



**BUILDING ON
OUR STRONGEST AS-
SETS**

**2006
YEARBOOK**



**Neighborhood
Centers Inc.**
Lifting hearts.
Building futures.

A Message from the President

Dear Supporters,

As we prepare for our 100th year celebration in 2007, we've been looking back into the past to review the service record of the agency since its inception. It's a fascinating journey.

What strikes me most about our history is that the value of responsiveness has been a consistent theme through the years. To us, responsiveness means not only meeting the immediate needs of the day, but also changing as our community changes, so that we can continue to address the needs of the people we serve.

Indeed, from the Great Depression to the Great Society to today, we've adapted and evolved to provide needed assistance to the community's most vulnerable residents.

This past year was no different. In the face of the unprecedented challenge of Hurricane Katrina – and under extreme conditions – the entire agency mobilized in partnership with many other social service and government agencies. While the storm was a painful disaster for so many, the response of the Houston community was a source of pride.

That spirit of cooperation extends beyond crisis to the every-day work we do at Neighborhood Centers Inc. With the help of our funding and service partners – the United Way, City of Houston, DePelchin Children's Center, The New Kid-Care, Houston Works, JPMorgan Chase, St. Luke's Episcopal Health Charities, Houston Community College System, Texas Children's Pediatric Associates and many, many others – we served more than 160,000 clients this year.

And as always, our achievements were made possible by the inspired and dedicated leadership of our Board of Directors.

This year, we recognize our Board as our 2005 "Volunteer of the Year." As a group they are simply extraordinary. We are deeply indebted to these remarkable people for their unprecedented generosity and support. Above all, we appreciate their courage.

In the face of a clear need for the organization to evolve yet again, we are fortunate to have a Board that embraces change and volunteer leaders who challenge us to meet ever higher standards of service and accountability.

With the full support of the Board, the agency met the challenge of Katrina, restructured into three major divisions to better serve our community, and embarked on a forward-looking campaign to fund the transformation of our community centers. On behalf of the Executive Team and all the staff of Neighborhood Centers Inc., we thank you for your generosity, encouragement and selfless dedication.

And to you, our supporters, we offer our heart-felt appreciation. You've helped make our region a place of promise and opportunity – a destination for all who labor for a better life.

Sincerely,



Angela Blanchard

2006 Alice Graham Baker Crusader Award Honoree Jack Sweeney

Each year Neighborhood Centers Inc. recognizes an individual who has created a lasting means of improving the lives of citizens in our community – an individual who displays the same vision and perseverance as Agency founder Mrs. Alice Graham Baker and the Second Ward Women's Club. They defined their purpose as "extending educational, industrial, social, and friendly aid to all those within our reach." Dedicated to those same beliefs, awardees work to enhance the potential of individuals, families, and neighborhoods through endeavors that are consistent with the values and goals of Neighborhood Centers Inc. Through public service and/or volunteerism, awardees leverage community assets in order to improve the lives of those in need in our community.

Neighborhood Centers Inc. is honored to present Houston Chronicle Publisher and President Jack Sweeney with the 2006 Alice Graham Baker Crusader Award for his exemplary leadership and passionate commitment to prosperity, opportunity, and quality of life for all neighbors in the Houston region.

Few have the bully pulpit Jack has as publisher of the city's daily newspaper and member of its

editorial board. Along with Chronicle Editor Jeff Cohen, he has used this platform to speak to more than a million daily readers, compassionately and informatively, about issues and concerns that affect the lives of all Houstonians. In this role, the Chronicle has often been "a voice for the voiceless."

Jack began his career at the Washington Post nearly four decades ago, selling advertising for the paper. He held similar positions with the Trenton (NJ) Times and Boston Herald before landing at the Chronicle in 1980 as Advertising Director. In 2000, he was appointed Publisher and President.

In his more than a quarter-century with the Houston Chronicle, Jack has earned many awards, including the Texas Newspaper Leader of the Year Award, the Robert W. Kneebone Award (recognizing the United Way of the Texas Gulf Coast's Volunteer of the Year), the Museum of Printing History's Gutenberg Award, and the Anti-Defamation League's Torch of Liberty Award.



Alice Graham Baker



Jack Sweeney

Jack has long championed the newspaper's journalistic function in a healthy community of informed citizens.

