



*For people with intellectual
and developmental disabilities*

2010 ANNUAL REPORT



Achieve with us.

turn the page

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Welcome

August 2011

Dear Friends,

In 2010, The Arc turned the page to a new chapter of advocating on behalf of people with intellectual and developmental disabilities (I/DD). While we have always been a place for individuals, families, and self-advocates to turn to for services and supports, 2010 was about standing up and being counted in ways the world hasn't seen from The Arc in a long time.

While continuing our longstanding work serving people with I/DD through programs and services in our local and state chapters and advocacy at the state and federal level, we made great strides in reinvigorating The Arc as an organization. This year we created a new brand identity, with the engagement of our network of more than 700 chapters to clearly identify what The Arc stands for, and how we want people to think about the impact we make. Within nine months, we unveiled this new look at our national convention in Orlando, Florida, with implementation across our chapters planned for in 2011.

We launched a new Research and Innovation Department, to position The Arc to be on the cutting edge of thought leadership, advocacy, and service delivery for people with I/DD.

We proactively sought to grow our chapter capacity and network, and in Missouri, those efforts paid off as a reinvigorated state chapter successfully began a new waiting list campaign. Thanks to the momentum created in that process, The Arc of Missouri is experiencing a growth in chapters.

We made progress at the federal level on issues that have faced people with I/DD for generations. The passage of the health care reform law and legislation to remove the "r-word" from most federal programs were huge victories for people with I/DD.

And our incredible chapter network continued to seek out innovative, forward looking ways of serving people with I/DD. In Minnesota, siblings proved to be key to advocacy efforts, and in Pennsylvania, the state chapter is using a settlement from a case in the past to guarantee that children with I/DD are included in the classroom from the start.

It is an exciting time to be a part of The Arc movement, and the energy and potential for growth feels unstoppable. We have turned a page in the long history of our organization, and the next chapter is certain to continue to improve the lives of people with I/DD, engage younger families with The Arc, and garner greater public support. Join with us – The Arc is on the move, and you don't want to miss being a part of it.

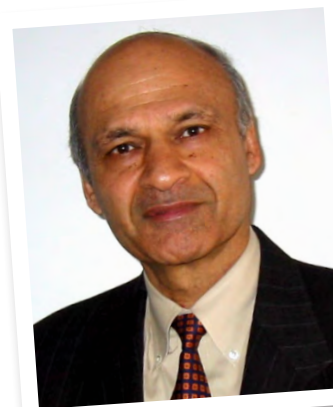
Sincerely,



Mohan Mehra
President, Board of Directors



Peter V. Berns
Chief Executive Officer



Mehra



Berns

The Arc's Mission | *The Arc promotes and protects the human rights of people with intellectual and developmental disabilities and actively supports their full inclusion and participation in the community throughout their lifetimes.*

turn the page

The Health Care Reform Law

– Turning a Page for People with Intellectual and Developmental Disabilities

Throughout the 2008 election season, how to reform our nation's health care system was hotly debated. While candidates and the public didn't always agree on how to fix the system, there was universal agreement that the cost of insuring and delivering medical care to Americans was rising at an unsustainable rate.

President Obama and his Administration set out to insure as many people as possible while containing costs, and Congress worked throughout 2009 and into 2010 to craft legislation that met those goals while protecting popular programs like Medicare and Medicaid.

The Arc's public policy team was at the forefront of the health reform effort. Marty Ford, a longtime staff member, met with President Obama and senior administration officials to press for the inclusion of the needs of people with intellectual and developmental disabilities (I/DD) in the bill. The Arc's membership was mobilized to contact their Representatives and Senators to press for better access to acute health care and the expansion of long term services and supports.

On March 23, 2010, President Obama signed the Patient Protection and Affordable Care Act known as the Affordable Care Act (ACA), into law, and it turned a page for people with I/DD. The Arc, along with other disability groups, celebrated the accomplishment of many long-sought priorities in the new law, and these changes will undoubtedly have a positive impact on people with disabilities for generations.

Insurance will be more accessible to people with intellectual and developmental disabilities. Health insurers will no longer be able to deny coverage for pre-existing medical conditions. The ACA eliminated annual and lifetime caps in private insurance policies and restricted the consideration of health status in setting premiums. And it expanded Medicaid to cover individuals with incomes up to 133 percent of the federal poverty line, which is approximately \$29,725 per year for a family of four.

The long term services and supports that are critical to people with I/DD being fully included and able to participate in their community were greatly enhanced under the Affordable Care Act.

