



# 2020 Annual Report

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# About STEP

## Our Mission:

STEP, and our partners, facilitate Solutions That Empower People to overcome their barriers to economic, educational, and developmental success within the communities we serve.

STEP (Solutions That Empower People), Inc. is a community action agency that provides programs and services in Franklin and Patrick counties, as well as Bedford, Martinsville, and Danville. Our focus includes Head Start and Early Head Start; youth services including LIFES Academy and Project Discovery; senior services including Meals on Wheels and transportation; supportive services including re-entry and homelessness prevention; housing services including rental assistance and weatherization; and tax preparation assistance.

# Message

*“This year has illustrated how truly connected we all are...”*

2019-20 certainly presented everyone with many challenges—staff, clients, the community as a whole, and STEP’s Board of Directors, included. The COVID-19 pandemic made us all step back and evaluate not only our ways of doing things, but also the necessity of many of the things we were used to doing. For staff, it meant finding new and creative ways of meeting client needs. For clients, it meant being more patient and understanding as staff strived to provide them with the very best services possible. For the community, it meant finding new ways to be supportive of us, and other agencies like us, as we became limited in our operations and fundraising activities. For the Board, it meant not meeting as often as we would have liked and sometimes being faced with difficult decisions about how to best fulfill our mission in these uncertain times.

We are proud of the resiliency that STEP has shown as an agency. Most of all, we are proud of our staff and our clients as they have persevered through a difficult year. This year has illustrated how truly connected we all are and how we must depend upon each other to navigate the human experience through both the easy and difficult times.

The following pages highlight both the difficulties and successes of the past year. Overall, they highlight STEP’s ability to empower resiliency in the midst of adversity. We are thankful for our team of funders, our staff, our community partners, our political leaders, and you for making our year a success. We couldn’t have done it without you!

**Kristy Pickeral,**  
Deputy Executive Director



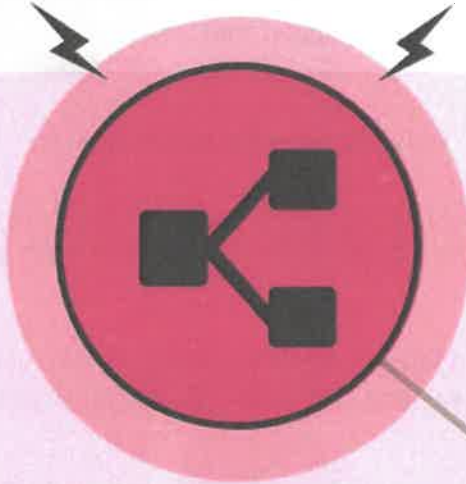
**Betty Kingery,**  
Board President



# Accountability

## CSBG: Empowering Local Communities

The Community Services Block Grant (CSBG) provides U.S. federal funding for Community Action Agencies and other programs that seek to address poverty at the community level. The goal of the CSBG Block Grant is the reduction of poverty, revitalization of low-income communities and the empowerment of low-income families and individuals to become fully self-sufficient.

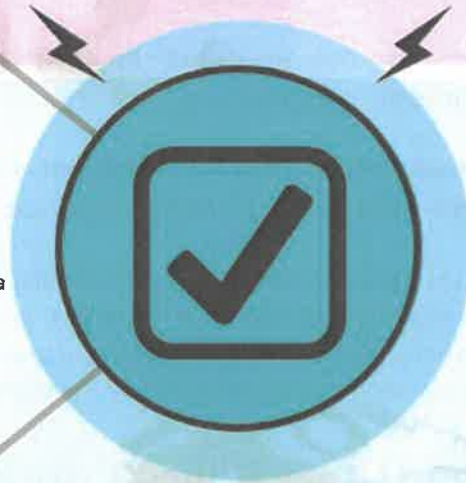


### Tripartite Board

Community Action Agencies are governed by tripartite boards - a minimum of one-third of the members must be democratically elected low-income individuals in the community. This ensures that local needs are accurately reflected in the priorities of organizations funded by CSBG.

### Community Needs Assessment

CSBG services are among the most diverse of any federal antipoverty program, supporting everything from job training, to education, nutrition, and housing. A hallmark of CSBG is the use of a Community Needs Assessment, a project that surveys the local community and tailors the local agencies' services to unique community needs.



### Accountability

CSBG incorporates a strong framework of accountability and data reporting standards called Results Oriented Management and Accountability (ROMA). This ensures that programs are serving low-income communities effectively while fostering a culture of continuous improvement and innovation.

