
Delaware VIP[®] Trust

Delaware VIP Small Cap Value Series

Annual Report

December 31, 2008

Delaware VIP® Trust — Delaware VIP Small Cap Value Series

For the 12-month period ended Dec. 31, 2008, the Delaware VIP Small Cap Value Series returned -29.88% for Standard Class shares and -30.07% for Service Class shares, both with all distributions reinvested. The Series' benchmark index, the Russell 2000® Value Index, returned -28.92%.

Dramatic events in the financial markets and concerns about the overall health of the global economy drove stock prices down significantly during the fiscal year. The combined effects of the troubled housing market and the escalating credit crisis sent many major indices into deeply negative territory. In late September, the overall domestic equity market, as measured by the S&P 500 Index, plunged almost 9%, its third-largest, single-day decline since World War II.

For small company stocks specifically, economic malaise and credit tightening created a challenging environment. The lack of available credit made financing terms less attractive for potential buyers, and this led to a considerable decline in merger and acquisition activity among smaller companies.

Investors found few, if any, places to seek shelter from market turbulence. All sectors of the Russell 2000 Value Index posted negative returns during the 12-month period. Even sectors that are traditionally less susceptible to market volatility, such as utilities, healthcare, and consumer staples, posted steep declines during the period. The transportation and basic industry sectors declined the most.

At the beginning of the fiscal year period, the Series held overweight positions in some economically sensitive areas such as energy, capital spending, and basic industries. Although the Series' slight overweight in energy aided performance during the early part of the period, these stocks deteriorated after mid-July, as energy prices fell because of fears about weaker global demand. In anticipation of further economic slowing, we trimmed our weighting in basic industries, capital spending, and energy stocks. In hindsight, we failed to reduce our energy weighting enough, which had negative consequences for performance.

At the same time, the Series was underweight in interest rate-sensitive sectors such as REITs and financials. In July, we began to increase our weighting in financial stocks to take advantage of compelling valuations and bring the Series more in line with the benchmark Russell 2000 Value Index.

Although the macroeconomic turmoil created severe declines overall in the market and specifically for the Series, several holdings offered relative strength. Dollar Tree Stores, a discount retail chain, posted double-digit returns as cash-strapped consumers sought bargains. We reduced our position in Dollar Tree Stores, but still owned a sizeable position at the end of the period.

One of our worst performers was AbitibiBowater, a leading forest products manufacturer. This company's high debt level was compounded by the credit crunch, which we believed was making refinancing at reasonable rates difficult. The stock price fell sharply and we sold our position at a sizeable loss.

Despite an extremely volatile year, we made no changes to the Series' time-tested investment strategy. Our bottom up approach (focusing first on researching individual securities) continued to emphasize companies with positive free cash flow generation and attractive long-term potential. We believed the actions by the Fed and Treasury during the fiscal year could have a positive long-term impact on market liquidity.

The views expressed are current as of the date of this report and are subject to change.
Data for this portfolio management review were provided by Bloomberg unless otherwise noted.

The performance data quoted represent past performance; past performance does not guarantee future results. Investment return and principal value will fluctuate so your shares, when redeemed, may be worth more or less than their original cost. Please obtain the performance data for the most recent month end by calling the number noted in the introductory section of this report on the page related to this Series. Current performance may be lower or higher than the performance data quoted.

You should consider the investment objectives, risks, charges, and expenses of the investment company carefully before investing. The Delaware VIP Small Cap Value Series prospectus contains this and other important information about the investment company. To obtain a prospectus, contact the company noted on the page related to this Series in the introductory section of this report, either by phone or through the company's Web site. We advise you to read the prospectus carefully before you invest or send money.

Delaware VIP Small Cap Value Series

Average annual total returns

For periods ended Dec. 31, 2008

	1 year	3 years	5 years	10 years	Lifetime
Standard Class shares (commenced operations on Dec. 27, 1993)	-29.88%	-8.71%	+0.23%	+5.48%	+8.42%
Service Class shares (commenced operations on May 1, 2000)	-30.07%	-8.94%	-0.03%	n/a	+6.80%

Returns reflect the reinvestment of all distributions and any applicable sales charges as noted in the following paragraphs.

Delaware VIP® Small Cap Value Series (continued)

As described in the Series' most recent prospectus, the net expense ratio for Service Class shares of the Series was 1.06%, while total operating expenses for Standard Class and Service Class shares were 0.81% and 1.11%, respectively. The management fee for Standard Class and Service Class shares was 0.71%.

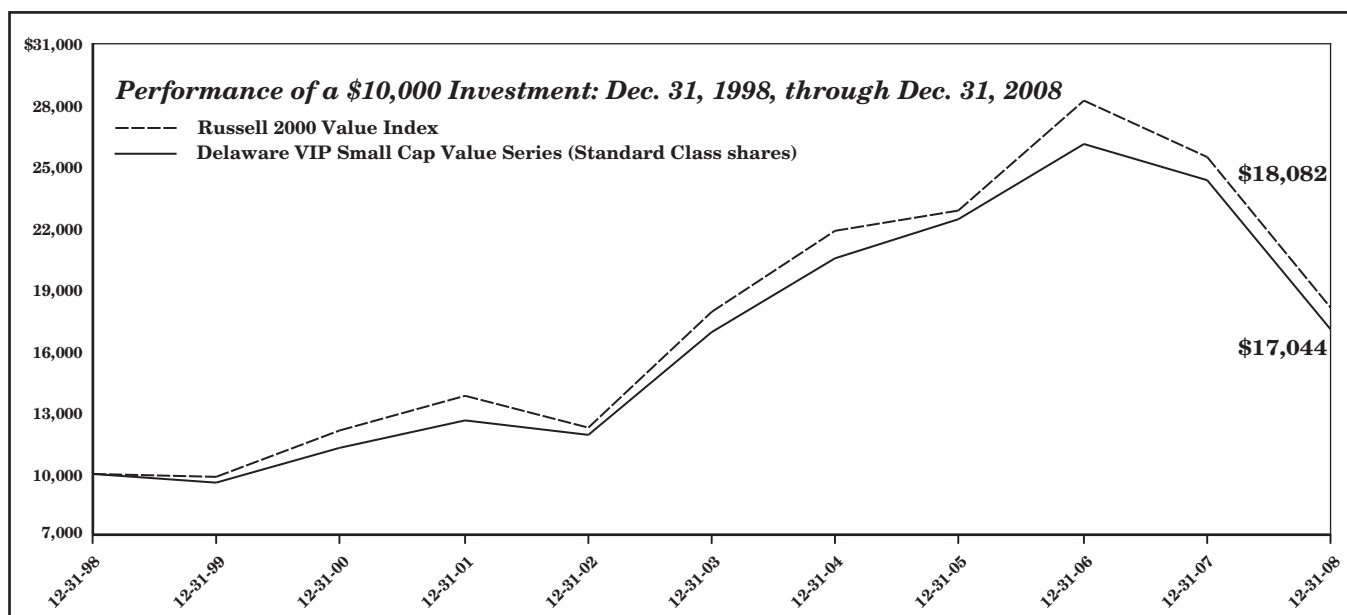
Earnings from a variable annuity or variable life investment compound tax-free until withdrawal, and as a result, no adjustments were made for income taxes.

