



COMMONWEALTH of VIRGINIA  
*Assistive Technology Loan Fund Authority*

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September 30, 2014

The Honorable Terence R. McAuliffe, Governor of Virginia  
and the Members of the General Assembly of Virginia

In accordance with Section 51.5-59 of the *Code of Virginia* and on behalf of the Board of Directors, it is my pleasure to submit the annual report of the Assistive Technology Loan Fund Authority for the fiscal year ended June 30, 2014. During fiscal year 2014, the Authority helped 79 Virginians with disabilities obtain more than \$1.2 million in loans for assistive technology and passed through private regional grants to 28 other Virginians who needed hearing aids or other technology.

With a dedicated Board and staff, our alternative finance lending model has proven to be very successful with outstanding direct loans of \$2.2 million and \$7.8 million available for lending. The Assistive Technology Loan Fund Authority has enabled Virginians with disabilities since 1999 to obtain over \$18 million in loans for assistive technology.

Virginia's Assistive Technology Loan Fund Authority is one of the largest sources in the country providing credit financing for disabled individuals and their families to purchase assistive technology directly related to their disability. This program addresses a significant and unique need to Virginians across incomes and disabilities supporting the acquisition of needed equipment and devices.

Please contact me with any questions, comments or concerns regarding this report or contact Sandra Prince, Executive Director at 804-662-7021.

Sincerely,

A handwritten signature in cursive ink that reads "DW Axselle Jr."

David Axselle, Chair  
ATLFA Board of Directors

Cc: The Honorable William A. Hazel, Jr.

*"Affordable Loans for Assistive Technology"*

# Financial Highlights

ATLFA continues to be good stewards of its funds originally provided by the federal and state governments. In fiscal year 2014, combined revenues from loan programs and investments met budgeted amounts and cash basis expenses were below budgeted amounts. Historically low investment interest rates continued to affect interest income.

At June 30, 2014, ATLFA had \$4 million invested in the Treasurer of Virginia's Local Government Investment Pool, \$3 million in FDIC insured interest bearing bank accounts and \$738,000 in insured bank checking accounts.

The Virginia Auditor of Public Accounts completed an audit for fiscal year 2013 and reported that all transactions had been properly recorded and reported and that there were no internal control matters or instances of noncompliance that needed to be reported. ATLFA financial information is included in the Commonwealth's annual financial report by the State Department of Accounts

Statement of Net Assets	
Assets:	
Cash	\$ 7,786
Loans Receivable (net)	2,066
(net of allowance of \$111)	
Total Assets	9,851
Liabilities:	
Accrued Leave	(5)
Net Assets	<u>\$9,847</u>
	(dollars in thousands)
Note: as of June 30, 2014, ATLFA outstanding loan guarantees were \$181,201	

Statement of Revenues and Expenses	
Revenues:	
Contributions	\$ 1
Loan Interest	102
Interest Income	<u>24</u>
Total Revenues	<u>127</u>
Expenses:	
Grant Awards	(44)
Loan Services	(5)
Payroll	(229)
Administration	(107)
Marketing	(4)
Loan Allowance	<u>(97)</u>
Total Expenses	<u>(486)</u>
Net Expenses	<u>(359)</u>
	(dollars in thousands)

Contact us at **1-866-835-5976**  
[www.atlfa.org](http://www.atlfa.org)

Assistive Technology Loan Fund Authority  
 1602 Rolling Hills Drive, Suite 107  
 Richmond, Virginia 23229



**Helped 79 Virginians  
with Disabilities  
Get More than \$1.2  
Million in Assistive  
Technology This Year**



- ATLFA assisted 79 Virginians with disabilities in obtaining loans so they could purchase over \$1.2 million in assistive technology in the year ended June 30, 2014.
- ATLFA made 78 direct loans totaling \$1,171,000 and assisted one Virginian with a disability obtain a bank loan for \$39,000.
- The dollar volume of direct loans in FY 14 was 5.2% more than in FY 13 and once again the most ever in one year for ATLFA.
- As of June 30, 2014, Virginians with disabilities assisted by ATLFA had a total of over \$3 million in outstanding loans.
- The 257 outstanding direct loans and the \$2.1 million outstanding balance were both the highest ever for ATLFA.

