



Ways and Means Committee Budget Hearing
Economic Development and Natural Resources Subcommittee
January 10, 2024

Table of Contents

	<u>Page</u>
1. List of Key Officials/Executive Management Team	3
2. Agency Overview.....	4
3. Budget Request Summary.....	6
4. Proviso Request Summary	7
5. Financial Update – Budget vs. Actual	8
6. FTE Information.....	9

1- List of Key Officials

Bob Quinn	President & CEO (<i>Key Point of Contact</i>) bob.quinn@scra.org /843-760-3262
Nadim Aziz	Director, SC EPSCoR nadim.aziz@scra.org /803-733-9067
Matt Bell	Director, SC Launch matt.bell@scra.org /864-504-2444
Russell Cook	Director, SC Academic Innovations russell.cook@scra.org /803-734-4239
Randy Cutts	Director, SC Facilities randy.cutts@scra.org /843-760-3220
Cole Dudley	Director, SC Industry Solutions cole.dudley@scra.org /843-729-3337
Adrianne Grimes	Director, Marketing and Communications adrianne.grimes@scra.org /854-888-2033
Yolanda Lewis	Director, Human Resources yolanda.lewis@scra.org /803-733-9086
Laura Terry	Director, Finance and Administration laura.terry@scra.org /803-734-0820

Fueling the Innovation Economy of South Carolina

Chartered in 1983, South Carolina Research Authority fuels South Carolina's innovation economy by accelerating technology-enabled growth of academia, entrepreneurship, and industry.

ACADEMIA: SC Academic Innovations

Accelerates academic research and its commercialization through grant funding and coordination of resources to ensure developments meet the needs of South Carolina's industry.

ENTREPRENEURS: SC Launch

Supports entrepreneurs and technology startups that are on a strong growth track through grant funding, coaching, and investing via SCRA's investment affiliate, SC Launch Inc.

FACILITIES: SC Facilities

Provides lab and administrative space for technology startups and academic institutions.

INDUSTRY: SC Industry Solutions

Connects industry to entrepreneurs and innovators through matchmaking opportunities that promote growth and funds relocation costs for technology-based companies moving to South Carolina.

SUCCESS STORY:

Landrum, SC



TIME Bicycles

One example of collaboration success was attracting European manufacturer TIME Bicycles to South Carolina. SCRA collaborated with the Clemson University

Composites Center, One Spartanburg, the South Carolina Department of Commerce, and the SC Fraunhofer USA Alliance to encourage this relocation to Landrum, South Carolina. This advanced manufacturer will bring new jobs and innovation to the state.

\$1.19B

Annual Economic Impact of SCRA on South Carolina

5,825

South Carolina-based Jobs Supported by SCRA

>1.35M ft²

Total Research, Lab, Collaboration, and Office Space Managed By SCRA

>\$91K

Average Salary of SCRA Member and Portfolio Companies (70% Higher Than the Statewide Average)

>\$330M

Follow-on Capital Secured by SCRA Member Companies and SC Launch, Inc. Portfolio Companies

In 2023, SCRA marked forty years of fueling innovation in the state. Although the South Carolina Research Authority has evolved in services since its founding in 1983, what has stayed the same is the mission of helping to build a better South Carolina for everyone.

In FY 2023 alone, SCRA:

- Contributed \$1.19 billion to the state's economy through SCRA's operations, programs, and facilities.
- Contributed up to an additional \$680 million to the state's economy through follow-on funding to Member and Portfolio Companies.
- Supported over 5,825 South Carolina-based jobs through SCRA's operations, programs, and facilities, with an average salary of over \$91,000, which is 70% higher than the state's average.
- Supported up to an additional 3,352 South Carolina-based jobs through follow-on funding to Member and Portfolio Companies.
- Funded Member and Portfolio Companies and academic institutions a total of \$4.75 million.
- Owned or managed over 1.35 million square feet of lab, office, and collaboration space.
- Enabled over \$330 million in follow-on funding for Member and Portfolio Companies that previously received grants and investments from SCRA and SC Launch, Inc., for a total of \$2.66 billion since the inception of SC Launch Inc. in 2006.

