

PPEP, Inc. & Affiliates 47TH Anniversary Annual Report October 2014



Gilberto Mungaray, Board member receives Highest Recognition from Mexico

2014 – 2015 Theme "We define our Future by remembering our Past"

John David Arnold, Ph.D.
Chief Executive Officer & Founder

Gertha Brown-Hurd
President PPEP

Internet Address: http://www.ppep.org
WWW.AFRICAWARESDONATE.ORG
E-Mailto:Address: ppep@ppep.org

Si Se Pudo 1967





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MOTTO: "Si Se Puede" "Si Se Pudo"

2014 THEME: 2015 "We define our Future by remembering our Past"



Dr. John David Arnold and Fernando Chavez

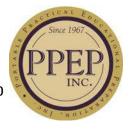


Portable Practical Educational Preparation, Inc.

Multi Service Center 802 E. 46th Street Tucson, Arizona 85713 (520) 622-3553

(520) 622-3553 Toll Free: (800) 376-3553
Webpage: <u>www.ppep.org</u> E-Mail Address: <u>jarnold@ppep.org</u>

FAX: (520) 622-1480



Edgar Granillo President John David Arnold, Ph.D.
Chief Executive Officer & Founder
"Si Se Pudo"

Gertha Brown-Hurd President

OCTOBER 2014 ANNUAL REPORT

"A time to remember our past and contemplate our future"

Estimados PPEP and Affiliates Board, Staff, Family and Friends:

This year marks our 47th Anniversary of service to farm workers and other disadvantaged rural individuals and families both at home and abroad. On August 23rd, we celebrated this milestone in a gathering, where many of our early pioneers were in attendance. We were also graced by Cesar Chavez' oldest son Fernando Chavez' attendance, who gave recognition to PPEP, Inc. for our decades of service to the farm worker community and rural poor. It was noted by a number of the speakers that 100's of thousands of individuals' quality of life has been improved by the efforts of our dedicated board, staff, and volunteers. These efforts have spread to three continents. See the proclamations and accolades in the attachment section.

This night of our annual board meeting we recognize another great pioneer family that along the way contributed so much to improve the health of migrant seasonal farm workers. This is Martha Ortiz and her husband Dr. Ortiz who served on our board of directors for a number of years representing the University of Arizona Medical School print. Martha herself played a huge role in the success of the development of the farm worker medical outreach program at the University of Arizona. She will also be inducted into the Farmworker Hall of Fame. So many great pioneers have brought to where we are today. However, now we must contemplate our future as an organization as we did then. Similarities of hard times for rural people, cut backs in funding are all too familiar. In the 21st Century, there are numerous other hurdles we face.

Many of the government funding sources are requiring even more accountability and paying for less. Grant sources have dried up on many levels because of the economy. Yet PPEP and PMHDC have survived the worst of the recession when many other agencies have gone out of business or severely cut their services for their clients. If you look at our record since in 2008 you will know we have not only held our own but we've gained ground, but it has not been easy. We were able to bring in new programs such as Youth Build, USA in Pima County and most recently the Prime grant for our micro borrowers. On the other hand Youth Build in Yuma County was not funded.

As we contemplate our future we must be innovative in finding new revenue streams. One such stream is that of creating a post-secondary institute for training entrepreneurship accreditation. During the rest of this fiscal year, we will be creating such; both in Arizona and California. Dr. Johnson Bia will join our PMHDC staff to do just that. On the other hand, we should not seek funding just for the sake of receiving funds. We must be very selective and make sure they are relevant to the needs of our clients and where the revenue streams are there to pay for them. This past year we have also addressed our effectiveness and what services we presently have. We conducted four (4) retreats for staff and board members to address this very issue. The way we have done business in the past may not be adequate to address our future. As the economic climate dictates otherwise, if we are to be relevant in the future we need to expand/enhance our education, training, and entrepreneurial programs. This is why we decided we must create a post-secondary Institute similar to the one we operated in the 1980's.

As for other highlights of the 2013- 2014 fiscal they are as follows: we fully implemented our Youth Build, USA program here in Pima County, which is off to a great start. We have even graduated our first class of 25 disadvantage youth that now have a bright future. The Dolores Huerta Preschool in Somerton, Arizona, is now open and fully operational; a toddlers section has been added. Also, two of our PPEP TEC High School campuses now are fully equipped with Chromebooks/IPads for each student and a 'credit recovery' option has been made available to them.

La Ramona and Don Frew affordable housing projects have made major improvements for the tenants' living space. Once again, the two properties rating scores have been almost perfect by the regulating agencies.

The PPEP foundation has been very active; a bowling fundraiser, agency picnic, and our 47th Anniversary Celebration are among their accomplishments. A number of community service projects have been undertaken by PPEP staff and Youth Build, USA, including clean up days in Rillito and lower Yuma County. Contained in the balance of this report, each division of PPEP will report in detail their activities. As for the international scene, there has been considerable activity as well. For example, in Ghana we have initiated an education and prevention diabetes outreach program in cooperation with the Tree of Life Foundation.

On the international level, we started a computer literacy class in the rainforest area of Old Baika. We supported the recording of nine (9) songs by the Young Singers from the Rainforest. These young people ages 9 years old to 25 years of age received the LULAC Humanitarian Award for their songs about humanity, environment, and the rights of street children and girls to receive an equal education (you can listen to these songs by clicking on African traditional music

on the home page of our website www.ppep.org). We also sponsored a traditional music and dance festival with the purpose of preserving the cultural heritage of that region among its youth.

Furthermore, our efforts to combat serious diseases such as Ebola and Malaria through a clean drinking water project. Whereby, we mobilized funding to repair the 44 broken water wells in 28 rainforest villages whose hand pumps that draw the water have been broken for years in the Jasikan district. This has forced the villagers to drink water from polluted streams; thereby, contributing to the risk of serious disease. We are now soliciting funds and sponsors to adopt each of these wells and get them operational once again. In addition, ABC News recently aired a story about this effort which could also be seen on our website under the caption of Ebola. The following is a report prepared by each department detailing their efforts this past year to improve the quality of rural life.

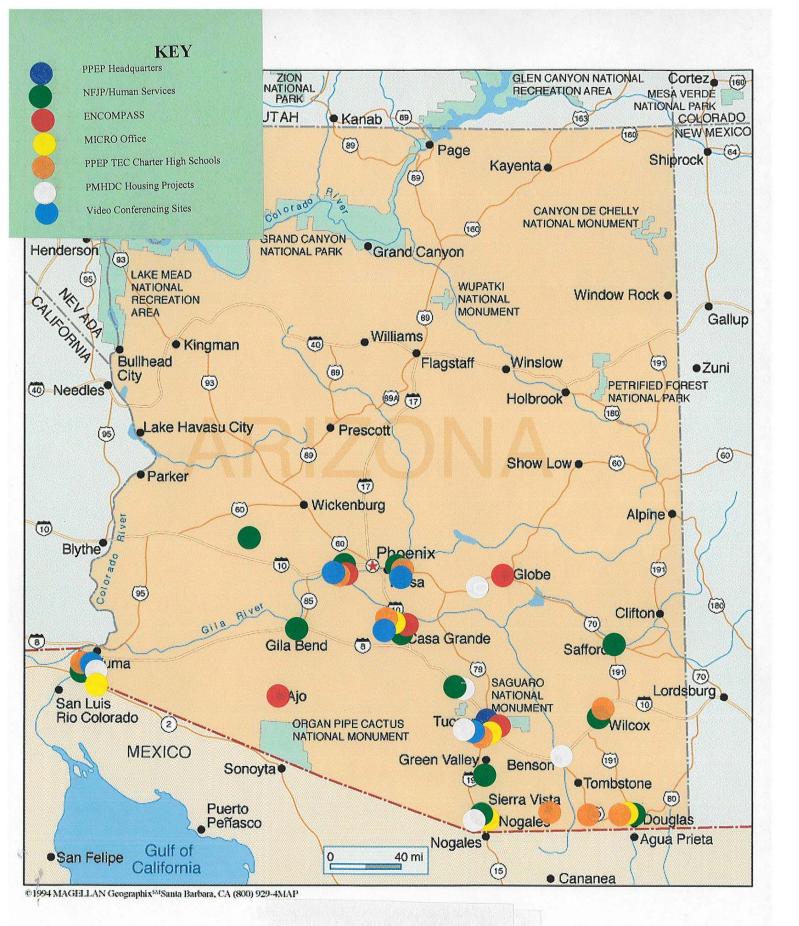
Si Se Pudo!

John David Arnold, PhD

CEO/Founder



Dr. John David Arnold, Maria Chavez, and Miguel Zazueta with the AIFC Membership at the AIFC Conference



PPEP in Arizona

PPEP & AFFILIATES BOARDS OF DIRECTORS

John Torrez, CPA

Jose Yepez

PPEP=Portable Practical Educational Preparation
PMHDC=PPEP Microbusiness & Housing Development Corp.
PRBDC=PPEP Rural Business Development Corporation
FARS=First American Resources
PSHSC=PPEP Senior Housing Services Corporation

PPEP	<u>PMHDC</u>	PRBDC	<u>FARS</u>	<u>PSHSC</u>
PRESIDENT	PRESIDENT	PRESIDENT	PRESIDENTS	PRESIDENT
Gertha Brown-Hurd	Edgar Granillo	Dr. Celestino Fernandez	Jorge Valenzuela Johnson Bia, Ph.D.	Gertha Brown-Hurd
VICE PRESIDENT Maria Chavez	VICE PRESIDENT John Bordenave	VICE PRESIDENT Jacinto Cruz	TREASURER Jacinto Cruz	VICE PRESIDENT Jorge Valenzuela
TREASURER Hector Sanchez	TREASURER Sherry Jordan	TREASURER Agustin Tumbaga		TREASURER Gilberto Mungaray
SECRETARY Clarence Boykins	SECRETARY Dollie Hurley	SECRETARY Marc Dresang		SECRETARY Dollie Hurley
MEMBERS AT LARGE Jacinto Cruz	MEMBERS AT LARGE Jay Ofori- Diallo	MEMBERS AT LARGE Enrique Serna		MEMBERS AT LARGE

Roberto Canchola

Ricardo Castro-Salazar

PPEP & AFFILIATES COMMITTEES

PPEP - TEC BOARD	FINANCE COMMITTEE	HOUSING/ECONOMIC	FOUNDATION LLC	YOUTH	FARM WORKER SCHOLARSHIP
Gertha Brown	John Torrez	Edgar Granillo	Clarence Boykins	Miguel Zazueta	Desiree Monjaras
Hector Sanchez	Barbara Coronado	Agustin Tumbaga	John David Arnold	Jessie Lopez	Miguel Zazueta
Maria Chavez		Robert "Bob" Milianta	Scott Nasca		Connie Martinez

Celestino Fernandez

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Ezekiel Gebrekidane, Chair	Lisa Hopper, Chair	Edgar Granillo	Celestino Fernandez
Miguel Zazueta	Art Benge	Clarence Boykins	Gertha Brown-Hurd
Jorge Valenzuela		Scott Nasca	Edgar Granillo
Clarence Boykins		Jay Ofori-Diallo	



2013-2014 PPEP TEC High School Annual Report

Introduction and History

It is with pleasure that we share with you the history of PPEP TEC High School (PTHS) and some of our successes from this past year.

PPEP TEC High School is a publicly financed, statewide high school whose purpose is to provide an alternative educational program for student's ages 14-21, in grades 9-12. Our primary focus is on high academic standards, Arizona Instrument to Measure Standards (AIMS) preparation, and career and technology exploration. We are designed to meet the needs of alternative students such as at-risk students, working students, high school dropouts, and sons and daughters of migrant and seasonal farm workers.

Our teachers are Arizona highly qualified, the classes are small, and the students get a lot of individual attention. Our curriculum is aligned with the Arizona Academic Standards, and all students must meet or exceed the standards on the AIMS test in order to receive a high school diploma.

Students at PTHS are required to attend at least 20 hours per week, but our hours are flexible with some locations offering night or afternoon school and some locations providing transportation. We offer intensive Arizona State Standards based instruction and opportunities for students to participate in Accelerated Learning Opportunities in which students are able to move rapidly through the curriculum material. This approach allows students to finish in a much shorter time than expected in a traditional high school format.

Since its inception in 1995, PTHS has played a leading role in educating Arizona's youth. We have graduated over 3700 students throughout our seven sites. Our enrollment this past year was approximately 850 students, and we try to maintain a student teacher ratio of 15:1.

For the 2013-2014 SY, PTHS had two learning centers in the Tucson area, and one center each in Casa Grande, Douglas, San Luis, Sierra Vista, and Somerton.

2013-2014 Highlights

AIMS

For the 2013-2014 SY, PTHS saw an increase, in some cases dramatic increases, in AIMS Reading and Math scores. For example, the Raul Castro Center saw its AIMS Reading scores jump from a 69% passing rate to 84%, a 15% increase while the Colin Powell Center saw a 13% increase in their AIMS Reading scores to 87.5%. In Pima County, the Victor Soltero Center saw a 22% increase in AIMS Reading. The Cesar Chavez Center saw a 12% increase in Math scores.

ADE State Report Cards

Every year, the Arizona Department of Education gives schools an "A-F Letter Grade" based on AIMS scores and student academic growth. For the 2013-2014 SY the Raul Castro Center earned a letter grade of A-ALT. B-ALT letter grades were earned by both the Cesar Chavez and Colin Powell Centers.

Prom

In March of 2014, five of our campuses (The Celestino Fernandez, Alice Paul, Victor Soltero, Raul Castro, and Colin Powell Learning Centers), took part in our sixth annual prom. The theme was "Old School Hollywood". Over 100 students participated and each site had a Prom King and Queen. The event was held at the Hotel Arizona in Tucson and was once again a rousing success!



SportsFor the 2013-2014 SY, PPEP TEC High School fielded both a Volleyball and Basketball team. Both teams were coached by Abdul Arzani.





College Visits

In 2013-2014, PTHS arranged college visits to the U of A, ASU, Carrington College, Pima Community College, Arizona Western College, Central Arizona College, and other institutions.



University of Arizona



Pima Community College

Field Trips

During the 2013-2014 SY, PTHS students from all over the state participated in field trips where they combined education with a little fun as well. PTHS students visited, Biosphere II, the Tucson Zoo, The Pima Air and Space Museum, and Kartchner Caverns.



Tucson Biosphere



Pima Air Museum

Additional PTHS Information

- PTHS provided services to 118 English Language Learners.
- PTHS provided services to 128 students with disabilities under IDEA and Section 504.
- PTHS continued partnering with PPEP Behavioral Health Services to provide counseling services to all of our schools on regular schedule of at least once a week.
- PTHS provided transportation for the campus in Douglas last year. In addition, PTHS provided bus service for our students who attended school from the Robles Junction area. In some cases, our drivers covered great distances, but we got our students to school! In the Tucson and Sierra Vista areas, bus passes were provided for students who needed transportation, and in San Luis and Somerton, bus service for our students was contracted to an outside agency. Since transportation is often a challenge for our students, we do all we can to accommodate their needs.
- PTHS sites throughout the state have participated in and supported a variety of community services, including the Red Cross Blood Drive, the American Cancer Society, Toys for Tots, donations to local food and clothing banks, and diaper drives in addition to being drop-off points for disaster relief efforts.



2014 Graduation

Recognitions and Updates

- One Hundred and Fifty Six outstanding students graduated from PPEP TEC High School in 2013-2014. Congratulations on a job well done!
- The PTHS administrative staff for 2013-2014 was a team comprised of the following outstanding team players: Randy Kempton, Superintendent; Shelly Johnson, Director of Business Operations and Grants; Karol Basel, Special Education Director; Debra Deininger Director of Curriculum, Data, and Educational Programs; Stephanie Montes, Student Records Manager; Josephina Moreno, ELL and Highly Qualified Coordinator; Vicki Lawton Director of School Operations; Abdul Arzani, Student Outreach Specialist/Team Coach; Anabel Robles, Receptionist and NSLP Coordinator; and Alma Colmenero, Executive Assistant.

Accolades

- Thank you to our Chief Executive Officer and Founder, Dr. John David Arnold, for his continued vision of what can be done for our youth.
- Many thanks to the students of PTHS for making our jobs so rewarding!
- Special thanks to all of our teachers, staff, and parents for helping us become one of the most respected charter school programs in the Arizona!
- We are especially grateful to Barbara Coronado and the Finance Department for their assistance in all aspects of our budget and accounting needs.
- Much gratitude goes to Susan Marsett and the Human Resources Department whom we consult with on almost a daily basis.
- Many thanks to Gary Kleopfer and the entire Property Management Department for their constant support of the needs of PTHS. No matter what time of the day or night, they help without complaint!
- Thank you, to Rob Riggs, Ryan Wild, and Jay Twyman from the IT Department for keeping our computers up and running! They'll always drop what they're doing to help in an emergency, and they're never too busy to help troubleshoot a problem.
- My personal appreciation to the PTHS Management Team for all that they do for us at PTHS and the support they have extended to me.
- Special thanks to our Governing Board for their support of our high school program.
- Finally, we extend our gratitude to the entire PPEP, Inc. family for their efforts on our behalf.

PPFP & Affiliates Human Services/Community Action Department Annual Report 2013

The Human Services/Community Action department continues with emergency assistance to rural residents in need of services, such as rental assistance, utility assistance, food, clothing, transportation, day care and employment. These services are provided by either direct service to the clients or by way of information and referral. Services under this department are spread far and wide to serve low income and/or farmworker rural families across the county in the communities that we live and serve.

In the Yuma County area, the Human Services Department provided over \$16,000 in emergency and employment services under CSBG (Community Service Block Grant) and CSA (Community Services Admin.-Case Management) grants to low income individuals and farmworkers that provided stabilization for employment opportunities area. Under the CSBG, the grant also provided for over \$18,000 in pass through funding for the local community food banks in Yuma and Avondale to provide for additional food assistance to low income individuals across the state. A total of 16,575 food boxes to low income households were given out last year.

In Pima County the Human Services continue in the rural areas of Marana in partnership with Arizona Youth Partnership. In addition, we are still providing services to individuals in Ajo, Continental, Catalina, Vail, Avra Valley, Picture Rocks, and other small communities. Across rural Pima County there was a total of \$45,600 under the ESN grants (rent and utilities) that served 60 families with an average of \$760 per family on emergency services. This included rent, mortgage, and utilities.

Under the State CSA (Case Management Administration) we are able to help and serve individuals throughout most of southern and have offices or partnerships where people can go for help in a 9 county area. Under this contract through the State of Arizona, PPEP is able to advocate on behalf of low income and/or farmworkers through the Arizona Community Action Agency, in which PPEP is involved, and on the board of directors. Because we are a part of the state agency that advocates for low income and rural poor, we are on the cutting edge to do the necessary work to ensure that Arizona residents are given their fair share to alleviate hunger and reduce poverty and continue to advocate for those without a voice for needed assistance.

The Human Services/Community Action Department continues to serve rural residents that are low income and/or farmworkers. We continue to see many first time customers in the program that never thought that they would need this type of service. We continue to try and serve as many people as possible and leverage all of our funding for a comprehensive service delivery system. All of our programs continue to work together and collaborate with past partners and continue to develop new partnerships for a well-rounded service system.

Kari Hogan Chief Administrative Officer With Sandy Adams State Director

PPEP, Inc Pima County One Stop/Workforce Investment Act (WIA) Adult, DW & OW Programs & YPIC Dislocated Workers

Annual Report 2013-14

PIMA COUNTY:

In 2013-14, PPEP continued to be one of the largest WIA grant sub-contractors in Pima County with workforce contracts and continues to be the sole contractor for all WIA On-The-Job Training contracts. PPEP's Pima team continues to provide Pima County residents with career counseling; employment preparation; vocational, professional, or other job training; job placement services; and follow up and career advancement services. They serve Adult, Dislocated, Older Youth, Older Workers and Veterans throughout Pima County with an emphasis on rural areas of the County.

In 2013-14 our team consisted of:

Mary Palma – OJT Coordinator

Grace Askew – Workforce Development Specialist (DES)

Maxine Alvarez – Workforce Development Specialist (Rural)

David Rodriguez - Workforce Development Specialist (Rural)

Oscar Romero – Workforce Development Specialist (One Stop)

Jon Lotz – Program Support Specialist/Eligibility (One-Stop)

Karen Taylor – SCSEP Workforce Development Specialist/ 50+ Workshop Facilitator (One Stop)

Barbara Simcoe – State Director of Operations

Kari Hogan - Chief Administrative Officer

Results: This past year, the team, once again, produced outstanding results. Due to the slow economic recovery, the staff found themselves extremely busy with new applicants and enrollments. There were 426 Carry-Overs and the four WFDS' enrolled 306 new participants, for a grand total of 732, for 160% of their enrollment goal. They placed 229 participants, which was 156% of the goal and their Placement/Closure Rate was 74% (meaning 74% were exited as employed). 73% (166/229) of the placements were within industries targeted by the WIB. They had an Average Wage at Placement that was nearly a dollar (92 cents) above the goal of \$12.00/hour. The difference between the two wages below is mainly because the rural area serves more Dislocated Workers and the DES and Rio One-Stop serve mostly Adults with barriers to employment.

Carry-Overs =	Enrollments	Job	# within WIB	Average
		Placement	Target Industries	Wage*
DES & One Stop	173	134	77	\$11.80
Rural	133	95	89	\$14.05
Total	306	229	166	*12.93

Note: *The Average Wage was taken from all monthly reports; it is not an average of the two areas.

OJTs: Nearly 50 individuals (47) were placed in OJTs last year; with 24 different employers and a grand total of a little over \$120,000.00 in contracts. The average wage was \$11.28/hour, overall, with a

range of \$9.00 to \$19.00/hour. The County monitored the program in August for the first time and reported no negative findings.

Older Workers Program: With the Pima County Senior Program, PPEP continues to work with seniors age 50 and older, as well as Youth, on employment and training objectives, by offering job search workshops, designed for each population. This program is very successful in helping older workers in today's job markets to brush up on their skills and in helping younger job-seekers prepare for the world of work. Classes are always full.

In December, Pima County expanded PPEP's Senior Program contract to include the operations of the County's newly acquired Senior Community Services Employment Program, or SCSEP. SCSEP is a work-based training program, where unemployed, low-income seniors (55+), who are unemployed, with poor employment prospects, are provided part-time, subsidized work experience in a Host Agency. Pima County has only eight SCSEP slots, but they require intensive case management. We hired a new WDS/Workshop Facilitator, Karen Taylor, in January, and she has been doing a terrific job of "wearing both hats", those of the SCSEP WDS and the Workshop Facilitator.

Because we were without a Workshop Facilitator between July,2013 and January,2014, the numbers of workshop attendees for 13-14 were somewhat low. Between February and June, 14, 91 mature job-seekers were provided 10 workshops, under Core Services, with a total of 152 hours of instruction and 1262 attendance hours. Karen also provided one Employability Workshops for 15 youth during the Summer Youth Program, with seven hours of instruction and 105 total attendance hours. Plus, she takes turns with the other trainers, providing Job Club sessions on Fridays.

Professional (Staff) Development: Nearly all of the WIA Staff attended Rocky Mt. HI, in Salt Lake City, in mid-April, to attend the certified "Job-Seeker Skills Training" offered by, facilitated by Mary Ann Lawrence from the Center for Workforce Learning. They also recently went to the AFOP Conference, held in San Diego, in September, and received their certificates.

YUMA COUNTY/YPIC:

PPEP also serves WIA Dislocated Workers in Yuma County area through a contract with YPIC. The Yuma County Dislocated Worker grant is relatively small. However, it is full service, including Intensive, Training and Follow-up services. Due to the size of the grant, there is only one staff person; she is supported by other PPEP staff in the Yuma area. Erlinda Mollindo, our Workforce Development Specialist, serves all of South County and Yuma County as a whole. Our State Director, Barbara Simcoe, supervises this program.

Results: During the 2013-14 grant year, the YPIC caseload consisted of eight Carry-Overs, plus seven New Enrollments, for only 15 enrollments, which was 60% of the goal of 25 total. Ten participants were placed and all were exited into jobs, for a 100% Placement to Closure Rate. Only 50% of the 13-14 PPEP placements received occupational training leading to a certificate, which was below the 72% goal. Those trainings received included: CDL A (1) and Medical Office Specialist (4). So far, we have an 88% Entered Employment Rate for the first three quarters post-exit on this group of placements, which exceeds the goal of 75%. The State Director is meeting with YPIC Management staff this month, in order to determine how to increase enrollments and participants who want occupational training.

Last year's, 12-13 Placements, which we are still reporting on, are all exceeding the Performance Measure Goals for YPIC Dislocated Workers. They have an Entered Employment Rate of 90% (out of a goal of 75%), a 100% Retention Rate (out of a goal of 87.5%) and an Average Earnings of \$13,937 over six months (out of a goal of \$12,480); and 100% (out of a goal f 72%) of them received Occupational Certificates.

Looking to the future: PPEP's programs are off to a good start this year with referrals and enrollments. We look forward to continually providing quality services to Pima County and Yuma County residents, with the same comprehensive employment and training services as in the past. We continue to outreach and recruit in very remote and rural areas, in order give all residents an opportunity to achieve the "American dream". We look to new economic development trends within our state and counties that will hopefully bring new employment opportunities in each of them.

Se Se pudo!