He has also been at the forefront of its corporate citizenship. In 2005 alone, the Houston Chronicle distributed \$4.2 million in support to more than 250 of our city's charitable and nonprofit organizations.

Practicing what he preaches, Jack has served in a variety of leadership roles for the Greater Houston Partnership, the Juvenile Diabetes Research Foundation, the United Way of the Texas Gulf Coast, and a number of other community and service boards and committees. His wife Ellie is a prominent supporter of Child Advocates, as past Board Chair as well as current Executive Committee member – and a court-appointed advocate herself.

Jack's can-do attitude shone brightly in 2002, when Houston was reeling from both local and national events. It was an unenviable time to be raising money. The United Way turned to Jack to

chair its annual campaign. His response was simple: "When do we start?"

Jack Sweeney has been a good corporate citizen for decades and a caring and committed member of his community for even longer. Long before Hurricane Katrina showed the world that Houston will do whatever it takes to help our fellow citizens, Jack and the Houston Chronicle have trumpeted our city's strengths without being afraid to confront the challenges we face.

For what he has accomplished professionally and stands for personally, Neighborhood Centers Inc. is pleased to present Jack Sweeney with the 2006 Alice Graham Baker Crusader Award.

Adapting to a Changing World

“there is a way out of every dark mist, over a rainbow trail” - Virginia Woolf

stayconnected

The year 2005 will forever be marked by Hurricanes Katrina and Rita.

We watched as fellow residents of the Gulf Coast struggled through pain and loss – loss of friends, homes and possessions. Yet as the storm cleared, amidst all of the destruction and chaos, amongst the shattered dreams and pain, we were reminded that “there is a way out of every dark mist, over a rainbow trail,” as Virginia Woolf once wrote.

This rainbow trail led into Houston, and our city became home for so many new neighbors.

Through a unique program called **stay connected**, Neighborhood Centers Inc. assisted almost 4,000 hurricane evacuees. We saw Houston recognized for its warmth and generosity. And, as families united to rebuild their lives and the lives of their children, we saw the awesome strength of the human spirit.

Even as we responded to this unprecedented disaster, we were growing and changing as we restructured the agency into three service divisions: Community-Based Initiatives; Choices in Education; and Public Sector Solutions.

community-based initiatives supports neighborhood development through our community centers. Ripley House, Harbach- Ripley,

Cleveland-Ripley, La Porte, Independence Heights and The BRIDGE/El PUENTE all house programs designed to promote self-sufficiency.

This past year, we formulated a new focus for our programs, moving from a social service model to one that builds upon the unique economic and social assets of individuals and their communities.

Our asset-based approach addresses economic development, leadership opportunities, immigration and citizenship, and connections to health and education for families. We saw the Gulfton neighborhood of southwest Houston as the ideal place to pilot our new way of developing communities. Using an Appreciative Inquiry method, we conducted an extensive inquiry of Gulfton neighbors, conversations that revealed many unknown and untapped neighborhood assets. We will continue this work with residents in each of our distinct neighborhoods, building upon their assets so they may exercise their voice in public affairs, acquire a place in the economic life of the community and secure a stake in Houston's future.

2005 also saw remarkable growth in our Charter School and Early Childhood programs – increases in enrollment, improvements in student outcomes and expansions in our service area. Our education division includes those programs

community-based initiatives

choices in education

associated with Neighborhood Centers Inc. for many years – programs such as Head Start, Early Head Start and a Charter School formed several years ago. In 2005, we integrated these separately funded – and, at times, distinctly different programs – into one strategic division, called **choices in education**.

Under the informed leadership of our Choices in Education School Board, we moved toward higher levels of accountability, even as we sought to work with the most “at risk” students. Devoted to early education choices that lead to higher education opportunities, we provided services to more than 2,500 children and families. Our goal is to help create an educated and connected workforce – one that is prepared, capable, energetic and motivated.

public sector solutions draws on our expertise and long history of developing efficient and effective delivery systems that ensure the flow of resources toward a specific service goal.

