| **Virginia Board of Education Agenda Item** | **Seal of the Commonwealth of Virginia** |
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## Agenda Item: A

## Date: October 17, 2019

## Title: Final Review of Quarterly Financial Report on Literary Fund; Update to the Second Priority Waiting List

## Presenter: Mr. Kent C. Dickey, Deputy Superintendent of Budget, Finance, and Operations

## Email: Kent.Dickey@doe.virginia.gov Phone: (804) 225-2025

## Purpose of Presentation:

Action required by state or federal law or regulation.

## Executive Summary:

The Literary Fund provides low-interest loans for new school construction and for additions or permanent improvements to existing schools to help provide students with a safe and secure environment in which to learn. In accordance with the provisions of the *Code of Virginia*, Chapter 10, Section 22.1-142, the Board of Education is responsible for the management of the Literary Fund.

This item aligns with Board of Education Goals: Priority 1: Provide high-quality, effective learning environments for all students.

Attachment A reflects the financial position of the Literary Fund as of June 30, 2019. The information presented in this statement reflects the commitments against the Literary Fund as of June 30, 2019.

Attachment B reflects the current active projects funded through the Literary Fund as of June 30, 2019.

Attachment C reflects the removal of school projects in Pittsylvania County from the Second Priority Waiting List, as requested by the division superintendent.

Attachment D reflects a revised Literary Fund Second Priority Waiting List, updated for the removal of school projects in Pittsylvania County.

## Action Requested:

Final review: Action requested at this meeting.

## Superintendent’s Recommendation:

The Superintendent of Public Instruction recommends that the Board of Education approve Attachments A through D and as further described in the section below, “Background Information and Statutory Authority.” These actions include approving the removal of school projects in Pittsylvania County from the Second Priority Waiting List, as requested by the division superintendent, that were previously financed from alternative sources.

**Rationale for Action:**

Staff has reviewed the attachments and the attachments reflect the financial activity authorized for the Literary Fund through June 30, 2019, as well as the removal of certain school projects from the Second Priority Waiting List as requested by the school division and an update to the active project list for a loan that was released by the Board at its June 2019 meeting.

**Previous Review or Action:**

No previous review or action.

## Background Information and Statutory Authority:

In accordance with the provisions of the *Code of Virginia*, Chapter 10, Section 22.1-142, the Board of Education is responsible for the management of the Literary Fund.

This report reflects the status of the Literary Fund as of June 30, 2019, including the total principal, as well as cash, investments, and all short-/long-term loans.

In addition, removal of school projects in Pittsylvania County from the Second Priority Waiting List, as requested by the division superintendent, because these projects were previously financed through alternative sources. Also, approval of a revised Second Priority Waiting List reflecting these actions. Lastly, an update to the active projects list for a released loan.

## Timetable for Further Review/Action:

The Department staff will prepare a quarterly financial report on the Literary Fund for Board approval. Information will also be presented, as changes occur, regarding those projects on the waiting list.

## Impact on Fiscal and Human Resources:

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