Kari Hogan

Chief Administrative Officer

Barb Símcoe

State Director



John Flores, Former USDOL Deputy Assistant Secretary, Dr. John David Arnold, and Kari Hogan

Department of Labor, Workforce Investment Act, Section 167, National Farm Worker Jobs Program (NFJP), for Migrant and Seasonal Farm Workers

2013-2014

Kari Hogan, Chief Administrative Officer

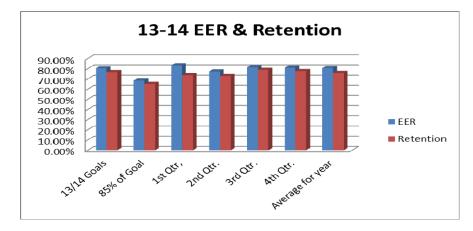
(Written by Barbara Simcoe, State Director of Operations)

Rural Unemployment Rates: In the rural counties unemployment rates are the highest in the state. In a Special Unemployment Report from AZSTATS.com, unemployment rates in February, 2014 were much higher in the towns where PPEP has offices are located (either totally occupied by PPEP or shared space) than the state and national average of 7.3%. In Cochise County, Douglas had 11.4%; in Pinal County, Eloy had 11.7% and Florence had 9.7%; and leading the state in high unemployment rates is Yuma County, with 22.9% (Bureau of Labor Statistics, 2014) as a whole, with San Luis at 31.5%, and Somerton at 14.7%. In the chart below, it shows that although the Unemployment Rate has improved over last year, Yuma's remains high and even increased in January of 14, compared to the year before.

	Jun-14	Jan-14	Jun-13	Jan-13
Arizona	6.9%	7.5%	8.1%	8.0%
Phoenix Metro	6.0%	6.5%	6.9%	7.1%
Tucson	6.3%	6.6%	7.1%	7.2%
Yuma	25.6%	28.4%	27.4%	26.8%

The WIA 167 Program continues to perform well, however, despite the slow improvement to the economy. This past year, the continued dedication and hard work done by all staff serving Migrant and Seasonal Farmworkers and their families, produced great programmatic results that are continuously improving.

PPEP NFJP, once again, produced some of the best qualitative results, in the national Common Measures, set for the WIA programs! The Entered Employment Rate was an Average of 80.73% EER, exceeding the goal of 80.5%. Retention continues to show a steady increase, again, this year, with an average 75.73%, which was just a bit below the goal of 76.5% set by DOL. The charts below show this year's quarters and our performance relative to the 85% goal of on each of these two measures.



PPEP NFJP's 13-14 Goal for Average Earnings (over a six month period) was \$10,049 (or \$9.67/Hour). It increased a bit over last year's, with and average of \$9245 being attained this year,

compared to \$9239 being attained last year. Both year's results were above the 85% goal set by DOL (see chart below). The Average Wage at Placement (AWP) was \$10.27/Hour, which 60 cents above the Average Earnings Goal of \$9.67/Hour, which must be reached by the second and third quarter post-exit and was higher than last year's AWP. This means that the Average Earnings should continue to rise, too.



The new grantee-specific Performance Goals, based upon a regression model, utilizing participant characteristics and economic factors of each state, will certainly be a relief for Arizona's NFJP. New Goals will be: 80.67% EER; 68.9% Retention; and \$8503 in Average Earnings. So, based on that, PPEP NFJP staff would have been exceeding their goals, had the regression model been used earlier.

Overall, the farm-worker program did well in obtaining projected **Quantitative Goals, as well**. Staff enrolled **408 New Enrollees** (40 fewer than last year) for 87% of their enrollment goal. This was added to **238 Carry-Overs** for a caseload of **646 participants**, which was above the Planned Total. Placements were than fewer than last year, too, with **221 participants placed** (compared to 244 last year), out of a goal of 358, for 62% of the goal.

<u>Yuma County</u>: Once again, the staff in Yuma County did an outstanding job, despite the high unemployment rates in Yuma County. The staff there includes the following: Area Coordinator, Cesar Fandino; Workforce Development Specialists – Leticia Beltran, Aracely Escalante, Adriana Felix, Cinthia Jacobo, Elsa Madrid, Diana Rivera, Maria Gudelia Rodriguez and Alma Rojas; Martha Combs, NFJP Housing; ESL Instructors, Adriana Valladares and Jose Valenzuela; and Norma Franco, who teaches the Plaza Communitaria classes. (On a sad note: Adrianna Valladares recently succumbed to a long battle with cancer. Her positive and encouraging manner will surely be missed by the ESL students.)

Yuma staff enrolled a total of 301 new participants, which was 51 fewer than last year. However, this represented 74% of the statewide enrollments. As for placements, they found 188 jobs for farm workers and their dependents, representing 85% of the total statewide placements.

<u>Highlights</u>: Meetings occurred between PPEP NFJP, YPIC, AZ Western College and the local Native American Indian reservation, Cocopah, on how and what occupational trainings to develop for the local community. This lead to the development of a Certified Nurses' Assistant training by AWC that will be a module for higher level nursing training and will not be held to semester scheduling. Also, PPEP NFJP in Yuma is in MOU discussions to establish a Mini Career Center in San Luis, staffed by Goodwill staff, using PPEP equipment. Computer Literacy classes and job search assistance will be offered to both farmworkers and the general public.

"Pima Plus" Counties (Maricopa, Pima, Pinal, Santa Cruz, Cochise, Graham, Greenlee): Staff for this end of the state include: Area Coordinator, Margaret Larez; Workforce Development Specialists: Rosa Garcia, who covers Pima and Santa Cruz, Yesenia Cantu, in Maricopa County, Ana Martinez in Wilcox (Cochise), Pablet Escalante in Douglas and newly (re)hired Linda Martinez in Pinal County. We made a management decision to close the Willcox office in January, so Ana was only there the first half of the year & after she left, Pablet took over her caseload and managed it from Douglas.

Pima Plus staff enrolled 107 participants, which was 11 more than last year's enrollment total (96) and placed 33 participants into jobs, which was also higher than last year's total of 24.



NFJP Staff, shown at left during the 2014 Staff Conference, include: (front row, left to right) Gudelia Rodriguez, Cinthia Jacobo, Elsa Madrid, Cesar Fandino, Barb Simcoe, JC Chlopowitz, Martha Combs and Kari Hogan-Figgins; (back row, left to right) Alma Rojas, Aracely Escalante, Diana Rivera, Letty Beltran, sandy Adams, Dora Coronado and Rosa Garcia.

<u>Job Growth in AZ</u>: The employment situation in Arizona slowly continues to improve, and is relatively consistent with economic indicators nationally, including population growth and residential real estate. Arizona's employment growth rate over the past year exceeded the national average in 2013 and the Arizona Office of Employment and Population Statistics (*www.azstats.gov*) forecasts occupational growth of 4.4% between 2012 through 2014. Despite the forecasted employment growth in ten of the eleven major sectors during 2013 and 2014, non-farm employment levels remain well below their prerecession peak. While the US regained 78% of the jobs lost since the recession began, Arizona has recovered only 47% of lost jobs.

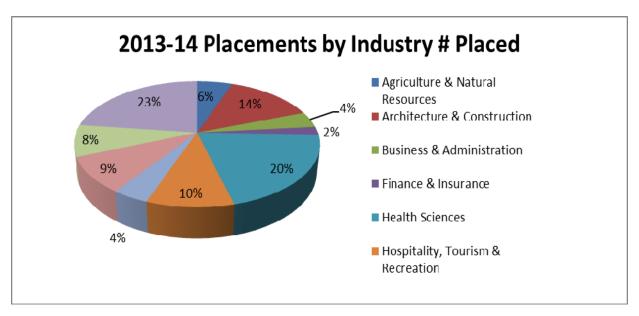
The major sectors with larger projected job gains, from 2012 to 2014, include: Professional & Business Services (32,400 jobs); Construction (17,000 jobs); Education & Health Services (14,500 jobs); Leisure & Hospitality (13,300 jobs); Financial Activities (11,100 jobs); Trade, Transportation & Utilities (8,500 jobs); Government (5,900 jobs); and Manufacturing (2400 jobs), (*Arizona Department of Administration's Office of Population Statistics' 2013, www.az.gov*). For the agricultural industry, Natural Resources & mining are projected to add a modest 1200 jobs from 2012 to 2014. Although all twenty-two major occupational groups are forecasted to have net job gains over the next year, Fishing, Farming, and Forestry occupations are expected to have the lowest in total numbers employed and projections through 2020 show continued loss within these industries.

Major Occupational groups with the **top forecast growth rates** for 2012-2014 include Construction & Extraction (7.9%); Food Prep & Serving Related (7.1%); Healthcare Support (5%); Business & Financial Operations (4.4%); Production (3.9%); Personal Care & Service (3.9%); and Installation Maintenance &

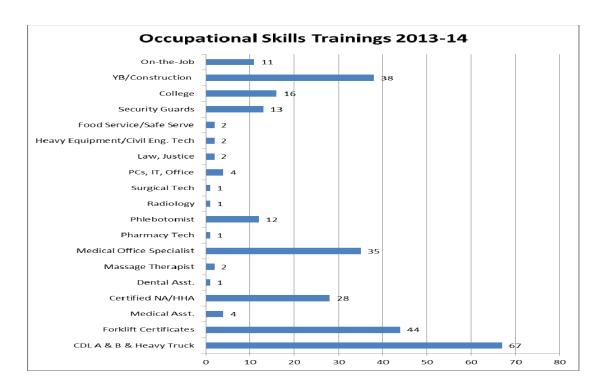
Repair (3.8%). Of the 15 Detailed Occupations ranked by growth rate, eight are blue-collar, construction-related jobs, such as: Helpers for Carpenters (15.2%), Brick Masons & Tile-Setters (13.4%) & Pipe Layers & Plumbers (12%); as well as Tapers (10.9%), among others. The one occupation on this list related to agriculture is Farm Equipment Mechanics, which are projected to grow by 10% between 2012 and 2014. Therefore, Farm Equipment Mechanics could be PPEP NFJP's best option for Ag Upgrades.

Detailed Occupations ranked by **total openings** through 2014 include: Cashiers, Waiters & Waitresses, Combined Food Prep, Retail Salespersons, Customer Service Reps, General Office Clerks & Receptionists & information Clerks, Laborers & Material Movers, Truck Drivers & Heavy Tractor Trailer Drivers, Janitors & Cleaners, Carpenters, and Restaurant Cooks (*AZ Department of Administration, 2013, www.az.gov*).

Placement in High Demand/High Growth Industries: Six industries in Arizona provided the most opportunities for NFJP job-seekers last year, in this order: Transportation & Distribution (45 placements); Health Sciences (40); Architecture & Construction (27); Hospitality & Tourism (19); Manufacturing (18); and Retail, Wholesale Sales & Service (16); and. The chart below shows placements over the past grant year and shows that Arizona NFJP participants are being placed in high growth/high demand occupations with opportunities for growth. Some of the occupations with the most placements included: Truck Drivers (41); Customer Service Reps (20); Medical Assistants (19); Certified Nurses Assistants (17); Construction Laborers (17); and Manufacturing Production Laborers (13). See the chart, below.



Occupational Trainings: In program year 13-14, PPEP NFJP provided 284 trainings, which was the highest amount since 2007! In descending order, they included: CDL Truck Drivers*; Forklift Operators; Construction/YB; Medical Office Specialist*; Certified Nurses' Assistant/Home Health Aides*; Security Guards; and Phlebotomist. The following had four or less: Food Service Management, Heavy Equipment Operator*, Civil Engineering Tech, Law/Administration of Justice*, Dental Assistant*, Massage Therapist*, Medical Assistant*, Pharmacy Tech*, Radiology Tech*, Surgical Tech*; Civil Engineering Tech*, PC/Office, Computer Info Systems* and Computer Networking Tech*. The occupational training listed above, with an asterisks (*) behind them include an industry-recognized certificate. All certification training is taught by private and non-profit educational-providers. There were also 11 OJTs and 16 participants (mostly the co-enrolled Youth Build students) entered college.



Employer Contacts: The program continued expanding the network of employers both Ag and non-Ag. Over 300 employers were contacted (304) and a large percentage – 224 were new non-Agricultural employers. Plus, 66 Ag employers were contacted and a large percentage of those, too - 45 were new ag employers. This gives the program a new base of 1314 employers, a total of 259, which are Ag Employers.

Partner Contacts: NFJP staff made contact with 111 **Partner Agencies this year for referral services, of which 65 were new, including six new Training-Providers**. One of our strongest partners, serving the same target market, is the DES MSFW Outreach Program, which provide employment services to Farmworkers. Last year, we began tracking referrals back and forth and DES invited PPEP NFJP staff to attend Orientations for the Long-Term Unemployed, being offered in San Luis, so they could recruit new participants. Last year

The chart below shows the statistics reported to DES MSFW Outreach program for the year's outreach efforts, including the year-end grand totals.

PY 13-14 MSFW			PY 13-14 MSFW				
Outreach			Referrals				
#	Seen Hr	s. spent	DES	S 2 PPEP PPE	P 2 DES		
1st Qrtr	834	689	1st Qrtr	89	220		
2nd Qrtr	896	689	2nd Qrtr	44	181		
3rd Qrtr	1230	756	3rd Qrtr	60	197		
4th Qrtr	1093	874	4th Qrtr	183	216		
TOTAL	4053	3008		376	814		

One-Stop Partnerships: Staff continues to cross-refer to other PPEP programs, in order to leverage DOL funds. For example, this year 36 NFJP participants were referred to PPEP HEP for GED classes and eight were referred to PPE PMHDC Micro. Staff also continue to refer to the DES Job Services and the

America's Job Centers (the One-Stops). NFJP staff are encouraged to refer every job-seeking participant (at the very least) to their local One-Stops and as a result **a total of 68 referrals were made to DES and 107 referrals were made to the One-Stops**. Of those being referred to the One-Stops, **59** were referred with a suggestion that the participant be co-enrolled into WIA Title 1. The rest of the One-Stop referrals were made to Core Services, including Resume Assistance, Job Search Assistance, Job Fairs and Job Club sessions. The participants referred to DES, were referred for a variety of services, including (in descending order): Job Search Assistance & UI, Employment Prep Workshops, Food Stamps, Child Care Assistance, Vocational rehab, WIC and TANF.

<u>PARTICIPANT SUCCESS STORY</u>: This story was submitted to AFOP for the Seasonal Farmworker Award and although she did not win, her story was included in the AFOP Excellence Awards Booklet, sold at the 2014 AFOP Conference, held in September.

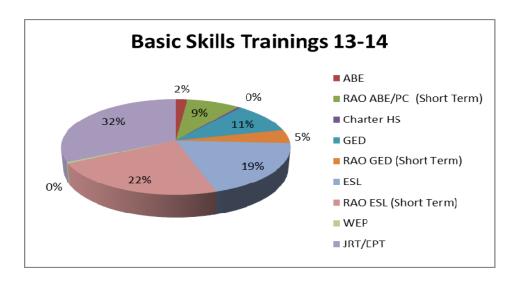


Carmen Cordero was a 38 year old lettuce picker in the Yuma, AZ area, when a friend of hers told her about PPEP's Farmworker Jobs Program. Carmen was tired of working long shifts in the hot Arizona sun and longed for a job indoors, doing what she loved best – cooking. Carmen didn't feel she had time for training, as she was not eligible for unemployment, had made no money in the last six months and she was the sole provider in her household, which included her teen-aged nephew and herself. Carmen's Workforce Development Specialist, Elsa Madrid, assisted her with rent and utilities payments to help stabilize her household while they looked for a new job for Carmen.

Carmen told Elsa that she was comfortable enough with her English to interview, but she had no idea how to go about looking for a job outside of agriculture. She told Elsa that she really wanted a better job, so she could be a better role model for her 17 year old nephew. Elsa immediately set up an interview for Carmen with the Director of Dining Services at Harvest Prep Academy and she was hired to work full-time, year-round as a Prep Cook, making \$8.00 per hour, with full benefits. Elsa provided her with work clothing and transportation assistance until she received her first check.

That was in January of 2013. Over a year later, Carmen is still working at Harvest Prep. Her supervisor says, "Carmen is a hard worker; she's responsible and always willing to help, when necessary. She's very eager to learn new things." Apparently that eagerness was been a benefit to Carmen. Harvest Prep has given her a second job, working in their catering department for special events held on the weekends. As a result, Carmen made a little over \$38,000 in the six month Average Earnings period! Elsa figures her nephew must be impressed by now. Carmen says, of her experience with PPEP NFJP, "I was incredibly lucky to be able to transition from seasonal employment to a permanent job so quickly. I guess I came in at the right time and found the right person and the right program to help me achieve my dreams."

<u>Basic Skills Training</u>: In PY2012-2013, 33% of the NFJP participants were high school dropouts and 44% were Basic Skills Deficient, and in 2013-14, 38.5% had dropped out and 58.5% were Basic Skills Deficient. Therefore, it is no surprise that after Job Readiness Training, the largest percentage of Basic Skills Trainings provided were RAO, or short-term ESL, provided in-house, and ESL classes, provided by outside providers. During 2013-14, the total number of participants receiving Basic Skills training was 216. *The breakdown and pie chart are shown below*.



The PPEP NFJP **Plaza Communitarias** (RAO ABE/PC) program in San Luis allows Spanish-speakers to complete their primary and secondary classes with curriculum provided by the Mexican Dept. of Education, INEA, and the Mexican Consulate. It also allows them to build their first language foundation skills, so that they can move into ESL more easily and make better progress when they do. Norma Franco, who also teaches GED classes to the YouthBuild students, teaches the Plaza Communitaria classes in San Luis. Classes were held in 13-14 with 6-7 adult students attending each quarter. Five of them moved up two levels in the past year and one obtained his GED.

PPEP NFJP also provides **RAO ESL** classes in San Luis, where Adriana Valladares and Jose Valenzuela, teach 3-5 classes per week, at varying levels. They utilize the Ventures system for the curriculum and do pre and post testing using the TABE-E tests. In 13-24, the classes consisted of 13-14 students per quarter and a waiting list has been established. Five of the students from these classes have started taking Conversational ESL at Arizona Western College, after achieving Level 4, the highest level in ventures, here at PPEP.

Staff Professional Development: All PPEP NFJP staff attended the Annual Staff Training Conference in Yuma, July 8-11. Topics included: Corporate Culture, Stipends Policy, Mathematica Evaluation Results, CERTSS Update, Writing & Grammar, Job Club and OJT Best Practices, Assessment Tools, AJC and a Retention Exercise. Evaluations from attendees rated the conference a 9.3/10. An additional day was added to the conference and Andrea Giggetts provided staff training for the second time.



PPEP NFJP attended the AFOP National Conference

PPEP NFJP staff also attended the AFOP National Conference in Alexandria, VA during the first quarter and represented the largest group of Retention Training graduates. *See photo, below.*



Staff shown at left include: kneeling in front (left to right), Martha Combs, NFJP Housing; Aracely Escalante, NFJP; and Alicia Meza, CSA; first row, standing from left to right, David Rodriguez, WIA; Grace Askew, WIA; Erlinda Mollindo, WIA DW in Yuma; Cinthia Jacobo, NFJP; Cesar Fandino, NFJP; and Mary Palma, WIA; back row from left to right, Maxine Alvarez, WIA; Yesenia Cantu, NFJP; Margaret Larez, NFJP; Leticia Beltran, NFJP; Adriana Felix, NFJP; Alma Rojas, NFJP; Elsa Madrid, NFJP; Imelda Monreal, YB; Oscar Romero, WIA; Rosa Garcia, NFJP; and Barb Simcoe, State Director.

Management staff attended the WAFA Conference in Sacramento, CA in October. All PPEP NFJP staff attended a Staff Meeting in Phoenix on March 18th. Topics included: OJT Training Plans and a roundtable discussion on how to get paystubs. Awards for Best Individual Performance during the fourth quarter of 12–13 went to Cinthia Jacobo, for best EER and Average Earnings, and Aracely Escalante, for lowest Placement/Exit Rate.

All staff attended the Rocky Mt. HI Regional Conference in Salt Lake City, UT, mid-April. Frontline staff received a lively & informative training from Tamara Thompson of Mockingbird Education, on how adults learn and how to actively engage their participants. (Tamara also presented at the All Staff Conference in July, 2014.) In May, the Area Coordinators, the NFJP Housing Rep and the State Operations Director all attended a conference in Phoenix on Poverty, hosted by ACAA. PPEP NFJP management staff went to Lakeside/Pinetop, on a working retreat, at the end of May, to prepare for the Annual All Staff Conference.

I would personally like to thank all of the NFJP staff for a job well done this past year. There have been a number of changes occur, but through a continued dedication and personal development we will continue to do great work. I would especially like to thank my State Directors, Sandy Adams, and Barb Simcoe and Data Coordinator, Dora Coronado, for all of their invaluable service and keeping it all on track. I couldn't do it without them.

Kari Hogan, Chief Administrative Officer





Portable Practical Educational Preparation, Inc. High School Equivalency (HEP)

201 N. Bingham Ave. Suites 11 & 12 P.O. Box 499 Somerton, AZ 85350

John David Arnold, Ph.D.
Chief Executive Officer & Founder

"Si Se Pudo" President Jimmy Pruitt
PPEP-HEP Director

Annual Report F.Y. 2013-2014



PPEP-HEP Staff

Paris Salinas, Norma Franco, Jose Valenzuela, Maria Elias, Brenda Arroyo and Jose Luis Sotelo (from left to right)

PPEP-HEP is now in its 15th year. PPEP-HEP's goal is to improve the quality of life for migrant and seasonal farmworkers in rural areas through an educational program, which allows them to obtain a High School Equivalency (HSE) diploma and to gain academic and vocational skills. These skills, which they develop, will allow them to have more access to jobs outside agriculture, or to be able to have job enhancements within agriculture.

In southern Yuma County (San Luis and Somerton areas), migrant and seasonal farmworkers are characterized by low levels of education, few job skills, and low incomes. The typical farmworker feels resigned to a life of working in the fields and packinghouses with little, if any, hope of ever escaping from working in agriculture. Working in the fields and in cold salad plants, many farmworkers develop arthritis in their hands and knees. Others, due to poor diets, develop diabetes. PPEP-HEP has coordinated with other agencies, Campesinos Sin Fronteras, Border Health Foundation, and Regional Center for Border Health, Inc., to have their representatives do presentations to our HEP students in order to inform them of services which are available to them. In addition to these agencies, Arizona Western College provides instruction

in a college orientation presentation for our HEP students.

At the present time, PPEPHEP students have access to computer use at PPEP-TEC Charter High Schools in both San Luis and Somerton, where they can practice gaining computer skills. Our PPEP-National Farmworker Jobs Program (NFJP) assists HEP students to enroll in vocational training programs upon completion of the HEP program. PPEP-HEP has two fulltime recruiters, and a coordinator, who assist students in properly filling out job applications, making appointments, and doing the required paperwork for job interviews. Students, who gain employment, have access to receive help from other PPEP agencies.



PPEP-HEP Staff and Students

PPEP-HEP has three cohorts per year, with each cohort lasting 14 weeks. Students attend classes from Monday- Thursday and have the option to attend classes from 8:00 a.m. to 12:00 p.m. in Somerton at the HEP office or to attend from 6:00 p.m. to 10:00 p.m. at either of the PPEP-TEC Charter High Schools in Somerton or San Luis. For students, who are going to continue to work in agriculture, classes are available on prevention of pesticide poisoning and commercial driver's license preparation. These classes are taught by PPEP's NFJP staff, which has successfully placed many HEP graduates who went through the Commercial Driver's License (CDL) program.

As one might imagine, many of the PPEP-HEP students are married and have families. Working, studying, and sharing time with families, all can contribute to a great deal of stress on family members. Our PPEP Behavioral Health and Counseling Division has services available to HEP students to help them to develop abilities to resolve personal and everyday problems.

Southern Yuma County has approximately 47,000 migrant and seasonal farmworkers, and the HEP program offers hope to a previously underserved agricultural community. Both Somerton and San Luis are growing at rapid rates and community resources are stretched thin. To maximize our HEP resources, we have collaborated with other local agencies to better serve our agriculture community.

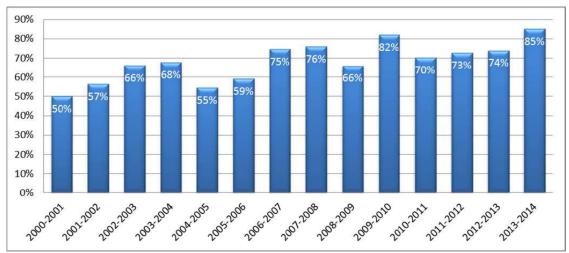
For FY 2013-2014, PPEP-HEP served 183 students (122% of number to be served). Of the 183 served, 161 completed the program and tested. Of the 161 who tested, 137 (85%) passed the HSE examination. Forty one of the graduates (30%) have applied for financial aid and for admission to Arizona Western College. Thirty two (23%) have received job enhancements.

In the first fourteen years PPEP-HEP has served 2,634 students, 1,532 have successful completed the program and received their HSE, and 716 have gone on to an institution of higher education .

