

**COMMONWEALTH OF VIRGINIA
ASSISTIVE TECHNOLOGY LOAN FUND AUTHORITY
Board of Directors Meeting**

Minutes Adopted by Board of Directors on January 21, 2011

October 14, 2010

MEMBERS PRESENT

Linda Harris, Chairperson
Dean Bonney, Vice-Chair
Mike Haydon
Thomas Hock
Ron Lanier
David Axselle

ABSENT

Amy Odhner, Treasurer
Juan Martinez
Robin Jefferson
Barb Ostrander

ALSO PRESENT

Joey Wallace, Executive Director
Eric Gregory, Assistant Attorney General
Sandra Prince
Christy Crowther
Shilpa Joshi

CALL TO ORDER

The Assistive Technology Loan Fund Authority Board of Directors met for a regular quarterly meeting at ATLFA, 1602 Rolling Hills Drive, Suite 107, Richmond, Virginia on October 15, 2010. Linda Harris, Chairperson, called the meeting to order at approximately 10:10 AM.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES

Linda Harris, Chairperson, asked if everyone had an opportunity to review the Board minutes of the July 15, 2010 meeting.

A motion was made by Mike Haydon to approve the July 15, 2010 minutes. The motion was seconded by Ron Lanier and unanimously carried.

PROGRAM

Introduction of New Board Member

Linda Harris welcomed David "Dack" Axselle to the Board and asked Mr. Axselle to provide a brief bio for other Board members and staff. Mr. Axselle noted that he is a Hanover County native, received a degree in administration from Randolph-Macon, and is a teacher at Hanover High School. He is also the pianist at First Baptist Church in

Ashland. The Board members and staff introduced themselves and welcomed Mr. Axselle to the Board.

Old Business

There was no old business brought forward.

NewWell Representation at RAM

Dean Bonney provided an update on the history of Remote Area Medical (RAM) and how it started in the United States. He noted that this activity is greatly needed in Virginia. Mr. Bonney served as a volunteer representing the NewWell Fund, along with his daughter and sister, and also met with the Junction Center for Independent Living and the Lions Club while at RAM. He noted that the NewWell Fund needs to provide more outreach to the Lions Club and stated that he has discussed the NewWell Fund with the Lions Club in Dumfries and Roanoke. Mr. Bonney also stated that he visited the CILs in Abingdon, Grundy and Norton the first week of October and had an opportunity to talk with staff and leave NewWell Fund brochures for their distribution to consumers.

Financial Report

Shilpa Joshi, Financial Director, requested that the Board members refer to the statement of net assets through September 30, 2010 and statement of revenues and expenditures from July 1, 2010 through September 30, 2010 provided to them in the Board packets. Ms. Joshi noted that the current assets are approximately \$9.8 million, with total assets of \$11 million. She pointed out that we currently have approximately \$1.2 million in direct loans receivable.

Shilpa Joshi pointed out that the contingent liabilities (SunTrust guaranteed loans) at September 30, 2010 are \$770,220. The actual net expenditures in excess of revenues as of September 30, 2010 were negative \$73,000. Ms. Joshi discussed the Statement of Revenue and Expenditures from July 1, 2010 through September 30, 2010. She noted that the NewWell Fund is on budget with expenditures for the first quarter, and would be glad to provide more detail on any line items in question.

Ms. Joshi discussed the handout of the comparison of select data for the direct loans, booked SunTrust loans and cash receipts for Fiscal Years 2010 and 2011. She noted that direct loan activity was lower in FY 11, but the volume of booked loans depends on when the consumers return the signed closing documents. Ms. Joshi noted that only one guaranteed loan was purchased from SunTrust for the first quarter, but the activity for closed SunTrust loans increased significantly. Cash receipts also increased in FY 11 as compared to FY 10.

Joey Wallace, Executive Director, noted that a discussion was held with SunTrust Bank regarding our portfolio and the need to increase the amount of funds in the account for guaranteed loans since loan activity has increased. Dr. Wallace proposed that the amount of reserve funds for future loans be increased above the guaranteed level from \$10,000 to \$20,000.

A motion was made by Thomas Hock to accept the increase in the money market reserve funds from \$10,000 to \$20,000 above the guaranteed level. The motion was seconded by Mike Haydon and unanimously carried.

Director's Report

Dr. Joey Wallace, Executive Director, directed the Board members to the Director's Report included in the Board packets. He discussed training and activities that staff have been involved in during the last quarter. He discussed the goals of the strategic plan and noted completed activities by staff for each goal.

Dr. Wallace noted that discussions have continued with Citizens and Farmers Bank as a potential new lending partner. Mike Haydon asked if any information had been shared as to how we work with SunTrust. Dr. Wallace noted that no discussions have been held in detail about our working relationship with SunTrust.

Dr. Wallace noted that Sandy Prince had arranged with Equifax to report loan activity to the credit bureau starting November 1. He noted that this will be both good and bad for our consumers. He noted that Sandy Prince had arranged for repossession of three vehicles during the quarter.

Dr. Wallace noted that the loan committee met monthly from July through September 2010, reviewing 65 applications and approving 27 direct loans totaling \$192,803, and 7 guaranteed loans totaling \$161,800. This does not include the six non-guaranteed loans approved by SunTrust Bank totaling \$237,519. Christy Crowther provided a loan activity summary report for the period July 1 thru September 30 for FY 11 and a comparison for the same time period for FY 10. She noted that the number of applications received and dollar amount approved is holding steady for FY 11, and that we are beginning to see more requests for assistance with home modifications.

