

**60<sup>th</sup> GRAFTON**  
 anniversary INTEGRATED HEALTH NETWORK

*Celebrating 60 years of  
 innovation in behavioral health  
 and education solutions*

# ANNUAL REPORT

## 2019

# Grafton's Journey

Grafton has a powerful origin story. As with all good stories, ours has a formidable protagonist who embarked on a hero's journey. Throughout our 60th anniversary year, we've revisited this story often. It fuels us with inspiration.

Sixty years ago, Ruth Birch, a concerned mother whose child was turned away by the public school system due to a learning disability, began teaching her son at her kitchen table. As word got out, other parents in the community began asking if she could educate their children with special needs as well. When there was no space left in her kitchen, Mrs. Birch was undeterred. Grafton was created.

**"Ruth Birch did two really wonderful things. She always tried first to identify the strengths and desires of a child, and then built her curriculum around that."** – Bob Stieg, Grafton CEO, 1959 - 2002

Since then, Grafton has grown to serve thousands of infants, children, adolescents, and adults with complex behavioral health challenges and intellectual and developmental disabilities. Today, our organization prides itself on meeting the needs of our communities, providing multiple levels of care, including psychiatric residential treatment, therapeutic community-based residential alternatives, day treatment and day schools, applied behavior analysis, and outpatient psychotherapy. Our footprint has expanded from a small church in Berryville to locations in the counties of Frederick, Clarke, Chesterfield, Loudoun, Warren, Page, and Shenandoah, and the cities of Winchester and Richmond.

As we build upon this foundation, we have a clear vision for Grafton's future. One in which we continue to address critical needs both in and outside of our home state. Already, Ukeru works with 180 organizations throughout the U.S. and internationally. Similarly, behavioral health organizations across the country have inquired about our clinical model, as well as our efforts to integrate this model with our new electronic health record.

**"We thought, well, if we can [minimize restraint and seclusion] here, certainly we can do this in other organizations."**

– Jim Gaynor, Grafton CEO 2002 - 2016

At the same time, we have renewed our focus on what makes Grafton great – our employees. We have dubbed fiscal year 2020 as "The Year of the Employee," and we are working hard to ensure that the astonishing individuals who serve our clients understand how much we value them.

For more on Grafton's past, present, and future, we encourage you to watch a short film we made over the summer. It includes interviews with some very familiar faces, as well as new team members. You can find the film online at: <http://bit.ly/GraftonAt60>.

Our employees form the foundation for Grafton's history and future, and we are very thankful for their contributions to our 60-year journey.



A handwritten signature in black ink, appearing to read "James Stewart".


**JAMES STEWART**  
President and CEO



A handwritten signature in black ink, appearing to read "Jerry Partlow".

**JERRY PARTLOW**  
Chair, Board of  
Directors

# A History of Innovation



1958	Ruth Birch founded Grafton to serve her son and others with learning disabilities
1973	Became the first residential educational program for individuals with Autism in Virginia
1981	Opened first group home for adolescents with Autism
1989	Opened Richmond facility
1994	Opened second educational facility in Winchester
2002	Opened Medicaid-approved psychiatric residential treatment center in Berryville
2005	Received CARF accreditation for Psychiatric Residential Treatment Facility
2007	Recognized by the International Initiative for Mental Health Leadership as one of only four North American providers to exemplify best practice in treatment of individuals with complex disabilities
2008	Won Negley President's Award for excellence in risk management practices
2010	Partnered with City of Winchester Department of Social Services to provide early intervention services to the Shenandoah Valley
2015	Launched Ukeru Systems, a division of Grafton, offering trauma-informed, restraint-free crisis management training
2017	Awarded the opportunity to partner with Loudoun County, Virginia, to operate and staff the Loudoun County Youth Shelter Program
2019	Rolled out The Foundation of Care, an innovative clinical model built on evidence-based practices and a trans-disciplinary approach
2020	Awarded 3-year CARF accreditation for children and adult programs