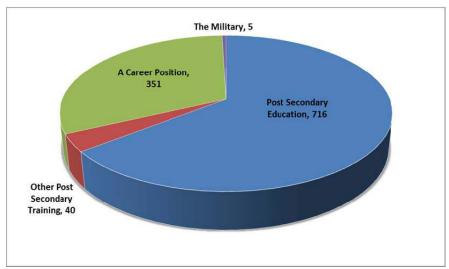
						Number	of HEP HSE	Diploma	Recipient	s Who Were	Placed in:
Fiscal Year	Students To be Served	Student s Served	Student s Complet ed all Course Work	Student s who Earned a HSE Diploma	Percentage of Students who Completed all Course Work and Received a HSE Diploma	Post Seconda ry Educatio n	Other Post Secondar y Training	A Caree r Positi on	The Militar y	Total Placemen ts	Percentag e of Placement s over Graduates
2000-2001	150	153	120	60	50%	25	10	5	0	40	67%
2001-2002	150	214	184	104	57%	41	13	25	2	81	78%
2002-2003	150	181	151	100	66%	49	2	31	1	83	83%
2003-2004	150	211	161	109	68%	64	10	23	2	99	91%
2004-2005	150	155	119	65	55%	51	4	6	0	61	94%
2005-2006	160	168	132	78	59%	28	0	22	0	50	64%
2006-2007	160	161	131	98	75%	73	1	22	0	96	98%
2007-2008	160	185	154	117	76%	85	N/A	17	0	102	87%
2008-2009	160	210	197	130	66%	46	N/A	23	0	69	53%
2009-2010	160	187	178	146	82%	55	N/A	47	0	102	70%
2010-2011	150	171	111	78	70%	37	N/A	17	0	54	69%
2011-2012	150	217	199	145	73%	54	N/A	26	0	80	55%
2012-2013	150	238	223	165	74%	67	N/A	55	0	122	74%
2013-2014	150	183	161	137	85%	41	N/A	32	0	73	53%
Totals	2150	2634	2221	1532	69%	716	40	351	5	1112	73%

PPEP - High School Equivalency Program FY 2000 - FY 2014

Complete Program Data FY 2000 - FY 2014



Percentage of HEP Participants Receiving a HSE Diploma FY 2000 – FY 2014



Placements FY 2000 - FY 2014

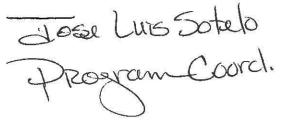
On January 1, 2014, the new computerized HSE examination went into effect. Students had to have sufficient computer skills to be able to take the examination. In preparation for this change, PPEP-HEP moved into larger offices and a larger classroom. The new classroom has 20 computers for the students to practice on. The PPEP IT department and the PPEP maintenance crew worked very hard to make the move possible.

When the test went into effect, there were very few materials available in Spanish. Many institutions with larger numbers of students who would test in Spanish, felt that the new test was discriminatory, since the materials to prepare for the new test were available only in English. Finally, after this "outcry", practice tests and books became available, but we were seven months into the new HSE examination. PPEP-HEP's dedicated staff is working extremely hard to give its students the best possible opportunity to pass the new HSE examination.

PPEP-HEP is fortunate to be able to offer the services of the other PPEP agencies to its students. PPEP has its NFJP program, Housing and Microbusiness Division, and the Behavioral Health and the Human Resource Division. In essence, PPEP-HEP is a multiagency approach to help our farmworkers to get their HSE diplomas and to continue their education afterwards.

In conclusion, the HEP program is having a positive effect on our farmworker community by helping them to be better educated and better informed on pertinent issues, which hopefully, will give them the self-esteem and desire to become involved within their communities.

CAO CAO





HEP Program Students

PPEP, INC ARIVACACOMMUNITYGARDEN

Annual Report 2013

Produce from Arivaca Community Garden



Arivaca Community Garden Produce

The Arivaca Community Garden is approaching its sixteenth year of operation and continues to produce a variety of different produce for the community. The focus of the program is to provide fresh produce to low income individuals through farmers markets in low income communities and donating fresh produce to the local community food bank. Each month fresh produce donated gives opportunity for fresh vegetables to be put in the food boxes to those in need.

This program continues to move in a direction with amazing foresight and increased crop production. Garden Manager Bill Stern and garden staff David Keller and Joe Kleinholz, along with Carlotta Wray and community volunteers continue to come up with new innovative ways to increase production and get more fresh food communities in need. This past year the garden produced 15,575 pounds of fresh produce and approximately 9,000 pounds was donated to local food banks in the area.

The Arivaca Community Garden is just a little over four acres, producing organic vegetables. The garden has grown into a very well equipped operation, with three greenhouses, an extensive irrigation system, all the tools needed to produce high quality, certified organic vegetables, and a bath and wash house for visitors and volunteers from abroad.

Improvements to the garden in 2013 included the addition of a cooling unit in two greenhouses, which allowed the program to have year round production in those greenhouses, since summer months tend to get very hot.

In addition to working with volunteers locally, we continue to host the WOOFER program that brings volunteers from around the world that work in the community garden and bring their knowledge as well.

Over the past year, garden staffs have also attend native seed programs and training to better prepare for new crop possibilities and what will do the best in the high desert climate. Farming is always a learning experience and this last year was no different. It provided many lessons and opportunities to improve what we do at the garden. Staffs wealth of knowledge continues to enhance the Arivaca garden project and bring new and innovative ideas to the table. It also helps us to increase our yield and provide for low income communities.

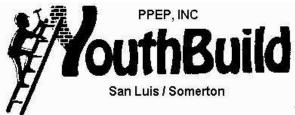
In the picture below you can see the increase in our harvests and the quality of the produce that is being produced from the garden project. So as we continue to learn new things and bring a variety of products to the communities of southern Arizona, we also look for new opportunity to partner with others in the community.



Arivaca Community Garden - Green House

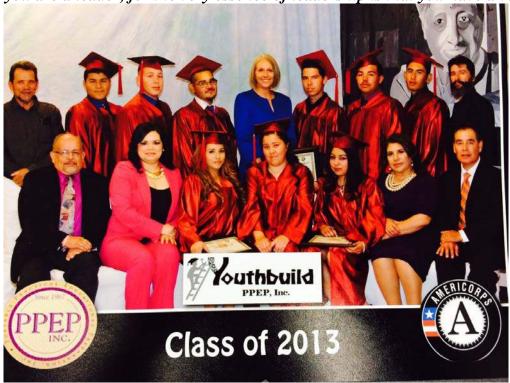
This is truly a great project and we look forward to many more harvests and providing healthy foods to low income communities across southern Arizona.

Kari Hogan Chief Administrative Officer



Kari Hogan, Chief Administrative Officer

"If your actions inspire others to dream more, learn more, do more, and become more, you are a leader, for the very essence of leadership is that you have a vision"



Pictured above is group twelve of our YouthBuild graduates. Over the past year, the PPEP Youthbuild program graduated two more youth groups, for a total of 32 youth graduating in May 2013 and Jan. 2014, for a total of 170 youth to date. Each year, on average, the YouthBuild Students, along with PPEP Construction Supervisors, build three – six affordable homes. These homes go to low income families, who otherwise may not be able to afford a home. In the past ten years the Youthbuild program in conjunction with Comite de Bienstar and Yuma County Housing Authority, and many other partners, have completed and built a total 30 homes and finished over 120 rehab projects.



Last year, students participated in many community projects. One of the projects included Dia Del Campesinos Day, where services and information are provided to the farmworker community. Students pictured here began setting up for the day at 5:00am for this event in December of 2013 along with many other volunteers and community organizations. Each year YouthBuild participates in this event to ensure the farmworker community and youth know about the many services available to them in their community and the surrounding areas.



This past year YouthBuild completed their third year in the AmeriCorps Program, where students completed their National Service Learning requirements for college scholarship and participated in many community events. Pictured here are students with younger youth from the Bethal childrens orphanage. Each year YouthBuild students gather donated school items and toys for the children in the orphanage and spend time with them, play games, and provide for a big picnic. It is a wonderful time and the children of the orphanage really enjoy this time with our students.

This past year also brought with it recognition for education excellence when one of our student completed the Nursing Assistance program with Border Health. Although students participate in a construction program, career development is obtained in a number of

different fields and occupations.



The YouthBuild program has touched the lives of so many families and young people with positive contributions through this program. Throughout the last year, leadership development continues to be in integral part of the program where students become a part of the Youthbuild family and from there it expands. Because of leadership and creating a sense of pride, students completion levels continue to increase in achieving their GED prior to program completion. The last youthbuild class garnered 100% education award attainment for completing required AmeriCorps hours and an 80% GED attainment and we continue to work with those that struggled to obtain their GED as well.

PPEP Youthbuild students are involved in their community. There are numerous opportunities for leadership activities in the youthbuild program, and because of staff efforts and the administrative leadership; PPEP Youthbuild was able to expand when receiving funding to support operations and a new YouthBuild program in Tucson.

In July of 2013 the first Tucson YouthBuild program opened its doors to 31 youth. New staff were hired and are off and running. There will be more to come on this program in 2014, but know that we are excited to expand our services to more youth in Arizona and to provide needed education and career development services.

YouthBuild continues to have dedicated staff that work in these programs and we are proud of our program, staff and students. Thank you to all who have supported and participated in the Youthbuild programs at PPEP.

Kari Hogan, Chief Administrative Officer



PPEP MICROBUSINESS AND HOUSING DEVELOPMENT CORPORATION

HISTORICAL PERSPECTIVE; PHDC split off from PPEP, Inc. in 1975, at the request of the Rural Housing Assistance Council our grantor at the time. The rationale was that PPEP's mission was education, human services, and the PHDC would focus on making affordable housing to rural families. At that time we were located at 338 N. Granada and when we split PMHDC moved next door to 450 N. Granada and set up their housing services.

The first President of PHDC was Walter "Doc" Holiday and the Housing Director was Ann Ball. It was not until 1985 that the name was changed to add "microbusiness" to the name, thus becoming PPEP Microbusiness and Housing Development Corporation (PMHDC). Frank Ballesteros along with Arturo Magana became the first leaders of the micro credit program funded by the Ford Foundation. In those days we were affiliated with ACCION International as our technical assistance provider. In 1999 PMHDC was honored at the White House and received by President Bill Clinton, Hillary, and Secretary of Treasury Ruben. They honored PMHDC and its client Maria Jesus Gaxiola, "program and client of the year." Later that year PMHDC became the first CDFI or Community Development Finance Institution certified by the US Treasury as a 'poor people's bank.'

Over the years, hundreds of self-help housing units have been built for farmworkers and rural poor; including the farm labor housing units in the Santa Cruz Valley. The 18 unit multi-family project known as Don Frew was built in Marana. Shortly after that a 31 unit project was built in Benson for semi-independent seniors named La Ramona Morales. Over the years 25,000,000 in micro loans have been made in the border region alone. Also in 2008, PMHDC provided T/TA for micro credit programs in West Africa including Cameroon, Nigeria, Ghana, and Ethiopia. Most recently we assisted a microbusiness incubator for seamstress with Diabetes in Limbe, Cameroon known as the High Tec Tailoring Shop (featured on our front page of the report).

PMHDC in the United States this past year has seen considerable consolidation and restructuring to adapt to the border region economic crisis, now in its third year. PMHDC along with banks and other lenders have sustained considerable losses due to closures of business and failure to pay on their loans due to the very bad economic conditions.

PMHDC downsized staff, consolidated its office space to the main office to save on administration costs. Also, many of our traditional funding sources also dried up making it more difficult to maintain levels of administration we would like to have.

The other main obstacle for PMHDC of late has been to resolve the ongoing HUD-SHOP inquiry on a PMHDC Consortium member. Thistle a rural housing development corporation in Colorado had incurred some disallowed costs. Subsequent, to the HUD inquiry PMHDC, as the consortium leader was required to pay back \$86,000 for the Thistle disallowances. Plus there was a huge expense in consultants and lawyers that had to reconstruct the HUD inquiry that was several years old and none of the original staff was still around.

It is anticipated that PMHDC will recuperate most of the money from Thistle including their share of the consultant and lawyers' fees. As for the aforementioned large write-offs from the past; these loans from the border region have been for the most part been taken care of. Last year we also re activated PHDC California that has been dormant since 1985 when we incorporated in Brawly, California for possible ventures in Southern California. Recently, we have been invited to explore options.

This year, we are off to a good start with new and more conservative loans and emphasis on recovery and offering in depth business training. Most recently Dr. Johnson Bia joined staff to initiate the PPEP (post-secondary) Institute of Training and Entrepreneurship. Finally, the morale is high among the staff and clients and we are optimistic about the future.

Sincerely, John David Arnold, PhD **PMHDC CEO/Founder**



Connecting with elected officials

Microbusiness Lending Activities

During the 2014 fiscal year, PMHDC continued their efforts in lending activities and technical assistance efforts. Those awards included the following grants:

- Prime Grant: Awarded by the SBA and includes funding in the amount of \$86,408 to provide technical assistance to clients in the international border area.
- SBA TA: Awarded funding for this fiscal year \$146,145.

At June 30, 2014, PMHDC had outstanding loans of \$2,562,596 and notes payable to funding sources totaling \$2,069,029.

PMHDC's funding sources are as follows:

Small Business Administration MICRO Loan Funds

The Small Business Administration/MICRO Loan Fund is made up of one loan made to PMHDC. Loans receivable on these funds totaled \$74,971 at fiscal 2014 year end. The notes payable due the lending agency totaled \$59,910 at fiscal year-end.

Social Program Related Investment Fund (SPRIF)

This fund is made up of three social investments, which include the Seton Enablement Fund, SSM International Finance and Sisters of Saint Francis of Philadelphia. Outstanding loans by PMHDC using this fund totaled \$0 at June 30, 2014 and the notes payable to the funding agency was \$0 at that date.

Rural Development

This loan fund was established for the border areas of Douglas, Nogales and San Luis. The \$165,000 RD grant was made to PMHDC in May of 1996. Under the grant guidelines, these funds can only be used in these three border communities. As of June 30, 2014, outstanding loans totaled \$48,877 and there was no note payable related to these funds.

United States Department of Agriculture Intermediary Relending Program

The Intermediary Relending Program (IRP) is a program of Rural Development. Funds are intended to be used for pre and site development housing opportunities for low-to-moderate income families as well as to create sustainable small businesses with loans of up to \$150,000. Fewer than five separate funds loaned to PMHDC, total loans outstanding were \$1,366,538 at June 30, 2014. Notes payable to Rural Development totaled \$1,835,052 at fiscal year-end.

Rural Micro entrepreneur Assistance Program (RMAP) – Awarded by the Department of Agriculture Rural Development includes loan funds of \$500,000. This fund assists to provide microloans to rural micro entrepreneurs and microenterprises; provide business based training and technical assistance to rural micro borrowers and potential micro borrowers. Loans receivable on these funds totaled \$155,979 at June 30, 2014 and the notes payable to the funding agency was \$174,066 at fiscal year-end.

Economic Development Administration (EDA) Bridge Fund

This federal funded bridge fund pro-actively develops new jobs for low income individuals and minorities by nurturing the startup and sustainability of microenterprises as they expand and enter their new stage of development and full-time job creation by providing bridge loans. EDA approved an initial \$300,000 investment and EDA #2 in the amount of \$500,000 for the CDFI, these two funds were combined in January, 2014. As of June 30, 2014 loans outstanding totaled \$339,731 and there were no notes payable.

PMHDC Equity Fund (CDFI)

Original equity investments were made by the U.S. Treasury (\$250,000). Loans outstanding at June 30, 2014 totaled \$408,864 and there were no notes payable.

Rural Housing and Economic Development (RHED I) (HUD)

<u>RHED I</u> was originally made available to PMHDC to infuse into construction loan funds to help self-help borrowers and non-profit builders proposing to develop affordable housing in rural Arizona. Loans receivable under this agreement totaled \$41,837 at June 30, 2014 and there were no related notes payable.

RHED II was requested to provide economic development assistance to retain and expand existing small businesses and micro enterprises in need of developing or enhancing their technological and communication capabilities, helping them to bridge the digital divide. Businesses served through this initiative are located in the "Colonias" areas of Arizona along the US-Mexico border, also known as the Arizona Border Region Enterprise Community, which includes Douglas, Nogales and San Luis. Loans receivable totaled \$2,048 at June 30, 2014 and there were no related notes payable.

RHED III was a grant for the acquisition, development, construction or renovation of housing serving elderly, developmentally disabled adults, farm workers and other special populations residing in the Arizona Border Region Enterprise Community. Loans receivable totaled \$58,905 at June 30, 2014 and there were no related notes payable.

RHED IV was designed to support the Colonias within the Arizona Border Region Enterprise Community and other small distressed communities (populations below 25,000) for the development of their capacity to carry out housing and economic development projects. Loans receivable totaled \$2,739 at June 30, 2014 and there were no related notes payable.

Wells Fargo Blend Fund

This product provides low-income families with financing for new homes in cooperation with Rural Development's 502 program. The financing was originally secured with a \$600,000 loan with Wells Fargo Bank. Loans receivable totaled \$22,314 at June 30, 2014 and there were no related notes payable outstanding.

Wells Fargo Fund

\$250,000 investment made by Wells Fargo Bank. Loans receivable totaled \$0 and as of June 30, 2014, loans payable was 0.

Tides Foundation

PMHDC has a grant from the Tides Foundation in the amount of \$40,000. The funds are to be loaned to Microbusiness borrowers. At June 30, 2014 loans receivable totaled \$39,998 and there were no related notes payable outstanding.

Loan Delinquency Summary

Statistics for PHMDC's total loan portfolio as of June 30, 2014, were as follows:

DAYS	31-60	61-90	91-120	120+
DELINQUENT				
PORTFOLIO @	\$24,765	\$120,406		158,103
RISK				
% OF	1%	5%	0%	7%
PORTFOLIO				

Currently we are working on foreclosing on property loans that aren't producing, repossessions, and pending law suits to recuperate equipment and reduce the default amount. Once we recuperate that money will return to the revolving loan fund, allowing other small business owner's to borrow the money.

Charge-offs for the year included 7 accounts totaling \$106,414. These accounts referred for charge-off to the Internal Loan Review Committee were reviewed and were approved as bad debt. All collateral associated with these accounts as well as the promissory notes and all other legal documents are being collected and readied for appropriate legal action; in some cases, legal action has already begun. All of the accounts have been reported to the Experian credit bureau.

During the same time, previously charged-off accounts were aggressively pursued by staff and by our attorneys. Efforts resulted in \$16,403 being recovered.

Business Training & Technical Assistance Report

During the fiscal year of 2013-2014 PMHDC a four week business development training and access to capital workshops were created. The training was conducted on a weekly basis in which an average of 15 small business owners.

Between July 1, 2013 and June 30, 2014, PMHDC staff providing TA was reduced by half from previous fiscal year. 4,325 hours of technical assistance and training to 220 existing clients and 62 potential clients. PMHDC continues to offer training in English and Spanish and utilizes webinar capabilities to reach rural and border communities.

Accomplishments

- 03/2014-06/2014: PMHDC 4 Week Business Development Workshop- Teach small business owners what a successful and functional business plan should include. Reviewed Business Management, Organization, Marketing, Competition Analysis, and Financial Reports.
- Weekly PMHDC Loan Process Workshop via conference call and at our conference room in which an average of 12 small business owners participated. This session explained our loan program requirements, terms, interest, collateral needs, insurance, cash injection, and eligibilities.
- April 2014: US SBA Training in Detroit, MI- Participated in workshops to share and learn about best lending, training, and technical assistance practices. Met with different micro lending and training institutions throughout the United States. New SOP and policies was issued.
- March 2014 Finance Education Week sponsored by the Mexican Consulate.
 PMHDC asked be presenters.
- April 2014 Participated in the Business Expo organized in Somerton Arizona.
 PMHDC was invited as guest speakers.
- 1/2014 2/2014 Negotiations and Agreement for PMHDC to act as technical assistance providers for the businesses that occupy the Small Business Incubator being built in San Luis from a grant that will provide low rent opportunities for new businesses to get started and established.
- Dec 2013 Provided technical assistance to the renting occupants (a church organization) of property owned by a PMHDC client that sold the property to the church. Legal aspects of an incomplete transfer needed to be cleared and accounting assistance was provided to prepare for obtaining a loan.

Existing Business Success - Training MZ & SH

- Southern Arizona Transport: This business has obtained a subsequent loan to expand his business by purchasing a newer refrigerated box. Currently the business has 4 sets of truck and trailer which provides services hauling produce, dry goods, equipment/machinery, and crossing freight on the border. This business has had a good payment history and participation with our program. This business is owned by Mr. Sergio Sanchez and is currently changing the business filing from sole-proprietor to an LLC to protect his personal assets.
- D.R. Ritchie Machinery Broker: Ms. Ritchie has been a machinery broker for many years. Last year her goal was to expand the business my buying and exporting machinery; brokering her own equipment. She obtained a subsequent loan and has purchased and sold several pieces of equipment which she has exported. The additional revenue stream will increase her revenues considerable.

MARB Trucking: This business is owned by Mr. Martin Rivera who has been



in our lending program since the late 80's, early 90's purchasing his first truck. The business has gone through highs and lows but has kept afloat in the freight industry. Mr. Rivera has recently obtained a subsequent loan to purchase an additional truck and re-boost his trucking business. He has a truck that brings produce or dry goods to the border in Nogales, Sonora, a second truck that crosses the loads in the border and a third truck that transports produce from the border to New Mexico or Texas.

- Pau's Bakery: Paula Ramos, owner and baker of her own bakery has been in business four years now. PMHDC loaned her the startup funds necessary to open the doors and is establishing herself as the source for baked goods for local restaurants and a regular client base.



- Eben-Ezer Trucking, LLC: This business was created by two Ethiopian refugee's that went through our CDL Training Program. They were helped obtain employment after their CDL license was obtained and after working for an employer for two years decided it was time to become owner-operator. With their own money,



lifetime savints, and money from family/friends they purchased their truck out right. They requested a small business loan to purchase a refrigerated box. They started working as a team truck 24/7 and in six months were able to purchase a second truck and trailer. Currently both business owners have their own truck and trailer and within 1 ½ years were able to payoff their loan.



- Blackjack Pizza: Mr. Gabrekidane purchased a turn-key operation from a local restauranteur. The business wasn't doing too well because of poor management. After reviewing the management practices and opportunity, our client decided to purchase the franchise. The business has been operating for over a year under Mr. Gabremilak's management and has increased ts sales and decreased its operating expenses. The business has made all their payments on time and is seeking a subsequent loan to upgrade their POS and computer system to increase customer service and sales.
- B & E Services: Mr. Victor Sierra took over the operations of his aunt's outdoor sanitation services two years ago. The well-established business was doing well, however, Mr. Sierra was interested in expanding his services by applying for government contracts and adding a VIP trailer to his product mix. He needed capital to do so and his loan provided the capital to get the bonding necessary to apply for government contracts and repair his existing fleet to have the capability for the government projects and also buy the VIP trailer that was not available in Yuma County.
- 5 Minute Walk-in Clinic: As a provider of medical services in the San Luis area, Mr. Gilbert Vega had to refer his clients to the nearest provider of x-ray services 55 miles away in Yuma, AZ. For the residents of this rural community, this was sometimes a difficult request. Mr. Vega wanted to have the capacity to take x-rays and have them read locally to improve the services available to his patients. With PMHDC's assistance with a loan to purchase the equipment and employing a certified technician he is able to provide theses services to his patients and contract the services to other local medical practitioners.

HISTORICAL INFORMATION—PMHDC LOAN ACTIVITY A CERTIFIED COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION AND A COMMUNITY DEVELOPMENT ENTITY PROGRAM STATISTICS

July 1, 2013 – June 30, 2014

First-time Loans Funded: 2 (\$46,000)

Subsequent Loans Funded: 3 (\$78,000)

Small Business Loans Funded (50,000+): 1 (\$60,000)

Community Facility Loans: 2 (\$160,793)

Percentage of Women-Owned Enterprises: 38%

PMHDC Loan Portfolio: \$2,773,537

Recovery Money: \$11,187.13

January 1987 through June 2014

TOTAL AMOUNT LOANED: \$23,724,556

AVERAGE LOAN AMOUNT: \$6,700

TOTAL NUMBER OF FIRST-TIME LOANS: 1,549

TOTAL NUMBER OF ALL LOANS: 3,543

HISTORICAL LOSSES: \$2,852,551 (12%)

RECOVERY PROGRAM-TO-DATE: \$241,327.13

PHOTO ALBUM

07/2013-06/2014



Blackjack Pizza, showing how their freshly made pizza is made



Pau showing off a tray of freshly baked pastries



4 Week PMHDC Business Development Training Session



US SBA Conference- Detroit, MI



US SBA Conference- Detroit, MI





Housing Department of PMHDC Jake Herrington Multi-family Housing Coordinator and Developer

PMHDC/PSHC Housing Portfolio and Migrants and Seasonal Farmworkers (MSFW) Program

The PPEP Microbusiness and Housing Corp (PMHDC) Housing Department continues to be proactive in outreaching and establishing partners for a multitude of

housing programs including; USDA Rural Development's residential and multifamily programs, Arizona Department of Housing and the US Department of Housing & Urban Development.

The housing department has acquired 13 homes in the Yuma, Somerton and San Luis, Arizona area for the MSFW program and these properties are in different stages of rehabilitation with the cooperation of YouthBuild and Comite de Bien Estar of San Luis, Arizona.