The law calls for a national long term services insurance program to be created to assist individuals and their families to meet long term support needs without forcing them into poverty to receive Medicaid benefits.

And after years of advocacy at the federal level by The Arc and other disability groups, the new law helps to eliminate the institutional bias by changing how states can cover personal assistance and other community based services. The goal is to support people to live and work in the community.

2010 represented a tremendous leap forward in meeting the health and long term support needs of people with I/DD. As the new law is phased in, The Arc will continue to advocate for effective implementation.

On March 23, 2010, President Obama signed the Affordable Care Act into law, and it turned a page for people with intellectual and developmental disabilities.

Rosa's Law – “What you call people is how you treat them.”

– 13-year-old Nick Marcellino, testifying before the Maryland General Assembly

Words are incredibly powerful. One negative term that has been a part of our vocabulary when referring to people with intellectual and developmental disabilities (I/DD) for generations, “mental retardation,” no longer has a place in our society. In 2010, The Arc and self-advocates across the country won a huge victory - President Obama signed “Rosa’s Law” into law.

Rosa Marcellino is a young girl with Down syndrome from Maryland. In 2006, her brother Nick testified before the Maryland General Assembly in support of a bill named after his sister that would outlaw further use of the terms “mentally retarded” or “mental retardation” from state statutes. In his testimony, Nick said: “Some say we shouldn’t worry about the words, just the way we treat people. But when you think about it, what you call people is how we treat them. If we change the words, maybe it’ll be the start of a new attitude toward people with intellectual disabilities.”

Thanks to the efforts of The Arc of Maryland, the Governor signed the bill into law, and the victory added momentum to accomplish this change at the federal level. Shortly before it passed the Assembly, Senator Barbara Mikulski (D-MD) met Rosa’s mother Nina Marcellino at a roundtable on special education. Senator Mikulski promised that if Rosa’s Law passed in Maryland, she would take it to the Senate floor.

The Arc has been very involved in efforts to end the use of the “r-word” and so working with the lead sponsor’s of Rosa’s Law, Senator Mikulski and Senator Mike Enzi (R-WY), The Arc pushed for federal legislation to substitute the antiquated, stigmatizing

words with the terms “intellectual disability” and “individual with an intellectual disability” in federal health, education and labor policy statutes. While the legislation does not cover entitlement programs, which includes SSI, Medicare, Medicaid and Social Security, it is an important stepping stone for shaping future legislation that will transform these outdated terms in all federal laws.

The Arc led the charge by galvanizing support across the nation and through vigorous advocacy, and our members responded because they know that language plays a crucial role in how people with I/DD are perceived and treated in society. Changing how we talk about people with disabilities is a critical step in promoting and protecting their basic civil and human rights.

This change in terminology is sweeping across the country, as the majority of states have altered their terminology in state laws and in the names of state agencies that serve people with I/DD.

The Arc is committed to putting people, not their diagnoses, first. And so we promote the use of “people first” language. The federal government joining this movement will help to encourage the general public to follow suit, and represents a major step forward in changing attitudes.



President Obama with Rosa Marcellino and family at the White House after the signing of “Rosa’s Law.”

Changing how we talk about people with disabilities is a critical step in promoting and protecting their basic civil and human rights.

Siblings Make a Difference for the Next Generation of The Arc's Network

As The Arc works every day to promote and protect the human rights of people with intellectual and developmental disabilities (I/DD), it's the families who empower themselves to advocate on behalf of their loved one that can make the biggest impact.

One chapter that has been particularly successful in engaging siblings of individuals with I/DD is Minnesota's Greater Twin Cities chapter. They have been hosting Sibshops across the Minneapolis/St. Paul metropolitan area since 1990, when a pilot program, the Adult Sibling Advocacy Network, was launched to provide adult siblings with information and support to advo-

cate with and on behalf of their siblings with disabilities. The program was quickly expanded to include children and teens, and currently engages dozens of young people. Held on an ongoing monthly basis in 13 locations across the metro area, The Arc Greater Twin Cities Sibshops are a unique opportunity for brothers and sisters of kids with I/DD to have fun and share the joys and challenges of being a "sib".

In Eden Prairie, Minnesota, the Sibshop united a group of passionate 8th graders who decided to take action and fight for the change they wanted for their siblings. This spirited group of middle school students decided that they wanted to talk to their Congressman about the issues their sibling with I/DD face every day. With support from The Arc Greater Twin Cities, the group of siblings contacted Minnesota Congressman Erik Paulsen's office to set up a meeting.

