ROC/PNC

2019
Annual Report

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Executive Summary

From the CEO

Strategic Highlights

Rainbow of Challenges, Inc./Omega Home, Inc./PNC, Inc. (ROC/OH/PNC) analyzes and utilizes the following information to develop organizational goals and objectives in setting its direction.

- Expectation of persons served and other stakeholders
- Relationships with external stakeholders
- Legislative/regulatory environment
- Competitive Environment
- Existing and potential strengths and weaknesses
- External threats and opportunities that affect the ability to carry out the mission
- Service needs
- Demographics
- Financial opportunities/threats
- Organizational Capabilities
- Technology
- Development and fundraising
- Staffing

Financial Highlights

- The safeguarding of funding sources for services will be critical as both the state and federal government continue to struggle with reforming the entire Medicaid service system. Currently, the state has re-designing the service model delivery systems that will impact our program. ROC/OH/PNC must stay in position and maintain flexibility to change as the system changes.
- All children and adult services are based on a third-party individual needs assessment that has impacted the service delivering and reimbursement for the program.
- ROC/OH/PNC must ensure the infrastructure; finances and resources are available to meet the needs of the programs during the transition and system change.
- Additionally, ROC/OH/PNC must review all current internal resources to ensure our program can adapt to the changes and ensure our services remain a viable choice for individuals within our state.
- The ability to analyze the organizations financial capabilities to meet the goals identified. The current financial position of ROC/OH/PNC reflects total revenues for FY 2020 budgeted to be just over $14.3 million dollars, with projected stagnate budget for FY 2021. The current financial position in our combined financial statements reflects ROC/OH/PNC is well positioned to seize the opportunity to develop and initiate services as approved by our state. Potential threats to our financial position are the elimination of pieces of our funding and/or services which are critical to the overall service delivery system.

Looking Ahead

Different, not less

Temple Grandin

Looking Ahead

The outlook and climate with Federal and State funding is going to require ROC/OH/PNC in the future to develop new and innovative ways to raise money for growth of current services and to add any new services. Developing and maintaining positive interaction within the communities is critical in developing collaborative relationships for growth.

ROC/OH/PNCSS must have the ability to recruit and retain quality staff at the level needed to provide services and meet the needs of the persons served and supported. Prospective staff must be able to pass background checks, drug testing and meet training requirements before going to work with persons served or supported.

Judy Watson
Chief Executive Officer
February 2020

Mission
Core Values

Mission

Rainbow of Challenges, Inc./Omega Home, Inc./PNC, Inc. (ROC/OH/PNC) *maximizes a unique team approach to provide ethical and safe supports* in accomplishing our mission of ***Discovering opportunities that inspire lives****… whatever it takes.*

Discovering opportunities that inspire lives

Core Values

ROC/OH/PNCSS Core Values are the guiding principles which we use across all areas of the organization to keep us focused on what's important. Our Core Values include:

- **Trustworthy:**
  - Someone you can depend on to do the right thing.
  - A person with pure intentions and willing to admit mistakes and ask for help.
  - High regard for confidentiality of individuals, peers, family, and leadership.
  - Serve as a nonjudgmental safe haven for others.
- **Compassionate:**
  - The ability to understand someone else's situation or feelings.
  - Kind, caring, and willing to help others.
  - Respect other's dignity.
  - Place other's needs about your own.
- **Efficient:**
  - Perform in the best manner with the least amount of time and effort wasted.
  - Show great attention to detail; very careful and precise.
- **Adaptable:**
  - Ability to change, based on the needs of the individual, job, peer, and environment.
  - Willingness to take on additional duties and responsibilities to serve the greater good.
  - Ability to adjust to changes in the services system.
- **Resourceful-Driven:**
  - The creative, skillful, and prompt process of problem solving.
  - A compulsion to succeed or excel.
  - Having the ability to find quick and clever way to overcome barriers.
  - Dedicated and Hardworking.
- **Good Judgement:**
  - To make decisions objectively, wisely, and with good sense.
  - Ability to recognize, predict, and prevent a problem.
  - Take responsibility and lead by example.
- **Positive:**
  - Showing optimism in times of adversity.
  - Maintain a good attitude when faced with negativity.
  - "Can Do" Attitude.
  - Promote harmony and cooperation.