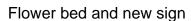


Robert Milianta Housing Developer

We are hopeful (contingent upon funding) to initiate construction on Phase II of EI Memorial de Don Frew Apartments - 9 new one & two story, garden-style units with the financial assistance from PMHDC and a USDA – RD, Section 515, Multifamily Housing loan (MFH) at the property located in Marana, Arizona.

Accomplishments at El Memorial de Don Frew Apartments:

- Obtained a rent increase of 1.021%.
- ➤ An increase in the management fees from \$xxx.00 to \$36.00 per month)
- Installed covered rear patio areas to match the new front covered patios.
- Installed a new flower bed in front around the new sign.
- Installed a new flower bed near the office.
- > Extend the sidewalk area to the new covered shade sail area. The shade sail area will be the new community meeting place.





Flower bed by the office





Sidewalk area to the covered shaded area

Accomplishments at La Ramona Morales Apartments

- Earlier this year PSHC upgraded and improved many small areas of La Ramona Morales Apartments, in Benson, Arizona. The residents have benefited from these improvements.
- La Ramona Morales is 100% occupied and there is a waitlist.
- > The exterior of the community was repainted.
- > Two AC units were installed for the community room, laundry room and the office.

Dr. Arnold at the Open house at La Ramona Morales Apartments.





Food bank day at La Ramona Morales. We work with the local food bank to help our community residents with food from the local food bank.



New sign at the entrance of La Ramona Morales Apartments





Fresh new paint on exterior of community.

Great location in the shade.





Shade Sails, BBQ, tables and solar light at our new outdoor space on the eastside of the community.

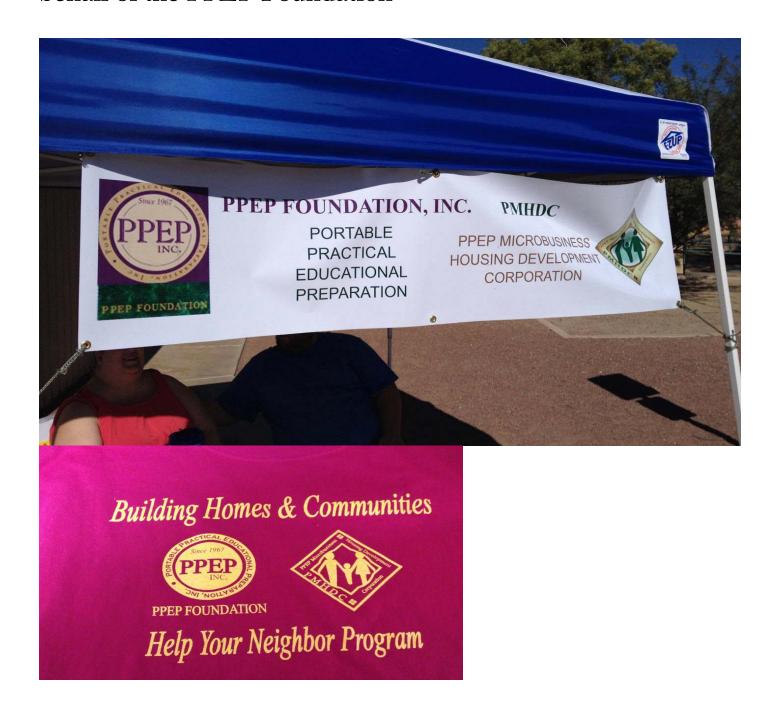


Health food for the community.



Service Day for Rillito November 9th, 2013

Portable Practical Educational Preparation, Inc. on behalf of the PPEP Foundation



COMMUNITY PARTNERS MADE THE EVENT POSSIBLE

1 Occibed
☐ Addington and Associates PLLC donated \$100
☐ Benjamin Plumbing Supply donated new plumbing fixtures and parts including 2 toilets, 2 gas water heaters, 2 sinks, and a large assortment of light fixtures, towel bars, soap dishes and faucets.
\Box CalPortland donated the use of 4 roll-offs for refuse collection, work gloves and safety glasses for 125 volunteers. The roll-offs were set in the community of Rillito on Tuesday November 5_{th} at which point the neighborhood started to clean up refuse. CalPortland had the roll-offs serviced by Waste Management so they could be refilled, had them emptied after the service day and left them for residents to fill again.
☐ Chapman Management Group donated \$500.
☐ Coca Cola in Marana donated 20 cases of drinking water bottles and 4 cases of assorted sodas.
☐ Dr. John Arnold of PPEP donated \$150
☐ Eegee's store 20 in Marana donated 2 of their specialty 3 foot subs to feed volunteers.
☐ Erin La Rocca Probation Officer for the NW Community Justice Center provided our service opportunity to adjudicated youth
☐ Firehouse Subs donated a large box of sandwiches.
☐ Pima County Supervisor Sharon Bronson donated \$500.
☐ Sign magic donated \$300 and a PPEP/PPEP Foundation / PMHDC banner for our canopy.
☐ The Mahoney Group donated \$250.
☐ Whole Foods donated sandwich supplies to feed 150 volunteers.
☐ William Taylor of The Mahoney Group donated \$100.
The event saw a total of \$2000 in cash donations, in-kind donations estimated at \$6500 in value and PMHDC donations of used building supplies estimated at \$35,000 in value

57

Volunteers from PPEP's current YouthBuild Tucson cohort with Rillito residents and PPEP CEO Dr. John Arnold and Fire Chief Brett Lane of the Picture Rocks Fire Department with department volunteers helping to 'make room in a roll-off'



Over 100 volunteer workers came out to our first service day including firefighters from the Picture Rocks Fire Department, members of the Marana Life Flight Service, officers of the Pima County Sheriff's Department, Pima County adjudicated youth doing community service, Tucsonans offering help, PPEP and PMHDC employees, the first cohort of PPEPs new YouthBuild Tucson program, and interested residents of Rillito.



Volunteers of all ages and abilities came out to serve







Fire Chief Brett Lane of the Picture Rocks Fire Department with department volunteers helping to 'make room in a roll-off'

Breakfast and lunch were provided to workers through donations; bagels, fruit and coffee in the morning, sandwiches, pickles and chips for lunch. Goods to make sandwiches were donated from Whole Foods on Speedway in Tucson, Two three foot sub sandwiches were donated by Eegee's #20 in Marana and a large box of subs were donated by Firehouse Subs in Marana. The downtown Breuger's Bagels on Congress gave us a discount on bagels and cream cheese. Drinks were provided by the Coca Cola bottling plant in Marana.

Residents of Rillito who volunteered to work for the day of service with PPEP Board President Gertha Brown-Hurd and CEO Dr. John Arnold





Rillito Clean Up Day

WHAT WE ACCOMPLISHED

Volunteers began arriving at Rillito Vista Park shortly after 7 am. They checked in at the PPEP Foundation canopy to sign a Volunteer Waiver of Liability and were given t-shirts, heavy leather work gloves and safety glasses for protection. The Rillito Community Center was opened by Pima County Parks and Recreation for the day providing a shady place for workers to sit and eat.

Volunteers worked on site cleanup; workers removed dead trees, brush, shrubs and weeds, and pruned trees on the main drive to the neighborhood; grounds were raked and repairs were done to fences and the exterior of houses; the exterior of the child care center next to the Baptist Church was painted, playground equipment was painted, broken windows and doors were replaced; the Baptist Church roof was patched and new light fixtures were installed on the exterior of the building; remains of a burned out trailer were readied for removal; cabinets, countertops and appliances were given to residents to be installed in their homes.

Reporter Samantha Ptashkin of KVOA / Tucson Channel 4 came out and did a feature article that ran on the evening news on November 9th. The article can be accessed online through this link: http://www.kvoa.com/player/?video_id=16502

GOOD RESULTS OF OUR ACTIONS

The current YouthBuild Tucson cohort has chosen to adopt the child care center in Rillito as a service project during their current eight months of training. They will be using their new carpentry skills in getting the center ready for use.

I am very Pleased to announce that Pima County Board of Supervisors has approved our Help Your Neighbor Program for a federal Community Development Block Grant (CDBG) in the amount of \$50, 000.00 We will start our next round after October 2014, We will also help more areas around Pima County.

The program focuses on assisting senior citizens, low-income single parents, disabled and impoverished residents. Four planned day long events bring staff and volunteers to Rillito, Littletown, Flowing Wells and Marana to assist residents through the removal of refuse, graffiti abatement, trimming trees and bushes, removing weeds, repairing fences, raking yards, and painting public buildings. PPEP YouthBuild cohorts will assist in the four service day cleanup activities and provide neighborhood beautification by planting shade trees and offering the development of community gardens.

New Development

We are also seeking partners for four new projects for the PMHDC housing portfolio. We would like to build residential housing and subsidized apartments for low, very low and moderate income families in in Red Rock, Marana, Rillito, and Vail along with Phase II for the Don Frew Apartments. We are also considering building a market-rate project in downtown Marana

Our goal is to build 15 homes over the next 5 years.

We believe there is a demand for additional subsidized senior rental unit's 30-40 units. All units would be single story in the Red Rock and Vail areas.

New Partnerships

We will be starting our PPEP Help Your Neighbor Program (PHYN) a new partnership to do neighborhood revitalization for Pima County communities in Littletown, Marana, Flowing Wells and Rillito.

We have also formed a partnership with Habitat for Humanity to do work in the Flowing Wells area.



Rillito Project

BEHAVIORAL HEALTH DEPARTMENT 2013-2014

By Carlyn Hacker, MS. LISAC



Stacey Harrington, Brenda Hanna, Christine Valle, David Martinez-Rivera, Tamara Zuniga, Kelly Patton, Jose Acosta, Francisco Aguirre, Kenneth Brown, Blanca Gradillas, Susana Villa, Meghan Enriquez, Angelica Hernandez (Ajo), Laura Thompson, Jessica Quiroz, Tamara Klein, Tom Richeson (Ajo), Harrell Goodman

What an awesome group of people we have that work in PPEP counseling. The PPEP Behavioral Health Services (PPEP BHS) employs highly skilled, educated, caring, efficient staff members who deliver high quality, culturally sensitive services to the clients that are in need of treatment or education services. A fact that many may not know about our counseling staff including Ajo, Tucson, to Somerton, is the lack of turnover. The average duration of employment within behavioral health department is 7.5 years. In a field riddled with "burnout", this is an amazing fact. According to literature, this statistic is most likely contributed to things such as:

- Staff taking pride in what they do-They really do. Our offices are decorated to each individual's tastes which make the clients feel very comfortable. Pride reflects in the 3% Data validation audit that few agencies get below 10%.
- Staff feel they are part of a team and their thoughts and ideas are heard:

Most of the creative ideas come from staff. Administration interprets any new required policies and procedures, but it is the staff that help make it feasible and incorporating it into the "PPEP way."

There is value in their job:

Though one of the most difficult jobs ever dealing with people who have been arrested, resistant, children removed due to their substance abuse, denied their driving privileges, witness to court testimonies that are not all positive, and finally the children who have such poor levels of self-worth that it makes you want to cry. We don't though. We pull ourselves up by our boot straps, rely on each other as support, and find that one shining star who keeps us doing the job we do. In my eyes, counselors are the unsung heroes that are the least appreciated.

- Happy with the benefits both concrete and abstract.
- The most awesome leadership ever.

 Hard to argue with the truth, LOL, or Ha! Ha! (depending on your age)

Like the PPEP staff, many of our contractors and scope of services continue to be the same year after year. Counseling and education services are provided in both English/Spanish for children, adolescents, families and adults within an environment of individual, couples, group, family and home-based settings all around Arizona. Though the delivery of services becomes more of a challenge every year, this department continues not only to survives but remembers that the **client comes first.**

PPEP Behavioral Health has rural licensed office locations in Ajo, and Somerton, AZ. The office in Ajo provides a full array of services including Psychiatric in Ajo, AZ. In fact, during the past year, PPEP has expanded locations to provide individual psychiatric medication monitoring services as well as tele-med psychiatric for children out of the DD Encompass building off of Solana Ave. Just like our counseling employees, PPEP has contracted with the same psychiatrist for over 30 years.



Elliott Heiman, M.D., Psychiatrist

The Somerton office continues to go strong under the direction of Edgardo Figueroa who has been a part time substance abuse counselor for over two years moved to full time after the resignation of Mily Gomez. Edgardo is a true example of "jack of all trades master of none." Besides providing the necessary counseling services within the office, he coordinates MVD and substance abuse evaluations with the Tucson clinicians, answers the phone and schedules all appointments, files, cleans, and goes into the PPEP Tec High schools within San Luis and Somerton to provide life skills, individual counseling, substance abuse and other behavioral health services. He is assisted on a part time basis by Lorena Garcia, who provides victim services for the Unites States Marine corps and delivers group domestic violence treatment for men and women as well as individual counseling through the Cenpatico contract.







Edgardo Figueroa

In addition PPEP offers Domestic Violence Offender Treatment and DUI services to areas such as Continental, Three Points, and Catalina. The counseling department continues on a daily basis, evenings and weekends to meet the needs of the PPEP clientele whose struggles are just as complex. Limited financial resources may have contributed to their situation or they may have just fallen on bad times. The family may be in turmoil dealing with divorce, depression, arrests, substance abuse, and/or other behaviors. Some of these behaviors may be totally out of character resulting from the immediate stressor or more chronic due to the individual not having the much needed direction or support throughout their lives.

Because of the client's complex needs, the counseling staff members continue to expand their therapeutic skills by attending conferences and workshops which keep them current with today's best practices. It is because of the diverse clientele that PPEP hires staff members that are just and unique from Bi-lingual/Bi-cultural, Spanish Speaking, Master's licensed to Bachelor level clinicians, all from various backgrounds. Some types of counseling services offered in a group, family, and individual basis include: Eye Movement Desensitization reprocessing (EMDR), Dialectical Behavioral Therapy (DBT), Cognitive Behavior Therapy (CBT), Motivational Interviewing (MI), Person Centered Therapy, and many others. PPEP BHS offers these various therapeutic methods because not all clients are the same; one size does not fit all.

ENCOMPASS and Behavioral Health Rediscovering Who We Are

By Gina Judy CAO



At this very moment there is joy, there is success, there is happiness. If we pay attention to it, we will see it.

A few months ago I had the opportunity to participate in an exploration of Mindfulness as it might be used with individuals with developmental disabilities at the Arizona Training Center in Coolidge. Dr. Singh and several key leaders in the developmental disabilities world examined the use of mindfulness-based therapies as a clinical application to various conditions.

Mindfulness methods in the traditional sense as well as current psychological theories are beginning to be used as cognitive behavioral strategies for easing distress and for personal transformation. While the use of mindfulness as a clinical tool is still in its infancy, there is a lot to be gained from a non-judgmental, open approach.

Truly being aware of your own thoughts, the surroundings, and others can change a perspective and an outcome.

Following the training I found myself thinking a bit more open about the simplest of things in the days to follow. We are so busy with day-to-day responsibilities, work, and families that we often forget the everyday moments. But it is those everyday moments that can remind us that what we do matters. When we open our eyes and pay attention instead of automatically moving through each day, not only do we see the services in a new way but we see how those services enhance the lives of so many.

When I look beyond Natila sitting with her legs crossed at circle time, I can see that Natila has learned new social skills and has broadened her span of attention. This accomplishment has not been by accident or by chance. This accomplishment was made possible through days and days of consistent routine and creative activities provided by the ENCOMPASS Preschool teaching staff.

When I look beyond Dinah visiting me to show me her latest creation, I can see that Dinah's visit is stress free and her thoughts are filled with the activities she plans to do today. Showing me her latest piece of art is at the forefront of her thoughts as opposed to the things

she has struggled with in the past. This advancement is not by chance. This advancement has come from years of hard work on Dinah's part and tons of positive supports she has received from a variety of ENCOMPASS team members.

When I look beyond Trina grinning at me to convey "hello", I can see that Trina has successfully integrated into her community in such a way that people all around her will not only return her beautiful smile but will engage in conversation and enjoy her company. This success is not by chance. This success has come after a lot of effort on Trina's part and a lot of personalized care provided from the ENCOMPASS direct care professionals.

When I look beyond Tom showing me his prize collection of western items, I can see that Tom is healthy and enjoying his life to the fullest. He is a man that enjoys being active and sharing his experiences and wisdom with others. This achievement is not a coincidence. This achievement has been made possible by Tom receiving individualized habilitation services in an appropriate setting where his wants and needs have been made a priority by ENCOMPASS.

When I look beyond Pam arriving at the center, I can see that Pam appears happy and is walking with a new bounce in her step. Pam looks healthy, she looks happy. She's been drug free for the past six months and she is excited about seeing her children again. This success is not an accident, this success has been made possible by Pam participating in the PPEP Behavioral Health programs and discovering new meaning in her life.

When we look beyond the surface and we really pay attention, we begin to rediscover more and more about the real successes throughout ENCOMPASS and Behavioral Health over decades of service provision. We rediscover who we are.



DES Director Clarence Carter and PPEP CAO, Gina Judy, at a special staff recognition event

ENCOMPASS Preschool

By Kristina Ramirez, Preschool Director

The Delores Huerta Encompass Preschool is proud to announce the expansion of services provided to south Yuma County, we now serve toddlers, children 1 to 2 years old. The ENCOMPASS Preschool is located at 115 North Colombia Avenue, Somerton. We opened our doors on August 5, 2013 with four children. We have served a total of 33 children since we opened and we continue to slowly grow. We provide educational child care services to children 1 to 5 years old, offering services Monday through Friday, 7 a.m. to 5:30 p.m. Kristina Ramirez is the director with a teaching staff of two: Melisa Sarbia and Lydia Navarro. As the program grows we will be employing additional staff. All of our staff members attend monthly training to gain better knowledge of how to provide the best services possible to our children and families. As a team our goal is to help each child reach his or her individual potential. We would like each child to leave us with the ability to enter kindergarten well prepared for a successful future. We prepare a weekly lesson plan and have a structured daily schedule. We feel children learn by socializing and exploring. Our daily routine is full of opportunities for free play, teacher directed learning activities, and options to explore. Our preschool is set up to enhance the children's curiosity.



ENCOMPASS Certified Care Givers Named Arizona's Direct Support Professional of the Year 2014!



Mario Olivarez (Right) and Dimetri Gudino (Left) were awarded as Arizona's 2014 Direct Support Professionals of the Year at an awards ceremony held on September 26, 2014 at the Disability Empowerment Center in Phoenix, Arizona. PPEP Chief Administrative Officer, Gina Judy, is a strong advocate for this Statewide recognition event.



Mario Olivares and Dimetri Gudino are shown with all award winners and Direct Clarence Carter at Arizona's 2014 Direct Support Professionals of the Year awards ceremony

"The work that direct support professionals do is critical but their role too often goes unnoticed and under-appreciated. During the month of September, states across the nation take time to thank our Direct Support Professionals for their hard work and to bring attention to the vital role they play. We are no different here in Arizona. Along with a U.S. Senate resolution and 35 other gubernatorial proclamations, Arizona proclaims this week as Direct Support Professionals Recognition Week. We realize that recognition activities such as this event today is not only a way to say 'thank you' to some of our outstanding DSP's but it is also a way to educate the public and our leaders about the importance and fragility of the direct support profession in the lives of individuals with disabilities. Thank you Direct Support Professionals for All you do! Your contribution to our society is appreciated and it does not go unnoticed." Gina Judy, PPEP CAO

ENCOMPASS Ajo and Sells Programs

By Wil Gibson, Area Program Coordinator

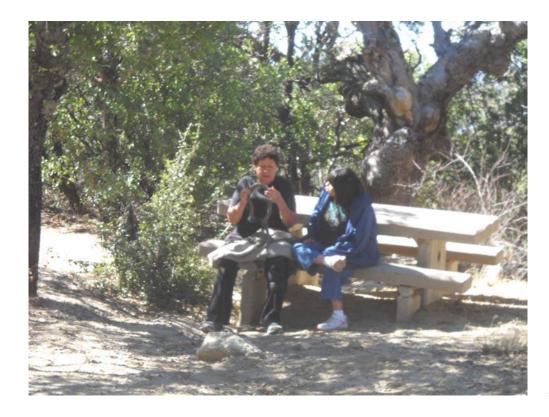
ENCOMPASS continues to provide quality care and support to the individuals throughout the Ajo and Sells communities.

Services provided in the region include: Day Treatment and Training, Residential, Transportation, and Individual Habilitation. We are fortunate to have a superior team of direct care professionals. Many have been with ENCOMPASS for many years and they continue to provide compassionate and skilled care for individuals with developmental and physical challenges.

2014 has been an eventful year. We have participated in a variety of downtown activities, including the annual Halloween parade. The individuals receiving services especially enjoy the Halloween events. Their day begins with dressing up in costume and ends in handing out candy to children in the evening. Everyone loves the cook out and the parade of costumes! Of course Thanksgiving, Christmas, Easter, Valentines, and New Year's holidays are equally fun for everyone.

Events like these are important to the individuals we serve because they provide opportunity for growth. Being part of routine community events ensures everyone feels like they belong to these communities.

Thank you to all our direct care professionals and coordinators for continuing to provide excellent care, support, and creativity. And thank you to Gina Judy and our Administrative Support Team for providing the leadership, training, and tools necessary to aid in our continued success.



ENCOMPASS Tucson and Green Valley Day Treatment and EmploymentBy Dawn Cantrell, Director

The Tucson and Green Valley Programs continue to provide community based activities to our members. Last month, a new member joined the Olsen DTA from Arizona City and is enjoying such activities as bowling, movies and museums with his peers.

Green Valley DTA hosts special activities such as its annual Halloween party. This event reaches out to include individuals from Sahuarita High School with a" not so scary" haunted house.

Client workers in the Employment Related Program take pride in earning a wage for their work in Oro Valley where they recycle from the town hall of Oro Valley and pick up trash on the walk/bike trails.

Providing these services not only enriches the lives of our members but also gives back to our community by example of the quality of life!



ENCOMPASS Avondale Programs

By Crystal Castle, Area Program Coordinator

The motto of the Avondale ENCOMPASS program is "COME AND FEEL THE DIFFERENCE!"

The Avondale program is a very unique program that provides transportation and day treatment & training services for 25 members. This structured yet flexible program ensured that program participants know they are loved. We teach by example using role play and group interaction. We teach our members to respect themselves and each other. Our goal is to help individuals learn to make appropriate choices. By putting the choice in their hands it reduces refusals and inappropriate behaviors. The exercise and Zumba classes are very successful. Everyone seems to be making healthier choices. Members choose and participate in community outings where they practice the skills they are learning as well as educating the public.

A newly acquired building will permit expansion of services to a greater number of individuals in the region. We are looking forward to creating and implementing an expanded program!



Zumba Fun for Exercise!



Writing to Improve Skills in the Avondale Day Treatment and Training Program



ENCOMPASS Tucson Area Residential Programs

By Joy Weiermann, Area Residential Director

The ENCOMPASS Division of PPEP, Inc. operates nine residential programs in the Tucson area for individuals with cognitive and intellectual disabilities. These residential programs receive excellent ratings from the Davison of Developmental Disabilities.

These nine homes support and provide assistance to help consumers become as self-reliant as possible. The goal of these programs is to provide developmentally disabled teens and adults with safe, warm and supportive home environments that nurture independence, self-worth and living skills.

Independence starts when a consumer is given a task or some kind of responsibility. When they can achieve something they set their minds to it builds confidence. It also helps to teach them that their actions have consequences both good and bad. All of this helps our consumer to become independent as they progress through life and help build self-esteem. Of course, there will be mistakes along the way, we all make mistakes. We all learn from mistakes. With guidance, repetition and encouragement our consumers learn valuable skills that will promote independence and self-advocacy.



ENCOMPASS Administrative Support Team

By Tomica Hampton, Office Manager

Encompass' administrative support staff is comprised of several dedicated, hardworking, and specialized individuals who have formed a unique support team for all of our Encompass programs. Our main focus this year was to ensure we are up to date with the latest policies and procedures for all the state mandated documentation and regulations we are faced with daily. The support staff works hard to ensure all locations have the tools and support they need to be effective for our members. Administrative personal were available for auditing, vehicle, training, billing, and timesheet questions that arose throughout the work day for our various locations throughout the state. Our support staffs traveled to some of our outlying areas to provide training, perform audits, or gave general help when needed. Our trainer continues to work with other agencies as well as our PPEP, Inc. departments to provide 1st Aid/CPR trainings.

The administrative staff even takes a moment to relish in the smiling faces and friendly hellos from our members on special visits to the office. The office occasionally provides a special activity to show how much we care about the time the members took to visit us, even if it is just as simple as drawing a picture of their adventure for the day.

The Annual Professional Direct Caregivers week was celebrated in September where we recognized two support staff from our Globe Area. The support staff felt the need to recognize our Encompass staff in our own way so we purchased locally baked cookies and decorated our office to show our own appreciation for all they do.

During the year we had our long time Office Manager, Jackie, retired. We wish her luck in all of her future endeavors. With this change we have a new Office Manager which in turn will bring new changes however; she will ensure the overall success continues with the support and guidance from our CAO, Ms. Gina Judy. As a team we will continue to strive for the excellence that Encompass as already achieved.



The administrative support team recognizes the annual Direct Support Professional week with cookies and special decorations throughout the office to show appreciation for all the ENCOMPASS direct care providers do.

