

PURPOSE, CURRENT ACTIVITIES & HISTORY

Volunteers of America is a national, nonprofit organization that provides local human service programs and opportunities for individual and community involvement. For more than 110 years from rural America to inner city neighborhoods **Volunteers of America** has been serving the needs of the nation's homeless individuals and families, abused and neglected children, youth at risk, the elderly, the disabled, and many others – more than one million people annually. **Volunteers of America** is one of the nation's largest nonprofit providers of quality affordable housing for families, the elderly, and people with disabilities, and a major provider of skilled long-term nursing care and health services. **Volunteers of America** ranks consistently as one of the nation's most efficient nonprofits, with a high proportion of revenues going directly to program services.

HISTORY & PURPOSE

Volunteers of America was formed by the philosophies of its founders, Maud and Ballington Booth, whose work was an active expression of a commitment to helping. Although **Volunteers of America's** initial efforts were devoted solely to mission evangelism, the Booths soon realized that those who came to **Volunteers of America** were in need of material assistance as well as spiritual comfort and guidance. Thus was born the foundation of social welfare programming, which today extends to virtually every area of need.

Throughout its history **Volunteers of America** has developed programs in response to both the timely and timeless needs of the American people. By the early 1900's, **Volunteers Of America** serviced included fresh air camps, rescue homes for young women, day nurseries, homes for unemployed men, hospitals, and transient shelters; in short, whatever was most needed in a particular community.

While **Volunteers of America** is a national organization it is proud of the fact that its human service programs continue to be locally created, managed and delivered. Services are provided though a network of local offices that partner paid professional staff with volunteers.

Through wartime, depression, natural disaster, and manmade calamities **Volunteers of America** has been there to respond to the nation's immediate and long-term needs. **Volunteers Of America** has expanded its services, reaching out to form partnerships with other human care agencies, government agencies, corporations, and community groups. By the early 1960's, the organization had built strong relationships with other federal, state and local groups working for social reform, and strengthened its base of combined resources. Those relationships have continued and expanded over the years.

Volunteers Of America is now recognized as one of the nation's largest nonprofit providers of affordable, safe housing for low-income families, elderly, and people with disabilities. The organization is also a major provider of skilled long-term nursing care and health services operating nursing facilities, residential assisted-living complexes and retirement communities. Continuing its founders' legacy of meeting community needs the organization now has more than 100 different types of services offered in more than 300 communities nationwide.

CURRENT ACTIVITIES

Since its founding in 1896, **Volunteers of America** has grown from the operation of a single program in a single city to the 19th largest charity in the U.S., operating thousands of programs in more than 300 communities across the country. There are thirty-eight (38) local affiliates (36 chartered and 2 un-chartered) or branches of **Volunteers of America** located in cities across the nation.

The strength of the **Volunteers of America** family emanates from its local affiliates that represents the people and respond to the needs of the communities in which they exist. These local affiliates begin as branches of the national organization and graduate into chartered corporations. Each of the local affiliates has its own Board of Directors comprised of persons who live and work in the community. The Board determines the policy for the programs and operations of the affiliate and fosters relationships with the community resources. Because of this, no two **Volunteers of America** branches are alike since each responds on an individual basis to community needs and available community resources.

The funding levels of **Volunteers of America** and its local affiliates have grown steadily since 1896. Annual gross receipts of **VOA** have increased from approximately \$10,000,000 in the early 1900's to \$132,000,000 in 1984, to \$841,948,728 today. The combined assets of all **VOA** affiliates and subordinate organizations total more than \$1,096,409,836.

About Volunteers of America National Services

Volunteers of America's housing and health services roles have been consolidated into one nonprofit corporation, **Volunteers of America National Services (VOANS)** to improve, expand, and enhance the quality of services to the customer. It was in fact the issue of providing services in senior housing, which served as the catalyst for this merger of housing and health care activities. As **VOA** embarked upon the development of affordable assisted living, it became clear that economies of scale could be achieved and program effectiveness could be enhanced if **VOA** brought together its sponsorship, development, and operation of housing and healthcare facilities under common leadership.

HISTORY & PURPOSE

As stated previously, **VOA** began providing housing and health care services in the 1960's. **VOA** sponsored its first housing project, Kennedy Homes, a 172-unit Section 236 project in Gainesville, Florida, in 1968. That same year, **VOA** created an affiliated entity, **VOA National Housing Corporation**, to provide property management services, and in 1970, **VOA** created **VOA Health Services** for the purpose of sponsoring and operating long-term care facilities.

In 1997, **VOA** restructured its organization to merge all housing and healthcare activities into one corporation, renamed **Volunteers of America National Services (VOANS)**. Today **Volunteers**

of **America National Services** serves as the housing and healthcare affiliate for **VOA**, with responsibilities for the development and acquisition of new facilities and management and asset oversight for all existing properties. This includes housing and healthcare activities that may be co-sponsored by **VOA's** locally chartered affiliates.

Both **VOA National Services** and the National Office of **Volunteers of America, Inc.**, are currently located in Alexandria, Virginia. **VOANS** also has a satellite office Eden Prairie, Minnesota.

CURRENT ACTIVITIES

Believing that everyone – man, woman, and child – should have a secure and attractive place to call home, **Volunteers of America** has sponsored government-assisted housing since the 1960's. That sponsorship is predicated on the view that residents of subsidized housing have unique and pressing needs.

VOANS serves as the initiator of new programs and facilities for **VOA** and its local affiliates and provides day-to-day oversight and operation for the housing and residential care facilities. It also provides asset management for the entire housing and health facility portfolio.

