PA

The firm has increased revenue by a factor of seven over the last five years and now employs 123. It won the BFTP/NEP Entrepreneurial Achievement Award in 2016 and the Fastest Growing Company in the Lehigh Valley award for three years in a row, 2015-2017.

INNOVATION WORKS

Wombat Security Technologies

Wombat Security Technologies started as a CMU spinout in 2008 to create cybersecurity training software for employees. Now, Wombat employs roughly 200 people and is adding 75 to 100 new employees in 2018. Just acquired by Proofpoint for \$225 million dollars, Wombat's Pittsburgh location will be a source for new talent, product development, and a sales and customer service operation. When Innovation Works first invested in Wombat, the company was just a handful of technical founders and a few employees. Now, the company



occupies more than 30,000 square feet of office space in Pittsburgh's burgeoning Strip District, has raised nearly \$11 million dollars, and has thousands of customers around the globe.

BEN FRANKLIN TECHNOLOGY PARTNERS OF SOUTHEASTERN PA

Lia Diagnostics

Since receiving its initial \$50,000 investment in 2015, Lia Diagnostics has developed a biodegradable and water dispersible pregnancy test using novel materials and manufacturing techniques, creating clinical grade, visually readable diagnostics from cellulosic, nonwoven materials. Lia eliminates plastic, has no electronic readouts, costs less to produce, and provides privacy for its user.

Leveraging support of Ben Franklin's FabNet for prototype development, Mentor Connect for team development, and Ben Franklin investments for growth (\$600,000), Lia secured \$2.44M+ in investments and patents leading to its FDA approval in December 2017. With US-based manufacturing in its plans, including Philadelphia-based manufacturing for components, Lia will bring its product to market in 2018.



VENTURE INVESTMENT PROGRAM

In addition to the work being done through regional partners, the BFTDA took critical steps forward this year in financing the venture capital community in Pennsylvania.

The Innovate in PA – Venture Investment Program launched in 2015 to address financing needs of technology-oriented businesses located in Pennsylvania. The Department of Community & Economic Development generated revenue for the venture investment program through the sale of \$100 million in insurance premium tax credits. Additionally, the program operates pursuant to the statutory authority of the Ben Franklin Technology Development Authority.

Through the funds acquired from the Innovate in PA program, the BFTDA transmitted \$11 million to five venture capital firms across the state last year. This critical financing provides Pennsylvania companies with expanded access to vital early-stage capital. The following chart provides an overview of funding the BFTDA made in 2017.

The Venture Investment Program seeks to identify talented venture capital management teams. These teams deploy limited amounts of capital into efficiently-run start-ups. The small businesses that our venture managers back have the potential to transform industry sectors, thereby helping to promote a vibrant commonwealth economy.



Location: Bethlehem, PA
Loan Amount: \$4M
Investment Focus: tech-enabled businesses, advanced materials, medical products/services
Typical Initial Investment: \$750K-\$3M
Representative PA Companies: Ravisent, Quantum Epitaxial Designs, Storeroom Solutions



Location: Philadelphia, PA
Loan Amount: \$3M
Investment Focus: biopharma, diagnostics
Typical Initial Investment: \$4-6M
Representative PA Companies: Medimmune, OraPharma



Location: Philadelphia, PA
Loan Amount: \$2M
Investment Focus: ecommerce connected devices, enterprise software, healthcare IT
Typical Initial Investment: \$1M
Representative PA Companies: Diapers.com, Curalate, Ticketleap



Location: Philadelphia, PA
Loan Amount: \$1M
Investment Focus: ecommerce, and tech-enabled retail and healthcare
Typical Initial Investment: \$250K-\$2M
Representative PA Companies: Nutrisystem, CareCam Health, Thrive Commerce



Location: New Brunswick, NJ
Loan Amount: \$1M
Investment Focus: internet of things, mobility, enterprise IT, healthcare IT
Typical Initial Investment:
Representative PA Companies: Instamed, IntegriChain, Cerionx

