

**New Horizons
Special Program Committee Meeting
August 9, 2016
9:30 AM**

Present: Christine Ward, Greg Buesing, Heidi Lennartz, Glenn Baker, John D. Bunzel.

Staff: Cynthia Sewell, Roschell Ashley, Tony Casasola, Priscila DiBlasio, Anna Eskandarian, Esteban Estrada, Dana Hart, Sharoll Jackson, Anne Murphy, Greg Santilli, Ron Silverman, Nancy Soo Hoo, Diane Thorsell, Aida Velasco, Tetyana Wynter, Michelle Veals.

Absent: Gary Washburn.

1. Call to Order/Approval of July 12, 2016 Meeting Minutes/Introductions

The meeting was called to order at 9:33 AM by Chairperson Chris Ward. The minutes of the July 12, 2016 meeting were voted on and approved.

2. Purpose of this Special Program Committee Meeting

At the Board Retreat, the Program Committee was given the task of making decisions about the direction of New Horizons and its programs. We want what is good for the clients and profitable for the agency.

3. External Validation to Support New Horizons' Competitive Advantage

President/CEO Cynthia Sewell shared survey documents and charts/graphs that showed the Competitive Differentiation between New Horizons and similar organizations. They showed that New Horizons is a "one-stop shop" for a wide variety of services, unlike other organizations. This gives New Horizons a competitive advantage. However, New Horizons does not offer children's services, as some other organizations do.

A question was raised about the status of the Workshops that other organizations have.

- The ARC Los Angeles/Orange County – closing its workshop
- AbilityFirst – They have two small workshops in Pasadena and Inglewood. Both workshops will be closing. Their Valley workshop has already closed.
- ECF – They are planning an integrated service (renting a building); very similar to the "Anheuser-Busch" model that we have talked about.
- FVO – They are struggling with what to do with their workshop. They do not have a Supported Employment program. But, their Workshop has a government contract.
- Lincoln, BUILD and New Horizons – Currently collaborating with a business(es) or considering a collaboration. New Horizons does not have a permit to operate an industrial building. Lincoln is renting a building and collaborating with a business. New Horizons' Workshop is scheduled to close in June 2017. Director Glenn Baker asked how many clients are involved in the ECF candle-making business. COO Roschell said that she doesn't know how many, but that their clients work 1 hour a day for minimum wage. New Horizons' clients will work 3 hours a day with typical workers and spend 3 hours in the community.

Mr. Baker asked if New Horizons has any other competitive advantage. The strength of the staff and the Board, training, services offered and longevity are all competitive advantages for New Horizons.

Program Committee Chair Chris Ward stated that Employment Services (Direct Job Placement) is a competitive advantage. Once the Workshop closes down, those consumers will be moved to other programs. The process has already started. CFO Greg Santilli said that no loss of clients in the face of challenges and changes is a strength/advantage for New Horizons.

4. Additional Service and Program Provider Competitors

Data was provided on additional programs to show Competitive Differentiation. Valley Village, Tierra del Sol, LARC Ranch, Jay Nolan, TASC all have programs in the community. Jay Nolan may have a leadership change in the next 5 years. LARC Ranch is having problems with water. Their well has dried up. They are having water trucked in. There has been high CEO turnover at ONEGeneration. Ms. Sewell said that this is due to fundraising difficulty.

5. Financial Modeling – Current Program Trajectory/Options for the Future

CFO Greg Santilli said that he looked at expenses and what the margins have been in the past. 8 years of data were reviewed (2009 – 2016). Mr. Santilli came up with three conclusions:

- Community Living Services, Employment Services and Achievement Center are the strongest programs from a financial perspective.
- Work Services has experienced a net surplus decline beginning in FY 2011 and continuing through 2015, with a significant improvement in FY 2016.
- The Achievement Center has experienced significant growth in FY 2014-FY 2016.

Community Living Services is strong.

Employment Services is strong. There's been an increase in the Pathways rate due to consumers moving from the Workshop into the Pathways program.

MMDP has had issues with staffing to provide services.

Achievement Center numbers are up.

Residential Facilities has been performing stronger in the last 3 years.

