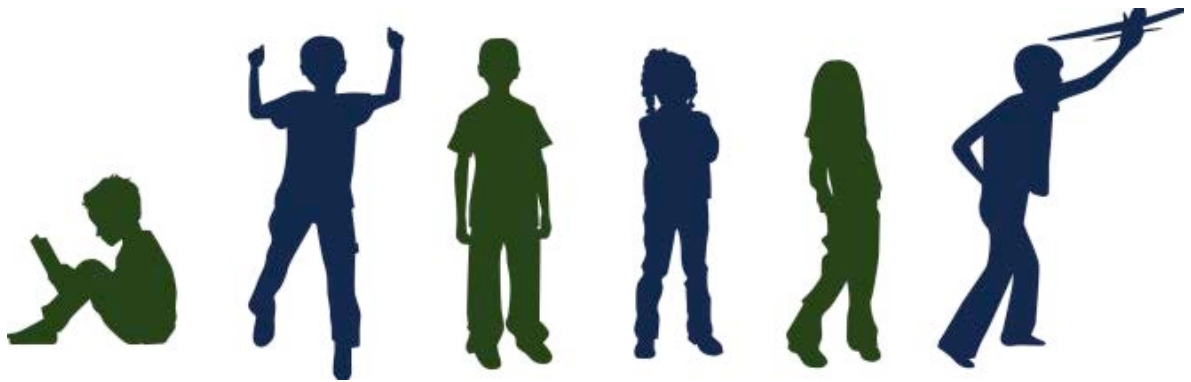




KERN BRIDGES YOUTH HOMES



Annual Report & Strategic Plan 2016/2017



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Introduction from the CEO/Executive Director



KBYH serves children who are robbed of their childhoods, who frequently live each day not knowing if their parents are going to feed them, or if they will be sleeping in a park, or if they will ever attend school. Their parents have abandoned their responsibilities long before these children are removed from their custody. Most of our residents have been abused: physically, sexually, emotionally.... They come to our door with tremendous issues of rejection and neglect. They are truly wounded. Their spirits, and their souls have been severely traumatized.

In evaluating mental stability in individuals, the most profound issues are the ways in which they get, or more specifically, do not get their needs met on a variety of different levels. Our residents are children who are familiar with never fitting in, and of feeling as though they do not count. Their parents, enveloped in their own problems of substance abuse, domestic violence and mental illness, have made them feel as though they are deserving the neglect and the abuse they have suffered. They define themselves through their depravity, and their despair.

Many of our children come to us with just the clothes on their backs, and the pain in their hearts.

KBYH is committed to treating the soul, mind, body and spirit of these children. We remember wonderful experiences we had as children that our residents have never had. We remember what it

feels like to get a new bike, the great satisfaction and self respect we would have as children to ride in our neighborhood and feel the pride of ownership. We also remember the quiet moments in our minds where we can listen to the music of our generation, and have time to reflect. We strive to provide these moments to our children who have rarely had the privilege to reflect on anything.

Before treatment of any kind is initiated, a child must learn trust, recognize kindness in the face of adversity, and let go of the demons of the past. In order for this to be facilitated, foster parents, adoptive parents and staff must be professionally trained, as well as, caring and loving.

Thus, the purpose of Kern Bridges Youth Homes, Inc. Group Home Program is to provide a safe, stable and consistent environment for children who have been abused or neglected, and for children with serious emotional and behavioral difficulties. Care is provided in foster homes, adoptive homes, or group homes. In order for the services and care to be of high quality we provide support, training, and consultation by highly qualified trainers both from within and outside our agency. In addition we support community partners who provide auxiliary services by offering free use of our training facility.

The Goal of our Board and management team is to provide a professional and mutually rewarding relationship with all community partners; secondly, to continue to excel at attracting and keeping quality staff; thirdly, to uphold our high standards, and lastly, to continue to stress and maintain fiscal soundness.

John Bacon, MA Psych., MSW, LCSW

A tip of the hat to you!



