

NW Works, Inc.

**2022 ANNUAL
REPORT**

Prepared by the Marketing and Public Relations
Department

Since 1970, NW Works, Inc. has provided adults with disabilities and individuals with barriers to employment with vocational services to improve their quality of life. A 501(c)3 organization, NW Works, Inc. strives to provide the highest quality of programs to those we serve in Virginia, West Virginia and Maryland.

Supported by the 509(a)3 NWW Foundation, NW Works, Inc. continues to grow to meet the needs of our community. Governed by a volunteer Board of Directors, licensed by the Virginia Department of Behavioral Health and Developmental Services and accredited by the Commission on Accreditation of Rehabilitation Facilities, NW Works, Inc. provides both vocational and social programs to adults in the community.

Table of Contents

NW Works, Inc. Annual Report

Letter From the Chair of the Board ...	Page 3
Financials ...	Page 4
Compliance ...	Page 5
Therapeutic Programs ...	Page 6
Project SEARCH ...	Page 8
AbilityOne ...	Page 9
Business Services ...	Page 10
2023-2025 Strategic Plan ...	Page 11
Our Key Donors ...	Page 12
Board of Directors ...	Page 13

Our Guiding Principles

Vision: We envision a society in which all individuals are treated with dignity and respect, where all people are afforded equal opportunities to meet their goals. We will strive to obtain this through informing, educating and being a resource for those we serve and with whom we partner.

Mission: Our mission is to empower adults with disabilities and individuals with barriers to employment to build skills and secure and sustain meaningful employment.

Values: We strive to build an environment that is person-centered, where all people are treated with dignity and respect, and where they have goal-oriented and individualized opportunities for success.

Diversity, Equity and Inclusion Statement -

NW Works was founded over 50 years ago with the mission of supporting adults with disabilities and individuals with other barriers to employment towards sustainable and meaningful employment. Since the beginning, our vision exemplified the United Nations Universal Declaration of Human Rights. We have always aimed to emphasize our shared humanity through all of our work. This goal led the organization to develop a Diversity and Inclusion Committee to promote diversity, equity, inclusion, justice and access within our own community.

As an organization, we aim to promote the voices, identities, and leadership of marginalized groups – including on the basis of race, ethnicity, religion, gender, sexuality, age, disability, and economic status. We aim to fulfill the following commitments to the individuals we serve, staff, community partners, families, advocacy teams, and other community members:

- Create an equitable and inclusive space, where belonging is emphasized.
- Uphold the human rights and dignity of all, regardless of disability, including intersectional identities.
- Implement practices that ensure equitable and inclusive hiring, retention, pay, growth, and success of marginalized groups.
- Engage the larger community to ensure we are reaching all people with disabilities, their families, and advocacy teams.

These commitments are consistent with the mission, vision, and values of NW Works. We are moving forward towards being a more diverse, equitable, inclusive, just, and access-driven organization and community where all of our members feel welcome, celebrated, and able to thrive.

Letter from the Chair

By Richard Kozlow

Chair, Board of Directors

2020 - 2022

NW Works, Inc.

What a year it has been! Fiscal Year 2022 brought plenty of positive changes to NW Works Inc., both inside and outside of our facility. As Chair of the NW Works Board of Directors, I am pleased to report that despite the challenges of this past year, the organization has made some great strides forward.

First, we have an updated 3-year strategic plan, and with it, the organization is poised to embark on several key initiatives, which are detailed within the attached report.

Next, I'm very happy to report that our Program participation rates have returned to pre-pandemic levels, with over 100 individuals receiving services. We are once again growing our Mission of empowering people with disabilities and others with barriers to employment to build skills, and secure and sustain meaningful employment.

Another huge accomplishment as of August 2022: all employed clients earn minimum wage or better, thanks to a tremendous effort by the Leadership Team and staff in meeting a key goal set by the Board. This is a significant milestone towards our ultimate goal of helping individuals acquire community-based, competitive and integrated employment while earning fair wages. To make sure clients are fully knowledgeable of their complete financial situation, we have hired a Customized Employment Manager, which is a new position to ensure individuals can make informed decisions as they pursue their individualized employment goals, earn more money, and maintain their much needed benefits.

Lastly, we have also expanded non-working activities for adults with disabilities, with our Community Engagement and Career Exploration opportunities potentially opening the door for future competitive, integrated employment and volunteer experiences for those we serve.

Finally, I must acknowledge the transition of our Chief Executive Officer, Debera Taylor. Debera, who took over just before the COVID-19 pandemic, did a masterful job, not only rapidly helping the organization adjust to the challenges of doing business under pandemic restrictions, but at the same time introducing initiatives that have put the company on the path to a new era of enhanced Program quality and Mission outreach. Our incoming CEO, Grady Philips the third, looks to build on those developments as he ushers NW Works into its next era. Under his leadership we will expand the impact of our services to support even more disadvantaged individuals in our community.

Financials

Revenue

Total Revenue in Fiscal Year 2022: \$4,301,114.

Therapeutic Programs: \$996,264 or 23.2% of all revenue.

