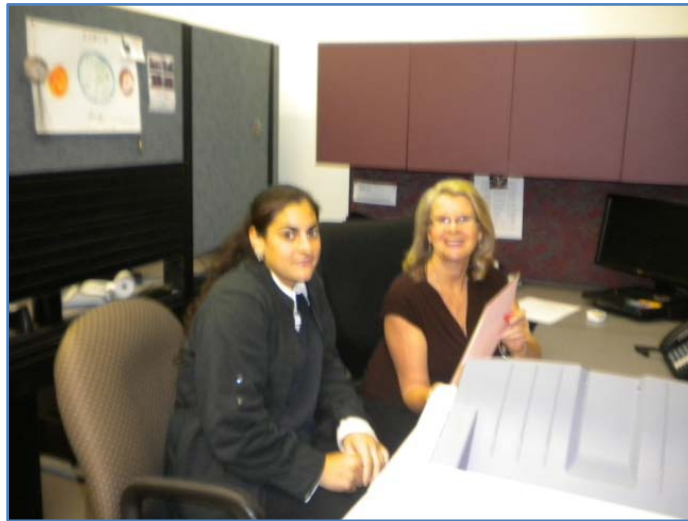




President's Report to the Board

July 1, 2011 to June 30, 2012

Arc of Kona made great strides this year in enhancing and expanding our efforts to assist our Participants find employment. We recognize that employment is the most effective means to join the community. **The Career Development and Technical Training Center-CDT** truly became reality this year and a big part of that was the acceptance of Arc of Kona as an **'Employment Network'**.



Employment Networks are certified by the Social Security Administration to accept beneficiaries of SSI (Social Security Income) or SSDI (Social Security Disability Insurance). We have also included the Wal-Mart Grant for transitioning high school special education students to work, Vocational Rehabilitation Contracts, a new Department of Health Initiative for Employment Services and our own Arc of Kona Enterprise (yard maintenance and janitorial) in this new division.

To enhance the quality of service and to make choosing work more attractive to our Participants on all levels, several of our staff have attended and completed advance courses in benefits education from Cornell University. This means that people wanting to work will have the confidence that their safety net of benefits will not go away until such time as they are earning enough to insure their survival.

Improving the facilities also took on a new life this year as we re-conditioned the lower level offices and 'training room' to become more habitable; finished a new roof over the patio area outside of the kitchen so it is more protected and used as a classroom extension, put linoleum flooring in the independent living house in Ocean View and are looking forward to more improvements in the coming year.



CARF!!! The Commission on Accreditation of Rehabilitation Facilities has driven our work plan this year. This commission surveys all our practices and determines whether or not we meet standards sufficiently enough to be certified and accredited. It is a big deal and accreditation is only undertaken by a few service providers on Hawaii Island. Although the surveyors will not be on site until November 8-9, 2012; our process began in May with a Strategic Planning retreat attended by Board members and senior staff. One of the new initiatives set at this planning meeting was to include outreach to Veterans with disabilities. To that purpose we have made contact with many veterans groups in West Hawaii since June. Another significant change is the reduction of the number of Board members from 11 to 9 beginning with this annual meeting.



Administratively, we have continued to search for ways to reduce expenses where feasible: during FY 2012 we began the total conversion away from the state unemployment system to a Trust established specifically for 501(c)3 organizations. This reduces our costs and those savings go directly toward service delivery to further our mission. Unfortunately, we also had to begin the process of eliminating our retirement program as it just became too regulatory heavy and a burden for us to continue. Other means to decrease administrative/ management costs have been to restructure remaining staff so that the work load is distributed more evenly. We also have pursued advocating with our government contracting agencies to eliminate some redundant requirements. HUD, our Group Home regulator, is the most famous for their millions of rules, some of which contradict others. Utility expense has also been analyzed in an effort to reduce utility costs working with the Heritage Ranch to find funding (USDA) to install photovoltaic panels. This has not as yet either been funded or denied, we are still waiting.



Staff Development and the creation of a finely tuned and effective group of leaders working together happily and with great success is one of the pleasures in working at the Arc of Kona. The cohesion of the classroom staff is incredible. In the last year our newest coordinator, Giuse, applied her considerable skill with creativity and consistent presence. As a result we have a program where transportation, family communications, outings, and coordination of schedules have created an atmosphere in which everyone enjoys a happy purposeful life at the Arc of Kona. The classroom keeps a full schedule of therapeutic skills training and activities that include Yoga, walking for exercise, outings into the community for socialization, practice with decision making, appropriate behaviors and lots of art projects. The Participants are healthy, happy and it is a joy to work with them.



Our yearly schedule of fund raising activities included, the November Bazaar, the annual Bluegrass Concert in January, and our big Black and White Ball for the Participants and guests in March, participation in the annual Visitor Industry Charity Walk in May and our annual membership drive in June.

We are so proud and pleased that during the recent economic downturn and subsequent loss of some very skilled and beloved staff, we have kept our service delivery quality high, satisfaction from our families high, and best of all we serve as many people now as we did prior to the dark era in 2009. Thank all the members for their support and look forward to the New Year with even better results to report.

