

Melwood[®]

FY2017 IMPACT REPORT



OUR YEAR IN A SNAPSHOT

At Melwood, we believe anything is possible when people are able to pursue their potential. We're proud that after all these years, our strong commitment to people remains a part of our DNA. This Impact Report aims to show our stakeholders (the people we serve, their families and caregivers, customers, employees, and lawmakers) what it means to be an organization committed to inspiring people of differing abilities. We aim to empower our participants to break barriers, pursue careers of their choosing, and enjoy meaningful community inclusion.



WHAT DRIVES MELWOOD?

OUR MISSION

Melwood advocates for and empowers individuals of differing abilities to transform their own lives through unique opportunities to work and play in the community.

OUR CORE VALUES

Initiative
Innovation
Integrity
Quality
Stewardship
Teamwork

OUR VISION

A world where people of differing abilities are fully included.

OUR COMMITMENT TO PEOPLE

Our first priority is to assist people of differing abilities to create full and meaningful lives of their own choosing. We recognize and value our employees' achievements. We ensure they understand how their responsibilities fit into Melwood's success, provide them with the skills and resources they need, assess their performance fairly, and celebrate their outstanding contributions.

OUR IMPACT

We are one of the largest AbilityOne® program employers in the U.S.

VOCATIONAL SUPPORT SERVICES

We provide individualized job placement and support services to adults of differing abilities and veterans whom we employ within the community and who require ongoing support. We do this through our Vocational Support Services program. Highly trained staff provide one-on-one support to every Melwood employee of a differing ability to achieve their employment goals and to transform his or her own life by experiencing personal development, career growth, community integration, and financial independence. We support employees with a myriad of differing abilities, such as functional, psychological, developmental, cognitive, in addition to physical and emotional impairments.

VEHICLE DONATIONS MANAGEMENT SERVICES

Since 1998, Melwood has operated one of the most successful vehicle donation programs on the east coast, processing over 400,000 vehicle donations. When a vehicle, boat, RV, or camper is donated to Melwood, it is auctioned and all payments received from auction sales support the creation of jobs, programs, services, and organizational sustainability.

In Fiscal Year 2017, Melwood received over 4,000 vehicle donations through its program from the following states:

California
Delaware
District of Columbia
Florida
Georgia
Illinois
Indiana

Kansas
Louisiana
Maryland
New Hampshire
New Jersey
New York
North Carolina

Pennsylvania
South Carolina
South Dakota
Texas
Virginia
Washington
West Virginia

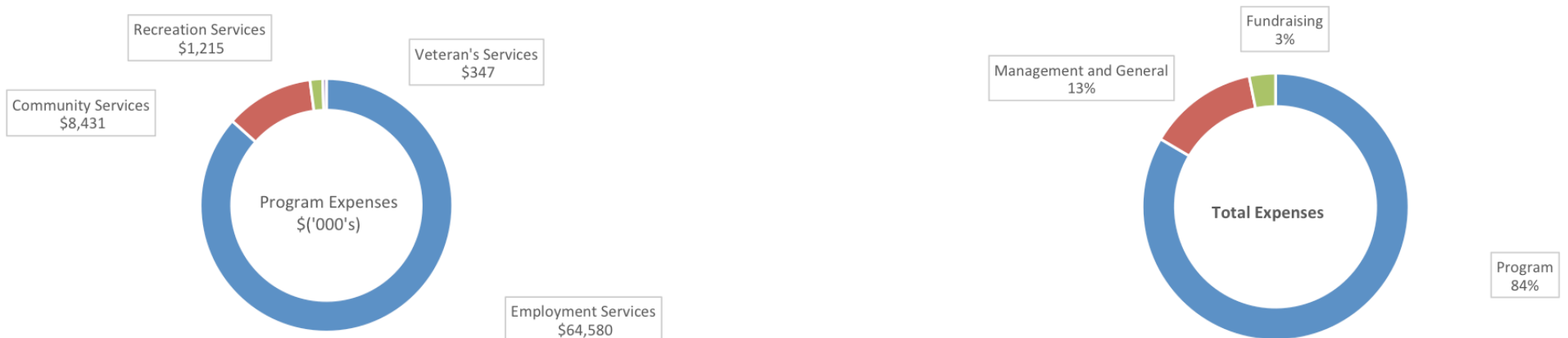
In addition to our own vehicle donations program, over 500 charities across the nation partner with us to offer best-in-class call center and reporting services. Some partner organizations include: The Arc of the United States, Susan G. Komen for the Cure, Rotary, Boy Scouts of America, National Capital Area Council, United Cerebral Palsy, Meals on Wheels Association of America, and Easter Seals.

