

Building Futures

People inc.

Annual Report 2016



Realizing Dreams

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ANNUAL REPORT 2016

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BUILDING FUTURES, REALIZING DREAMS

In 1964, a small group of concerned citizens in the rural community of Hayter's Gap, Virginia decided to make a difference. By dedicating their time and skills to help their neighbors to build a stronger, more livable community and create more opportunities for local youth, these visionaries laid the cornerstone for the work that People Incorporated continues today.

Little did they know that their efforts would result in the creation of an organization that continues to make lasting change for people and communities. Through the years, the number of communities that we serve has grown substantially, and our mission and passion for the work remains undiminished. Our goal as an organization is clear: to move people out of poverty and build strong communities with multiple opportunities for growth and development. Providing opportunities to create lasting change for people and communities is not easy work. After 52 years of pursuing this goal, we have found that there is no single strategy, program, tool, or resource dynamic enough to fully address the multitude of needs experienced by low-income people and communities.

As a result, our strategy is based on the belief that the best way to move people and places out of poverty is by bundling multiple resources to help people and communities acquire assets. Individual assets, such as improved education, an affordable home, a small business, better health, financial literacy, or job skills directly impact financial stability and growth. Similarly, community assets such as well-paying sustainable jobs, community facilities, local amenities, accessible goods and services, and a supportive business environment all contribute to healthy economies that build community wealth and better places to live.

In the following pages, you will find stories, data, and outcomes related to our work over the past year. These are only a few of the successes realized from our direct services to 6,013 individuals and $110 million in economic impact in the communities that we serve. We are fortunate to have had the opportunity to work in partnership with countless individuals, families, community leaders and other organizations to create vibrant communities where families flourish and all people can realize their full potential. We know full well that this work is not complete and that much remains to be done, but it is this charge that pushes us to keep reaching for excellence and striving for change.

Sincerely,

Robert G. Goldsmith
President and C.E.O.





"We had the vision of what the theatre restoration could do for our region and community. People Incorporated had the expertise and experience to help us make that vision a reality. The success is measurable. Our community has welcomed more than 22,000 visitors to the Theatre and Amphitheater since the July 2016 opening." —Meade Snyder, President, Masonic Theatre Preservation Foundation

PHOTO: CHUCK ALMAREZ

GOAL: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Building Community Assets



PHOTO COURTESY OF HISTORIC MASONIC THEATRE

COMMUNITY: Clifton Forge, Virginia

PROJECT: Renovations of the Historic Masonic Theatre, a 1905 Beaux-Arts style theatre in downtown Clifton Forge

PARTNERS: Alleghany County

The Alleghany Foundation

The Cabell Foundation

Virginia Department of Housing and Community Development

Town of Clifton Forge

Virginia Tourism Corporation

WestRock

SUPPORT: Includes $6.3 million in New Markets Tax Credits through People Incorporated and state and federal historic tax credits

People Incorporated works in partnership with business, government, industry, and education to positively impact communities throughout our 32-county Virginia service area. Through these efforts, specific goals for community development are achieved and sustained.

Building Community Assets Through NMTC Funds

People Incorporated is a five-time New Markets Tax Credits (NMTC) Allocatee, which allows People Incorporated to innovate and find new and impactful ways of addressing the effects of poverty in the communities the agency has come to know so well from decades of service. By using NMTCs to raise private investment capital, People Incorporated has been able to bring its community development lending to a new and dramatic scale, and significantly increase the volume, scope, velocity and impact of the investments that we make in predominantly rural low-income communities.

These NMTC investments reflect not only the diverse needs found in communities throughout Appalachia and the southeastern United States, but also a deep understanding of how NMTCs can be used to help communities build on community assets and opportunities to move people and places out of poverty.

Projects such as the Historic Masonic Theatre in Clifton Forge, Virginia (featured at left and above), show how NMTCs can be used to revitalize and breathe new life into struggling economies. Following renovations of over $12 million, the facility re-opened in July 2016, providing the community with two 21st-century stage venues, meeting space, and a popular coffee shop and lounge.

People Incorporated NMTC projects have generated over $331 million in investments to support community development efforts in low-income communities, and with the 2016 award of $65 million in additional NMTC Allocation, this impact will only continue to increase.



PHOTO: KEN KRAKOW

Spurring Business Growth



PHOTO COURTESY OF FOX TAIL ORCHARDS

PEOPLE: Matthew and Amy Ratliff

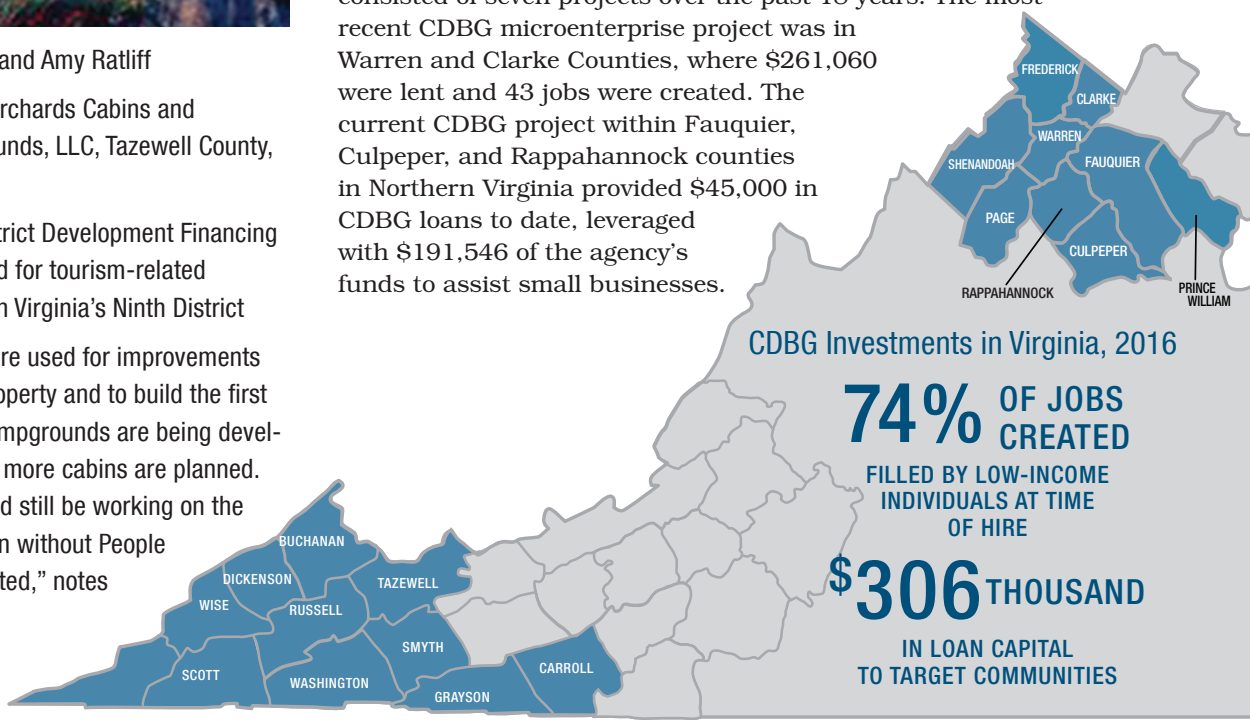
PROJECT: Fox Tail Orchards Cabins and Campgrounds, LLC, Tazewell County, Virginia

PROGRAM: Ninth District Development Financing Loan Fund for tourism-related projects in Virginia's Ninth District

PROCESS: Funds were used for improvements on the property and to build the first cabin. Campgrounds are being developed and more cabins are planned. "We would still be working on the foundation without People Incorporated," notes Matthew.