ENCOMPASS Globe

By Bonnie Hayes, Area Director

The Globe Encompass Program has had a very eventful year. The Globe Encompass program serves individuals with cognitive disabilities in the Globe, Miami and San Carlos area. Services we provide include; Residential, Day Treatment Activities, Transportation, and Individual Habilitation.

We continue to provide individualized services to each member. Our members are very happy and love their homes and the staff that provide supports to them.

Our day program provides day activities and transportation for individuals with Cognitive Disabilities. Our members enjoy a variety of different activities, which include crafts, field trips, planning dances for our community, movies etc. Recently the day program members entered a few items they created in the local county fair; Popsicle sticks farm with farm animals, wishing well, these items were created out of Popsicle sticks bracelets. They won Best of Show and first place for the candy bouquets. And in hand crafts our member's bead work won third place. Our members were proud of their accomplishments. Arizona Diamond Back donated Baseball tickets to our agency for our members, they had a great time.

Residential programs continue to do well and have received excellent ratings from the Division of Developmental Disabilities. We continue to provide individualized services to each member. Our members are very happy and love their homes and the staff that provide supports to them. Three of our members participated in Special Olympics events; two of the members came back with a silver metals and the other member received a gold metal!

I am pleased to announce that two of our Encompass Globe staff members were chosen for Direct Support Professional Awards! Congratulations Dimetri Gudino and Mario Olivarez! Thank you for your service to our Members and dedication to our Members and Programs.

I would like to thank all of our Direct Care Professionals and Program Coordinator, for providing our Members with excellent care and supports. Thanks to Gina Judy, CAO for providing the leadership and tools it takes to make our programs successful. I look forward to continued success for our ENCOMPASS Programs.



Dr. Larry Latham receives a special gift during his visit to the ENCOMPASS Globe region

ENCOMPASS Casa Grande

By Peggy Lopez, Area Manager

In the Casa Grande community the ENCOMPASS Division of PPEP, Inc. operates three Group Home facilities, a Day Treatment program, and provides Transportation services to individuals with developmental disabilities.

The direct care professionals in the Casa Grande region continue to maintain a high level of care giving. The individuals they serve are in good health and are very happy in their lives in the Casas Grande community. We are very fortunate to have so many long term employees in this area... their commitment is so appreciated. They have been loyal to the organization and the individuals we serve.

ENCOMPASS QUALITY IMPROVEMENT

ENCOMPASS continues to implement strategies to increase input from the individuals we serve and our team members. While visiting the programs and locations throughout the year, individuals and employees have reported that they enjoy the opportunity to offer input because they can see that their opinions drive change.

No one knows our consumers like the individuals who are in direct contact with them. Employee feedback and involvement this past year has improved ENCOMPASS services and customer satisfaction.

ENCOMPASS will continue to focus on quality improvement during 20015 and will continue to focus on gathering feedback and information from the individuals we serve, their families, our employees, and members of the community.

If you are interested in being involved in this process, we would love to include you in our efforts. Call the office at 594-6499 and learn more about opportunities for participation.



While visiting the programs and locations throughout the year, individuals enjoy providing input.

That input drives change and improves quality



Human Resources Department

<u>Mission:</u> "To service all employees within PPEP & Affiliates with the utmost customer service in all aspects of Human Resources."

Department Staffing:

The Human Resources Department is staffed by a Human Resources Director, a Senior Compensation and Benefits Analyst, a Human Resources Assistant, and a part time Data Assistant.

Human Resources Director/Chief Administrative Officer

Susan Marsett February 2001 - Current

Senior Compensation and Benefits Analyst

Rosemary Montano May 2006 - Current

Human Resources Assistant

Desiree Monjaras March 2012 – Current

Data Assistant

Janice Sharliene March 2014- Current

Responsibilities:

Human Resources delivers a wide range of employee services. These services are, but not limited to:

Benefits

Responsible for the enrollment process for all benefits as employees become eligible under the guidelines established by PPEP Policies and Procedures. Human Resources educates eligible employees as to the benefits available to them, processes the enrollment forms and resolves any benefit related issues. Works with benefits brokers to ensure PPEP is providing a comprehensive and competitive benefits package to staff.

Recruitment and Retention

Responsible for providing recruitment support to all departments/programs within PPEP & Affiliates. This includes preparing and posting internal job announcements and outside advertising media, reviewing/screening all

applications, conducting pre-employment screening (i.e. MVR, reference checks). We also develop and implement strategies designed to enhance employee retention.

Employee Relations

Responsible for resolving any labor related issues among the staff of PPEP & Affiliates. Investigates employee complaints and facilitates objectively fair and impartial resolutions. Ensures compliance with all federal, state and local employment-related laws.

Policies and Procedures

Responsible for ensuring that all employees follow appropriate guidelines established within the PPEP Policies and Procedures. Monitors the disciplinary process to ensure fair and equitable treatment among all employees. Develops new policy or modifies existing policy to reflect current law and best protect the interests of PPEP.

> Employee Evaluation and Professional Development

Responsible for facilitation of the performance evaluation process for all employees at PPEP & Affiliates. Prepares evaluation forms. Notifies departments when evaluations are due and forwards evaluation materials to appropriate supervisory staff. Maintains completed evaluations in employee personnel files.

Employee File Management

Responsible for maintaining accurate employee files. These files contain information regarding employment history, benefits and performance evaluations. Responsible for processing all employment-related paperwork for newly hired employees, employee status changes, performance evaluations, training, certifications/clearances, disciplinary issues and benefits. Enter this information, as required, into the Human Resources information system.

Safety

Responsible for reporting and processing all work-related injuries. Submits this information to the Worker's Compensation Insurance carrier. Maintains OSHA logs.

Training and Employee Morale

Responsible for providing training to all staff regarding policies and procedures and other Human Resources related topics, including new hire orientations. Develop morale boosting programs for PPEP employees to boost morale and strengthen company culture.

Company Staffing:

At the end of the fiscal year, PPEP & Affiliates had employed a total of 539 employees. This figure represents a significant increase in staff from the previous fiscal year's figures.

Employee Type	# of Employees
Regular, Full- Time	365
Regular, Part-Time	47
On Call	66
Work Experience (WEP)	53
Special Certificate (DD)	4
Temporary	4

Employee Benefits:

During this fiscal year, the following benefits were offered to our employees:

- ◆ Health Insurance PPEP offered health insurance coverage to all benefitseligible employees throughout the fiscal year. PPEP selected United Health Care to provide coverage to all employees. PPEP contributes approximately 85% of the cost of employee only coverage. Four options are available to eligible staff: The Performance Plan, The Classic Plan, and two Health Savings Account with the High Deductible Health Plan.
- ◆ <u>Dental Insurance</u> PPEP offered dental coverage to all benefits-eligible employees on a voluntary participation basis only. Premiums were paid 100% by the employee. PPEP selected MetLife Dental Services to provide a wide array of dental coverage to our employees. Two plans are available to eligible employees.
- Vision Insurance PPEP offered vision insurance to all benefits-eligible employees on a voluntary participation basis only. Premiums were paid 100% by the employee. PPEP selected VSP to provide this service to our employees.
- Flexible Spending Account- PPEP offers this account, which allows employees to pay for any un-reimbursed medical expenses or dependent day care using pre-tax dollars.
- ◆ <u>Life Insurance</u> PPEP provided life insurance coverage to all benefits-eligible employees. PPEP contributed 100% of the cost of this benefit. Mutual of Omaha was contracted with to provide employee, spouse and dependent coverage for general life or AD&D.
- Short and Long Term Disability PPEP provided short and long term disability insurance coverage to all our benefits-eligible employees. Mutual of Omaha was contracted with to perform this service and the cost was paid for 100% by PPEP.
- ◆ 401(k) Plan PPEP created a 401(k) to assist our employees with retirement planning. The plan is administered by Scott Nasca with Country Financial, which

- offers our employees a wide range of options from which to choose and advice to assist them in their choices.
- ◆ 457(b) Plan PPEP created a 457(b) plan for our employees as an alternative to the 401(k) plan. The 457(b) plan allows employees already investing the maximum in the 401(k) plan to continue their investments at an unlimited rate. Norton Retirement Services administers this plan.
- ◆ Long Term Care This plan provides care in private homes, assisted living environments or residential care facilities should the employee become incapacitated to the extent that they can no longer perform two or more activities of daily life. Premiums for this plan are paid 100% by the employee unless the employee has been with PPEP for over eight years. After 8 years of employment the plan is covered 100% by the employer. UNUM provides this benefit to PPEP employees.
- ◆ <u>Colonial</u> PPEP offered this plan to provide supplemental short term disability, cancer insurance, and supplemental accident insurance to PPEP employees. Premiums for this plan are paid for 100% by the employee.
- ◆ <u>Legal Shield</u> Legal services and Identity Theft protection are available to eligible employees. Premiums for this plan are paid for 100% by the employee.
- ◆ <u>EAP</u> PPEP contracted with Mutual of Omaha to provide behavioral health services and resource information to our employees in need. This is a confidential service provided to PPEP employees 24 hours a day, seven days a week.
- Group Banking Program PPEP offers all employees a group banking discount through Chase and Wells Fargo Banks.

Goals completed from the 2013/2014 Fiscal Year:

- 1. **Health & Wellness:** Hosted the Eighth Annual PPEP Health and Wellness Fair and implemented Flu shots for Tucson area staff at no charge to PPEP employees. Approximately 40 staff were vaccinated. Other staff may still receive the vaccine and receive reimbursement for costs. Continued to promote wellness activities for staff, including the 3rd year of Walking for Wellness at PPEP program which spanned from Mid-April- May. PPEP had 220 staff initiate participation in the program, while 140 staff completed the 5 week program and earned an incentive. HR also continued with the creation and dissemination of a quarterly wellness newsletter. Finally, a video on different wellness offerings has been posted on the PPEP website providing information about options available and making healthy life choices.
- 2. **Healthcare Reform:** Make sure PPEP and its affiliates are prepared for upcoming Healthcare Reform requirements. Many major changes began occurring in 2014, so PPEP must make sure it has a solid basis and understanding of the plan prior to the required implementation.

Goals For the 2014/2015 Fiscal Year:

- Classification and Compensations Surveys: Review and update all PPEP's comprehensive compensation plans for all job titles. Evaluate past salary surveys to determine cost effectiveness of the compensation plan. This should assist with and increase the effectiveness of recruiting efforts and promote fiscal responsibility. This task is slated for completion by February of 2013.
- 2. Healthcare Reform: Make sure PPEP and its affiliates are prepared for upcoming Healthcare Reform requirements. Many more major changes begin occurring in 2015, so PPEP must make sure it has a solid basis and understanding of the plan prior to the required implementation. This includes implementing changes into the payroll and Human Resources Information Systems to ensure compliance is ongoing and recorded appropriately.
- 3. Employee Self Service: Implement access for current staff to obtain reports showing all income and benefit information. Additionally, the ability to obtain check stubs, W-2's and combined leave history information from their own computer would be helpful to staff. (This project is completed but is waiting to be rolled out to staff in the hope that we can discontinue printing paper check stubs for the staff with Direct Deposit.)
- 4. Transition from a fully insured to self-funded health insurance plan: PPEP will be transitioning during the 2015 CY to the self-insured model via participation in a Healthcare Captive Insurance group formed within the state. Not only will this method of insuring the plan be new but participation in the captive board meetings will also be required to ensure proper funding and running of the plan.



Dr. Arnold welcomes PPEP Staff during Open Enrollment



Property and Insurance Gary Kleopfer, CAO, Property Management



The Property and Insurance Department has had a very productive year. We have provided support to 41 rental properties and 23 PPEP owned properties in 20 communities. We have responded to over 2,500-service request from cutting weeds to repairing appliances. No matter what the request, we will do our best to accomplish what is needed to keep programs running smoothly.

Accomplishments that stand out the most are:

- Upgrading the kitchen area in the Raul H. Castro Learning Center in Douglas by adding additional electrical service and an improved serving area.
- Bathroom renovations at the Las Casitas group home in Tucson improving wheelchair access in both bathrooms.
- Installing new floors at Encompass programs in Sells and Tucson
- Adding a kitchen area to the Encompass DTA Program in Globe.
- Adding a kitchen area to the Encompass DTA program in Avondale
- Replacing the water line at the Rosewood group home in Tucson. This project saved over \$2,000 over the cost of hiring a plumbing contractor for the work.
- We completed a landscape project to the retention basin at the Dolores Huerta Center in Somerton. This project included planting trees and shrubs, installing an irrigation system and adding landscape rock. A savings of over \$15,000 by doing the project in-house.
- Adding a laundry favility to the Encompass Preschool in Somerton



Repairing failed roof trusses in Bisbee



Bisbee Completed Repairs

Installed several thousand feet of telephone and network cabling in Colin L.
 Powell Learning Center in Sierra Vista,

PPEP purchase one additional building this year; the Avondale DTA at 811 E. Riley.

Plans are underway to expand the DTA program.

The above is in addition to the hundreds of request we have for maintenance and repairs on a monthly bases.

Assisted the Littletown food bank with their new building by installing phone and data lines and providing them with new commensal refrigeration units.



New kitchen for the Globe DTA



Somerton Landscape Project before and after





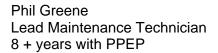
Avondale DTA kitchen before and after



None of the above would be possible without the hard work and dedication of the hard working staff. Each has my sincere thanks for jobs well done.

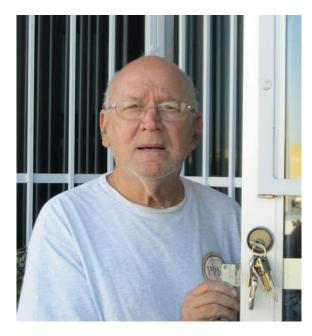


James Sams Lead Maintenance Technician 10 + years with PPEP











Oscar Madrid Maintenance Technician and Locksmith New to PPEP this year



Felix Valdez Maintenance Technician New to PPEP this year



Alicia Buckholz Property and Insurance Coordinator 5 + years with PPEP

All of us in the Property Department would like to thank everyone in PPEP for their support and cooperation to our department. We look forward to serving you in the coming year and will strive to meet your expectations.



Donation of vehicle to Fai-Son Fundacion de Apoyo Infantil Sonora, IAP.

ARIZONA VIRTUAL ACADEMY AZVA

Arizona Virtual Academy (AZVA) was approved as part of the Arizona distance learning expansion legislation in June, 2003, and opened its doors in August of that year as a program of PPEP and Affiliates, Inc. AZVA provides free online classes for students in kindergarten thru twelfth grade and is focused on student-centered education and data-driven instruction. AZVA employs a large team of Arizona-state certified and Highly Qualified teachers and counselors to support the needs of students in elementary, middle, and high school and prepare them for college and career.

In 2012, Insight Academy of Arizona (ISAZ) was opened to serve the specific needs of Arizona's at-risk students. Through this school, students are able to complete courses on a block schedule, work to recover credits, participate in support programs including a teen parenting credit bearing course, and receive additional support and guidance from certified teachers, counselors, and advisors.

AZVA and ISAZ serve more than 5000 students each year utilizing award-winning K12, Inc. curriculum through an online learning management system. Both schools utilize a multitude of programs and innovative ideas to engage students in learning and ensure mastery of state standards and course objectives .AZVA and ISAZ are accredited by AdvancED. For more information about either school, consult www.k12.com/azva or az.insightschools.net.



2014 AZVA Graduate

CEO QUARTERLY REPORTS





PPEP MICROBUSINESS AND HOUSING DEVELOPMENT CORPORATION

This is our 39th Annual PMHDC Board Meeting.

ADOPTING RILLITO: PMHDC and PPEP adopted the Rural Community of Rillito, Arizona, and on November 9, 2013 a clean-up day was scheduled for the community. During the day the daycare building was painted. Large dumpsters were placed so the residence could deposit waste, etc. About 100 PPEP & PMHDC employees along with Youth Build students and the Rillito residents put in a hard day's work. Channel 4 Television (KVOA) highlighted the event as an "example for all Tucson to follow" helping your neighbor.

HISTORICAL PERSPECTIVE: PHDC split off from PPEP, Inc. in 1975, at the request of the Rural Housing Assistance Council our grantor at the time. The rationale was that PPEP's mission was education, human services, and the PHDC would focus on making affordable housing to rural families.

At that time we were located at 338 N. Granada and when we split PMHDC moved next door to 450 N. Granada and set up their housing services.

The first President of PHDC was Walter "Doc" Holiday and the Housing Director was Ann Ball. It was not until 1985 that the name was changed to add "microbusiness" to the name, thus becoming PPEP Microbusiness and Housing Development Corporation (PMHDC). Frank Ballesteros along with Arturo Magana became the first leaders of the micro credit program funded by the Ford Foundation. In those days we were affiliated with ACCION International as our technical assistance provider. In 1999, PMHDC was honored at the White House and received by President Bill Clinton, Hillary, and Secretary of Treasury Ruben. They honored PMHDC and its client Maria Jesus Gaxiola, 'program and client of the year.' Later that year PMHDC became the first CDFI or Community Development Finance Institution certified by the US Treasury as a 'poor people's bank.'

Over the years, hundreds of self-help housing units have been built for farmworkers and rural poor. Including the farm labor housing units in the Santa Cruz Valley. The 18 unit multifamily project known as Don Frew was built in Marana. Shortly after that a 31 unit project was built in Benson for semi-independent seniors named La Ramona Morales. Over the years 25,000,000 in micro loans have been made in the border region alone. Also in 2008, PMHDC provided T/TA for micro credit programs in West Africa including Cameroon, Nigeria, Ghana, and Ethiopia. Most recently we assisted a microbusiness incubator for seamstress with Diabetes in Limbe, Cameroon known as the High Tec Tailoring Shop (featured on our front page of the report).

PMHDC in the United States this past year has seen considerable consolidation and restructuring to adapt to the border region economic crisis, now in its third year. PMHDC along with banks and other

lenders have sustained considerable losses due to closures of business and failure to pay on their loans due to the very bad economic conditions.

PMHDC downsized staff, consolidated its office space to the main office to save on administration costs. Also, many of our traditional funding sources also dried up making it more difficult to maintain levels of administration we would like to have.

The other main obstacle for PMHDC of late has been to resolve the ongoing HUD-SHOP inquiry on a PMHDC Consortium member. Thistle a rural housing development corporation in Colorado had incurred some disallowed costs. Subsequent, to the HUD inquiry PMHDC, as the consortium leader was required to pay back \$86,000 for the Thistle disallowances. Plus there was a considerable expense in consultants and lawyers that had to reconstruct the HUD inquiry that was several years old and none of the original staff was still around.

It is anticipated that PMHDC will recuperate most of the money from Thistle including their share of the consultant and lawyers' fees. As for the aforementioned large write-offs from the past; these loans from the border region have been for the most part been taken care of. Last year we also re activated PHDC California that has been dormant since 1985 when we incorporated in Brawly, California for possible ventures in Southern California. Recently, we have been invited to explore options.

This year, we are off to a good start with new and more conservative loans and emphasis on recovery and offering in depth business training. We have a grant writer on board to assist us in mobilizing new funding sources. A repayment structure to PPEP for their support is in place to cover unmet costs during the border economic crisis. Finally, the morale is high among the staff and clients and we are optimistic about the future. Included in our plans is to generate funds through our business development classes offered to local microbusiness. Jerone is tapping on his experience to develop ongoing classes. The Mississippi Delta Council reports expanding activities at the Grayce Center for civilians' disaster relief in Clarksdale, Mississippi.

Si Se Pudo!

ohn David Arnold, PhD

CEO/Founder



PPEP, PMHDC & YouthBuild participate in the Community Service Day in Rillito, Arizona

Microbusiness Lending Activities

During the 2013 year end, PMHDC continued their efforts in lending activities and technical assistance efforts.

At December 31, 2013, PMHDC had outstanding loans of \$2,693,626 and notes payable to funding sources totaling \$2,484,598.

PMHDC's funding sources are as follows:

Small Business Administration MICRO Loan Funds

The Small Business Administration/MICRO Loan Fund is made up of one loan made to PMHDC. Loans receivable on these funds totaled \$105,307 at fiscal 2013 year end. The notes payable due the lending agency totaled \$95,392 at fiscal year-end.

Social Program Related Investment Fund (SPRIF)

This fund is made up of three social investments, which include the Seton Enablement Fund, SSM International Finance and Sisters of Saint Francis of Philadelphia. Outstanding loans by PMHDC using this fund totaled \$202,374 at December 31, 2013 and the notes payable to the funding agency was \$73,185 at that date.

Rural Development

This loan fund was established for the border areas of Douglas, Nogales and San Luis. The \$165,000 RD grant was made to PMHDC in May of 1996. Under the grant guidelines, these funds can only be used in these three border communities. As of December 31, 2013, outstanding loans totaled \$58,396 and there was no note payable related to these funds.

United States Department of Agriculture Intermediary Relending Program

The Intermediary Relending Program (IRP) is a program of Rural Development. Funds are intended to be used for pre and site development housing opportunities for low-to-moderate income families as well as to create sustainable small businesses with loans of up to \$150,000. Fewer than five separate funds loaned to PMHDC, total loans outstanding were \$1,611,986 at December 31, 2013. Notes payable to Rural Development totaled \$1,912,773 at fiscal year-end.

Rural Micro entrepreneur Assistance Program (RMAP) – Awarded by the Department of Agriculture Rural Development includes loan funds of \$500,000. This fund assists to provide microloans to rural micro entrepreneurs and microenterprises; provide business based training and technical assistance to rural micro borrowers and potential micro borrowers. Loans receivable on these funds totaled \$77,866 at December 31, 2013 and the notes payable to the funding agency was \$325,045 at fiscal year-end.

Economic Development Administration (EDA) Bridge Fund

This federal funded bridge fund pro-actively develops new jobs for low income individuals and minorities by nurturing the startup and sustainability of microenterprises as they expand and enter their new stage of development and full-time job creation by providing bridge loans. EDA approved an initial \$300,000 investment and EDA #2 in the amount of \$500,000 for the CDFI. In January, 2013 EDA approved a consolidation of both funds totaling \$661,484. As of December 31, 2013 loans outstanding totaled \$252,466 and there were no notes payable.

PMHDC Equity Fund (CDFI)

Original equity investments were made by the U.S. Treasury (\$250,000). Loans outstanding at December 31, 2013 totaled \$162,833 and there were no notes payable.

Rural Housing and Economic Development (RHED I) (HUD)

<u>RHED I</u> was originally made available to PMHDC to infuse into construction loan funds to help self-help borrowers and non-profit builders proposing to develop affordable housing in rural Arizona. Loans receivable under this agreement totaled \$41,837 at December 31, 2013 and there were no related notes payable.

RHED II was requested to provide economic development assistance to retain and expand existing small businesses and micro enterprises in need of developing or enhancing their technological and communication capabilities, helping them to bridge the digital divide. Businesses served through this initiative are located in the "Colonias" areas of Arizona along the US-Mexico border, also known as the Arizona Border Region Enterprise Community, which includes Douglas, Nogales and San Luis. Loans receivable totaled \$2,759 at December 31, 2013 and there were no related notes payable.

RHED III was a grant for the acquisition, development, construction or renovation of housing serving elderly, developmentally disabled adults, farm workers and other special populations residing in the Arizona Border Region Enterprise Community. Loans receivable totaled \$65,022 at December 31, 2013 and there were no related notes payable.

RHED IV was designed to support the Colonias within the Arizona Border Region Enterprise Community and other small distressed communities (populations below 25,000) for the development of their capacity to carry out housing and economic development projects. Loans receivable totaled \$14,816 at December 31, 2013 and there were no related notes payable.

Wells Fargo Blend Fund

This product provides low-income families with financing for new homes in cooperation with Rural Development's 502 program. The financing was originally secured with a \$600,000 loan with Wells Fargo Bank. Loans receivable totaled \$22,563 at December 31, 2013 and there were no related notes payable outstanding.

Wells Fargo Fund

\$250,000 investment made by Wells Fargo Bank. Loans receivable totaled \$50,752 and as of December 31, 2013, loans payable was \$78,204.

Tides Foundation

PMHDC has a grant from the Tides Foundation in the amount of \$40,000. The funds are to be loaned to Microbusiness borrowers. At December 31, 2013 loans receivable totaled \$24,648 and there were no related notes payable outstanding.

Loan Delinquency Summary

Statistics for PHMDC's total loan portfolio as of December 31, 2013, were as follows:

DAYS	31-60	61-90	91-120	120+
DELINQUENT				
PORTFOLIO @	\$4,999	\$45,984	\$28,312	\$135,805
RISK				
% OF	1%	2%	1%	5%
PORTFOLIO				

These delinquent accounts were comprised of both small and large loans, with original loan amounts ranging from several thousand dollars to \$150,000. Staff members dedicated many hours to collection

efforts during the year. They have worked with clients to restructure their obligations and provided additional technical assistance regarding their business operations whenever possible.

Charge-offs for the year included 7 accounts totaling \$106,414. These accounts referred for charge-off to the Internal Loan Review Committee were reviewed and were approved as bad debt. All collateral associated with these accounts as well as the promissory notes and all other legal documents are being collected and readied for appropriate legal action; in some cases, legal action has already begun. All of the accounts have been reported to the Experian credit bureau.

During the same time, previously charged-off accounts were aggressively pursued by staff and by our attorneys. Efforts resulted in \$15,342 being recovered.

