



OUR 125TH YEAR OF SERVICE

October 1, 2015 - September 30, 2016



YEAR ONE OF THE STRATEGIC PLAN COMPLETE.

From Kathryn R. O'Day, President/CEO

In 1891 and before they had the right to vote, a group of courageous Birmingham women founded the city's first orphanage. One hundred and twenty-six years later, the same agency that was housing homeless children and mothers has transformed into Alabama's leader in family solutions.

It is both an amazing honor and daunting task to continue this rich legacy of philanthropy and innovation in today's rapidly changing world. In the face of exponential change, Gateway's Board of Directors carried on the spirit of our founders and asked a brave and important question: "How do we serve more children and families and better than ever before?"

At the start of Gateway's 125th year of service, we launched a bold strategic plan to meet the increasing needs of those we serve despite challenging social, political and economic climates. We carefully examined the changes in our operating environment and developed evidence-based community solutions. We then planned a 10-year track to reach an ambitious vision with a critical mission:

Gateway builds a strong Alabama, built on a foundation of strong families. We move our state forward with proven tools for family success. The result is transformational, ensuring all Alabamians are connected, competent and contributing members of their communities.

With the leadership of Gateway's Board, the strategic plan has generated a business model that has smoothly navigated Gateway into today's uncertain future for nonprofits. Thanks to clear goals, objectives and strategies set for the first year, the staff was sufficiently motivated to accomplish them within five months:

RESULTS OF YEAR ONE Continued

- Expanded Intensive In-Home Services from two to 33 counties
- Became the first and only agency fully trained in the nation's leading trauma-informed care model: The Mandt System
- Significantly improved operating results
- Achieved financial targets one year ahead of schedule
- Restructured every department, including the Board, to use resources to the maximum benefit for children and families
- Received more than \$2.3 million in community support and private contributions
- Continued our 93-year-old partnership with the United Way of Central Alabama to build strong families and stronger communities

Most importantly, Gateway was able to continue its mission and provide game-changing outcomes for children, families and communities:

- Gateway served almost 2,000 each month
- Families paid back more than \$606,000 of debt
- 115 families stayed together through intensive in-home counseling
- · 34 teens in foster care got a job and maintained employment
- 11 foster children were adopted.
- Woodlawn students received more than 1600 hours of traumainformed therapy
- 15 families kept their homes and avoided foreclosure.

We know that 2016's accomplishments would not be possible without generations of support we have received from the community and the United Way of Central Alabama. With an uncertain forecast for government funding and public services, nonprofit agencies like Gateway must step up with the strongest local support possible in order to continue meeting rising needs in the face of flat or declining resources.

In this annual report you will find the results of year one for Gateway's pathway to 2025. It is my hope that after reading it, you know that with proven solutions, dedicated staff and committed supporters like you, there is a way for every child and family in Alabama to succeed.



PHILOSOPHY OF PRACTICE

American families carry the planet's largest responsibility...

American families carry the planet's largest responsibility: we raise the people who build the world's strongest country. At the end of our work day, we return to where the real work begins. It is the work that determines the strength of our communities. It is the work that can move our nation forward.

Though each of our families, dreams and situations are different, we are designed with three basic drives in common: to belong, to reach our fullest potential and to live a life of purpose. When we hit roadblocks to these instinctive drives, our health, wellbeing and ability to contribute suffers.

Gateway's mission is not accomplished until the children and families we serve are connected, competent and contributing.

Our method is simple, but proven. We work with the most essential building block of society: the family. We help families heal from traumas that may result from loss, separation, death, injury, poverty, violence, illness and disasters. We meet families where they are and help them realize and build on their strengths to achieve their visions of success. Paying it forward as a contributing member of your community is part of the healing process, and it is essential for communities to succeed.



We work with the most essential building block of our nation: the family.

- Everyone begins and travels through life as part of a family. Families are systems, thus any change in one member affects all the rest.
- No matter how disconnected from family our clients may be, we are centered on the power and influence of families in their lives. The North Star that guides our work is our understanding of how family shapes the course of each and every life.
- Nowhere is this more evident than with children. Mental health for children begins with a safe, stable and permanent family.

We help families heal from traumas.

