



ANNUAL

EXTENDING A HAND UP

2005

*Empowering People with Disabilities Since 1967*





Kim Soule' *Chairman of the Board*

## TCH ANNUAL JOINT REPORT FROM THE CHAIRMAN OF THE BOARD KIM SOULE' AND THE PRESIDENT / CEO DAVE CUTTY, MA

FY2005 was an exciting year for The Centers for the Habilitation/TCH. The highlight of the 12-month period was the finalization of our plans to move forward with construction of a new 18,000 square-foot Employment and Training facility adjacent to our main headquarters in Tempe. The new building is necessary for a variety of reasons, not the least of which is the growth in our secure document destruction business. This social enterprise, which opened in October 2003, has become so successful that we are in desperate need of additional space in which to expand. With over 100 current customers and potential new customers in the cultivation stage, it became increasingly evident that "the sky is the limit" with regard to our ability to grow this business. The real significance of the document shredding operation is the jobs created for men and women with significant disabilities who desire employment. Currently nearly 45 workers with disabilities participate in jobs related to the business and with the planned expansion we anticipate that the number of people earning a paycheck will increase rapidly. Our ability to pull together the resources to accomplish this important goal is the result of many individual and corporate partnerships throughout the community. Thanks to a dedicated staff team and an involved and visionary Board of Directors, this dream will become a reality. Corporate partners and individual donors have encouraged us with their interest and generosity as we embark on the planning for implementation of a \$1.8 million capital campaign.



Dave Cutty, MA *The President*

At the close of each year it is important that we recognize all of the individuals and organizations that have helped make possible our amazing success story. Those names are listed elsewhere in this Annual Report. We are truly grateful that so many share in our vision for the future and understand and appreciate the important achievements being accomplished here at TCH every day. We'd like to close by sharing with you the words of George Bernard Shaw, the noted Irish author who we believe summed up the philosophy of all of our employees, volunteers and donors several decades ago when he wrote:

"This is the true joy in life, the being used for a purpose recognized by yourself as a mighty one; the being thoroughly worn out before you are thrown on the scrap heap; the being a force of Nature instead of a feverish, selfish little clod of ailments and grievances complaining that the world will not devote itself to making you happy."

Thanks to all of you who have recognized TCH's purpose as a "mighty one."

TCH helps people with a variety of special needs and challenges, including mental retardation, epilepsy, autism, spinal cord injury, neural tube defects and cerebral palsy, among others. We provide early intervention services to infants, toddlers and their families. We help people to gain marketable job skills and then meaningful employment. We help hundreds of people with significant disabilities to live more independent lives by offering care and supports in their homes. We operate day activity centers for seniors with disabilities so that they can enjoy more fulfilling and productive lives. We help change people's lives for the better.

## OUR MISSION: EMPOWERING PEOPLE WITH DISABILITIES BY EXTENDING A HAND UP

### CURRENT PRIORITIES INCLUDE:

TCH provides services that support, care for and empower children and adults with developmental and physical disabilities. Services improve the quality of life, alleviate barriers to independence, and help Arizonans of all ages to reach their full potential.

We take pride in our continuing emphasis on finding new and relevant ways to meet the needs of individuals with disabilities while promoting their independence and self-determination. Our dedicated and caring staff works to encourage consumers to make their own choices, gain confidence and control over their own lives, improve their abilities, and overcome barriers to quality living.

- Expanding early intervention services to other areas of Maricopa County in order to address the increasing needs of infants and toddlers who have been identified as at risk with disabilities and their families.
- Improving job training and preparation programs with a renewed emphasis on eventual job development and placement in community-based employment settings.
- Seeking to expand our job training and other life supports to individuals with behavioral health challenges.
- Preparing for national accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF).



