

Attachment C represents the projects that have closed and for which full payment from the Literary Fund has been made since the last Board meeting.

Superintendent's Recommendation:

The Superintendent of Public Instruction recommends approval of the financial report (including all statements) on the status of the Literary Fund as of September 30, 2007.

Impact on Resources:

As funds become available in the Literary Fund, recommendations will be made to the Board for funding priority projects and those projects at the top of the First Priority Waiting List, with the cash balance reduced as loan requests are processed.

Timetable for Further Review/Action:

The Department staff will prepare a quarterly financial report on this fund for Board approval. Information also will be presented each quarter, as part of another agenda item, regarding those projects on the two waiting lists.

BOARD OF EDUCATION
STATEMENT OF THE FINANCIAL POSITION OF THE LITERARY FUND
(as of September 30, 2007)

Line Reference		<u>September 30, 2007</u>	<u>August 31, 2007</u>	<u>Increase/(Decrease)</u>
	PRINCIPAL BALANCE			
1.	Cash and investments maintained by State Treasurer	165,596,696	154,973,706	10,622,990
2.	Temporary loans received from local school boards (secured by promissory notes)	0	16,080,353	(16,080,353)
3.	Cash and investments in custody of Virginia Public School Authority (VPSA)	0	0	0
4.	Long-term loans in custody of Virginia Public School Authority (VPSA)	319,274,452	305,772,455	13,501,997
5.	Total Principal of Literary Fund	484,871,148	476,826,514	8,044,634
	CURRENT COMMITMENTS AGAINST LITERARY FUND REVENUE			
6.	Balance due on active projects (Attachment B)	23,353,668	23,353,668	0
7.	Debt service on VPSA equipment notes ¹	63,784,682	63,784,682	0
8.	Interest rate subsidy ²	3,082,043	20,000,000	(16,917,957)
9.	Trigon Reserve	5,657,429	5,657,429	0
10.	Transfer for Teacher Retirement ³	116,128,935	116,128,935	0
11.	Other Encumbrances held by Treasurer of Virginia	10,234	10,234	0
12.	Required Carry Forward Balance	63,784,682	63,784,682	0
13.	Total of Literary Fund Commitments	275,801,672	292,719,629	(16,917,957)
	FUNDS AVAILABLE FOR CURRENT COMMITMENTS AND NEW LOANS			
14.	Cash and investments maintained by State Treasurer (Line 1)	165,596,696		
15.	Less commitments against Literary Fund Revenues (Line 13)	(275,801,672)		
16.	Balance Available to Fund New Projects Currently on Waiting List - (Additional Funds Needed to Meet Commitments)	(110,204,976)		

NOTES:

¹ Chapter 847 requires \$63,784,682 to be set aside for debt service on VPSA equipment notes.

² Chapter 847 requires \$20,000,000 to be set aside for an interest rate subsidy program. (Subsidy Sale completed for \$16,917,957.48 and is reflected in line 8.)

³ Chapter 847 requires \$116,128,935 to be transferred from the Literary Fund to pay teacher retirement in fiscal year 2008.