Business Training & Technical Assistance Report

PMHDC has shifted gears and is trying to concentrate efforts and coordination into fully developing its training program. We believe that small business lenders make better management and financial decision when they are equipment. These training will serve as the required mechanism for small businesses to be successful. A training program has been initiated with trial sessions in Pima & Yuma County while conversations and meetings continue in Cochise, Pinal, and Maricopa County. The training program will be conducted by Dr. Jerone Davis with the support and bilingual skills of Miguel J. Zazueta. The program will be taken to the different counties we serve through ground classes and also availability through online webinar. The following is an brief overview of the PMHDC Business Development Program:

PMHDC BUSINESS DEVELOPMENT PROGRAM

Business Assessment Workshop*** (weekly)**

Clients will receive a free technical business review to analyze their current operations or business development objectives. This enables PMHDC to recommend specific self-directed actions for each client and link them with mentoring and coaching services that will help facilitate their business functions.

The Process of Business Development (monthly)

(Price point \$25-\$40) 3 hour session

This seminar consists of a four hour presentation and one hour business review process for each client. The business presentation will identify the specific business sectors (operations, management, pricing, planning, start-up cost, marketing, technical writing and marketing) linked with a detailed implementation plan. This assists start up and existing business owners to create a realistic overview of a new business model or integrate a new function into their existing business.

The Business Development Series (6 annual offerings)

(Price point \$300-\$350, individual seminar \$40-\$50) 4-3 hour sessions, 4 consultations)

Business Organization

This seminar creates of an overview of the business idea, project overview, or strategic objectives by formalizing with clarity the business format including **operations**, **legal formation**, **ownership**, **and taxation**. This will allow the business owner to develop control and compliance systems specific to all areas of business activity.

Market Analysis

This seminar consists of gathering and organizing relative information from within the given business sector and industry. Clients will learn methods for collecting and organizing primary and secondary industry information. This data will assist business owners in developing **operations plans** and building an overall business strategy.

Sales Strategy

This seminar consists of identifying income channels and related **pricing techniques**. This will assist the business organization in creating promotions and sale incentives for customers. Clients will develop a **marketing plan** to link with specific sales objectives such as net profit margin and revenue growth.

Financial Overview

This seminar will create **financial statements** which represent current operations and/or future projections, all business ideas and plans are converted into a format of financial feasibility. This sector includes both a written description and financial statements. **Cash flow analysis** and the development of cash conversion cycles are used to create monthly and quarterly operating budgets create a business model that is profitable and sustainable.

KPI Development (Key Performance Indicators)

This seminar consists of developing **Key Performance Indicators (KPI)** for each business by analyzing critical business factors within the financial statements and operations sector. KPI development provides the foundation for each business owner to build **tactical and strategic plans**.

Business Implementation Process

This seminar will assist business owners in building a logical sequence and step by step process for starting or growing a business. The method of organization follows a specific process and is customized to each business model based on **timeline**, **resources**, **communications and objectives**.

STRATEGIC GOALS FOR PMHDC 2014-2019

The primary strategic objective of PMHDC is to improve socioeconomic development in rural areas and designated counties of Arizona.

The service structure of PMHDC will focus on community development in specific geographic populations based on the foundation of financial literacy. *Financial literacy programs will be provided to all communities as an initial step designed to precede all business services (education, training, technical assistance, networking and lending)*. The foundation of providing resources to help clients identify the use of credit, interest rates, checking and budgeting will create a structure that enables and empowers clients to understand and integrate personal and business financial objectives.

The collaboration between PMHDC and all strategic partners will build the needed infrastructure to better serve the rural communities of Arizona. The will include (trainer/coordinator--loan officer—consultant) the key personnel to carry out services over a large part of the state of Arizona. PMHDC already has connections and resources in these communities which will be expanded to improve the overall economic conditions while providing an educational component related to financial literacy.

PMHDC will provide services in seven counties (Yuma, Pima, Maricopa, Cochise, Pinal, Graham and Santa Cruz) throughout Arizona. The following goals outline the strategic and tactical objectives of PMHDC over the next five year period:

- 1. Evaluate the socioeconomic condition (primary/secondary research) of each community served within designated counties (2014)
- 2. Develop job creation/business development community strategy (2014)
- 3. Create scheduling and outreach programs for financial literacy training in designated communities (2014)
- 4. Implement business services within each community based on needs analysis (2014)

- 5. Create web Based resources (financial, business) for rural communities (2015)
- 6. Design socioeconomic community development model for each area served (2015)
- 7. Link community leadership through networking platform (2014)
- 8. Provide capital investment within each community based on needs and feasibility (2014-2019)
- 9. Link PMHDC strategic plan with community socioeconomic objectives (2014-2016)
- 10. Implement community feedback system to evaluate and adjust ongoing technical services and business support (2014-2019)

KEY OPERATIONS METRICS:

- 1. Business Assessment Workshop starts January 28 2013
- 2. Business Development Series starts February 8 2013
- 3. Loan Process/Financial Literacy integrated into training
- 4. Individual seminars offered for \$50 with consultation
- 5. Business Development Series offered through revolving format
- 6. Applying for business education/financial literacy grants
- 7. Business Training Program will utilize professional volunteers

Accomplishments

- February 2013: Pattie Mendoza, Dama Gonzalez, and Miguel J. Zazueta attended a meeting about USDA-RD Revolving Loan Fund Programs in Phoenix.
- February 2013: Pattie Mendoza and Miguel J. Zazueta attended real estate training at the Hogan School of Real Estate to learn more about real estate property, laws, and policies. Both received a loan origination certificate.
- March 2013: Dr. Arnold, Sandy Hernandez, and Miguel J. Zazueta participated in the AIFC Annual Conference in Yuma. We had an information booth and promoted the microloan program.
- April 2013: Sandy Hernandez participated in the 2nd Annual Somerton Business Expo in which she presented on our microloan program and technical assistance availability.
- September 2013: Dr. Jerone Davis, Miguel J. Zazueta, and Sandy Hernandez conducted multiple business development & loan process sessions in Yuma & Pima County.
- October 2013: Dr. Jerone Davis, Miguel J. Zazueta, and Sandy Hernandez conducted multiple business development & loan process sessions in Yuma & Pima County.
- October 2013: Dr. Jerone Davis and Miguel J. Zazueta conducted multiple business development & loan process sessions in Pima County.
- November 2013: Dr. Jerone Davis & Miguel J. Zazueta met with Jenny Torres, City of San Luis Economic Development Director in regards to San Luis Business Incubator Project and possible partnership.
- November 2013: Dr. Jerone Davis & Miguel J. Zazueta attended the City of Douglas City Council Meeting, presented to the entire City Council, Mayor Ortega Jr. about our microloan lending program and new training development courses available. We also had a full day meeting with City Manager De La Torre in regards to our microloan lending program and business training program.
- December 2013: PMHDC was finalizing new website edits and getting ready to launch a revitalized and interactive new website for January 2014. (Please visit our site pmhdc.net)

HISTORICAL INFORMATION—PMHDC LOAN ACTIVITY A CERTIFIED COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION AND A COMMUNITY DEVELOPMENT ENTITY PROGRAM STATISTICS

July 1, 2012- December 31, 2013

First-time Loans Funded: 5 (\$74,540)

Subsequent Loans Funded: 2 (\$15,000)

Small Business Loans Funded (50,000+): 0

Community Facility Loans: 0

Percentage of Women-Owned Enterprises: 39%

PMHDC Loan Portfolio: \$2,693,626

January 1987 through December, 2013

TOTAL AMOUNT LOANED: \$23,814,096

AVERAGE LOAN AMOUNT: \$6,708

TOTAL NUMBER OF FIRST-TIME LOANS: 1,554

TOTAL NUMBER OF ALL LOANS: 3,550

HISTORICAL LOSSES: \$2,958,965 (12%)

RECOVERY PROGRAM-TO-DATE: \$245,332



PMHDC Loan Review Committee

PPEP Microbusiness and Housing Development Corporation (PMHDC)



PMHDC/PSHC Housing Portfolio and Migrants and Seasonal Farmworkers (MSFW) Program

PMHDC continues to be proactive in outreaching and establishing partners for our housing programs - USDA – Rural Development's (RD) residential and multifamily programs, Arizona Department of Housing, the US Department of Housing & Urban Development and Pima County.

We have acquired 12 homes in the Yuma, Somerton and San Luis, Arizona area for the MSFW program and these properties are in different stages of rehabilitation with the cooperation of YouthBuild and Comite de Bien Estar of San Luis, Arizona. To further the objectives and goals of the program, we plan to acquire and rehabilitate two additional properties prior to June of this year.

We are hopeful (contingent upon funding) to initiate construction on Phase II of El Memorial de Don Frew Apartments - 9 new one & two story, garden-style units with the financial assistance from PMHDC and a USDA – RD, Section 515, Multifamily Housing loan (MFH) at the property located in Marana, Arizona.

El Memorial de Don Frew Apartments is completes with all major construction. The property is **100**% occupied and we presently have a waiting list of approximately 27 applicants.

Since we were able to manage our rehabilitation funds efficiently on this project in the amount of \$35,000, we plan to add covered, rear patios to all units which will enhance the weatherization of the property and benefit the utility and comfort of the tenants.

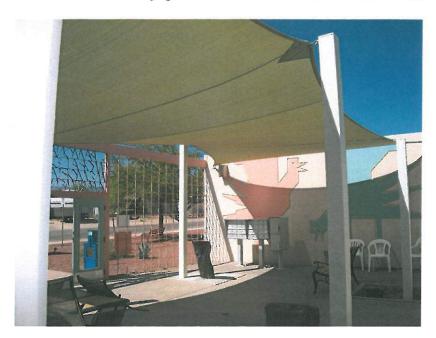
We have finished our landscape improvements – benches, flowers bushes, plants and a few new fruit trees. We have also moved the basketball court and added a new large patio area for the residents and guest.



We plan to hold a Re-Grand Opening at the property Don Frew Apartments in March.



Earlier this year PSHC upgraded and improved many small areas of La Ramona Morales Apartments, in Benson, Arizona. These new items consist of new sidewalks to the garden area, parking lot repairs, new awning and shade sails, a new frontage sign and a community garden. The residents have benefited from these improvements.



La Ramona Morales is also 100% Occupied. We also have a waitlist.

New Development

We are also seeking partners and conducting Market Studies on three new potential projects for the PMHDC housing portfolio - very low-, low- and moderate income residential housing and subsidized apartments in Benson, Willcox and a market-rate project in downtown Marana.

New Partnerships

We also had a meeting with Pima County to talk about a new partnership to do neighborhood revitalization for other communities in Pima County. Little Town, Marana, Flowing Wells and Rillito.

We are also working with Diana (Jodi) Frederick, with the Veterans Homelessness program to see about a partnership to help Homeless Veterans find homes.

Rillito project is still ongoing YouthBuild is planning to be out there on January 31 to do more work on the day care building.



PHOTO ALBUM





Dr. Jerone Davis conducting business development training on the 11 stages of a business development in Pima County. October 2013

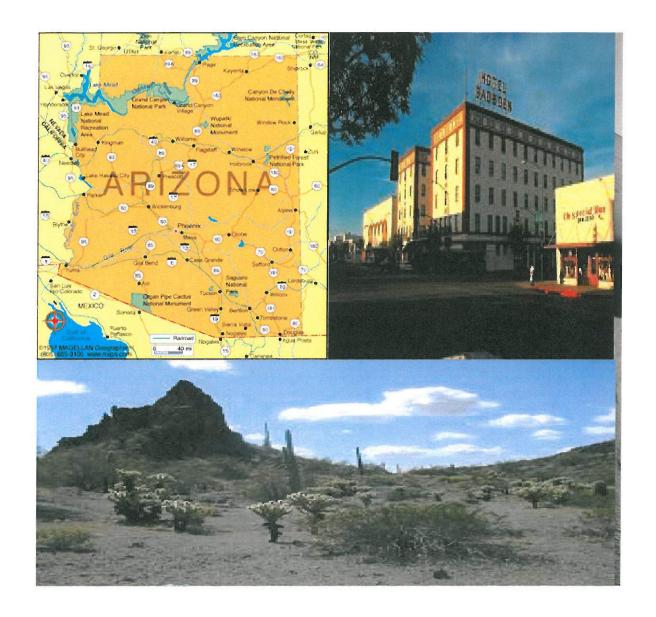


Miguel J. Zazueta, CDO helps translate and presented on the PMHDC loan process during the training.



Dr. Jerone Davis conducting business development training on the 11 Stages of a Business Development in Yuma County with assistance from Sandy Hernandez. October 2013





Border Crisis Intervention

RESEARCH FOR PRIME GRANT (YUMA & DOUGLAS)

The following are the findings from interviews made with clients and community resource providers in Douglas and San Luis Arizona.

Border Crisis Intervention RESEARCH FOR PRIME GRANT (YUMA & DOUGLAS)

Challenges that are affecting business owners

Yuma

Most of the businesses currently found in crisis in the Yuma and San Luis area are in the construction industry. Due to the economic crisis in 2009 most construction companies got caught in the middle between being too small (not bondable, limited cash flow) to do commercial jobs, that are very limited and few, and being too big to do small residential jobs that are taken by labor workers who live in Mexico. Some larger construction companies have equipment sitting around because they don't have enough liquid assets to get bonds to get commercial contracts. Other smaller sub-contractors have suffered because larger contractors have abandoned jobs or closed and did not pay for work performed.

Other industries that are still surviving like beauty and the clothing industry are experiencing cash flow and marketing challenges. Their existing customers are not buying as often as they used to but the business owner is also having a hard time finding new customers. Since the economic crisis, some business owners are challenged with knowing how to seek new markets and/or create a brand image for their business. Many businesses where opened from one day to the next, didn't have a strategic plan for the first three years of business, and didn't give much attention to branding. Even though at the time of opening there were more customers and the economy was well enough to sustain them, the situation has changed. However, the owner's business skills haven't improved enough to know how to create strategic plans, create marketing strategies and brand image in social media to increase the level of potential clients outside of their geographic area.

Challenges that are affecting business owners

Douglas

There's quite a difference in business capacity in Cochise County. While there's quite a large community of educated, business oriented and skilled would-be and existing business owners in Bisbee, just a few miles southeast in Douglas, there's a large community of low skilled and unemployed workers. There's a potential in new loan clients in the Bisbee area. Their challenges are related to business and financial management and reaching other markets outside of Cochise County. Douglas on the other hand has a more difficult situation. A factor preventing the Douglas community grow and sustain businesses is that would-be business owners and work force have four major challenges:

- 1. Language barrier most people speak only Spanish
- 2. Education most people do not have a high school diploma and find it difficult to take GED classes or a GED test because they can't speak English.

FROM OUR CLIENTS

"I don't have financing to buy more equipment. My business is too big to do the small jobs that I'm getting and too small to do the commercial jobs to sustain myself."

"Workers from the other side of the border come and do the same work we do at lower price, too low for us to compete"

"The top 3 barriers in our community are Language, Education and Low Skills."

"I never really learned how to run a business. I just opened and that's it.

- 3. Low skills most of the work they are ready to do is labor intensive with limited use of machinery or equipment.
- 4. Technology most individuals are afraid of computers and technology overall. They want to do all business activities face to face.

Based on the observations from DES/Workforce Placement Program, the above barriers make it difficult for individuals to stick to a program that can benefit them to get a better job or create one for themselves (their own business). So they give up and return to unemployment benefits. These challenges are also what prevent corporations from moving into Douglas and create new jobs.

However, there are opportunities for new businesses to provide products or services to businesses on the Mexico side of the border. Agua Prieta continues to grow and the need for brokers to make the connections to products or services on both sides of the border grows as well. (Example: Costco is looking for a provider and the opportunity to sell Mexican made Piñatas)

Services that existing and would-be business owners need

Douglas & Yuma

The most common service that most business owners in both counties requested were:

- Financial management/training.
- Assistance with determining if a hobby or a skill can be turned into a viable business
- Business Management / Business Planning
- Start up Costs, Pricing & Profitability
- Time Management
- Basic Computer Training
- Services offered in Spanish

Specifically in Cochise County PMHDC would need to collaborate with other community resource organizations like Cochise College Adult Education; Small Business Development Center; Workforce Investment to be able to assist would-be entrepreneurs in that area.

Best method of communication

Yuma

Technology as a form of communication and training - Business owners in Yuma County specifically in San Luis are very open to technology and the use of internet. Most of them have e-mail addresses. However, many don't have computers at home or at their businesses. They normally check e-mails randomly at a friend's house or they stop by the public library to use the computers there. The problem with using the computers at the library is that they are always busy and it's not an ideal place to take a training class because they can only use the computer for a limited time.

When asked what they preferred, a workshop on-line or in a class room, the response was on-line. When asked if they had a computer available their response was, no. When asked if they would go to a computer lab if one was available their response was, yes. Some business owners said they would like a loan to buy a computer for their business.

To announce services or new workshops – Individuals itemized communication methods in order of preference:

- 1. Regular Mail
- 2. Telephone
- 3. E-mail

To discuss loan requests, concerns, issues (counseling)

- 1. Face to Face
- 2. Telephone
- 3. Regular Mail

Douglas

Technology as form of communication & training — Currently most would-be entrepreneurs in the Douglas area are not computer savvy so this method would not be suitable for their needs. Douglas clients are requesting training in a class room setting. This does not apply to business owners and would-be entrepreneurs in Bisbee or Sierra Vista area. These entrepreneurs are open to technology and most of them have computers at home or business. Webinars is the preferred method to participate in a training workshop.

To announce services or new workshops -

- 1. Attend community organizations' orientations
- 2. Regular Mail
- 3. Via network through other business resource organizations
- 4. E-mail (in Sierra Vista & Bisbee)

To discuss loan requests, concerns, issues (counseling) -

- 1. Face to Face
- 2. Telephone



PPEP volunteer reception hosted by Mayor and First Lady of Alamos, Sonora, Mexico

NEWS ARTICLES



Experts say diabetes has a cure

BY TARHYANG ENOWBIKAH TABE

Experts in Diabetes have said that contrary to teachings that Diabetes has no cure, it can be cured by simply going back to natural nutrition patterns.



Dr. Arnold and Limbe, Cameroon Mayor

Speaking recently in Limbe during a one-day free screening exercise and seminar on diabetes, the experts had a lot to explain to the participants.

The seminar dubbed The Natural Cure for Diabetes under the theme, There is a cure for diabetes, was organised by the Alpha Club Common Initiative Group in conjunction with Tree of Life and Portable Practical Educational Preparation, PPEP Inc.

Speaking about the programme, the host, Dr. John David Arnold, Founder of PPEP said his organisation aims at improving the quality of life of the rural poor.

PPEP according to him has established nutrition, micro credit and sustainable farming projects in Cameroon since 2012.



Dr. Arnold and Gabriel Cousens, MD

PEPP is not focused on treatment, reasons why Dr. David Arnold said PEPP set up a loan fund so that women can loan money and purchase farm inputs to produce food without fertilisers hence going back to their natural feeding habits.

He said three Cameroonians will be selected to move to the Unites States where they will undergo training in production of organic food stuff to help prevent diabetes.



Limbe Alpha Club Officers

Meanwhile in his presentation, the guest speaker, Dr Gabriel Cousens from the Tree of Life Rejuvenation Center in Arizona, explained to the participants that Diabetes has a cure.

According to him, though medics say that it is incurable, he disagrees even with the American Diabetes Association; maintaining that the cure of Diabetes is by going back to the original nutrition pattern that existed before the industrial revolution.

Speaking at the official ceremony, the organisers said after the free screening exercise that morning, they realised that the rate of diabetes is high and that the rate of those who are potential patients is also high, hence there is a need for the opening of a Diabetic Testing Center in Cameroon and in Limbe in particular.

The Diabetic Center will be the first in Africa and will be hosted in the Seaside resort town of Limbe.

Mayor supports initiative.

The Lord Mayor of Limbe I, Rodanny Mbua Mokako said that his council will support in a great way the establishment of a Diabetic Center within his municipality.

In his opening address, the Mayor of Limbe I, Rodanny Mbua Mokako said "all of us are aware of the fact that Diabetes is a very common illness in Cameroon and the population of Limbe are not left out".



Blood Glucose Testing

Mayor Rodanny said "in the past, it has taken the lives of our parents, relatives, and friends and loved ones without pity or mercy. It is in this light that the Limbe I Council, under my leadership thinks that initiatives like this should be supported." He said adding that "You can count on us as our doors are usually very open to discuss ideas that will benefit the population of our beloved municipality.



"Health, they say is wealth; the Alpha Club Common Initiative group and its partners, by showing concern on the health conditions of our people means that they are working towards the wealthy being of our population." Mayor Rodanny concluded.

Contacts

For more information on the initiative, the following websites have ample and supportive information: www.ppep.org, www.AfricaWaresDonate.org and www.dr.cousens.com



Portable Practical Educational Preparation, Inc.

Multi Service Center 802 E. 46th Street Tucson, Arizona 85713

(520) 622-3553 Toll Free: (800) 376-3553 FAX: (520) 622-1480

Internet Address: http://www.ppep.org

E-Mail Address: ppep@ppep.org

John David Arnold, Ph.D.

"Si Se Puede"

Gertha Brown-Hurd

Chief Executive Officer & Founder "Si Se

"Si Se Pudo!"

President

47 YEARS RACING TO 50 YEARS OF RURAL SERVICE QUATERLY CEO REPORT APRIL 2014

PPEP and Affiliates Board, staff, and friends:

This quarter has been one of reflection of our past accomplishment and taking what we have learned and planning our future.

We have sought out as many of those who were with us at the beginning in 1967. All this and more is preparing us for our upcoming 50th Anniversary

The PPEP Foundation is taking the lead planning fundraiser events for our 47th, 48th, and 49th Anniversary leading up to the main 50 Year Anniversary event. In the process, PPEP will redefine itself, energizing its staff and board, enhance it service delivery system.

Along the way its message of improving the quality of rural life and our services will be better publicized and made more accessible. Also, it will attract others such as social investors join our rural cause. The ultimate goals are a well-publicized and understood vibrant organization advocating and servicing the rural poor. Its staff and board of directors empowered to take on its challenges in its second half century of existence.

It should be noted during this first quarter, of 2014 all of the current activities and services have been maintained. Notables include the full implementation of Youth Build USA program here in Pima County. Whereby, 30 drop -out youth have been recruited and engaged in construction skills and obtaining their high school equivalency diploma. Several affordable housing partners provide work sites for the youth, who are guided by construction personnel. Considerable effort is made to provide counseling and motivational programs to empower and achieve Youth Build goals. These youth are also involved in community service projects such as the Rillito cleanup days.

The PPEP foundation sponsored a bowling tournament, which raised \$3,000, as well as an agency picnic at Willie Blake, Jr. Park. Also plans are being made for a seminar on the "Natural Cure of Diabetes" presented by Dr. Gabriel Cousens of the Tree of Life. This seminar will 'train the trainers' on how to use the natural ways to fight this chronic disease. This event will be held on May 13, 2014. Furthermore, plans are being made to host the LULAC State Convention on June 14th, 2014. Both will be held in the Farmworker Hall of Fame.

The Farmworker Hall of Fame itself has taken on some major upgrades including another room at the entrance; new exhibits have been added including pre-Columbian artifacts from America's first farmworkers. In addition, a collection of traditional dolls and the Yaqui collection are in display. Also, added is a wardrobe of traditional West African robes (worn by Dr. Arnold) including those from Ghana, Nigeria, and Cameroon. The museum also features Cesar Chavez' ring, baseball bat and first canceled United States postage stamp. The Farmworker Hall of Fame has been cited by the Smithsonian Institute in Washington, DC as the "First of its kind in North America," recognizing those that toil the filed to put the food on our tables. The International Room has also gotten some upgrades including shelving and a children's photo gallery .Plans are to formalize the museum with social media, publicity, tours, signage, and a website.

Internationally, PPEP continues to support its projects with schools, orphanages, micro credit and the Street Academy in Accra, Ghana. Scholarships are also being maintained among various students and small business entrepreneurs. An Memo of Understanding (MOU) is being prepared to promote commerce between the Black Chamber of Southern Arizona, Ghana Chamber, the Pan African Chamber, and PPEP.

PPEP Arizona continues to provide technical assistance and support services to PPEP California that is embarking on a new direction to enhance its instructional model using Edmentum as a curriculum provider. The Los Niños de Dolores Huerta pre-school sponsored by Encompass in Somerton is expanding to include infants and toddlers. Its recent Open House touted it teaching model preparing children to be the top of their class. In Avondale, we have purchased the facility that has housed our Encompass program, which will save us considerable money plus generate rental revenues to cover the costs.

On our PPEP website we have a button for Traditional Africa music. It features traditional music from the children in the rainforest from Ghana. The songs are recorded by a group called the "Young Traditional Voices of

the Rain Forest." Children and youth from Old Baika have recorded two traditional songs, two ballads, and one song about the illegal tree cutting and it negative impact on the environment. Their voices are heard on FM stations in Ghana, the United States, and World Internet Radio. They will host the Omaboyo Traditional Music and Art Festival on August 2, 2014 in New Baika. PPEP Is also starting an adult computer internet class in Old Baika which is amidst the rainforest to bring that technology to this remote region. PPEP TEC has had a number of outings for its students including LULAC, college, and career fairs along with other field trips. Once again, its basketball team was city champions. Next year, PPEP TEC will experiment with two campuses to enhance its curriculum by adding computer tablets and innovative curriculum to allow students to master their studies, achieve well on the AIMS test, and graduate. The two schools are Victor Soltero Learning Center and the Alice Paul Learning Center.