Served **1,169** clients\*

**615**



Infants/  
toddlers

**464**



Children

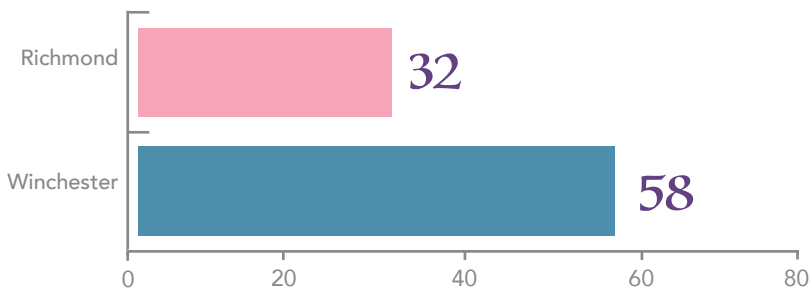
**90**



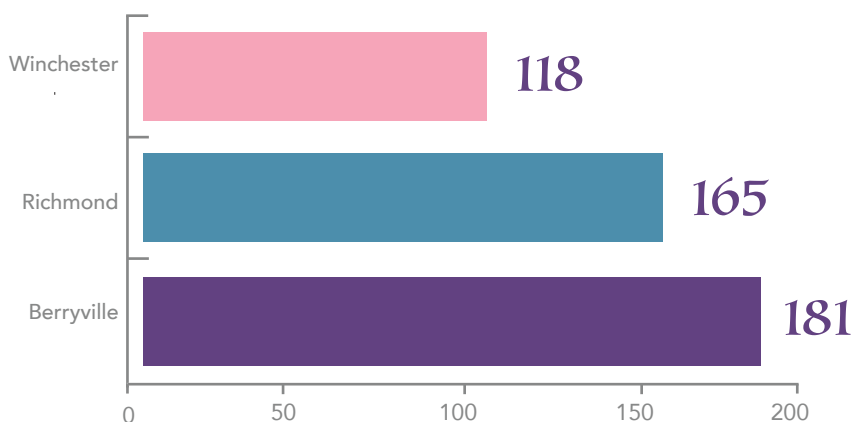
Adults

\*Number includes outpatient clients.

#### Number of Adult Services Clients by Location:



#### Number of Children Services Clients by Location:



# Grafton by the Numbers



*"[Our clients] all bring their different quirks, their different talents, their strengths, and their weaknesses. The staff understands those weaknesses and how to teach clients ways in which to overcome them."*

— Katie Souders  
Behavior Specialist

# SKILL ACQUISITION

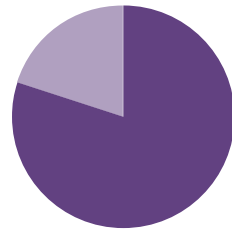
Grafton's "Goal Mastery Initiative" — a structured and sustainable system that identifies, monitors, and evaluates client progress and embeds data-based decision-making into cross-disciplinary planning and treatment — is unique among its peers.



*"It has been an entirely positive experience, not only for Joe, but also for the entire family. It is the first time that he has been in a treatment program where they truly care about the whole of the individual – health, education, everything. The fact that Joe is receiving all-inclusive care has been really great for him."*

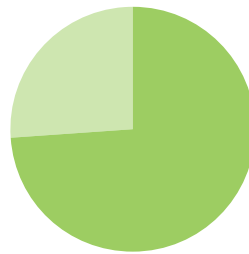
– Laura Piazza  
Grafton Parent

## GRAFTON'S TARGET GOAL RATE



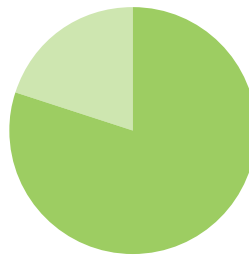
80%

## SPEECH/LANGUAGE:



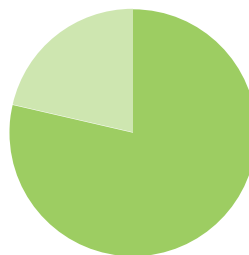
76%

## OCCUPATIONAL THERAPY:



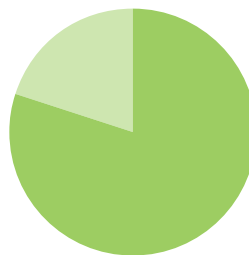
81%

## THERAPEUTIC TREATMENT:



77%

## EDUCATION:



81%





*“They treat me like I’m their family. They care for me as well as for [my child]. In the beginning, when I had worse days than better, they listened to me, comforted me, took the time to let me know I wasn’t the only person in the world going through this. That’s great, because a lot of people don’t recognize what the parents go through.”*

– Amy Brown, Grafton Parent





# Executive Team

## JAMES STEWART

President and CEO

## KENT HOUCHINS

Executive Vice President/  
Chief Operating Officer, Clinical Operations

## KIM SANDERS

Executive Vice President/  
Chief Operating Officer, Staffing & Training  
President, Ukeru Systems

## SCOTT ZEITER

Executive Vice President/  
Chief Operating Officer, Development

## LINDA BLYTHE

Vice President of Human Resources

## JUDY IANUALE

Chief Financial Officer

## BILL DAVIS

Vice President/Chief Information Officer

## VANESSA LANE

Vice President of Revenue Cycle Management and  
Data Analytics



# Board of Directors

## JERRY PARTLOW

Board Chair, CEO, Partlow Insurance  
Company, Inc.

## DENNIS MORRISON, Ph.D.

Vice Chair

## BRIAN HESTER

Treasurer, Business Service Officer,  
BB&T

## OSBORNE F. ABBEY Jr., Ph.D.

Secretary

## DEMETRIUS CARMICHAEL

CPA, Assistant Vice President for  
Budget & Planning, Bradley  
University

## BERNADINE DYKES, Ph.D.

Associate Professor of Management at  
Shenandoah University

## JAMES GAYNOR II

Former Chief Executive Officer,  
Grafton Integrated Health Network

## MARC JACCARD

Executive Director, Henry and William  
Evans Home for Children

## SUE JONES

Trustee at Shenandoah University, Vice  
Chair of the Clarke County Education  
Fund, Chair of Our Health

## JANICE LEBEL, Ph.D.

Director of System Transformation, MA  
Department of Mental Health

## JOHN MARKWOOD, Ph.D.

Vice President, Association Services at  
Partlow Insurance Agency

## HARRY S. SMITH

Senior Vice President/Winchester  
Market Executive, Union First Market  
Bank

# 2019 Donors

We gratefully acknowledge the generous support of individuals, corporations, foundations, civic groups, and others who join us in empowering individuals to live their best lives every day.