Expense limitations were in effect for all classes during certain periods shown in the Series performance chart on the previous page and in the Performance of a \$10,000 Investment chart below.

Performance data do not reflect insurance fees related to a variable annuity or variable life investment or the deferred sales charge that would apply to certain withdrawals of investments held for fewer than eight years. Performance shown here would have been reduced if such fees were included and the expense limitation removed. For more information about fees, consult your variable annuity or variable life prospectus.

Investments in variable products involve risk. A value stock may not increase in price if other investors do not share the portfolio managers' perception of the company's value or if factors that would typically increase the price of the security do not occur. The Series will be particularly affected by declines in stock prices, which could be caused by a drop in the overall equity market or poor performance from particular companies or industries. Series that invest in small and/or medium-sized company stocks typically involve greater risk, particularly in the short term, than those investing in larger, more established companies. Some portfolios offer more risk than others.

Please read both the contract and underlying prospectus for specific details regarding the product's risk profile.



The chart shows a \$10,000 investment in the Delaware VIP Small Cap Value Series Standard Class shares for the period from Dec. 31, 1998, through Dec. 31, 2008.

The chart also shows \$10,000 invested in the Russell 2000 Value Index for the period from Dec. 31, 1998, through Dec. 31, 2008. The Russell 2000 Value Index measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The S&P 500 Index measures the performance of 500 mostly large-cap stocks weighted by market value, and is often used to represent performance of the U.S. stock market.

An index is unmanaged and does not reflect the costs of operating a mutual fund, such as the costs of buying, selling, and holding securities. You cannot invest directly in an index.

Performance of Service Class shares will vary due to different charges and expenses.

Past performance is not a guarantee of future results.

Delaware VIP® Trust — Delaware VIP Small Cap Value Series Disclosure of Series Expenses

For the Period July 1, 2008 to December 31, 2008

As a shareholder of the Series, you incur ongoing costs, including management fees; distribution and/or service (12b-1) fees; and other Series expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Series and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from July 1, 2008 to December 31, 2008.

Actual Expenses

The first section of the table shown, “Actual Series Return,” provides information about actual account values and actual expenses. You may use the information in this section of the table, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first section under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes

The second section of the table shown, “Hypothetical 5% Return,” provides information about hypothetical account values and hypothetical expenses based on the Series’ actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Series’ actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Series and other funds. To do so, compare the 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only. As a shareholder of the Series, you do not incur any transaction costs, such as sales charges (loads), redemption fees or exchange fees, but shareholders of other funds may incur such costs. Also, the fees related to the variable annuity investment or the deferred sales charge that could apply have not been included. Therefore, the second section of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. The Series’ actual expenses shown in the table reflect fee waivers in effect for Service Class shares. The expenses shown in the table assume reinvestment of all dividends and distributions.

Expense Analysis of an Investment of \$1,000

	Beginning Account Value 7/1/08	Ending Account Value 12/31/08	Annualized Expense Ratios	Expenses Paid During Period 7/1/08 to 12/31/08*
Actual Series Return				
Standard Class	\$1,000.00	\$ 724.40	0.86%	\$3.73
Service Class	1,000.00	723.40	1.11%	4.81
Hypothetical 5% Return (5% return before expenses)				
Standard Class	\$1,000.00	\$1,020.81	0.86%	\$4.37
Service Class	1,000.00	1,019.56	1.11%	5.63

*“Expenses Paid During Period” are equal to the Series’ annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period).

Delaware VIP® Trust — Delaware VIP Small Cap Value Series Sector Allocation and Top 10 Holdings

As of December 31, 2008

Sector designations may be different than the sector designations presented in other Series materials. The sector designations may also represent the investment manager's internal sector classifications, which may result in the sector designations for one Series being different than another Series' sector designations.

Sector	Percentage of Net Assets
Common Stock †	94.04%
Basic Industry/Capital Goods	7.54%
Business Services	3.34%
Capital Spending	7.96%
Consumer Cyclical	1.70%
Consumer Services	13.87%
Consumer Staples	1.59%
Energy	4.56%
Financial Services	30.33%
Health Care	3.90%
Real Estate	4.80%
Technology	9.19%
Transportation	2.58%
Utilities	2.68%
Repurchase Agreement	6.08%
Securities Lending Collateral	9.02%
Total Value of Securities	109.14%
Obligation to Return Securities Lending Collateral	(9.47%)
Receivables Net of Liabilities and Other Assets	0.33%
Total Net Assets	100.00%

† Narrow industries are utilized for compliance purposes for diversification whereas broad sectors are used for financial reporting.

Holdings are for informational purposes only and are subject to change at any time. They are not a recommendation to buy, sell, or hold any security.

Top 10 Holdings	Percentage of Net Assets
Berkley (W.R.)	2.85%
Platinum Underwriters Holdings	2.81%
Selective Insurance Group	2.46%
Bank of Hawaii	2.19%
FMC	2.01%
Washington Real Estate Investment Trust	1.97%
Infinity Property & Casualty	1.96%
NBT Bancorp	1.93%
Highwoods Properties	1.80%
Dollar Tree Stores	1.79%