The groups met with Congressman Paulsen at their school to discuss the "r-word," share their experiences as siblings, and ask for his support for the House companion bill to Rosa's Law. Two siblings, Colin Williams and Levi Martinka, led the meeting and shared their stories. As a result of their efforts, Congressman Paulsen, who has a nephew with Down syndrome, signed on to the bill.

This group of siblings provides a vivid example of how brothers and sisters can make a difference in the lives of their loved one. They are truly the next generation of advocates, and will help lead The Arc over the next 60 years in fighting for the rights of people with I/DD.



Congressman Paulsen with (NAMES TO COME).

The Arc's New Brand Identity

How does The Arc, one of over 1.5 million nonprofits in the United States, distinguish itself amongst the masses to attract support to our cause of promoting and protecting the human rights of people with intellectual and developmental disabilities (I/DD)?

How can we amplify the breadth and depth of our reach into local communities and build a powerful movement of people with I/DD and their families, when our 700 chapters across the country are using many different names and logos to “brand” themselves?

What can we do about the fact that The Arc, at 60 years old, while being one of the largest charity networks, is virtually unknown amongst members of the public, ranking 96th in public recognition among the 100 largest national charity federations?

These were the challenges facing The Arc in the beginning of 2010 - challenges we are now well on the way to solving.

Without a common brand identity, the power of our chapter network was diluted as the public couldn't connect the dots that would allow The Arc to be seen as all one organization. Our ability to promote and protect the human rights of people with I/DD and actively support their full inclusion and participation in the community throughout their lifetimes was suffering without a cohesive visual identity.

So with the full backing of The Arc's National Board and a strong mandate from chapter leaders across the country, The Arc sought expert consultation from CoreBrand, a unique marketing agency with a strategy-driven focus, to help us achieve this goal. As Mohan Mehra, then-Chair of the Marketing Resource Development Committee and Vice President of the national Board said, “We knew that if we could agree upon an exciting and motivating visual identity, and the supporting brand promise, we would get the buy-in necessary to energize and motivate chapters to re-brand The Arc as one organization”. Therefore,

embracing The Arc's guiding principle of participatory democracy, we provided the means for people with I/DD, their parents, siblings, family members and other concerned members of the public with opportunities to inform and guide the direction of our rebranding.

Jonathan Paisner, CoreBrand's Brand Director, noted, “understanding what it was that makes The Arc special in order to communicate in a compelling and wonderful way required spending a lot of time speaking to stakeholders with many different relationships to the organization – who are we – what is our voice – how do we – exercise this to help people to achieve.”

A Brand Advisory Group was created, with representation from chapters across the country. Webinars, focus groups, and in-person meetings along with an internet poll allowed every chapter in the country the opportunity to be a part of the process. With CoreBrand's guidance, we developed our overall message platform, our promise, and the long sought after single visual identity that captures the essence of why The Arc exists. And in less than nine months, The Arc's brand promise of helping people with I/DD achieve their goals, coupled with The Arc's embracing, determined and experienced personality was translated into a new brand identity. This was unveiled at the National Convention in November 2010.

Our new brand captured who we are and where we can go in the future, and it will help unite and reinvigorate us as an organization. The next step in this journey is implementation, with turn-key graphics and guidelines that will enable us to confidently hit the ground running.

From this day forward, no one will ever wonder “what does Arc stand for.” We are The Arc, and we can proudly proclaim that The Arc is “For People with Intellectual and Developmental Disabilities”, it creates opportunities for them, and invites people to “Achieve with Us.”



CoreBrand

Jonathan Paisner, CoreBrand's Brand Director:

“The Arc is a diamond in the rough, a huge organization – with very little consistency and awareness – and the opportunity to really help them capture and tell their story to the world was an exciting professional and creative challenge. But aside from that, we were immediately taken by the passion and zeal that everyone connected with the organization sincerely felt about it.”

Research and Innovation – Investing in The Arc’s Future

Organizations that thrive do so because they invest in the future. The Arc’s new Research and Innovations Department is just one more example of how The Arc is thinking ahead, acting strategically, and positioning our organization to be on the cutting edge of thought leadership, advocacy, and service delivery in intellectual and developmental disabilities (I/DD).

