Dear Friends and Supporters,

It is always a great honor and privilege to lead Abilities United. However, this year we have never been prouder of our accomplishments and the recognition we received from our community. As we watched the national economy come close to the brink of disaster and the State of California struggle to find ways to pay its bills, we had to prepare for, and face, how we were going to safeguard the services we provide for thousands of individuals with disabilities and their families.

As we have often done in difficult times, we imagined the days of our founders in the 1950’s. We reminded ourselves of their determination to realize their dream; a world where people with disabilities are fully included and accepted in all aspects of community life. We remembered how they began with no resources, facilities or supporters—but they had a dream and a determination to make that dream come true.

We believe that this founding spirit is in our organizational DNA and the results we accomplished this year prove that belief to be true. We watched in horror as cuts in state funding were announced that will only serve to push people with disabilities further into poverty and become more invisible in their communities. We watched donors struggle to support us, as they have always done, even though their own resources were declining or threatened. We saw more and more families seek our help because, without the safety net services we provide, they could not support their family member with a disability.

In this environment our founders’ spirit prevailed and great things continued to happen. We rejoiced when Adam landed his dream job as a detailer at a local BMW dealer. We cheered for Josue when he received his US citizenship. We cried tears of joy when the Jones family, who had fallen on hard times, received a check for a month’s worth of groceries so they could focus on their child’s therapy. We took the necessary actions to keep our expenses down. We put our emphasis on maintaining the quality of our services. We further expanded the community opportunities and life experiences that enrich the lives of our participants. It was not easy. It never is. All of that hard work and team effort seemed so worthwhile when we received the Tall Tree award from the Palo Alto Chamber of Commerce as the Outstanding Non-Profit Organization for 2009.

This recognition by our wonderful and generous community served to strengthen our resolve to work even harder to fulfill our mission. We know the journey ahead will have its setbacks and many more problems to overcome. However, thanks to a dedicated team of staff and volunteers, a wise and strategic Board of Directors and your support, we are optimistic about our future. At Abilities United the dream lives on. Please join us on the journey to make this dream come true for thousands of our friends, neighbors, colleagues, and family members who live with a disability in our community.

Thank you for sharing your can do spirit with us.

Robin Robinson,  
Board President

Lynda Steele,  
Executive Director
service success

- 2009 was an award-winning year for Abilities United. The local community, Palo Alto Chamber of Commerce, and the Palo Alto Weekly awarded Abilities United the Palo Alto Tall Tree award as the Outstanding Non Profit organization. Abilities United was also one of the top ten Bay Area nonprofits of choice as selected by the Volunteer Center of San Francisco.

- More than 4,000 Bay Area individuals and their families received services from Abilities United. This is an amazing 15% increase over last year. 78% of their time at Abilities United was spent in community activities that involve people of all ages and abilities.

- Employment Services bucked the unemployment trend with 36 individuals placed in new jobs. We now provide job coaching to over 150 individuals who maintain a job retention rate of 82%. Abilities United also established three new partnerships with local businesses to provide job opportunities.

- Independent Living Skills grew by 37%. We now instruct 119 people on the life skills they need to live independently.

- Computer Education grew by 50% and taught a broad range of skills including website design, social networking, banking, and literacy to 45 individuals.

- Now in its second year, Community Connections has been so well received by participants and community partners that the San Andreas Regional Center chose to fund the service. We nearly doubled our partnerships to 27 organizations that provide a wide variety of volunteer opportunities for our adult participants.

- Children’s Development Services launched a new Therapy Clinic that offers speech, occupational and physical therapy services to any child up to age 6 who needs therapy.

- Wright Swim School, in collaboration with a parent advisory team, designed and tested the new private pay adapted aquatics program for children with developmental disabilities.