Infographic adapted from NASCSP. For more information about STEP's Board of Directors and our Community Needs Assessment, visit our website at [www.stepincva.com](http://www.stepincva.com)

# Head Start & Early Head Start

*"Persistence and resilience only come from having been given the chance to work through difficult problems. STEP's Head Start programs provide the support that is needed to help parents, children and families do the work."*

-Shirley Wells, Early Childhood Education Director

It is the vision of the STEP Head Start and Early Head Start Programs to provide exceptional services to young children and their families, empowering them to take control of their lives and to reach their fullest potential.

STEP is funded to provide services to 218 infants, toddlers, pregnant women, preschoolers, and their families. Our enrollment includes 138 three- and four-year-olds, and 80 infants, toddler, or expectant moms.

Head Start—Over the course of the 2019-20 program year, we served a cumulative total of 144 preschool-aged children.

Early Head Start—Over the course if the same program year, we served a cumulative total of 88 infants, toddlers, and pregnant women.

Both programs serve children and families through 21 classrooms and two home-based classes across Franklin County and Patrick County. These classrooms include nine Collaborative Classrooms through partnerships with Franklin County and Patrick County Schools' Virginia Preschool Initiative Program.

## Head Start Policy Council 2019-2020

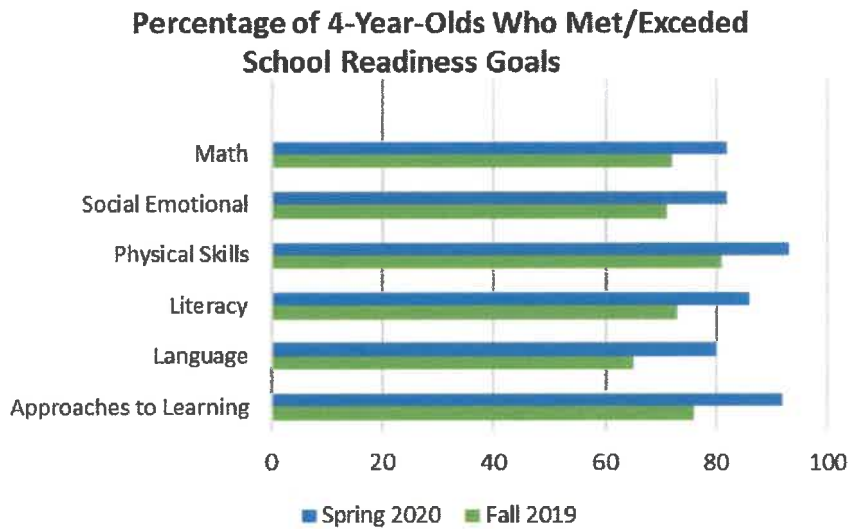
Chairperson: Lakeisha Young

Secretary: Sherry Clark

Treasurer: MaQueena Gill

# Preparing Children for Kindergarten

- STEP collaborates with Patrick and Franklin County public schools to assist with education, including transporting children to and from classroom locations.
- STEP Head Start also partners with the Virginia Preschool Initiative Program to operate blended Pre-K/Head Start class-rooms. Approximately 60 Head Start children were enrolled in these classrooms during the 2019-20 school year.
- STEP Head Start is a proud member of the Virginia Head Start Association, the National Head Start Association, and the National Association for the Education of Young Children.



## Health Information

STEP's Early Head Start/Head Start programs have helped achieve the following results:

- 93% of children/pregnant women have health insurance.
- 89% of children have a primary medical home.
- 92% of children have up to date immunizations.
- 97% of children have a primary dental home.\*

\*No dentist for infants and toddlers

## Staff Qualifications

- 100% of STEP's Head Start teachers hold associate, bachelors, or masters degrees in Early Childhood Education or a related field.
- At least 50% of STEP's Head Start teachers have a bachelors or advanced degree in Early Childhood Education or related field with appropriate course-work.
- 100% of STEP's Head Start teacher assistants have an associates degree in Child Development or other related field, or are enrolled in a program leading to a state credential, associate or bachelors degree.
- 100% of STEP's Early Head Start teachers hold an associate or bachelors degree or Infant & Toddlers Child Development associate degree or other related certificate.