Implemented in May of 2010, and led by Dr. Ann Cameron Caldwell, Ph.D., the Research and Innovations Department aims to increase the scope and depth of The Arc’s impact through developing new, innovative programs and expanding philanthropic engagement in our mission and goals. Efforts are focused on building organizational capacity and systems change initiatives in ways that are thoughtfully aligned with the strategic framework and self-determination principles.

Much of the work that takes place in Research and Innovations is honest-to-goodness thinking, development of visionary concepts, infusing research and best practices into program designs, and working on generating new and strengthening existing collaborative relationships with other organizations that

are aligned with our mission and core values. For instance, we identified the need to understand the current state of families, across disabilities and across the lifespan, in response to threatening economic times. As a result, in 2010, Research and Innovations led the effort to design and implement the Families and Individual Needs for Disability Support (FINDS) survey – and more than 5,800 people participated in this incisive national online survey that tapped families and people with disabilities perspectives on life-span issues and experiences. This was another marker of The Arc’s strong and innovative leadership in acting decisively to advance understanding about I/DD.

And when an opportunity to apply to be a national resource to families connected to autism and other developmental disabilities presented itself, The Arc put its best foot forward, knowing that we are the largest provider of advocacy, services, and supports to people with autism and their families – and that we had sixty years of significant experience, knowledge, and connection to families to offer our nation.

In September 2010, The Arc received notification from the Administration on Developmental Disabilities that it had been selected to carry out the Autism NOW: National Autism Resource and Information Center, at a \$1.87 million level in the first of four years of the grant.



School to Community – The Next Chapter for Kids with Intellectual and Developmental Disabilities

As parents of children with intellectual and developmental disabilities (I/DD) look into the future, one of the biggest unknowns is how their child will transition from school into the community. In 2009, The Arc was the recipient of a \$3 million grant from the Walmart Foundation to support efforts to improve outcomes for youth with I/DD through innovative best practices in transition services nationwide.

The seeds were planted in 2009, and in 2010, we worked with sub-grantees and employers in communities across the country to make an impact in the lives of young people with I/DD. When people with I/DD are given the opportunity to lead more independent lives and to work, not only will those individuals realize their personal goals of leading satisfying, productive lives, our businesses and communities will also benefit.

In Frederick County, Maryland, lives are being transformed because of a partnership between The Arc of Frederick County, Frederick Community College (FCC) and Frederick County Public Schools. The Leadership, Enrichment, Achievement Program (LEAP) at FCC is a personal growth and enrichment class for transitioning students and youth with I/DD. This course helps students develop positive habits and a proactive approach to life as they design personal mission statements, explore individual talents and gifts, and learn to apply their strengths and passions to the workforce, post-secondary education, and adult world. Some participants enroll in credit and enrichment classes already offered on the college campus.

The college experience opens up a whole new world to youth, and including people with I/DD in this arena benefits everyone. The social circles of young people with I/DD are broadened by meeting other students on the college campus who have similar interests and career goals, and traditional students who may not have crossed paths with someone with a disability thus far in

their lives are given an opportunity to learn about the I/DD community. Support is also offered to help transitioning students and youth to identify activities on the campus they would like to join and to build natural social connections for students on the college campus.

Mark Randolph of Frederick, Maryland participated in LEAP at FCC in 2010 and has successfully completed additional courses at FCC.

When he attended his initial LEAP at FCC class in the fall of 2007, Mark needed one-on-one support from a classroom assistant to participate in class. Mark's skills have flourished since then, and he is now independent on the FCC campus and became a member of the Multi-Cultural Club and Getting Connected Club. Additionally, Mark has moved into his own apartment with two friends from his high school without residential supports and works for the U.S. Department of Agriculture.

The Arc and FCC is taking this program one step further by evaluating current courses offered and working together to design customized courses, similar to those offered to traditional FCC students, which are accessible to students with I/DD. This grant has opened up a new world to Mark, and many students who follow him through this transition program in the future.



Mark in an FCC classroom

In California - Health and Wellness Are Keys to an Independent Life

Knowing that some people with intellectual and developmental disabilities (I/DD) often aren't mindful of the need for health improvement and have trouble accessing proper treatment on their own, The Arc of San Francisco began a wellness program in 2003. This effort provides one-on-one support in the form of Health Advocates to help manage personal health needs and create a plan for healthy living.

After an initial assessment, a specific plan is created to ensure that the individual has regular check-ups, including dental, vision, and immunizations. Nutrition and exercise are woven into the program, as many people with I/DD have limited experience with fitness routines. Increasing flexibility and strength can help improve their mobility, and lower the risk of falls that can lead to injuries that compromise overall health and inde-

pendence. And finding the proper diet to maintain a healthy weight and blood pressure is crucial to the long term health of the The Arc of San Francisco's clients. Cooking classes and visits to supermarkets to improve their selections make it fun!