ACTIVE LITERARY FUND PROJECTS AS OF December 31, 2007

Application Number	School Division	School	Release Date	Funds Approved for Release	Actual Funds Disbursed	Balance Due	Percent Drawn
Literary Loans							
11203	Staunton City	A. R. Ware Elementary	July, 2007	\$ 7,500,000	\$ -	7,500,000	0.00%
				\$ 7,500,000	\$ -	\$ 7,500,000	
Subsidy Grants							
11062	Chesapeake City	Butts Road Intermediate	2001 Subsidy	85,594	(77,881)	7,713	90.99%
11102	Washington County	Rhea Valley Elementary	2001 Subsidy	168,673	(165,235)	3,438	97.96%
11131	Stafford County	Stafford Elementary	2003 Subsidy	659,305	(659,178)	127	99.98%
11096	Washington County	Abingdon High	2003 Subsidy	34,943	-	34,943	0.00%
11098	Washington County	Holston High	2003 Subsidy	20,949	-	20,949	0.00%
11097	Washington County	John S. Battle High	2003 Subsidy	30,210	-	30,210	0.00%
11099	Washington County	Patrick Henry High	2003 Subsidy	30,181	-	30,181	0.00%
11100	Washington County	Valley Institute	2003 Subsidy	5,861	-	5,861	0.00%
11151	Nottoway County	Blackstone Primary	2004 Subsidy	54,632	(40,393)	14,239	73.94%
11150	Nottoway County	Crewe Primary	2004 Subsidy	191,790	(161,572)	30,218	84.24%
11181	Grayson County	Grayson Middle	2005 Subsidy	138,831	-	138,831	0.00%
11143	Franklin County	Windy Gap Elementary	2006 Subsidy	745,557	-	745,557	0.00%
11195	Page County	Page County High	2006 Subsidy	1,331,227	-	1,331,227	0.00%
11196	Page County	Luray High	2006 Subsidy	1,324,727	-	1,324,727	0.00%
11201	Portsmouth City	Park View Elementary	2006 Subsidy	1,331,227	(6,500)	1,324,727	0.49%
11210	Halifax County	Halifax Middle	2006 Subsidy	1,331,227	(6,500)	1,324,727	0.49%
11121	Henry County	G. W. Carver Elementary	2006 Subsidy	624,720	(236,924)	387,795	37.92%
11220	Halifax County	South Boston Elementary	2006 Subsidy	641,739	-	641,739	0.00%
11222	Henry County	Campbell Court Elementary	2006 Subsidy	706,533	-	706,533	0.00%
11217	Waynesboro City	Kate Collins Middle	2007 Subsidy	798,438	(791,938)	6,500	99.19%
11229	Augusta County	Stuarts Draft High School	2007 Subsidy	798,438	-	798,438	0.00%
11230	Augusta County	Wilson Memorial High School	2007 Subsidy	791,938	-	791,938	0.00%
11225	Hanover County	Hanover Elementary	2007 Subsidy	214,640	-	214,640	0.00%
11212	Washington County	Abingdon Elementary	2007 Subsidy	201,358	(6,500)	194,858	3.23%
11213	Washington County	High Point Elementary	2007 Subsidy	154,739	-	154,739	0.00%
11214	Washington County	Valley Institute Elementary	2007 Subsidy	123,197	-	123,197	0.00%
11215	Washington County	E. B. Stanley Middle	2007 Subsidy	149,896	-	149,896	0.00%
11223	Essex County	Essex Intermediate School	2007 Subsidy	214,640	(6,500)	208,140	3.03%
11256	Henry County	Drewry Mason Elementary	2007 Subsidy	648,523	-	648,523	0.00%
11239	Cumberland County	Cumberland Middle School	2007 Subsidy	1,382,236	-	1,382,236	0.00%
11238	Cumberland County	Cumberland High School	2007 Subsidy	1,375,736	-	1,375,736	0.00%

ACTIVE LITERARY FUND PROJECTS AS OF December 31, 2007

Application Number	School Division	School	Release Date	Funds Approved for Release	Actual Funds Disbursed	Balance Due	Percent Drawn
11209	New Kent County	New Kent High School	2007 Subsidy	214,640	(6,500)	208,140	3.03%
11257	Rockingham County	Montevideo Elementary School	2007 Subsidy	798,438	-	798,438	0.00%
11226	Hanover County	Trades Based Center	2007 Subsidy	208,140	-	208,140	0.00%
11228	Roanoke County	Northside High School	2007 Subsidy	798,438	-	798,438	0.00%
11258	Gloucester County	Abingdon Elementary School	2007 Subsidy	798,438	-	798,438	0.00%
				\$ 26,629,801	\$ (2,165,622)	\$ 24,464,180	

January, 2008

LITERARY FUND PROJECT REIMBURSEMENTS COMPLETED AS OF December 31, 2007

Application Number	School Division	School	Release Date	Funds Approved for Release	Actual Funds Disbursed	Funds Returned	Balance Due	Percent Drawn
11152	Sussex County	Sussex Central Middle	January, 2007	7,500,000	(7,002,530)	497,470	0.00	100.00%
11192	Greene County	William Monroe High	January, 2007	4,000,000	(4,000,000)	0.00	0.00	100.00%
11191	Greene County	William Monroe Middle	January, 2007	5,000,000	(5,000,000)	0.00	0.00	100.00%
				\$ 16,500,000	\$ (16,002,530)	\$ 497,470	\$ -	
11186	Brunswick County	Brunswick High	2006 Subsidy	1,331,227	(1,331,227)	0.00	0.00	100.00%
11205	Wythe County	Max Meadows Elementary	2006 Subsidy	410,529	(410,529)	0.00	0.00	100.00%
11198	Warren County	West Warren High	2007 Subsidy	798,438	(798,438)	0.00	0.00	100.00%
11199	Warren County	East Warren High	2007 Subsidy	791,938	(791,938)	0.00	0.00	100.00%
11216	Martinsville City	Patrick Henry Elementary	2007 Subsidy	465,095	(465,095)	0.00	0.00	100.00%
11240	Dinwiddie County	New High School	2007 Subsidy	1,382,236	(1,382,236)	0.00	0.00	100.00%
11241	Dinwiddie County	New Elementary School	2007 Subsidy	1,375,736	(1,375,736)	0.00	0.00	100.00%
11242	Nottoway County	Nottoway Intermediate and Middle	2007 Subsidy	556,810	(556,810)	0.00	0.00	100.00%
11243	King George County	New High School	2007 Subsidy	798,438	(798,438)	0.00	0.00	100.00%
11224	Caroline County	Ladysmith Elementary	2007 Subsidy	798,438	(798,438)	0.00	0.00	100.00%
				\$ 25,208,885	\$ (24,711,415)	\$ 497,470	\$ -	

January, 2008