Topic: Final Review of Recommendations Concerning Applications for Literary Fund Loans

Presenter: Mr. Daniel S. Timberlake, Assistant Superintendent for Finance

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Origin:

___ Topic presented for information only (no board action required)

_X_ Board review required by

   _X_ State or federal law or regulation
   ____ Board of Education regulation
   ____ Other: ______________

_X_ Action requested at this meeting  ____ Action requested at future meeting: __________ (date)

Previous Review/Action:

_X_ No previous board review/action

___ Previous review/action
date _______________________
action _______________________________________

Background Information:

The recommendation for approval of the projects on Attachment A is in accordance with the Code of Virginia, Chapter 10, Section 22.1-146, which authorizes the Board of Education to make loans from the Literary Fund for the purpose of erecting, altering, or enlarging school buildings. Approval of an application constitutes the first step in a two-step process to secure a loan from the Literary Fund. The second step can occur only after Departmental receipt of final plans and specifications per Section 22.1-140 of the Code, coupled with a written request to the Department for release of funds, with the latter request also requiring Board approval.

Summary of Major Elements

Attachment A reflects six applications that have been reviewed by the Department. These applications have met all of the Board's requirements necessary to be approved for a Literary Fund loan and are currently under review by the Office of the Attorney General.

Superintendent's Recommendation:
The Superintendent of Public Instruction recommends approval of six applications totaling $37,100,000 subject to review and approval by the Office of the Attorney General pursuant to Section 22.1-156, Code of Virginia (Attachment A).

**Impact on Resources:**

There will be no impact on the resources of the Literary Fund until a locality receives approval from the Board of Education for the release of funds, construction begins on the approved project, and a request for reimbursement is submitted.

**Timetable for Further Review/Action:**

Recommendations similar to Attachment A will be presented to the Board on a quarterly basis as needed, if found in proper order after review by the Department and the Office of the Attorney General.
It is recommended that the following applications be approved.

<table>
<thead>
<tr>
<th>School Division</th>
<th>School</th>
<th>Amount</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staunton City</td>
<td>A. R. Ware Elem</td>
<td>$7,500,000</td>
<td>New Construction (Plans Approved)</td>
</tr>
<tr>
<td>Staunton City</td>
<td>T. C. McSwain Elem</td>
<td>7,500,000</td>
<td>New Construction (Plans Approved)</td>
</tr>
<tr>
<td>Wythe County</td>
<td>Max Meadows Elem</td>
<td>4,100,000</td>
<td>Addition (Plans Approved)</td>
</tr>
<tr>
<td>Warren County</td>
<td>West Warren High</td>
<td>7,500,000</td>
<td>New Construction (Plans Approved)</td>
</tr>
<tr>
<td>Warren County</td>
<td>East Warren High</td>
<td>7,500,000</td>
<td>New Construction (Plans Approved)</td>
</tr>
<tr>
<td>Henry County</td>
<td>Mt. Olivet Elem</td>
<td>3,000,000</td>
<td>Renovations (Plans Approved)</td>
</tr>
</tbody>
</table>

Total $37,100,000

June, 2005