The wellness program includes life transition assistance, meaning guidance in planning for and accessing long term care. Knowing how costly this care can be later in life, The Arc of San Francisco is helping people with I/DD and their families plan for the future.

This health and wellness program is making a life and death difference for the people The Arc of San Francisco serves. Meet Leonette, who was facing kidney failure in the summer of 2010. Thanks to her Health Advocates, she was able to navigate a health scare and is now living a life well lived.



Hi, I'm Leonette.

I got sick in the summer of 2010 and was taken to the hospital in an ambulance. My Arc Health Advocate, Jennifer, was with me when I got the bad news: complete kidney failure.

I was really scared. They put me on dialysis...on that big machine. I didn't want to do it but Jennifer explained that I had to do the treatments to get better. And guess what? After 5 treatments, I'm done. It's over! I'm back home again, on my regular schedule and seeing my friends from The Arc every day.

But I have things in my life that I need to change. Another Health Advocate here at The Arc, Katherine, is helping me eat smarter and get more exercise. For me, it's a lot to think about, but I've already lost weight and I can walk better and I'm feeling strong.

I want to say thanks to Jennifer and Katherine and everyone who makes The Arc possible. It's hard to go through something like this, but I didn't have to go through it alone—I hope nobody ever does.

In Missouri - Growing Chapter Capacity in the Heartland

Chapters of The Arc come in all shapes and sizes, from local chapters providing direct services to people with intellectual and developmental disabilities (I/DD) and their families, to state chapters working to influence public opinion through advocacy, education, and public awareness. The capacity of each chapter to impact their communities varies based on resources and organized efforts at each level – and all make a difference.

In Missouri, the state chapter has, like many non-profit organizations, gone through phases of varying strength and levels of influence. Its capacity to focus on strategic advocacy for children and adults with I/DD and their families, as well as to provide support to existing local chapters, had been limited. Leading up to 2010, it became evident that the state chapter there was ripe for leadership development and revitalization.

Recognizing this potential, board leaders from The Arc of Missouri reached out to the The Arc of the United States to seek leadership mentoring and strategic planning assistance. Through on-site visits from national staff in 2010, The Arc's national staff supported board training and ongoing grant development to help the chapter fulfill its goals. As a result, The Arc of Missouri was able to hire a full-time executive director—the first full-time paid staff for the state chapter in at least five years. This support and assistance from the national level helped strengthen The Arc of Missouri's leadership structure, which they leveraged to secure ongoing

funds from the Missouri Planning Council for Developmental Disabilities.

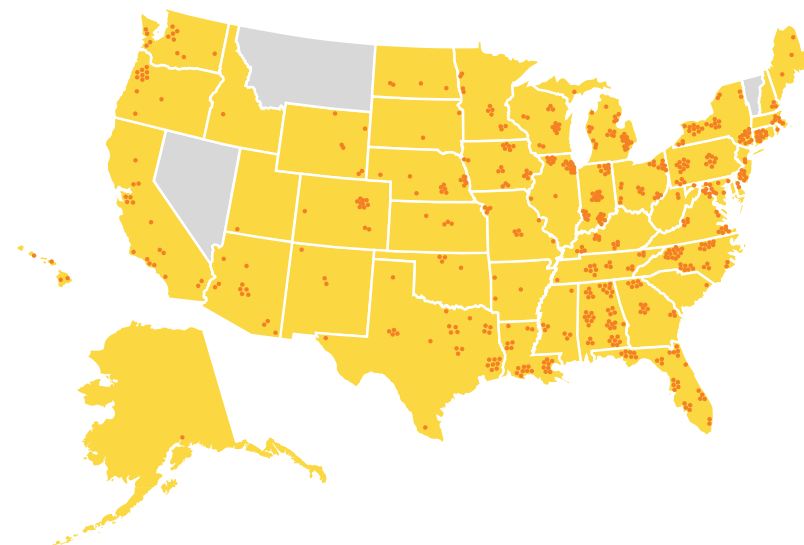
However, the opportunity for statewide impact remained unfulfilled. Like so many other states, Missouri's waiting list for community services continued to grow. Chapter leaders recognized that even one person with I/DD waiting for essential services was too many. When the number of people on Missouri's waiting list hit a staggering 5,000, The Arc in Missouri and their partners at the Missouri Planning Council for Developmental Disabilities decided they had to mobilize. With the support of the Council, the newly-revitalized state chapter launched their "Missouri Can't Wait" campaign to help Missourians going without vital supports like personal assistance, specialized medical equipment, supported employment, and crisis intervention, gain access. Through this campaign, The Arc of Missouri actively engaged and trained advocates, parents and others in the disability community to address the waiting lists for Medicaid community services.

