

Desert Haven Enterprises, Inc.
2013-2014 Annual Report



*DEVELOPING, ENHANCING, AND PROMOTING THE CAPABILITIES OF
PERSONS WITH DEVELOPMENTAL DISABILITIES SINCE 1954*

Annual Progress Report

Agency Accomplishments for the Fiscal Year



Notable Achievements for 2013 - 2014

- Developed a total of 32 new off-site habilitation crews throughout the community within existing business partnerships and through the establishment of new partnerships with other prominent, local companies like the Downtown Association, the Children’s Center, and the Catalyst Foundation;
- Developed individual, community-based employment positions for six additional consumers within six local businesses, including the following employers new to DHE’s supported employment program: Wayside Chapel in Rosamond and Crothall Healthcare at Palmdale Regional Medical Center;
- Doubled the amount of revenue raised at the second annual “Viva La Fiesta” Baja Bash Fundraiser, held atop the roof of H.W. Hunter Dodge, bringing in some \$80,000 in support of agency operations;
- Sought and secured alternate health care benefits that save both the organization and its employees a considerable amount of money versus other options;
- Successfully negotiated a one-year service contract agreement with Edwards Air Force Base for continuation of grounds maintenance and pest control service;
- Generated some \$176,250 for capital improvements and program expansion/support through grant writing and resource development activities;
- Recruited two outstanding new members to the Board of Directors, Laurie Formentera, District Operations Manager for US Bank, and Dianne Knippel, Deputy Director of Local Public Affairs for Southern California Edison;
- Represented the vendors/service providers of the Antelope Valley as the Chairperson of the Vendor Advisory Committee of North Los Angeles County Regional Center, as well as a member of the Board of Trustees of NLACRC; and
- Completed 2013-14 in a position of fiscal stability and strength with a modest

Mission Statement

Desert Haven Enterprises, Incorporated is a private, non-profit organization dedicated to developing, enhancing, and promoting the capabilities of persons with developmental disabilities.

Our Philosophy

Work plays an integral role in people’s lives. Work enhances a person’s feeling of self-worth, self-confidence, and self-respect. Through work, people become productive, contributing members of their community.

Persons with intellectual disabilities and other developmental disabilities are no different. They, too, desire and seek the opportunity to work. They, too, gain feelings of self-worth, self-confidence, and self-respect through the work experience; and they, too, become productive, contributing members of their community.



net profit and reserves for the next year, despite continued reductions/freezes in public funding payable to service providers through the State of California.



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Employment Skills Training Services

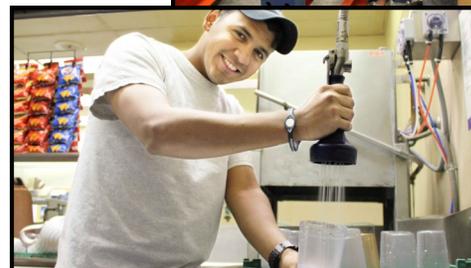
Work Readiness Program

The EST Program includes onsite training in the areas of food service and housekeeping /laundry service , as well as a variety of training options at a number of off-site locations throughout the local community.

Consumer Achievements

This year, four consumers from the Work Readiness Program secured jobs of their choosing within the community in keeping with training received and skills acquired in program. One consumer from the housekeeping crew secured a groundskeeper position at AV Transit Authority; another consumer from the food service crew secured a dining room attendant position at Outback Steakhouse; while a consumer from the off-site hab crews secured a lot attendant

position at Home Depot in Lancaster; and another from the off-site crews hired into a waste technician position with Crothall Healthcare at Palmdale Medical Center.



Businesses Served: 17

Antelope Valley Boys and Girls Clubs
Janitorial Service

Antelope Valley Board of Trade
Janitorial Service

Antelope Valley College
(Palmdale and Fox Field)
Janitorial Service

BeX Restaurant
Janitorial Service

Catalyst Foundation
Janitorial Service

Children's Center
Janitorial Service/Grounds Service

City of Lancaster
Parks, CSULB Campus, Desert Preserve, Incubator,
Woolworth Bldg, Vacant Homes and Lots
Janitorial Service/Grounds Service/Pressure Wash Service

Crissair, Incorporated
Janitorial/Grounds Maintenance Service

Downtown Association
BLVD Cleanup/Maintenance Service

Edwards Air Force Base
Grounds Maintenance/Irrigation/Pest Control Service

George's Cleaners
Janitorial Service/Pressure Wash Service

Ironwood Properties
Janitorial/Cleanup/Grounds Service

Kinetic Brewery
Janitorial Service

Lockheed Martin
Aeronautics Company
Multi-purpose/Janitorial Services

Michaels Distribution Center
Various Temp Crews

The Courtyard
Janitorial/Maintenance Services

Rite Aid Distribution Center
Plastic Tote Wash/Plastic Tote Sort
Trim and Mod Service/Security Tagging
Audit Service/Roller Cleanup Service