Business Services: \$1,135,752 or 26.4% of all revenue.

AbilityOne Contracts: \$1,706,018 or 39.7% of all revenue.

Gifts, Grants & Contributions: \$463,090 or 10.7% of all revenue.

Operating Expenses

Total Operating Expenses in Fiscal Year 2022: \$355,107

Marketing: \$129,928 or 36.6% of all operating expenses.

Vehicles and Maintenance: \$72,116 or 20.3% of all operating expenses.

Temporary Assistance for Needy Families: \$2,626 or 0.74% of all operating expenses.

Professional Services: \$88,890 or 25% of all operating expenses.

Mortgage/Occupancy: \$9,997 or 2.82% of all operating expenses.

Utilities: \$51,550 or 14.5% of all operating expenses.

Payroll

Total payroll expense for Fiscal Year 2022 was \$4,135,897.

Therapeutic Programs: \$1,174,879 or 28.4% of all payroll expenses.

Administration: \$1,131,569 or 27.4% of all payroll expenses.

Temporary Assistance for Needy Families: \$114,843 or 2.8% of all payroll expenses.

Commercial: \$596,212 or 14.4% of all payroll expenses.

AbilityOne Contracts: \$1,118,394 or 27% of all payroll expenses.

Compliance

NW Works operates under 97 policies.

11 new and updated policies implemented in Fiscal Year 2022

23 annual reviews of policies completed in Fiscal Year 2022

At NW Works, Inc., we operate under standards set by the following agencies/organizations:

Virginia Department of Behavioral Health & Developmental Services, Virginia Department for Aging and Rehabilitative Services, Commission on Accreditation of Rehabilitation Facilities & Occupational Safety and Health Administration, Department of Labor, United States Office of the Inspector General and Virginia Medicaid.

AAP Data

NW Works, Inc. is proud to provide equal opportunity for employment to people from all backgrounds. As part of our Affirmative Action Plan, we track the following metrics.

55% of NW Works' employees identify as female.

42% of NW Works' employees identify as having some form of disability.

3% of NW Works' employees identify as veterans.

68% of NW Works' employees identify as Caucasian.

22% of NW Works' employees identify as Black.

4.5% of NW Works' employees identify as multiracial.

2% of NW Works' employees identify as Latino.

1% of NW Works' employees identify as Asian.

Therapeutic Programs

At the heart of NW Works' mission is access to meaningful employment. That is why we worked with 27 local employers in our community to offer work opportunities to the adults we serve. Our supported employment programs evolved considerably in Fiscal Year 2022. One of our Group Supported Employment sites grew by 120 percent, while three additional Individual Supported Employment sites were brought on during the year.

Perhaps the largest change to the program was the elimination of 14C positions, or positions paid less than minimum wage. Through this change, all individuals working through NW Works are making minimum wage or better.

On average, NW Works provided employment support to more than 65 individuals in community-based positions during FY 2022. In the community, individuals served by NW Works' hold positions in a variety of career fields, including: retail, food service, health care, distribution, automotive, athletics and recreation, education, production, gardening, maintenance, custodial and elder care.

At NW Works, we understand not everyone desires to work full-time or at all. That is why we offer non-employment services, which can be paired with supported employment if an individual chooses.

The Home and Community-Based Settings regulations (known as "The Final Rule") fundamentally altered the services NW Works offers. As a result, our Therapeutic Programs team has increased the number of community outings for clients participating in Group Day Support. Non-working individuals have the opportunity to participate in career exploration activities both on-site and in the community. Music Therapy expanded to three times weekly, providing more opportunities for individuals to participate. Additionally, Community Engagement expanded significantly, with clients volunteering twice weekly at six local nonprofit organizations. Through Community Engagement, clients can volunteer with CCAP, Access Independence, the Winchester SPCA Thrift Store, the Knights of Columbus, the Museum of the Shenandoah Valley and Literacy Volunteers. We are excited to continue growing this program and expanding to additional sites.

Project Search

A collaboration of Valley Health, Winchester City Public Schools, Frederick County Public Schools, Northwestern Community Services Board, VA Department for Aging and Rehabilitative Services, and NW Works, Inc.

Each year, Project SEARCH at Winchester Medical Center enrolls 12 students of Winchester or Frederick County Schools who have disabilities. Over the following academic year, they prepare for employment through internships, mock interviews, and other relevant trainings. Then, the ProjectSEARCH team helps them search for and apply to competitive, integrated jobs in the community. Their progress is gauged by the four Milestones below.

100% of the 2021-2022 ProjectSEARCH program participants have completed Milestone 1: Enrolling in ProjectSEARCH.

100% of the 2021-2022 ProjectSEARCH program participants completed Milestone 2.1, Milestone 2.2, and Milestone 2.3, which represent each of their three internships in the program.

Nine out of eleven 2021-2022 ProjectSEARCH program participants have been offered and accepted jobs in the community.