- Milestones Preschool received accreditation from the National Association for the Education of Young Children, an organization that sets professional standards for early childhood education programs, and helps families identify high-quality programs for their young children.

great things happen with abilities united

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dawei wang, family support

When I was 7 years old my family discovered the indoor, warm water pool at Abilities United. My parents and I swam at the pool; we all got exercise and had family bonding time. Two years later we started to receive Respite Services from Abilities United.

For the past 5 years, our respite worker has been really important to our family. Because she is here to help me, my parents are freed up to take care of my little brother, as well as other family matters. Most importantly, she has taught me to do my homework on my own, asking for help only once I’ve figured out what I need help with.

When I was denied the right to take a class, she and other people at Abilities United taught me an important lesson; to stand up for myself and demand my rights based on the Americans with Disabilities Act. Recently she encouraged me to volunteer at the Abilities United After School Socialization program. This experience helped me see both sides of helping. I had always been the one to receive help because of my cerebral palsy. As a volunteer I got to help.

My respite worker and this volunteer job have taught me to be more social, mature and patient, and respect everyone. These are very important work skills that will help me when I become a sports broadcaster or lawyer.

josue carlos vicente, adult services

I owe my Independent Living Skills (ILS) instructor a lot for all the help she’s given me! She has helped me learn a lot about communication that has really benefited me.

I found this full-time job on my own four years ago and now I do everything in the dish room. When co-workers are new, I have to train them on the dishwasher and other machines. But when I was having some trouble with my managers, my ILS instructor helped me learn the importance of listening respectfully and speaking calmly about what I can and can’t do. So my relationships at work have gotten better.

I was lucky to have her help to study for my citizenship test. She helped me with the paperwork for the application, and she took me to San Francisco for my interviews and to Oakland for the ceremony. Now I can help my family better. I can also help my mom become a citizen. I’ll still visit Mexico but now I’m an American and live in the United States. I’m happy to be a U.S. citizen and to be working here.
the jemison family, children's development

When my family found Abilities United, everything just fell into place for our twins, Julia and Jack, and us. We love the fact that the various therapies and education are under one roof. When Julia made such great progress in the Early Intervention program, we decided to enroll Jack in Milestones Preschool so he would have his own special place to go to.

Today, at 2.5 years Julia has come so far and has made so much progress, her speech is exploding and she’s starting to “cruise.” I’m sure she’ll walk and that will be wonderful. I believe most of her progress has to do with the early intervention. Since being at Milestones Preschool, Jack has learned to share more with Julia. He’s learned to be compassionate with her and other children. Now, possibly for the only time in their lives, Julia and Jack are in the same school at Milestones Preschool and they love it.

I give credit to the therapists and educators at Abilities United for the growth of both of our children because they know what to look for and what to work on with each child. Everyone at Abilities United is so wonderful. I consider them all my friends. They have been so good, not just to Julia, but to my whole family. My husband and I too, have gotten such an education. It’s one of those times in life when in bad circumstances, things come together in a really good way. We’re just so grateful for Abilities United. Thank God it exists.

financial success

- Sobrato Family Foundation gave Abilities United a 2:1 Challenge Grant, which resulted in us raising $300,000 for operating expenses!
- Record breaking events, fun, and great company, all in one. Talk about a dynamic combination! The Aquathon grossed an incredible $212,253 and the Authors Luncheon $219,546. Special thanks to Honorary Chair, Carrie Drake, and Luncheon Chair, Dana Cleverger, and their committee for their leadership of the 2008 Authors Luncheon.
- Our earned revenue initiatives (Aquatic Services, Milestones Preschool, Therapy Clinic) continued to grow and revenue increased by 7% to $982,372. This accounts for nearly 20% of our total revenue!
- We didn’t escape the economic downturn but despite the gloom and doom of the general economy, Abilities United total revenue decreased by only 7%. We made up for the loss in revenue by decreasing our expenses by 8.5% without closing

molly hale, aquatic services

After breaking my neck in an automobile rollover, I was told I would be unable to move intentionally below my shoulders, forever. I would be a dependent, talking head. Today, I experience robust health, full range of motion in most of my body, drive independently and walk on land with balance support. I attribute this in a large part to my work in the warm water pool, both independently and with the pool’s staff.