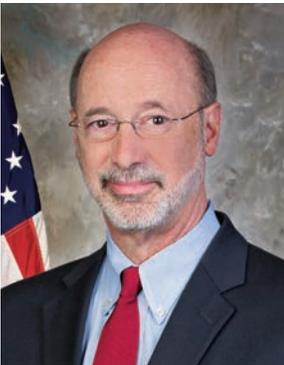
I have visited several Ben Franklin-supported companies in my time as secretary, and I always leave astonished at the high level of drive and innovation shown by the business owners and their employees. The Ben Franklin Partners are working not just to help create jobs, but to push our economy forward – and we're excited to continue to support the BFTDA and our partners in the years ahead."

– Secretary Davin

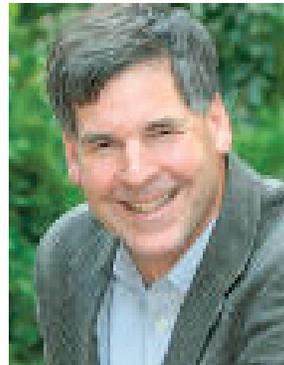
BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY BOARD MEMBERS

The strategic direction and economic investments of the BFTDA are governed by a 21-member board with broad representation from Pennsylvania's public and private sectors including:

1. Four members of the state executive branch (the Governor and the Secretaries of Community & Economic Development, Education, and Administration)
2. Four members of the General Assembly
3. Five Representative from the technology business sector
4. One representative from the private capital community
5. One representative from the Pennsylvania Economic Development Association
6. One representative from the local government sector
7. One representative from the community development sector
8. One representative from organized labor
9. Three representatives from the education section



Tom Wolf
Governor
Commonwealth of
Pennsylvania



Tom Balderston
Partner
Sustain VC



Dennis M. Davin
Secretary
Dept. of Community
& Economic Development



**Honorable
Bryan Barbin**
Representative
Commonwealth of
Pennsylvania, 71st District



Frederick J. Beste, III
CEO & General Partner
Mid-Atlantic Venture Funds
(MAVF)



Farnam Jahanian, Ph.D.
Provost and
Chief Academic Officer
Carnegie Mellon University



Austin J. Burke
Retired, President
Greater Scranton Chamber of
Commerce



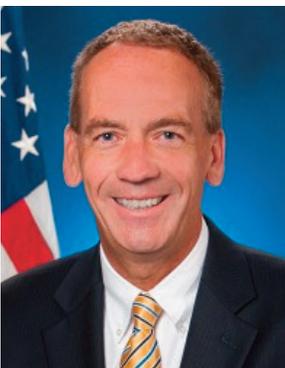
Kailash Kalantri
President
Acclaim Systems



**Honorable
Andrew E. Dinniman**
Senator
Commonwealth of
Pennsylvania, 19th District



Ellen Kight
Retired, Southwest
Regional Director
Dept. of Community &
Economic Development



**Honorable
John R. Gordner**
Senator
Commonwealth of
Pennsylvania, 27th District



Kevin Kinross
Principal
The Carey Group
Governor's Representative



**Honorable
Doyle Heffley**
Representative
Commonwealth of
Pennsylvania, 122nd District



Michele Masucci, Ph.D.
Vice President for Research
Temple University



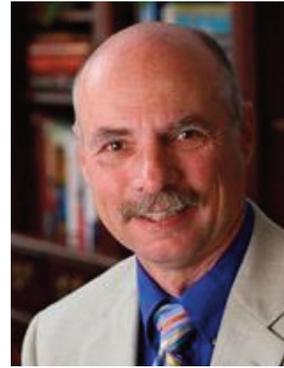
Sharon P. Minnich
Secretary
Office of Administration



Robert J. Schena
Chairman, CEO, & Cofounder
Rajant Corporation



Brinda Carroll Penyak
Deputy Director
County Commissioners
Association of Pennsylvania



Neil Sharkey, Ph.D.
Vice President for Research
Penn State University



Charles "Chuck" Peters
Managing Member
Altair Holdings, LLC



Donald Siegel
International Vice President
Int'l Brotherhood of Electrical
Workers 3rd District