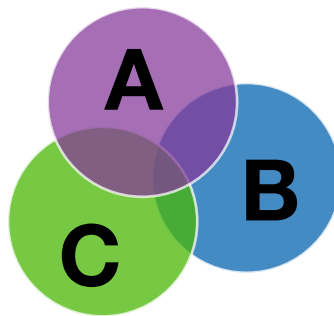
The Organizational Plan 2013/2017

Market Position/Profile/Description of the Business

Kern Bridges Youth Homes, Inc. (Kern Bridges) was established in 1988 as a 501 (c) (3) nonprofit corporation providing fosters homes to youth in Kern County, CA. It began with just a handful of foster homes, but has now grown to over 26 homes housing an average of 60 children. In 1997 Kern Bridges opened its first group home, Almklov Home, which houses six children, in 1999 Kern Bridges acquired its adoptions license, and in 2001, Kern Bridges opened its second group home, Casa de Ninos Home, which houses 12 children.

Primary Programs

Foster Family Homes	Group Homes	Adoptions
Director - John Bacon, LCSW	Director - Robert Carter - M.A.	Director - Jim VanderZwan - LCSW
60 children placed on average.	Occupancy of 18 beds is 96%.	47 Completed adoptions in 2013/14 37 Completed adoptions in 2014/15 53 Completed adoptions in 2015/16 50 (projected) Completed adoptions in 2016/17



Group Home Trends

Current trends are showing a lesser need for helping at risk children via group homes. With the newly signed Residential Based Services Law and the Group Home rate increase the industry is experiencing major changes. Effective January 2017 under California law AB 403 all Group Homes have 24 months to switch to Short Term Therapeutic Treatment Programs (STRTP). KBYH is in the final stages of becoming certified. Currently, we are awaiting an approval letter from Kern County. Once we receive that we will send our paperwork to the State for review.

Foster Family Agency Trends (source: Kern County DHS, Kern County Network for Children)

In 2016, Kern County Child Protective Services received 18,822 reports of child abuse and neglect. 3,324 of these reports were substantiated and there were 960 children with entries into foster care. The total number of children in foster care on July 1, 2016 was 1,631 (on average, 35-45% of all children in foster care are placed with an FFA). This number reflects a decline in the average number of children in protective custody in Kern County, whose peak was 2,500 in 2003. However, the decline has not resulted in a decreased census for KBYH's FFA program. The average number of children in KBYH's FFA has remained steady at between 60-68. We believe this to be a reflection of the quality of care and services the foster youth and stakeholders receive from us.

Kern County continues to see a significant number of children placed with relatives, which is subsequent to an increased effort to locate and recruit relative caregivers.

Kern County's Major Needs Are:

- 1) CSEC (Commercially Sexually Exploited Children) and human trafficking: This area of foster care continues to emerge and Kern County has indicated that it continues to need foster homes that would consider placement of children who have been sexually exploited. KBYH has positioned itself to be a front-runner on this issue, involving itself in CSEC work groups to determine how we might be able to meet the county needs.
- 2) Foster placements for teen-age girls and teen-age boys: **KBYH has hired a recruiter to assist in the recruitment of families who would consider older teen placements.**
- 3) Placements for young adults under age 21 known as Non Minor Dependents (NMD): KBYH has been **approved as an AB12 provider and has taken placements as such. This is a growing area for KBYH, with several NMD placements since this was approved.**
- 4) Dually certified homes: **Starting in 2017, all new foster homes will be required to be approved, or converted for existing families, as Resource Families. All KBYH homes are now approved as Resource Families.**
- 5) Foster homes that accept sibling groups: **We are perennially recruiting families that will accept sibling groups.**
- 6) Foster homes in a child's specific school district: There is an increasing need to place children such that they can continue in their school of origin. KBYH makes every effort to find homes that can support this type of arrangement and/or make advocacy efforts to ensure transportation arrangements are made to support the child's educational preferences and needs.

Adoption Trends

KBYH has seen several years of consistent adoption growth in terms of the volume of work being completed. KBYH adoptions is currently completing home studies, now called psychosocial assessments, for newly approved resource families, Kern County DHS relative and county RFA homes, and Kern County Probation RFA homes. With the advent of CCR, there has been an increase in psychosocial assessment work being referred from Kern County to KBYH. As such, an additional adoptions social worker position has been added to the program in order to keep pace with the increased demand.

Overall KBYH has seen a consistent number of finalized adoptions each year, typically participating in 45-60 adoptions per year. All contracts have been successfully renewed for another year and there is currently consideration being made to submit a proposal for the post adoption services contract.