People Incorporated's revolving loan funds, including Community Development Block Grants and Ninth District Development Financing Loan Funds, provide a foundation for sustainable business growth in underserved or at-risk communities.

People Incorporated is also a steward and manager of Community Development Block Grants (CDBG), provided by the U.S. Department of Housing and Urban Development and the Virginia Department of Housing and Community Development. CDBG funding loaned out by People Incorporated (about $1.28 million for microenterprise) has consisted of seven projects over the past 18 years. The most recent CDBG microenterprise project was in Warren and Clarke Counties, where $261,060 were lent and 43 jobs were created. The current CDBG project within Fauquier, Culpeper, and Rappahannock counties in Northern Virginia provided $45,000 in CDBG loans to date, leveraged with $191,546 of the agency's funds to assist small businesses.





PHOTOS: MEGAN POLLARD

Creating Sustainable Jobs



PEOPLE: Small business owners Christian and Rachel Failmezger

PROJECT: Pave Mint Taphouse and Grill

Pave Mint Food Truck

PROFILE: 25 full time employees

Locally-sourced foods

Microbrews on tap

During 2015–2016, People Incorporated facilitated small business growth by delivering 439 hours of business and financial instruction and financing 11 startups and 13 expansions — collectively maintaining more than 105 jobs. Two of these businesses are profiled here.

NorrisBuilt: Hard Work Brings Fast Growth

"If you dream it we can build it!" is the tag line for NorrisBuilt Fabrication, a welding and fabrication business launched by Ron and Tiffany Norris in Norton, Virginia, in 2014. Now pulling in $1.2 million in sales annually, it's hard to believe the company began with just a business plan and a single micro-loan from People Incorporated. In the first nine months of operation, six more rounds of new capital investment were acquired and 12 more employees hired—all due to additional funding support, including two more loans from People Incorporated. In 2015, NorrisBuilt relocated to a 33,000-square-foot building and secured a Virginia Department of Transportation contract to perform repairs and maintenance on equipment throughout Southwest Virginia. The start-up business that began with just two employees in 2014 now boasts 29. "People Incorporated got us started," Ron claims. "Without that first loan, we wouldn't be here."

"Farm to street" food and microbrew: Pave Mint Taphouse and Grill

Two years ago, Rachel and Christian Failmezger approached People Incorporated seeking financial help for opening a bar and grill in an old 1960s gas station located in Front Royal, Virginia. The family business has evolved into a popular "farm to street" restaurant that sources as much of its menu food as possible from local farmers living in the northern Shenandoah Valley, and offers 35 rotating beer taps from breweries across the country. During 2016, People Incorporated again offered support by providing a $70,000 loan for purchase of a food truck, which allows the couple to serve at local festivals and wineries. Today, Pave Mint has 25 full-time employees.

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voices OF OPPORTUNITY



Fredia Davis *Rapid Rehousing Program*

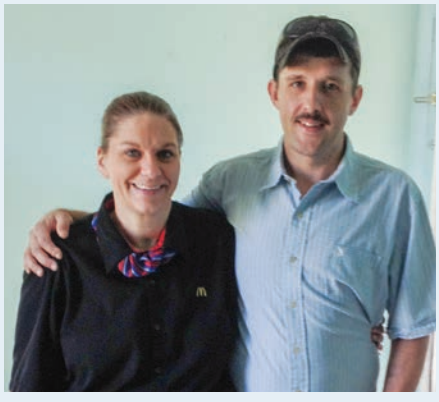
People Incorporated's Homeless Prevention and Rapid Re-Housing program has been a life-saver for many who were teetering on the brink of homelessness in 2016. Fredia Davis and her family were assisted through this program after a fire rendered their home unlivable. The family received help to quickly locate adequate housing, as well as assistance with security deposits and initial rental payments.



PHOTO: MEGAN POLLARD

Donald and Vickie Tignor *Consumer Loan*

Due to poor credit, Donald and Vickie Tignor were unable to qualify for a loan that would allow them to move their trailer out of a crowded trailer park and onto their own land. Because their granddaughter attended Benham's Head Start (operated by People Incorporated), the Tignors were referred to the Consumer Loan Program. The couple received financial counseling through the program and was eventually awarded a Consumer Loan for purchasing two acres of land in Washington County, Virginia. They recently moved their trailer to the new location and are enjoying life.



Lauren Allison and William Sexton

Homeless Prevention Program

Lauren Allison and William Sexton in Meadowview, Virginia, were in need of housing assistance due to an eviction notice. Through People Incorporated's Homeless Prevention Program, they qualified for assistance with their security deposit and first month's rent. "Without this program, my family and I would not be able to have a home," Lauren declared.

Hear more voices of community at www.peopleinc.net/about-videos.html



"(Project Discovery) really showed me what kind of colleges are out there and what I needed to do while in high school to prepare for college. [Without it] I wouldn't have known what to do. Even now, they still help me … figuring out what I need to do while in college."

—Krystal Miller, Project Discovery participant

PHOTO: MEGAN POLLARD

GOAL: PEOPLE MOVE OUT OF POVERTY

Education Brings Opportunity



PERSON: Kathy Akers

PROGRAM: Dislocated Worker Program, Workforce Development

PARTNERS: Vanguard Furniture

RESULT: Received job-specific training and employment services

Secured stable employment

People Incorporated works with individuals to develop opportunities for education, life skill enhancement, improving health and sustainability, increasing household income and adding educational, business, and property assets. Through these efforts, specific goals for personal growth and individual opportunity are achieved and sustained.

Krystal Miller (pictured above) of Meadowview, Virginia, maintains that engaging in People Incorporated's Project Discovery throughout her four years at Patrick Henry High School was life-changing.

The program, funded by the U.S. Department of Education, allowed Miller to be exposed to empowering workshops, college visits and culturally enriching field trips—all of which inspired her to finish high school and pursue post-secondary opportunities. In May 2016, she completed an associate degree at Virginia Highlands Community College (Abingdon) and is currently pursuing a bachelor's degree at UVA-Wise (Wise, Virginia).

Kathy Akers, featured at left, was recently a beneficiary of the Dislocated Worker Program, through which she was taught new skills after being unexpectedly laid off during 2016. The program, funded through the U.S. Department of Labor, helps individuals who have lost jobs due to no fault of their own to receive specific training that matches existing local labor needs.