Pedro Rivera
Secretary
Department of Education



Mike Stubler
Managing Director
Draper Triangle Ventures



BOARD MEETING MINUTES



BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY
Board Meeting Minutes
January 26, 2017

Board members and designees in attendance:

- Tom Balderston
- Representative Bryan Barbin
- Fred Beste
- Austin Burke
- Sheri R. Collins, Deputy Secretary, DCED
- Senator Andrew E. Dinniman (phone)
- Phil Dunn on behalf of Senator John R. Gordner
- Jennifer Weeter on behalf of Representative Doyle Heffley (phone)
- Dr. Farnam Jahanian (phone)
- Kailash Kalantri
- Ellen Kight (phone)
- Kevin Kinross
- John MacMillan on behalf of Secretary Sharon Minnich
- Jennifer Leinbach, BFTDA Executive Director, DCED
- Dr. Michele M. Masucci (phone)
- Charles J. Peters
- Bob Schena
- Don Siegel (phone)
- Dr. Neil Sharkey
- Mike Stubler

DCED staff and guests in attendance:

- Steve Brawley, Ben Franklin Technology Partners of Central and Northern PA
- Ryan Glenn, Ben Franklin Technology Partners
- Nicholeta Karandrikas, DCED
- Art McNulty, Chief Counsel, DCED
- Chad Paul, Ben Franklin Technology Partners of Northeastern PA
- Kevin Rowland, Chief Financial Officer, DCED
- John Sider, Ben Franklin Technology Partners
- Sarah Spishock, DCED
- Diane Sterthous, DCED
- Mary Keenan, Webber & Associates

- I. I. Welcome and Opening Remarks – Deputy Secretary Sheri Collins called the meeting to order at approximately 10:00 a.m. and welcomed the new member, Kevin Kinross to the Board.

Jennifer Leinbach conducted a roll call of the board members.

- II. Approval of the July 28, 2016 Meeting Minutes.

Austin Burke made a motion to approve the minutes as written. Bob Schena seconded the motion. Motion carried.

- III. Innovate in PA Venture Investment Program – Diane Sterthous updated the Board on the status of Originate Growth GP, LLC. Back in October 2015, the Board had approved a \$4M loan to this GP predicated on two criteria, 1) the GP’s ability to raise at least \$40M and 2) the GP’s recruitment of a suitable replacement for Originate’s departing co-founder. Ms. Sterthous notified the Board that these requirements were fulfilled and found to satisfactory to the Subcommittee. In recognition of internal organizational changes, the GP has officially changed the name of the firm to Activate Ventures. No motion was required.

Presenting: 1855 Capital Fund Partners, LLC – Ms. Sterthous introduced the 1885 team. She described the group as a first time fund that would focus on early-stage investments affiliated with Penn State. The team is targeting a \$10M fundraise and will be co-located with Ben Franklin Central PA (“BFCP”) in State College.

Bob Schena made a motion to approve an investment of \$2MM. Kailash Kalantri seconded the motion. Austin Burke, Dr. Neil Sharkey and Charles Peters recused themselves. Motion carried.

Diane Sterthous reported on venture performance. Industry-wide venture benchmarks were shared with the Board. In addition a chart detailing BFTDA manager performance indicated that BFTDA’s managers have performance above average 39% of the time. Individual manager progress was also included. This data showed that Venture Investment Program overall is valued at slightly above cost.

- IV. Financial Report – Kevin Rowland presented a Financial Statement as of December 31, 2016 and a projection of cash flows for the next five years.

Sheri Collins reported we have really made a concerted effort to right side the ship so that we can grow that funding again. The funding we have at this point in BFTDA is very scarce, and yet we know that the work they do is very critical to advance our technology companies in Pennsylvania.

With Secretary Davin’s support, I would like to suggest to the board we hold a retreat. We need to sit down and strategically talk about what the future of BFTDA looks like and are there other sources of capital we could tap into.