Strengths/Weaknesses/Opportunities/Threats

Our current strengths are our reputation/high standards, the organization's ability to attract and retain competent staff, low staff turn over rate, dedicated and resourceful Resource families (foster parents), accreditation, and our high level of care and service provided to emotionally disturbed children.

Kern Bridges' weaknesses are that we are dependent primarily on the state budget for funding and the County of Kern for placement of foster children. Currently we have three open GH bed spaces and had an overall 96% occupancy rate for fiscal year 2016/17. Another issue is common to all facilities throughout the State and that is the ever changing interpretation of AB 403 the Continuing care Reform Act.

About the latter, Kern County Department of Social Services (KCDSS) is the primary source for children placed in Kern Bridges Youth Homes Resource Families. This is currently done out of choice rather than need or requirement. The state requirement is that 51% of our youth clients must be from Kern County (other counties have begun to use our services). We chose to accept children from other counties and we do receive placements. The trend, however, continues to be to place children as close to home as possible. The Group Homes experience the opposite. Kern County has only 62 youth placed in group homes and we currently have only two Kern County Group Home Residents.

Critical Success Factors

The critical success factors are to maintain our quality; to develop and promote our niche; continue to provide the necessary support and training for our Resource Families (foster parents) and to continue to maintain a working, professional relationship with all public agencies, which includes KCDHS, Superintendent of Schools and appropriate state and county agencies.

Competition

Our competition is, of course, the other eleven foster family agency providers (plus Kern County), three other adoption agencies, and the other group home providers in town. The main advantage of the other foster care providers (excluding Kern County) is their statewide base. They place children in homes throughout Kern County, and if they do not have a home in this county, they will place the children in other counties.

Mission Statement and Current Organizational Structure

Prior to 2015 our Mission Statement was: Kern Bridges is committed to providing physical, emotional, social, and mental health needs of abused and neglected children, as well as those children at risk of being abused or neglected.

In the 2015 the BoD approved a change to our Mission Statement.

New Mission Statement- Our mission is to provide responsive solutions and trauma-informed care to Kern County's vulnerable children by providing safe homes, accessible services, and engaging in ongoing quality improvement.

Legal Structure

Kern Bridges Youth Homes is a nonprofit corporation filed under the same name. The officers of the agency, a President, Vice President, Treasurer, and Secretary, determine the direction of the agency through its board meetings.

It should be noted that none of the officers or board members work day-to-day in the business. This allows the agency to have access to expertise and advice at large cost savings, which directly impacts the bottom line and allows growth of the agency.

Management and Personnel

At present Michael Conard, is the President of the Board. Under Michael and his predecessors, a strong team of very dedicated people who love to work for community needs has been formed. As Board president, his role is to identify strategic plans, corporate charity funding, and set agency standards.

John Bacon, MA Psych., MSW, LCSW is the CEO/Executive Director. John has been working in this arena for thirty-seven years. As Executive Director, his role is to identify community needs, develop and implement programs, and to design and operate the agency budget. A complete list of Corporate Officers and the Board of Directors is enclosed.

Current Strategic Products and Services



Resource Families (foster homes): Kern Bridges provides resource family homes for children from birth to 21 years old in need of specialized care (FFA LIC#157202791). Currently, Kern Bridges has 36 resource family homes and 62 foster children. This service represents 39% of Kern Bridges total revenues.

Group Homes: Kern Bridges currently operates one six-bed group home for emotionally disturbed boys aged 11-19 (Almklov LIC#157200493) and one 12 bed group home for emotionally disturbed boys aged 11 – 19 (Casa de Ninos LIC#157201294). Currently, Kern Bridges has 6 children at the Almklov Group Home and 12 children at the Casa de Ninos group home. These homes represent 49% of Kern Bridges total revenues.

Residential Treatment Program

Kern Bridges has two level 12 Short Term Residential Therapeutic Program (STRTP) with 24-hour awake supervision for boys. The programs provide intensive help for youth with serious emotional and behavioral problems. Our programs provide care for children ages 12-19, with serve emotional trauma caused by prolonged abuse, neglect, or abandonment. The Casa de Ninos home is located in a rural area on the outskirts of McFarland California while Almklov House sit in beautiful Southwest Bakersfield.

