



February 3, 2005

The Honorable John H. Chichester  
Chairman  
Senate Finance Committee  
10<sup>th</sup> Floor, General Assembly Building  
Richmond, Virginia 23219

The Honorable Vincent F. Callahan, Jr.  
Chairman  
House Appropriations Committee  
9<sup>th</sup> Floor, General Assembly Building  
P.O. Box 406  
Richmond, Virginia 23218

Dear Chairman Chichester and Chairman Callahan:

Pursuant to Item 107 D (Special Session 1, 2004), the Executive Director of the Virginia Small Business Financing Authority (VSBFA) “...with the approval of the Director of the Department of Business Assistance may transfer moneys between funds managed by the Authority. These include the Virginia Small Business Growth Fund (§2.2-2310, Code of Virginia); the Virginia Export Fund (§ 2.2-2309, Code of Virginia); and the Insurance or Guarantee Fund (§ 2.2-2290, Code of Virginia). The Executive Director of the Virginia Small Business Financing Authority shall report, by fund, the transfers made by January 1 of each year to the Chairmen of the Senate Finance and House Appropriations Committees.” The activity listed below is in fulfillment of that requirement.

On June 14, 2004, the Executive Director, with the approval of the Board of Directors of the Virginia Small Business Financing Authority including the Director of the Department of Business Assistance, authorized the transfer of six hundred thousand (\$600,000) dollars from the Virginia Economic Development Loan Fund to the Loan Guaranty Program. This transfer was necessary to support increased demand for the Loan Guaranty Program and to support changes to that program mandated by the Board of Directors.

Please let me know if you have any questions regarding this report.

Respectfully,

Scott E. Parsons  
Executive Director  
Virginia Small Business Financing Authority

cc: Mr. Michael Eisenman, Director, Department of Business Assistance