Clients increase their educational level

- 33 clients achieved their Adult Basic Education (ABE) or General Education Development GED certificates
- 139 clients achieved post-secondary certificates or diplomas
- 70 Project Discovery youth and 12 Improved Scholars have continued their education

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Building Skills for Self-sufficiency



PROGRAM: CHIP (Comprehensive Health Investment Project) Parent Connections

PARTNERS: Parents and children

CHIP of Virginia

RESULT: Each child ages 0–6 and their older siblings are able to secure and benefit from a medical home

CHIP supports parents in their role as their child's first and best teacher

Each child's potential is enhanced

Families receive referrals to other needed services

Through specific programs and opportunities, People Incorporated gives individuals and families the tools and life skills to move out of poverty into independence.

People Incorporated provides learning opportunities for all ages and levels. Several of these—such as Head Start, CHIP (Comprehensive Health Investment Project) for Medicaid-eligible families, Virginia CARES (for ex-offenders), and Project Discovery—are geared specifically to address challenges that often weigh families down for generations.

In Head Start and Early Head Start programs, children prepare for a lifetime of learning through the provision of early childhood education, developmental screenings, health, nutrition, and human services. Their parents learn to support their family's development while reaching their own personal goals such as a GED or higher education. CHIP provides family-centered, in-home counselors to connect families to services, teach parenting skills, and enhance each child's potential.

In Virginia CARES, ex-offenders avoid recidivism through information, referral, counseling and employment assistance. Life skills are also learned through workforce training and development and housing development programs where clients learn budgeting and personal finance, improve their work skills, and connect to employment services.

Clients increase their life skills

- 216 clients increased work skills and competencies
- 622 clients completed budget classes
- 1,563 clients completed business trainings
- 63 clients completed homebuyer classes
- 17 clients completed prepurchase and foreclosure prevention classes

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"Without them (People Incorporated), we would still be homeless. They are truly a blessing. . . Thanks to them we have our life back."

—Bernice and Raymond Large, Rapid Re-housing Program

Bringing stability, health and hope



PHOTO: MEGAN POLLARD

CLIENT: Patricia Presley

PROGRAM: Domestic Violence Shelter and Outreach

Rapid Re-Housing

PARTNERS: Virginia DHCD

RESULT: Escaped domestic abuse

Received counseling

Raised self-esteem

Secured stable housing

People Incorporated also helps individuals and families avoid homelessness, improve their health and living situations, and learn coping and money management skills.

The Homelessness Prevention and Rapid Re-Housing program is just one of the tools People Incorporated uses to assist those who are teetering on the brink of homelessness. Families like Bernice and Raymond Large (above) receive help to quickly locate housing, as well as assistance with security deposits and initial rental payments.

Sometimes, desperation leads to rescue, notes Patricia Presley (left) of Lebanon, Virginia. "I can't count the ways that People Incorporated has helped me," she said. In April 2016, Presley sought a safe haven through the Domestic Violence Shelter and Outreach Program. There, she was assigned an advocate who helped her obtain immediate legal assistance (to guarantee safety); various kinds of advocacy support (social services, court and housing); and emergency shelter, food, clothing and transportation. While at the shelter, she also received counseling and attended support groups, both of which gave her self-assurance and hope. Now, Presley helps others by volunteering with the program.

Clients improve their health and sustainability

- 49 adults obtained healthcare
- 638 children obtained healthcare
- 610 children developed school readiness skills
- 53 children achieved permanent homes
- 623 families maintained safe and affordable housing
- 83 people obtained emergency shelter
- 42 homes were weatherized

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"I needed employment assistance. I was able to enroll in Workforce Development training at the People Incorporated Wytheville One-Stop Campus. Thanks to their assistance, I will be able to recertify as a Certified Nurse's Assistant (CNA), and will have a good job I can grow with."

—Melissa Smith, Workforce Development participant

PHOTO: MEGAN POLLARD

Developing sustainable income and assets



PHOTO: KEN KRAKOW

PERSON: Selina Steele

PROGRAM: Homeownership Program

PARTNERS: USDA Rural Development

Fahe

Virginia Housing Development Authority (VHDA)

RESULT: Permanent housing for Selina and her six grandchildren

Even the best can-do attitude can waver when finances are shaken or jobs disappear. People Incorporated helps clients prepare for work that will provide the income needed for independence—and teaches the skills required to manage that income, acquire personal assets, and plan for the future.

People Incorporated not only helps individuals and families avoid homelessness, but also has a Homeownership Program through which eligible recipients can receive one-on-one homeowner education and housing counseling and access low-interest home loans.

Selina Steele (left) was living in a two-bedroom apartment when life circumstances resulted in her gaining custody of her six grandchildren. She immediately realized that larger living accommodations would be needed and sought help from People Incorporated. After Steele received Homeownership Program counseling, she was able to qualify for a home loan of $92,897. She located a house near her own workplace and close to her grandchildren's school. "I don't believe it would have been possible had it not been for People Incorporated," Steele maintains.

Clients increase their household income and assets:

- 484 formerly unemployed clients obtained a job
- 832 people participated in 2016 VITA with over $1.2M in refunds. The funds help clients obtain financial flexibility and return resources into the community.
- 42 consumer loans
- 20 microloans of less than $50,000 each
- 17 homebuyers
- 13 business expansions

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SERVICE AREA AND OFFICE LOCATIONS