Our programs offer a trauma-informed approach with a positive and well-structured environment. Living and learning in an atmosphere of positivity and support allows youth to develop the skills that Will enable them to become productive members of their families, schools, and communities. Our program focuses on finding avenues of success for each child while exploring the problems that have caused the child’s past placement failures. We help youth develop self-management academic, physical, social/ emotional, and independent living skills while building confidence and maturity. We provide a full range of services from educational support to psychiatric evaluation. Our ultimate goal is for each child to leave our facility and reunite with their family or be placed in a lower level of care. We will be using a licensed psychiatrist, masters level clinician, and educational professional to provide monthly consultation, therapeutic intervention, medication evaluation, prescriptions, and staff education. We provide a full range of services while utilizing both The Sanctuary and Stop-Gap Models. Our goal is to help youth who have experienced the damaging effects of interpersonal violence, abuse, and trauma. We create a truly collaborative and healing environment that improves efficacy in the treatment of traumatized youth.

We provide on-site assessments, trainings, and implementation of support.

KBYH would like to take this opportunity to thank the West Bakerfsiled 4-H Club for donating Easter Bakets this year (2017). All of our group home boys were very ecstatic and liked the many items decorataed inside of them. Gifts ranged from money, gift cards, shoes, video games, clothes, and lots of big candy bars etc. Please accept our sincere thanks for volunteering your time and



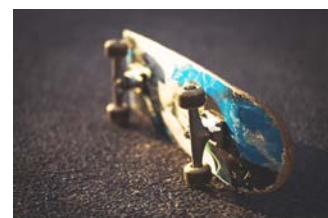
efforts this past Easter. Your generosity benefited countless others and your support won't be forgotten.

In the year of 2016, KBYH Residential Program received a \$510.20 cash donation from Inmates at the Tehachapi Prison. The funds were used for our Adventure Program. Generosity and kindness is what builds strong relationships within our communities. KBYH acknowledges and thanks D. Yardon and the Inmates for their gift.



Alpha Omega Wellness Center Last year, Casa de Ninos also received a donated skateboard ramp from Dr. Mongold, of Alpha Omega Wellness Center in

Bakersfield. This was a gigantic Half Pipe Skateboard Ramp placed in the backyard of Casa de Ninos for the boys. According to the boys, there's nothing cooler than having your own ramp at your house to skate anytime you wish. It has been convenient and stop us from having to pay to skate. Thanks Dr. Mongold for your program enhancement contribution.



In conjunction with our therapeutic treatment program, our Casa de Ninos facility still provides gateway drug prevention and intervention services. The residents living in our homes see their group home therapist at least once a week and usually more often when there is a substance abuse crisis. Our therapeutic intervention focuses on "Harm Reduction" but its primary goal is abstinence.



Residents that are involved in the Adventure program and have group and individual therapy sessions with Masters Level Counselors. These therapy sessions assist residents in preparing for continued community treatment, either at inpatient or outpatient levels. Furthermore, the residents

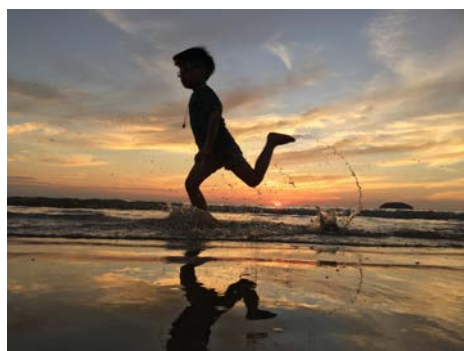


are drug tested frequently and are held completely responsible for their test results. These test results are scored on critical outcomes and are measured based on pass or fail. The program is highly incentivized so the residents can stay motivated and inspired to do their best. In addition, some residents have made special contracts and have earned flat screen televisions and video game systems.

Recreational

A major component of our treatment program at Kern Bridges Youth Homes is Adventure. In addition to the many therapeutic benefits that can be gained from participating in these activities, therapeutic recreation also allows residents to discover new and productive ways to fill their leisure hours or to process stresses and pressures. For individuals who previously spent much of their days acquiring and using drugs, or who responded to stress by engaging in self-harming activities, learning healthy new pursuits can be a key element in promoting recovery and preventing relapse. In any event, Kern Bridges Group Homes are taking all the right steps to prepare for adventure. Our boys really enjoy all the travels that allow them to live in the moment and experience plenty of thrills. The boys create new memories in a rich location on trips that can be remembered for a lifetime. Every single adventure makes for an incredible escape where the boys have plenty of fun and enjoy many surprises along the way. We believe adventure brings out the best in our boys. Their comfort zones are shattered, their inhibitions are tested, and the boys are rewarded with incomparable feelings of achievement.

