

COMMONWEALTH OF VIRGINIA  
DEPARTMENT OF EDUCATION  
P.O. BOX 2120  
RICHMOND, VIRGINIA 23218-2120

SUPTS. MEMO NO. 130  
June 29, 2007

INFORMATIONAL

TO: Division Superintendents

FROM: Billy K. Cannaday, Jr.  
Superintendent of Public Instruction

SUBJECT: Update to the Literary Fund Loan Program

Legislation enacted at the 2007 General Assembly (Chapter 121, 2007 Acts of Assembly) made certain revisions to sections of the *Code of Virginia* pertaining to the Literary Fund. Accordingly, the Literary Fund loan application form must also change. These changes to the Literary Fund are effective July 1, 2007, and are provided as Attachment A to this memorandum.

The following is a brief summary of the statutory changes in Chapter 121 that affect the Literary Fund application:

- Sections 22.1-154 through 22.1-157 of the *Code of Virginia* are repealed, which eliminates the need for a title search and for a lien in favor of the Literary Fund to be placed on the building.
- Language has been stricken pertaining to a judgment by the Board of Education of whether the payment of the requested Literary Fund loan with interest would entail too heavy a charge upon the revenues of the locality. Therefore, the "Statement of the County or City Treasurer" has been removed from the new application.
- The local governing body is now required to authorize a Literary Fund loan as part of a school division's original application process and again when the loan funds are ready to be disbursed.

## New Literary Fund Application

At its April 27, 2007 meeting, the Board of Education delegated authority to the Superintendent of Public Instruction to make changes to the Literary Fund loan application.

The revised application, which now is in an Excel format, can be completed online by accessing the Literary Fund Web site on or after July 1, 2007:

[http://www.doe.virginia.gov/VDOE/Finance/Budget/literary\\_fund/application\\_for\\_literary\\_fund\\_loan\\_form.xls](http://www.doe.virginia.gov/VDOE/Finance/Budget/literary_fund/application_for_literary_fund_loan_form.xls).

The Literary Fund loan application process has also been streamlined. Certain sections from the old Literary Fund application form that are no longer needed by the Department have been eliminated, including:

- Current loans from the Literary Fund and their amounts (item 3. on old form)
- Acreage of the construction site (item 5. on old form)
- Description of why the proposed building is desirable (item 7. on old form)
- Total indebtedness of the County-City (item 8. on old form)
- Survey title and date (item 11. on old form)
- Attorney's Certificate of Title and subsequent Certificate of the Court Form (no longer required)
- Statement of the County or City Treasurer Form (no longer required)

Please note that as of July 1, 2007, the old Literary Fund loan application form will no longer be accepted. All applications must be submitted using the Excel application template described above.

## New Literary Fund Web Site Address

In order for school divisions to have a point of reference for all matters relating to the Literary Fund, an updated and expanded Literary Fund Web site will be available on July 1, 2007.

[http://www.doe.virginia.gov/VDOE/Finance/Budget/literary\\_fund/](http://www.doe.virginia.gov/VDOE/Finance/Budget/literary_fund/).

The site contains links that will aid school divisions when applying for Literary Fund loans. The site includes:

- Current First Priority Waiting List
- Current Second Priority Waiting List
- Current Approved Application List
- Literary Fund application package
- Literary Fund application checklist
- *Code of Virginia*
- Chapter 121 legislation
- Literary Fund regulations
- Literary Fund process flowchart
- Qualifying uses of Literary Fund loans
- School Construction Options in Virginia
- Some Frequently Asked Questions

If you have questions about the Literary Fund application or Web site, please contact Christina (Tina) Snellings at [Christina.Snellings@doe.virginia.gov](mailto:Christina.Snellings@doe.virginia.gov) or contact the Budget Office at (804) 225-2025.

BKCJr/cps

Attachments

<http://www.doe.virginia.gov/VDOE/suptsmemos/2007/inf130a.pdf>