FINANCIALS

Balance Sheet as of June 30, 2017			
Assets			Liabilities
Cash and Cash Equivalents	\$ 5,013		Accounts Payable and Accrued Expenses \$ 11,015
Accounts Receivable	\$ 16,423		Notes Payable \$ 3,533
Inventory	\$ 299		Total Liabilities \$ 14,548
Prepaid Expenses	\$ 163		Net Assets
Property and equipment, net	\$ 13,225		Temporarily Restricted \$ 633
Investments	\$ 6,016		Permanently Restricted \$ 942
Other Assets	\$ 1,519		Unrestricted \$ 26,535
			Total Net Assets \$ 28,110
Total Assets	\$ 42,658		Total Liabilities and Net Assets \$ 42,658

Revenues and Expenses for the Year ending June 30, 2017			
Revenue		Expenses	
Contributions	\$ 169	Program	\$ 74,573
Donated Items	\$ 2,904	Management and General	\$ 11,920
Grants	\$ 357	Fundraising	\$ 2,848
Contract Revenue	\$ 76,996		
Sales Revenue	\$ 72		
Service Fees	\$ 8,853		
Other	\$ 356		
Total Revenue	\$ 89,707	Total Expenses	\$ 89,341

Program Dollars	
Employment Services	\$ 64,580
Community Services	\$ 8,431
Recreation Services	\$ 1,215
Veteran's Services	\$ 347



OUR PROGRAMS

COMMUNITY-BASED SERVICES

Our Community Services Division provides home and community-based support services to individuals of differing abilities and their families. Programs offered include supportive employment, day services, community support, personal support, and respite. Recreational activities are also offered to maximize their independence and inclusion within the community through customized programs that nurture their aspirations to live a fulfilling life.

MELWOOD VETERANS SERVICES, LLC

Melwood Veterans Services, LLC (MVS) is run by veterans for veterans. The program caters to the growing population of veterans living with post-traumatic traumas, mild traumatic brain injury, anxiety and/or depression related to their military service, and survivors of military sexual trauma.

Operation Tohidu® - a program under the MVS umbrella- is an experiential and educational retreat in a natural and peaceful setting. It is designed to promote comradeship, self-awareness, and self-management of symptoms, as well as the ability to lead a more fulfilling life. Tohidu is a Cherokee word meaning "peace of mind, body, and spirit." Each Operation Tohidu® retreat focuses on confidence-building, outdoor activities, education, and group discussion in a relaxed, positive environment to empower participants in overcoming obstacles to their recovery and supporting their successful reintegration into their homes and communities.

RECREATION PROGRAMS

Anchored by our philosophy of inclusion, the Melwood Recreation Center hosts activities year-round designed for people of all abilities. A key component to fulfilling our mission is the support we provide to children, youth, and adults of all abilities through enriching recreational activities.

Throughout the year, the Melwood Recreation Center operates four core programs: Camp Accomplish, an inclusive camp for kids of all abilities; Access Adventures, an assisted travel program for adults of differing abilities; the Equestrian Program, offering general horsemanship lessons, and trail riding activities to riders of all ages and abilities; and the Retreat Center, featuring customizable rentals and retreats to make any special event memorable.

BUSINESS SERVICES

Our Business Services Division is comprised of the following departments: Contracts Administration & Procurement, Facilities Management Services, Risk & Safety, and Quality. Business Services Division provides support, management, manpower, training, equipment, supplies, quality control oversight, and world class service to 37 federal contracts across 43 locations and five commercial contracts. Each department is strategically structured to achieve Melwood's mission and promote a brand of excellence. The departments within Business Services work in tandem to grow first-rate partnerships, enabling the critical work of providing employment opportunities for people of differing abilities.

IMPACT YOU CAN SEE

BUSINESS SERVICES SUCCESSES

Business Retention: Administration of the following contracts provide employment for more than 700 individuals of differing abilities: Renewed 37 contracts; acquired one new contract; finalized 12 contract extensions and 12 bridge contracts.

LEED Compliance: We joined the ranks of thousands of other world class quality cleaning organizations by earning certification through ISSA—The Worldwide Cleaning Industry Association. This ranking certifies that Melwood delivers consistent, professional services designed to meet customer needs and expectations and can deliver comprehensive green cleaning programs based on Leadership in Energy and Environmental Design for Existing Buildings: Operations & Maintenance (LEED EB: O+M) green cleaning criteria. Additionally, Melwood is ISO 14001 Environmental Management System (EMS) compliant – meeting international industry-specific environmental standards.

RECREATION PROGRAMS SUCCESSES

Camp Accomplish served nearly 300 children during the 2017 summer season, and notably 50 percent of the participants were children of differing abilities. This inclusive environment allows children of differing abilities to be challenged, face their fears, develop friendships and much more.