This past year, our Adventure Program traveled to Wrightwood for a day of snowboarding at Mt. High Resort. Mountain High is Southern California's closest winter resort with world class terrain. Mountain High is actually one of the oldest resorts in Southern California. For all of our boys except one, this was their first time ever skiing. According to one of our boys, "Mt. High is a beautiful ski resort with wonderful and breathtaking views". I fell a lot trying to keep my balance but always managed to get back up. It was very exhausting but well worth the adventure".



In addition, the boys traveled to Morro Bay for a day hike and barbecue at Avila Beach for dinner. Morro Bay is rich with beauty, and there is no better way to experience it than by hiking. The boys really enjoyed the bluffs trail and the photo opportunity. Likewise, many of the boys enjoyed the tide pool area. The hike is then perfect way to see all the tide pools, beaches, and rock islands. There have been overnight camping trips to Morro Bay, Ocean Kayaking, Ropes Course

Adventures, waterpark trips and a campout at Lake Lopez.

Also, one of many events that took place this past year was an outing to Big Bear. This was a 4-day camping trip where our boys had the opportunity to stay in cabins. While at Big Bear, the boys participated in numerous activities such as a Challenge Course with Zip Lining, Canoeing, Rock Climbing, Fishing, and snow-tubing.

Another memorable outing that took place many times this past year was paddle-boarding at San Pedro California. The boys were able to practice paddling around the Marina near the boats. After gaining experience, they were able to go further into the ocean to catch some waves. Many times after these exhausting activities, the boys did relaxing travels to places like The Griffith Observatory, hikes to the Hollywood sign, and tours to the USS Iowa Battleship all located in Los Angeles.



To conclude, this past year, some of the boys witnessed sports history when they went to the LA Lakers vs. San Antonio Spurs game and had a chance to see Kobe Bryant play in his final season. Also, some of the boys attended an LA Kings hockey game. Many of them had never attended a hockey game before and were thrilled by the action. All of these events will be experiences that the boys will cherish and memories that will last a life time.

Where are they Now

Our program has stuck by its slogan, “Once a Kern Bridges Kid, Always a Kern Bridges Kid.” Majority of our former residents did eventually reunify with their biological parents or were placed with a Kern Bridges Foster family upon discharge. This past year was very memorable but very sad all together. We did hear back from many of our former residents. Many are now working in communities in and around state. Some are proud parents and have started their own families. Just recently we heard back from one of our former youth who is now working at a major retail store here in Bakersfield. All he could talk about was unforgettable events that he experienced at KBYH. From professional sporting events to numerous camping trips and the educational adventures he attended during his stay at KBYH. He also thanked us for never giving up on him even though he acted out and did things that most group homes wouldn’t even tolerate. However, not all of our residents ended up successful after their discharge. The years 2016-2017 have been one of the saddest years since establishing our group homes over two decades ago. KBYH was notified of the deaths of four former residents. Two lost their lives to street violence. One lost his life at the wheel of a vehicle and one died due to health. All these boys were part of the Kern Bridges Family. We have many memories and shared pictures to cherish. All these boys graduated our program and moved on with their lives which fell short at such young ages. Just thinking back when these boys were in our program, they all had a special trait about themselves that all of us here at KBYH will remember. First, Zack was known at KBYH as Mr. GQ. Zack was a smooth talker and had the gift of gab. He always dressed nice and dressed to express.

Second, Dillon was our in house little lawyer. He kept a copy of the Title 22 regs on him at all times. He got along with everyone and he represented all the clients. Dillon loved to cook and cooked many meals for his peers when he lived at Casa. Next, Danny who is Dillon's older brother who was also well liked by everyone. Danny was really crafty with his hands. He loved working on cars and could put together just about anything. And yes, Danny was a lady's man given his good looks and beautiful smile. Even though Danny didn't really care for school he managed to graduate high school after Kern Bridges offered him a \$1,000 incentive (AND WE ALL KNOW TEENAGERS WANT CASH). After graduating our program, Danny returned a year later with his degree in hand and KBYH cut him at \$1,000 check.