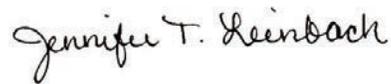
I think it is a critical time for us to have good discussions and open dialog, and we hope to have good board participation. I would like to identify and see if we can grow the state of the fund. Our department has a Department of Defense program, I don't see why as a collective, we can't look into the federal funding and other potential opportunities. We also want to make sure we are coordinating with our partners to make sure we are not going after the same source of funding. We must have open communication during this time and from here forward.

I am hopeful that we will have this retreat prior to the passing of the budget.

Tom Balderston made a motion to adjourn. Bob Schena seconded. Motion carried. Meeting adjourned at 11:40 a.m.

Next meeting will be April 27 at 10:00 AM at Harrisburg University of Science & Technology, 326 Market Street, Harrisburg PA 17101.

Respectfully submitted,

A handwritten signature in black ink that reads "Jennifer T. Leinbach". The signature is written in a cursive, flowing style.

Jennifer T. Leinbach
Executive Director, BFTDA

BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY

Board Meeting Minutes

April 27, 2017

Board members and designees in attendance:

- Tom Balderston (phone)
- Patty Tamayo for Representative Bryan Barbin
- Fred Beste
- Austin Burke (phone)
- Sheri R. Collins, Deputy Secretary, DCED
- Steve Grabicki on behalf Senator Andrew E. Dinniman (phone)
- Phil Dunn on behalf of Senator John R. Gordner
- Representative Doyle Heffley
- Kailash Kalantri
- Ellen Kight
- Kevin Kinross
- Jennifer Leinbach, BFTDA Executive Director, DCED
- John MacMillan on behalf of Secretary Sharon Minnich
- Dr. Michele M. Masucci
- Brinda Carroll Penyak
- Charles J. Peters (phone)
- Bob Schena
- Dr. Neil Sharkey
- Mike Stubler

DCED staff and guests in attendance:

- Jill Busch, Acting Chief Counsel, DCED
- Ryan Glenn, Ben Franklin Technology Partners
- Nicholeta Karandrikas, DCED
- Mary Keenan, Webber & Associates
- Joe Layne, Ben Franklin Technology Partners of Northeastern PA
- Rich Lunak, Innovation Works (Phone)
- Adare McMillan, Ben Franklin Technology Partners of Southeastern PA
- Chad Paul, Ben Franklin Technology Partners of Northeastern PA
- John Sider, Ben Franklin Technology Partners
- Sarah Spishock, DCED
- Janet Stainbrook, Ben Franklin Technology Partners of Northeastern PA
- Diane Sterthous, DCED

- I. Welcome and Opening Remarks – Deputy Secretary Sheri Collins called the meeting to order at approximately 10:00 a.m.

Jennifer Leinbach conducted a roll call of the board members.

- II. Approval of the January 26, 2017 Meeting Minutes.

Bob Schena made a motion to approve the minutes as written. Ellen Kight seconded the motion. Motion carried.

- III. Financial Report – Financial reports are issued semi-annually. No new reports have been received since the January Board meeting; therefore, no report was presented. DCED Chief Financial Officer Kevin Rowland is working with Officer of Comptroller Operations to create a new format that provides better detail regarding operating, challenge grants, and outstanding loans and venture investment.

- IV. Innovate in PA Venture Investment Program – Diane Sterthous

Presenting: Tech Council Ventures GP LLC– Ms. Sterthous introduced General Partners James Gunton and Steve Socolof who are in the process of raising \$75M in commitments for Tech Council Ventures II, LP. The Fund is a follow-on Fund to both NJ Tech Council Ventures and New Venture Partners. The team has over 20 years of venture experience and has generated above median returns to investors. Based in NJ, the team projects a minimum of 25% investment in Pennsylvania. That percentage is expected to increase if the General Partner is successful in formalizing a Pittsburgh office presence.

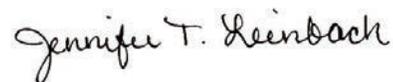
Fred Beste made a motion to invest \$1MM into Tech Council Ventures II, LP and an additional \$1MM contingent upon the establishment of an office in Pittsburgh. Bob Schena seconded the motion. Dr. Michele Masucci abstained. Motion carried.