Overall numbers of people served through Melwood's Community Services Division at the Melwood Recreation Center:

- Camp Accomplish – 290 individuals served
 - o 158 without differing abilities
 - o 32 of differing abilities

Excellent Safety Rating: We promoted an inclusive, participatory work environment that led to us maintaining an A-plus safety rating. Our Experience Modification Rate (or its "MOD" rate) is .73. That's 27 percent lower than the industry standard. To adequately evaluate consistency, MOD ratings are calculated over a 3-year period. A rating below 1.0 signifies that our safety measures are sustainable and well-defined. This MOD rate was achieved by maintaining a stable safety and health program, as well as identifying, controlling, and/or eliminating potential hazards.

MGM Resort Expands Job Opportunities: A number of people of differing abilities nurtured more than 125,000 plants during the holiday season for the MGM Resort at National Harbor. Leaders at MGM requested that Melwood provide the plants for their Holiday Reflections and Chinese New Year displays. Since opening, thousands of people have lined up to get a glimpse of MGM's picturesque displays throughout the year.

- Equestrian Program - 74 individuals served:
 - o 57 without differing abilities
 - o 17 of differing abilities
- Access Adventures - 222 individuals of differing abilities, participating in at least one of the following themed adventures:

Hershey Park Spring Fest; Halloween at Hershey Park; Christmas at Candy Lane; Hershey, Pa.; Weekend in Baltimore; Ocean City Spring Fest; Ocean City Sun Fest; Summertime in Ocean City; Fredericksburg Adventure; Rehoboth Beach Getaway; Explore PA (Lancaster and Hershey); Virginia Beach Blast Week; Ride, Splash, Explore Williamsburg; Weekend in Williamsburg; Bed & Breakfast in Bedford, Pa.; and several themed retreats at Melwood Recreation Center.



IMPACT YOU CAN SEE

MELWOOD VETERANS SERVICES

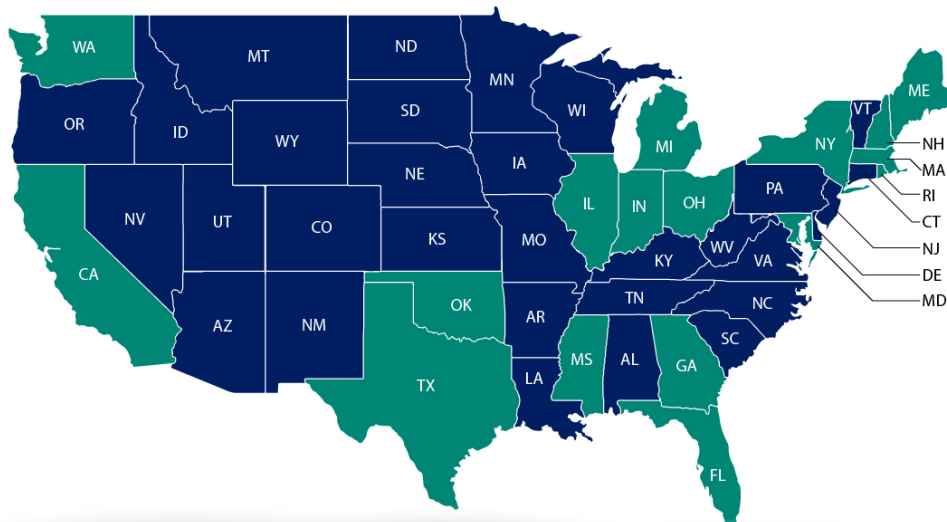
The Year of Transformation

Because of new innovative programming, we are able to better serve America's heroes. The transformation of Melwood Veterans Services, LLC, (MVS) began with the change in leadership. Following the appointment of its Executive Vice President, Ret. Army Brigadier General David Blackledge, MVS was able to innovate and make an enormous impact in the lives of veterans and service members seeking to reintegrate back into their communities.

Impacted by post-traumatic stress and traumatic brain injury himself, General Blackledge understands first-hand what it's like to cope with service-related trauma. The 37-year veteran was wounded twice during successive combat tours in Iraq.

Drawing from his experience in the military and as a faculty member for the Defense Centers of Excellence for Traumatic Brain Injury and Psychological Health, General Blackledge enhanced Melwood's fledgling Operation Tohidu® program, making it more accessible, better suited, and most importantly, more impactful for today's veterans. Under his leadership, in 2017 the program offered four distinct retreats for men, women, couples, and a specialized retreat offered for survivors of military sexual trauma. Each retreat encompassed the challenge-by-choice principle and adventure-based activities, where participants are free to explore at their own will.