I chose exercise in water because it allows freedom of movement not possible on land. The warm water provides me with the perfect supportive environment for accessing my muscles, joints, upright posture, breathing and heart health. Quadriplegics usually have significantly decreased lung and heart capacity but I have 125% of a normal, ambulatory person. Gradually, over 14 years, I have become an independent pool-user, getting myself in and out of the water, showered and dressed.

I am fortunate to have this amazing asset just 5 miles from my front door. I exercise in the water daily, averaging 2 hours and come out feeling energized as well as relaxed. I am unable to do that on land as I would be in pain and exhausted. Access to a warm water pool is and will continue to be critical for my health and wellbeing for life.

I have learned much about aquatic rehabilitation and am now able to knowledgeably support other people’s emotional and physical recovery. It just tickles me that I can do that and do it well. The water has given me so much, expanding the quality of my life.

with abilities united

our funds came from:

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Government revenue</td>
<td>$2,687,094</td>
<td>53%</td>
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<tr>
<td>State government</td>
<td>$2,650,398</td>
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<tr>
<td>City of Palo Alto</td>
<td>$31,650</td>
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<td>City of Sunnyvale</td>
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<tr>
<td>Earned revenue</td>
<td>$984,601</td>
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<tr>
<td>Private service fees</td>
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<tr>
<td>Contract income</td>
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<tr>
<td>Miscellaneous income</td>
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<td>Interest income</td>
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<tr>
<td>Donated revenue</td>
<td>$1,501,464</td>
<td>30%</td>
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<td>United Way Silicon Valley</td>
<td>$5,455</td>
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<tr>
<td>Individual donations/foundations/corporations</td>
<td>1,046,523</td>
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<td>Special events</td>
<td>$366,265</td>
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<tr>
<td>Vehicle donations</td>
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<td>Donated services</td>
<td>$75,756</td>
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<td>Total operating revenue</td>
<td>$5,173,159</td>
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<tr>
<td>Endowment investment loss, net</td>
<td>($117,201)</td>
<td>(-2%)</td>
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our funds were spent on:

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<thead>
<tr>
<th>Expense Category</th>
<th>Amount</th>
<th>Percentage</th>
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<tr>
<td>Children’s Development</td>
<td>$1,045,627</td>
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<tr>
<td>Infant development</td>
<td>$781,543</td>
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<tr>
<td>Milestones preschool</td>
<td>$264,084</td>
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<td>Family Support</td>
<td>$449,778</td>
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<td>Computer education</td>
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<td>Respite</td>
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<td>After school socialization</td>
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<td>Adult Development</td>
<td>$1,428,914</td>
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<td>Community connections</td>
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<td>Day activities</td>
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<tr>
<td>Employment services</td>
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<tr>
<td>Independent Living</td>
<td>$548,729</td>
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<tr>
<td>Aquatic Services</td>
<td>$862,377</td>
<td>17%</td>
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<tr>
<td>Administration</td>
<td>$1,318,505</td>
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<tr>
<td>Fund development</td>
<td>$282,705</td>
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<tr>
<td>Management support</td>
<td>$1,035,800</td>
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<tr>
<td>TOTAL EXPENSE</td>
<td>$5,105,201</td>
<td>100%</td>
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</table>

These financial statements are based on a final audit report prepared by Berger/Lewis Accountancy Corporation which is
inside: our 2009 report to the community, celebrate success!

Ryan Day*
Dwight Diercks
Gordon S. Covell, Sr
Claudio and Joanette Aron
and Mari Chazen
Diana and Barry Bryan
Georgia Bennicas
Mary Anderson and Sal investors $1,000-$4,999
Robin Robinson and Elizabeth and Mark investors $250-$499
Kevin Hall
Susan and Harry Hartzell, Jr.
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