



# 2016 ANNUAL REPORT



**NORTHWOOD**  
CHILDREN'S SERVICES

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

# Values

The *children*, first and foremost;  
*Excellence* in all that we do so we  
become the program of *choice*  
in each of the service areas we  
choose to operate;  
Provide every *opportunity* for children  
and families to *enrich* their lives;  
To continue our rich history and legacy  
of professionalism and  
community service;  
To serve children and their families  
with significant challenges and barriers.

If not us, who?  
If not here, where?

\*Cover Photo - Uriah started out in our residential treatment program and last spring, he was successfully discharged to our Skyline House, one of our Corporate Foster Care homes. Along with Uriah's effort and willingness to learn, it would not have been possible without the coordination of supportive adults across all areas of his life working as a team. We are proud to say that Uriah is now attending the University of Minnesota-Duluth working towards his bachelor's degree in Graphic Design.





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## Message from the Chair and the President

More children were served in 2016 than any time in our history - 792 in our residential and day treatment programs! Many more children and families received services through our outpatient programs that are not included in that number. Our primary service focus continues to be local, with 65% of the youth served hailing from St. Louis County. Northwood continues to be a vital cog in Northeastern Minnesota's mental health treatment delivery system for children.

The average age of our students served was just shy of 11 years, with boys representing 70% of students served. Approximately half of our students are Caucasian, with Native American, African American and children from a racially mixed background comprising the largest group of minority students we care for. The diagnostic features of the children reveal that most have experienced significant trauma in their young lives. The average length of stay for students is just under one year in the residential programs and 9 months in the day treatment programs.

Parents and referring workers reported a high degree of satisfaction for the services delivered, with an overall average score of 5.1 on a six-point scale. They were most pleased with the knowledge and skills of our staff, the recreational opportunities available to the kids, our strength based focus and educational programs. The kids were a little more critical - their average score was 5 on a six-point scale - and rated their therapy experience, the provision of a safe environment and our efforts to keep them connected to their families as those items that most stood out. This was helpful feedback from those who know us best.

We were recently able to open our Intensive Residential Treatment Services Unit, which completes Northwood's full continuum of quality mental health treatment programs. We

will now be able to serve boys and girls with slightly more intense problems in a secure environment and move them to a less restrictive setting as soon as they are stabilized. We have started with four children and will increase to our full capacity of eight in the next several months. The program is located in a beautiful new building at our West campus.

The utilization for all of our programs remained strong, resulting in another year of positive financial performance. We have the most complete continuum of care in the state, and our partnerships with local, state and national entities are vital.

Once again, Northwood maintained its status as the treatment provider of choice in all of the programs we choose to operate. There are some exciting opportunities on the horizon - we were selected by the state to convert our entire West campus to a new, more intensive level of care and we are in the process of figuring out how to make that happen.

Northwood is fortunate to have a lot of incredibly special people engaged in the effort to build brighter futures for the children we serve. I would like to take this opportunity to thank the Board of Directors for their service and the hard work and commitment of all the staff. The work we do together is transformational, and I am honored to be a part of it. Of course, our donors and community supporters are integral to our success, as well, and we appreciate what you do! Thank you - here's to a great 2017!

Will Norman  
Chair, Board of Trustees

Richard Wolleat  
President & CEO

*We will be the service provider of choice in each of the array of programs we endeavor to operate.*

*It is our intention to be unmatched in key stakeholder's perceptions of our reputation for quality service delivery.*



## Northwood's Vision

*“Our vision is to provide the right service at the right time, with a focus on integrated and continuous care.”*

Our vision is the driving force that guides us to create our ideal future as an organization. It identifies a sense of what is possible.

Vision represents our view of a future that energizes the key stakeholders of the organization, including the staff, students, families, referring workers, community members, and the Northwood Board of Directors. According to experts in the study of effective leadership practices, articulating and sharing a vision is the central, critical task of leadership.

The vision aligns with the agency's mission and values, and as such helps shape decisions and prioritizes the use of the agency's resources. Execution and planning make the vision a reality, and strategic objectives are derived from the vision each year to bring the future to life.

Our vision fosters pride in being part of Northwood because it defines what is unique about our organization. It articulates what sets us apart from others, defining what we wish to become as an organization.

### Northwood Board of Directors 2016

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Will Norman



# Statement of Financial Position

	2015	2016
<b>ASSETS</b>		
Current	\$8,866,847	\$11,101,486
Property & Equipment—net	\$11,810,225	\$11,405,692
Other Assets	\$12,856,359	\$12,943,436
<b>TOTAL</b>	<b>\$33,533,431</b>	<b>\$35,450,614</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities	\$1,053,829	\$1,161,411
Long Term Liabilities	-0-	-0-
Net Assets	\$32,479,602	\$34,289,203
<b>TOTAL</b>	<b>\$33,533,431</b>	<b>\$35,450,614</b>
<b>REVENUES AND OTHER SUPPORT</b>		
Fees for Services	\$15,470,241	\$15,851,464
Contributions and Grants	\$34,994	\$59,595
Rental Income	\$148,482	\$161,980
Miscellaneous Income	\$22,634	\$25,562
Child Nutrition Revenue	\$208,401	\$219,690
Investment Income	\$232,173	\$253,262
<b>TOTAL</b>	<b>\$16,116,925</b>	<b>\$16,574,123</b>
<b>EXPENSES</b>		
Program Services	\$12,405,155	\$12,532,306
Supporting Services	\$2,277,405	\$2,224,046
<b>TOTAL EXPENSES</b>	<b>\$14,682,560</b>	<b>\$14,756,352</b>
Other Non-operating Activities	(\$216,098)	(\$8,170)
<b>CHANGE IN NET ASSETS</b>	<b>\$1,218,267</b>	<b>\$1,809,601</b>