Dr. Wallace reported that staff have been presenting or attending various events around the state. He noted that presentations had been held at four CILs and that staff exhibited at the Virginia AgExpo, South Hampton Disability Services Board Leadership Forum, and the open house for the Department for the Deaf and Hard of Hearing. Dr. Wallace noted that the NewWell Fund hosted a technical assistance visit from the Arkansas Alternative Finance Program.

Dr. Wallace provided an update on various other activities such as completion of a final draft of the telework brochure and notification that the NewWell Fund did not receive the organizational award from National Rehabilitation Association. Linda Harris, Chairperson, informed the Board that the Virginia Rehabilitation Association presented the Corbett Reddy Award for Excellence in Rehabilitation to Joey Wallace.

Dr. Wallace discussed current activity related to funding for the Consumer Service Fund. He noted that he met with the Disability Commission workgroup to advocate for re-establishment of the CSF program. He noted that a summary of the CSF with outcomes and success stories has been completed for distribution at the next Commission meeting. He stated that the NewWell Fund has the support of DRS and the CILs in this endeavor. Dean Bonney noted that he would like to attend the next meeting of the Disability Commission, and Dr. Wallace noted that he would get the date and time of the meeting to him. Dr. Wallace noted that he would keep the Board updated on future progress in this endeavor.

Linda Harris requested that a business card with names of the Board members be ordered so they can pass them out to potential customers. She noted that business cards had been printed previously for the Board members for this purpose.

BOARD ISSUES FOR DISCUSSION

Board Retreat Date

Sandra Prince discussed the plans to date for the Board Retreat which will be held at the Westin Hotel in Richmond, but needed to have a firm date for the contract. **It was the consensus of the Board that the retreat be held on January 21-22, 2011.**

It was the consensus of the Board members that future Board meeting dates be scheduled as follows:

**April 21st
July 21st
October 20th**

Strategic Plan Review

Joey Wallace, Executive Director, directed the Board to the strategic plan document included in the notebook. He briefly discussed the ongoing activities of each objective and highlighted some of the accomplishments in the last quarter. He noted that he would be happy to provide more detail on each if any Board member had questions or concerns.

Financial Projection RFP Update

Dr. Wallace noted that the Request for Proposal for a business plan has been released and any proposals received by the due date will be reviewed after the loan committee meeting on October 27. The successful contractor will have from November 15 to January 15 to complete the plan and will present the plan at the retreat to be held in late January. Dr. Wallace noted that he will get the proposals sent out to the Board members prior to the Finance Committee meeting in October. Dean Bonney noted that he will be attending the October 27 Finance Committee meeting to review the proposals. Thomas Hock asked Dr. Wallace if direction was provided by Dean Bonney and Amy Odhner in the development of the RFP. Dean Bonney noted that he reviewed three drafts and made comments. Dr. Wallace noted that he had an outside accounting firm provide information on the development of the scope and approach of the business plan and the Department of Rehabilitative Services providing guidance on the state guidelines for issuing a Request for Proposal. Dean Bonney noted that you have to understand first what you want from the provider in order to develop the RFP and that we all worked together toward this goal.

Proposed Loan Manual Procedures

Sandra Prince directed Board member attention to a handout on proposed changes in loan procedures provided in the Board packet. She discussed the proposed returned check fee policy and noted that we are seeing a number of checks being returned for insufficient funds from the loan holders. Dean Bonney noted that he would like for staff to have the flexibility to waive a fee depending on the loan holder's circumstance.

A motion was made by David Axelle to adopt the \$25.00 returned check fee for payments made on loans which could be waived at the discretion of the Executive Director. The motion was seconded by Mike Haydon and unanimously carried.

Sandra Prince discussed the change in the bankruptcy policy as compared to the current loan manual policy. **A motion was made by Dean Bonney to change the loan manual policy for bankruptcy from five years to "two years after bankruptcy**

discharge with re-established credit history since the discharge.” The motion was seconded by Mike Haydon and unanimously carried.

Sandra Prince discussed the change in loans for computers as noted in the handout. A motion was made by Thomas Hock to accept the proposed change in loans for computers. The motion was seconded by Mike Haydon and unanimously carried.

CLOSED SESSION

Linda Harris, Chairperson, made the following motion to go to closed session: I, Linda Harris, move that the Board convene in closed meeting pursuant to Virginia Code Section 2.2-3711A(1) and A(4) for discussion of personnel issues, loan approvals and other Board matters that are appropriate. Additionally I move that Joey Wallace and, if necessary, staff members Sandra Prince, Christy Crowther and Shilpa Joshi, attend the closed meeting because their presence will aid the Board in its consideration of these matters. The motion was seconded by David Axselle and unanimously carried.

RESULTS OF THE CLOSED SESSION

Linda Harris, Chairperson, convened the Board meeting in regular session.

Linda Harris, Chairperson, stated that a roll call vote will be held and all those who certify to the best of their knowledge that only business lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and that only business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting certify by stating your name and saying “Yea”. Those who do not certify say “Naye”.

Yeas – Harris, Bonney, Axselle, Hock, Haydon

Nayes – None

A motion was made by Mike Haydon that the Board ratify the Loan Committee decisions as presented to the Board. The motion was seconded by Dean Bonney and unanimously carried.

A motion was made by David Axselle that the Board forgive one loan in the amount of \$629.82 due to a hardship case. The motion was seconded by Dean Bonney and unanimously carried.

Linda Harris, Chairperson, moved that the meeting be adjourned. The motion was seconded by Dean Bonney and unanimously carried. The meeting was adjourned at 1:55 PM. A Board retreat is scheduled for January 21-22, 2011 at the Westin Hotel, Richmond, Virginia.