Delaware VIP® Trust — Delaware VIP Small Cap Value Series

Statement of Net Assets

December 31, 2008

	Number of Shares	Value		Number of Shares	Value
COMMON STOCK-94.04% ♦			COMMON STOCK (continued)		
Basic Industry/Capital Goods-7.54%			Consumer Staples-1.59%		
*Albemarle	379,300	\$ 8,458,390	American Greetings Class A.....	314,600	\$ 2,381,522
*Arch Coal.....	138,600	2,257,794	*Del Monte Foods.....	1,121,000	8,003,940
†Crown Holdings.....	594,300	11,410,560			<u>10,385,462</u>
Cytec Industries.....	218,600	4,638,692			
FMC.....	294,500	13,172,985	Energy-4.56%		
Kaiser Aluminum.....	125,700	2,830,764	Ashland.....	1	5
Valspar.....	365,200	6,606,468	*†Hercules Offshore.....	397,790	1,889,503
		<u>49,375,653</u>	†Newfield Exploration.....	358,400	7,078,400
Business Services-3.34%			Precision Drilling Trust.....	191,244	1,604,540
*Brink's.....	277,500	7,459,200	*Southwest Gas.....	380,100	9,586,122
†Brink's Home Security Holdings.....	277,500	6,082,800	†Whiting Petroleum.....	290,500	9,720,130
†United Stationers.....	248,300	8,315,567			<u>29,878,700</u>
		<u>21,857,567</u>	Financial Services-30.33%		
Capital Spending-7.96%			Bank of Hawaii.....	317,600	14,345,992
*Actuant Class A.....	468,600	8,912,772	Berkley (W.R.).....	601,243	18,638,533
†Casella Waste Systems.....	187,200	763,776	Boston Private Financial Holdings.....	700,800	4,793,472
†Colfax.....	98,100	1,019,259	Colonial BancGroup.....	972,200	2,012,454
*†Gardner Denver.....	263,700	6,154,758	Community Bank System.....	220,400	5,375,556
Harsco.....	236,100	6,535,248	CVB Financial.....	319,900	3,806,810
Insteel Industries.....	323,400	3,651,186	East West Bancorp.....	685,500	10,947,435
Mueller Water Products Class B.....	368,984	3,114,225	First Midwest Bancorp.....	424,400	8,475,268
*Regal Beloit.....	152,600	5,797,274	Hancock Holding.....	240,600	10,937,676
*Timken.....	293,500	5,761,405	*Harleysville Group.....	323,000	11,217,790
*Wabtec.....	113,900	4,527,525	Independent Bank.....	270,600	7,078,896
*Walter Industries.....	336,800	5,897,368	*Infinity Property & Casualty.....	274,500	12,827,385
		<u>52,134,796</u>	IPC Holdings.....	276,300	8,261,370
Consumer Cyclical-1.70%			NBT Bancorp.....	452,100	12,640,716
*Autoliv.....	95,700	2,053,722	Platinum Underwriters Holdings.....	510,200	18,408,016
*MDC Holdings.....	300,500	9,105,150	Provident Bankshares.....	354,200	3,421,572
		<u>11,158,872</u>	S&T Bancorp.....	150,500	5,342,750
Consumer Services-13.87%			*Selective Insurance Group.....	703,100	16,122,083
*Advance Auto Parts.....	217,100	7,305,415	*StanCorp Financial Group.....	187,400	7,827,698
*bebe Stores.....	318,000	2,375,460	*Sterling Bancshares.....	1,166,500	7,092,320
Cato Class A.....	633,500	9,565,850	Sterling Financial.....	484,420	4,262,896
*†CEC Entertainment.....	292,000	7,081,000	Wesbanco.....	176,200	4,794,402
†Dollar Tree Stores.....	281,200	11,754,160			<u>198,631,090</u>
†Genesco.....	197,200	3,336,624	Health Care-3.90%		
*†Jack in the Box.....	306,300	6,766,167	Hill-Rom Holdings.....	181,700	2,990,782
Men's Wearhouse.....	400,000	5,416,000	*Service Corporation International.....	1,173,400	5,831,798
*Meredith.....	173,200	2,899,368	*STERIS.....	377,800	9,025,642
*Movado Group.....	213,700	2,006,643	*Universal Health Services Class B.....	205,400	7,716,878
PETsMART.....	326,400	6,022,080			<u>25,565,100</u>
*Phillips-Van Heusen.....	115,800	2,331,054	Real Estate-4.80%		
*Ross Stores.....	356,400	10,595,772	*Brandywine Realty Trust.....	588,633	4,538,360
†Skechers U.S.A. Class A.....	194,600	2,494,772	*Education Realty Trust.....	408,700	2,133,414
*Stage Stores.....	418,525	3,452,831	Highwoods Properties.....	431,800	11,814,048
*†Warnaco Group.....	176,200	3,458,806	Washington Real Estate Investment Trust..	456,600	12,921,780
*Wolverine World Wide.....	117,950	2,481,668			<u>31,407,602</u>
†Zale.....	449,400	1,496,502			
		<u>90,840,172</u>			

**Delaware VIP® Small Cap Value Series
Statement of Net Assets (continued)**

	Number of Shares	Value		Principal Amount	Value
COMMON STOCK (continued)			REPURCHASE AGREEMENT** -6.08%		
Technology-9.19%			BNP Paribas 0.005%, dated 12/31/08, to be repurchased on 1/2/09, repurchase price \$39,792,011 (collateralized by U.S. Government obligations, 10/22/09; with market value \$40,627,944).....		
†Brocade Communications Systems	665,100	\$ 1,862,280		\$39,792,000	\$ 39,792,000
*†Checkpoint Systems.....	363,300	3,574,872			
*†Cirrus Logic.....	1,414,000	3,789,520			
†Compuware.....	811,400	5,476,950			
*†Parametric Technology.....	620,000	7,843,000	Total Repurchase Agreement		
†Premiere Global Services.....	595,350	5,125,964	(cost \$39,792,000)		<u>39,792,000</u>
*QAD	358,500	1,502,115			
*†Sybase.....	283,000	7,009,910	Total Value of Securities		
†Syniverse Holdings	88,000	1,050,720	Before Securities Lending		
*†Synopsys	594,500	11,010,140	Collateral-100.12%		
*†Tech Data.....	473,200	8,441,888	(cost \$794,714,579)		<u>655,645,378</u>
*†Vishay Intertechnology.....	1,018,100	3,481,902			
		<u>60,169,261</u>			
Transportation-2.58%				Number of	
*Alexander & Baldwin.....	344,100	8,623,146	SECURITIES LENDING	Shares	
*†Kirby	206,300	5,644,368	COLLATERAL*** -9.02%		
†Saia	240,500	2,611,830	Investment Companies		
		<u>16,879,344</u>	Mellon GSL DBT II Collateral Fund.....	60,851,896	59,012,613
Utilities-2.68%			†Mellon GSL DBT II Liquidation Trust...	1,155,865	<u>38,144</u>
*Black Hills	155,600	4,194,976	Total Securities Lending Collateral		
†El Paso Electric	528,100	9,553,329	(cost \$62,007,761)		<u>59,050,757</u>
*Otter Tail	163,800	3,821,454			
		<u>17,569,759</u>			
Total Common Stock					
(cost \$754,922,579)		<u>615,853,378</u>			
TOTAL VALUE OF SECURITIES-109.14% (cost \$856,722,340)					714,696,135 [^]
OBLIGATION TO RETURN SECURITIES LENDING COLLATERAL*** -(9.47%)					(62,007,761)
RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES -0.33%					<u>2,180,518</u>
NET ASSETS APPLICABLE TO 35,196,568 SHARES OUTSTANDING-100.00%					<u>\$ 654,868,892</u>
NET ASSET VALUE-DELAWARE VIP SMALL CAP VALUE SERIES STANDARD CLASS (\$241,426,840 / 12,955,881 Shares)					<u>\$18.63</u>
NET ASSET VALUE-DELAWARE VIP SMALL CAP VALUE SERIES SERVICE CLASS (\$413,442,052 / 22,240,687 Shares)					<u>\$18.59</u>
COMPONENTS OF NET ASSETS AT DECEMBER 31, 2008:					
Shares of beneficial interest (unlimited authorization-no par)					\$ 823,717,863
Undistributed net investment income					5,821,096
Accumulated net realized loss on investments					(32,643,862)
Net unrealized depreciation of investments.....					<u>(142,026,205)</u>
Total net assets					<u>\$ 654,868,892</u>

†Narrow industries are utilized for compliance purposes for diversification whereas broad sectors are used for financial reporting.

†Non-income producing security.

*Fully or partially on loan.