Board of Directors Donors

Board of Directors

Clay Lance, PRESIDENT
Trevor Coffee, VICE-PRESIDENT
John Hollis, SECRETARY
Dennis Ramsey, TREASURER

Andrea James
Kenneth Muldrew
John Richardson
Shannon Hawthorne
Carol Robinson
Becky Williams
Floyd Young

Donors

Individuals

Cathy Adair
Allen Barton III
Jennifer Block
Brenda Brantley
Dewanna Burrer
Zane Cole
Deshae Craig
Terri Dougan
Delphia Egger
Chyna Forest
Mary Glass
Kayla Hamlin
Betty Hearon
Lydia Holcomb
Jaycee Jarrell
Tori Jones
Keri Loo
Destiny Martin
Audrianna Monk
Beverly Newton
Sharon Parker
Gail Pooree
Jerry Pruden
Teresa Ricks
Janet Rodriguez
Kimberly Sennett
Kristopher Stewart
Llewellyn Terry
Tonya Vickers
Autumn Welch
Thomas Wilson
Caitlyn Wright
Samantha Adkins
Kelly Bass
Katherine Bolin
Shacoya Briggs
Raven Burton
Beverly Coleman
Courtney Craven
Barbara Dowling
Trina Ellis
Kimberly Formby
Anita Glover
Julie Harrington
Cynthia Henderson
John & Kim Hollis
Scott Jester
Barbara Kennedy
Carla Love
Jessica May
Sharon Monk
Rebecca Ogburn
Elaine Pearson
April Porter
Jaretta Purifoy
Michael Rigney, Jr
Marsha Rogers
Mary Shaw
Kylande Stewart
Margaret Thomas
Patricia Walker
Cody Wheelington
Angela Wingfield
Dorothy Wright
Cynthia Alford
Stephanie Bateman
Gary Bolin
Jeannette Bronkowski
Ravin Caldwell
Annie Conway
Sarah Cunningham
Barrett Duncan
Emily Evans
Taide Fraire
Dr. Dale E. & Brenda Goins
Stephanie Harris
Socorro Henley
Kiara Hurn
Audrey Johnson
Patricia Kervin
Ashley Lowe
Rebecca McCord
Dorcene Muldrow
Kenya Ogden
Romona Peters
Carolyn Porter
Dennis & Linda Ramsey
Barbara Robinson
Arlean Rogers
Mary Smart
Sedalia Stewart
Merchelle Thomas
Edessa Walton
Stacy Whisenhunt
Tina Wingfield
Veronica York
VonShelia Anderson
Cassa Beasley
Lura Bolt
Brenda Brown
Deidra Carrigan
Jabrea Conway
Antonio Curley
Lewis Durham
Felicia Faison
Melissa Franklin
Amber Goodrum
Christopher Hatley
Dolly Henley
Angela Jackson
Kathy Johnson
Rhonda Key
Eric Lowe
DeVaughn McDonald
Melissa Mulholland
Stephanie Orr
Gladys Phillips
Bruce & Teresa Porter
Teresa Randall
Brandy Robinson
Joyce Russell
Elizabeth Smith
Kristopher Stewart
Lori Thompson
T'Keyah Warren
Crystal Whitney
Yalonda Wingfield
Dexter Young
Patrena Baker
Jerry Beck
Chikako Bonner
Etta Brown
Robert A. Carter, DDS
Felicia Corbett
Richard Daniels
Celeste Eason
Kinisha Flemming
Susan Freeman
Krystal Goshen
Dana Hawthorne
Sharon Henry
Shauna Jackson
Syketa Johnson
Ashley Lambert
Michael & Debbie Malek
Monika McGee
Tammi Murray
Karen Otey
Jaylin Phillips
Sandra Porter-White
Christopher Reed
James Robinson
Carolyn Scott
Kori Smith
Christie Stinnett
Amanda Tipton
Judy Watson
Paula Williams
Representative Richard Womack
Larry Young
Randy & Misty Banks
Marquis Bell
Orisha Bowles
Felecia Brown
Grant Clark
Ashley Couch
Leah Dill
Cynthia Easter
Chatorie Flowers
Latonya Gazolla
Shantara Griffen
Alicia Haynes
Vantrece Henry
Shelby Jackson
Ieisha Jones
Rebel Lambert
Patti Manus
Angela McWilliams
Gladys Mustafa
Wanda Page
Leslie Phillips
April Powell
Roshanda Reedy
Gene & Carol Robinson
Fannie Scott
Tamara Smith
Carla Sumpter
Chantiney Turner
Representative Danny Watson
Becky Williams
Bill Barham
Jasmine Bishop
Victoria Bradley
Leslie Brown
Misty Cloud
Melissa Cox
Myesha Dixon
Annie Edwards
Marketta Flowers
Haylee Ghormley
Latosha Gulley
Shanice Haynie
Timothy Hicks
Evelyn James
Morgan Jones
Japheth Lino, Jr
Pridgette Marshall
Ann McWilliams
Arron Nelson
Shannon Parker
Tiffany Phillips
Dorothy Pree
Tammy Richter
Nolan Rodgers
Mildred Scott
Regina Sooter
Hazel Taylor
Josh Vaughn
Jacqueline Wilson
Linda Womble

Donors Cont.

