



**\$small change,
BIG CHANGES**

PI Celebrates 25 years!

Person Industries Annual Report

**For Fiscal Year Ending
June 30, 2010**

PI Celebrates 25 Years in 2010



The Old Bushy Fork School where PI experienced its proud beginning on January 7, 1985. PI succeeded the Person County Vocational Workshop which had closed operations in that same building a few months earlier. Some of our current participants were served in both programs.

Person Industries began service offerings to citizens with disabilities in Person County in January 1985. That first year of operation was marked by intense attention to the quality of our services and to the financial bottom line. The budget was very lean and allowed for only the most necessary purchases.

In January 2010, PI celebrated 25 years of continuous service and support to the same community in the same fiscal environment - lean and conservative.

Please join in reading our 2010 Annual Report to see how we are performing after 25 years.

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Empower and assist individuals in achieving their vocational/personal goals

To Our Stakeholders

\$mall Change, BIG CHANGES



As Fiscal Year 2010 (July 1, 2009 - June 30, 2010) arrived, it brought with it BIG CHANGES in funding, services and staff. With the economic downturn continuing, we had to face rate cuts and decreased state funding to our programs of service. Our newest service, the Person County Recycling Center, opened on June 29, 2009 and Person Industries, after a long history of staff stability, experienced turnover.

The initial recommended cuts to all of our programs of service reached approximately 25%. Just as the loss of revenue results in employee layoffs, cuts in funding sometimes leads to cuts in services. Unfortunately, cuts of this magnitude did translate into the loss of five program participants. It was the first time in our 25 year history ever having to cut services for this number of employees. Although it was a tough decision to make, our program managers did a fine job of finding other available services for these individuals.

The Person County Recycling Center, in its first year of operation, brought on a cache of new responsibilities, that collectively, were quite daunting. There were safety issues to consider, policies to write, employees to train. Even though we felt we had a solid business plan, we couldn't help but be concerned with the uncertain volume of recycling materials and their marketing. Then there were the challenges around staff coverage - How could we spread our staff around to provide coverage to our consumers at both the main location, the recycling center and our ever growing community contracts. Staff turnover and reorganization brought on changes in how we delivered services; each vacant position had to be evaluated and re-structured to meet our changing demands.

All of these issues had to be absorbed with \$mall change, i.e. decreased funding in services that led to cuts in staff wages. Those wage cuts were born out in five furlough days (a 2.5% pay cut). Our staff, in usual fashion, stepped up and met those challenges by taking on additional duties without complaint and weathered the furloughed days.

As the 2010 year progressed, there was some positive news. Our production contracts increased and some of our state funding was restored. This was very welcome news as it made the BIG CHANGES a little easier to face.

With such a tumultuous year behind us, I thank all of you, our stakeholders, for your tireless efforts and unwavering support. It is you that push us to achieve our mission each day.

Wanda Rogers, Executive Director

Leaders

Board of County Commissioners

Johnny Lunsford, Chairman

Jimmy Clayton

Ray Jeffers

Sam Kennington

Kyle Puryear



County Manager

Heidi York

Executive Director

Wanda Rogers



Production Contracts Make Up for \$small Change

The PI Production Unit heavily depends on the local economy. All work performed at the PI Main location is procured from business and industries in the surrounding areas. PI Procurement Manager Jody Suitt visits these businesses and industries to make them aware that PI is a capable and affordable labor option. Once convinced, companies will either ship their work to PI for completion or contract for employees of PI to work at their worksite.

At the beginning of the 2010 fiscal year, the local economy was still quite sluggish with many companies in the midst of layoffs or outright closings. This and other economic indicators convinced PI to budget conservatively for the year. Only \$500,000 in sales was forecast for 2010, down 58% from the 2005 gross sales figure of \$1.2 million. Even the amount of \$500,000 seemed unachievable.

In addition to the economy, the production unit faced a number of challenges during the year from existing contracts. One significant challenge came from a tray washing contract with a local manufacturer of automotive parts. The tray washing operation relocated to a smaller area and then added an additional shift. Jody Suitt worked hard establishing new relationships and contracts with two new industries while expanding an existing community enclave. In each of these areas, the production unit met success, thus generating enough revenue to close the gap created by the aforementioned