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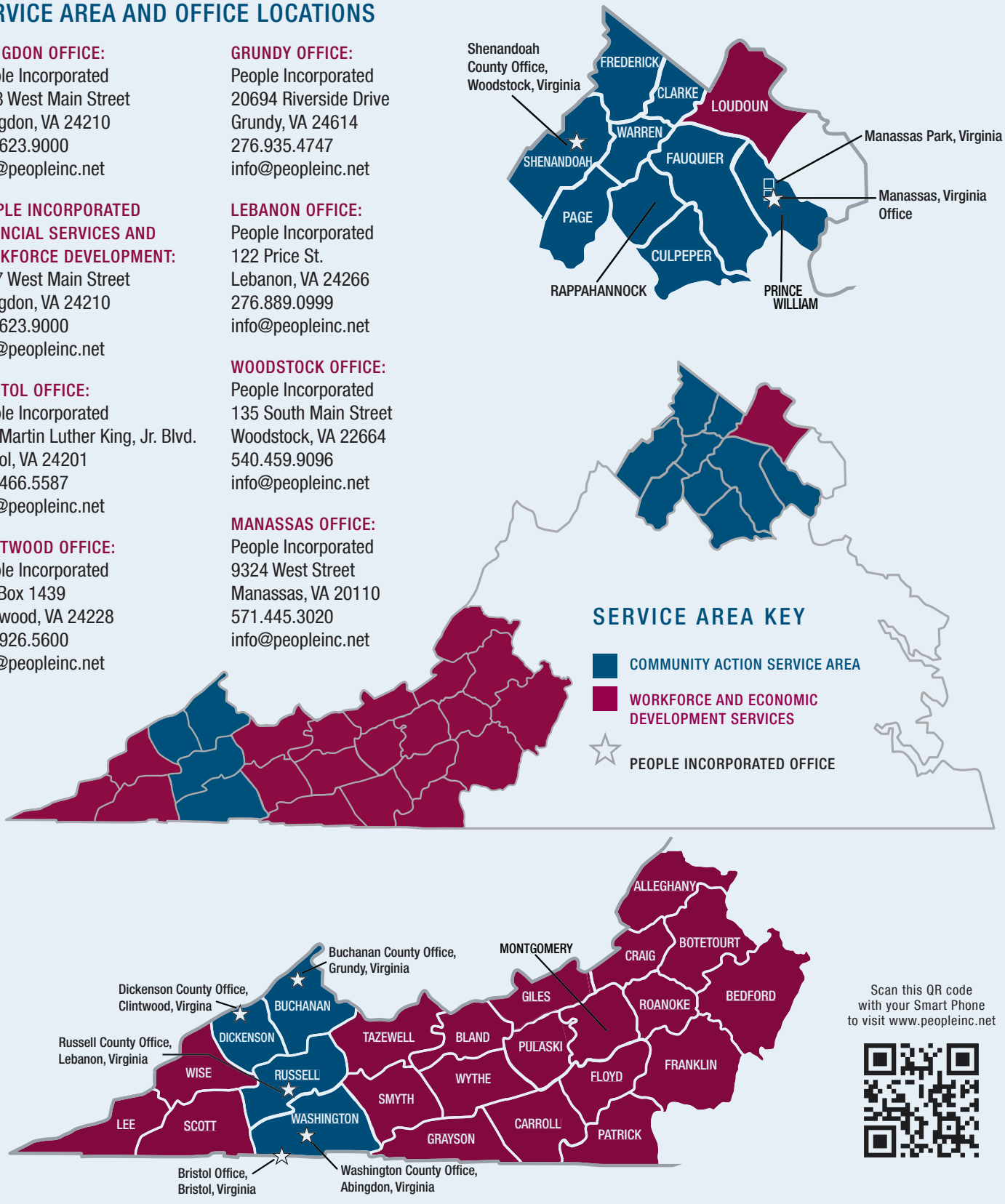
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PROGRAM AREAS AND DESCRIPTIONS

Child and Family Development programs

DICKENSON COUNTY CHILD DEVELOPMENT CENTER Children receive quality care so their parents are free to work or attend school, secure in knowing that their children are properly supervised and provided with child-appropriate activities that enhance their school experiences.

EARLY HEAD START Early Head Start provides center- and home-based education, health, and human services to pregnant women and families with children up to age three. Prenatal care and birth outcomes of pregnant women are improved and parents are more emotionally supportive of their children. Developmental and behavioral issues are identified early so that parents can understand how to address them and care for their children appropriately.

HEAD START Children ages three to five are better prepared to enter kindergarten through the provision of early childhood education, developmental screenings, health, nutrition, and human services. Their parents learn to support their family's development while reaching their own personal goals such as a GED or higher education.





HEAD START AND EARLY HEAD START FINANCIAL INFORMATION

FUNDING SOURCES

FEDERAL FUNDING	$ 4,414,733
LOCAL FUNDING	$ 22,645
TOTAL	$ 4,437,378

EXPENDITURES AND BUDGET

Budget Category	2015–2016 Actual (%)*	2016–2017 Proposed (%)
Personnel	50.0%	50.0%
Fringe Benefits	25.0%	25.0%
Travel	<1.0%	<1.0%
Equipment	0.0%	0.0%
Supplies	2.0%	2.0%
Contractual	0.0%	0.0%
Other	23.0%	23.0%
Total	100.0%	100.0%

* 2015–2016 actual is based on Head Start and Early Head Start funds for the budget period 12/01/16 through 6/30/16.

CHILD AND FAMILY DEVELOPMENT OUTCOMES

351 children were served in Head Start and **181 children** were served in Early Head Start.

The program served **492 families**.

Average monthly enrollment for Head Start was 105% and Early Head Start was 104% of funded enrollment.

91% of Head Start children met income eligibility requirements and **92%** of the **Early Head Start** children met income eligibility requirements, which includes 100–130% of poverty level.



100% of the children in Head Start and Early Head Start received medical and dental exams.

15% of the children in Head Start and **13%** in Early Head Start have been diagnosed with developmental disabilities.

20 parents held a seat or served as an alternate on the policy council. Three of these were fathers.

2 parents served on the People Incorporated **Board of Directors**.

113 families set goals for themselves and achieved them.

494 parents and former parents of enrolled children provided **34,239 hours** of volunteer service and contributed $456,904.54 toward non-federal share.

318 community volunteers and businesses donated **4,720 hours** of their time and provided services and discounts to benefit children and families.

FAMILY ENGAGEMENT ACTIVITIES

The Child and Family Development Program provides opportunities for families to become engaged in their child's education by encouraging them to volunteer in their child's classroom, and to set educational goals for their child with their child's teacher. Through parent committee activities at each site, parents have the opportunity to assist staff in planning Family Engagement Events and educational field trips. Each parent committee elects two representatives to serve on the program's policy council. Families are offered a variety of opportunities to attend training sessions that will enhance skills they possess, gain new skills and to increase social capital. Participation in these groups and in the classroom provides a venue for parents to build upon leadership and advocacy skills. In 2016 these included, but were not limited to:



- 381 parents and former parents of enrolled children volunteered 26,519 hours in their child's classroom/Home Based Visits, at Group Socialization and in completion of Take-Home activities
- 146 fathers participated in a family assessment process
- 113 fathers participated in the family goal setting process
- 170 fathers participated in child development experiences for their child including home visits and parent-teacher conferences
- 84 fathers participated in parenting education workshops



The Abingdon Parent Committee helps the program staff plan activities.



KINDERGARTEN READINESS

Head Start children are assessed three times during the school year using Teaching Strategies GOLD, a research based online assessment tool, to monitor individual progress in the developmental areas of Social, Emotional, Physical, Language, Literacy, Cognitive and Mathematics. Working together, teachers and families use the results to develop individualized education strategies to prepare each child for kindergarten. Early Head Start children are assessed four times per year and also receive individualized instruction to support their transition to Head Start. Also, children who are going to kindergarten are screened using the Pre-K PALS Assessment tool three times within a school year. It measures the child's knowledge of important emergent literacy fundamentals including: name writing, alphabet knowledge, beginning sound awareness, print and word awareness, rhyme awareness, and nursery rhyme awareness.

The program was not reviewed by the office of Head Start during the 2015–2016 fiscal year.

Community Economic Development programs

BUSINESS LOAN SERVICES Access to capital for microenterprise and small business loans ensures that qualified business owners have the financing they need to grow their business to its full potential and create jobs.

TECHNICAL ASSISTANCE AND TRAINING Small business owners who receive technical assistance or attend business training workshops are better prepared to succeed in business and to strengthen their balance sheet.

CONSUMER LENDING The program offers an affordable alternative to payday and title lenders and provides access to credit counseling and financial literacy training to help borrowers get their finances back on track.