This division utilizes the expertise of our financial reporting and information technology departments and provides services to other nonprofits and government agencies. As these customers seek improved reporting and accountability, Neighborhood Centers Inc. is increasingly seen as a resource. In 2005, we developed newly automated processes that reduced administrative costs and facilitated the

efficient delivery of financial aid to more than 20,000 clients. We know that every administrative dollar saved is a new service dollar provided. We continue to seek opportunities to develop systems that result in improved services to low-income families in the State of Texas.

This year we are also launching our **new century campaign**. In this yearbook, we outline the goals of the campaign – an effort designed to firm up the foundation for our next decade of service. We will build a new community center and marketplace in Gulfton, one that will ignite the spirit of community, meet the needs of families and build upon neighborhood assets. Our history makes us unafraid of change, and we look forward to the redevelopment of our community centers under a new program model.

Our Board set a goal to complete the New Century Campaign before our 100th birthday in 2007. With more than one third of our New Century Campaign funds raised in 2005, we have already begun the transformation of our centers to this new model and secured the land in Gulfton on which a new center will be built. With the help of our generous supporters, we will complete this transformation and begin our new century stronger than ever.

public sector solutions

new century campaign

Stay Connected

when this generation sings the blues they will sing of Katrina . . . of what was lost and what was found

Supporting new neighbors as they rebuild their lives



I have a new friend.

In the aftermath of Hurricanes Katrina and Rita, our entire staff mobilized to provide comprehensive, compassionate support to survivors who fled to Houston.

To focus our efforts, we created the Stay Connected initiative, which links our new neighbors to vital resources for financial stability, jobs, permanent housing – and a renewed sense of community.

We call the program Stay Connected because we realize that the sudden uprooting of evacuees' daily lives, social networks and family support systems has left many of them in a vulnerable position that requires ongoing consultation and assistance.

And we're providing that support through our new "Service Connectors" – men and women trained in social work, evacuees themselves, who continue to touch base with evacuees and assist them in making progress toward self-sufficiency.



NEIGHBORHOOD CENTERS INC.
LIFTING HEARTS. BUILDING FUTURES.

Stay Connected.
Please let us know
if your contact
information changes.
Call 713-667-5853
so we can continue
to provide
needed services.



I'm in school so I can get a new job.



There are people who care about me.



My new
place is
starting to
feel like a
home.



before

after

- By year-end, we touched the lives of almost 4,000 individuals.
- New housing becomes a true home when basic items such as furniture, cooking supplies and clothing are provided.
- Service Connectors are working to assist families in determining health care options to ensure all children are covered.
- Job counseling and a Houston Community Voicemail box are helping to overcome the challenges in seeking employment and gaining financial stability.
- Through Head Start and our Community Center programs, children are able to thrive socially and academically.
- Most importantly, our Service Connectors provide encouragement and clarity to many as they travel down a difficult and challenging road to a new life.

Community-based initiatives

we believe that communities possess a vast reservoir of energy and resources that are often overlooked

Linking residents to neighborhood resources



I can get to work.



I can tell my story.



I feel healthier.

As we near our 100th anniversary, we're rethinking our strategic approach to neighborhood services. Our new operating model focuses our efforts on long-term economic and social development that connects neighbors, develops leaders and drives growth.

This is a "new way" for the next century of Neighborhood Centers Inc. It's an approach that will enable us to nurture the skills, resources and capabilities that already reside in every Houston neighborhood – creating self-sufficiency and a powerful sense of community.

The New Century Campaign is designed to provide us with the initial resources we need to

transform our organization. Already, we're proving the strengths and benefits of this asset-based approach with our work in Gulfton, soon to be home of a next-generation community center. We're creating an awareness of neighborhood empowerment and pride by linking people together and giving voice to those who can make a difference.

In time, we'll transform all our community centers into neighborhood hubs that will link residents with resource providers who can help them start and nurture small businesses, find needed services such as legal assistance, healthcare and child care, gain citizenship, and much more.

The New Model

Capable Neighbors Strong Neighborhoods

Power
economic growth

Growing Economic Capacity
Capable neighbors teamed with effective local leadership create a prosperous neighborhood. We nurture this environment with programs focused on job creation, home ownership, continuing education, credit building and citizenship participation.

Voice
developing leaders

Developing Neighborhood Leadership
When basic needs are met, neighbors with leadership skills emerge. We provide the training, awareness and connections people need to effectively represent the community.