One out of our twelve 2020-2022 ProjectSEARCH program participants has already achieved Milestone 4: being closed out of VA Department of Aging and Rehabilitative Services (DARS). This means they have either maintained employment for over 60 days, or reduced the amount of support needed to remain a client of DARS.

Milestone 4 can often take up to one year to achieve as graduates adjust to their roles and responsibilities at their new jobs, and slowly decrease the amount of support required to complete tasks. As they master their positions, clients can phase out of services and operate independently. Seven more graduates have closed out of DARS after FY 21. Our graduates are right on track!

AbilityOne

The AbilityOne Program is the largest source of employment for adults with disabilities in the United States. NW Works, Inc. is proud to partner with AbilityOne, where we provide job coaching and support for individuals with disabilities working these federal contracts. As of June 2022, NW Works, Inc. has 18 government client workers and 7 NW Works staff fulfilling custodial and landscaping contracts across our nine AbilityOne partner sites in Virginia, West Virginia and Maryland.

In FY 2022, NW Works was awarded the following:

A 3 year contract renewal with the United States Army Corps of Engineers, including a 6 percent annual increase.

A 5 year contract renewal with the United States Customs and Border Protection, including a 5 percent annual increase.

A 5 year contract renewal with the United States Geological Survey, including a 2.7 percent annual increase.

A 2 year contract with the Smithsonian Conservation Biology Institute, including a 10 percent annual increase.

NW Works holds AbilityOne contracts with the following agencies:

The United States Army Corps of Engineers, the United States Geological Survey, the United States Customs & Border Protection, the Internal Revenue Services, the Smithsonian Conservation Biology Institute, the United States Department of Agriculture, the United States Food & Drug Administration, the Bureau of Alcohol, Tobacco and Firearms, and the United States Department of Agriculture, Animal and Plant Health Inspection Service

Business Services

Despite continued disruptions to the supply chain, the Business Services team remained strong. The department focused on diversifying revenue streams, including increasing warehouse storage options for local businesses and establishing a new partnership with **Continental** for two separate products. Additionally, the department secured an additional custodial contract with **Relational Estate & Elder Law**.

NexTrex Recycling Program

The Business Services department also secured another revenue source this year, partnering once again with Trex. NW Works became a drop off site for the **NexTrex Recycling** program, where citizens can recycle stretchy plastics which will be used by Trex to create their signature products. NW Works is paid by the pound for the material, supporting our programs, and we can help reduce the amount of single use plastics being sent to landfills.

Acceptable items include: pallet wrap and stretch film, plastic shopping bags, dry cleaning bags, newspaper sleeves, plastic shipping envelopes, case overwrap, Ziploc bags, and bubble wrap. More information can be learned at www.nextrex.com.

Our Strategic Plan

Our Leadership Team and Board of Directors developed a new three-year strategic plan for NW Works, featuring four key strategic initiatives. Below, we have outlined each initiative and identified the responsible departments for each.

Strategic Initiative 1: Expand program services. The Therapeutic Programs Department is responsible for this initiative.

Strategic Initiative 2: Improve community outreach programs. The Marketing and Public Relations Department and the Therapeutic Programs Department are responsible for this initiative.

Strategic Initiative 3: Increase organizational effectiveness. The Human Resources and Finance Departments are responsible for this initiative.

Strategic Initiative 4: Develop diverse and healthy financial resources. The Finance, Business Services and Development Departments are responsible for this initiative.

Board of Directors

The NW Works Board of Directors was comprised of the Chair of the Board of Directors Richard Kozlow, Vice Chair and Compliance Committee Chair Samir Jhaveri, Treasurer and Finance Committee Chair Joel Stopha, Therapeutic Programs Committee Chair Todd Devine, Technology Committee Chair Aaron Martin, and Directors Andrea Koenker, Justin Dennis, Kevin Lakin, Russ Fowler, Katrina Pike, and Joel Smith.

NWW Foundation Board was comprised of President Debera Taylor, Secretary Ellen Mason and Treasurer Richard Kozlow. Directors Jason Aikens, Forest Limon and Kevin Lakin served on the board.

Special Thanks to Our Generous Donors

who made cumulative Gifts of \$1,000+ Between July 1, 2021 and June 30, 2022

The Allstate Foundation, American Woodmark Foundation, Bank of Clarke County Foundation, William & Pamela Bayliss, Bayliss Wealth Management Group of Wells Fargo Advisors, Perry & Dawn Campbell, City National Bank, DaVita Front Royal Dialysis, Andrew & Barbara Ferrari, First Bank Virginia, Frederick County, Virginia, Home Depot RDC #5030, James L. and Mary Jane Bowman Charitable Trust, Knights of Columbus Council #3572, Richard & Lynn Kozlow, Lakin & Warren Financial Group of Truist Investment Services, Violetta Lechpammer, Mary E. Miller Charitable Trust, Newton B. Shingleton Trust, Rex & Helen Ritchie, Norman Sandstrom, SourceAmerica, Debera & Les Taylor, James "Pat" & Eileen Templeton, Trex Company, Truist Foundation, Valley Health, Winchester Foreign and Domestic, James & Melissa Youngblood