

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

Minutes Adopted by the Board of Directors on January 15, 2009

December 4, 2008

MEMBERS PRESENT

Amy Odhner, Chairwoman
Dean Bonney
Mike Haydon
Linda Harris, Vice-Chairperson
Thomas Hock
Robin Jefferson, Treasurer
Susan Klein
Ronald Lanier
Barbie Ostrander
Mitch Wesolowski
Juan Martinez, via conference phone
Seville Allen, via conference phone

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 the ATLFA, 1602 Rolling Hills Drive, Richmond, Virginia on December 4, 2008. Amy Odhner, Chairwoman, called the meeting to order at approximately 9:10 AM.

APPROVAL OF MINUTES

Amy Odhner, Chairwoman, asked if everyone had an opportunity to review the Board minutes of the July 17, 2008 meeting. Ron Lanier noted that there were typos on page 3 and page 4 that will need to be corrected. **A motion was made by Linda Harris, Vice Chairperson, to approve the July 17, 2008 minutes as corrected. The motion was seconded by Thomas Hock and unanimously carried.**

PUBLIC COMMENT

There was no public comment.

PROGRAM

Welcome

Amy Odhner, Chairwoman, stated that there were several new members recently appointed to the Board, Mitch Wesolowski and Seville Allen, and a new Assistant

Attorney General representative, Eric Gregory, present at the meeting. She asked each person to introduce themselves and provide a brief statement of their interest in the Board. Each Board member and staff introduced themselves to the new members.

Dr. Joey Wallace, Executive Director, introduced Shilpa Joshi who replaces Gail Casalaspi as the Financial Director. Dr. Wallace noted that Gail Casalaspi asked him to express her appreciation to the Board and that she was sorry that she could not be in attendance at this meeting.

Audit Report

Dr. Joey Wallace introduced George Strudgeon from the Office of the Auditor of Public Accounts. Mr. Strudgeon handed out a copy of the final bound audit report and noted that the Board members had received a copy of the draft prior to the meeting. Mr. Strudgeon noted that two years ago the Code of Virginia was changed to have the Auditor of Public Accounts (APA) audit the records of the loan authority. He noted that this is the third audit report issued by the APA, and noted that the Board has strengthened its governance and oversight responsibilities. He stated that the recommendation in the audit report ending June 30, 2007 is the need for the development of a business plan. He noted that the authority is operating without plans to address the increased demand for services caused by its new marketing plan which will result in loans causing a cash deficit.

Mitch Wesolowski inquired about frequency of the audits if this report is for the period ending June 30, 2007. Mr. Strudgeon noted that the audits are conducted each fiscal year and that a new audit for the period ending June 30, 2008 will be set up shortly with management.

Amy Odhner thanked Mr. Strudgeon for his presentation, and Dr. Wallace noted that the staff look forward to working with the APA during the next audit cycle.

Loan Summary Report

Christy Crowther provided the Board with a copy of the Loan Activity Summary Report for the period July 1, 2008 through November 30, 2008. She noted that there were a total of 92 applications received during that period, with a total of 45 applications being approved. Ms. Crowther noted that the amount of dollars requested for direct loans has increased, but more bank loans are being withdrawn after approval due to the interest rates offered.

Dr. Wallace noted that as more direct loans are approved, the loan authority saves the administrative fee that would be paid to the bank and also receives interest income on the loans. Linda Harris asked if other state loan programs have a direct loan program. Dr. Wallace noted that no other state offers direct loans and that Virginia is ahead of the other loan programs in this area. Dr. Wallace provided a brief history on the philosophy of the buy-down interest rate with the bank and also explained how the current loan program with our banking partner is administered.

Financial Report

Shilpa Joshi, Financial Director, requested that the Board members refer to the financials provided to them in the Board package. She noted that the update on the statement of net assets through September 30, 2008 and statement of revenues and expenditures from July 1, 2008 through September 30, 2008 were developed by Gail

Casalaspi. She noted that the current assets are approximately \$11.1 million. The current interest rate on funds held in the accounts at the State Treasurer is 2.852%. Ms. Joshi provided an update on the line item "due from employee" and noted that the remaining half of the funds will be paid directly by the employee. Ms. Joshi noted that she would be happy to provide more detailed information on any specific line item that might be of interest of anyone. Robin Jefferson, Treasurer, asked what is the plan to spend the money in the marketing line item. Dr. Wallace noted that he is working on the final figures for the marketing line item and will keep the Board updated prior to any large expenditures from this line item.

Shilpa Joshi pointed out that the contingent liabilities (SunTrust guaranteed loans) at September 30, 2008 is approximately \$1.1 million.

The actual net expenditures in excess of revenues as of September 30, 2008 were \$36,972. Mitch Wesolowski asked what was the best estimate for the year end. Amy Odhner, Chairwoman, noted that we should be on target since the expenditures of the loan program are currently in line with what we have done in past years.

Mitch Wesolowski asked what is the ultimate funding source for the loan authority. Dr. Wallace noted that the funds received were from federal grants and two state appropriations. Dr. Wallace also provided a brief history of the funding for the alternative financing and telework loan programs.

Director's Report

Dr. Joey Wallace, Executive Director, directed the Board members to the Director's Report that is included in the Board packets and discussed training and activities that staff have been involved in since the last Board meeting.