Awareness
connecting neighbors

Supporting Capable Neighbors
We help individuals discover their unique strengths by linking neighbors to neighbors and providing access to support services.

Neighborhood success stories

We're pleased to report significant success in the communities where we operate. While we recognize much more work needs to be done, we take pride in successes such as these:

- More than 200 day laborers found employment through our East End Worker Development Center, resulting in more than 4,000 days of work.

- Our SUNNY FUTURES Healthy Start Initiative connected young mothers and mothers-to-be with support and resources through the "Mommie and Me" program. In 2005, more than 100 program participants were provided with free infant/toddler seats as part of our health and safety program.

- Through our Activity Centers for Seniors (ACES) wellness program, participants aged 50 and older became healthier. ACES will expand to 15 locations in 2006.

- We're linking young people to educational and developmental opportunities via a number of activities, including a photo-literacy program called Photo-Ops that encourages creative expression; Rice RISE, a health and education awareness program featuring Rice University athletes; and the Passport to Summer Fun program, which offers arts, dance, tennis, gymnastics and more.

choices in education

parents and kids have a choice - a defined path - a planned continuum so they don't lose sight or momentum

Providing a path to lifelong opportunity for young students

charter school
early head start
head start
pre-school
birth - 5th grade
early childhood
development
after-school
programs
scholarships

Education is the driver of long-term success and the lifeblood of social and economic development.

But today's public schools can't always meet the needs of every child. The result is often children who fall behind.

To help reduce our city's drop-out rate, we're providing options and opportunities for students and their parents. Through our Choices in Education division, we've created an integrated school system that provides consistency and connection at every critical juncture in a child's life.

We provide a clearly defined path and in-depth assistance for students and parents along the way, ensuring that children transition successfully from early childhood programs through elementary school and on to middle and high school.

Each stage in the development process builds upon the successes of earlier efforts, creating an atmosphere of achievement that ensures higher education opportunities – and a lifetime of accomplishment.



A charter school 5th grader stays on track.



The Lightsey Family Scholarship at Ripley House has awarded more than 250 scholarships to date - keeping up with each student and offering family support.



Our \$20.4M budget



head start 83%
early childhood 6%
charter school 11%

• Our commitment to quality and accountability is evident in our accreditation success – six of our Head Start/Early Head Start centers have been nationally accredited by the National Academy of Early Childhood Programs, and our charter school is a Texas Education Agency Recognized School.

• More than 90 percent of our trainees have received their Child Development Associate credential (a national credential from the Council for Professional Recognition).

• Our charter school experienced enrollment growth of more than 500 percent over the past two years.

• This year, we enrolled more than 150 hurricane evacuees in Head Start and provided ongoing support to help them settle in and stay on track educationally.

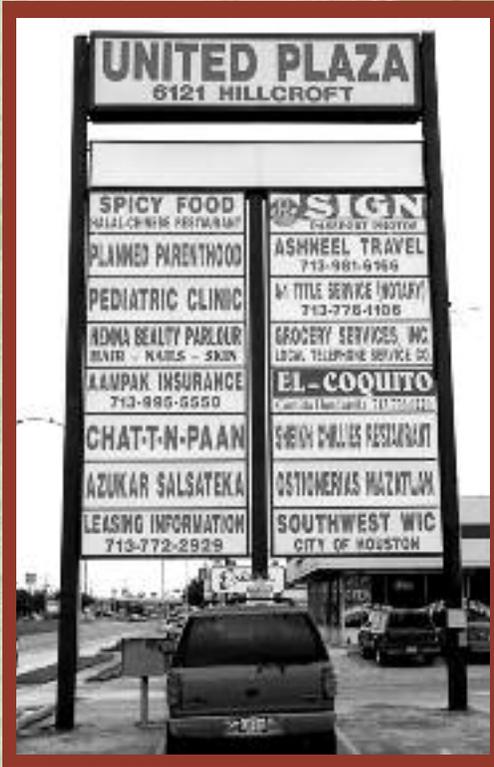
new century campaign

the city is collaborating on a new operating model for this project that emphasizes economic opportunities - Mayor Bill White

james calaway
william e. chiles

Creating self-sufficiency
among residents

joanna wortham
jonathan day



More than half the dense population of Gulfton is foreign born and does not speak English. A large percentage is below the poverty level.

felix fraga
vallette windham
sharon m. owens

The New Century Campaign is about creating opportunities for collaboration, for resource sharing, for economic and social development.