Businesses

Allcare Pharmacy
Antoon Medical Clinic
Balke Enterprises
Bank Ozk
DeQueen Auto Group
Diamond Bank
Family Medicine Specialist
Farmers Bank & Trust
Herndon-Fuqua Funeral Home
Honeycutt Printing
Hope Junior Auxiliary
McDonalds of Hope
New Millennium Building Systems
Pioneer Janitorial Service
Pit Stop Quick Lube
Price & Company
Shields Janitorial
Smith Welding
Tankersly Food Service
UAHT Foundation
Wylie Glass & Salvage
Amigo Juan Mexican Café
B&R Building Supply
Bank of Delight
Brown's Plumbing
Diamond Bank
FA Financial
Farm Credit Services
Finnegan Health Supply
Hexion
Hope Floral & Gifts
Landes 24hr Towing & Recovery
New Liberty Baptist Church
Pafford Ambulance Service
Pioneer Printers
Prescott Nev. Co Economic Dev.
Quality Care Pediatric
Smiles of Arkansas
SWARK Today
The Hatcher Agency
Vanco Systems, Inc.

It is never too late to be what you might have been

George Eliot

Focus

2019 was a year for celebrating beginnings. Reaching into our past, we focused on the services that gave us our start. Fifty years ago, six mothers came together in search of ways to provide academic programming for their developmentally delayed school-aged children. In 1969, no public opportunities for children with disabilities existed, therefore their search ended with a resounding no. However, these six extraordinary women would not take ‘no’ for an answer. Here we are, fifty years later serving individuals, birth through elderly.

Half of a century of service is worthy of being celebrated! So, we set ourselves to that exact task; embarking on a yearlong recognition of the individuals we have served through the years. Through each event we have connected with our community, old friends and new ones, and individuals past and present. We are thankful for the foundation that those six mothers built, especially as we move into an everchanging landscape.

Events/Projects

Events/Projects

Success Stories

Success Stories

Jakolby Lacy

Jakolby Lacy transferred to Making Rainbows-Lewisville from First Step-Hot Springs in 2019. Upon admission to the center, he received OT-PT-ST therapies along with developmental habilitation services. He could not stand and walk on his own and was severely delayed in speech and fine motor skills. Our staff worked directly with his PCP and physical therapist to both establish goals and create objectives that would build Jakolby's strength, stamina, and mobility. Almost immediately, we began to see progress, and center-wide we celebrated each baby step. After months of being transported in a stroller between different places within the building, we asked for and were able to receive funding for a walker. When Jakolby saw his new, shiny, red walker, he was so excited and so was everyone else. The walker has been a game changer in the way that he is able to move around the center. His mantra now is ***"me do it"***.

While recent testing results reveal that he continues to have multiple areas of delay in meeting age equivalent milestones, he has made tremendous strides in what he is currently able to do. He completed 44% of the objectives outlined in his program plan. As each day unfolds, we see Jakolby striving to succeed and not only complications related to mobility issues, but also other areas of development. His determination and willingness in wanting to be successful makes it even more exciting to work with (alongside) him daily. Along with Jakolby's determination, our team/ school family has been instrumental in helping him to build self-confidence and having the confidence to "keep going".

Supportive Employment

In 2019, several ROC individuals that were recruited through our Supportive Employment program and Southern Bakeries continued working after beginning in 2018. Due to factors beyond their control, Southern Bakeries had to shut this line down and the individuals were laid off. But the story does not stop there. After an upturn in consumer buying, Southern Bakeries called the individuals back to work in April of 2019. ROC has four individuals and two rehabilitation clients presently working at the plant.

Currently, five individuals are working with Supportive Employment and waiting for job placement.

Day Services

During the 2019 Hempstead County Fair, three individuals entered items for judging. Each submission won ribbons for their work.

Jeramy Fielding (framed drawing)

Monique Bullock (crochet hat)

Laura Lindeman (cross stitch baby quilt)