**See Note 1 in "Notes to Financial Statements."

***See Note 8 in "Notes to Financial Statements."

[^]Includes \$58,557,810 of securities loaned.

See accompanying notes

**Delaware VIP® Trust —
Delaware VIP Small Cap Value Series
Statement of Operations**

Year Ended December 31, 2008

INVESTMENT INCOME:	
Dividends.....	\$ 11,911,466
Interest	615,665
Securities lending income.....	<u>1,089,815</u>
	<u>13,616,946</u>

EXPENSES:	
Management fees	6,127,986
Distribution expenses – Service Class	1,619,325
Accounting and administration expenses.....	335,885
Reports and statements to shareholders	177,092
Dividend disbursing and transfer agent fees and expenses ..	137,047
Audit and tax.....	104,382
Legal fees.....	103,235
Trustees' fees.....	49,753
Insurance fees	21,856
Custodian fees.....	20,424
Consulting fees.....	10,764
Dues and services.....	7,085
Trustees' expenses	3,315
Taxes (other than taxes on income)	1,480
Pricing fees	<u>839</u>
	8,720,468
Less waiver of distribution expenses – Service Class	(269,887)
Less expense paid indirectly.....	<u>(2,085)</u>
Total operating expenses	<u>8,448,496</u>

NET INVESTMENT INCOME..... 5,168,450

NET REALIZED AND UNREALIZED LOSS ON INVESTMENTS:	
Net realized loss on investments.....	(29,423,642)
Net change in unrealized appreciation/depreciation of investments.....	<u>(253,727,101)</u>

**NET REALIZED AND UNREALIZED LOSS
ON INVESTMENTS**..... (283,150,743)

**NET DECREASE IN NET ASSETS RESULTING
FROM OPERATIONS**..... \$(277,982,293)

See accompanying notes

**Delaware VIP Trust —
Delaware VIP Small Cap Value Series
Statements of Changes in Net Assets**

	Year Ended	
	12/31/08	12/31/07
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS:		
Net investment income.....	\$ 5,168,450	\$ 5,328,365
Net realized gain (loss) on investments and foreign currencies	(29,423,642)	53,909,609
Net change in unrealized appreciation/ depreciation of investments and foreign currencies	<u>(253,727,101)</u>	<u>(129,197,072)</u>
Net decrease in net assets resulting from operations	<u>(277,982,293)</u>	<u>(69,959,098)</u>
DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income:		
Standard Class.....	(2,314,150)	(2,479,347)
Service Class	(2,528,148)	(1,850,946)
Net realized gain on investments:		
Standard Class.....	(20,274,716)	(39,389,141)
Service Class	<u>(36,492,362)</u>	<u>(55,507,589)</u>
	<u>(61,609,376)</u>	<u>(99,227,023)</u>
CAPITAL SHARE TRANSACTIONS:		
Proceeds from shares sold:		
Standard Class.....	67,819,194	143,627,279
Service Class	85,050,259	65,343,778
Net asset value of shares issued upon reinvestment of dividends and distributions:		
Standard Class.....	22,588,865	41,868,488
Service Class	<u>39,020,510</u>	<u>57,358,535</u>
	<u>214,478,828</u>	<u>308,198,080</u>
Cost of shares repurchased:		
Standard Class.....	(82,634,357)	(152,155,497)
Service Class	<u>(116,855,931)</u>	<u>(192,366,403)</u>
	<u>(199,490,288)</u>	<u>(344,521,900)</u>
Increase (decrease) in net assets derived from capital share transactions	<u>14,988,540</u>	<u>(36,323,820)</u>
NET DECREASE IN NET ASSETS	(324,603,129)	(205,509,941)
NET ASSETS:		
Beginning of year	<u>979,472,021</u>	<u>1,184,981,962</u>
End of year (including undistributed net investment income of \$5,821,096 and \$5,706,091, respectively)	<u>\$ 654,868,892</u>	<u>\$ 979,472,021</u>

See accompanying notes

Delaware VIP® Trust — Delaware VIP Small Cap Value Series Financial Highlights

Selected data for each share of the Series outstanding throughout each period were as follows:

	Delaware VIP Small Cap Value Series Standard Class				
	Year Ended				
	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
Net asset value, beginning of period.....	\$ 28.650	\$ 33.420	\$ 30.830	\$ 30.450	\$ 25.640
Income (loss) from investment operations:					
Net investment income ¹	0.190	0.194	0.146	0.121	0.122
Net realized and unrealized gain (loss) on investments and foreign currencies.....	(8.248)	(2.127)	4.703	2.539	5.270
Total from investment operations.....	(8.058)	(1.933)	4.849	2.660	5.392
Less dividends and distributions from:					
Net investment income.....	(0.201)	(0.168)	(0.082)	(0.114)	(0.053)
Net realized gain on investments.....	(1.761)	(2.669)	(2.177)	(2.166)	(0.529)
Total dividends and distributions.....	(1.962)	(2.837)	(2.259)	(2.280)	(0.582)
Net asset value, end of period.....	<u>\$ 18.630</u>	<u>\$ 28.650</u>	<u>\$ 33.420</u>	<u>\$ 30.830</u>	<u>\$ 30.450</u>
Total return ²	(29.88%)	(6.62%)	16.19%	9.42%	21.48%
Ratios and supplemental data:					
Net assets, end of period (000 omitted).....	\$241,427	\$353,412	\$502,801	\$413,633	\$339,542
Ratio of expenses to average net assets.....	0.85%	0.81%	0.84%	0.85%	0.83%
Ratio of net investment income to average net assets.....	0.78%	0.61%	0.46%	0.41%	0.46%
Portfolio turnover.....	29%	27%	36%	32%	37%

¹The average shares outstanding method has been applied for per share information.

²Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value.

See accompanying notes

Delaware VIP® Small Cap Value Series Financial Highlights (continued)

Selected data for each share of the Series outstanding throughout each period were as follows:

	Delaware VIP Small Cap Value Series Service Class				
	Year Ended				
	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
Net asset value, beginning of period.....	\$ 28.570	\$ 33.330	\$ 30.760	\$ 30.390	\$ 25.610
Income (loss) from investment operations:					
Net investment income ¹	0.129	0.115	0.066	0.048	0.056
Net realized and unrealized gain (loss) on investments and foreign currencies.....	<u>(8.226)</u>	<u>(2.117)</u>	<u>4.689</u>	<u>2.536</u>	<u>5.258</u>
Total from investment operations.....	<u>(8.097)</u>	<u>(2.002)</u>	<u>4.755</u>	<u>2.584</u>	<u>5.314</u>
Less dividends and distributions from:					
Net investment income.....	(0.122)	(0.089)	(0.008)	(0.048)	(0.005)
Net realized gain on investments.....	<u>(1.761)</u>	<u>(2.669)</u>	<u>(2.177)</u>	<u>(2.166)</u>	<u>(0.529)</u>
Total dividends and distributions.....	<u>(1.883)</u>	<u>(2.758)</u>	<u>(2.185)</u>	<u>(2.214)</u>	<u>(0.534)</u>
Net asset value, end of period.....	<u>\$ 18.590</u>	<u>\$ 28.570</u>	<u>\$ 33.330</u>	<u>\$ 30.760</u>	<u>\$ 30.390</u>
Total return ²	(30.07%)	(6.84%)	15.89%	9.15%	21.16%
Ratios and supplemental data:					
Net assets, end of period (000 omitted).....	\$413,442	\$626,060	\$682,181	\$511,723	\$399,347
Ratio of expenses to average net assets.....	1.10%	1.06%	1.09%	1.10%	1.08%
Ratio of expenses to average net assets prior to fees waived and expenses paid indirectly.....	1.15%	1.11%	1.14%	1.15%	1.13%
Ratio of net investment income to average net assets.....	0.53%	0.36%	0.21%	0.16%	0.21%
Ratio of net investment income to average net assets prior to fees waived and expenses paid indirectly.....	0.48%	0.31%	0.16%	0.11%	0.16%
Portfolio turnover.....	29%	27%	36%	32%	37%

¹The average shares outstanding method has been applied for per share information.

²Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total investment return reflects a waiver by the distributor. Performance would have been lower had the waiver not been in effect.

See accompanying notes

Delaware VIP® Trust — Delaware VIP Small Cap Value Series

Notes to Financial Statements

December 31, 2008

Delaware VIP Trust (Trust) is organized as a Delaware statutory trust and offers 14 series: Delaware VIP Balanced Series, Delaware VIP Capital Reserves Series, Delaware VIP Cash Reserve Series, Delaware VIP Diversified Income Series, Delaware VIP Emerging Markets Series, Delaware VIP Growth Opportunities Series, Delaware VIP High Yield Series, Delaware VIP International Value Equity Series, Delaware VIP REIT Series, Delaware VIP Select Growth Series, Delaware VIP Small Cap Value Series, Delaware VIP Trend Series, Delaware VIP U.S. Growth Series and Delaware VIP Value Series. These financial statements and the related notes pertain to Delaware VIP Small Cap Value Series (Series). The Trust is an open-end investment company. The Series is considered diversified under the Investment Company Act of 1940, as amended, and offers Standard Class and Service Class shares. The Standard Class shares do not carry a 12b-1 fee and the Service Class shares carry a 12b-1 fee. The shares of the Series are sold only to separate accounts of life insurance companies.

The investment objective of the Series is to seek capital appreciation.

1. Significant Accounting Policies

The following accounting policies are in accordance with U.S. generally accepted accounting principles and are consistently followed by the Series.

Security Valuation—Equity securities, except those traded on the Nasdaq Stock Market, Inc. (Nasdaq) are valued at the last quoted sales price as of the time of the regular close of the New York Stock Exchange (NYSE) on the valuation date. Securities traded on the Nasdaq are valued in accordance with the Nasdaq Official Closing Price, which may not be the last sales price. If on a particular day an equity security does not trade, then the mean between the bid and ask prices will be used. Short-term debt securities having less than 60 days to maturity are valued at amortized cost, which approximates market value. Investment companies are valued at net asset value per share. Generally, other securities and assets for which market quotations are not readily available are valued at fair value as determined in good faith under the direction of the Series' Board of Trustees (Board). In determining whether market quotations are readily available or fair valuation will be used, various factors will be taken into consideration, such as market closures or suspension of trading in a security. The Series may use fair value pricing more frequently for securities traded primarily in non-U.S. markets because, among other things, most foreign markets close well before the Series values its securities at 4:00 p.m. Eastern Time. The earlier close of these foreign markets gives rise to the possibility that significant events, including broad market moves, government actions or pronouncements, aftermarket trading or news events, may have occurred in the interim. To account for this, the Series may frequently value foreign securities using fair value prices based on third-party vendor modeling tools (international fair value pricing).

Federal Income Taxes—The Series intends to continue to qualify for federal income tax purposes as a regulated investment company under subchapter M of the Internal Revenue Code of 1986, as amended, and make the requisite distributions to shareholders. Accordingly, no provision for federal income taxes has been made in the financial statements.

The Series evaluates tax positions taken or expected to be taken in the course of preparing the Series' tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold are recorded as a tax benefit or expense in the current year. The Series did not record any tax benefit or expense in the current period.

Class Accounting—Investment income, common expenses and realized and unrealized gain (loss) on investments are allocated to the classes of the Series on the basis of daily net assets of each class. Distribution expenses relating to a specific class are charged directly to that class.

Repurchase Agreements—The Series may invest in a pooled cash account along with other members of the Delaware Investments® Family of Funds pursuant to an exemptive order issued by the Securities and Exchange Commission. The aggregate daily balance of the pooled cash account is invested in repurchase agreements secured by obligations of the U.S. government. The respective collateral is held by the Series' custodian bank until the maturity of the respective repurchase agreements. Each repurchase agreement is at least 102% collateralized. However, in the event of default or bankruptcy by the counterparty to the agreement, realization of the collateral may be subject to legal proceedings.

Use of Estimates—The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Other—Expenses directly attributable to the Series are charged directly to the Series. Other expenses common to various funds within the Delaware Investments Family of Funds are generally allocated amongst such funds on the basis of average net assets. Management fees and some other expenses are paid monthly. Security transactions are recorded on the date the securities are purchased or sold (trade date) for financial reporting purposes. Costs used in calculating realized gains and losses on the sale of investment securities are those of the specific securities sold. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis. Distributions received from investments in real estate investment trusts are recorded as dividend income on ex-dividend date, subject to reclassification upon notice of the character of such distribution by the issuer. Foreign dividends are also recorded on the ex-dividend date or as soon after the ex-dividend date that the Series is aware of such dividends, net of all non-rebatable tax withholdings. Withholding taxes on foreign dividends have been recorded in accordance with the Series' understanding of the applicable country's tax rules and rates.

The Series declares and pays dividends from net investment income and distributions from net realized gain on investments, if any, following the close of the fiscal year.

Subject to seeking best execution, the Series may direct certain security trades to brokers who have agreed to rebate a portion of the related brokerage commission to the Series in cash. There were no commission rebates for the year ended December 31, 2008. In general, best execution refers to many factors, including the price paid or received for a security, the commission charged, the promptness and reliability of execution, the confidentiality and placement accorded the order, and other factors affecting the overall benefit obtained by the Series on the transaction.

The Series receives earnings credits from its custodian when positive cash balances are maintained, which are used to offset custody fees. The expense paid under this arrangement is included in custodian fees on the Statement of Operations with the corresponding expense offset shown as "expense paid indirectly."

Delaware VIP® Small Cap Value Series Notes to Financial Statements (continued)

2. Investment Management, Administration Agreements and Other Transactions with Affiliates

In accordance with the terms of its investment management agreement, the Series pays Delaware Management Company (DMC), a series of Delaware Management Business Trust and the investment manager, an annual fee which is calculated daily at the rate of 0.75% on the first \$500 million of average daily net assets of the Series, 0.70% on the next \$500 million, 0.65% on the next \$1.5 billion, and 0.60% on average daily net assets in excess of \$2.5 billion.