It's about transforming lives by focusing on the strengths and assets that all people possess, and by creating the networks and linkages that make it possible for people and communities to flourish.

It's about creating a neighborhood infrastructure – economic, social and political – that enables people to help themselves.

It's about a new model, but a model based on an old notion – the idea that the human spirit desires independence and will work hard to achieve self-fulfillment.

marion e. mcdaniel, jr.
nancy woodridge

Objectives	Goal
Gulfton. Creation of a Gulfton Neighborhood Campus, in collaboration with the City of Houston, to help focus resources in an area that will play an increasingly important role in the region's future.	\$10 million
Model. Rollout of a new and improved model for providing services at five existing community centers – Ripley House, Harbach-Ripley, Cleveland-Ripley, La Porte and Independence Heights. Our goal is to support neighborhood asset building, enabling residents to become self-sufficient through economic development, leadership training and community networks.	\$5 million
Endowment. Increasing endowment funds to provide immediate and unrestricted dollars necessary to create community collaborations.	\$5 million



Special thanks to our early supporters.
The Brown Foundation, Inc.
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JPMorgan Chase
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Hamman Foundation
NCI Board of Directors

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wilhelmina r. & edgar a. smith
lynda k. & david m. underwood
andrea & mayor bill white
george a. demontrond, III



Community mural created by friends in Gulfton shows the many cultures working and living together in the neighborhood.

angela blanchard
ronald c. lewis

inches

Nurturing the assets in Gulfton

- Our efforts in Gulfton began with conversations – one-on-one meetings with more than 120 neighborhood residents, including service providers, community leaders, business owners and others. Our goal was to identify and catalog the varied resources and strengths that reside in the community – a process known as “appreciative inquiry.”
- We later shared our findings at a community meeting attended by more than 300 people.
- To ensure that dialogue continues, we're producing a bilingual newspaper called Gulfton Neighbors – connecting neighbors with resources and providing a forum for information sharing. This is a valuable and effective tool in building a sense of community.
- This “New Century” approach is designed to create opportunities for collaboration and resource sharing – developing networks and linkages that make it possible for people and communities to flourish. In essence, we're creating the neighborhood infrastructure – economic, social and political – that enables people to help themselves.

Heart of Gold Supporters

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Sponsors at time of printing

2005 Volunteer of the Year



We're proud to honor the 2005 Neighborhood Centers Inc. Board of Directors as our collective Volunteer of the Year.

The past year has been one of tremendous change, and the Board has played a major role in supporting us as we tackle new challenges and opportunities – primarily by overseeing our year-long restructuring into three distinct divisions to better serve our neighbors.

In addition to the commitment of time and guidance, board members recruited additional resources to Neighborhood Cen-

ters Inc. and supported us financially with 100 percent participation. All this was accomplished while our members have

active professional careers and give generously of their time and expertise to other nonprofit agencies throughout the city!

With all the work going on in so many areas, it's impossible to single out any one individual... which is why we salute the entire 2005 Neighborhood Centers Inc. Board of Directors for its outstanding oversight and guidance as we strive to achieve our mission of bringing resources, education and connection to underserved neighborhoods.

Seated, L-R: Joanne Baker, Marian Davenport, Sharon M. Owens, Jonathan Day, Karyl Lawson, Nancy Wooldridge, and Prita Mohindra, M.D. Standing, L-R: Sylvia Capetillo, William Love, Ronald C. Lewis, Vicki Birenbaum, D. Mark DeWalch, Susan G. Baker, Don Turkelson, Vallette Windham, Marion E. McDaniel, Jr., Sabrina Midkiff, George A. DeMontrond, III, Joanna Wortham, Tom Sanders, and David A. Chaumette. Not pictured: Charles Bacarisse, Hon. Caroline Baker, William E. Chiles, Bettye Drisdale, Kathleen Eisbrenner, H. Wayne Martin, Robert Mason, and Jose E. Molina.

Neighborhood Centers Inc. FY 2006 Budget

Neighborhood Centers Inc. is well-known for our high degree of accountability and effectiveness. Our management and general overhead, including fundraising costs, represents less than five percent (5%) of our annual budget. We combine the best business practices with strategic social service goals.