# THE FUTURE OF TCH

## THE NEXT FIVE TO TEN YEARS

The first decade of the new century will be marked by unprecedented opportunities and challenges for TCH. Let's begin with the opportunities. As a result of our location in one of the most rapidly growing states in the country, the demand for the services and supports offered by TCH will be increasing at a record pace. The new 18,000 square foot facility planned for construction and completion in 2006 will not only serve to expand our Employment and Training Center, offering dozens of new jobs and vocational training opportunities, but it will also mean growth in our capacity to serve additional men and women in day activity services at our Tempe Lodge Drive location. The need for both out-of-home residential placements and in-home supports is increasing rapidly as the populations of our metropolitan areas explode. More babies are born in Arizona each day with developmental issues and early diagnosis means that even more families will look to TCH to provide the vital early intervention supports to both the child and family. TCH plans to grow in response to all of these burgeoning needs and we are positioning our organization to evolve in response to the changing dynamic of our community.

This past year marked our initial foray into the world of "cooperatives" and we are grateful to have been selected as the management partner for the Human Services Cooperative of Northern Arizona based in Flagstaff. This innovative model of service and support delivery is making its way across the nation, putting families and persons with disabilities into the "driver's seat" regarding their needs and desires. Our plans include expanding our involvement in other parts of Arizona and assisting in the growth and success of HSC-NA.

The Cutty Legacy Foundation, a 501(c)(3) subsidiary of TCH also embarked on the pursuit of another innovative concept during the FY2005. Its Board of Trustees has endorsed the formation of a Special Needs Pooled Trust to be made available to the citizens of Arizona and when in operation, it will be the first of its kind in the State for persons with developmental disabilities.



Challenges are myriad but, we believe, manageable. The greatest challenge facing TCH is in regards to workforce issues. Recruiting and retaining dedicated and qualified DSP's (Direct Service Professionals) is a top priority for our organization and will remain so for years to come. These are the men and women who work directly with individuals with disabilities in order to enhance their quality of life and assist them in pursuit of their goals and dreams. Nothing is more important.

Finding the resources to accomplish our many goals and objectives remains an ongoing challenge but we have positioned ourselves to diversify our income and move toward greater reliance on earned, stable revenue and less reliance on government programs. We believe that a healthy balance is the key and we have and will continue to make strides in this area of fiscal management.

### OUR SERVICES

#### COMMUNITY LIVING AND SUPPORT

Community based residences are neighborhood homes that allow individuals to experience the security and comfort of a homelike environment while receiving the specialized care they require. Each residence is home to between two and six individuals and a staff of trained professionals. It is the common goal of each home to incorporate chores and skills necessary for independent living into the daily lives of the individuals. Responsibility, self-discipline and cooperation are stressed at the homes. Our people require special care and the staff is especially concerned that their needs – both physical and emotional – are met. The ambitious goals of the residential program are to encourage growth toward living more independent lives while providing a genuine sense of belonging; to continually nurture each individual's physical, psychological and emotional growth while at the same time providing a safe place to live.

#### JOB TRAINING, SUPPORT, AND PLACEMENT

TCH job coaches work side-by-side with program participants to provide pre-vocational and diagnostic vocational evaluation, work adjustment training, and supported work opportunities.

#### DAY EDUCATION AND ACTIVITIES FOR ADULTS

TCH's premier day activity program for adults of all ages with disabilities teaches basic life skill instruction, self-care training,



### OUR NEEDS

#### PARTNERSHIPS

More business and community partnerships to grow TCH Enterprises, both the current shredding business and a dry foods packaging business expected to be operating in late 2005.

#### MODIFICATIONS

Modify existing space for greater functionality and accessibility at Lodge Drive facility.

#### STAFFING

More professional staff in the rehabilitation arena (i.e. rehabilitation counselor; psychiatric nurse consultant; rehabilitation administrator; substance abuse recovery counselor, etc.)

independent living, communications, and leisure activities. The goal of TCH's day activity program is to increase

independence, inclusion in the larger community, improve life skills, and offer stimulating, creative, and new opportunities for participants.