Dr. Wallace noted that the loan committee met twice in August and in September and reviewed 49 applications and approved 24 loans totaling \$197,847.27 which did not include the 6 non-guaranteed loans approved by SunTrust Bank. The loan committee also met in October and November and reviewed 21 applications and approved 14 loans totaling \$125,516.98 which does not include the one non-guaranteed loan approved by SunTrust Bank.

Dr. Wallace noted that he met with two banks to discuss possible partnerships. He also noted that staff represented the NewWell Fund as volunteers in the Remote Area Medical expedition in Wise County in July. Dr. Wallace continues to meet with the ALS support groups to discuss assistive technology and promote NewWell Fund, and also continues to publish articles on assistive technology and funding options for various magazines and newsletters around the State.

Dr. Wallace noted that he participated in the RESNA conference calls for new loan program directors. He also noted that Amy Odhner and Mike Haydon, along with staff, participated in the Sheltering Arms Different Strokes Golf Extravaganza on September 21.

Dr. Wallace noted that there is national energy among six states that have loan programs to pursue federal earmarks for the loan programs. This movement focuses on how the loan programs can position themselves for funds since the loan programs are not included in the reauthorization of the federal technology act. Dr. Wallace noted that

he wanted to bring this forward for discussion prior to Virginia signing on to this movement. Dr. Wallace noted that he would have to contact the Virginia delegates in Congress to provide them with information on the loan programs. It was the consensus of the Board that Virginia should join the movement to try to get additional dollars for the loan programs. Eric Gregory noted that the loan program has to approach this movement like universities with endowments in order to increase the principle to keep the interest on the loans low. Thomas Hock noted that in ten years the Board will be faced with the issue of looking for additional money to support the loan program.

Dr. Wallace provided an update on the development of the marketing commercial. He noted that a story board will be developed based on the preliminary approval of the written commercial. Once the story board is developed, costs for filming it will be obtained and provided to the Board. Dr. Wallace noted that he will share the story board with the Board members for their review and approval prior to moving forward. Ron Lanier reminded Dr. Wallace that the commercial needs to be closed captioned for the hearing impaired. Mitch Wesolowski noted that maybe the commercial could be included on You-Tube.

Dean Bonney asked about the status of the meetings with the Department of Veterans Affairs. Dr. Wallace provided an update on the meetings with the wounded warrior programs and the upcoming collaborative meeting at the VA Medical Center in Richmond with Virginia Commonwealth University, Department of Rehabilitative Services, Woodrow Wilson Rehabilitation Center, Department of Veteran Services and VA Medical Center staff.

MARKETING

Sandy Prince noted that approximately 2,900 brochures have been delivered or mailed since the last Board meeting. She noted that brochures had been provided to various vendors, Centers for Independent Living, rehabilitation facilities, hospitals, and support groups. Ms. Prince noted that NewWell Fund provided brochures and giveaways to the Wounded Warrior Summit held at the Woodrow Wilson Rehabilitation Center with remote sites around the state. She noted that the NewWell Fund hosted one video conference site for the Summit and provided pocket folders, brochures and giveaways to the participants. Ms. Prince noted that the NewWell Fund will continue to work with the Department of Veteran Services on a quarterly basis to mail brochures to newly injured soldiers. Ms. Prince noted that requests have been received for brochures from Lions Clubs across the state as a result of the connections made by staff at the Remote Area Medical Expedition in July.

Ms. Prince noted that several meetings have been held with Sheltering Arms Rehabilitation Center in Richmond to promote the NewWell Fund. One meeting was held with Jim Sok, President and CEO, and resulted in follow-up meetings with the Director of Case Management and the Director of Outpatient Services. Dr. Wallace will be meeting with the Mr. Sok and the Executive Team in December to discuss the NewWell Fund. Sheltering Arms has contacted us for brochures to give out to patients as a funding source when they receive wheelchair evaluations.

BOARD ISSUES FOR DISCUSSION

Dr. Joey Wallace, Executive Director, reminded the Board that both a business plan and investment plan need to be developed. A discussion was held on the development of

these plans, and the Finance Committee comprised of Mike Haydon, Robin Jefferson, Thomas Hock, Mitch Wesolowski and Amy Odhner will begin the development of the plans for presentation to the full Board. The Finance Committee will also review the current procedures for check signing and make recommended changes to the Board. Thomas Hock requested that a Finance Committee meeting be held in January. Dr. Wallace noted that he will schedule the meeting with the committee members.

Dr. Wallace noted that meeting dates for calendar year 2009 need to be scheduled by the Board. After discussion of various dates, it was the consensus of the Board that the quarterly meeting dates for 2009 are as follows:

January 15, 2009
April 23, 2009
July 16, 2009
October 29, 2009

CLOSED SESSION

Robin Jefferson, Treasurer, made the following motion to go to closed session: I, Robin Jefferson, 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 and loan approvals. Additionally I move that Joey Wallace and staff member 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 Susan Klein and unanimously carried.

RESULTS OF THE CLOSED SESSION

Amy Odhner, Chairwoman, convened the Board meeting in regular session.

Amy Odhner 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 – Odhner, Bonney, Harris, Ostrander, Wesolowski
Jefferson, Lanier, Hock, Haydon, Klein, Martinez, Allen
Nayes – None**

A motion was made by Robin Jefferson that the Board ratify the Loan Committee decisions as presented to the Board. The motion was seconded by Ron Lanier and unanimously carried.

The meeting was adjourned at 1:30 PM by Amy Odhner, Chairwoman. The next ATLFA Board meeting is scheduled for January 15, 2009 at the office of the ATLFA in Richmond, Virginia.