Choices in Education

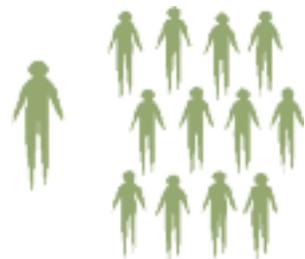
Revenues

United Way	\$744,748
Contract Revenues	19,368,255
Program Revenues	<u>289,571</u>
Total	\$20,402,574

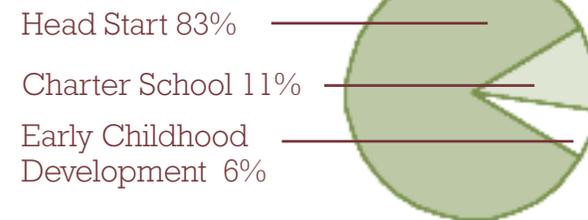
Expenses

Early Childhood Development	\$1,214,651
Head Start	16,995,323
Charter School	<u>2,192,600</u>
Total	\$20,402,574

1 staff member serves 12 students
Cost per student: \$4,409



Expenses



Community-Based Initiatives

Revenues

United Way	\$2,859,251
Contributions and Special Events	534,706
Contract Revenues	5,122,852
Program Revenues	<u>300,626</u>
Total	\$8,817,435

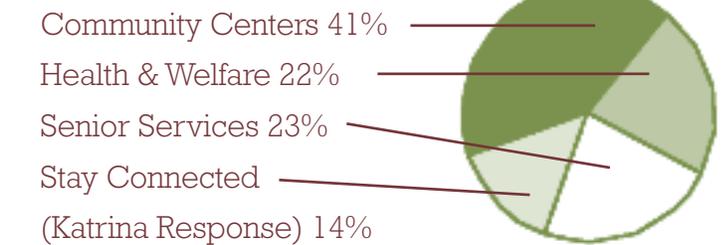
Expenses

Community Centers	\$3,641,192
Health & Welfare	1,923,328
Senior Services	2,031,521
Stay Connected (Katrina Response)	<u>1,221,394</u>
Total	\$8,817,435

1 staff member serves 197 clients
Cost per client: \$265



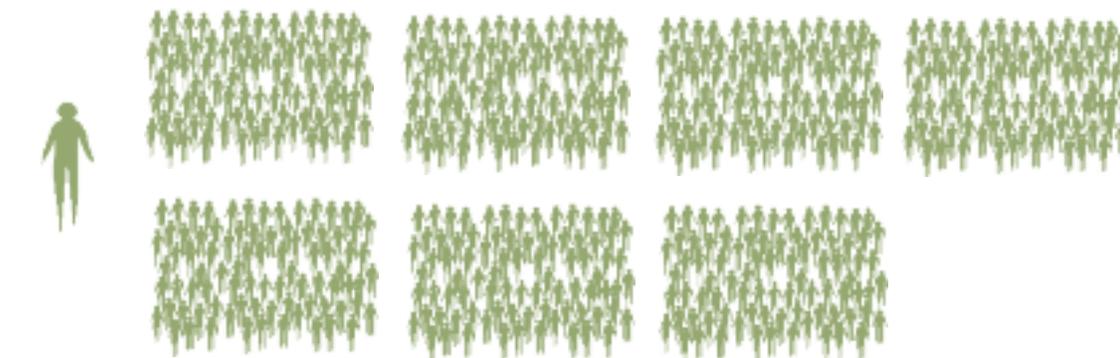
Expenses



Public Sector Solutions

Revenue	\$103,800,000
Expenses	\$103,800,000

1 staff member serves 700 clients
Cost per client: \$116



Leadership

Board of Directors Officers

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Joanne Baker,
First Vice Chair
Nancy Wooldridge,
Second Vice Chair
Karyl Lawson, Treasurer
Sharon M. Owens, Secretary
William E. Chiles,
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Ray Chung,
Chief Financial Officer
Thomas R. Comella,
Chief Information Officer
Emelda Douglas,
VP of Development
Felix Fraga,
VP of External Relations
Ann Hilbig,
VP of Program Services
M.A. "Toni" Moreno, VP of
Management Services

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