Sam's Café had a higher number of Café rentals in 2015.

Workshop experienced a significant loss to Fulfillment services in 2015.

Mr. Santilli said that he would have a working Financial Model by Thursday for the Strategic Planning Committee meeting. He will be looking at how programs affect the agency financially as well as the mission impact.

Ms. Ashley noted that the consumers want to make more money. We hope to have them work less hours and make more money. They are being taught how to save for what they want. Consumers are allowed to have a part time job for minimum wage and not affect their benefits. They generally may work 15-20 hours. This is affected by

whether they receive SSI benefits or receive benefits under their parents Social Security. They will lose health benefits if they lose SSI.

Mr. Baker asked who the families can go to for benefits counseling. They can go to the Department of Rehabilitation, their Congressional Office, and other financial counseling services.

6. Market Demand/Demographics

Ms. Sewell handed ARCA information on the needs of those with intellectual and developmental disabilities. The number one need is affordable housing. Employment is the second priority.

COO Roschell Ashley handed out a “Summary of Consumer Demographics” graph. The graph charted numbers by age, gender, ethnicity, intellectual disability, other disability and residence type. New Horizons’ numbers are compared versus the NLARC (North Los Angeles County Regional Center) numbers and the number of individuals receiving services in all of Los Angeles County. Based on the numbers, there are some areas where New Horizons may think about expanding their services. One area is to serve more persons with borderline/or no diagnosis. The more severely challenged, the more funding received. There is also more funding for the higher functioning who are able to work in the community. In the future, the Monarch Mobile Day Program will shine in serving individuals with challenges.

7. Legislative/Policy Analysis

Chief Development and Marketing Officer Ron Silverman handed out a document that summarized legislation that will or may affect New Horizons. He said that a new report came out yesterday from CDCNA about integrated employment. He said that he would provide a copy to anyone who wanted to read it.

The Chief Human Resources Officer Diane Thorsell explained the WARN Act and how it mandates that notice must be given to staff, clients and their families within a certain timeframe about legislative changes that will affect the organization. This legislation affects anyone who earns a paycheck.

The Governor’s budget has \$80 million to help with the transition. Staff will be participating in a webinar to get more information on how to receive these funds.

8. Recommendation for the Strategic Planning Committee

Ms. Ward asked what information should be brought to the Strategic Planning Committee. The following items were identified:

- Housing
- Employment
- Complete Residential Continuum
- Building an inclusionary apartment building
- Identifying Programs that are profitable, but still serve our mission

Director of Community Living Services Nancy Soo Hoo reiterated that affordable housing is a top priority.

Program Committee member Greg Buesing asked if it would be better to build or acquire housing. This will be considered as we make decisions about housing. We should also look for housing that is close to transportation and other services since travel is an issue for some consumers.

The suggestion was made to partner with other organizations to bring consumer to New Horizons for services that they don't provide.

Administrator of Day Services Tony Casasola stated that we should focus on and cater to demographics. There is a high demand for services within the Hispanic community.

Bringing seniors on the campus as part of the efforts towards inclusion is another area to be further explored.

Mr. Buesing asked how to grow the MMDP program quickly. It will take staffing and training. We must be careful to find good, caring people.

It was suggested that the Workshop could become a huge bakery for New Horizons' cookies.

Board Chairman John D. Bunzel asked what will replace the Workshop, which is our signature program. He asked if options for the Workshop have been fully explored.

MMDP Manager Dana Hart stated that in developing services for those with a borderline diagnosis, we will need the age statistics. Many are probably on the autism spectrum and transitioning from high school.

Director of Employment Services Anna Eskandarian said that we need to create more partnerships with businesses for employment for our consumers. Employers could send their staff here for training and we could send our consumers to them for work/training. There is a large demand for consumer employment. We might even open our own business for scanning and/or shredding.

Geographic expansion of Community Living Services should be explored. We may be able to find more affordable housing in other areas outside of Los Angeles County.

9. Adjournment

The next meeting of the Program Committee is scheduled for November 15, 2016 at 9:30 AM.

With no further business, Chairperson Chris Ward adjourned the meeting at 10:58 AM.

Recorded by:
Michelle Veals, Executive Assistant