➤ **Affordable Housing for Elderly**

Since 1968, **VOA** has sponsored a total of one hundred and twenty five (125) projects funded under the HUD Section 202 program. **VOANS** is currently responsible for the oversight, development, and management of all of these projects. Of this total, one hundred-thirteen (113) are in operation, five (5) are under construction and seven (7) are in the development phase. A complete listing of these projects is included in Exhibit 3(e).

➤ **Affordable Housing for Persons with Disabilities**

Housing for persons with disabilities has been developed by local **VOA** affiliates using local and state funding programs, as well as jointly with **VOA** and **VOANS** using HUD's Section 811 and 202 programs. Today, **VOANS** is currently responsible for the oversight, development and/or management of seventy-two (72) Section 811 projects for the disabled, that have been sponsored in the past by **VOA** or that are currently sponsored by **VOANS**. Of this total, sixty-two (62) are in operation, and ten (10) are still in the development stage. A complete listing of these projects is included in Exhibit 3(e).

➤ **Affordable Housing for Low-Income Families**

Affordable housing for families has been developed and/or acquired using HUD's 236 and 221(d)(3) programs, Low Income Housing Tax Credits (LIHTC), Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA), and tax-exempt bond financing. **VOANS** is responsible for the oversight, development, and management (through **VOA National Housing Corporation**) of the current portfolio of affordable housing, which includes sixteen (16) projects, all in operation.

In all of these housing operations, **VOANS** ensures that attention is given to resident services. Throughout its thirty-eight years of involvement in housing, **VOA** has sought to serve the most

needy in its housing operations. As a result of this focus, services in facilities developed, owned and managed by **VOANS** are directed towards programs which encourage and assist self-improvement and self-reliance, such as transportation, meals on wheels, employment counseling, day care, and Medicaid/Medicare referrals. The services offered or coordinated by **VOANS** span a wide range of programs including:

- ⇒ congregate meal programs
- ⇒ health screening
- ⇒ transportation
- ⇒ personal and financial counseling
- ⇒ day care centers
- ⇒ employment training and referral
- ⇒ recreation activities
- ⇒ rehabilitation programs
- ⇒ educational programs
- ⇒ computer learning center

➤ **Health Care Facilities**

VOANS owns and operates 26 nursing care and retirement facilities, which range in size from 26 to 173 beds and serve approximately 2,150 residents. A complete listing of facilities is provided in Exhibit 3(e). In several situations, these nursing facilities are co-located with Section 202 senior developments with Section 202 residents able to avail themselves of the nursing services to allow them to “age in place” in their 202 units.

Several of the facilities owned by **VOANS** have been singled out as models for the nursing home industry by federal, state, and local officials.

DEVELOPMENT CAPABILITY

VOA began developing multifamily housing in 1968. Today **VOANS** is the nation’s largest nonprofit developer of affordable housing for seniors and disabled persons, having developed over 185 facilities under HUD’s Section 202 and 811 programs, as well as assisted living facilities, nursing homes and low-income family facilities. **VOANS** develops facilities using a variety of financing methods, including Low Income Housing Tax Credits, bond financing, conventional financing, HUD 236, 221(d)(4) and LIHPRHA programs. **VOANS’** development department has also been successful in obtaining numerous grants and loans through HOME, CDBG and FLHB programs.

The **VOANS** development staff is actively involved in all phases of the development process. The process begins with strategic planning regarding selecting locations around the country where a need is determined to exist for the persons to be served. The development staff is involved in design, selection of design and construction professionals, construction oversight, financing and accounting.

PROVEN ABILITY TO RAISE FUNDS

As the nation’s 19th largest nonprofit entity, **VOA** has a long-standing reputation as a major fundraiser with the capability to raise funds. As indicated in the **VOA** Annual Report in Exhibit 3(a), **VOA** received over \$89,700,000 in 2005 in contributions from private and public donors. An

example of **VOA's** success in fund raising is our Annual Major Gifts Campaign. Last year **VOA** raised over \$11 million throughout the year in major gifts (these are gifts of \$1,000 and up). Major Gifts donors are recognized at **VOA's** annual fund raising dinner. This year's Tribute Dinner will be held on June 13th in Portland Oregon and will honor Dave and Gail Liniger with the 2006 Ballington and Maud Booth Award. Dave Liniger, RE/MAX International chairman and co-founder, is generally credited with doing more than anyone in the real estate industry to improve the working conditions and incomes of sales agents. Gail A. Liniger, RE/MAX International vice chairman, co-founded RE/MAX with Dave in 1973, she has been honored for achievements in business, the arts and public service. A list of major donors recognized at this event is included at the end of this exhibit. Included on that list of donors, are companies such as: Jay Martin and NSA; Mary and Jerome Kern; TeleCommunications Inc; the Robert Wood Johnson Foundation; the Ahmanson Foundation; Gary, Kim and Sharon Magness; the Johnson and Johnson Corporation; The Lund Foundation; Philip Morris Companies, Inc; the Weinberg Foundation and the James Graham Brown Foundation and many others.

Because of its local orientation, **VOANS** has been successful in getting local commitments of funding to complement housing developments. This financial assistance has been supplemented with support and cooperation from local governments on such matters as zoning changes, density, height, and parking variances, and unit size waivers – all of which have a positive effect on the financial feasibility and cost-effectiveness of **VOANS** developments under the 202 and 811 programs.

In fiscal year 2005 **Volunteers of America** had total revenues of more than \$841 million, providing programs and services to nearly 2 million people. Fund raising activities generated about 10 percent of revenues, with total public support over \$85 million. National fund raising activities included the car donation enterprise program, the Tribute dinner and a foundation grants program.

Volunteers of America has more than 14,000 employees in 40 states that are assisted by more than 95,000 volunteers. For example the Retired and Senior Volunteer Program (RSVP) is a program that offers seniors the opportunity to volunteer in a wide range of local programs.