# Financial Reporting

## Head Start/Early Head Start 2019-2020

### Head Start/Early Head Start Public & Private Funds

	Budget	Actual
Operating Grant Funds	\$2,233,655	\$2,244,271
Training/Technical Assistance	\$42,868	\$35,604
USDA	\$110,000	
Donations	\$0	\$750
In-Kind Donations	\$524,325	\$727,970
<b>Total Revenue</b>	<b>\$2,731,626</b>	<b>\$3,008,595</b>

Budget Categories	Budget	Actual
Salaries	\$1,140,523	\$1,253,896
Fringe Benefits	\$277,222	\$257,819
Insurance	\$12,920	\$16,935
Consulting-Contractual	\$12,373	\$8,057
Nutrition/Kitchen Costs	\$170,002	\$166,080
Program/Classroom Supplies	\$9,457	\$9,102
All Other	\$246,201	\$163,886
In-Kind Donations	\$524,330	\$727,970
Total Direct	\$2,393,028	\$2,603,745
Indirect Charges	\$364,967	\$369,247
<b>Total Expenses</b>	<b>\$2,797,494</b>	<b>\$2,972,992</b>

## Parental Involvement

- 41% - Fathers involved in family assessment
- 41% - Fathers involved in family goal setting
- 56% - Fathers involved in child development experiences
- 4% - Fathers serving in program governance
- 9% - Participation in parent education workshops
- 1% - Parents received services in financial education
- 10% - Parents participated in training and events



# Enrollment

## STEP, Inc. Early Head Start Classrooms

Franklin County	# of Classrooms	# of Children	Age Range
Rocky Mount	5	40	6 weeks to 3 years
Franklin Home-Based	N/A	12	Pregnant to 3 years
Patrick County	# of Classrooms	# of Children	Age Range
Stuart	2	16	6 weeks to 3 years
Patrick Home-Based	N/A	12	Pregnant to 3 years
<b>Total</b>	<b>7 Classrooms</b>	<b>80 enrollments</b>	<b># Of Pregnant Moms served</b>
<b>Accumulative Total</b>		<b>88</b>	

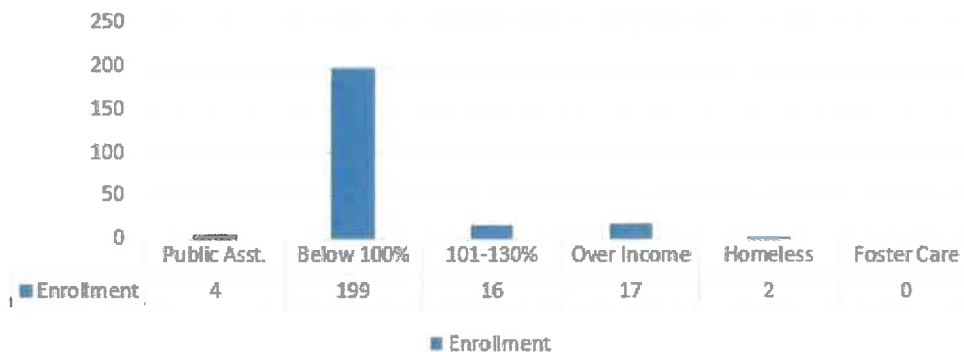
Early Head Start is funded for 80 infants, toddlers, and pregnant mothers. Over the course of the 2019-2020 program year, we served an accumulative total of **88** infants, toddlers, and pregnant women.

## STEP, Inc. Head Start Classrooms

Franklin County	# of Classrooms	# of Children	Classroom Type
Rocky Mount Head Start only	3	54	Head Start
Lee M. Waid Elementary School	4	16	Collaborative: Pre-K/HS
Sontag Elementary School	2	7	Collaborative: Pre-K/HS
Glade Hill Elementary School	1	6	Collaborative: Pre-K/HS
Rocky Mount Elementary School	1	5	Collaborative: Pre-K/HS
Ferrum Elementary	1	3	Collaborative: Pre-K/HS
Patrick County	# of Classrooms	# of Children	Classroom Type
Stuart Head Start	1	18	Head Start
Patrick Springs Elementary	1	18	Head Start
Blue Ridge Elementary	1	11	Collaborative: Pre-K/HS
<b>TOTAL</b>	<b>15 Classrooms</b>	<b>138 Children</b>	
<b>Accumulative Total</b>		<b>144</b>	

Head Start is funded for **138 preschool age children**. Over the course of the 2019-2020 program year, we served an accumulative total of **144** preschool aged children. Therefore, the funded enrollment for both programs is 218 with an Accumulative Enrollment of **232 children and pregnant women** and their families during the 2019-2020 program year.

