

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.

There is no agenda item related to applications for Literary Fund Loans as no new applications have been submitted for review by the Department 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 March 31, 2010.

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 March 31, 2010)

Line Reference	PRINCIPAL BALANCE	<u>March 31, 2010</u>	<u>December 31, 2009</u>	<u>Increase/(Decrease)</u>
1.	Cash and investments maintained by State Treasurer	181,738,721	97,272,321	84,466,400
2.	Temporary loans received from local school boards (secured by promissory notes)	-	7,500,000	(7,500,000)
3.	Long-term loans in custody of Virginia Public School Authority (VPSA)	300,871,375	300,876,814	(5,439)
4.	Total Principal of Literary Fund	482,610,096	405,649,135	76,960,961
CURRENT COMMITMENTS AGAINST LITERARY FUND REVENUE				
5.	Balance due on active projects (Attachment B)	4,334,686	4,607,621	(272,935)
6.	Debt service on VPSA equipment notes ¹	64,381,550	64,488,034	(106,484)
7.	Interest rate subsidy ²	0	0	0
8.	Trigon Reserve	5,657,429	5,657,429	0
9.	Transfer for Teacher Retirement ³	195,000,000	195,000,000	0
10.	Required Carry Forward Balance	63,624,638	63,624,638	0
11.	Total of Literary Fund Commitments	332,998,303	333,377,721	(379,419)
FUNDS AVAILABLE FOR CURRENT COMMITMENTS AND NEW LOANS				
12.	Cash and investments maintained by State Treasurer (Line 1)	181,738,721	97,272,321	
13.	Less commitments against Literary Fund Revenues (Line 11)	(332,998,303)	(333,377,721)	
14.	Balance Available to Fund New Projects Currently on Waiting List or (Additional Funds Needed to Meet Commitments)	(151,259,582)	(236,105,401)	

NOTES:

¹Chapter 872, 2010 Acts of Assembly, requires \$65,297,635 to be set aside for debt service on VPSA equipment notes in fiscal year 2010. [Fiscal year-to-date payments of \$916,085 reflected in line 6.]

²Chapter 872, 2010 Acts of Assembly, does not authorize an interest rate subsidy program in fiscal year 2010.

³Chapter 872, 2010 Acts of Assembly, requires \$195,000,000 to be transferred from the Literary Fund to pay teacher retirement in fiscal year 2010.

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ACTIVE LITERARY FUND PROJECTS (as of March 31, 2010)

Application Number	School Division	School	Release Date	Funds Approved for Release	Actual Funds Disbursed	Balance Due	Percent Drawn
Literary Loans							
No Projects							
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%
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%
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%
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%
				\$ 5,945,833	\$ (1,611,147)	\$ 4,334,686	

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LITERARY FUND PROJECT REIMBURSEMENTS COMPLETED (as of March 31, 2010)

Application Number	School Division	School	Release Date	Funds Approved for Release	Actual Funds Disbursed	Funds Returned	Balance Due	Percent Drawn
11270	Rockingham County	River Bend Elementary School	2008 Subsidy	999,640	(999,640)	-	-	100.00%
				\$ 999,640	\$ (999,640)	\$ -	\$ -	