## FOUNDATIONS

Community Foundation for a Greater Richmond  
Higginson Trust  
The Monford & Lucy Custer Foundation

## CORPORATIONS

ALC Recycling  
Amazon Smile  
Costco  
Loudoun Medical Group  
Network for Good  
Parallax Health Sciences, Inc.  
Partlow Insurance Agency, Inc.  
United Way

## INDIVIDUALS

Kevin R. Bako  
Thomas Bruno  
Samuel W. Butler III

Srinath Chandrasekaran  
Allyson Davis  
Gerard Demuro  
Karol Derflinger  
Sharon Dominguez  
Jacqueline Dooley  
Sharon M. Foltz  
Darryl Funk  
Lisa Ghost  
David & Sue Hansen  
Tracey A. Hill  
Melissa Hogan  
Kent Houchins  
Judith Ianuale  
Teri A. Kimball  
Shiv Kumar  
Darren W. Lambert  
Sandra Blythe Marcus  
Rebecca McCoy

Leigh Method  
Sally Nelson  
John O'Connor  
Christine M. Potter  
James Sanders  
Kimberly Sanders  
Pamela Shenefiel  
Joseph Sorresso  
Holly Spindle  
James Stewart  
Christopher Szymonik  
Jeremy P. Ulderich  
Carrie Ullman  
John S. Zeiter

## OTHER

Amwood Associates  
The Treasure Box of Christ Episcopal Church  
Virginia Department of Agriculture



## Join us in our efforts

In the current environment, Grafton relies more than ever on the generous contributions of our donors. A gift to our organization helps enhance the services and programs we provide to our clients each day. Your donation helps to:

- Fund creative and innovative services that would otherwise not be affordable, such as music and art therapy, equestrian therapy, library services, and animal-assisted intervention
- Develop best practices and thought leadership, such as our Ukeru and Goal Mastery initiatives
- Offset expenses for educational services that would otherwise go unfunded
- Sponsor continuing education of current staff to improve qualifications
- Cultivate expertise and develop community resources



## Combined Statements of Activities

	2019	2018
<b>REVENUES</b>		
Program service fees	\$54,723,467	\$54,909,680
Contract program revenue	1,485,849	1,486,258
Contributions and grants	1,062,823	1,325,350
Other revenue	1,313,186	683,930
<b>TOTAL REVENUES</b>	<b>\$58,585,325</b>	<b>\$58,405,218</b>
<b>EXPENSES</b>		
Salaries and benefits	\$42,674,495	\$43,983,954
Program operations	10,760,435	9,906,631
Non-operating expenses	3,007,799	1,731,449
Bad debt expense	36,635	1,109,286
<b>TOTAL EXPENSES</b>	<b>\$56,479,364</b>	<b>\$56,731,320</b>
<b>NON-OPERATING GAINS (LOSSES) AND OTHER CHANGES IN NET ASSETS</b>	<b>\$2,050,665</b>	<b>\$599,556</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$4,156,626</b>	<b>\$2,273,489</b>

## Combined Statements of Financial Position

	2019	2018
<b>ASSETS</b>		
Cash	\$3,232,585	\$4,119,660
Accounts receivable	10,441,558	11,196,964
Investments	8,114,691	9,304,138
Other assets	1,462,572	1,328,080
Intangible assets	743,936	738,455
Land, buildings, and equipment	20,908,857	15,289,428
<b>TOTAL ASSETS</b>	<b>\$44,904,199</b>	<b>\$41,976,725</b>
<b>LIABILITIES</b>		
Accrued expenses and other liabilities	\$6,549,358	\$6,525,681
Notes and bond payable	2,243,393	3,413,932
Other liabilities	164,579	246,869
<b>TOTAL LIABILITIES</b>	<b>\$8,957,330</b>	<b>\$10,186,482</b>
<b>NET ASSETS</b>		
Total net assets without donor restrictions	\$35,691,713	\$31,543,398
Net assets with donor restrictions	255,156	246,845
<b>TOTAL NET ASSETS</b>	<b>\$35,946,869</b>	<b>\$31,790,243</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$44,904,199</b>	<b>\$41,976,725</b>



*“There are so many things that make Grafton unique in how and who we serve. But it really all started with Ruth Birch, our founder, back in the earlier days. Our past will inform our future and it already has. Grafton will continue to be who it’s always been. We will continue to find solutions for the complex needs of the communities we serve.”*

– James Stewart, Grafton President and CEO

3150 Shawnee Drive  
Winchester, VA 22601  
Toll-Free: 888-955-5205

[www.grafton.org](http://www.grafton.org)

[www.ukerusystems.com](http://www.ukerusystems.com)  
[www.itcshenvalley.org](http://www.itcshenvalley.org)