Promoting alternative funding resources for Virginians with disabilities to acquire assistive technology that can enhance independence and improve quality of life



## Performance metrics

- APPLICATIONS RECEIVED

FY14 - 150 GOAL - 226

- CLOSED LOANS

FY14 - 79 GOAL - 108

- AVERAGE NEW LOAN

FY14 - \$15,018 GOAL - \$10,500

- BORROWERS WITH NO PAYMENTS IN PAST 60 DAYS

FY14 - 2.33% GOAL - 3.00%

- PAST DUE AMOUNTS

FY 14 - 2.12% GOAL - 2.5%

- LOAN WRITE-OFFS

FY14 - \$69,766 GOAL - \$65,000

- LOAN DEFAULT RATE

FY14 - 2.35% GOAL 2.00%

- PROGRAM AWARENESS EVENTS

FY14 - 15 GOAL - 11

- INVESTMENT RETURN

FY14 - 0.39% GOAL - 0.35%

## Loan activity

FOR THE YEAR ENDED JUNE 30, 2014

Direct loans (78)	\$1,171,381
Non-guaranteed bank loan (1)	<u>\$39,050</u>
Total Loan Activity 79 loans	<u>\$1,210,431</u>

For the second consecutive year, ATLFA made over \$1 million in direct loans to Virginians with disabilities. These loans included 45 loans for modified vehicles, 13 loans for home modifications and 10 loans for hearing aids. Once again, the annual loan activity was a new high for ATLFA.

## Strategic plan activities

### Promote ATLFA Programs through Awareness and Marketing

During the year, ATLFA staff participated in a number of program awareness events. Board Members and Staff participated in 15 events organized for Veterans groups, vendors, disabled Virginians, state employees, and others. These events served to make ATLFA and its programs known to potential borrowers, service providers, and donors.

### Develop Alternate Funding Sources for Individuals Who Do Not Qualify for Loans

This year marked ATLFA's first year participating in the Combined Virginia Campaign to obtain donations from state employees. ATLFA also obtained donations through the United Way. ATLFA Board Members continued to reach out to state decision-makers to promote state funding of the Consumer Services Grant Program.

### Maintain and Strengthen the Operations of ATLFA

ATLFA continued to strengthen its operations by hiring the financial director full-time, implementing procedures to help maintain the low default rate, improving customer service by implementing on-line card payments, and strengthening internal controls.



## ATLFA Board Members and Staff

This year, ATLFA had to say goodbye to its Board Treasurer, Rose Ann Janis. Rose Ann had served on the ATLFA Board since 2009. Bob Warren began his term as Board Member and Treasurer, effective July 1, 2014. Dean Bonney, Joyce Visconti, Sandra Cook and Michael Costanzo also started Board of Directors terms this year.

### Current Board Members

Dack Axselle, Chair

Keri Hughes Vice-Chair

Robert Warren, Jr., Treasurer

Dean Bonney

Sandra Cook

Michael Costanzo

Jay McLaughlin

Brian Taylor

Michael VanDyke

Joyce Visconti

Ronald Lanier

Barbara Ostrander

## GRANT ACTIVITY

Thanks to The Community Foundation, ATLFA was also able to make \$44,178 in grants to 28 Virginians with disabilities for hearing aids and other assistive technology.



## PAY ON-LINE OR BY PHONE

Since ATLFA began accepting card payments on-line and by phone, our borrowers have paid over \$80,000 through June 30, 2014.

In fact, in June 2014, nearly 20% of our borrowers made their payments either on-line or by phone using payment cards.

## GUARANTEED AND NON-GUARANTEED LOANS

ATLFA and our banking partner have discontinued working together to help borrowers get guaranteed and non-guaranteed bank loans.

ATLFA continues to guarantee the remaining balances on our banking partner's guaranteed loans.

ATLFA has committed to making more direct loans by eliminating direct loan limits.