27 VETERANS FROM 17 STATES ACROSS THE U.S. BENEFITED FROM OPERATION TOHIDU® OVER A 6-MONTH PERIOD



OUR IMPACT, THEIR STORIES

Passion Turned Professional

Meet Sarah, an amazing animations artist. Melwood helped Sarah find employment at one of the nation's largest home improvement stores, where she has worked for nine years. Working in the paint department, Sarah is able to bring her passion for art to life. It's no wonder she chose the paint department. Sarah's artwork has been featured in a variety of art shows. Despite intellectual challenges, she has raised the bar in customer service performance for staff in the paint department. According to management, "Sarah's attendance is impeccable, and she has a refreshing eagerness to learn. Sarah pushes the envelope on what even she thinks she can accomplish." Melwood Community Employment Services helped Sarah find a way to take her personal interest for art and color, and translate it into stable employment.



I feel supported by my managers (at Melwood), and I believe they really want me to succeed.

I Feel Like They Want Me to Succeed

Norvella worked with a job agency to secure a position at Melwood. Since joining, Norvella says, "I feel supported by my managers, and I believe they really want me to succeed." She has worked for us since 2007 at the FBI building in Washington, DC. Because Norvella continues to display a strong work ethic and a positive attitude, she was promoted to a lead worker.



Bridging the Gap for Transitional Youths

Following high school, Darrien enrolled in one of our Community-Based Services programs that focuses on supporting transitioning youth and their families. The goal is to provide recent graduates with the resources to gain independence. Through the individualized program, Darrien sharpened his soft skills and was subsequently hired to work at one of our contract sites, in the eWorks department. Darrien further strengthened his job training skills and was later hired for a position at an electrical supply company in Prince George's County, Md. Management there describes Darrien as a natural leader with high prospects for continued success.



A natural leader with high prospects for continued success.

Melwood Helped My Son Gain the Confidence He Needed

Meet 14-year-old Gerik. He was nonverbal before attending Camp Accomplish for eight years. Gerik has also taken part in individual and group therapeutic riding lessons and our Trail Team. Like many adolescents, Gerik struggled with social skills, but has improved exponentially over the last few years. His mother, Mary, attributes his improved social skills to our Equestrian Program and the various team-building activities the program offers. According to Mary, Gerik now has a YouTube channel and won't stop talking.



Walk out of the shadow of darkness and trust people again.

The Will to Live

Prior to attending our Operation Tohidu® retreat program, veteran Tierell was attending mental health counseling at the Department of Veterans Affairs every week for over a year. His desire to end his life continued to grow, despite attending counseling. After participating in an Operation Tohidu® retreat, Tierell says he can now walk out of the shadow of darkness and trust people again. Since then, Tierell and his wife have joined the Melwood family, and now serve as volunteer Peer Mentors with Tohidu®.



THANK YOU FY2017 DONORS!

Many thanks to our Fiscal Year 2017 individual, foundation, and corporate supporters for your continued essential support. We are proud that you share our values, vision, and ambition and have chosen to take this journey with Melwood. Every one of your acts of generosity in support of Melwood's work brings us a step closer to our shared vision of a world where people of differing abilities are fully included. Thank you!

- Cari DeSantis
President & CEO, Melwood



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LOOKING AHEAD IN 2018, WE PROMISE TO...



+ EXPAND OUR REACH IN THE WASHINGTON, DC, METROPOLITAN AREA, VIRGINIA, AND MARYLAND

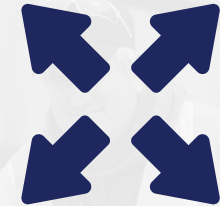
+ EXPAND OUR PARTNERSHIPS TO INCLUDE ADDITIONAL EDUCATIONAL AND CORPORATE COLLABORATIONS

+ INCREASE JOB AND COMMUNITY-BASED OPPORTUNITIES FOR PEOPLE OF DIFFERING ABILITIES AND VETERANS

+ ENHANCE OUR COMMUNITY-BASED PROGRAMS

+ REPOSITION THE MELWOOD BRAND

+ OVERHAUL OUR RECREATIONAL PROGRAMS



+ GROW OUR LINES OF SERVICE

+ STREAMLINE OUR GRANTS-SEEKING METHODOLOGY



+ BUILD THE MELWOOD VETERANS WORKFORCE PROGRAM



+ RESTRUCTURE STAFF TO MAKE BETTER USE OF OUR SUBJECT-MATTER EXPERTS AND LEADERS



+ RECOGNIZE COMMUNITY LEADERS FOR THEIR EFFORTS TO CREATE AN INCLUSIVE WORKFORCE