In 2010, The Arc of Missouri, with ongoing support from the national organization, was successful in putting pressure on the state, through advocacy at the federal level to ensure that the state did not move backwards in institutional and congregate living arrangements at the expense of precious Medicaid dollars. When a segregated housing complex was proposed to be built on the grounds of a closed institution, The Arc

of Missouri had the ability to act quickly on behalf of thousands of individuals with I/DD and their families, and stand up and be heard. As a result, multiple new waiver slots will become available to families, many of whom have been waiting for precious services and supports for many years.

The revitalized state chapter was also able to expand its network throughout Missouri, bringing on a new local chapter, The Arc of Southeast Missouri, and laid the ground work for affiliating others in the future.

The Arc of Missouri serves as a shining example of how working together on chapter capacity-building enhances The Arc's ability to influence public policy at the state and local levels.



In 2010, The Arc added 11 new chapters! Every community benefits from the work of The Arc! To Achieve with us and start a chapter in your area, contact our national office, 202-534-3700.

In Pennsylvania - Working to "Include Me From The Start"

The Arc of Pennsylvania is turning a page in the way their state includes children with significant disabilities in the classroom beginning in kindergarten and first grade with the Include Me From The Start program. Funded by the Gaskin Settlement Agreement, a formal resolution between the Pennsylvania Department of Education (PDE) and a group of families and advocacy organizations who filed a class-action lawsuit against PDE on behalf of a group of children with disabilities in 1994, the two and a half year program launched in January of 2010.

Include Me From The Start, or Include Me, has two goals; one, to include students with significant disabilities into general education classrooms early and make it less likely that they will be

segregated throughout their school year, and two, to help build inclusion practices and capacity within the districts of these students.

The Arc of Pennsylvania began in January by hiring a director and fifteen consultants. By the summer, Include Me and PDE were working with school districts to identify the schools where training and on-site technical assistance was necessary. These schools were chosen based on the number of parents in the district indicating they were willing to have their child educated in the general education classroom, with supplementary aides and services, for 80% or more of the school day, and by the number of parents that indicated they wanted a more inclusive placement for their child in the general education classroom for at least part of the school day.

Once 30 schools in three regions were chosen, the program was off the ground, making a difference in districts that had students with significant disabilities. Include Me has also started a conversation in Pennsylvania about inclusion, about the value to children with intellectual and developmental disabilities (I/DD) and those without I/DD of being in the classroom – and this conversation will continue after the two and a half year grant ends.





2010 Supporters of The Arc

Every donation, large and small, enables The Arc to fulfill its mission to promote and protect the human rights of people with intellectual and developmental disabilities and actively support their full inclusion and participation in the community throughout their lifetimes. Thank you for Achieving with us!

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Anonymous (2)

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for their contributions to our rebrand-
ing initiative**

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The Arc of Arapahoe & Douglas
The Arc of Atlantic County
The Arc of Aurora
The Arc of Baltimore
The Arc of Benton County
The Arc of Bergen and Passaic Counties
The Arc of Blackstone Valley
The Arc of Caddo-Bossier
The Arc of Camden

The Arc of Cape Cod
The Arc of Cape May County
The Arc of the Central Chesapeake Region
The Arc of Centre County
The Arc of Chester County
The Arc of Colorado
The Arc Dearborn/Dearborn Heights
The Arc of Delaware
The Arc of the District of Columbia
The Arc of East Central Iowa
The Arc of Greater Cleveland
The Arc of Greater Houston
The Arc of Greater Prince William/INSIGHT
The Arc of Greater Twin Cities
The Arc of Harrisonburg and Rockingham
The Arc in Hawaii
The Arc of Howard County
The Arc of Illinois
The Arc of Indiana
The Arc of Jacksonville
The Arc of Jefferson, Clear Creek & Gilpin
Counties
The Arc of Jefferson County
The Arc of Lehigh & Northampton
Counties
The Arc of Maryland
The Arc of Massachusetts
The Arc of Meriden-Wallingford
The Arc Michigan
The Arc of Middlesex County
The Arc of Midland (MARC)
The Arc of the Mid Ohio Valley
The Arc of Minnesota
The Arc of Monmouth
The Arc of Montgomery County
The Arc of Moore County
The Arc of New Jersey
The Arc of New Mexico
The Arc of North Carolina
The Arc of Northern Bristol County
The Arc of Northern Chesapeake Region
The Arc of Ocean County