Executive Session – Strategy Discussion with Office of Chief Counsel present.

Dr. Neil Sharkey made a motion to adjourn. Dr. Michele Masucci seconded. Motion carried. Meeting adjourned at 1:12 PM.

Next meeting will be July 27 at 10:00 AM at Harrisburg University of Science & Technology, 326 Market Street, Harrisburg PA 17101.

Respectfully submitted,



Jennifer T. Leinbach
Executive Director, BFTDA

BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY

Board Meeting Minutes

July 27, 2017

Board members and designees in attendance:

- Tom Balderston (phone)
- Representative Bryan Barbin
- Austin Burke (phone)
- Sheri R. Collins, Deputy Secretary, DCED
- Steve Grabicki on behalf Senator Andrew E. Dinniman (phone)
- Representative Doyle Heffley (phone)
- Kailash Kalantri
- Ellen Kight
- Jennifer Leinbach, BFTDA Executive Director, DCED
- Secretary Sharon Minnich, OA
- Dr. Michele M. Masucci (phone)
- Brinda Carroll Penyak
- Bob Schena
- Dr. Neil Sharkey
- Pamela Smith on behalf of Secretary Pedro Rivera, Education
- Mike Stubler

DCED staff and guests in attendance:

- Steve Brawley, Ben Franklin Technology Partners of Central Northern PA
- Ryan Glenn, Ben Franklin Technology Partners
- Nicholeta Karandrikas, DCED
- Sue Kijowski, Innovation Works
- Joe Lane, Ben Franklin Technology Partners of Northeastern PA
- Rich Lunak, Innovation Works (Phone)
- Adare McMillan, Ben Franklin Technology Partners of Southeastern PA
- Chad Paul, Ben Franklin Technology Partners of Northeastern PA
- RoseAnn Rosenthal, Ben Franklin Technology Partners of Southeastern PA
- Sarah Spishock, DCED
- Janet Stainbrook, Ben Franklin Technology Partners of Northeastern PA
- Diane Sterthous, DCED

- I. Welcome and Opening Remarks – Deputy Secretary Sheri Collins called the meeting to order at approximately 10:00 a.m.

Jennifer Leinbach conducted a roll call of the board members.

II. Presentation of the Ben Franklin Technology Partners – Ryan Glenn, Statewide Coordinator, BFTDA

Ryan Glenn presented an overview of the Ben Franklin Technology Partners that included 2016 metrics, new interactive website, and that which all four partners do in common.

III. Approval of April 27, 2017 Meeting Minutes.

Austin Burke made a motion to approve the minutes as written. Secretary Sharon Minnich seconded the motion. Motion carried.

IV. Ben Franklin Technology Partners CEO – Sheri Collins introduced the CEOs of the four Ben Franklin Technology Partners:

1. RoseAnn Rosenthal, Southeastern PA
2. Chad Paul, Northeastern PA
3. Rich Lunak, Innovation Works
4. Steve Brawley, Central and Northern PA

The four CEO's presented what is unique to their organization and included examples of how businesses benefited from both funding and technical/business assistance.

V. Innovate in PA Venture Investment Program

Diane Sterthous updated the Board on the status of the Innovate program. To date, the Board has approved \$24.5M in Venture loans to 11 venture managers. There is approximately \$14M remaining to be awarded. Incremental loan amounts so far have averaged \$2.5M.

Performance for the BFTDA Venture Loan program (including Innovate) has been steady over the past three years. As of December 31, 2016, \$56M has been deployed across 21 loans and \$41.6M has been called down for investment. Distributions back to the BFTDA have totaled slightly over \$20M and the total value of the Venture Program (including returned capital and bank account balances) is marked at 0.9x the BFTDA's original commitment.

VI. New Business

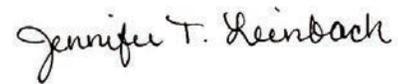
Sheri Collins informed the board that she received an email that the Senate has passed the 17/18 fiscal tax code and the bill is now being referred to the house.