Consumers Served in Work Readiness Program:

Off-Site Crews:	424	Food Service:	11
Housekeeping:	13	Laundry Service:	34

Program Highlights



In the 2013-14 fiscal year, some 424 consumers worked on one or more of the 40+ crews servicing the varied contracting needs of 17 local businesses around the Antelope Valley, as well as that of customers across the globe. Additionally, food service, housekeeping, and laundry service crews performed vital services onsite, critical to the support of the off-site crews, as well as to the ongoing, daily operations of DH Enterprises.

DHE contracted for more than \$1.7 million in janitorial, grounds maintenance, and other customer support services for the year. Additionally, procurement staff developed a total of 32 new crews, ten of which were long-term, ongoing crews.



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Community-based Employment Job Placement and Supported Employment

Community-based Employment Services are conducted at employment sites throughout the local community for consumers hired into regular jobs, on an individualized basis, within an integrated setting.

Consumer Achievements

Four consumers obtained individual, community-based employment during the 2013-14 fiscal year: two from the Work Readiness off-site hab crews, one from the in-house food service program, and one from the in-house housekeeping service program. Those consumers were hired at the following locations:

- Antelope Valley Transit Authority: Groundskeeper
- Outback Steakhouse: Dining Room Attendant
 - Home Depot (Lancaster): Lot Attendant
- Crothall Healthcare at Palmdale Regional Medical Center: Waste Technician



Additionally, within the year, a total of four consumers transitioned into “follow-along” service, requiring only limited job coaching service, while another three individuals transitioned into competitive employment, having achieved independence on the job and no longer requiring job coach services.

Consumers Served in Supported Employment:

Total Served:	50	Total Placed:	4
	Total Job Coached:		36

Program Highlights

In the 2013-14 fiscal year, 36 consumers worked as regular employees of 20 companies within the Antelope Valley. Of the four new placements made, all were seasonal. By year end, a total of 25 supported consumers continued to perform successfully and maintained employment, while three others, continued on their own into competitive employment.

In an effort to educate employers as to the benefits of hiring persons with disabilities and to secure jobs for persons served, the Employment Specialist made more than 600 contacts with local employers throughout the year. Contacts made included phone calls, emails, faxes, mail correspondence, and face-to-face meetings. Such is a testimony to the labor intensive nature of job development, as positions are sought that pair the abilities and experience of DHE’s consumers with the specific needs and expectations of each participating employer. As a result, consumers placed in regular employment positions through Desert Haven, more often than not, result in successful employees and satisfied employers.

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New and Continuing Employers

Following are local businesses having newly employed or continuing to employ individuals receiving job coaching services during fiscal year 2013-14:

Albertson’s
20th Street West - Lancaster

Antelope Valley Transit Authority

Caliber Collision Center

Chuck E. Cheese

Cinemark Movies 12

Crothall Healthcare
Palmdale Regional Medical Center

Desert Haven Enterprises, Inc.

Home Depot
Lancaster

McDonald’s
West Avenue K - Lancaster

Outback Steakhouse

PetsMart
Palmdale

Target
Lancaster

Von’s
West Avenue L - Lancaster

Walmart Supercenter
(Central and East Lancaster/East and West Palmdale)

Wayside Chapel

Day Training Activity Center Services

Project Independence

DTAC Services are conducted both within the center and within the community and are designed to assist in the acquisition of basic functional skills up to and including transition into a vocational skills training program .

Consumer Achievements

During the course of fiscal year 2013-14, three consumers acquired the skills necessary and demonstrated the behaviors required to “graduate” from the Project Independence Program and transition into the Work Readiness Program. Of the three graduates, one moved into a position on the in-house multi-purpose crew, while the remaining two individuals transferred into community-based positions on the off-site hab crews.

Following are a few of the achievements of the 129 consumers having participated in the program throughout the year:

- 36% of participants demonstrated skill acquisition and retention in one or more curriculum areas;
- 62% of participants demonstrated an increase in productivity; and
- 30% of participants achieved individual service plan and IPP goals.