## 2019-20 Enrolled Eligibility



2019-20	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July
HS Attendance	95%	94%	93%	90%	91%	91%	92%	94%	100%	99%	<i>summer</i>	
HS Enrollment	118	130	131	132	133	135	138	138	138	138		
	86%	94%	95%	96%	96%	98%	100%	100%	100%	100%		
EHS Attendance	86%	88%	86%	85%	84%	88%	90%	84%	94%	88%	80%	81%
EHS Enrollment	75	78	80	80	81	80	80	80	80	80	80	79
	94%	96%	100%	100%	101%	100%	100%	100%	100%	100%	100%	99%

- The funded enrollment for Early Head Start was averaged 100% enrollment throughout the 2019-2020 program year.
- The funded enrollment for Head Start was averaged 96.4% enrollment throughout the 2019-2020 program year.

# Senior Services

“ COVID-19 has been a challenge. It has showed me how com-mitted our staff really is. For instance, we had to put our Congregate Meals Program on hold, and this meant that our seniors no longer had access to this warm meal and fellow-ship. Our staff readily adjusted by providing them with warm meals delivered to their homes along with weekly check-in telephone calls. We are all still adapting to this change—seniors and staff, alike—but having patience and faith is part of being resilient. And, the COVID pandemic has even brought us a few blessings. With a greater demand for services, we needed more kitchen equipment and transportation options to serve our clients. Our local partner, Southern Area Agency on Agency (SAAA) provided us with a new vehicle, two new freezers and two new refrigerators! We are so thankful for their support. Because we are resilient, I am certain that better days are ahead for all of us.”

- Carolyn Simmons, Director of Senior and Food Services

Clients Served	255
Meals Clients Served	2775
Total Meals Served	4031
Total Miles Driven	4200

# Supportive Services

## Virginia Housing Solutions Program (VHSP) Homeless Prevention

We provide financial assistance and on-going case management services for low-income families and individuals who are at risk of losing their home (rentals only). STEP offers these services in Franklin, Patrick, Henry, and Pittsylvania Counties and the Cities of Martinsville and Danville. In the past year, VHSP has assisted 46 families, 4 of which included veterans.

## Rapid Re-Housing

Our “rapid re-housing” program provides emergency financial assistance to homeless veterans, individuals and families. STEP provides rapid re-housing in Franklin, Patrick, Henry, and Pittsylvania counties and the cities of Martinsville and Danville. In the past year, this program assisted 44 families and helped 2 families find emergency shelter.

# Housing & Weatherization

“COVID-19 certainly changed the way we had to conduct business within the Housing & Weatherization Program. A major obstacle was that our contractors had to suspend the weatherization process because they couldn’t go into homes to work. But, our staff was resilient and determined to help our clients as much as possible. They worked remotely to answer calls and accept applications so that our contractors could go to work as soon as restrictions were lifted. Our clients, too, were amazing! They easily adapted to our new way of doing things and have been very patient and understanding while waiting to receive services.”

- Sharon Lambert, Director of Housing Services

[Section 8 Housing:](#)  
157 families served

[Weatherization:](#)  
34 Projects - \$365,690 in housing improvements

“I cannot thank you all enough for the super job that was done to my home. STEP really makes a difference in people’s lives—for the better— and it is much appreciated! I cannot say enough good things about your staff and how kind and nice they were to deal with. Even with the COVID-19 pandemic and having to go through extra motions to receive services, I had a great experience. Thank you so much!

-L. Young

# Youth Services

“ As a director, when you get notified — without warning — that what has been normal in education is gone for the rest of the school year, panic naturally sets in. That’s what happened to us when LIFES Academy had to alter its normal method of providing services due to the COVID-19 pandemic. It was amazing to see how quickly the teachers, staff, and students adapted to our new processes. Within two days, teachers had notes and classwork ready to send home, and students began completing the work from home. Once a week, staff delivered school-work and food to the homes of our students, and students would be waiting there with completed work, smiles, and dialogue on how they were doing. It was an honor to witness how adaptive and resilient our staff and students were during this time. I know, now, that there is no obstacle that will keep our students from learning and completing their classes or our staff from helping our students to reach their goals!”

- Mike Meredith, Youth Services Director and Principal of LIFES

## LIFES helped make a college dream reality

Today, Marshaun Muse is a happy, well-adjusted college freshman attending Southern Virginia University. However, in 2017 when Marshaun started his freshman year of high school, things were different. By his own admission, he struggled to be successful in the classroom. He couldn’t pay attention in class, and he liked the negative attention he received when he acted out or was disrespectful to his teachers or other students. Thankfully, LIFES Academy changed his attitude and his future! LIFES is an acronym for Lessons In Fundamental and Essential Skills. LIFES Academy is a private day school offering an alternative education platform for students with a myriad of challenges that make learning in the traditional school setting difficult. Marshaun is thankful to LIFES for teaching him how to be disciplined in the classroom and respectful to others. Hidden behind Marshaun’s struggles was a kid who wanted to go to college and to pursue his football career. “The teachers helped me out whenever I was struggling or going down a rough path. They got me back on track and helped me to get better grades.” Marshaun was able to transition back to regular high school for his senior year, and today he is proud—as he should be—to be living his college dream. Way to go Marshaun! LIFES provided the tools for success, but you did the work!