INDIVIDUAL DEVELOPMENT ACCOUNTS (IDA)
IDAs facilitate a pattern of regular savings for modest income working families using matching funds. Clients build assets and long-term economic security.



PHOTO: MEGAN POLLARD

NINTH DISTRICT DEVELOPMENT FINANCING (NDDF)
Local economies are enhanced through this specialty loan program that enables tourism-based business owners to start or expand their businesses with below market rate financing in the Ninth Congressional District of Virginia.

NEW MARKETS TAX CREDITS The New Markets Tax Credits program attracts private investment to community development projects in low-income communities by offering tax credits to investors in return for qualified equity investments. The funds finance high impact businesses that create jobs and build opportunities and economic growth in low-income communities.



PHOTO COURTESY OF KNAUF INSULATION

New Markets Tax Credits projects in fiscal year 2016 included expansion of Knauf Insulation in Lannet, Alabama, creating 108 new well-paying jobs.

COMMUNITY ECONOMIC DEVELOPMENT OUTCOMES

9 Individual Development Account clients are saving to reach their savings goal. One client purchased a home, one pursued secondary education, and three expanded their business.

33 loans totaling **$6,495,270** have been lent out by Ninth District Development Financing since inception.

3 Ninth District Development Financing loans were **paid in full** in the fiscal year.

24 new multi-funded loans, with an average loan amount of $34,403 were made for a total of $825,678 dollars loaned.

13 businesses **expanded** due to assistance provided by People Incorporated Financial Services.

11 business start-ups were assisted by People Incorporated Financial Services.

26 business loans were **repaid in full** to People Incorporated Financial Services.

105 jobs were created or retained as a result of community economic development program activities.

1,936 participants trained in financial literacy, microenterprise, or received one-on-one technical assistance through People Incorporated Financial Services.

39 Financial (Budget/Credit Counseling) trainings and 70 one-on-one credit counseling sessions were held with **373 attendees**.

42 consumer loans were issued, totaling $263,428.

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Workforce Development programs







Vanguard Furniture's workforce includes Youth and Adult Workforce Development trainees and graduates.

WYTHEVILLE ONE-STOP CAMPUS As a Virginia Workforce Center, the One-Stop Campus provides a variety of employment, training, and career education services to job seekers, workers, employers, and youth.

DISLOCATED WORKER PROGRAM Dislocated workers, unemployed through no fault of their own or who have received an official layoff notice, find employment through job training and employment services. Participants upgrade skills, obtain employment, improve job retention, and increase earnings.

ADULT PROGRAM Adult programs are designed to meet employer needs by helping job seekers upgrade skills, obtain employment, improve job retention, and increase earnings.

YOUTH PROGRAM Youth programs provide eligible youth assistance in achieving academic and employment success. Effective and comprehensive activities, which include a variety of options for improving educational and skill competencies, provide effective connections to employers.

WORKFORCE DEVELOPMENT OUTCOMES

61 adults attained gainful employment as a result of assistance garnered through adult workforce development programs, and **83% reported retaining** his or her job.

79% of individuals who exited the program completed training to **advance job skills**.

69 youth who exited a program attained **gainful employment** as a result of help received through youth workforce development activities.

62 youth who exited the program received vocational training leading to a **certification or diploma**.

208 youth exhibited new or improved **job skills** and/or advanced his or her education as a result of participation in **employment-focused training** and activities.

306 individuals who had become unemployed through no fault of their own received training and employment counseling services through the **Dislocated Worker Program.**

The Dislocated Worker Program **enabled 111 individuals** to obtain employment after furthering their education or receiving skills training.

81% of adults who exited the Dislocated Worker Program received training to **advance job skills.**

Housing Development programs

HOMELESS PREVENTION AND RAPID RE-HOUSING This program provides a variety of assistance that includes short-term or medium-term rental assistance, housing relocation, and stabilization services.

KINGS MOUNTAIN SUPPORTIVE HOUSING Chronically homeless men with disabilities receive housing and supportive services so they can move toward self-sufficiency. Services include job training, transportation, and assistance with mental health care and substance abuse counseling.

HOME OWNERSHIP Low- and moderate-income families receive one-on-one or group homeowner education and housing counseling services, including foreclosure prevention counseling. Down payment assistance is also provided to eligible individuals and families for homeownership.



PHOTO: MEGAN POLLARD

AFFORDABLE RENTAL HOUSING A total of 578 units, consisting of one, two, and three bedroom apartments with affordable rents, are available to seniors, individuals, and families located throughout Virginia.

SECTION 8 RENTAL ASSISTANCE Rental assistance payments are available in Washington County for privately owned, scattered site existing housing.

WEATHERIZATION Eligible households receive energy audits and housing improvements including insulation, window and door upgrades, and heating system repairs that increase energy efficiency and safety.



PHOTO: MEGAN POLLARD

HOUSING DEVELOPMENT OUTCOMES

The Homeownership program assisted **17 families** in becoming homeowners.

140 clients were provided **housing counseling services** for assistance with buying a home, repairing credit issues, mortgage default counseling, and reverse mortgage details. 46 clients were assisted with foreclosure prevention counseling.

802 low- to moderate-income individuals resided in People Incorporated's **affordable rental housing** complexes.

15 chronically homeless men obtained **Permanent Supportive Housing** at King's Mountain in Bristol.

187 low-income individuals obtained safe, affordable housing through **rental assistance** that fills the gap between the housing cost and the amount that the household can afford.

Weatherization repairs on 42 homes **improved living conditions** and **reduced energy bills** for 85 individuals.

Housing rehabilitation programs completed funding and construction management services to 34 individuals in **8 households** to complete general housing renovations.

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Community Services programs


PHOTO: MEGAN POLLARD

COMPREHENSIVE HEALTH INVESTMENT PROJECT (CHIP) Families with children improve their self-sufficiency by reaching self-identified goals that strengthen the family unit. CHIP strives to help parents provide an environment where children grow up healthy, safe and ready to learn.

COURT APPOINTED SPECIAL ADVOCATE (CASA) Abused and neglected children obtain safe, permanent homes with the assistance of a court assigned volunteer to represent the child's best interest. Children represented by CASA are less likely to spend time in long-term foster care and less likely to re-enter foster care.

DOMESTIC VIOLENCE PROGRAM Survivors of domestic abuse or sexual assault achieve safety and independence as they receive housing and supportive assistance. The program provides 24-hour hotline service, temporary emergency shelter, referrals, support groups, transportation, and court advocacy for survivors of violence and sexual assault.

EARNED INCOME TAX CREDIT OUTREACH PROGRAM Individuals and families are assisted to claim all eligible tax credits through free federal income tax preparation and electronic filing to maximize refunds.

IMPROVING SCHOLARS At-risk middle and high school students are kept on the path toward academic and career goals with weekly guidance that improves their scholastic performance and helps them avoid delinquent behaviors.

PROJECT DISCOVERY Low-income high school students and potential first generation college students increase their chances of attending and succeeding in college by participating in this college access program. It provides workshops, leadership activities, and college campus visits.