The Arc of Pennsylvania
The Arc of the Pikes Peak Region
The Arc of Prince George's County
The Arc of Putnam County
The Arc of San Diego
The Arc of San Francisco
The Arc of Schuyler County
The Arc of Shelby County
The Arc of Solano
The Arc of Southern Maryland
The Arc of Spokane
The Arc of Stanly County
The Arc of Tennessee
The Arc of Texas
The Arc of Tuscaloosa County
The Arc of Ventura County
The Arc of Virginia
The Arc of Walker County
The Arc of Washington County
The Arc of Western Wayne County
The Arc of York County
The Resource Center - Chautauqua
Warren/Washington Arc
Westchester Arc

Pro- Bono Spotlight:

The Arc of the United States appreciates that, instead of monetary support, some organizations provide a contribution of services. We would like to add a heartfelt thank you to DLA Piper who in 2010 provided pro-bono legal services valued at \$168,313. The Arc of the United States appreciates that in addition to their contracted support, CoreBrand provided voluntary contribution of services values at \$30,000. We would like to offer our sincere appreciation for this additional pro-bono professional services that enabled The Arc to implement its exciting new visual identity.

Endorsed Vendors:

Main Mobility
Mutual of America

Affinity Partners:

Liberty Mutual
Marsh Insurance Services
U.S. Bank Credit Card

Corporate Partners:

MetLife
Mutual of America
Ecology and Environment, Inc.

Corporate Sponsors:

501 (c) Agencies Trust
AGS – A Consolidated Graphics Company
Blackbaud
DNS
Essential Learning
Hammer Travel
Orion Security
Social Solutions
The HSC Foundation

Note: Donors listed are for the period of January 1, 2010 through December 31, 2010. Although we make every effort to ensure the accuracy of our annual report, from time to time we may overlook someone. If we have done so, please accept our sincere apologies and contact us as soon as possible. We regret any oversights.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Arc of the United States
The Foundation of the Arc of the United States
Washington, D.C.

We have audited the accompanying combined statement of financial position of The Arc of the United States (The Arc) and The Foundation of the Arc of the United States (the Foundation), collectively the Organizations, as of December 31, 2010, and the related combined statements of activities and change in net assets, functional expenses and cash flows for the year then ended. These combined financial statements are the responsibility of the Organizations' management. Our responsibility is to express an opinion on these combined financial statements based on our audit. The prior year summarized comparative information has been derived from The Arc's combined financial statements for the year ended December 31, 2009 and, in our report dated March 20, 2010, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Organizations as of December 31, 2010, and their combined change in net assets and their combined cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

April 30, 2011

COMBINED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2010

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 3,001,293
Cash held for endowment (Note 11)*	-
Investments (Notes 2 and 10)*	4,842,647
Accounts receivable and advances, net of allowance for doubtful accounts of \$143,454 during 2010	150,221
Grants receivable	301,928
Prepaid expenses	16,302
Total current assets	<u>8,312,391</u>

FIXED ASSETS

Furniture and equipment	998,719
Less: Accumulated depreciation and amortization	(915,665)
Net fixed assets	<u>83,054</u>

OTHER ASSETS

Other assets	22,373
Investment held for beneficial interest in perpetual trust (Notes 3 and 10)*	1,122,497
Total other assets	<u>1,144,870</u>

TOTAL ASSETS

\$ 9,540,315

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 406,942
Deferred revenue	33,075
Due to Related Parties (Note 6)*	33,284
Grants payable	6,456
Total current liabilities	<u>479,757</u>

NET ASSETS

Unrestricted:	
Undesignated	446,932
Board-designated (Note 4)*	740,457
Total unrestricted net assets	1,187,389
Temporarily restricted (Note 5)*	5,758,576
Permanently restricted (Note 11)*	2,114,593
Total net assets	<u>9,060,558</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 9,540,315