Community Integration Opportunities

Listed below are a few of the community-based resources consumers had opportunity to access in the 2013-14 fiscal year:

- Antelope Valley Indian Museum
- Air Dawg RC Raceway
- AVTA Public Transit Training
- China Town Tour
- Griffith Park and Observatory
- Honey Farm
- L.A. County Fire Station Tour
- Magic Mountain
- Nethercutt Museum
- Old Town Pasadena Tour and Shopping
- Palmdale Library
- Roscoe’s Chicken and Waffles
- Santa Clarita Aquatics Center
- Senior Expo at AV Fairgrounds
- Wildlife Learning Center

Consumers Served in Project Independence:

Total Served: 129
Total Transfers into Work Program: 3

Program Highlights

One of the core elements of the Project Independence Day Training Activity Center Program is to give persons served opportunity to learn about community-based resources that meet their needs for education, entertainment, and essentials. To that end, the staff of Project Independence organized a total of 168 outings this past year in order that consumers might have direct access to a variety of resources to support their interests and program goals. For example, consumers had opportunity to access banks to learn about handling their finances, museums to learn about history and art, public transit to learn how to utilize the bus system, the public library to learn how to utilize the service and to encourage reading, the fire station to learn about fire prevention and safety, as well as a variety of resources for leisure time amusement and entertainment.

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Financial Information

Statement of Financial Position and Auditor's Report



DESERT HAVEN ENTERPRISES, INC. STATEMENT OF FINANCIAL POSITION June 30, 2014

ASSETS

	<u>OPERATING FUND</u>
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 734,539
Receivables:	
Grants and Contracts	742,294
Prepaid Expenses	176,541
Inventory	19,108
	<hr/>
Total Current Assets	1,672,482
PROPERTY AND EQUIPMENT	
Net of Accumulated Depreciation	1,766,619
	<hr/>
OTHER NON-CURRENT ASSETS	
Cash - Restricted	24,847
	<hr/>
Total Assets	<u>\$ 3,463,948</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable	\$ 127,283
Current Portion of Notes Payable	90,169
Line of Credit Payable	36,716
Accrued Wages and Payroll Taxes Payable	194,787
Compensated Absences	140,742
	<hr/>
Total Current Liabilities	589,697
LONG-TERM DEBT	
Notes Payable	724,269
	<hr/>
Total Liabilities	1,313,966
NET ASSETS	
Unrestricted	2,125,135
Temporarily Restricted	24,847
	<hr/>
Total Net Assets	2,149,982
	<hr/>
Total Liabilities and Net Assets	<u>\$ 3,463,948</u>

Board of Directors 2013 - 2014

Officers

Sandy Price
President

Dr. Harry Taylor
Vice-President

Dennis Davenport
Treasurer

Directors-at-Large

Lou Bozigian

Tom Fuller

Judy Gray

Alan Kreps

Terry O'Connor

Steve Paulson

Tammy Romero

Executive Director

Jenni Moran

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Desert Haven Enterprises, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

BURKEY, COX, EVANS & BRADFORD
Accountancy Corporation

Palmdale, California
August 7, 2014

Vital Statistics for Persons Served

Consumer Demographics

Gender		Ethnicity	
Male	64.9%	Caucasian	40.3%
Female	35.1%	African-American	32.9%
Age		Hispanic/Latino	25.1%
13-18	0.5%	Asian	1.2%
19-24	28.1%	Other	0.5%
25-30	26.1%	Disability	
31-36	14.1%	Borderline ID	11.4%
37-42	9.2%	Mild ID	67.6%
43-48	7.4%	Moderate ID	12.6%
49-54	6.2%	Severe ID	1.3%
55-64	5.4%	Autism	4.4%
65-70	2.5%	Cerebral Palsy	1.0%
70+	0.5%	Seizure Disorder	0.7%
Total Served: 595		Behavior Disorder	0.3%
		Other	0.7%



About Desert Haven: How It All Began

Desert Haven Enterprises began in 1954 when Luella Henstra placed an ad in the local newspaper seeking a playmate for her son, Jimmy, who had developed an intellectual disability after having contracted meningitis. On July 15th of that year, a group of parents met in the Henstra's home, and from that meeting the AV Association for Retarded Children was born, later to become the Association for Retarded Citizen's of Antelope Valley, and today, Desert Haven Enterprises, Inc.

In its infancy, the agency was initially begun as a preschool to prepare youngsters with developmental disabilities to successfully transition into kindergarten. As the children grew up, the organization matured as well, establishing vocational training services in 1966. The 25,000 square foot Desert Haven facility was built in 1982 and included a 14,000 square foot industrial workshop. Numerous new programs were added over the years, including community-based employment services (supported employment) in 1987 and the Project Independence Day Training Activity Center in 2007. After nearly 40 years of operation, the sheltered workshop was closed and a new era begun with the establishment of the Work Readiness Program in 2010. Today, hundreds of consumers participating in this program have opportunity to work and to train vocationally within an actual community-based workplace, rather than within the confines of a segregated, isolated workshop.

