

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, 2009.

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.

STATEMENT OF THE FINANCIAL POSITION OF THE LITERARY FUND
(as of September 30, 2009)

Line Reference		<u>September 30, 2009</u>	<u>June 30, 2009</u>	<u>Increase/(Decrease)</u>
	PRINCIPAL BALANCE			
1.	Cash and investments maintained by State Treasurer	80,954,346	52,478,676	28,475,670
2.	Temporary loans received from local school boards (secured by promissory notes)	7,500,000	0	7,500,000
3.	Long-term loans in custody of Virginia Public School Authority (VPSA)	299,922,055	312,050,993	(12,128,938)
4.	Total Principal of Literary Fund	388,376,401	364,529,669	23,846,732
	CURRENT COMMITMENTS AGAINST LITERARY FUND REVENUE			
5.	Balance due on active projects (Attachment B)	14,790,643	22,399,121	(7,608,478)
6.	Debt service on VPSA equipment notes ¹	65,404,119	0	65,404,119
7.	Interest rate subsidy ²	0	0	0
8.	Trigon Reserve	5,657,429	5,657,429	0
9.	Transfer for Teacher Retirement ³	122,979,935	0	122,979,935
10.	Required Carry Forward Balance	63,624,638	64,469,470	(844,833)
11.	Total of Literary Fund Commitments	272,456,763	92,526,020	179,930,744
	FUNDS AVAILABLE FOR CURRENT COMMITMENTS AND NEW LOANS			
12.	Cash and investments maintained by State Treasurer (Line 1)	80,954,346	52,478,676	
13.	Less commitments against Literary Fund Revenues (Line 13)	(272,456,763)	(92,526,020)	
14.	Balance Available to Fund New Projects Currently on Waiting List or (Additional Funds Needed to Meet Commitments)	(191,502,418)	(40,047,344)	

NOTES:

¹Chapter 781 requires \$65,404,119 to be set aside for debt service on VPSA equipment notes in fiscal year 2010.

²Chapter 781 requires there be no funds set aside for an interest rate subsidy program in fiscal year 2010.

³Chapter 781 requires \$122,979,935 to be transferred from the Literary Fund to pay teacher retirement in fiscal year 2010.

ACTIVE LITERARY FUND PROJECTS (as of September 30, 2009)

Application Number	School Division	School	Release Date	Funds Approved for Release	Actual Funds Disbursed	Balance Due	Percent Drawn
Literary Loans							
11254	Southampton County	Riverdale Elementary	January, 2008	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%
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%
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	(1,097,125)	234,102	82.41%
11220	Halifax County	South Boston Elementary	2006 Subsidy	641,739	(227,676)	414,063	35.48%
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%
11262	Wise County	Coeburn Middle School	2008 Subsidy	631,973	-	631,973	0.00%
11263	Wise County	Powell Valley Primary School	2008 Subsidy	726,322	-	726,322	0.00%
11255	Roanoke City	William Fleming High School	2008 Subsidy	1,006,140	-	1,006,140	0.00%
11273	Town of West Point	West Point Middle School	2008 Subsidy	41,984	-	41,984	0.00%
11270	Rockingham County	New Elementary School in Elkton	2008 Subsidy	999,640	(726,705)	272,935	72.70%
11293	Tazewell County	Richlands Elementary School	2008 Subsidy	446,045	-	446,045	0.00%
11294	Tazewell County	Tazewell Elementary School	2008 Subsidy	483,392	-	483,392	0.00%
11295	Tazewell County	Springville Elementary School	2008 Subsidy	243,178	-	243,178	0.00%
11296	Tazewell County	North Tazewell Elementary School	2008 Subsidy	324,368	-	324,368	0.00%
11297	Tazewell County	Cedar Bluff Elementary School	2008 Subsidy	327,724	-	327,724	0.00%
				\$ 17,134,995	\$ (2,344,352)	\$ 14,790,643	

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LITERARY FUND PROJECT REIMBURSEMENTS COMPLETED (as of September 30, 2009)

Application Number	School Division	School	Release Date	Funds Approved for Release	Actual Funds Disbursed	Funds Returned	Balance Due	Percent Drawn
11261	Culpeper County	New Elementary	January, 2008	7,500,000	(7,500,000)	-	-	100.00%
				\$ 7,500,000	\$ (7,500,000)	\$ -	\$ -	
11099	Washington County	Patrick Henry High School	2003 Subsidy	30,181	(30,181)	-	-	100.00%
11100	Washington County	Valley Institute Elementary School	2003 Subsidy	5,861	(5,861)	-	-	100.00%
11258	Gloucester County	Abingdon Elementary School	2007 Subsidy	798,438	(798,438)	-	-	100.00%
11272	Town of West Point	West Point High School	2008 Subsidy	64,219	(64,219)	-	-	100.00%
				\$ 8,398,699	\$ (8,398,699)	\$ -	\$ -	

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