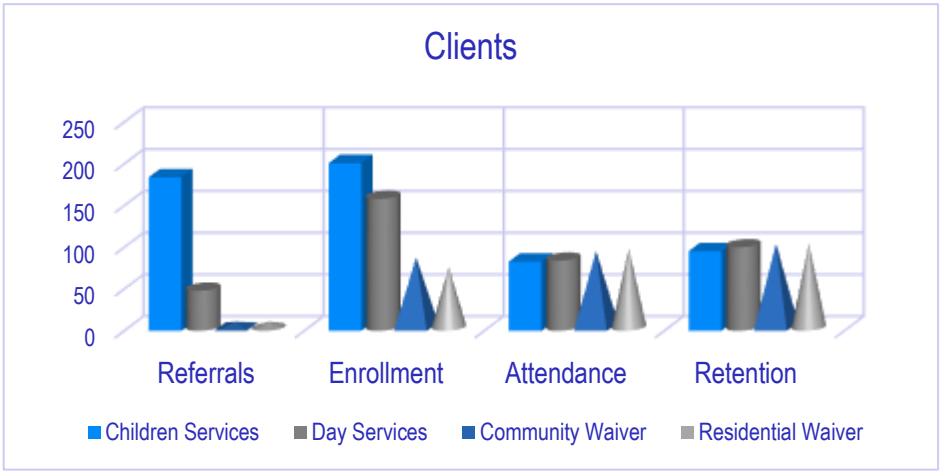
Additionally, Jeramy entered his art at the District Fair and received a ribbon. This was the first year for ROC individuals to participate.

Outcomes

Programming

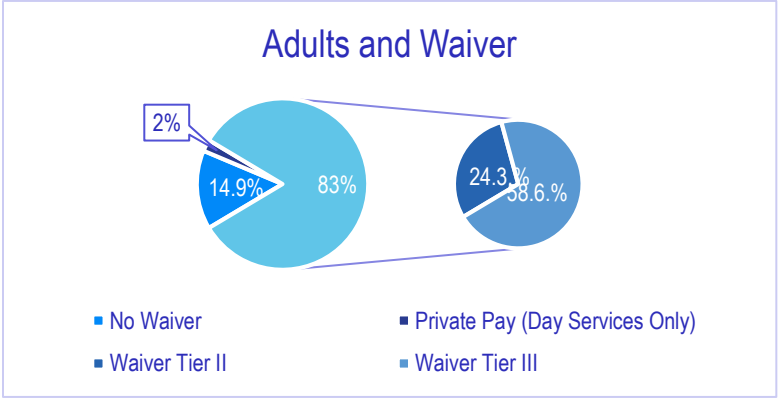
ROC/PNC program areas include Waiver Services, Residential Waiver, Children Services and Day Services.

Waiver Services, as we call it, is a special Medicaid program that allows one-to-one staffing for those with a qualifying developmental/intellectual disability diagnosis. Staff work with individuals on independent living skills and assist them in their daily routines. ROC/PNC provides Waiver services in predominately southwest Arkansas from Arkadelphia to Mena, from Texarkana to Magnolia and all points in between.



Residential Waiver is for Waiver clients that need more assistance and the support of living in a group setting. Our Residential Waiver homes are located in Hope, Prescott and Caddo Valley.

Children Services provides developmental therapy to children aged birth through five-years-old. ROC/PNC also provides children



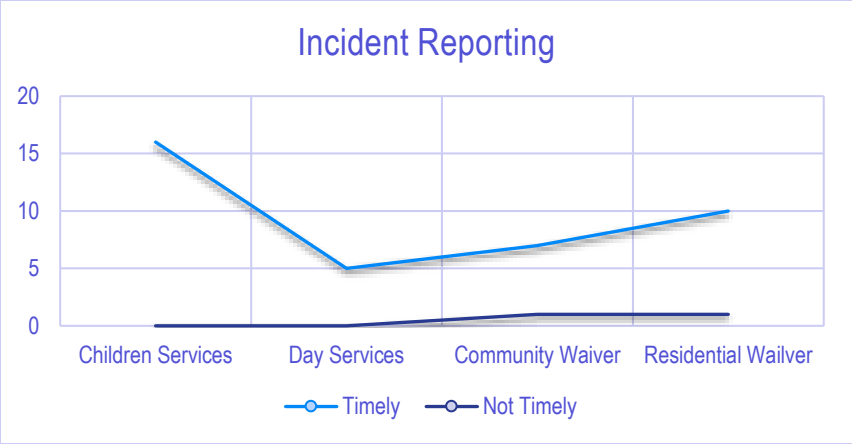
Outcomes Cont.