Now, nearly 60 years after that fortuitous meeting in the Henstra home, serving nearly 600 individuals annually, Desert Haven continues to grow and to flourish, despite economic and system-wide issues and challenges. Like that small group of parents concerned for the welfare and well-being of their children, we remain steadfast in our commitment to ensuring that persons with developmental disabilities within our catchment area have opportunity to maximize their potential to become independent, self-sufficient, and fully participating members of their community.

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Outcomes Performance

Fulfilling the mission of DHE



Achieving Desired Outcomes for Consumers

Following are a few of our accomplishments within each program area this year:

Employment Skills Training - Work Readiness

- Fifty percent of consumers achieved/completed individual habilitation goals;
- Four consumers obtained employment within the community as a result of training and preparation received within the employment skills training program;
- One hundred percent of consumers and 100% of customers expressed their satisfaction with the employment skills training program;

Supported Employment - Individual Placement

- Four consumers obtained the job of their choosing within the community and average earnings for all consumers placed exceeded minimum wage at \$9.60 per hour ;
- Four consumers transitioned into follow along services, requiring minimum job coaching services; while three transitioned into competitive employment, requiring no job coach intervention; and
- One hundred percent of consumers and 100% of employers expressed their satisfaction with the supported employment program.

Project Independence - Day Training Activity Center

- Forty-three percent of consumers achieved individual ISP/IPP goals;
- Thirty-seven percent of consumers demonstrated skill acquisition in one or more curriculum areas; and
- One hundred percent of consumers expressed their satisfaction with the Project Independence Program.



Achieving Desired Results for Desert Haven

Following are action steps taken to improve and strengthen the agency, based upon input obtained through consumer, customer and employer satisfaction surveys, as well as through the Consumer Advisory Committee and strategic planning process.

- Continued to expand the size, scope and number of available off-site work crew opportunities for consumers participating in the Work Readiness Program, to accommodate varying consumer needs and work preferences;
- Changed venue for the annual Installation and Awards Ceremony to in-house, during the regular program day, in order that consumers might attend and participate in the festivities;
- Held the third annual "Viva La Fiesta" Baja Bash, raising in excess of \$100,000 to support operations and capital improvements;
- Expanded community-based outings within Project Independence to incorporate new consumer requests, such as the Indian Museum and swimming at Lane Park;
- Continued solid financial plan to hold expenses and maintain fiscal viability despite ongoing economic challenges and state level rate freezes;
- Added additional items to the café menu and made ice available to consumers at the end of program day;
- Purchased additional vehicles for transit of consumer on hab crews; and
- Worked with The Alliance and local legislators to stave off further rate reductions and to begin process toward future rate recovery.



Three-Year CARF Accreditation

Programs of Desert Haven Enterprises are accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF), the nation's premiere accreditation agency in the field of employment and community support services. In February 2012, DHE was awarded its ninth consecutive, three-year accreditation, the highest level achievable. DHE will participate in its next accreditation survey sometime in early 2015. Persons interested in reviewing the findings of the survey team, may do so by contacting the office of the Executive Director.



Looking Ahead

2014-15 Organizational Strategic Plan

Short- and Long-Range Planning

Following are a few of the short- and long-range goals developed for the 2014 - 2015 fiscal year, designed to assist consumers in meeting their individual and vocational goals and to make DHE even more responsive to the particular needs and preferences of our consumers, as well as to our subcontractors and employers.



- Continue to develop and secure additional community-based crews necessary to support growth within the Work Readiness Program in anticipation of enrollment approaching 350 to 400 consumers in the near future;
- Continue to work with existing employers and to expand networking efforts to develop a broader base of potential employment opportunities by introducing supported employment services to a greater number of new prospective employers;
- Develop no less than eight community-based supported employment individual placements;
- Explore expansion of Project Independence Program through possible vendorization and licensure of secondary site;
- Redesign organizational website and coordinate updates and modifications as needed;
- Consider development of a volunteerism program for consumers with functional limitations, no previous work experience, and/or other issues that might preclude placement on the Work Readiness hab crews;

- Build the number of consumer placements receiving active job coaching in the field to a minimum of 40 by exceeding the supported employment placement goal;
- As budget permits, periodically utilize print media and billboard media to advertise DHE's available services to the business community;
- Continue partnership with K-Med to triage work-related injuries to ensure proper intervention and follow-up for consumers and staff and to assist in expedient case closure;
- Facilitate second annual Baja Night fundraiser to benefit DH Enterprises and achieve a minimum of \$85,000 in revenue to support operations and capital expenditures;
- Ensure compliance and follow through with agency Cultural Competence Plan to ensure that services provided through the organization demonstrate understanding of and sensitivity to cultural diversity;
- Continue partnership with The Alliance in an effort to educate legislators as to the need for rate restoration and rate reform in order to preserve the system.





DESERT HAVEN ENTERPRISES, INC

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