RETIRED SENIOR VOLUNTEER PROGRAM (RSVP) The RSVP Home Visitor service is a unique volunteer opportunity for individuals age 55 and over to use their skills and experience to enhance the lives of homebound seniors and adults with disabilities.

VIRGINIA COMMUNITY ACTION RE-ENTRY SYSTEM (CARES) Ex-offenders are assisted with the transition from state prison to life in the community by receiving supportive services including: information, referral, counseling and employment assistance.

WASHINGTON COUNTY FREE DENTAL CLINIC Community dentists volunteer and provide tooth extractions for low-income individuals. This program is only available in Washington County.

COMMUNITY SERVICES OUTCOMES

240 victims of domestic violence and/or sexual assault were assisted and **154** were provided with **court advocacy** services through the Domestic Violence program.

A total of **4,159 nights** of emergency shelter were provided to **83 adults and children**, all facing homelessness because of domestic violence.

98 children were provided with an advocate through the CASA program.

98 eligible adults received **dental care** at the free Dental Clinic.

832 residents had income tax returns completed by 16 volunteers. Filers saved approximately **$166,400** in professional tax preparation fees, and 200 residents claimed a total of **$266,312** in Earned Income Tax Credit. The volunteers' services had a total economic impact of **$1,407,723.**

335 returning citizens benefited from services provided through Virginia CARES.

100% of students in the Improving Scholars program improved their performance in school.

70 high school students learned about the benefits of higher education through Project Discovery; **5** students graduated, **5** enrolled in college and **one** entered the military.

10 retired and senior volunteers were trained and **5 homebound seniors** were provided with companionship through the Retired and Senior Volunteer Program (RSVP).

CHIP helped 112 families including **170 children**, birth to age six, improve their health and quality of life.

FUNDING PARTNERS

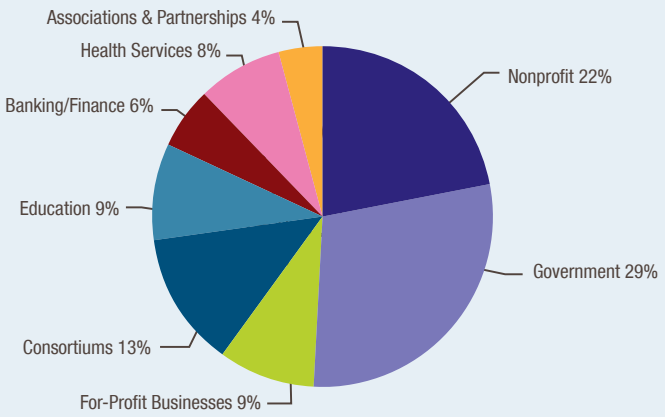
Advantage Capital Partners
APCO Weatherization Services
Abingdon Green Apartments, LLC
Abingdon Terrace Apartments, LLC
Abingdon Village Apartments, LLC
Appalachian Markets Capital Investment Fund, LLC
Appalachian Regional Coalition to End Homelessness
Bristol, VA
CHIP of Virginia
Clinch View Manor, LLC
Continental Tire Sumter, LLC
Corporation for National and Community Service
Dante Housing, LLC
Deskins Apartments, LLC
Deutsche Bank
Dickenson County, VA
Fauquier County, VA
Fahe
Federal Emergency Management Agency
Federal Home Loan Bank of Atlanta
Health Resources and Services Administration
Historic Masonic Theatre, LLC
Individual Donors
Jonesville Manor Apartments, LLC
Knauf Insulation, Inc.
LowCountry BioMass, LLC
Morgan County Real Properties I, Inc
Morgan County Real Properties II, Inc.
Neighborworks America
New River/Mount Rogers Workforce Investment Board
Ninth District Development Financing, Inc.
Norton Green Apartments, LLC
Opportunity Finance Network
PFWV, LLC
Project Discovery of Virginia
Pulaski Village Apartments, LLC
Riverside Place Apartments, LLC
Round the Mountain
Rural New Markets Fund, LLC
SkyPAC Tenant, Inc.
Sweetbriar, LP
Tazewell County, VA
Town of Haysi, VA
Southwest Virginia Legal Aid
Southwest Virginia Workforce Development Board
Spruce Hill Apartments, LLC
Tobacco Region Revitalization Commission
Toms Brook Apartments, LLC
UC Real Properties, Inc.
U.S. Department of Agriculture
U.S. Department of Criminal Justice Services

Total Volunteer hours 2016
84,634

U.S. Department of Energy
U.S. Department of Health and Human Services
U.S. Department of Housing and Community Development
U.S. Department of Housing and Urban Development
U.S. Department of Treasury
U.S. Small Business Administration
Valley Vista Apartments, LLC
Virginia Community Action Re-entry Solutions, Inc.
Virginia Community Action Partnership
Virginia Department of Health
Virginia Department of Housing and Community Development
Virginia Department of Social Services
Virginia Housing Development Authority
Internal Revenue Service
Warren County, VA
Washington County, VA
West Lance Apartments, LLC
Whites Mill Point Apartments, LLC

Partnerships

People Incorporated works in partnership with business, government, industry, and educational institutions to positively impact communities throughout the service area.



People Incorporated of Virginia 2016 Board of Directors

Executive Committee

Chris Shortridge,
Buchanan County, Chair

David McCracken,
Washington County, Vice Chair

Alice Meade,
Russell County, Secretary

Vicki Porter,
Russell County,
Assistant Secretary

John Ayers,
Shenandoah County, Treasurer

At-Large Members

Catherine Brillhart,
City of Bristol

Tommy Burris, *City of Bristol*

Tony Carter, *Warren County*

Ronald King, *City of Manassas*

Dennis Morris,
Shenandoah County

Jan Selbo, *Fauquier County*

Board Members

Trey Adkins, Steven M. Botello, Janet L. Justice Crickmer, Beverly Dunford, Pam Dunn, Eula Ellison, Winona Fleenor, Linda Gibson, Yvette Goode, Bobbie Gullett, Ashley Hartless, Coleen Hillerson, Tony Hooper, Elijah Johnson, Randi Knights, James Kraft, Stephanie Lillard, Phillip McCall, G. David Moore, Jr., Terry P. Mullins, Jean Neal, John Richard Neese, Lisa Peacock, Rebecca Pippin, James E. Runion III, Doris C. Shuman, Kati Statzer, Danny Swartz, Billy P. Taylor, Larry H. Tiller, Alexandria Tristan, Larry D. Yates, Cathy M. Zielinski

A MESSAGE FROM THE BOARD OF DIRECTORS

Accountability and Results:

People Incorporated is a dynamic organization with an important mission and responsibility to give disadvantaged people and communities hope for better futures. As a board of directors, we represent the views and interests of the 16 counties and cities that the agency serves throughout the Commonwealth, and carry the responsibility of assuring that People Incorporated has the resources, focus, and leadership to continue achieving the standard of excellence that has become such an important part of the agency's legacy.