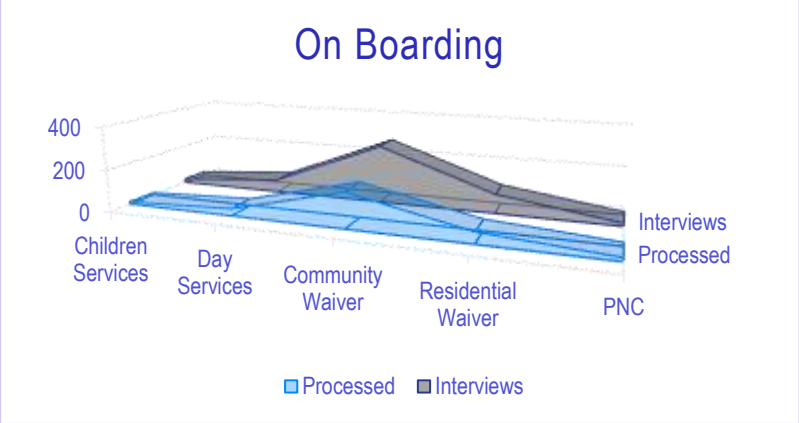
at risk for delay, Arkansas Better

Chance preschool services. Centers are located in Hope, Lewisville and Prescott. Each center utilizes licensed physical, occupational and speech therapist to address developmental needs.

Day Services include a diverse setting of activities. These are recycling, re-sale store, a family style restaurant, three work centers and a workforce readiness program. Our individuals enjoy a wide array of work opportunities that are tailored to their abilities.