- Trauma can keep a child or adult from developing into a fully connected, competent and contributing member of the family and community. It interrupts, impedes and arrests the basic drives that fuel healthy development.
- Trauma affects how the brain responds to the world around it. It affects emotion, behavior, relationships and decision-making whether you know it or not.
- Families may unknowingly transfer trauma to the next generation as parents cope with untreated trauma.

We meet families where they are and help them design individual blueprints for success.

- We begin with what the client wants for his or her life. We meet clients where they are without judgment.
- We treat families as experts in their own lives, helping them discover and build from their strengths to achieve their goals.

Contributing to your community is part of the healing process.

- As trauma heals, families become more connected, competent and contributing.
- Trauma healing begins a self-sustaining cycle of success, as families are able to fully contribute to their communities, which in turn grow stronger.

Gateway's mission is to move our nation forward by building connected, competent and contributing families. Family is the crucible of human and community development. There simply is no substitute.





OUR SOLUTIONS.

Gateway is Alabama's leader in trauma-informed care, building strong families through the following solutions:

Designing Family Foundations

Gateway Family Counseling Go2U School Based Counseling

Crisis Remodeling Intensive In-Home Services

Building Young Adults

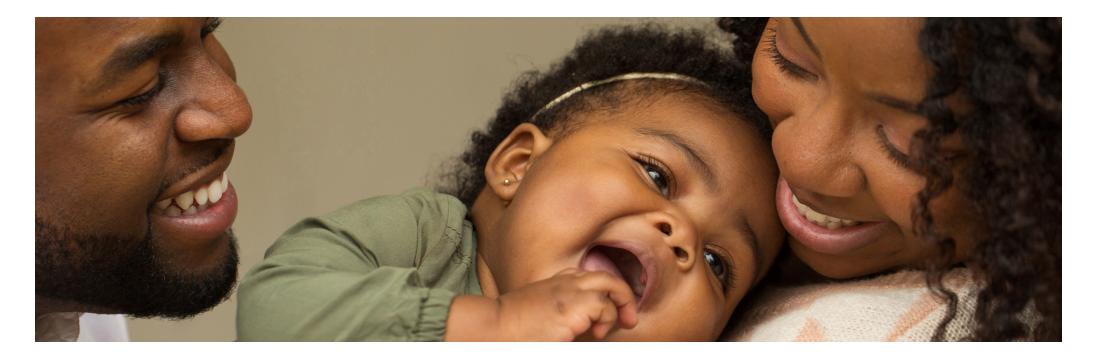
Residential Program Independent Living Program

Finding Therapeutic Foster Homes Gateway Therapeutic Foster Care

Strengthening Financial Stability

Gateway Financial Freedom





DESIGNING FAMILY FOUNDATIONS.

Gateway Family Counseling

In a state ranked 50 for access to mental health care, Gateway provides affordable, high quality therapy to individuals and families of all income levels. Bilingual counseling is also available for Alabama's expanding Latino/Hispanic population. Thanks to generations of community support, no one is turned away due to inability to pay.

Go2U, School-Based Counseling

Thanks to Gateway therapists in two inner-city schools, 70 percent of teachers are seeing improvements in classroom behavior and performance. Our licensed therapists work with students and their parents to provide access to high-quality mental health care and heal previous traumas.





CRISIS REMODELING.

Gateway Intensive In-Home Services

In central Alabama alone, 8,643 cases of child abuse/neglect were reported from 2009-2011. Through an evidencebased curriculum, Gateway operates the state's largest, most successful solution to child safety and effective parenting. Our highly trained and dedicated staff provide intensive, in-home counseling to families at risk of abuse, neglect, domestic violence, substance abuse and other life-threatening issues. This program has a 95% success rate protecting children and keeping families together.

BUILDING YOUNG ADULTS.

Residential Program

Gateway's Residential Program is Alabama's leading mental health service for adolescents from the harshest backgrounds of abuse and neglect. We provide a therapeutic living space as well as a specialized school for teens to heal and progress to a lower level of psychiatric care. This program is located on our historic campus that has housed thousands of children since 1929.

Independent Living Program

Youth growing out of foster care transition into successful adults through Gateway's Independent Living Program. Clients live in agency-leased apartments and learn essential skills such as budgeting, job searching, cooking and building healthy relationships. Participants must be employed and many are attending college. Thanks to these learning outcomes, Gateway significantly prevents former foster youth from homelessness, incarceration or even death.



