

SERVING **CHILDREN, TEENS AND ADULTS** WITH DISABILITIES



ANNUAL REPORT • FISCAL YEAR 2018



ANNUAL REPORT OF THE **BOARD PRESIDENT** AND THE **CHIEF EXECUTIVE OFFICER**



New CEO Brad Howell

Fidelity House Human Services and Career Resources Corporation completed a merger effective January 1, 2019. The name of the combined organization is Fidelity House CRC.

Brad Howell, who served as President and CEO of Career Resources Corporation for 13 years, was appointed to lead the newly combined organization. Over the course of several months in 2018, Brad worked closely with Yvonne Allard, recently retired CEO of Fidelity House, to ensure a smooth transition.

Coming Together

Planning for the merger of Fidelity House Human Services and Career Resources Corporation was the dominant activity of 2018. Recognizing an opportunity to enhance and extend the services already provided, the leadership of both organizations agreed that a merger would create a more efficient combined entity.

We are happy to report that the Massachusetts Department of Developmental Services (DDS), MassHealth, and the Massachusetts Rehabilitation Commission provided all of the necessary approvals for the consolidation of our two multi-faceted nonprofits. Many thanks go to the members of both boards of directors for their extraordinary cooperation and guidance throughout the process. We would like to say a special thank you to the boards' merger task force – Darlene Beal, Walter Meyer, Andrew Novelline, Wayne Simmons, Greg Spurr, Sally Wallace, and Chuck Walker – who dedicated many hours to this effort. By forming a larger organization, we are now stronger financially and have a much stronger voice for people with disabilities.

Successes in 2018

The work of the agency is varied and impactful. We are now supporting over 1,100 children, teens and adults each year to fulfill their goals and live a fulfilled life. Of note in 2018:

- One of our community residences, located in Haverhill, transitioned to a higher level of medical support. The four individuals who live there are supported with nursing 24/7 which means they can now manage complex medical conditions while living in the community rather than a nursing home.
- A report issued by DDS showed that our Employment Supports program is performing far above the regional and state averages. Of the 30 individuals served during the 2018 reporting period, 83.3% were employed, earning more than minimum wage, compared to 38% in the Northeast Region and 35.6% statewide.
- Kudos to the Adult Foster Care team for weathering significant state budget cuts and for advocating effectively with state legislators to increase awareness of the benefits and cost-effectiveness of adult foster care.

ANNUAL REPORT OF THE **BOARD PRESIDENT** AND THE **CHIEF EXECUTIVE OFFICER** (continued)

Board of Directors

Chair: Andrew Novelline, *President*
Abbot Financial Management

Vice Chair: Walter C. Meyer, *Executive Director*
Business Tax Services, Ernst & Young

Treasurer: Chuck Walker, *President*
Pentucket Bank

Clerk: Kara J. Johnson, *Attorney at Law*
Spruce Law LLC

Darlene Beal, *Executive Director*
Haverhill Community Television

Carol Curtin, PhD, MSW, *Associate Director*
E.K. Shriver Center, University of Massachusetts
Medical School

Stuart Davis, *Vice-President*
Fred C. Church Insurance

John Lamoureux, *Senior Director*,
IT Infrastructure & Operations, Alkermes, Inc.

Jim Manfield, *Entrepreneur*, Retired

Nancy A. McCafferty, *Senior Relationship Manager*
Massachusetts Housing Partnership

George Moriarty, *Executive Director*
Northern Essex Community College

Janet Odenwelder, *Vice President Lending*
Haverhill Bank

Wayne Simmons, Jr., *Attorney at Law*
Morris, Rossi & Hayes

James Smith, *Office Manager*
Commercial Collision Services

Gregory Spurr, *Vice President*, Rockland Trust

Lisa Staff, *Owner*, Simply Organized

Thomas Sullivan, *Attorney at Law*
Law Office of Thomas J. Sullivan

Dr. Firouz Tehrani, DDS
Restorative and Aesthetic Dentistry

Holly Vietzke-Lynch, *Attorney at Law*
Holly Lynch Law, LLC

Executive Management Team

Brad Howell, *President and CEO*

Wanda Gomez, *Vice President Residential Services*

Susan Lunn, MS, *Vice President Children*
and Family Services

Kathryn Mageary, PHR, SHRM-CP
Vice President, Human Resources

Judith Normandin, *Director of Development*

Kristen Tarsia, *Vice President Supported*
Home Care and Day Services

Richard Wilson, *Chief Financial Officer*

- Our Family Support Center expanded services for older caregivers who are isolated from their communities. By working collaboratively with other social service providers, we are bringing important resources to parents and grandparents who are caring for an adult son or daughter with intellectual and developmental disabilities.
- We continue to pursue three important strategic initiatives in the areas of respite care and affordable housing for families of people with intellectual and developmental disabilities as well as expansion of one-to-one employment services for military veterans.
- Staff training was also an important focus in 2018. Thanks to the availability of Relias training platform, we know that employees took advantage of over 4,300 hours of training on topics ranging from nursing care and behavior management to supervision and employee retention.