Compliance

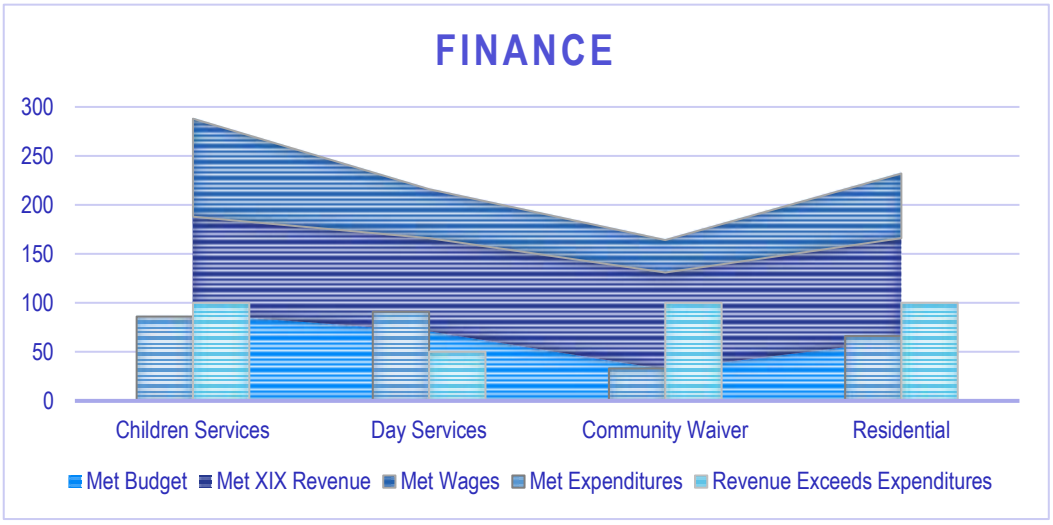


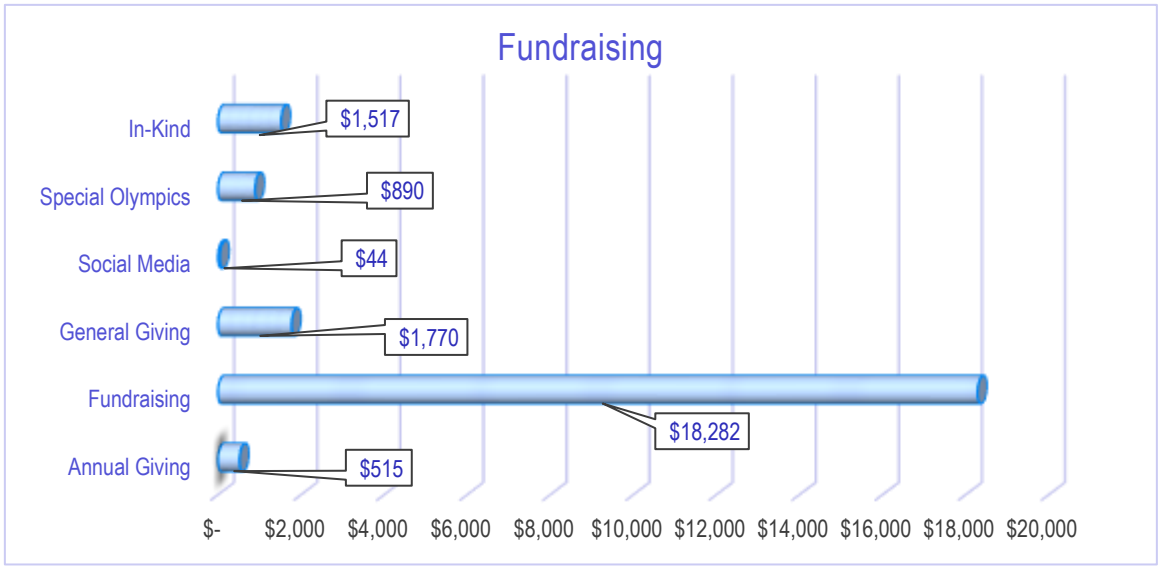


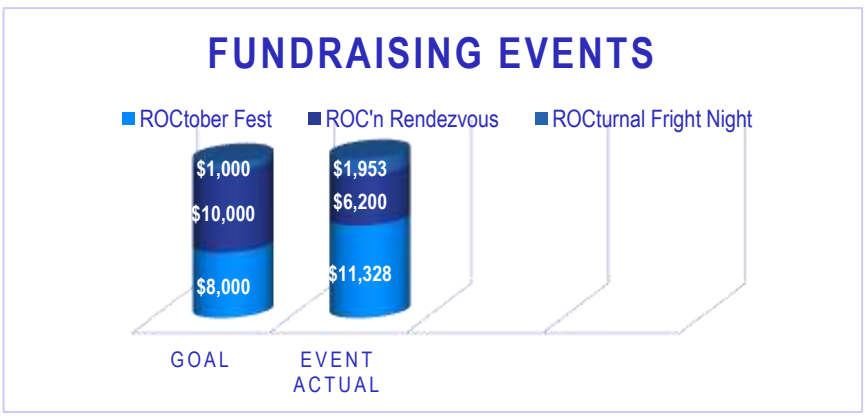
Human Resources

There is only one way to look at things until someone shows us how to look at them with different eyes

~Pablo Picasso


FINANCE
300
250
200
150
100
50
0
Children Services
Day Services
Community Waiver
Residential
Met Budget
Met XIX Revenue
Met Wages
Met Expenditures
Revenue Exceeds Expenditures


Fundraising
In-Kind
$1,517
Special Olympics
$890
Social Media
$44
General Giving
$1,770
Fundraising
$18,282
Annual Giving
$515
$-
$2,000
$4,000
$6,000
$8,000
$10,000
$12,000
$14,000
$16,000
$18,000
$20,000

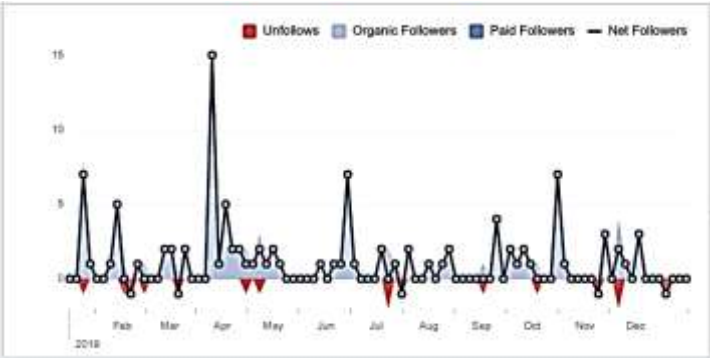

FUNDRAISING EVENTS
ROCtober Fest
ROC'n Rendezvous
ROCturnal Fright Night
$1,000
$10,000
$8,000
$1,953
$6,200
$11,328
GOAL
EVENT
ACTUAL

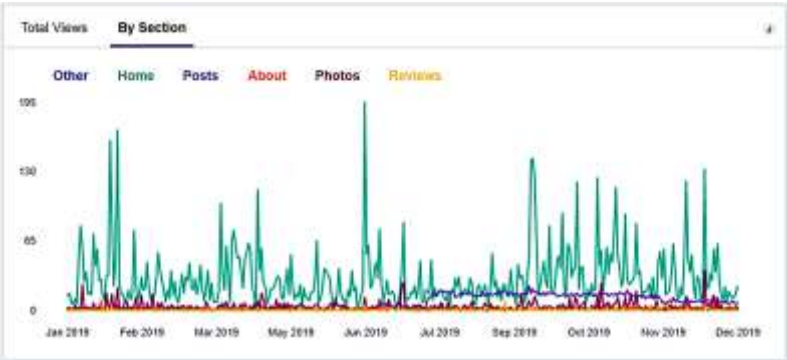
Outcomes Cont.