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Northwood Children's Home Society, Inc. and affiliate as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Esterbrooks, Scott, Signorelli, Peterson, Smithson, Ltd.  
 Duluth, MN  
 February 16, 2017

## Student Information

### Served by Program

Residential	187
Intensive Day Treatment	192
Foster Care	50
Diagnostic and Assessment Center	81
Little Learner's Enrichment Center	30
Community Services	190

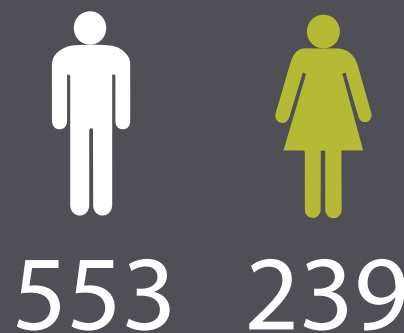
### Top Five Admitting Diagnoses

Attention Deficit/  
Hyperactivity Disorder  
Post-traumatic Stress  
Disorder  
Oppositional Defiant  
Disorder  
Reactive Attachment  
Disorder of Infancy  
Disruptive Behavior  
Disorder NOS

### Top Seven Placing Counties

St. Louis	266
Carlton	43
Itasca	33
Hennepin	15
Anoka	13
Mille Lacs	9
Crow Wing	8

### Students Served





## OUR SERVICES

### ***Residential Treatment***

Northwood offers 24-hour residential treatment at our Main and West Campuses. Within an assigned team of 10-12 students grouped according to treatment needs, diagnosis, and age, residential treatment enables youth to build positive relationships with caring staff who are committed to their personal growth and success.

### ***Intensive Residential Treatment***

Intensive Residential Treatment services is a highly structured, non-hospital based treatment setting for children and adolescents who are experiencing significant difficulty as a result of a serious mental illness that is in need of a more intensive secure setting. This program is staffed 24 hours a day by a comprehensive treatment team. The goal is to stabilize the student and place them in a non-secure treatment setting as soon as feasible.

### ***Diagnostic & Assessment Center***

The Northwood Diagnostic and Assessment Center provides comprehensive evaluations, diagnoses, and family assessments for children referred to the program. A comprehensive evaluation of the youth is completed in 35 days or less. A short-term residential program, using a solution-focused therapy model is available for children and youth who require more intensive therapy. This brief therapy program focuses on goals that are accomplished within a three to six month time frame.

### ***Intensive Day Treatment Program***

Merritt Creek and Chester Creek Intensive Day Treatment Programs serves children with behavioral, emotional, or learning problems. Day treatment addresses the needs of boys and girls who need more intense services than public schools provide, yet do not need out-of-home, 24-hour care. Day treatment provides intensive mental health and special education programs, while sustaining the students in their homes in the community.

### ***School-Based Intensive Day Treatment Program***

The school based intensive day treatment program addresses the needs of boys and girls who can stay in their public school. Currently, programs exist at Piedmont Elementary School, Lincoln Park Middle School, Myers-Wilkins Elementary School, and Laura MacArthur Elementary School.

### ***Children and Family Center/Outpatient Psychotherapy***

This service provides mental health assessments; individual therapy; group therapy; and family therapy services. Our staff of professional specializes in children and family mental health issues.



***PRIDE/Community-based Mental Health Services***

PRIDE stands for Personal Responsibility in Developing Excellence and is a community based mental health program that provides flexible mental health services for people ages 0-21.

***Corporate Foster Care***

Northwood operates six group homes in Duluth. These programs were established under the provisions of the Community Alternatives for Disabled Individuals legislation. Each home has a live-in staff and two counselors. Education is provided at one of our two campus schools or at a local Duluth Public schools, or colleges.

***Therapeutic Foster Care***

This is a unique, caring, and individualized program for young people whose special needs cannot be met by their own families. Foster parents are professionally trained and have experience working with special needs children.

***Little Learner's Enrichment Center***

This is an early intervention program for toddlers and preschoolers. The program follows an early childhood education model that emphasizes the acquisition of social, physical, and academic skills. The goal of the program is to teach skills to enable them to mainstream into regular education.

We intend to maintain our focus on children while developing a continuum of programs that focus on families, as well. Each program will utilize the latest in evidence-based and best practice standards to provide absolute top-notch programs and services.





## **DONOR LIST**

Charitable support is a key factor in Northwood's ability to further its mission of building brighter futures for the children and families we serve. We extend our heartfelt thanks to the following foundations, businesses and individuals for your generous support. If we have omitted your name, we apologize and ask that you let us know.



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Subway  
Play It Again Sports  
Anytime Fitness  
Kenspeckle Press  
Lizzard's Gallery  
Country Inn & Suites  
MARS Lakeview Arena  
Cloquet Country Club  
London Road Car Wash  
Ski Hut  
First Photo  
Continental Ski  
United Stationers Supply Co.  
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Legacy Hotel Group  
Superior Shores Resort  
Sugar Lake Lodge  
Overhead Door Co.  
Twin Ports Golf Studio  
US Bank



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