



Keeping the Promise

ANNUAL REPORT **2015**

The
Arc *of*
San Diego

Dear Friends,

With the passing of The Lanterman Act in 1969, the State of California made a promise to citizens with developmental disabilities that they would receive the support necessary to live and work as independently as possible in their own communities. This promise was an affirmation of the commitment The Arc of San Diego had already undertaken almost two decades earlier when it was founded in 1951 by a group of parents concerned by the lack of resources available for their children with developmental disabilities. Since that time, The Arc has grown to provide a wide-variety of life-changing services that have supported thousands in their desire to live the most fulfilling and independent lives possible.

Today, The Arc's programs and services ensure that over 2,500 children and adults throughout San Diego County, regardless of ability, are empowered to live as contributing members of their communities. From early intervention that assists toddlers in reaching developmental milestones to community based programs that connect seniors with their communities through volunteer service, our programs continue to keep the promise made at our founding and in the Lanterman Act. This commitment, although challenged by the lack of increase in funding from the state, is unchanged. It is renewed in our fervor to advocate for those we serve.

In this year's report, you will find the consolidated financial statements for The Arc of San Diego, Arc Chapters, and Arc San Diego Foundation. We are proud to present you with this information as it will provide you with an in-depth look at how

our funding is dedicated to "Keeping the Promise" and providing the best possible services.

We don't keep this promise alone. We thank our supporters, donors, community members and clients for standing with us to support people with developmental disabilities and their desire to be active, engaged, and vibrant members of their communities.

Sincerely,



A handwritten signature in black ink, appearing to read "David W. Schneider".

David W. Schneider
President & CEO



A handwritten signature in black ink, appearing to read "Doug Hoehn".

Doug Hoehn
Board Chair

About The Arc of San Diego

The Arc of San Diego is one of the largest, most comprehensive providers of services to children and adults with disabilities in San Diego County. The Arc provides assistance to 2,500 people with disabilities at more than 20 locations throughout the county. Through our programs, we are able to offer support to people with disabilities in living independent and fulfilling lives.

Our Programs

Day Training Services:

- Combines classroom instruction with community integration and vocational development.
- Provides support with essential life skills such as grooming, communication, and socialization as well as vocational training and self-advocacy.
- Offers volunteer and paid work experiences in fully integrated community environments.
- Provides opportunities for seniors with disabilities to participate in recreational activities as well as enjoy part-time paid work and volunteer opportunities.

Organizational Employment Services (Arc Enterprises):

- Offers people with disabilities the opportunity to learn essential work skills while earning a paycheck.

- Enhances work and social skills to assist with transitioning to community employment.
- Supports the collating, assembly, and packaging needs of local businesses while providing jobs for people with disabilities.

Arc Community Employment Services (ACES):

- Puts people with disabilities to work in a variety of industries throughout the community.
- Assists with minimizing the barriers to community employment and offers job placement sites where a group of individuals work at local businesses and receive wages as trainees.
- Provides individual job placement within the local labor force with on-the-job training and ongoing support.

Respite Services:

- Gives families short-term relief by providing care for a loved one with a disability in-home or in our weekend, overnight Respite House.

Residential Services:

- Offers a warm and supportive environment to instill confidence and responsibility while meeting the housing needs of people with disabilities.
- Residents are supported by professionally trained staff who provide 24/7 care.

Independent Living Services (ILS):

- Supports people with disabilities' desire to live on their own and be part of local communities.
- Training includes household and money management, health and personal safety, accessing community resources, and recreational activities.

Personal and Leisure Services (PALS):

- Offers local recreational activities and worldwide vacations. Activities help participants build relationships with peers through relaxation, entertainment, and new experiences.
- Trips are available to various locations, including Hawaii, Alaska, and Disney World.
- Offers a relaxing week at a traditional residential summer camp through the Camp-A-Little and Camp-A-Lot programs. Activities include hiking, swimming, and campfire sing-a-longs.
- Our Place Yoga and Wellness Center offers opportunities to participate in yoga and adaptive fitness training.

Parent/Infant Program:

- Provides family-centered early educational services for children from birth to three years old with developmental delays or who are "at risk" for delay.
- Early intervention often leads to mainstreaming and helps eliminate the need for future services.

Keeping the Promise, Every Day

Through innovative, life-changing programs at over 20 locations in San Diego County, The Arc of San Diego is keeping the promise of empowering individuals with developmental disabilities to live the most meaningful, independent lives possible in their community.

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Mia

For Mia, a three year old student in The Arc's Parent/Infant Program, this past year was especially transformational. When she first began classes at The Arc, her mother remembers how Mia was frustrated with a limited vocabulary, unable to communicate with peers both in and out of class. The words "mommy" and "baby" and some sign language were the only means she had to relate her feelings, thoughts, wants, and needs.