Social Media - Facebook

Page Interactions

Page Follows

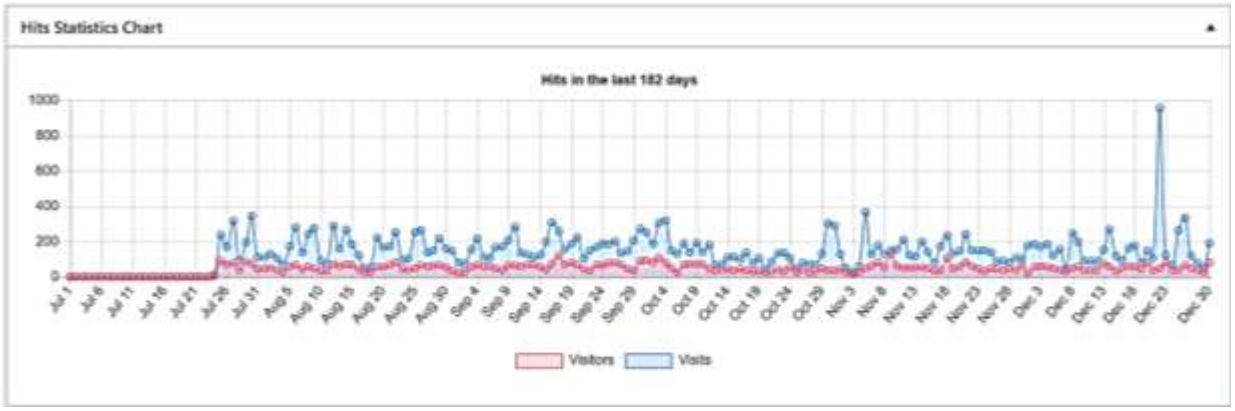




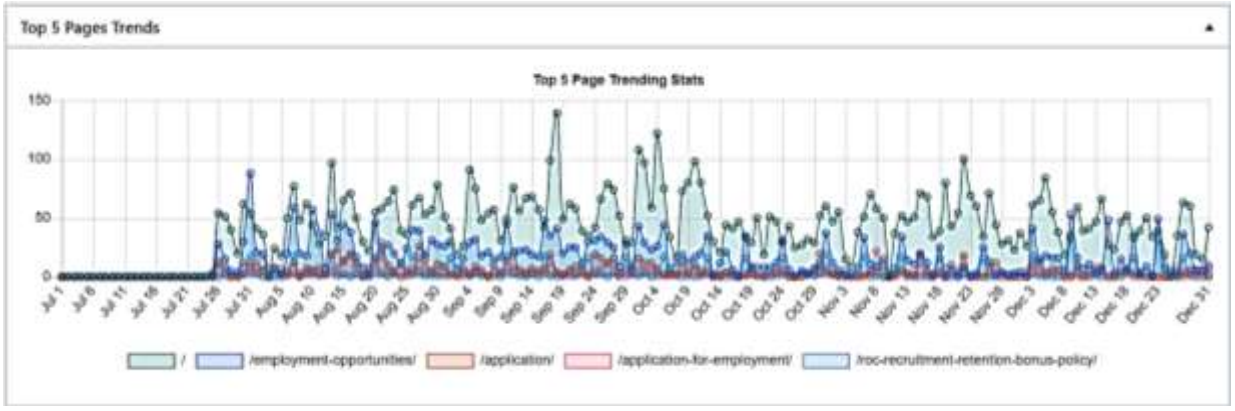
Outcomes Cont.

Website

Site Visits



Popular Pages



How You Can Help

Help comes in many forms. And we are no stranger to out of the box thinking.

Volunteer	…Special Olympics coach, Area Games, read to preschoolers, rock babies, run a carnival game
Donate	…gently used items for re-sale, recyclables, toys, art supplies, books, capital items
Give	…one-time monies, recurring monies, bequeaths
Sponsor	…a Special Olympics team, summer camp, fundraising event, purchase of a capital item

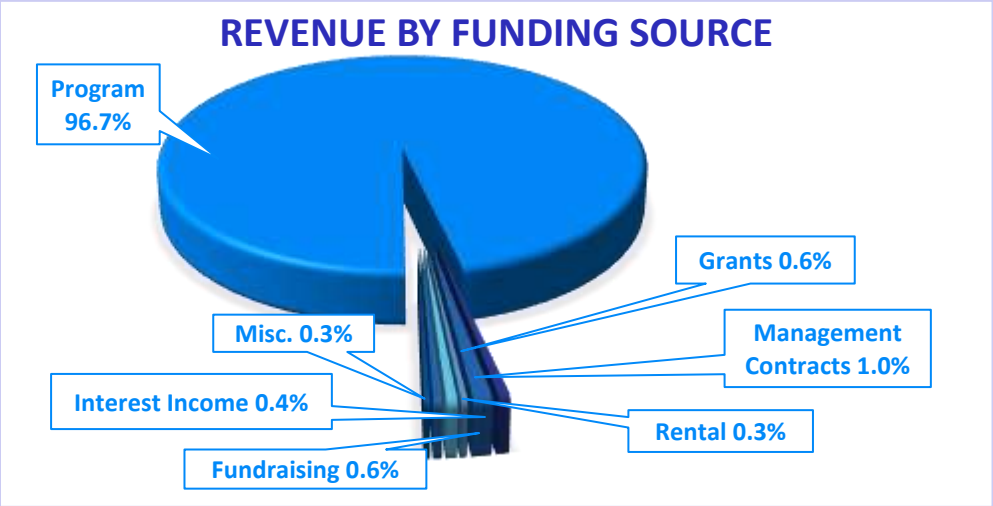
All monies/items are used for the support of the children and adults served by our organization as a whole. Without our partners, ROC would not be able to continue the work we do providing services to individuals with developmental delay and intellectual disabilities. 'Discovering opportunities that inspire lives' is our mission and we will accomplish this by doing 'Whatever It Takes' to ensure the health and happiness of our individuals!