In 2016 we achieved an important milestone by becoming the first organization in Virginia to fully meet the 56 organizational performance standards recently established for Community Action Agencies by the U.S. Department of Health and Human Services. While this is an important first step, we as a board understand that meeting minimum standards does not equate to excellence, and this is why we will continue our work preparing the agency to cope with uncertain times, and expanding programs and services with an unswerving focus on outcomes and increased accountability to the clients and communities that we serve.

In an ever-changing political and funding environment, People Incorporated's ability to continue building on its success and impact is largely dependent upon its innovation and effectiveness in making sustainable changes for low-income people and communities. The question that lies before us is not whether People Incorporated is capable of doing good works—this is made clear in the client stories and program outcomes that appear throughout this report. We are pursuing a broader question; one that seeks to determine how we can become more effective as an organization in moving people and places out of poverty. Are the successes that we are able to bring about truly effective in making change that is sustainable over the long term? Do we make the greatest possible difference for the communities that we serve?

These are difficult questions and will require that we enhance our ability to demonstrate how we effectively meet the comprehensive needs of our clients, capture and analyze client outcomes data, and to follow-up with our clients to see how they are doing after they exit from our programs. People Incorporated has never been satisfied with just maintaining the status quo. We strive not for mere compliance and doing a "good enough" job, we strive for excellence....This is the only standard that is worthy of the people and places that put their trust in us to make a difference.

Looking back at 2016, we celebrate our successes, especially for the clients and communities that worked tirelessly to make positive, transformative changes. And it is in this spirit that we will continue to work on making the internal changes necessary to better demonstrate our impact and improve our effectiveness.

Sincerely,

Chris Shortridge
Chairman, Board of Directors
People Incorporated of Virginia



Hicok, Fern & Company

Certified Public Accountants

Thomas M. Hicok, CPA, CVA, MAFF [I, IV•]

James H. Fern, CPA, CVA [III]

David B. Brown, CPA

Juan J. Garcia, CPA

Karen L. Jackson, CPA

Rodney P. Jackson, CPA[II]

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Members of American Institute of Certified Public Accountants

Members of Virginia Society of Certified Public Accountants

All Accountants Licensed In Virginia With Additional Licensures Noted: [I]KY; [II]NC; [III]TN; [IV]WV

[•]Members of National Association of Certified Valuation Analysts

A complete copy of our audited financial statements is available at www.peopleinc.net or upon request.

INDEPENDENT AUDITOR'S REPORT *October 21, 2016*

TO THE BOARD OF DIRECTORS, PEOPLE INCORPORATED OF VIRGINIA, ABINGDON, VIRGINIA

Report on Compliance for Each Major Federal Program

We have audited People Incorporated of Virginia and Affiliates' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of People Incorporated of Virginia and Affiliates' major federal programs for the year ended June 30, 2016. People Incorporated of Virginia and Affiliates' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of People Incorporated of Virginia and Affiliates' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about People Incorporated of Virginia and Affiliates' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of People Incorporated of Virginia and Affiliates' compliance.

Opinion on Each Major Federal Program

In our opinion, People Incorporated of Virginia and Affiliates, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

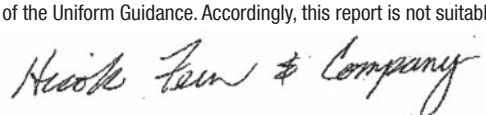
Report on Internal Control Over Compliance

Management of People Incorporated of Virginia and Affiliates is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered People Incorporated of Virginia and Affiliates' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the uniform guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of People Incorporated of Virginia and Affiliates' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



HICOK, FERN & COMPANY, CERTIFIED PUBLIC ACCOUNTANTS, October 21, 2016

STATEMENT OF CONSOLIDATED FINANCIAL POSITION *For June 30, 2016*

ASSETS		Total
Current Assets		
Cash and cash equivalents	$	1,520,002
Vacation trust account		179,880
Receivables:		
Grants		1,522,666
Clients		138,820
Contracts		954,626
Rents, Interest, and Other (net of allowance of $11,399)		43,090
Related Party		2,079,750
Inventory		60,929
Prepaid expenses		236,745
Other current assets		9,414
Total Current Assets	$	5,791,296
Long-term Assets:		
Notes receivable (Net of allowance for bad debts of $54,141)		3,259,753
Notes receivable - related party		5,093,877
Property, plant, & equipment		25,673,683
Accumulated depreciation		(7,449,237)
Total Long-term Assets		26,578,076
Other Assets:		
Deferred Developer Fees		3,057,530
Investments		577,061
Total Other Assets		3,634,591
Total Assets	$	36,003,963
LIABILITIES & NET ASSETS		
Current Liabilities:		
Accounts payable	$	222,474
Accrued expenses		615,319
Deferred revenue		343,657
Retainage Payable		82,635
Refundable deposits		1,291,079
Lines of Credit		209,705
Lease obligations payable - current		43,945
Notes payable - current		496,949
Total Current Liabilities	$	3,305,763
Long-term Liabilities:		
Compensated absences		1,545,441
Lease obligations payable - net of current		19,122
Notes payable - net of current		3,234,121
Total Long-term Liabilities		4,798,684
Other Liabilities:		
Deferred Developer Fees		3,057,530
Total Other Liabilities		3,057,530
Total Liabilities	$	11,161,977
NET ASSETS		
Unrestricted		7,670,995
Temporarily restricted		17,170,991
Total Net Assets		24,841,986
Total Liabilities & Net Assets	$	36,003,963

A complete copy of our audited financial statements is available at www.peopleinc.net or upon request.

STATEMENT OF CONSOLIDATED ACTIVITIES

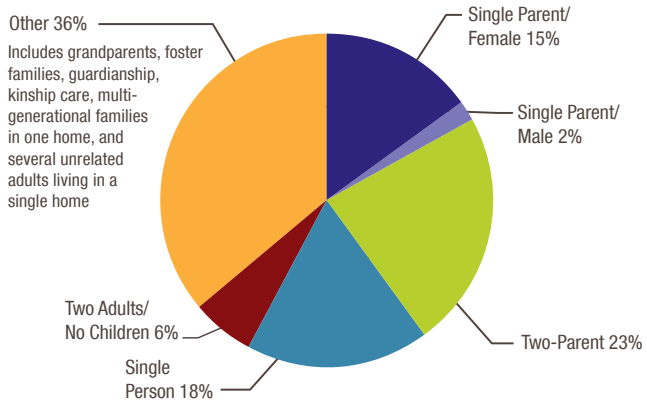
For the year ended June 30, 2016

REVENUES	Unrestricted	Temporarily Restricted	Total
Grants	$ 1,134,019	$ 9,557,716	$ 10,691,735
Other	2,146,496	-	2,146,496
Interest	65,796	137,308	203,104
Contributions	12,737	-	12,737
In-Kind	225,785	-	225,785
Net assets released from restrictions:			
Satisfaction of program restrictions	9,989,736	(9,989,736)	-
Total Revenues	13,574,569	(294,712)	13,279,857
EXPENSES			
Program Services			
Community Services	1,373,228	-	1,373,228
Community Development	523,029	-	523,029
Community Economic Development	752,427	-	752,427
Children & Family Services	4,729,899	-	4,729,899
Housing	2,142,386	-	2,142,386
Workforce Development	1,842,780	-	1,842,780
Support Services			
General and Administrative	1,546,394	-	1,546,394
Fundraising	385,086	-	385,086
Total Expenses	13,295,229	-	13,295,229
Change in Net Assets	279,340	(294,712)	(15,372)
Net Assets At Beginning of Year	7,391,655	17,465,703	24,857,358
Net Assets At End of Year	$ 7,670,995	$ 17,170,991	$ 24,841,986