Delaware Service Company, Inc. (DSC), an affiliate of DMC, provides fund accounting and financial administration oversight services to the Series. For these services, the Series pays DSC fees based on the aggregate daily net assets of the Delaware Investments® Family of Funds at the following annual rate: 0.0050% of the first \$30 billion; 0.0045% of the next \$10 billion; 0.0040% of the next \$10 billion; and 0.0025% of aggregate average daily net assets in excess of \$50 billion. The fees payable to DSC under the service agreement described above are allocated among all funds in the Delaware Investments Family of Funds on a relative net asset value basis. For the year ended December 31, 2008, the Series was charged \$41,986 for these services.

DSC also provides dividend disbursing and transfer agency services. The Series pays DSC a monthly fee based on the number of shareholder accounts for dividend disbursing and transfer agent services.

Pursuant to a distribution agreement and distribution plan, the Series pays Delaware Distributors, L.P. (DDL), the distributor and an affiliate of DMC, an annual distribution and service fee not to exceed 0.30% of the average daily net assets of the Service Class shares. DDL has contracted to waive distribution and service fees through April 30, 2009 in order to prevent distribution and service fees of the Service Class shares from exceeding 0.25% of average daily net assets. Standard Class shares pay no distribution and service expenses.

At December 31, 2008, the Series had liabilities payable to affiliates as follows:

<u>Investment Management Fee Payable to DMC</u>	<u>Dividend Disbursing, Transfer Agent and Fund Accounting Oversight Fees and Other Expenses Payable to DSC</u>	<u>Distribution Fee Payable to DDL</u>	<u>Other Expenses Payable to DMC and Affiliates*</u>
\$387,083	\$12,299	\$82,429	\$67,577

*DMC, as part of its administrative services, pays operating expenses on behalf of the Series and is reimbursed on a periodic basis. Such expenses include items such as printing of shareholder reports, fees for audit, legal and tax services, custodian fees and trustees' fees.

As provided in the investment management agreement, the Series bears the cost of certain legal and tax services, including internal legal and tax services provided to the Series by DMC and/or its affiliates' employees. For the year ended December 31, 2008, the Series was charged \$58,018 for internal legal and tax services provided by DMC and/or its affiliates' employees.

Trustees' fees include expenses accrued by the Series for Each Trustee's retainer and meeting fees. Certain officers of DMC, DSC and DDL are officers and/or Trustees of the Trust. These officers and Trustees are paid no compensation by the Series.

3. Investments

For the year ended December 31, 2008, the Series made purchases and sales of investment securities other than short-term investments as follows:

Purchases	\$234,519,088
Sales	291,673,956

At December 31, 2008, the cost of investments and unrealized appreciation (depreciation) for federal income tax purposes for the Series were as follows:

<u>Cost of Investments</u>	<u>Aggregate Unrealized Appreciation</u>	<u>Aggregate Unrealized Depreciation</u>	<u>Net Unrealized Depreciation</u>
\$857,914,212	\$64,493,838	\$(207,711,915)	\$(143,218,077)

Delaware VIP® Small Cap Value Series Notes to Financial Statements (continued)

3. Investments (continued)

Effective January 1, 2008, the Series adopted Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). FAS 157 defines fair value as the price that the Series would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. FAS 157 also establishes a framework for measuring fair value and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available under the circumstances. The Series' investment in its entirety is assigned a level based upon the observability of the inputs which are significant to the overall valuation. The three-tier hierarchy of inputs is summarized below.

Level 1 – inputs are quoted prices in active markets

Level 2 – inputs that are observable, directly or indirectly

Level 3 – inputs are unobservable and reflect assumptions on the part of the reporting entity

The following table summarizes the valuation of the Series' investments by the FAS 157 fair value hierarchy levels as of December 31, 2008:

	<u>Securities</u>
Level 1	\$655,645,378
Level 2	59,012,613
Level 3	38,144
Total	<u>\$714,696,135</u>

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining fair value:

	<u>Securities</u>
Balance as of 12/31/2007	\$ –
Net change in unrealized appreciation/depreciation.....	(1,117,721)
Net transfers in and/or out of Level 3.....	1,155,865
Balance as of 12/31/08	<u>\$ 38,144</u>

Net change in unrealized appreciation/depreciation from investments still held as of 12/31/08.....	\$ (1,117,721)
--	----------------

4. Dividend and Distribution Information

Income and long-term capital gain distributions are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles. Additionally, distributions from net gains on foreign currency transactions and net short-term gains on sales of investment securities are treated as ordinary income for federal income tax purposes. The tax character of dividends and distributions paid during the years ended December 31, 2008 and 2007 was as follows:

	<u>Year Ended 12/31/08</u>	<u>Year Ended 12/31/07</u>
Ordinary income	\$ 7,766,562	\$20,507,892
Long-term capital gain.....	53,842,814	78,719,131
Total	<u>\$61,609,376</u>	<u>\$99,227,023</u>

5. Components of Net Assets on a Tax Basis

As of December 31, 2008, the components of net assets on a tax basis were as follows:

Shares of beneficial interest	\$ 823,717,863
Undistributed ordinary income.....	5,821,096
Post-October losses	(22,361,870)
Capital loss carryforward	(9,090,120)
Unrealized depreciation of investments.....	(143,218,077)
Net assets.....	<u>\$654,868,892</u>

Delaware VIP® Small Cap Value Series Notes to Financial Statements (continued)

5. Components of Net Assets on a Tax Basis (continued)

The differences between book basis and tax basis components of net assets are primarily attributable to tax deferral of losses on wash sales.

Post-October losses represent losses realized on investment transactions from November 1, 2008 through December 31, 2008 that, in accordance with federal income tax regulations, the Series has elected to defer and treat as having arisen in the following year.

For financial reporting purposes, capital accounts are adjusted to reflect the tax character of permanent book/tax differences. Reclassifications are primarily due to tax treatment of dividends and distributions. Results of operations and net assets were not affected by these reclassifications. For the year ended December 31, 2008, the Series recorded the following reclassifications:

<u>Undistributed Net Investment Income</u>	<u>Accumulated Realized Loss</u>	<u>Paid-in Capital</u>
\$(211,147)	\$142,410	\$68,737

For federal income tax purposes, capital loss carryforwards may be carried forward and applied against future capital gains. Capital loss carryforwards remaining at December 31, 2008 will expire as follows: \$9,090,120 expires in 2016.