## Project Discovery

Project Discovery helps support students in planning a career path along with the post-secondary education required to reach their goals. Currently, STEP, Inc. serves fifty students in grades 6-12 in its Project Discovery Program. Due to the COVID-19 pandemic, 2020 initiatives included virtual college campus tours, workshops and tutoring, along with financial aid information.

# Financial Reporting

SOLUTIONS THAT EMPOWER PEOPLE, INC

STATEMENTS OF ACTIVITIES  
AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED JUNE 30,

	2020		Total
	Unrestricted	Temporarily Restricted	
<b>SUPPORT AND REVENUE</b>			
Grants	\$ 4,414,114	718,118	5,132,232
Contributions	68,594	-	68,594
Program service fees	3,400	-	3,400
Realized and unrealized gain/ (loss) on investments (note 3)	16,179	-	16,179
Dividend income (note 3)	1,981	-	1,981
In-kind contributions (note 13)	423,504	-	423,504
Miscellaneous income	4,189	-	4,189
Net assets released from restrictions	445,050	(445,050)	-
<b>Total support and revenue</b>	<b>5,377,011</b>	<b>273,068</b>	<b>5,650,079</b>
<b>EXPENDITURES</b>			
<b>Program Services:</b>			
Head Start	2,950,491	-	2,950,491
Youth Services	437,346	-	437,346
Housing	516,045	-	516,045
Senior Services	367,642	-	367,642
Homeless Prevention	249,258	-	249,258
CSBG	255,815	-	255,815
Financial Services	29,396	-	29,396
<b>Total program services</b>	<b>4,805,993</b>	<b>-</b>	<b>4,805,993</b>
<b>Support Services</b>			
Management and general	111,762	-	111,762
<b>Total support services</b>	<b>111,762</b>	<b>-</b>	<b>111,762</b>
<b>Total expenses</b>	<b>4,917,757</b>	<b>-</b>	<b>4,917,757</b>
<b>Change in Net Assets (Deficit)</b>	<b>459,255</b>	<b>273,068</b>	<b>732,322</b>
<b>Net Assets, Beginning of Year</b>	<b>397,480</b>	<b>-</b>	<b>397,480</b>
<b>Transfers of Net Assets</b>	<b>193,081</b>	<b>-</b>	<b>193,081</b>
<b>Net Assets, End of Year</b>	<b>\$ 1,049,816</b>	<b>273,068</b>	<b>1,322,883</b>

See accompanying notes to financial statements.

# Board of Directors

**Betty Kingery, Board President**

Owner, Re/Max Mountain to Lake Realty

**Angela Phillips, Vice President**

Director, Franklin County Family Resource Center

**Greg Winge, Secretary/Treasurer**

Former C.S.A. Program Director

**Patti O'Neal**

Retired

**Pam Cobler**

DRRC Community Advocate

**Michael Ferguson**

Director of Dining Services, Ferrum College

**Sue Turner**

Tri-Area Community Health

**Crystal Harris**

Retired

**Antron Brown**

US Army, Retired

**Lorie Smith**

Franklin County Board of Supervisors, Gills Creek District

**Mike Smith**

Farm Equipment Sales

**Rita Murphy**

Retired Educator

**W. Cooper Brown**

Attorney

# Donors

We greatly appreciate all of our donors. Your generosity has allowed us to practice stewardship in our community through an unprecedentedly adverse year. Please know that your contributions are investments in our community and the futures of our neighbors. We are truly thankful and value your passion for STEP's mission.

## Interested in becoming a STEP donor?

STEP relies on donations and sponsorships from our community so that we can help our friends and neighbors in need. You can play a role in helping us continue this good and necessary work. You can make a difference!

Ways to give:

A donation by cash or check.

A donation of appreciated stock or property.

Sponsorship of a program or special event.

A gift in memory of a loved one.

Planned giving with a bequest, charitable trust, or by naming STEP as a beneficiary of a life insurance policy.

As a 501(c)(3) non-profit organization, contributions to STEP are tax deductible.

Neighborhood Assistance Program (NAP) state tax credits are available to individuals, trusts, and businesses making eligible donations to STEP, Inc., an approved NAP nonprofit organization. In return for their contributions, donors may receive combined tax credits about equal to 90 percent of the donation deducted from their state and federal income tax liability.