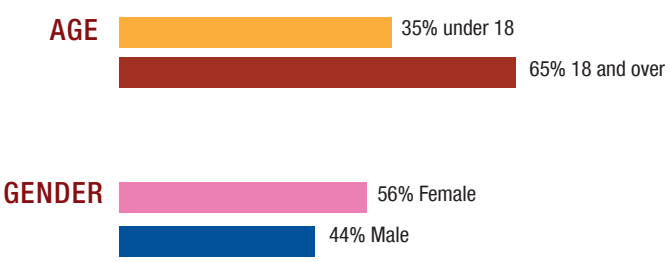
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CLIENT PROFILE FY2016 *For the year ended June 30, 2016*

FAMILY STRUCTURE



CLIENT PROFILE



ANNUAL ECONOMIC IMPACT *Total, Fiscal Year 2016*

Wage Effect
$ 31,000,916

Utilities/Property Tax
$ 387,289

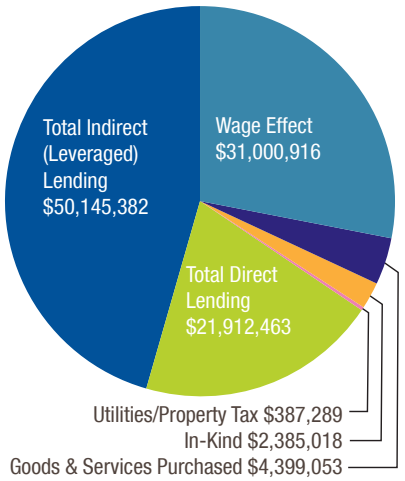
Total Economic Impact
$ 110,230,121

Goods and Services Purchased
$ 4,399,053

Total Direct Lending
$ 21,912,463

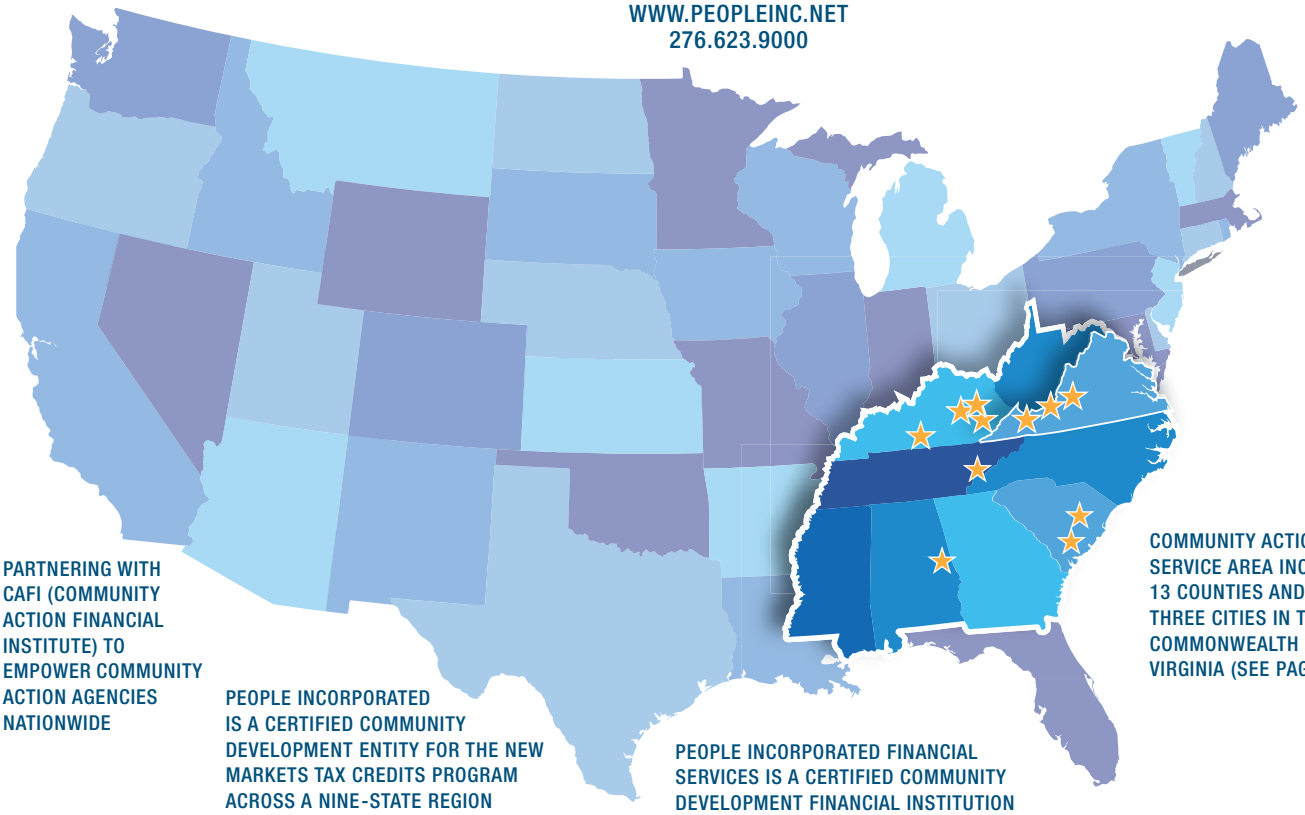
In-Kind
$ 2,385,018

Total Indirect (Leveraged) Lending
$ 50,145,382



NATIONAL AND REGIONAL IMPACT

People Incorporated excitedly anticipates expanding our ability to meet our mission regionally and nationally as we continue to provide opportunities for economically disadvantaged people to reach their goals in order to enhance their lives, their families and their communities.





OUR PHILOSOPHY

Every person needs support from others. People Incorporated promotes the dignity of individuals and families, moves people into the economic mainstream, and works to develop existing strengths and resources within communities. All of our efforts are directed by the concerns, hopes, needs and dreams of the people we serve.

OUR MISSION

To provide opportunities for economically disadvantaged people to reach their goals in order to enhance their lives, their families, and their communities.

THE COMMUNITY ACTION PROMISE

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other.

Helping People. Changing Lives.
community Action PARTNERSHIP
AMERICA'S POVERTY FIGHTING NETWORK

Scan this QR code to donate with credit card through PayPal, or visit www.peopleinc.net/volunteer-donate.htm

COVER PHOTO OF HISTORIC MASONIC THEATRE, CHUCK ALMAREZ; HEAD START COVER PHOTO, MEGAN POLLARD

People inc.
Building Futures, Realizing Dreams™

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276.623.9000 | info@peopleinc.net

www.peopleinc.net