A committee has been formed to explore usage of social media and other media to get PPEP's message and services out to the community plus attract social investments. PPEP website continues to expand and can be viewed at www.ppep.org.

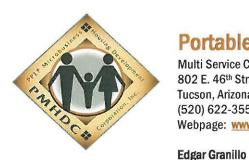
Si Se Pudo!

ohn David Arnold, PhD

CEO/Founder



Youth Group Meeting at the Eagles Nest



Portable Practical Educational Preparation, Inc.

Multi Service Center 802 E. 46th Street Tucson, Arizona 85713 (520) 622-3553 Webpage: www.ppep.org

President

Toll Free: (800) 376-3553 FAX: (520) 622-1480

E-Mail Address: jarnold@ppep.org

John David Arnold, Ph.D. Chief Executive Officer & Founder "Si Se Pudo"



Gertha Brown-Hurd President

PROJECT SITE VISIT TO GHANA, WEST AFRICA OTHER QUARTERLY ACTIVITIES JULY 13, 2014 TO AUGUST 13, 2014

The trip was conducted for the purposes of viewing current projects, launching new ones, as well as planning for the Bueman Omaboyo Traditional Festival. The following is a recap of my activities:

- 1. Phase one of the trip was to Accra the capital, where I conducted a boxing clinic with the Street Academy with NBA boxer Hurricane. I visited with school staff and toured recent renovations of the facility. Observed the renovations needed on one of the roofless classrooms.
- 2. Launching the Sonrisa Abi Beauty Salon and Spa. This microbusiness was launched with considerable time in preparation including renovations. The event was well attended and good speakers on diabetes and health care habits. This is our first inner city micro business in Ghana.
- 3. Ground transport: At Ho, the regional capital of the Volta Region I had our Ford Windstar van brakes and shock absorbers repaired, which were badly worn. Plus the registration renewed.
- 4. The Bueman Omabovo Summer Traditional Festival was launched. I met with the Volta Regional Museum for their participation and preparations for direct involvement. Meetings with the local village chiefs and elders about the purpose of the festival and gain approval as well as their participation. I found out joint events between villages are not customary.

Furthermore, media coverage and interviews on regional radio took place to promote the event. Also we launched the Young Singers from the Rain Forest newest songs. Plus participated in the announcing the Young Singers from the Rain Forest LULAC Humanitarian Award that was received in New York on July 12, 2014.

The Bueman Omaboyo Festival was a huge success over 100 cultural dancers and 500 attendees. The festival was covered "live" on regional FM radio and mentioned on BBC. A historical photo exposition was held in conduction with the festival, whereby families and clans displayed historical photos. The Regional Museum will display related photos and a historical data base.

- 5. The Diabetes Education and Prevention office was furnished and the program was launched by taking 70 blood glucose samples during the festival.
- 6. Problem areas; The Eagle Nest land deed was reviewed and found to be faulty as per the Regional Records Administrator as well as the original land owner. The water well issues in the village we addressed; most of the hand drawn water wells are broken due to lack of maintenance. After extracting the hardware on two wells it was determined that only a couple of parts were faulty and easily repaired. At meeting with the regional water authority was held and we found that there were spare parts in the warehouse. A plan is being put into place to repair many of the broken pumps as possible. We noted the submersible pumps donated by the Tree of Life, recently doubled their prices so many families are now being forced to draw water from the river, which is polluted. We are working with the Tree of Life Foundation to rectify this matter. Also we are looking into some issues concerning the status of the Bueman micro credit fund.
- 7. The computer and Internet class was launched in Old Baika. The five computers donated by PPEP are in use, the classes are held five (5) days a week taught by two very qualified computer teachers. I made presentations twice to the classes regarding online learning and was impressed by the zeal of the students to learn.
- 8. Meetings with ministries: the National Deputy Commissioner of Culture and Tourism as well as the offices of Volta Region to report our activities and gain support.
- Miscellaneous: Numerous trips were taken to Ho Hoe for supplies for the various programs; including photo reproduction and restoration of the historical photos, purchase supplies, recording music and purchasing of supplies and food.
- 10. The latest song of the Young Singers from the Rainforest "Every Girl Must Have Equal Education" was released. I presented the LULAC Humanitarian Award to the singers, which was in recognition of their humanitarian and environmental messages contained in nine (9) songs released this year. Their songs can be heard on the PPEP website www.ppep.org by clicking on African Music link.
- 11. English Volunteer Culture Exchange: For the second year in a row 20 young women volunteers came to The Eagles Nest for a traditional dinner as well as a cultural, music and dance exchange at the village nutrition center auditorium. Local African music and some European rhythms mixed to everyone's enjoyment. We visited twice the Orphanage in Santrokofe, where they are stationed. We hope to have a longer program next year.
- 12. A video documentary and power point of the historical photos (40) were made and presented to the various ministries of Education, Culture, and Tourism on regional and national level. These photos will be on loan at the Regional Museum of Culture in Ho.

13. PPEP mainline activities; Beyond the numerous PPEP Tec graduations; my preparing for PPEP's 47th Annual Celebration and fundraiser that took a major part of my time beyond my normal activities as CEO. Terminating my role and disengaging as secretary board member of PPEP California board also very time consuming. As earlier noted I attended the National LULAC Convention in New York the second week in July where I participated in a charter school workshop and received the singers humanitarian award before leaving for Africa.

Si Se Pudo!

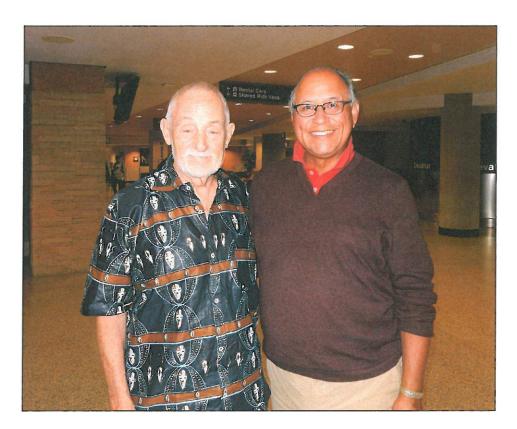
ohn David Arnold, PhD

CEO/Founder



Dr. John David Arnold presenting the Humanitarian Award to the Young Singers from the Rain Forest in New York on July 12, 2014

Also pictured LULAC President Margaret Moran, Tika and Chaska Arnold



Dr. John David Arnold Greets Fernando Chavez at the Airport



The Young Singers from the Rain Forest receive the Dr. John David Arnold Humanitarian Award in Ghana at Eagles Nest

2014 Photo Album





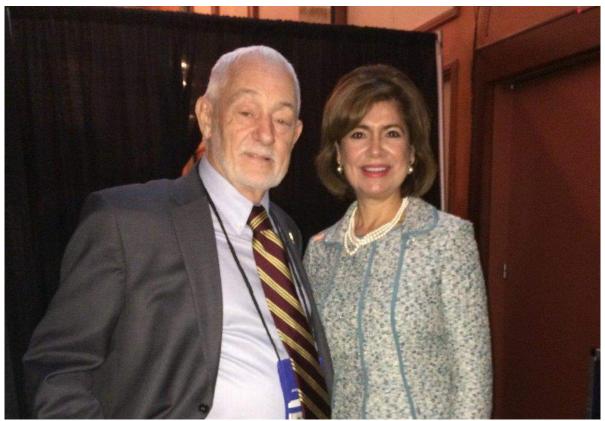
Dr. John David Arnold with Senator Mike Enzi



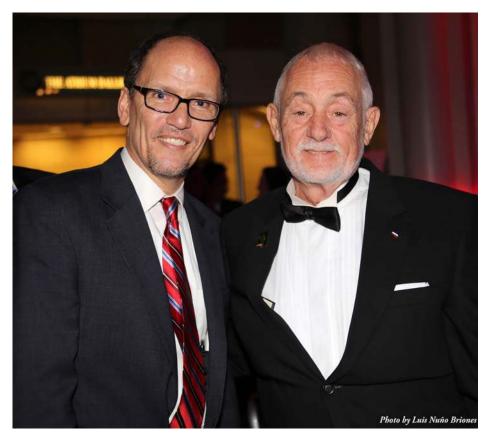
2014 PPEP Scholarship Recipient – Ms. Chinemerem Anya



Director Clarence Carter, AZDES visits with Youth Build students



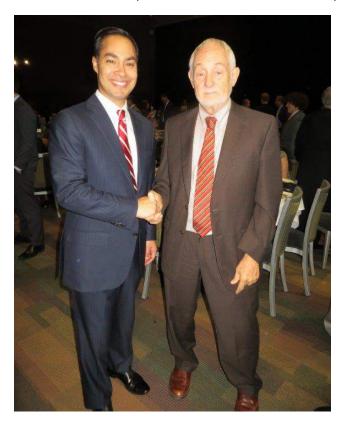
Dr. John David Arnold with Maria Contreras-Sweet, SBA Director



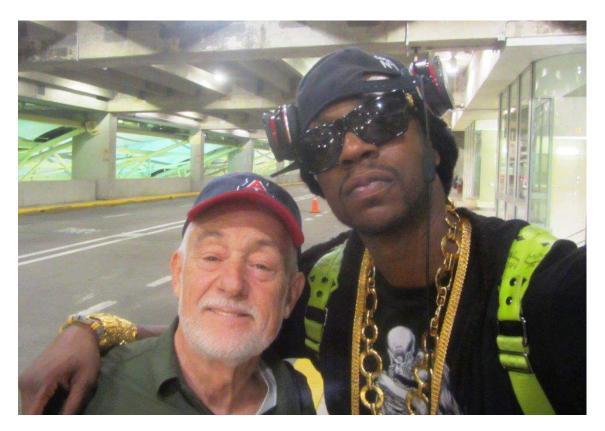
Dr. Arnold and the Honorable Thomas E. Perez Secretary of U.S. Department of Labor



Director Clarence Carter, AZDES and staff visits PPEP, Inc.



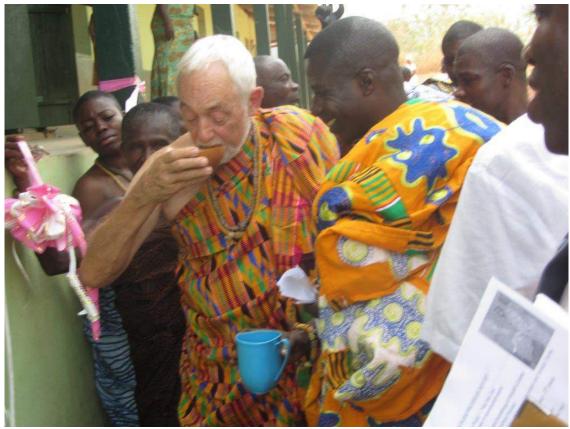
Dr. John David Arnold with Julian Castro, HUD Director



Dr. Arnold with 2 Chainz (Duece Chainz) discussing African Music



Dr. John David Arnold is interviewed on Ghana National Television regarding Street Academy



Dr. John David Arnold inaugurating clean water well in Old Baika, Ghana



Traditional Arts and Music Festival in Eastern Jasikan District, Ghana



PPEP TEC La Tortuga Mural



PPEP's Refugee Jobs and Outreach Project - Tucson

Alcolades, Resolutions, and Tesimonials 2014



ARIZONA HOUSE OF REPRESENTATIVES

House Recognition



Portable Practical Education Preparation

WHEREAS, Portable Practical Education Preparation was founded in 1967 by Dr. John David Arnold. Their mission is to improve the quality of life in rural and underserved Arizona and the Rocky Mountain Border States region; and

WHEREAS, PPEP has been steadfast in its service to the rural poor, the disenfranchised, the developmentally disabled, at risk youth, and the migrant and season farm workers and their families; and

WHEREAS, PPEP outreach efforts to provide training began by touring on a converted 1957 Chevrolet school bus named "La Tortuga" – the Tortoise; and

WHEREAS, La Tortuga was driven all over Southern Arizona, taking PPEPs resources to the cotton and vegetable fields and providing educational preparations to African Americans, Mexicans, and their families; and

WHEREAS, PPEP has touched over 5 million people, developed programs, established 42 field offices, and has created 13 charter high school campuses throughout Arizona, having graduated over 4000 students in the past 18 years;

THEREFORE, the Members of the Arizona House of Representatives do hereby recognize and appreciate Portable Practical Education Preparation for 47 years of service to the great State of Arizona.

Dated this 4th Day of August, 2014

pear Q Escarielle

Andy M. Tobin Speaker of the House

District 1

Juan Carlos Escamilla House Representative

District 4





United States Senate Washington, D. C. 20510 August 15, 2014

Dear Friends:

Congratulations! You have a great deal to be proud of as you mark your 47th anniversary. This is a noteworthy milestone, an opportunity to recognize you for your remarkable history and the important results you continue to achieve.

The story of Portable Practical Educational Preparation begins with John Arnold and his vision of what could be done to address the problems being faced by the poor and those who came to America in search of a better life. His reponse was to roll up his sleeves and get to work. He knew an education would be the key they would need to create a better life for themselves and their families. Over the past 47 years the success he began in that and so many other efforts has been nothing short of extraordinary.

The work that began in Arizona proved to be just the beginning. You have since reached out to those in need across the country and around the world. When Hurricane Katrina devestated so much of our southern states, you were there to help provide those whose lives were forever changed with a reason to hope for a better future because you cared enough to help. Other projects have reached out to people in Africa to provide them with the resources they needed to improve their lives, their communities and their countries.

As has been said before, John Arnold leads the best way – by example. By so doing, he has provided us with a chance to see what can be done if we are sufficiently motivated and determined to take on the greatest challenge of them all – changing the world – and creative and enthusiastic enough to make it happen.

Congratulations, John and all those who have worked with you over the years. You have made so many things happen we're all looking forward to seeing what you will take up in the years to come.

Sincerely,

Michael B. Enzi United States Senator

MBE:rh

RON BARBER 2ND DISTRICT, ARIZ

HOUSE ARMED SERVICES TACTICAL AIR AND LAND FORCES

READINESS HOMELAND SECURITY OVERSIGHT AND MANAGEMENT EFFICIENCY, RANKING MEMBER

SMALL BUSINESS ECONOMIC GROWTH, TAX AND CAPITAL ACCESS AGRICULTURE, ENERGY AND TRACE Congress of the United States House of Representatives

Washington, DC 20515-0302

WEBSITE:

August 23, 2014

1029 LONGWORTH HOUSE OFFICE BUILDING WASHINGTON, DC 20515 PHONE (202) 225-2542 FAX (202) 225-0378

3945 E. FORT LOWELL, SUITE 211 TUCSON, AZ 85712 PHONE (520) 881-3588 FAX (520) 322-9490

SIERRA VISTA OFFICE

77 CALLE PORTAL, SUITE B-160 SIERRA VISTA, AZ 85635 PHONE (520) 459-3115 Fax (520) 459-5419

FACEBOOK:

TWITTER:

John David Arnold, PhD CEO/Founder Project PPEP, Inc. 802 E 46th Street Tucson, AZ 85713

Dear John and supporters of PPEP:

Nothing gives me more satisfaction than to lend my congratulations for PPEP's 47th anniversary. It has been a long, interesting journey with plenty of victories, and I am happy to say that I've known John personally for most of that time. He is a true visionary and as many of us know, a tenacious organizer once he has decided on a course of action. John is the one who organized and led others to assist people who needed advocacy. He taught skills that led to self-sufficiency, literacy and productivity. John and PPEP make a difference in the lives of many.

In the past 47 years, PPEP has touched more than 4.5 million people, developed numerous programs that have become national self-help models, has established 42 field offices operating with 17 group homes servicing over 167 developmentally disabled adults and has created 13 charter high school campuses throughout Arizona, having graduated over 4000 students in the past 11 years; including two online schools K-12 serving over 600 students daily.

John and those who work daily to make PPEP the success that it is believe in the power of people. They know that providing people the right resources and encouragement will empower them to make their lives better. Almost every rural community in Arizona has been positively impacted by PPEP and their important work.

Enjoy tonight's celebration, let's all work together to keep PPEP strong and "La Tortuga" moving throughout Arizona and the world to improve our quality of life at home and abroad.

Sincerely yours,

Ron Barber

Member of Congress



GUILLERMO PADRÉS ELÍAS

Hermosillo, Son., a 22 de agosto de 2014.

DR. JOHN DAVID ARNOLD

Director Portable Practical Educational Preparation, Inc. Presente

Es para mí un honor expresarle a nombre del Gobierno del Estado de Sonora, nuestro más sincero agradecimiento por su entrega, compromiso y espíritu hacia las comunidades fronterizas de esta entidad, contribuyendo a la mejora de las condiciones y calidad de vida de los sonorenses.

Por lo anterior, e expreso mi reconocimiento y gratitud por su constancia; excepcional desempeño durante sus 46 años de labor ante esta dirección.

Enhorabuena, recibe un afectuoso abrazo.

Atentamente



JOHN KAVANAGH 1700 WEST WASHINGTON, SUITE H PHOENIX, ARIZONA 85007-2844 CAPITOL PHONE: (602) 928-5170 CAPITOL FAC: (602) 417-3108 TOLL FREE: 1800-352-8404 jkavanagh@azleg.gov

DISTRICT 23



Arizona House of Representatives Phoenix, Arizona 85007

COMMITTEES: APPROPRIATIONS, CHAIRMAN GOVERNMENT

JOINT COMMITTEE ON CAPITAL REVIEW, CHAIRMAN

JOINT LEGISLATIVE BUDGET COMMITTEE, VICE-CHAIRMAN

August 4, 2014

To Whom It May Concern:

Congratulations to Portable Practical Education Preparation (PPEP) for its 47 years of service to the rural poor, the disenfranchised, the developmentally disabled, at-risk youth, and migrant and seasonal farm workers and their families. PPEP fills a gap that no other group has been able to fill.

With 42 field offices operating 17 group homes servicing over 167 developmentally disabled adults, PPEP has demonstrated great administrative skill. In addition, its 13 charter high school campuses throughout Arizona, which have graduated over 4000 students in the past 18 years, demonstrate a versatility few organizations can match.

Education is one of the blocks of the foundation of our society. PPEP has shown itself to be a contributor to our society's strong foundation.

Congratulations on 47 years of giving and success.

Sincerely,

John Kavanagh

Arizona House of Representatives

District 23

Scottsdale, Fountain Hills, Rio Verde, and Tonto Verde





League of United Latin American Citizens

NATIONAL PRESIDENT

EXECUTIVE DIRECT OR Brent A. Wilkes

NATIONAL OFFICERS
Rosa Rosales
Immediate Past President
Maggie Rivera
Insanuer
Roman Rodriguez
Youth Pasident
Frank Urteaga
VP for Eldenty
Elsie Valdes
VP for Women
Ana Valenzuela Estrada
VP for Youth
Manuel Rendon
VP for Young Adults
Mickles Solorio Luna
VP for Pawet
Darryl Morin
VP for Mothers
Lard Morin
VP for Mothers
Juan Carlos Lizardi
Juan Carlos Lizardi
Juan Carlos Lizardi
VP for Youtheast
Baldomero Garza
VP 60 V 60 Verteast
Baldomero Garza
VP 60 V 60 Verteast

STATE DIRECT ORS
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Anizona
Terry Treviño-Richard
Ankaras
Benny Diaz
California
Alfredo Haro
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District of Columb ia
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Geografia

Georgia Rosemary Bombela-Tobias Illinois Wanda Gordils Indiana

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Elia Mendoza
Lexas
Salvador Lazalde
Utah
Bob Garcia
Vinginia
Arturo Martinez, Ph.D.
Wiscorsin

August 23, 2014

Dear PPEP and Affiliates:

On behalf of the League of United Latin American Citizens (LULAC), I am pleased to salute PPEP, Inc. on its 47th Anniversary. For the past four decades, PPEP has worked diligently in rural communities, improving the lives and futures of the people it serves. PPEP has been steadfast in its service to the rural poor, the disenfranchised, and the developmentally disabled, at risk youth, as well as the migrant and seasonal farm workers and their families.

As the leader of LULAC, the largest and most widely respected Hispanic organization in the United States of America and Puerto Rico it is a real privilege to acknowledge PPEP, Inc. as we are proud of PPEP's longstanding commitment and involvement in education, community service, and humanitarian efforts spanning over four decades.

We congratulate PPEP, Inc. on 47 years of success and look forward to many more years of success.

Sincerely,

Margaret Moran

LULAC National President

Margaret Marian

1133 19th Street, NW, Suite 1000 • Washington, DC 20036 • (202) 833-6130 • FAX (202) 833-6135 • www.LULAC.or

State of Arizona



Senate Proclamation

Honoring the Portable Practical Education Preparation

WHEREAS, Portable Practical Education Preparation (PPEP) was founded in 1967 by Dr John David Arnold. The Mission is to improve the quality of life in rural and underserved Arizona and the underserved Arizona and the Rocky Mountain Border States Region; and

WHEREAS, PPEP has been steadfast in its service to the rural poor, the disenfranchised, the developmentally disabled, at risk youth, and the migrant and seasonal farm workers and their families, and

WHEREAS, PPEP outreach efforts to provide training began by touring on a converted 1957 Chevrolet school bus named "La Tortuga" - the Tortoise, and

WHEREAS, La Tortuga was driven all over southern Arizona, taking PPEP's resources to the cotton and vegetable fields and providing educational preparations to African Americans and Mexicans and their families.

WHEREAS, over the past 47 years PPEP has touched over 5 million people, developed programs, has established 42 field offices operating with 17 group homes servicing over 167 developmentally disabled adults, and has created 13 charter high school campuses throughout Arizona, having graduated over 4000 students in the past 18 years, and

WHEREAS, due to support of PPEP, many migrant workers, low income families and the rural poor are building homes, building businesses and building communities of opportunity, and

NOW, THEREFORE, BE IT RESOLVED, I congratulate them on 47 successful years of compassionate care for unserved and underserved individuals throughout the State of Arizona.

Dated this 14th day of August, 2014

Don Shooter State Senator BRUCE WHEELER MINORITY WHIP 1700 WEST WASHINGTON, SUITE H PHOENIX, ARIZONA, 85007-2944 CAPITOL, PHODE: (620) 296-3300 CAPITOL FAX. (802) 417-8028 TOL, FREE: 1-800-352-8404 bwheeler@azleg.gov

TUCSON LEGISLATIVE OFFICE 400 WEST CONGRESS, SUITE 201 TUCSON, ARIZONA 85701 TUCSON PHONE: (\$20) 398-6000 TUCSON FAX: (\$20) 398-6028

DISTRICT 10



Arizona House of Representatives Phoenix, Arizona 85007

COMMITTEES: FEDERALISM AND FISCAL RESPONSIBILITY, RANKING MEMBER RULES WAYS AND MEANS

ETHICS COMMITTEE

August 6, 2014

PPEP, Inc. 901 E. 46th Street Tucson, AZ 85713

Dear PPEP,

Congratulations on your forty-seventh anniversary and thank you very much for your continued service to the residents of the Southwest!

Portable, Practical Educational Preparation started with little more than a vision, a modest amount of money and a lot of hard work and generosity. Over the intervening decades, you have continued to find innovative ways to ensure that all people have the opportunity to improve their lives, regardless of their backgrounds. Life is an incredibly complicated and diverse experience, so it heartens me whenever I see an organization like PPEP that reaches out and meets people's needs even if those fall outside the scope of mainstream social programs. PPEP has evolved and grown along with our region and it is a lasting testament to your dedication and giving spirit that you have continued to lead the way in finding new ways to improve lives and communities.

Again, thank you, and I wish you many more years of success in touching the lives of others.

Sincerely Yours,

Representative Bruce Wheeler

Legislative District 10

LELA ALSTON 1700 WEST WASHINGTON, SUITE H PHOENIX, ARIZONA 85007-2844 CAPITOL PHONE: (602) 928-5829 CAPITOL FAX: (602) 417-3115 TOLL FREE: 1-800-352-8404 laiston@azleg.gov

DISTRICT 24



Arizona House of Representatives Phoenix, Arizona 85007 COMMITTEES: APPROPRIATIONS HIGHER EDUCATION AND WORKFORCE DEVELOPMENT REFORM AND HUMAN SERVICES

JOINT COMMITTEE ON CAPITAL REVIEW

JOINT LEGISLATIVE BUDGET COMMITTEE

August 23, 2014

PPEP, Inc. 802 E. 46th Street Tucson, AZ 85713

I would like to extend my heartfelt congratulations to PPEP and all of the staff members for your 47 years of exceptional service to the people of Arizona. Your dedication to our community is praiseworthy. Dr. John David Arnold's mission in 1967 to reach out to the poverty stricken migrant workers and their families of southern Arizona by making available educational opportunities, and improving sanitation and nutritional conditions have been appreciated by generations that followed.

PPEP's goal in the betterment of lives by presenting exceptional services through their field offices such as group home services for developmentally disabled adults, reaching out with educational opportunities in rural and inner city areas such as the Arizona Virtual Academy, and by offering vocational and technical skills for those who are trying to better their lives has set a high standard of service. I wish you many years of continued service and much success in all of your endeavors.