Sheri Collins asked the board if anyone is opposed against holding the 2018 BFTDA board meetings at Harrisburg University of Science & Technology. No one opposed.

Mike Stubler made a motion to adjourn. Neil Sharkey seconded. Motion carried. Meeting adjourned at 11:44 AM.

Next meeting will be October 26, 2017 at 10:00 AM at Harrisburg University of Science & Technology, 326 Market Street, Harrisburg, PA 17101.

Respectfully submitted,

A handwritten signature in black ink that reads "Jennifer T. Leinbach". The signature is written in a cursive style with a clear, legible font.

Jennifer T. Leinbach
Executive Director, BFTDA



FINANCIAL STATEMENTS



BFTDA FINANCIAL STATEMENT

BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY FUND
Statement of Net Position
As of June 30
(Unaudited)

	2017					
	Revolving Venture Capital Loan Account	BFTDA Grant & Administrative Funds	Innovate in PA Fund			Total
			Ben Franklin Technology Partners	Venture Investment Program	Biotechnology Research Center	
ASSETS						
Current Assets:						
Temporary Investments - Note B.....	\$ 16,062,903	\$ (867,156)	\$ -	\$ 7,902,098	\$ 7	\$ 23,097,852
Investment Income Receivable.....	-	20,181	-	-	-	20,181
Total Current Assets.....	16,062,903	(846,975)	-	7,902,098	7	23,118,033
Noncurrent Assets:						
Receivables, net:						
Loans - Note C.....	9,089,211	2,333,781	-	17,500,000	-	28,922,992
Total Noncurrent Assets.....	9,089,211	2,333,781	-	17,500,000	-	28,922,992
TOTAL ASSETS.....	25,152,114	1,486,806	-	25,402,098	7	52,041,025
DEFERRED OUTFLOW OF RESOURCES						
Pension - Note F.....	-	172,886	-	-	-	172,886
TOTAL DEFERRED OUTFLOW OF RESOURCES.....	\$ -	\$ 172,886	\$ -	\$ -	\$ -	\$ 172,886
LIABILITIES						
Current Liabilities:						
Invoices Payable - Note D.....	-	6,566	-	-	-	6,566
Account Payables.....	-	16,164	-	-	-	16,164
Due To Other Funds.....	-	188	-	-	-	188
Due To Fiduciary Funds.....	-	3,619	-	-	-	3,619
Due To Other Governments.....	-	937	-	-	-	937
Total Current Liabilities.....	-	27,474	-	-	-	27,474
Noncurrent Liabilities:						
Other Postemployment Benefit Obligations - Note E.....	-	138,232	-	-	-	138,232
Net Pension Liabilities - Note F.....	-	773,539	-	-	-	773,539
Total Noncurrent Liabilities.....	-	911,771	-	-	-	911,771
TOTAL LIABILITIES.....	-	939,245	-	-	-	939,245
DEFERRED INFLOW OF RESOURCES						
Pension - Note F.....	-	32,108	-	-	-	32,108
TOTAL DEFERRED INFLOW OF RESOURCES.....	\$ -	\$ 32,108	\$ -	\$ -	\$ -	\$ 32,108
NET POSITION - Note G						
Restricted for:						
Economic Development.....	25,152,114	688,339	-	25,402,098	7	51,242,558
TOTAL NET POSITION.....	\$ 25,152,114	\$ 688,339	\$ -	\$ 25,402,098	\$ 7	\$ 51,242,558