Mia's mother and teachers now proudly report that she can communicate using two and three word phrases. This transformation has empowered Mia with the confidence to not only interact with her teachers and peers, but to be a role model. She now engages her classmates in activities like music by grabbing their hands and encouraging them to dance. Mia also nurtures others. She is helpful with teachers and has become like a mother to her peers.

This new-found confidence transcends the classroom, and her mother has noticed Mia socializing with peers outside of the classroom in the community. Once shy

and lacking confidence given a limited vocabulary, Mia did not interact with other children at local parks and playgrounds. She now initiates communication and play and incorporates phrases like "please", "thank you", and "excuse me, please."

"For me it is a blessing," reflects Mia's mother, Karina. "I really appreciate the work. Mia is not only learning new words and colors but social skills, too. Her teachers are helping her relate to other kids. Even outside of school, when she goes to the park, I've seen her be a leader with her peers. And she is more caring now and careful of younger children."

The Arc's Parent/Infant Program provides early intervention services in pre-school settings. Often, 100% of students achieve progress in developmental age in a minimum of three developmental areas. As a result, many are able to mainstream into general education classes and may not require services later in life both in school and in the community.



Sandra

For adults with developmental disabilities, day training programs at The Arc provide support with essential life skills and combine classroom instruction with community integration and vocational development.

Sandra joined The Arc of San Diego in 2010 in the Day Program at The Sol and Ruth Gerber Family Center (formerly known as Starlight Center). Before the Lanterman Act promised integrated, community programs for all children and adults with developmental disabilities, individuals requiring the same level of care as Sandra were often isolated in institutions without the hope of becoming vibrant, contributing members of their community.

Not only did Sandra experience greater dignity and independence by participating in this program, but she has since transitioned to the center's Seniors Program where she enjoys a variety of activities both in

the classroom and the community and demonstrates a high level of self-advocacy and determination.

"I love it here," says Sandra. "This place is my home. It is so much fun going out in the community."

Sandra and her peers regularly donate their time at a local senior center where they help serve snacks and sing songs for the enjoyment of the center's members. They provide this service not as outsiders to the community but as active participants. These tremendous opportunities further strengthen Sandra's life skills as well as her ability to live a more independent and engaged life in her community.

These are two of the many individuals with developmental disabilities that are vibrant, contributing members of the community in which they live. It is the generosity, foresight and commitment of Arc staff and community members that support The Arc in keeping the promise every day.

..... Year in Review

97%

satisfaction of consumers and their families with programs

98%

of consumers served reported an overall improvement in their quality of life

100%

of children in the Parent/Infant Program showed progress in developmental age



20 locations throughout San Diego County



Serving 2,500 children and adults



180 community members volunteered at The Arc for over 5,900 hours of service



with intellectual and developmental



disabilities in San Diego

- Arc Community Employment Services (ACES) and Occupational Employment Services (OES) earned a three year CARF Accreditation with ZERO recommendations
- ACES provided employment training and support to over 400 individuals with disabilities
- Over \$6,320,000 in wages were earned by individuals with disabilities in ACES programs over the last year



Raised \$122,580 from the 6th Annual Jewels of San Diego Gala, Employee Giving Campaign, and Membership Campaign

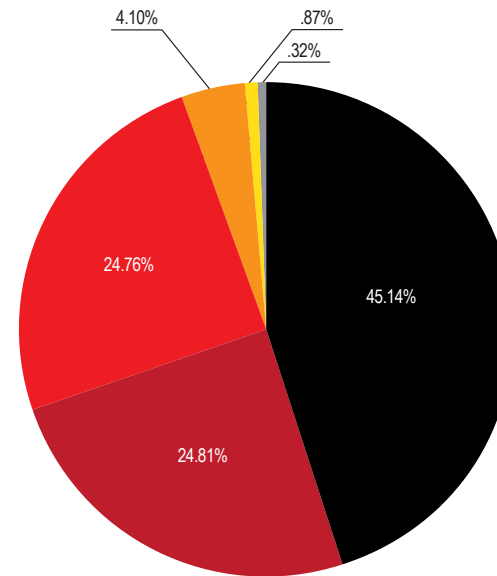


Our consumers volunteered 12,110 hours in the community

- Independent Living Services (ILS) hosted 17 community-based social events and made 350 donations to The San Diego Food Bank
- We participated in 28 community resource fairs to share more about the important work we do