Financial Statement as of June 30, 2010

	FY 2010	FY 2009
Revenues		
Intergovernmental Revenues		
ROAP Transportation	28,404	8,496
Total Intergovernmental Revenues	28,404	8,496
Program Generated Revenues		
Sales	\$806,800	\$853,878
IPRS and Vocational Rehabilitation	\$517,847	\$817,157
Medicaid	\$409,863	\$422,398
Transportation	\$20,541	\$23,868
Local Services	\$54,398	\$53,376
Total Program Generated Revenues	\$1,809,449	\$2,170,677
Interest Earnings	\$1,276	\$6,335
Donations and Miscellaneous	\$10,429	\$13,162
Total Revenues	\$1,849,558	\$2,198,670
Expenditures		
Personnel Expenses	\$1,764,520	\$2,079,210
Operating Expenses	\$283,617	\$371,896
Capital Outlay	\$5,500	\$0
Debt Service	\$0	\$0
Total Expenditures	\$2,053,637	\$2,451,106
Transfers in General Fund	\$259,643	\$260,887

Note: Financial information for the Environmental Protection—Recycling line item has been included in the Person County Recycling Center Annual Report for 2010.

funding cuts. The unit generated \$775,607 in sales, 150% of the budgeted amount.

Procurement for production had to be balanced with procurement for the newly opened Person County Recycling Center, since the same individual procured for both sites. Jody made contacts with recycling vendors and tapped into existing production contacts as well, reasoning that all companies have a need to recycle. Again, his efforts were rewarded and the recycling staff

prepared the bales of recyclable materials per each vendor's request. The projected amount for recycling sales, according to the business plan was just over \$120,000. This goal was met with sales of \$124,131.

The production unit suffered a great loss in 2008 with the end of a major manufacturing contract but it performed exceedingly well in 2010, helping make up the \$small change PI lost in funding cuts.

PI Programs Handle BIG CHANGES

In spite of budget cuts in all programs of service, Person Industries was able to serve 154 people with disabilities in nine services: ADVP, CAP, Community-Based Assessments (VR CBA), Community Rehabilitation, Developmental Therapy, Vocational Evaluation, Work Adjustment Training, Supported Employment and High School Transition Services (VR/OCS). Two programs were eliminated due to funding cuts resulting in an 18% decrease in the number of people receiving vocational services through PI.

Five individuals retired from or were transitioned to other services from ADVP and CAP. While this move was precipitated by reductions in funding, we do have an aging population in these programs and we will continue exploring retirement options.

Of the participants in the ADVP, 65% increased their productivity this year thanks to recycling work, community enclaves and other facility contracts. Over 80% of the CAP participants were involved in community leisure, vocational or recreational activities this year. With the help of habilitation assistants, four CAP participants performed work activities outside of Person Industries. Satisfaction surveys indicate that program participants feel satisfied with the services they receive in ADVP and CAP.

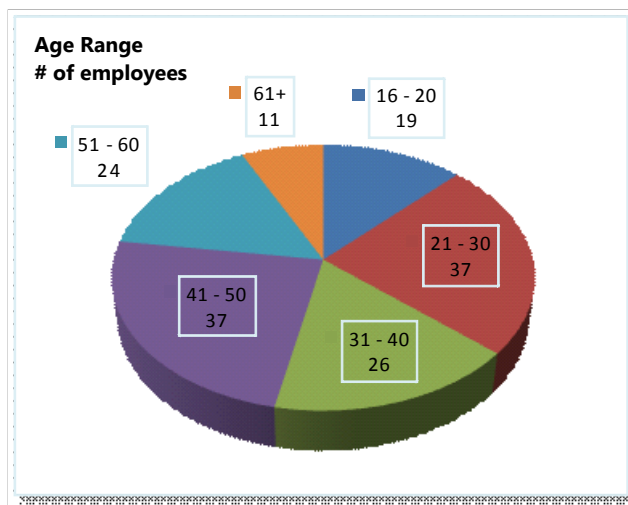


economic downturn and the loss of jobs in Person County. In spite of this, SE served 10 referrals and placed three participants in jobs. SE received high marks in satisfaction from persons served. Work Adjustment served 17 community referrals and nine Person High School Occupational Course of Study students. Due to the decrease in contracts, only a few people received in house WAT through PI. Most work adjustment training was delivered through JOBS Group, a weekly session where VR participants meet to work on job seeking skills. There were two 12 week sessions held during the year. The class was such a success that we will streamline it to 10 weeks next year and offer more sessions during the year. Over 80% of people served through

WAT were either ready for employment after receiving services or were placed in jobs or school. The WAT Program was rated excellent by 90% of those served.