#### K.I.D.S.

Early Intervention for Infants and Toddlers – Early intervention services focus on physical, cognitive, communications, and social/emotional achievement, as well as effective use of adaptive equipment.

#### HOME CARE:

**ATTENDANT CARE** – Personal care, housekeeping, shopping, cooking, and medication monitoring;

**HABILITATION SERVICES** – Support for self-help and cultivation of independent living skills;

**RESPIRE CARE** – Personal care for loved ones and time away for families, in the home or at TCH's after hours respite program;

**INDEPENDENT LIVING SUPPORT** – Transitional care and training for persons moving out of the family home or group home into independent living environments.

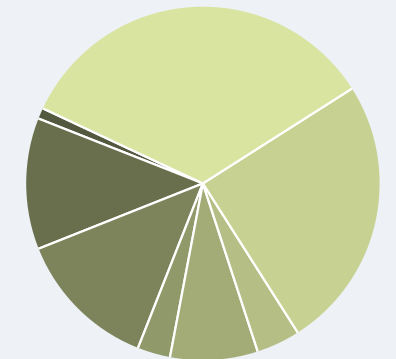
# FINANCIAL SUMMARY

## STATEMENT OF FINANCIAL POSITION - CONSOLIDATED AT JUNE 30, 2005



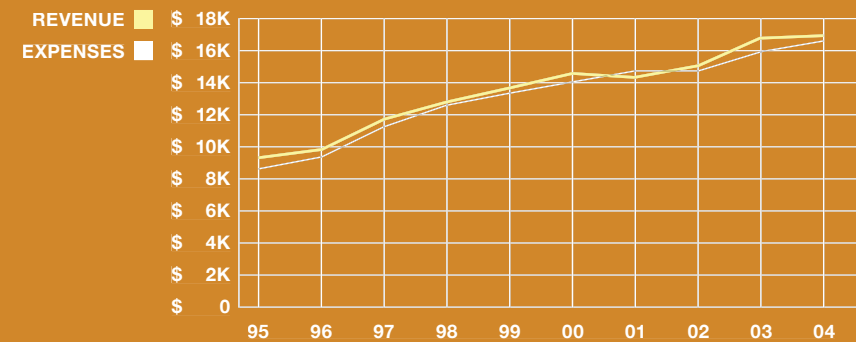
### FY05 PROGRAM EXPENSES

Residential Supports	\$	5,158,593	31%
NISH/JWOD	\$	4,355,803	26%
Vocational Services	\$	873,758	5%
Day Programs	\$	1,501,273	9%
KiDS	\$	460,300	3%
Attendant Care	\$	2,280,978	14%
Management	\$	1,878,871	11%
Fundraising	\$	69,341	.5%
<b>TOTAL</b>	<b>\$</b>	<b>16,515,860</b>	



### ANNUAL REVENUES AND EXPENSES

FOR FISCAL YEARS 1995-2005



### ASSETS

#### ASSETS

Cash and cash equivalents	\$	1,189,480
Accounts receivable	\$	2,019,216
Deposits	\$	162,677
Cash held in trust	\$	788,854
Land held for investment	\$	-
Investment in subsidiary	\$	-
Property, bldg and equip	\$	4,545,881
Other assets	\$	97,797
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>8,803,905</b>

#### LIABILITIES

Current	\$	1,914,239
Long term	\$	3,701,347
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>5,615,586</b>
<b>NET ASSETS</b>		
Unrestricted	\$	2,124,312
Restricted	\$	1,064,007
<b>TOTAL NET ASSETS</b>	<b>\$</b>	<b>3,188,319</b>

#### STATEMENT OF ACTIVITIES

Total revenues	\$	16,638,309
Total expenses	\$	16,515,860
<b>MARGIN FROM OPERATIONS</b>	<b>\$</b>	<b>122,449</b>
<b>NET CHANGE IN ASSETS</b>		
Net assets beginning of year	\$	3,065,870
Net assets end of year	\$	3,188,319