REVENUE AND SUPPORT	FY15 The Arc of San Diego	FY15 Arc San Diego Foundation	FY15 Consolidated Total	FY14 Consolidated Total
San Diego Regional Center	\$15,201,024	\$0	\$15,201,024	\$15,013,830
Services to the public	\$9,837,418	\$0	\$9,837,418	\$9,204,157
Medi-Cal	\$4,330,677	\$0	\$4,330,677	\$4,358,909
Earned income	\$0	\$0	\$0	\$0
Workshop Sales	\$1,096,789	\$0	\$1,096,789	\$1,267,905
Investment (loss) income	\$185,874	\$13,298	\$199,172	\$1,162,600
Other Revenue	\$179,820	\$1,045	\$180,865	\$272,432
Other Service Contracts	\$382,689	\$0	\$382,689	\$308,043
Department of Rehabilitation	\$366,150	\$0	\$366,150	\$442,124
Contributions	\$338,302	\$1,098,125	\$1,436,427	\$1,427,999
Rental Income	\$370,992	\$0	\$370,992	\$366,360
Gain (loss) on sale of property	\$10,363,998	\$0	\$10,363,998	\$1,850
Fundraising/Special Events	\$207,254	\$121,603	\$328,857	\$251,124
Memberships	\$19,301	\$22,000	\$41,301	\$31,427
Change in Value of Charitable Remainder Trust	(\$58,982)	\$0	(\$58,982)	\$98,436
TOTAL REVENUE AND SUPPORT	\$42,821,306	\$1,256,071	\$44,077,377	\$34,207,196
EXPENSES				
<i>Program Services</i>				
Work Activity Vocational Services	\$14,906,032	\$0	\$14,906,032	\$13,985,882
Adult Activity	\$7,456,069	\$0	\$7,456,069	\$7,056,286
Community Living Services	\$6,097,729	\$0	\$6,097,729	\$5,354,762
Respite Services	\$1,251,483	\$0	\$1,251,483	\$1,202,304
Infant Programs	\$675,485	\$0	\$675,485	\$594,003
Special Programs	\$325,675	\$0	\$325,675	\$283,280
TOTAL PROGRAM SERVICES	\$30,712,473	\$0	\$30,712,473	\$28,476,517
<i>Supporting Services</i>				
Management and General	\$4,523,759	\$0	\$4,523,759	\$4,043,696
Fundraising and Chapters	\$193,142	\$5,834	\$198,976	\$213,595
Contributions to Arc SD from Arc Fnd. (A)	(\$1,182,151)	\$1,182,151	\$0	\$0
TOTAL SUPPORTING SERVICES	\$3,534,750	\$1,187,985	\$4,722,735	\$4,257,291
<i>Special Events</i>				
	\$100,298	\$29,274	\$129,572	\$104,227
<i>Construction Project</i>				
	\$177,485	\$0	\$177,485	\$0
TOTAL EXPENSES	\$34,525,006	\$1,217,259	\$35,742,265	\$32,838,035
LOSS ON RETIREMENT OF DEBT	\$0	\$0	\$0	\$0
NET ASSETS	\$27,575,801	\$1,448,131	\$29,023,932	\$20,688,820

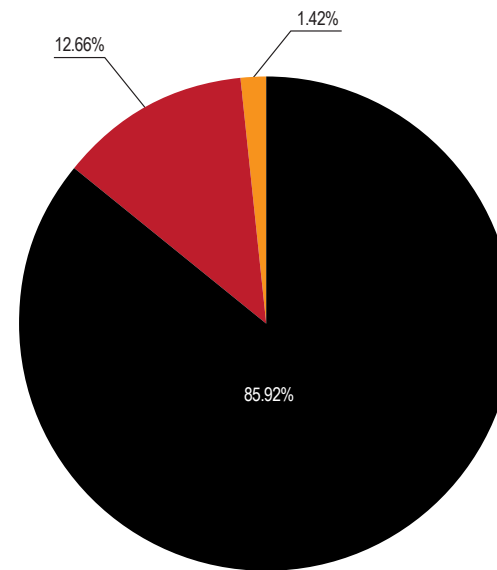
(A) = Designations Arc of San Diego (\$1,135,839), Consumer Wish List Expenses (\$35,512) & Arc Foundation Management Fees (\$10,800).



Revenue & Support

- Government Funding - 19,897,851
(San Diego Regional Center, Medi-Cal & Dept. of Rehabilitation)
- Services to the Public and Workshop Sales - 10,934,207
- Investment Income - 140,190
- Private Donations & Special Events - 1,806,585
- Other Revenue - 10,915,855
- Other Funding - 382,689

Total Revenue and Support - 44,077,377



Expenses

- Programs - 30,712,473
- Management & General - 4,523,759
- Fundraising, Chapters, Special Events & Construction Project - 506,033

Total Expenses - 35,742,265

Thank You to Our Donors

The Arc of San Diego is deeply grateful to all of our supporters for their ongoing commitment. With your help we are able to keep the promise and provide life-changing services to children and adults with disabilities every day. We gratefully accept donations in the form of monetary gifts, in-kind donations, charitable planned giving, stock, and real estate.

Please contact the Development Department at (619) 685-1175 or via email at donations@arc-sd.com if you have any questions about your support.



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We are proud to recognize donors who have committed to leaving a lasting legacy through a planned gift that will sustain The Arc of San Diego for future generations.

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The Arc of San Diego
3030 Market Street • San Diego, CA 92102
619.685.1175 • www.arc-sd.com