FINDING THERAPEUTIC FOSTER HOMES.

Therapeutic Foster Care

Every child should feel the power of love and a sense of belonging, otherwise severe emotional damages occur. We help foster children from unimaginable backgrounds of abuse or neglect find healthy, stable homes. Simultaneously, Gateway supports strong foster parents with continued training, various living expenses and in-home counseling. Thanks to those willing to open their hearts and their homes, foster kids have a chance to thrive in family settings.





STRENGTHENING FINANCIAL STABILITY.

Gateway Financial Freedom

Since 1997, Gateway has helped individuals and families pay back more than \$69 million of debt through affordable and reliable financial counseling. Our solution is simple, but proven. When families become financially stable their mental health and wellbeing improves. From preventing bankruptcy to helping families become mortgage ready, Gateways financial counselors help achieve the cornerstone of family health.





STRONGER YOUTH.

11

Foster youth adopted into a family

72

Foster youth returned to family

18

Foster youth enrolled in college

34

Foster youth got a job



STRONGER FAMILIES.

115

Families stayed together through counseling

1600

Hours of mental health therapy in schools

\$606,000

Families paid back more than \$600,000 in debt

15

Families kept their homes



STRONGER COMMUNITIES.

95% success rate

Keeping families together and preventing child abuse

\$69 million

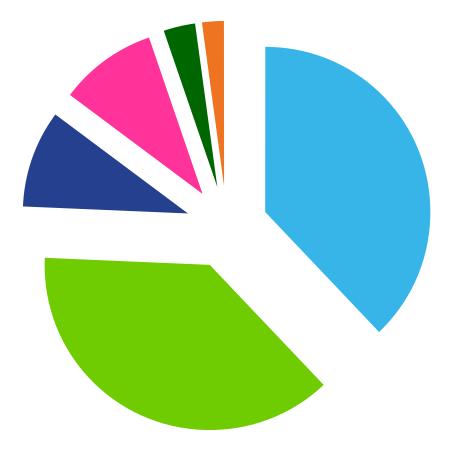
Since 1997, families paid back more than \$69 million of debt

140 foster children

Found forever family connections in five years



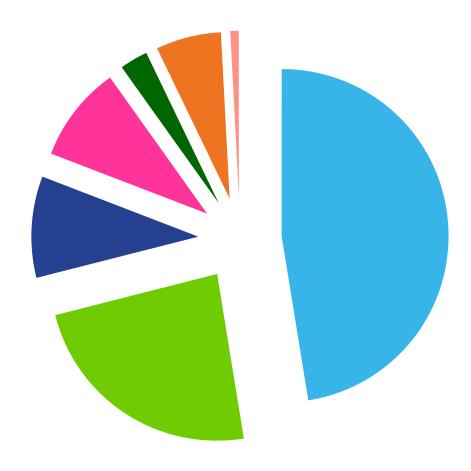
YOUR DOLLARS MAKE A DIFFERENCE.



EXPENSES BY PROGRAM

- Building Young Adults **\$4,470,823**
- Finding Therapeutic Foster Homes **\$4,455,042**
- Designing Family Foundations \$1,124,522
- Crisis Remodeling \$1,125,864
 - Strengthening Financial Stability **\$365,075**

Other **\$253,618**



SOURCES OF REVENUE

- State & Local Funding \$5,710,739
- Government Contracts **\$2,840,119**
- United Way \$1,183,814
- Contributions **\$1,119,663**
- Service Fees **\$326,583**
 - Investments **\$758,766**
 - Other **\$100,592**



COMMUNITY SUPPORT.

MAJOR DONORS AND PARTNERS





COMMUNITY FOUNDATION OF GREATER BIRMINGHAM















THANK YOU FOR HELPING US BUILD.

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Gateway Board of Directors

Due to the success of our strategic plan and our ability to serve more people better than ever before, this annual report is dedicated to Gateway's Board of Directors. With the same courageous and philanthropic spirit as our founders, you have guided Gateway to become a game changer for Alabama children and families. Thank you for all that you do for those we serve.

Tom Thompson, Chair *Former CFO of Dawson Baptist Church*

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