*Service Acronyms	
ADVP	Adult Vocational Day Program
CAP	Community Alternative Program
CBA	Community Based Assessments
CR	Community Rehabilitation
DT	Developmental Therapy
OCS	Occupational Course of Study
SE	Supported Employment
VR	Vocational Rehabilitation
WAT	Work Adjustment Training

The Supported Employment Program and the Work Adjustment Program struggled to find jobs for program participants this year. A major factor was the eco-



Vocational Evaluation services maximized efficiency by decreasing evaluatees' average days in services from 31 days to three days. The lack of in-house contracts made

Demographics

	2009	2010
Client's Served	188	154
Average Age	37 yrs. 2 mos	39 yrs, 1 mo
Ethnicity		
African American	105	91
White	80	59
Hispanic/Latino	1	1
American Indian	0	1
Other	2	2
Gender		
Male	93	87
Female	95	67
Diagnosis		
Axis 1—Clinical Disorders	65	71
Axis 2—Developmental Disabilities	116	115
Axis 3—Medical Conditions	78	77
Dual Diagnoses	37	37

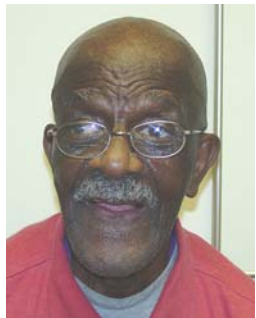
for more short-term testing evaluations. Evaluation served 50% fewer people this year. However, eight people received the more intensive VR sponsored CBA evaluation which was a 50% increase over last year. DSS was able to fund two Work First Functional Assessments at the very end of the year. On satisfaction surveys, 100% of people receiving evaluation services felt the process helped them make decisions about future employment.

Even with the probability of more budget cuts in our future, Person Industries remains committed to providing quality vocational programming to Person County citizens with barriers to employment. We look forward to finding creative ways to work with community agencies and employers to assist people in this difficult employment climate.

PI Says “Goodbye” to Five Long-Term Program Participants

Faced with financial cuts and an aging group of long-term ADVP employees, Person Industries took on the difficult task of helping some program participants move on to alternative services this year. Even though we feel that everyone will benefit from these changes, it is still difficult to say goodbye to people we have worked with for many years.

Using criteria such as age, safety, health and interest in working, PI staff identified five employees who would be better served through retirement from employment services or transition to other services. The employees were:



Richard Woody retired after 31 years in the ADVP Program. He was an inspiration to us all as he worked well into his 80s. Mr. Woody loved any job where he could move around. He particularly loved to break down boxes for recycling. He worked part-time the last few years and attended

activities at the Senior Center. Staff noticed that he was taking more breaks and stopping work early, which cued us that he was ready to retire. He now attends the Senior Center.



Adelaide Clayton retired after 34 years as an ADVP employee. She was a life long learner as can be seen in her record of attending over 60 classes and trainings during her time at PI. Adelaide was charming and fun even in the face of some significant

health problems. She retired and enjoys activities at the rest home where she resides.

Ernest Jones retired after 28 years as an ADVP employee. Ernest worked on many packaging contracts over his years of service— from panty hose to shoe soles. Ernest was always proud to have some money in his pocket. He



Esther Villines retired after 32 years as a program participant. Esther was an exuberant presence at PI. She enjoyed her co-workers and did her best on all the jobs to which she was assigned. Esther retired and is enjoying activities with Generations Day Program.

Kennis Baldwin participated in CAP Services for 15 years. With the help of a one-on-one staff, Kennis was able to work successfully in housekeeping at several community worksites. He liked to keep on the move around PI and would often pop in to visit the front offices when we least expected him. The staff who worked with him noticed a decrease in his stamina and became concerned about his health and safety if he continued with his work activities. He transitioned to Club Creative where he enjoys activities and outings.

Eye reports tell us that all of the retirees are enjoying their new activities, whether it be staying at their respective residence or participating in other day services. PI will advocate for more program participants to move from work to retirement in the upcoming year, thus recognizing retirement as a normal life stage for people with disabilities as well.

went through many personal life changes and health issues during his time at PI. He attended the program only two days a week over the last year. He retired to enjoy activities at the assisted living facility where he lives.



Client Incidents Reviewed

Level of Incidents

Level	# of Incidents	Percentage
1	35*	92%
2	3	8%
3	0	0

Level 1 (Low) - Incident, restrictive intervention or medication error that requires no medical attention or police involvement.

Level 2 (Moderate) - Incidents that require restrictive intervention; injuries that require treatment by a medical professional; allegation of abuse, neglect of a client; medication error that threatens the client's health or safety; any suicide attempt; and death due to terminal illness or other natural or unknown cause.

Level 3 (High) - Any suicide attempt, restrictive intervention, abuse or neglect or medication error that results in death or serious injury, and any death due to suicide, violence/homicide or accident occurring within seven days of seclusion or restraint.