Also, in FY 2023, SCRA began implementing its FY23-25 Strategic Plan from financial, customer, internal, and employee perspectives, with highlights below:

Financial: Surpassing the goal of raising \$8 million for the Industry Partnership Fund, a tax credit program that funds SCRA and SC Launch Inc. programs and services.

Customer: Exceedingly surpassing its customer service satisfaction goal of reaching a net promoter score (NPS) of 30 with a score of 75.

Internal: Surpassing the goal of 75 business days to become a Member Company with an average of only 45 business days.

Employee: Being named one of South Carolina's Best Places to Work for the 13th consecutive year.

Other 2023 highlights include:

- Being a core member of two winning teams (out of a total of 44) to receive Type-1 awards under the National Science Foundation's Regional Innovation Engines program.
- SCRA Industry Manager, Catherine Hayes, being named Executive Director of CORE SC, a statewide consortium focused on resilience.
- Leading the state's first innovation awareness month campaign and hosting a press conference at the South Carolina Statehouse.

3- Budget Request Summary

N/A

4-Proviso Request Summary

N/A

5-Financial Update

(Budget vs. Actual for current YTD and one prior fiscal year, and current carry forward balance)

Budget vs. Actual Report by Funding Source

State & State Incentivized Sources (\$M)				
	FY 2023P	FY 2023	FY 2024P	FY 2024 YTD ⁽¹⁾
State Contribution	\$ -	\$ -	\$ -	\$ -
Contributed Land Sales	-	-	-	-
IPF Contributions	7.0	8.6	9.0	5.5
Subtotal State & State-Incentivized Sources	\$ 7.0	\$ 8.6	\$ 9.0	\$ 5.5
Private & Other Non-State Sources (\$M)				
	FY 2023P	FY 2023	FY 2024P	FY 2024 YTD ⁽¹⁾
Private Contributions	\$ -	\$ -	\$ -	\$ -
Investments: Return of Principal and Gains	-	-	-	-
Interest & Other	0.7	1.1	1.0	0.6
Debt Financing	-	-	-	-
Lease Revenues	5.1	5.1	5.2	2.5
Cashflow for Innovation Center Operations	0.4	0.4	0.4	0.2
Funds from (to) Reserves	1.8	(0.3)	0.4	(1.8)
Subtotal Private Sources Investments & Initiatives	8.0	6.3	7.0	1.5
Total Investment & Initiative Sources	15.0	14.9	16.0	7.0
Sources of Other In-State Expenditures: Contract Revenues	1.0	1.1	0.8	0.5
Total All Sources	\$ 16.0	\$ 16.0	\$ 16.8	\$ 7.5
Uses: In-State Expenditures (\$M)				
	FY 2023P	FY 2023	FY 2024P	FY 2024 YTD ⁽¹⁾
Facilities Investment (including financing cost)	\$ 1.6	\$ 1.7	\$ 2.0	\$ 0.7
Direct Company Investment	0.5	0.5	0.2	0.2
Non-Return Based Investments	1.2	1.2	1.4	0.3
Innovation Center Operating Subsidies	0.9	1.0	0.9	0.5
Facilities Operating Expenses (excluding depreciation & interest)	2.6	2.7	2.7	1.3
Principal Payments on Debt	0.8	0.8	0.8	0.4
Industry Partners Amendment Services	0.6	0.6	0.7	0.3
University Research Funding	1.9	1.9	2.0	0.7
Research Parks Operating Subsidies	0.0	-	-	-
Subtotal Investments & Initiatives	10.1	10.4	10.7	4.4
Other: In-State Payroll	5.9	5.6	6.1	3.1
Other: In-State Contract Expenditures	-	-	-	-
Total In-State Uses	\$ 16.0	\$ 16.0	\$ 16.8	\$ 7.5

⁽¹⁾ Forecast for 6 month period ended December 31, 2023

6-FTE Information

<u>1</u>	Authorized
<u>36</u>	Full-time Employees
<u>0</u>	Vacancies