# DONOR INFORMATION

## \$5000+Z

Arizona Department of Transportation  
City of Tempe  
General Dynamics C4 Systems  
Honeywell  
Kiwanis Club of Tempe  
The Pederson Group  
Salt River Pima-Maricopa Indian Community  
Tempe Decorator Center

## \$1,000-\$4,999

Adobe Systems Incorporated  
Anaheim Angels  
Arizona Roller Derby  
Stephen Beard  
Chandler Compadres  
Dave and Rosetta Cutty  
David Doom  
Grace Capital  
Carl Gregory  
Robert and Janice Hartman  
Intel  
Edward Leech  
MS Media Services  
Mark IV Capital Properties  
Ellen Murray  
SRP  
SRP-Papago Park Center  
Tempe South Rotary Club  
Terry and Beulah Palmer  
RBC Dain Rauscher  
Nancy White

## \$500-\$999

American Express Foundation  
Basha's  
Carol and Clifford Harris  
Hail Mary's  
Charlene Ives  
K&K Consulting Group  
Walter and Anne Kieckhefer  
Mary Ann Miller  
Dr. William and Sally McMullen  
Phyllis Nielson  
Pfizer  
Premier Vending Inc.  
Jeanne Sweet  
Tempe Rotary Club  
Vicki Terbovich  
Dr. Patty Vogel

## \$100-\$499

Harry and Beth Allen  
P.H. Althoff  
James and Pamela Ash  
Paul and Maria Bennewitz  
Beauty Clean Pool Service  
Bess Kunz  
BH Consulting  
Jack Barone  
Jim Bowles  
Gene Bronski  
Sarah Bruner  
Mills Brown  
Don Bryant  
Chandler Horizon Rotary Club  
Jeanne Clampitt  
Fran Clarida  
Stephanie Clement  
Colliers International  
Emery Cox  
Kevin Cummings  
Joaquim Dentz  
Desert Pointe Garden Club  
Desierto Verde  
Marilyn Dunn  
Melia Dunn  
Tom Edmond  
Fiesta Inn  
Tom Finke  
Garden Fresh Restaurants  
Greater Phoenix Chamber of Commerce  
Greater Valley Plumbing  
Hegarty-Haynes Insurance  
Joel and Kathryn Havris  
Jasper and Patricia Hawkins  
Joni Hoffman  
Rukiya Lee  
William Jacoby  
Susan Johns  
Judy Johnson  
Jayne Lewis  
John and Signe Linda  
Karen Linda  
Julie Ling  
Dorothy McCandless  
Mesa United Way  
NJ Morrow  
Dick Murray  
Nielson Fackler Planning and Development  
Stanley Nordmo  
Jana Oylar  
Karen Perry  
Realty Executives  
Red Mountain Christian Center  
Nancy Russell-Plencner

## \$50-\$99

Geoffrey Bruce  
Dorothy Bruner  
Steve and Barbara Caviness  
Luis Chavez  
Heather Cisek  
Commercial Service Solutions  
Tamara Dice  
Thomas Davidson  
Robert and Frankie Jo Ellis  
Norma Elson  
Carolyn Glassburn  
Joseph Havris  
Roslyn Holeman  
Peter and Janna Hosmer  
Susan Jackson  
Kirk Lee  
William and Margaret Leech  
Isaac Martinez  
Tena Morgan  
RSVP Realty  
Peggy Riffle  
Albert and Claudette Romano  
Diane Rutherford  
Shelly Schmucker  
Phyllis Schreiner  
Nancy Serenbetz  
Mrs. Leonard Stump  
Tomko Design  
Kevin Webster  
Paula and John Worsley