* Please note that one client accounts for 58 percent of self injurious behavior and Level 1 incidents.

Type of Incidents

	# of Incidents	Percentage
Suspension (1)	6	16%
Suspension (2)	3	8%
Consumer Missing	1	3%
Self-Injurious Behavior	26*	68%
Misc. Incidents	2	5%
	38	

Staff Rise to Meet BIG CHANGES

It has long been understood that employees are the foundation of any business. During the 2010 year, PI girded itself upon this foundation in order to meet the many changes that came our way.

For the first time in several years, PI experienced a significant rate in staff turnover. A combination of retirements, resignations and necessary terminations contributed to the turnover.

The first major challenge was to staff the newly opened recycling center. The opening of the center brought new operating expenses in addition to the normal startup costs. In order to keep those costs

to a minimum, PI tried to use existing personnel to staff the facility for the first months of operation and then hire where there were definite needs. As if we didn't already know the capability of our staff, we experienced more fully their resilience and flexibility.

Each week, two staff members rotated to the center to

A tearful goodbye accompanied the retirement of PI Staff, Carolyn Fuller.



cover the greeters door and run the line. Administrative support staff rotated as well to assist with setup and coverage. Program managers filled in as needed to assure continuity of coverage and made daily runs to the center to transport program employees with a half day work schedule.

All together, the center was fully staffed, with glowing comments from the public at large. Meanwhile at PI, other staff took on additional responsibilities to cover the duties of individuals rotating to the recycling center.

Most change, if managed well, can be beneficial. PI experienced the benefits that came with change and came away with more appreciation for their hard-working staff.

Corporate Compliance Reporting

The PI Corporate Compliance Program oversees ethical compliance for PI Staff and programs. PI is committed to the highest ethical standards and to conducting business with the highest level of integrity. To prevent violations and to ensure compliance, each year staff must be trained on the elements of ethical compliance :

- ◆ Code of Ethics

- ◆ Conflict of Interest
- ◆ Gifts, Bribes and Kickbacks
- ◆ Improper Use or Theft of PI Property
- ◆ Political Activity
- ◆ Sexual Harassment
- ◆ Outside Employment
- ◆ Whistleblower
- ◆ Identity Theft
- ◆ Fraud
- ◆ Fair Dealing
- ◆ Reporting Ethical Violations

In the four years since the implementation of the program, no incidents of wrongdoing have been reported.

Reporting Violations	Reporting	
	2009	2010
	0	0

Restructuring Safety



Health and safety has always been an element of the PI workday. Since the very first year of

operation, PI has had an active health and safety program. As PI grows and expands in the community, so must the safety program and during 2010, it did.

The first step in restructuring the program was to restructure the Health and Safety Committee to become a "Safety and Health Committee" and to include staff and employees from each facet of service. It was also important to include managers, hourly employees and program participants with the goal of getting buy-in for safety from everyone. The committee moved from quarterly meetings to monthly and implemented weekly walk-throughs as a means of self inspection. The committee also moved to investigate every recordable accident and most near misses. Information from these investigations proved helpful in preventing other accidents.

The next step was to do a trend analysis of accidents and near misses. That process led to focusing more on our contracts in the community and on back injuries.

The third step for safety restructuring was for PI Management to do a thorough review of our contracts to see if all safety risks were fully assessed. This process led to terminating one community contract and rewriting other contracts to include safety stipulations. Managers also refocused on safety as a means of managing the bottom line, since fewer accidents results in fewer worker's compensation claims and lowered worker's compensation insurance. When handling \$small change, "every little bit helps".

OSHA Form 300 Accidents for Calendar Year 2009

Location	Accidents	Lost Work Days
PI Main	1	0
PCRC	0	0
Community Contracts	2	9

Customer Service Valued

There is no better time to be an organization with a great reputation than during difficult economic times. The 2010 year was just such a time for Person Industries as well as many other businesses, agencies and families.

Thanks to our long standing commitment to providing outstanding customer service in good times and bad, Person Industries received excellent service referrals from the community as well as production opportunities generated through word of mouth from satisfied customers or through our reputation of quality services.

Our commitment continues to pay off in the progress we see in our consumers as they daily become empowered to achieve their vocational/personal goals.

“I am very impressed with your services and reputation! I wish we could duplicate you for our other counties.”

“I have always felt my clients are treated with respect, care and in a professional manner while attending PI.”

“We highly recommend and refer other individuals to Person Industries.”

“Excellent customer service, prompt.”

“We love you all. You do a great job—very caring people. Great work ethic.”

“Always courteous staff and willing to come at short notice.”



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