BEN FRANKLIN TECHNOLOGY PARTNERS OF CENTRAL AND NORTHERN PA

Operating Budget														
Budget Category	Other Funds		Use of AEDP Returns		Innovate in PA Funds (IIP)		Use of Challenges Grant Returns		Challenge Grant Funds		Challenge Grant IIP Over/(Under)		IIP Funds Over/(Under)	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	%	Budgeted	%
I. Management & Administration														
A. Personnel					381,505	368,051			381,505	369,051				
B. Physical					88,000	80,875			88,000	80,875				
C. Operations					82,500	100,651			82,500	100,651				
Management & Administration Total	0	0	0	0	552,005	530,577	0	0	552,005	530,577				
II. Company Investments														
A. Direct	301,733	301,733			1,508,371	1,345,283			1,508,371	1,345,283				
B. Indirect														
Company Investments Total	301,733	301,733	0	0	1,508,371	1,345,283	0	0	1,508,371	1,345,283				
III. Business & Technical Assistance														
A. Internal Direct Services					447,006	418,209			447,006	418,209				
B. External Projects					531,060	487,278			531,060	487,278				
Business & Technical Assistance Total	0	0	0	0	978,066	905,487	0	0	978,066	905,487				
IV. Technology Infrastructure														
A. Internal Direct Services					152,664	130,873			152,664	130,873				
B. External Projects					308,896	275,980			308,896	275,980				
Technology Infrastructure Total	0	0	0	0	461,559	406,853	0	0	461,559	406,853				
V. Set Aside Funds (Not Yet Allocated to I through IV)														
A. Current Fiscal Year	638,852				0	0	2,000,000							
B. Deterred/Carry-over from Previous Fiscal Year														
Set Aside Funds Total	638,852	0	0	0	0	0	2,000,000	0	0	0				
Grand Totals:	940,385	301,733	0	0	3,500,000	3,188,199	2,000,000	0	3,500,000	3,188,199				

BEN FRANKLIN TECHNOLOGY PARTNERS OF NORTHEASTERN PA

Appendix E3 - Operating Budget

Budget Category	Other Funds		Innovate in PA Funds		Use of Challenge Grant Returns		Challenge Grant Funds		Challenge Grant Over /(Under)		Innovate in PA Funds Over /(Under)	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Dollars	Percentage	Dollars	Percentage
I. Partner Administration												
A. Personnel	\$194,461	\$38,361	\$0				\$523,224	\$681,978				
B. Physical	\$0		\$0				\$126,000	\$120,311				
C. Operations	\$0		\$0				\$270,875	\$208,529				
Partner Administration Subtotal	\$194,461	\$38,361	\$0				\$920,099	\$1,010,818	\$90,719	9.86%	\$0	N/A
II. Company Investments												
A. Direct			\$1,182,314	\$619,790			\$1,182,314	\$619,790				
B. Indirect												
Company Investments Subtotal	\$0		\$1,182,314	\$619,790			\$1,182,314	\$619,790	(\$562,524)	-47.58%	(\$562,524)	-47.58%
III. Business and Technical Assistance												
A. Internal Direct Services	\$0		\$0				\$914,464	\$912,132				
B. External Projects												
Business and Technical Assistance Subtotal	\$0		\$0				\$914,464	\$912,132	(\$2,332)	-0.26%	\$0	
IV. Technology Infrastructure												
A. Internal Direct Services	\$0	\$0	\$2,412,686	\$2,359,807			\$453,123	\$364,736				
B. External Projects			\$30,000	\$30,000			\$30,000	\$30,000				
Technology Infrastructure Subtotal	\$0	\$0	\$2,442,686	\$2,389,807	\$0		\$483,123	\$394,736	(\$88,387)	-18.29%	(\$52,879)	-2.16%
V. Set-Aside Funds (Not Yet Allocated to I through IV)												
A. Current Fiscal Year			\$0	\$0			\$0					
B. Deferred/Carry-Over From Previous Fiscal Years												
Set-Aside Funds Subtotal	\$0		\$0				\$0		\$0	N/A	\$0	N/A
Grand Totals:	\$194,461	\$38,361	\$3,625,000	\$3,009,597	\$0		\$3,500,000	\$2,937,476	(\$562,524)	-16.07%	(\$615,403)	-16.98%