6. Capital Shares

Transactions in capital shares were as follows:

	<u>Year Ended 12/31/08</u>	<u>Year Ended 12/31/07</u>
Shares sold:		
Standard Class.....	3,108,369	2,031,001
Service Class.....	3,512,245	4,522,808
Shares issued upon reinvestment of dividends and distributions:		
Standard Class.....	896,028	1,317,448
Service Class.....	<u>1,549,047</u>	<u>1,805,999</u>
	9,065,689	9,677,256
Shares repurchased:		
Standard Class.....	(3,385,869)	(6,058,111)
Service Class.....	<u>(4,736,423)</u>	<u>(4,879,159)</u>
	<u>(8,122,292)</u>	<u>(10,937,270)</u>
Net increase (decrease)	<u>943,397</u>	<u>(1,260,014)</u>

7. Line of Credit

The Series, along with certain other funds in the Delaware Investments® Family of Funds (Participants), was a participant in a \$225,000,000 revolving line of credit with The Bank of New York Mellon (BNY Mellon) to be used for temporary or emergency purposes as an additional source of liquidity to fund redemptions of investor shares. Under the agreement, Participants were charged an annual commitment fee, which was allocated across the Participants on the basis of each Participant's allocation of the entire facility. The Participants were permitted to borrow up to a maximum of one third of their net assets under the agreement. The agreement expired on November 18, 2008.

Effective as of November 18, 2008, the Series, along with the other Participants entered into an amendment to the agreement with BNY Mellon for a \$35,000,000 revolving line of credit. The agreement, as amended, is to be used as described above and operates in substantially the same manner as the original agreement. The agreement, as amended, expires on November 17, 2009. The Series had no amounts outstanding as of December 31, 2008, or at any time during the year then ended.

8. Securities Lending

The Series, along with other funds in the Delaware Investments Family of Funds, may lend its securities pursuant to a security lending agreement (Lending Agreement) with BNY Mellon. With respect to each loan, if the aggregate market value of securities collateral held plus cash collateral received on any business day is less than the aggregate market value of the securities which are the subject of such loan, the borrower will be notified to provide additional collateral not less than the applicable collateral requirements. Cash collateral received is generally invested in the Mellon GSL DBT II Collateral Fund (Collective Trust) established by BNY Mellon for the purpose of investment on behalf of clients participating in its securities lending programs. The Collective Trust invests in fixed income securities, with a weighted average maturity not to exceed 90 days, rated in one of the top three tiers by Standard & Poor's Ratings Group or Moody's Investors Service, Inc. or repurchase agreements collateralized by such securities. The Collective Trust seeks to maintain a net asset value per unit of \$1.00, but there can be no assurance that it will be able to do so. The Series may incur investment losses as a result of investing securities lending collateral in the Collective Trust. This could occur if an investment in the Collective Trust defaulted or if it were necessary to liquidate assets in the Collective

Delaware VIP® Small Cap Value Series Notes to Financial Statements (continued)

8. Securities Lending (continued)

Trust to meet returns on outstanding security loans at a time when the Collective Trust's net asset value per unit was less than \$1.00. Under those circumstances, the Series may not receive an amount from the Collective Trust that is equal in amount to the collateral the Series would be required to return to the borrower of the securities and the Series would be required to make up for this shortfall. During the fiscal period ended December 31, 2008, BNY Mellon transferred certain distressed securities from the Collective Trust into the Mellon GSL DBT II Liquidation Trust. The Series can also accept U.S. government securities and letters of credit (non-cash collateral) in connection with securities loans. In the event of default or bankruptcy by the lending agent, realization and/or retention of the collateral may be subject to legal proceedings. In the event the borrower fails to return loaned securities and the collateral received is insufficient to cover the value of the loaned securities and provided such collateral shortfall is not the result of investment losses, the lending agent has agreed to pay the amount of the shortfall to the Series, or at the discretion of the lending agent, replace the loaned securities. The Series continues to record dividends or interest, as applicable, on the securities loaned and is subject to change in value of the securities loaned that may occur during the term of the loan. The Series has the right under the Lending Agreement to recover the securities from the borrower on demand. With respect to security loans collateralized by non-cash collateral, the Series receives loan premiums paid by the borrower. With respect to security loans collateralized by cash collateral, the earnings from the collateral investments are shared among the Series, the security lending agent and the borrower. The Series records security lending income net of allocations to the security lending agent and the borrower.

At December 31, 2008, the value of the securities on loan was \$58,557,810, for which cash collateral was received and invested in accordance with the Lending Agreement. Such investments are presented on the Statement of Net Assets under the caption "Securities Lending Collateral."

9. Credit and Market Risk

The Series invests a significant portion of its assets in small companies and may be subject to certain risks associated with ownership of securities of such companies. Investments in small-sized companies may be more volatile than investments in larger companies for a number of reasons, which include limited financial resources or a dependence on narrow product lines.

The Series may invest up to 10% of its net assets in illiquid securities, which may include securities with contractual restrictions on resale, securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended, and other securities which may not be readily marketable. The relative illiquidity of these securities may impair the Series from disposing of them in a timely manner and at a fair price when it is necessary or desirable to do so. While maintaining oversight, the Series' Board has delegated to DMC the day-to-day functions of determining whether individual securities are liquid for purposes of the Series' limitation on investments in illiquid assets. Securities eligible for resale pursuant to Rule 144A, which are determined to be liquid, are not subject to the Series' 10% limit on investments in illiquid securities. As of December 31, 2008, there were no Rule 144A securities and no securities have been determined to be illiquid under the Series' Liquidity Procedures.

10. Contractual Obligations

The Series enters into contracts in the normal course of business that contain a variety of indemnifications. The Series' maximum exposure under these arrangements is unknown. However, the Series has not had prior claims or losses pursuant to these contracts. Management has reviewed the Series' existing contracts and expects the risk of loss to be remote.

11. Tax Information (Unaudited)

For the fiscal year ended December 31, 2008, the Series designates distributions paid during the year as follows:

(A) Long-Term Capital Gain Distributions (Tax Basis)	(B) Ordinary Income Distributions (Tax Basis)	Total Distributions (Tax Basis)	(C) Qualifying Dividends ¹
87%	13%	100%	96%

(A) and (B) are based on a percentage of the Series' total distributions.

(C) is based on a percentage of the Series' ordinary income distributions.

¹Qualifying dividends represent dividends which qualify for the corporate dividends received deduction.

Delaware VIP® Trust — Delaware VIP Small Cap Value Series Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Trustees
Delaware VIP Trust—Delaware VIP Small Cap Value Series

We have audited the accompanying statement of net assets of the Delaware VIP Small Cap Value Series (one of the series constituting Delaware VIP Trust) (the “Series”) as of December 31, 2008, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Series’ management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Series’ internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Series’ internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2008, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Delaware VIP Small Cap Value Series of Delaware VIP Trust at December 31, 2008, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Ernst + Young LLP

Philadelphia, Pennsylvania
February 13, 2009

The Series files its complete schedule of portfolio holdings with the Securities and Exchange Commission (Commission) for the first and third quarters of each fiscal year on Form N-Q. The Series’ Forms N-Q, as well as a description of the policies and procedures that the Series uses to determine how to vote proxies (if any) relating to portfolio securities is available without charge (i) upon request, by calling 800 523-1918; and (ii) on the Commission’s website at <http://www.sec.gov>. In addition, a description of the policies and procedures that the Series uses to determine how to vote proxies (if any) relating to portfolio securities is available without charge on the Delaware Investments® Funds’ Web site at <http://www.delawareinvestments.com>. The Series’ Forms N-Q may be reviewed and copied at the Commission’s Public Reference Room in Washington, DC; information on the operation of the Public Reference Room may be obtained by calling 800 SEC-0330.