## \$50-\$99

Geoffrey Bruce  
Dorothy Bruner  
Steve and Barbara Caviness  
Luis Chavez  
Heather Cisek  
Commercial Service Solutions  
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Norma Elson  
Carolyn Glassburn  
Joseph Havris  
Roslyn Holeman  
Peter and Janna Hosmer  
Susan Jackson  
Kirk Lee  
William and Margaret Leech  
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Shelly Schmucker  
Phyllis Schreiner  
Nancy Serenbetz  
Mrs. Leonard Stump  
Tomko Design  
Kevin Webster  
Paula and John Worsley

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## TESTIMONIALS

*"I feel like my own person now. HCBS has taught me how to achieve the independence that I have always wanted."*

– Delanie P. recipient of Transitional HCBS Services.

*"They have been here for emotional support in times of crisis. We are so lucky to have TCH!"*

– Debbie R, TCH Parent.

*TCH lives its mission to empower individuals with disabilities by creating employment opportunities for them and giving them the skills they need to succeed in the workforce.*

– Jayne L, TCH Board Member.



# BOARD OF DIRECTORS



## DIRECTORS LISTING FOR 2005

### DIRECTORS

DIRECTORS	TERM ENDING
John Baracy — RBC Dain Rauscher	June 2005
Joe Brandt — West USA Realty	June 2005
David Carey — AZ Bridge to Independent Living(ABIL)	June 2005
Dave Cutty — TCH, ex-oficio	
William Demlong — Bess Kunz — <b>VICE CHAIR</b>	June 2005
Dave Fackler — Neilson Fackler Planning and Development	June 2007
Jeanne Forbis — Intel Corporation	June 2006
Randy Gross — City of Tempe — <b>CORPORATE SECRETARY</b>	June 2006
Michael Hammond — Picor Commercial Real Estate	June 2006
Jayne Lewis — Papago Park Center — <b>TREASURER</b>	June 2005
Tom Liddy — KFYI 550	June 2007
Mary Ann Miller — Tempe Chamber of Commerce	June 2007
Raymond McKisson — Tempe South Rotary Club	June 2006
Dr. Bill McMullen — Optometrist	June 2006
Saunders Montague — SBS Foundation	June 2007
Nancy Russell-Plencner — General Dynamics	June 2005
Dr. William Seitter — Pediatric Medical Associate	June 2007
Kim Soule' — Colliers International — <b>CHAIR</b>	June 2006
Mark Thompson — AZ House of Representatives	June 2006
Bill Traxler — Honeywell	June 2005
Dr. Patty Vogel — Tempe Union High School	June 2007

## BOARD OF DIRECTORS SCHEDULE OF MEETINGS

### JULY 1, 2004-JUNE 30, 2005

All meetings were held at TCH Administrative office located at: 215 W Lodge Drive, Tempe AZ 85383 and began at 7:00 am.

-	<b>AUGUST</b>	27, 2004
-	<b>SEPTEMBER</b>	24, 2004
-	<b>OCTOBER</b>	22, 2004
-	<b>NOVEMBER</b>	19, 2004
-	<b>JANUARY</b>	28, 2005
-	<b>FEBRUARY</b>	25, 2005
-	<b>MARCH</b>	24, 2005
-	<b>APRIL</b>	28, 2005
-	<b>MAY</b>	26, 2005



## ADMINISTRATIVE STAFF

<b>Dave Cutty</b>	President/CEO
<b>Vicki Kringen</b>	Vice President/CFO
<b>Clayton Hopkins</b>	Director of Operations
<b>Melia Dunn</b>	Director of Development
<b>Janis Webb</b>	Director of Children's Services
<b>Kevin Webster</b>	Director of Program Services
<b>Sheryl Pass</b>	Director of IT and Facilities
<b>Skye Mercer</b>	Director of Human Resources
<b>Luisa Salcedo</b>	Director of Finance/Controller



TCH THANKS YOU

**The Centers for Habilitation**  
Empowering People with Disabilities Since 1967

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TCH