INNOVATION WORKS

Operating Budget								
Budget Category	Other Funds		Innovate in PA Grant Funds		Use of Challenge Grant Returns		Challenge Grant Funds	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
I. Partner Administration								
A. Personnel	\$0	\$200,440	\$361,033	\$361,033	\$0	\$0	\$407,619	\$407,619
B. Physical	\$0	\$46,522	\$53,183	\$53,183	\$0	\$0	\$58,346	\$58,346
C. Operations	\$0	\$47,111	\$63,927	\$63,927	\$0	\$0	\$75,028	\$75,028
Partner Administration Subtotal	\$0	\$294,073	\$478,144	\$478,144	\$0	\$0	\$540,993	\$540,993
II. Company Investments								
A. Direct	\$7,593,322	\$1,185,269	\$1,874,335	\$1,736,835	\$186,839	\$186,839	\$1,687,495	\$1,549,995
B. Indirect	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Company Investments Subtotal	\$7,593,322	\$1,185,269	\$1,874,335	\$1,736,835	\$186,839	\$186,839	\$1,687,495	\$1,549,995
III. Business and Technical Assistance								
A. Internal Direct Services	\$0	\$428,934	\$808,291	\$808,291	\$0	\$0	\$864,019	\$864,019
B. External Projects	\$121,000	\$19,996	\$0	\$0	\$121,000	\$20,996	\$0	\$0
Business and Technical Assistance Subtotal	\$121,000	\$448,929	\$808,291	\$808,291	\$121,000	\$20,996	\$864,019	\$864,019
IV. Technology Infrastructure								
A. Internal Direct Services	\$0	\$794,789	\$426,730	\$426,730	\$0	\$0	\$407,493	\$407,493
B. External Projects	\$75,000	\$0	\$37,500	\$37,500	\$37,500	\$37,500	\$0	\$0
Technology Infrastructure Subtotal	\$75,000	\$794,789	\$464,230	\$464,230	\$37,500	\$37,500	\$407,493	\$407,493
V. Set-Aside Funds (Not Yet Allocated to I through IV)								
A. Current Fiscal Year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. Deferred/Carry-Over From Previous Fiscal Years*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Set-Aside Funds Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Totals:	\$7,789,322	\$2,723,061	\$3,625,000	\$3,487,500	\$345,339	\$245,335	\$3,500,000	\$3,362,500

BEN FRANKLIN TECHNOLOGY PARTNERS OF SOUTHEASTERN PA

FY 2017 Operating Budget

Budget Category	Other Funds		Use of AEDP Returns		Use of Challenge Grant Returns (Dev Fund)		Innovate in PA (Actual Includes Prior Yrs)		Challenge Grant Funds (Actual Includes Prior Yrs)	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
I. Partner Administration										
A. Personnel					341,907	197,516				-
B. Physical										
C. Operations					2,674,056	2,552,375				
Partner Administration Subtotal	-	-	-	-	3,015,963	2,749,891				-
II. Company Investments										
A. Direct	1,830,366	1,830,366	500,000	500,000	3,050,000	796,328	3,573,493	4,435,175	3,448,493	4,367,540
B. Indirect					375,000	366,500				
Company Investments Subtotal	1,830,366	1,830,366	500,000	500,000	3,425,000	1,162,828	3,573,493	4,435,175	3,448,493	4,367,540
III. Business and Technical Assistance										
A. Internal Direct Services	383,171	404,975			2,888,083	2,609,212				
B. External Projects										
Business and Technical Assistance Subtotal	383,171	404,975	-	-	2,888,083	2,609,212	-	-	-	-
IV. Technology Infrastructure										
A. Internal Direct Services	86,486	150,502			1,140,516	789,644	51,507	51,507	51,507	51,507
B. External Projects					50,000					
Technology Infrastructure Subtotal	86,486	150,502	-	-	1,190,516	789,644	51,507	51,507	51,507	51,507
V. Set-Aside Funds (Not Yet Allocated to I through IV)										
A. Current Fiscal Year										
B. Deferred/Carry-Over From Previous Fiscal Years										
Set-Aside Funds Subtotal	-	-	-	-	-	-	-	-	-	-
Grand Totals:	2,300,023	2,385,843	500,000	500,000	10,519,562	7,311,575	3,625,000	4,486,682	3,500,000	4,419,047



Pennsylvania
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