Thank You

It is the employees of Fidelity House CRC who make the mission possible! **Thank you to each and every employee** for the work you do each day to support people with disabilities. You are the backbone of the organization and the reason behind so many success stories.

We would also like to thank five devoted volunteers who retired from the board of directors this past year – Emily Bryant, Sheila Callahan, Jim Dillon, Steve Jaskelevicus, and Sally Wallace. We thank them for their service and for their continued support of the organization.

In a year of big changes, the work of employees, board members, donors, sponsors and volunteers remained steadfast. Thank you to all who make Fidelity House CRC a successful and thriving organization.



Andrew Novelline
Chair, Board of Directors



Brad Howell
President and CEO

SUMMARY FINANCIALS

The selected financial data, to the right, has been taken from the audited financial statements prepared by the CPA firm of Alexander, Aronson, Finning, & Co., P.C. for the fiscal years ended June 30, 2018 and 2017.

These audited financial statements will be filed with the Massachusetts Office of the Attorney General and are open to public inspection online at the Operational Services Division (OSD) website under the Uniform Financial Reports eFiling home page.

COMBINED STATEMENT OF FINANCIAL POSITION

	June 30, 2018	June 30, 2017
Assets		
Total Current Assets	\$1,920,474	\$3,213,060
Restricted Cash	64,014	77,098
Investments	1,262,805	1,161,997
Certificate of Deposit - Restricted	35,731	35,394
Property and Equipment, net	4,205,417	3,371,816
Construction in Progress	45,000	–
Total Assets	\$7,533,441	\$7,859,365
Liabilities And Net Assets		
Current Liabilities	\$1,021,710	\$812,167
Long-Term Debt, Refundable Security Deposits	1,814,449	1,655,844
Conditional Debt	1,239,138	1,239,138
Net Assets	3,458,144	4,152,216
Total Liabilities and Net Assets	\$7,533,441	\$7,859,365

COMBINED STATEMENT OF ACTIVITIES

	June 30, 2018	June 30, 2017
Operating Support and Revenue		
Contracts and Service Fees	\$16,354,810	\$16,184,419
Client Fees, Rents and Rental Subsidies	1,245,394	1,241,957
Grants, Contributions and Donated Services	112,166	332,408
Interest and Other	103,470	71,023
Total Operating Support and Revenue	17,815,840	17,829,807
Operating Expenses		
Program Services:		
Adult Residential	11,941,204	11,116,406
Child and Family Supports	1,631,575	1,570,862
Supported Home Care	2,745,256	2,673,327
Total Program Services	16,318,035	15,360,595
General and Administrative	1,971,499	1,914,169
Fundraising and Development	181,699	151,638
Total Operating Expenses	18,471,233	17,426,402
Changes in Net Assets from Operations	(655,393)	403,405
Non Operating Gains/(Losses)		
Total Non Operating Gains/(Losses)	(38,679)	88,737
Change in Net Assets	\$(694,072)	\$492,142

SUMMARY FINANCIALS

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COMBINED STATEMENT OF FINANCIAL POSITION

	June 30, 2018	June 30, 2017
Assets		
Cash and Cash Equivalents	\$2,043,675	\$1,678,861
Accounts Receivable	920,699	995,316
Prepaid Expenses and Other	118,644	107,359
Investments, Tenant Deposits, Funded Reserves	37,182	34,070
Property and Equipment, net	3,283,221	3,399,412
Financing Fees, net	96,027	113,032
Total Assets	\$6,499,448	\$6,328,050
Liabilities And Net Assets		
Current Liabilities	\$646,495	\$609,684
Long-Term Debt	1,964,953	2,042,637
Capital Advances (HUD)	649,300	649,300
Net Assets	3,238,700	3,026,429
Total Liabilities and Net Assets	\$6,499,448	\$6,328,050

COMBINED STATEMENT OF ACTIVITIES

	June 30, 2018	June 30, 2017
Operating Support and Revenue		
Program Services	\$8,396,667	\$8,123,175
Production and Client Resources	550,501	567,747
Grants, Contributions and Fundraising Events	392,725	157,849
Investment Income and Other	27,661	6,012
Total Operating Support and Revenue	9,367,554	8,854,783
Operating Expenses		
Program Services:		
All Program Services:	7,632,754	7,182,845
Total Program Services	7,632,754	7,182,845
General and Administrative	1,427,829	1,251,163
Fundraising and Development	94,700	109,545
Total Operating Expenses	9,155,283	8,543,553
Changes in Net Assets from Operations	212,271	311,230
Non Operating Gains/(Losses)		
Total Non Operating Gains/(Losses)	—	—
Change in Net Assets	\$212,271	\$311,230

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Fidelity House CRC is funded through contracts with the Massachusetts Department of Developmental Services, Massachusetts Rehabilitation Commission, MassHealth and through private contributions.

Referral and Contact Information

An individual or family member seeking services may contact Fidelity House CRC for information.

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