



Arizona Competes Fund

Quarterly Report

April 1, 2023 through June 30, 2023

ARIZONA COMPETES FUND

Quarterly Report

July 14, 2023

I. Overview

Pursuant to A.R.S. § 41-1545 et seq., the Arizona Commerce Authority (the “Authority”) administers the Arizona Competes Fund (the “ACF”). In accordance with A.R.S. § 41-1545.02, grants from the ACF may be used for (i) attracting, expanding or retaining Arizona basic enterprises (A.R.S. § 41-1545.02(A)(1)); and (ii) supporting and advancing programs and projects for microenterprises, rural businesses, small businesses, and business development that enhance economic development (A.R.S. § 41-1545.02(A)(2)).

This document constitutes the Authority’s quarterly report regarding ACF activity for the fourth quarter (April 1, 2023 through June 30, 2023 (“Q4”) of fiscal year 2023 (July 1, 2022 through June 30, 2023) (“FY2023”).

II. Grants attracting, expanding, or retaining Arizona basic enterprises – A.R.S. § 41-1545.02(A)(1)

During Q4 of FY2023, the Authority awarded no grants in accordance with A.R.S. § 41-1545.02(A)(1).

III. Grants supporting and advancing programs and projects for microenterprises, rural businesses, small businesses, and business development that enhance economic development – A.R.S. § 41-1545.02(A)(2)

During Q4 of FY 2023, the Authority awarded one (1) grant in accordance with A.R.S. § 41-1545.02(A)(2) through the following program and projects that support microenterprises, rural businesses, small business and business development that enhances economic development:

Program:	Arizona Innovation Challenge (“AIC”)
Objective:	The AIC is a competitive business plan competition that helps innovative start-up and early-stage companies establish a foundation and grow in Arizona.
Awards:	AIC awards made in Q4 FY2023 aggregated to \$150,000.
Grantee(s):	AIC awards were made in Q4 FY2023 to the following entities in the amount of \$150,000: 1. KeepWOL, Inc.



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IV. Fund Status ¹

Since inception of the ACF, the ACA has awarded 208 grants through various programs and projects resulting in gross ACF commitments to date totaling \$116,094,528. Under A.R.S. § 41-1545.02(A)(1), 52 grants have been awarded in the cumulative amount of \$82,900,000. Through the other programs and projects under A.R.S. § 41-1545.02(A)(2), 156 grants have been awarded in the cumulative amount of \$33,194,528.

In respect to the 52 grants originally awarded pursuant to A.R.S. § 41-1545.02(A)(1); (i) five (5) grants in an aggregate amount of \$6,450,000 were relinquished by grantees without any payments to the respective grantees, and (ii) the performance periods of ten (10) other grants expired with aggregate remaining payment commitments of \$5,665,489, two (2) of which resulted in repayments by the grantee to the ACA of \$102,491.

In respect to the funding of the programs and projects under A.R.S. § 41-1545.02(A)(2), (i) two (2) grants of \$400,000 were cancelled without any payment to the awardee, and (ii) the performance period of 12 grants expired with aggregate remaining payment commitments of \$407,458.

Taking into consideration the adjustments described in the two (2) preceding paragraphs, the net ACF commitments as of the date hereof total \$103,171,582 (\$116,094,528 in the original gross commitments minus aggregate adjustments of \$12,922,946).

V. Reporting Schedule – FY2023 and FY2024

FY2023

Report Name	Reporting Period	Date Published
First Quarter (“Q1”)	7/1/22 through 9/30/22	10/14/22
Second Quarter (“Q2”)	10/1/22 through 12/31/22	1/13/23
Third Quarter (“Q3”)	1/1/23 through 3/31/23	4/14/23
Fourth Quarter (“Q4”)	4/1/23 through 6/30/23	7/14/23
Comprehensive Annual Report	7/1/22 through 6/30/23	11/1/23

¹ Totals in this section include grants funded by the ACA from FY12 to the present solely pursuant to A.R.S. § 41-1545.02.

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FY2024

Report Name	Reporting Period	Date Published
First Quarter ("Q1")	7/1/23 through 9/30/23	10/13/23
Second Quarter ("Q2")	10/1/23 through 12/31/23	1/16/23
Third Quarter ("Q3")	1/1/24 through 3/31/24	4/15/24
Fourth Quarter ("Q4")	4/1/24 through 6/30/24	7/15/24
Comprehensive Annual Report	7/1/23 through 6/30/24	11/1/24