Gift giving can be done in the memory of a loved one, honoring someone special or a special event. Your honoree/memorial will receive an acknowledgement from our development department. ROC, and PNC are nonprofit organizations and operating under the federal 501© 3 designation. All donations are tax deductible to the full extent of the law. When submitting donation via checks (Offline Donation), please address to ROC, Omega Home or PNC and mail to: P.O. Box 1540 Hope, AR 71802.

What Lies behind us and what lies before us are tiny matters compared to what lies within us.

~Ralph Waldo Emerson

Financial Overview



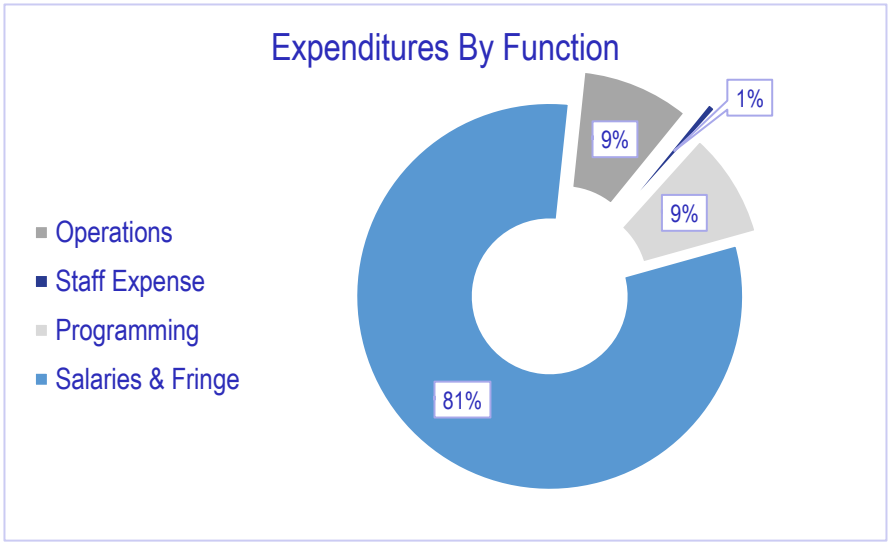
FINANCIAL OVERVIEW

ROC/Omega Home

Total Assets	Total Liabilities	Total Unrestricted Net Assets	Total Change in Net Assets
$10,541,519	$2,460,834	$8,080,685	$690,598

PNC

Total Assets	Total Liabilities	Total Unrestricted Net Assets	Total Change in Net Assets
$1,652,560	$261,550	$1,088,437	$302,573



Auditor's Report

Saunders & Associates, PLLC
Certified Public Accountants

630 East 17th Street * P. O. Box 1406 * Ada, Oklahoma 74820 * (580) 332-8548 * FAX: (580) 332-2272
Website: www.saunderscpas.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Rainbow of Challenges, Inc. and Omega Home, Inc.

We have audited the accompanying combined financial statements of Rainbow of Challenges, Inc. and Omega Home, Inc. (a nonprofit organization), which comprise the combined statement of financial position as of June 30, 2019, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Rainbow of Challenges, Inc. and Omega Home, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated September 23, 2019 on our consideration of Rainbow of Challenges, Inc. and Omega Home, Inc.'s internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rainbow of Challenges, Inc. and Omega Home, Inc.'s internal control over financial reporting and compliance.

Saunders & Associates PLLC

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

September 23, 2019

Saunders & Associates, PLLC
Certified Public Accountants

630 East 17th Street * P. O. Box 1406 * Ada, Oklahoma 74820 * (580) 332-8548 * FAX: (580) 332-2272
Website: www.saunderscpas.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
PNC, Inc.

We have audited the accompanying financial statements of PNC, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PNC, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2019 on our consideration of PNC, Inc.'s internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PNC, Inc.'s internal control over financial reporting and compliance.

Saunders & Associates PLLC

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

August 13, 2019