Sincerely,

LELA ALSTON

Lela alestan

State Representative, District 24

/cv

STEVE FARLEY
ARIZONA STATE SENATOR
1700 WEST WASHINGTON ST.
PHOENIX, ARIZONA 55007-2844
CAPITOL PHONE: (602) 963-3022
CAPITOL FACK (602) 417-3128
TOLL FREE: 1800-352-8404
sfarley@azleg.gov

TUCSON LEGISLATIVE OFFICE 400 WEST CONGRESS, SUITE 201 TUCSON, ARIZONA 65701 TUCSON PHONE: (S20) 388-6000 TUCSON FAX: (520) 398-6028

DISTRICT 9



Arizona State Senate

COMMITTEES: TRANSPORTATION, RANKING MEMBER FINANCE GOVERNMENT AND ENVIRONMENT

ETHICS COMMITTEE

August 19, 2014

Dear Friends,

Congratulations on celebrating 47 years at *Portable Practical Education Preparation*. I want to recognize your success and thank you for your unwavering service to the underserved populations in our state including the rural poor, the disenfranchised, the developmentally disabled, at risk youth, and the migrant and seasonal farm workers and their families.

The vision that was cultivated in 1967 has come to fruition shown by the immense impact of your work. It can be measured by the growth of your programs on high school campuses and extensive outreach efforts throughout the state. It is particularly commendable that you have designed programs that further promote sustainable outcomes using your self-help models.

May you take this moment to enjoy the significance of the multitude of lives that you have improved because of your unwavering commitment to your mission.

Sincerely,

Steve Farley

Senator, District 9 - Tucson

SF:ajm

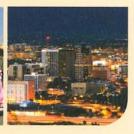


PROCLAMATION









CITY OF TUCSON . OFFICE OF THE MAYOR

WHEREAS, Portable Practical Educational Preparation (PPEP) was founded in 1967 by Dr. John David Arnold with a mission of improving the quality of life in rural and underserved Arizona and the Rocky Mountain Border States Region; and

WHEREAS, PPEP has been steadfast in its service to the rural poor, the disenfranchised, the developmentally disabled, at-risk youth, and the migrant and seasonal farm workers and their families; and

WHEREAS, PPEP outreach efforts to provide training began by touring in a converted 1957 Chevrolet school bus named "La Tortuga" — the Tortoise; and

WHEREAS, La Tortuga was driven all over southern Arizona, taking PPEP's resources to the cotton and vegetable fields and providing educational preparation to African Americans, Mexicans, and their families; and

WHEREAS, over the past 47 years, PPEP has touched more than 5 million people, developed programs, established 42 field offices operating 17 group homes that serve more than 167 developmentally disabled adults, and created 13 charter high school campuses throughout Arizona which have graduated more than 4,000 students in the past 18 years; and

WHEREAS, due to support from PPEP, many migrant workers, low-income families and the rural poor are building homes, building businesses and building communities of opportunity;

NOW, THEREFORE, I, Jonathan Rothschild, Mayor of the City of Tucson, Arizona, do hereby proclaim August 23, 2014, to be

Portable Practical Educational Preparation's 47th Anniversary

in this community, and encourage all our citizens to celebrate this milestone.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Tucson, Arizona to be affixed this 23rd day of August, 2014.

annia.

ATTEST:

Roger W. Randolph, City Clerk

nathan Rothschild, Mayor



August 25, 2014

Mr. John Arnold, CEO PPEP Portable Practical Educational Preparation 802 E. 46th Street Tucson, Arizona 85713

Dear Mr. Arnold:

On behalf of the Town of Marana, I would like to sincerely congratulate you on your anniversary and thank PPEP for its 47 years of hard and valuable work in our community. One of our core Town cultural values is Dedicated Service, and nowhere is this better exemplified than in the efforts of the PPEP organization. From its early days as a traveling schoolroom, educating rural citizens aboard the iconic "La Tortuga," to its current scope as an organization which has served over 4,000,000 community members, Portable, Practical Education Preparation is a highly-valued member of our Marana service community, and we hope our partnership will continue for many years in the future.

Sincerely,

Ed Honea Mayor

11555 W. CIVIC CENTER DRIVE, BLDG. A3 MARANA, AZ 85653-7006 PH: (520) 382-1900 FAX: 382-1901 TTY: 382-3499



OFFICE OF THE MAYOR CITY OF SAN LUIS

PPEP, Inc.'s 47TH ANNIVERSARY August 23, 2014

WHEREAS, Portable Practical Education Preparation (PPEP) was founded in 1967 by Dr. John David Arnold. The Mission is to improve the quality of life in rural and underserved Arizona and the Rocky Mountain Border States Region; and

WHEREAS, PPEP has been steadfast in its service to the rural poor, the disenfranchised, the developmentally disabled, at risk youth, the migrant as well as seasonal farm workers and their families; and

WHEREAS, PPEP outreach efforts to provide training began by touring on a converted 1957 Chevrolet school bus named "La Tortuga"—the Tortoise; and

WHEREAS, la Tortuga was driven all over southern Arizona, taking PPEP's resources to the cotton and vegetable fields providing educational preparations to African Americans and Mexicans and their families; and

WHEREAS, over the past 47 years PPEP has touched over 5 million people, developed programs, has established 42 field offices operating with 17 group homes servicing over 167 developmentally disabled adults, and has created 13 charter high school campuses throughout Arizona, having graduated over 4000 students in the past 18 years; and

WHEREAS, due to support of PPEP, many migrant workers, low income families and the rural poor are building homes, building businesses and building communities of opportunity.

NOW THEREFORE, I, Gerardo Sanchez, Mayor of City of San Luis hereby proclaim August 23, 2014 as PPEP, Inc.'s 47th Anniversary.

PASSED AND ADOPTED this 13 day of myst, 2014

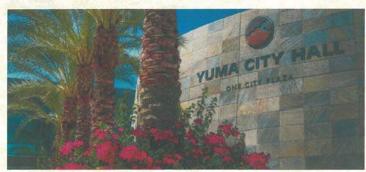
Gerardo Sanchez, Mayor

Sonia Cornelio, City Clerk

ATTEST:

DOUGLAS J. NICHOLLS MAYOR

CITY OF
YUMA
ARIZONA



PROCLAMATION

"Project PPEP, Inc. Day" August 23, 2014

WHEREAS: Portable Practical Education Preparation (PPEP) was founded in 1967 by Dr. John

David Arnold. The mission is to improve the quality of life in rural and underserved Arizona and the underserved Arizona and the Rocky Mountain Border States

Region; and

WHEREAS: PPEP has been steadfast in its service to the rural poor, the disenfranchised, the

developmentally disabled, at risk youth, and the migrant and seasonal farm workers

and their families; and

WHEREAS: La Tortuga was driven all over southern Arizona, taking PPEP's resources to the

cotton and vegetable fields and providing educational preparations to African

Americans and Mexicans and their families; and

WHEREAS: over the past 47 years PPEP has touched over 5 million people, developed programs,

has established 42 field offices operating with 17 group homes servicing over 167 developmentally disabled adults, and has created 13 charter high school campuses throughout Arizona, having graduated over 4000 students in the past 18 years; and

WHEREAS: due to support of PPEP, many migrant workers, low income families and the rural

poor are building homes, building businesses and building communities of

opportunity; and

NOW THEREFORE, I, DOUGLAS J. NICHOLLS, Mayor of the City of Yuma, Arizona, hereby declare August 23, 2014 as "Project PPEP, Inc. Day."

IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the City of Yuma, Arizona, 5th day of August 2014.

DOUGLAS J. NICHOLLS

Mayor City of Yuma



Office of the Mayor

PROCLAMATION

WHEREAS, the Portable Practical Education Preparation (PPEP) was founded in 1967 by Dr. John David Arnold. The Mission is to improve the quality of life in rural and underserved Arizona and the underserved Arizona and the Rocky Mountain Border States Region; and

WHEREAS, PPEP has been steadfast in its service to the rural poor, the disenfranchised, the developmentally disabled, at risk youth, and the migrant and seasonal farm workers and their families, and

WHEREAS, PPEP outreach efforts to provide training began by touring on a converted 1957 Chevrolet school bus named "La Tortuga" - the Tortoise, and

WHEREAS, La Tortuga was driven all over southern Arizona, taking PPEP's resources to the cotton and vegetable fields and providing educational preparations to African Americans and Mexicans and their families.

WHEREAS, over the past 47 years PPEP has touched over 5 million people, developed programs, has established 42 field offices operating with 17 group homes servicing over 167 developmentally disabled adults, and has created 13 charter high school campuses throughout Arizona, having graduated over 4,000 students in the past 18 years, and

WHEREAS, due to support of PPEP, many migrant workers, low income families and the rural poor are building homes, building businesses and building communities of opportunity, and

NOW, THEREFORE, LET IT BE KNOWN that I, Danny Ortega Jr., Mayor and on behalf of the City of Douglas, Arizona, do hereby congratulate PPEP for its 47th Anniversary.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Douglas to be affixed this 4th day of August, 2014.

Daniel Ortega Jr., Mayor



OFFICE OF THE MAYOR CITY OF SOMERTON

47th ANNIVERSARY

Whereas, Portable Practical Education Preparation (PPEP) was founded in 1967 by Dr John David Arnold. The Mission is to improve the quality of life in rural and underserved Arizona and the underserved Arizona and the Rocky Mountain Border States Region; and

Whereas, PPEP has been steadfast in its service to the rural poor, the disenfranchised, the developmentally disabled, at risk youth, and the migrant and seasonal farm workers and their families, and

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Whereas, over the past 47 years PPEP has touched over 5 million people, developed programs, has established 42 field offices operating with 17 group homes servicing over 167 developmentally disabled adults, and has created 13 charter high school campuses throughout Arizona, having graduated over 4000 students in the past 18 years, and

Whereas, due to support of PPEP, many migrant workers, low income families and the rural poor are building homes, building businesses and building communities of opportunity, and

Now, therefore, be it resolved that I Martin Porchas, Mayor of the City of Somerton proclaim August Portable Practical Education Preparation 47^{TH} Anniversary.

Martin Porchas, Mayor



City of Tucson Ward V Council Office

Certificate of Appreciation and Recognition

Dr. John David Arnold, Ph.D.

In recognition for your work, service and dedication to our communities we thank you as we honor and celebrate PPEP Inc. for 47 years of Rural Humanitarian Service. In the spirit of the diverse cultural heritage the Ward 5 Council Office wants to thank you for your lives on. You have improved the quality of life for all. Your advocacy and commitment have outstanding service and dedication. Through your commitment and leadership PPEP, Inc. has provided service to over 4,000,000 people over the past 40 years. La Tortuga's legacy significantly benefited our communities. Hichory J. Tumboe Richard G. Fimbres, Council Member

Almost 23 2017 Date



PPEP FOUNDATION

802 E 46th Street Tucson, Arizona 85713

(520) 622-8553

BOARD OF TRUSTEES

Clarence Boykins Chair

> Scott Nasca Vice Chair

John D. Arnold Secretary

Gus Viaño

Dinesh K. Patel

Roger Canchola

August 23, 2014

Dear Family and Friends:

Welcome to the 47th Anniversary of Portable Practical Educational Preparation (PPEP) Inc. In the early 1300 hundreds a Greek philosophy said, "Great things come from small beginnings." What better describes the extraordinary history of PPEP and its founder Dr. John David Arnold.

As Chairman of the PPEP Foundation, I am honored to serve as chairperson of this event, "La Tortuga Rolling to 50" PPEP's 47th Anniversary.

Over the past 47 years, from its humble beginning PPEP has positively touched the lives of thousands of individuals in the United States, Mexico, and Africa. Education, health care, and humanitarian aid have been the basis of PPEP Inc. and the PPEP Foundation.

We are appreciative of your participation in the 47th Anniversary Celebration. You are invited to join us in other Foundation programs, for information please visit the PPEP website www.ppep.org.

Sincerely,

Clarence Boykins Chairperson

PPEP Foundation

Mississippi Delta Council For Farm Workers Opportunities, Incorporated

HEADQUARTERS: 1005 NORTH STATE STREET CLARKSDALE, MISSISSIPPI 38614 TELEPHONE: (662) 627-1121

August 23, 2014

Notes from the Executive Director Donald Green Mississippi Delta Council 1005 N. State Street Clarksdale, MS 38614 CONFERENCE CHAIRMAN

DONALD GREEN

Dear: Dr. John Arnold, Colleagues, Friends, & Associates of Mississippi Delta Council/FWOI:

I would like to take this opportunity to express my heart-felt "Thank you" on behalf of the Board of Directors, management, and staff for your loyal support, encouragement, and interest in the on-going success of our Organization, and our mission of services to migrants and seasonal farm workers in the State of Mississippi.

During the past Forty-Seven-Years, our organization has made great strides because of people like you, to include your congressional leaders, board members, staff members, families of staff members, friends and professional associates of PPEP. Portable Practical Education Program (PPEP) has always had an interest in the welfare, and economic growth and development of the customers we so proudly serve.

As we charge into the future, it's our sincere hope that the enthusiasm that has been shown to us in the pass will continue, as we position ourselves to ensure that displaced migrant and seasonal farm workers have an equal opportunity to be gainfully employed in areas of high growth and high demand occupations.

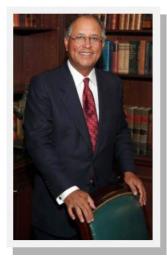
Again, on behalf of the organization, board of directors, executive management, staff and all of the customers we serve across this great state of Mississippi, we humbly thank you for your untiring support during the last 47 years, and may the Blessings continue.

Thank you for all you do!

Donald Green
Executive Director



FERNANDO CHAVEZ



Mr. Fernando Chávez, like his father César Chávez, is a leading civil rights activist committed to bringing positive social change in the lives of Latinos and other immigrants in the United States. Mr. Chávez has pursued justice his entire life, working with his father's organization, the United Farm Workers' Union, as a child. Throughout his career, Mr. Chávez has relentlessly pursued social justice, from his \$57 million judgment for a Hispanic immigrant, to petitioning The New York Times to stop using the term "Illegal Alien."

Mr. Chávez studied political science at Antioch College, in Yellow Springs, Ohio. He then earned his master's degree in urban and regional planning from San Jose State University. Following that, Mr. Chávez attended Santa Clara School of Law and obtained his Juris Doctorate in 1978. Since being admitted to the California Bar in 1979, Fernando Chávez has been pursuing justice and pushing for nationwide social change in the legal system.



"Once you're educated, no one can take that away from you"

Si Se Puede to Si Se Pudo!



Martha Ortiz

A True Pioneer of the Migrant and Season Farmworker Health Services
Inducted into the PPEP Farmworker Hall of Fame
October 27, 2014

Born in Urbana, Illinois in 1924, Martha Ortiz' formative years were influenced by the Great Depression, as she notes, "I have always been a penny-pincher, but I try to be generous like my hard-working parents. They cared greatly about education and community service."

While attending the University of Illinois in Urbana Martha met a charming young teacher, Augusto Ortiz, from Puerto Rico, who always wanted to be a doctor. His low-income parents also stressed community service and education. They married in 1944 and moved to Chicago where Martha finished the requirements for a degree in English at the University of Illinois.

Martha says that year changed her life, thanks to a course she took on social justice leaders such as Saul Alinsky and the labor movement, Margaret Sanger and family planning, and Jane Adams and settlement houses.

When Augusto received a scholarship from Puerto Rico to attend medical school at the University of Illinois in Chicago, Martha helped to support him with jobs in clinics and settlement houses. The first of their five children was born shortly before he graduated and started an internship in Detroit. Later, Dr. Ortiz' private practice in Detroit was interrupted when he was drafted by the Air Force to

provide medical care during the Korean War. He was assigned to Luke Air Force Base, and as they drove across the country to Arizona, Martha remembers they enjoyed the orange blossoms and Spanish place names of the Southwest.

After two years of military service Dr. Ortiz formed his private practice in Phoenix, and eventually Martha became his office manager. Their location choice was downtown near two Mexican barrios where Dr. Ortiz felt he was most needed. Many of their patients were retired farmworkers crippled from using the short-handled hoe. Cesar Chavez became Dr. Ortiz' patient during a two week fast in Phoenix, and eventually, they all successfully worked to ban that infamous short-handled hoe, limit pesticide use, and improve field sanitation.

By 1972, Dr. Ortiz was recruited by Dr. Herb Abrams to join the faculty of the Department of Family and Community Medicine at the University of Arizona's College of Medicine, and work from the Rural Health Office, then headed by Dr. Andy Nichols. Their goal was to provide no-cost or low-cost health care services to rural and remote residents using a mobile health clinic. Martha became the "unpaid assistant" to Dr. Ortiz, publicizing the service, and scheduling and welcoming patients. One of their first outreach calls was to Dr. John Arnold who advised them which rural communities were most in need of health care services. One of the first communities visited by the mobile clinic was in the Marana area where farmworkers had little or no access to health care. Eventually, the locations expanded to communities such as Picture Rocks, Continental, Amado, and Littletown. But more than simply providing primary health care services, thanks to the Ortiz duo ("co-conspirators" as Martha terms their partnership), the mobile clinic became much more than a clinic. It evolved into the Mobile Health Program which mobilized rural community residents in advocating for permanent health care clinics in their communities, and trained and utilized community residents as "promotoras" who bridged the gap between community and academic medicine and by serving as patient advocates and Spanish-English interpreters when such interpretation was needed. This approach took time but it paid off. Eventually permanent clinics were built in Picture Rocks, Continental, and Amado. The Mobile Health Program could now focus on new areas of need.

Today, the mobile health program's "rolling clinic" can be seen stationed in Tucson's South Side, and continues its services to Littletown. However, the staff members work only part-time and there is always insufficient funding than what the University can contribute to support salaries, medical supplies, vehicle maintenance and gasoline costs. To offset the financial needs, Dr. Andy Nichols founded an endowment fund in Dr. Ortiz' name at the University of Arizona Foundation and an Endowment Advisory Board was formed to raise funds to assist with Mobile Health Program services. At age 90, Martha's work continues. She has served on the Advisory Board since its inception. Both Dr. Augusto Ortiz and Dr. Andy Nichols are now dead but the mission continues. Recently, the Advisory Board sponsored a successful fund-raising concert featuring the renowned Pascua Yaqui classical guitarist Gabriel Ayala and his Trio.

NEWS ARTICLES



2111 500 San Luis, Gadsden, Somerton, Yuma, El Centro, Calexico, Winterhaven, Los Algodones B.C., San Luis R.C., Puerto Peñasco

Años de servicios



Por: Norma L. López P. Yuma, Arizona.

Puma, Arizona.

I pasado sábado
PPEP celebró con una
gran ceremonia en
Tucson, sus 47 años de
servicio a la comunidad en
Arizona. El proyecto de una
Preparación Educativa
Práctica Portátii (PPEP),
inició en Sahuarita, Arizona
en 1967 con "La Tortuga", un

autobús Chevy 1957 que era a la vez medio de transporte y escuela, en la que John David Arnold, su fundador, enseñaba inglés a: los trabajadores del campo. La organización no lucrativa se estableció con una beca de 19 mil dólares de la Comisión de Tu c s o n p a r a Oportunidades Económicas con el objetivo de mejorar la calidad de la vida rural.

"En la ceremonia quisimos

honrar a los primeros campesinos que se unieron a PPEP para poner en marcha el proyecto". dijo Armold. "Entonces los trabajadores del campo venían de México a Estados Unidos bajo el Programa Bracero". El invitado de honor fue Femando Chávez, hijo del líder campesino Cesar Chávez, a cuya organización Armold capacito para que pudiera implementar

acciones de servicio social.
Durante la ceremonia se recaudaron fondos por 28 mil dolares, para brindar becas y servicios humanitarios en Africa y México.
El Salón de la Fama del Campesino fue visitado por el hijo de Chávez, quien vio fotos de su familla y se sento emocionado en La Tortuga, indico Arnold.

Continúa pag.2

Cumplió PPEP 47...



Por: Norma L. López P. Tucson, Arizona.

Actualmente PPEP TEC en Somerton és la unica high school que existe. Tienemos 38 años trabajando en San Luis y 1500 campesinos se han graduado del programa de GED", expuso.
Asegura que hay mucha

Viene de portada

semejanza entre las necesidades educativas de los campesinos en 1967 y las que se tienen actualmente. No ha habido cambios siempre será lo mismo cuando una persona sale de trabajar en el campo porque adquirió entrenamiento, otra lo va a sustituir. Lo importante es bir in dia rie sia si

Nov 9, 2013 7:46 PM by Samantha Ptashkin





Volunteers help clean up poverty-stricken community of Rillito

TUCSON- A poverty-stricken community on the northwest side is receiving some much needed help, thanks to the kindness of complete strangers.

An organization called PPEP, Inc., which offers services to the disadvantaged in Southern Arizona, recently remodeled two of its low-cost housing complexes. "And in that process, we ended up with a great number of used appliances, used windows and doors, that were still usable," says Roberta Hall, of PPEP.

Saturday they donated those materials to Rillito, which is a community that off Avra Valley Road. About 120 people live there and about 70% are either at or below the poverty line.

"We need help, we need a lot of help," Resident Brenda Munoz says.

Munoz has lived in the community for the past 10 years. She says everything is tearing apart, which is unappealing and unsafe. "We don't want to see the kids running around in trash all the time," Munoz says.

Now with the helping hands of about 100 volunteers, the playground is already looking better, as well as the church. "I think it's very significant because if this community is going to come together and bond, that's a starting place," Resident Kirby Colter says.

Hall says if you can give even just a little, it can go a long way. "It's not a big deal to give up a day of your time and energy to help those who don't have as much," Hall says.

And you won't find anyone more grateful than Munoz and her neighbors. "If it wasn't for everybody out here, we wouldn't have gotten this done," Munoz says. "Thank God there are people who can help."

Sep 11, 2014 7:09 PM by John Overall



A group from Tucson is helping fight Ebola in Africa

TUCSON - The entire African Nation of Sierra Leone is going on lockdown because of the Ebola virus. The outbreak has already killed thousands, but a local Tucson organization is working to be part of the solution.

Portable Practical Educational Preparation, or Project PPEP has people in Africa right now. They say some of the solutions to the Ebola outbreak can be pretty simple.

Dr. John Arnold has been working in Africa since 2008, "It's very personalized when you know people there especially in Nigeria where we're working with micro-business, with children, with schools, with different things like that and you kind of worry about what's happening to them," said Dr. Arnold.

The Nation of Ghana has not had any cases of Ebola so far but last week a meeting of local chiefs met with Project PPEP to discuss the threat. "There was an extreme amount of concern and that's why we were very happy to be there," Dr. Arnold said.

One of the most important ways to help stop the spread of any virus is clean water.

In many African villages people are drinking out of rivers that are filled with sewage because their wells aren't operating.

Dr. Arnold says many times those wells can be fixed very quickly and simply. "Nobody realized that there were parts sitting around so it's just like putting one and one together sometimes, and getting water back."

In some nations simple fixes, even from Southern Arizona, have the potential to save hundreds of lives.

Dr. Arnold says he has been talking to local business leaders about sponsoring Project PPEP. He says the most expensive wells cost about \$7,500 but many of them only need about \$100 worth of work.

Mom has mastered time management

By CHRISTINA SAMPSON Casa Grande Dispatch | Posted: Tuesday, May 6, 2014 8:33 am

Some high school graduates have their sights set on a future profession when they walk down the aisle to get their diploma.

Juliana Hernandez, an 18-year-old PPEP-Tec High School graduate, has her sights set on two.

"I want to do a variety of jobs, but my main one is to become a pharmacist," Hernandez said.

For Hernandez, graduating on time is a significant accomplishment. She became pregnant when she was 16 and left high school to take care of her daughter, Alexiana Nevaeh.

"I was working, but then I decided to come back to school," Hernandez said.



Juliana Hernandez

Juliana Hernandez will graduate on time after becoming pregnant when she was 16 and taking time off to take care of her daughter.

Though Hernandez had already conquered the challenges of being a working mother, coming back to school after missing an entire academic year was daunting.

"I didn't think I was going to graduate on time," Hernandez said.

She returned to school with just seven credits but, with a renewed focus on school, she successfully earned all the credits she needed to graduate.

Still, "it was pretty hard" going to school and raising a baby, Hernandez said.

"I would come home and I'd have to play with baby and feed her and take care of her," Hernandez said. "I couldn't start my homework until late."

Juggling school and her daughter taught Hernandez the importance of time management.

"Before, I would just go with the flow," Hernandez said. "Now everything is set."

Hernandez wants to become a pharmacist, a profession she became interested in after her daughter was born. She likes the idea of helping to treat people, especially children.

"I want to become a pharmacist because, like if my baby is sick, I want to help cure her," Hernandez said.

She plans to take all the basic, required courses for her pharmacy degree at Central Arizona College while simultaneously earning a cosmetology certification. Once a certified cosmologist, Hernandez plans to channel her passion for designing elaborate manicure designs into a side job while working toward her pharmacy doctorate.

Hernandez is confident about her ability to work, attend college and raise her daughter.

"Anyone can be successful, you just have to step up to it," Hernandez said.

PPEP, INC. AND AFFILIATES

The Undersigned Certify They Have Read, And Accept The Document Entitled:

"PPEP, Inc. & Affiliates" 47th Anniversary Annual Report – 2014

Submitted by: John David Arnold

Gertha Brown-Hurd, PPEP President

Edgar Granillo, PMHDC President

Date: October 27, 2014