Information (if any) regarding how the Series voted proxies relating to portfolio securities during the most recently disclosed 12-month period ended June 30 is available without charge (i) through the Delaware Investments Funds’ Web site at <http://www.delawareinvestments.com>; and (ii) on the Commission’s website at <http://www.sec.gov>.

Delaware Investments[®] Family of Funds

BOARD OF TRUSTEES/DIRECTORS AND OFFICERS ADDENDUM

A mutual fund is governed by a Board of Trustees/Directors ("Trustees"), which has oversight responsibility for the management of a fund's business affairs. Trustees establish procedures and oversee and review the performance of the investment manager, the distributor, and others who perform services for the fund. The independent fund trustees, in particular, are advocates for shareholder interests. Each trustee has served in that capacity since he or she was elected to or appointed to the Board of Trustees, and will continue to serve until his or her retirement or the election of a new trustee in his or her place. The following is a list of the Trustees and Officers with certain background and related information.

Name, Address, and Birth Date	Position(s) Held with Fund(s)	Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee or Officer	Other Directorships Held by Trustee or Officer
INTERESTED TRUSTEES					
Patrick P. Coyne ¹ 2005 Market Street Philadelphia, PA 19103 April 1963	Chairman, President, Chief Executive Officer, and Trustee	Chairman and Trustee since August 16, 2006 President and Chief Executive Officer since August 1, 2006	Patrick P. Coyne has served in various executive capacities at different times at Delaware Investments. ²	85	Director — Kaydon Corp. Board of Governors Member — Investment Company Institute (ICI) (2007 – present) Member of Investment Committee — Cradle of Liberty Council, BSA (November 2007 – present) Finance Committee Member — St. John Vianney Roman Catholic Church (2007 – present)
INDEPENDENT TRUSTEES					
Thomas L. Bennett 2005 Market Street Philadelphia, PA 19103 October 1947	Trustee	Since March 2005	Private Investor — (March 2004 – Present) Investment Manager — Morgan Stanley & Co. (January 1984 – March 2004)	85	Director — Bryn Mawr Bank Corp. (BMTc) (April 2007 — Present) Chairman of Investment Committee — Pennsylvania Academy of Fine Arts (2007 – present) Trustee (2004 – present) Investment Committee and Governance Committee Member — Pennsylvania Horticulture Society (February 2006 – present)

Name, Address, and Birth Date	Position(s) Held with Fund(s)	Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee or Officer	Other Directorships Held by Trustee or Officer
INDEPENDENT TRUSTEES (CONTINUED)					
John A. Fry 2005 Market Street Philadelphia, PA 19103 May 1960	Trustee	Since January 2001	President – Franklin & Marshall College (June 2002 – Present) Executive Vice President – University of Pennsylvania (April 1995 – June 2002)	85	Director – Community Health Systems
Anthony D. Knerr 2005 Market Street Philadelphia, PA 19103 December 1938	Trustee	Since April 1990	Founder and Managing Director – Anthony Knerr & Associates (Strategic Consulting) (1990 – Present)	85	None
Lucinda S. Landreth 2005 Market Street Philadelphia, PA 19103 June 1947	Trustee	Since March 2005	Chief Investment Officer – Assurant, Inc. (Insurance) (2002 – 2004)	85	None
Ann R. Leven 2005 Market Street Philadelphia, PA 19103 November 1940	Trustee	Since October 1989	Consultant – ARL Associates (Financial Planning) (1983 – Present)	85	Director and Audit Committee Chairperson – Systemax, Inc.
Thomas F. Madison 2005 Market Street Philadelphia, PA 19103 February 1936	Trustee	Since May 1997 ³	President and Chief Executive Officer – MLM Partners, Inc. (Small Business Investing and Consulting) (January 1993 – Present)	85	Director and Chair of Compensation Committee and Governance Committee Member – CenterPoint Energy Lead Director and Chair of Audit and Governance Committees, Member of Compensation Committee – Digital River, Inc. Director and Chair of Governance Committee, Audit Committee Member – Rimage Corporation Director and Chair of the Compensation Committee – Spanlink Communications Lead Director and Chair of Compensation and Governance Committees – Valmont Industries, Inc.
Janet L. Yeomans 2005 Market Street Philadelphia, PA 19103 July 1948	Trustee	Since April 1999	Vice President and Treasurer (January 2006 – Present) Vice President – Mergers & Acquisitions (January 2003 – January 2006), and Vice President 3M Corporation	85	None
J. Richard Zecher 2005 Market Street Philadelphia, PA 19103 July 1940	Trustee	Since March 2005	Founder – Investor Analytics (Risk Management) (May 1999 – Present) Founder – Sutton Asset Management (Hedge Fund) (September 1996 – Present)	85	Director and Audit Committee Member – Investor Analytics

Name, Address, and Birth Date	Position(s) Held with Fund(s)	Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee or Officer	Other Directorships Held by Trustee or Officer
OFFICERS					
David F. Connor 2005 Market Street Philadelphia, PA 19103 December 1963	Vice President, Deputy General Counsel, and Secretary	Vice President since September 2000 and Secretary since October 2005	David F. Connor has served as Vice President and Deputy General Counsel of Delaware Investments since 2000.	85	None ⁴
Daniel V. Geatens 2005 Market Street Philadelphia, PA 19103 October 1972	Vice President and Treasurer	Treasurer since October 2007	Daniel V. Geatens has served in various capacities at different times at Delaware Investments.	85	None ⁴
David P. O'Connor 2005 Market Street Philadelphia, PA 19103 February 1966	Senior Vice President, General Counsel, and Chief Legal Officer	Senior Vice President, General Counsel, and Chief Legal Officer since October 2005	David P. O'Connor has served in various executive and legal capacities at different times at Delaware Investments.	85	None ⁴
Richard Salus 2005 Market Street Philadelphia, PA 19103 October 1963	Senior Vice President and Chief Financial Officer	Chief Financial Officer since November 2006	Richard Salus has served in various executive capacities at different times at Delaware Investments.	85	None ⁴

¹Patrick P. Coyne is considered to be an "Interested Trustee" because he is an executive officer of the Fund's(s') investment advisor.

²Delaware Investments is the marketing name for Delaware Management Holdings, Inc. and its subsidiaries, including the Fund's(s') investment advisor, principal underwriter, and its transfer agent.

³In 1997, several funds managed by Voyager Fund Managers, Inc. (the "Voyager Funds") were incorporated into the Delaware Investments® Family of Funds. Mr. Madison served as a director of the Voyager Funds from 1993 until 1997.

⁴David F. Connor, Daniel V. Geatens, David P. O'Connor, and Richard Salus serve in similar capacities for the six portfolios of the Optimum Fund Trust, which have the same investment advisor, principal underwriter, and transfer agent of the Fund(s).

The Statement of Additional Information for the Fund(s) includes additional information about the Trustees and Officers and is available, without charge, upon request by calling 800 523-1918.