**COMBINED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Unrestricted	Temporarily Restricted	Permanently Restricted
REVENUE			
Contributions	\$ 510,676	\$ 285,957	\$ -
Grants	251,037	-	-
Investment income (Note 2)*	366,427	274,764	-
Bequest income	154,303	-	-
Advertising	2,000	-	-
Contributed services (Note 9)*	197,563	-	-
Affiliation and chapter fees	2,246,059	-	-
Sublicensing fees	73,200	-	-
Royalty income	64,803	-	-
Registration fees	469,450	-	-
Program service fees	317,887	-	-
Other income	26,763	-	-
Other revenue	-	-	-
Net gain in perpetual trust (Note 3)*	-	-	96,108
Net assets released from donor restrictions (Note 5)*	<u>1,798,544</u>	<u>(1,798,544)</u>	<u>-</u>
Total revenue	<u>6,478,712</u>	<u>(1,237,823)</u>	<u>96,108</u>
EXPENSES			
Program Services:			
Chapter Excellence	2,768,279	-	-
Public Education	1,297,116	-	-
Public Policy	<u>1,244,981</u>	<u>-</u>	<u>-</u>
Total program services	<u>5,310,376</u>	<u>-</u>	<u>-</u>
Supporting Services:			
Management and General	520,255	-	-
Fundraising	<u>475,290</u>	<u>-</u>	<u>-</u>
Total supporting services	<u>995,545</u>	<u>-</u>	<u>-</u>
Total expenses	<u>6,305,921</u>	<u>-</u>	<u>-</u>
Change in net assets	172,791	(1,237,823)	96,108
Net assets at beginning of year	<u>1,014,598</u>	<u>6,996,399</u>	<u>2,018,485</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,187,389</u>	<u>\$ 5,758,576</u>	<u>\$ 2,114,593</u>

2009-2010 OFFICERS AND DIRECTORS

OFFICERS

Lynne Cleveland, President
(1st/2010)
Houston, Texas

Michael Mack, Vice President
(1st/2010)
Silver Spring, Maryland

Kim C. Brown, Treasurer
(1st/2010)
Mt. Pleasant, Michigan

Mohan Mehra, Secretary
(1st/2010)
Cortlandt Manor, New York

Mary V. Jordan, Immediate Past
President (1st/2010)
Johnson City, Tennessee

Ronald Brown (1st/2012)
Round Rock, Texas

Shirley Dove (1st/2010)
Oxnard, California

DIRECTORS

Janet Albert-Herman (2nd/2010)
Mohnton, Pennsylvania

Susan Bassett (1st/2012)
Howe, Indiana

William Dusold (2nd/2010)
Severna Park, Maryland

Chester Finn (1st/2010)
New York, New York

Sam Givhan (2nd/2010)
Columbus, Mississippi

Cindy Johnson (2nd/2010)
Woodbury, Minnesota

Joyce Lipman (1st/2012)
Rockville, Maryland

Elise McMillan (2nd/2012)
Nashville, Tennessee

Joe Meadours (1st/2010)
Sacramento, California

Barry Meyer (NCE 2011)
Baton Rouge, Louisiana

Pat Napoliello (1st/2010)
San Francisco, California

Randall Patrick (1st/2012)
Aurora, Colorado

Debra Seman (NCE 2010)
Howe, Indiana

Nancy Webster (2nd/2010)
Indian Head Park, Illinois

DIRECTORS-AT-LARGE

M.J. Bartelmay, Jr. (1st/2009)
Hermitage, Pennsylvania

* Explanatory notes included in the full 2010 audited financial statement for The Arc are available at www.thearc.org

Join the conversation online with The Arc!

In 2010, The Arc launched its blog, <http://blog.thearc.org/>, where The Arc's national and chapter staff engages people with I/DD on the topic of the day. And follow us on Twitter, Facebook and You Tube for up-to-the-minute news and conversation.



<http://blog.thearc.org>

Staff of The Arc

Peter V. Berns

Chief Executive Officer

Ann Cameron Caldwell, Ph. D.

Chief Research & Innovations Officer

Darcy Littlefield

Chief Operating Officer

Trudy Jacobson

Chief Development & Marketing Officer

Dee Dee Eberle

Director, Chapter Organizing & Advocacy

Laurie Ertz

Director, Chapter Excellence

Tonia Ferguson

Director, National Initiatives

Marty Ford

Director, Legal Advocacy

Laura Hart

Director, Media Relations

Paul Marchand

Director, Disability Policy Collaboration



bbb.org/charity



*For people with intellectual
and developmental disabilities*

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800-433-5255
Contact us: info@thearc.org
www.thearc.org

Achieve with us.