Last, Dominic was known for his athletic abilities and like Zack he was also Mr. GQ. Dominic was the first resident KBYH sent to Florida to play in the Nationals Football Champions. He was featured in KBYH Newsletter November 2013. Dominic quote in 2013, "playing football in Florida was the highlight of my life". All these young men had bright futures ahead of them unfortunately their lives were cut short. They will be truly missed and the experiences they shared with all of us



here at KBYH will live on forever- RIP: Zack, Dillon, Danny, and Dominic.

Adoption Services: Kern Bridges is licensed to conduct home studies (now called psychosocial assessments) and approve families wishing to adopt foster children (Adoption LIC#157202794). Currently, these services represent about 16.5% of total revenues.



Adoptions Annual Report

This is the Kern Bridges Adoption Program’s 18th year and we have continued to expand and grow in new and exciting ways. The Adoptions Program originally served to assist KBYH foster parents in adopting foster youth in their care. KBYH continues to provide this service, but also, for the past 11 years KBYH has been contracted to conduct assessment of KCDHS’



county and relative care providers. Additionally, KBYH provides post adoption services including a support group, adoption family camp, adoption lending library, counseling services, and assistance with resource access.

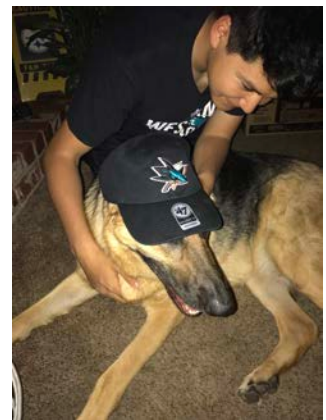
KBYH Adoptions continues to partner with the Kern County Department of Human Services in a number of ways. This has included co-sponsoring and assisting with the Heart Gallery, annual Sibling Event, and National Adoption Day events.

KBYH Adoptions has increasingly utilized online resources in order to match children in need of an adoptive placement with adoptive families. This has included the use of AdoptUsKids and the California Kids Connection matching websites.

At the end of 2013, KBYH's Adoption program was awarded a \$100,000 grant from the Children's Home Society of California. These funds were used for a variety of projects, including infrastructure, training, post adoption support, adoptive family emergency funds, recruitment, and outreach. CHS has continued to support the KBYH adoptions program, providing grants of \$10,000-15,000 annually.



Our very CEO, John Bacon, adopted a teenager this past year. His, now almost 17 year old, son is Robert Gomez. Robert chose to keep his own last name. This picture of him with the Llama was not staged. But it seems we found his long lost brother. In the other picture he is trying to convince his 125 pound German Shepherd to be a San Jose Sharks Hockey fan.



Community Education: Kern Bridges no longer provides CEUs for professionals as California changed the law and the BBS no longer certifies agencies to provide CEUs.





MSW & MFT Internship Program: Kern Bridges accepts MSW and MFT students from California State University, Bakersfield, MSW students from USC, and MFT students from Phoenix University and National University. [above picture: Two MSW Interns learn mask making technique.]



5 Year Plan Goals set in 2007

5 Year Plan Goals Progress 2014/2019

- a. BoD members and senior staff to recruit members in the following professions: Medical employee of CHW, College Professor of Cal State Bakersfield, Insurance industry executive, and Oil Industry Executive, Bakersfield City Government employee and Kern High School District employee. No new members joined the BoD this quarter.. The above positions still to be filled are Medical Employee of CHW and College Professor of Cal State Bakersfield, and an Oil Field Executive.
- b. BoD members to more actively fund raise and market the agency: Progress continues.
- c. Fully implement COA standards and gain COA Accreditation: Accredited 9/30/2014. Reaccreditation has begun and will be completed in July 2018.
- d. Build monetary fund reserves to \$300,000.00: Current value of CDs is \$126,815.73. There is an additional \$34,033.67 in the Casa de Niño's building fund.

Short Term Plans Progress in Implementing 5 Year Plan Goals

- 1) BoD members and senior staff to recruit members in the following professions: Medical employee of CHW, Law Enforcement, College Professor of Cal State Bakersfield, Insurance industry executive, and Oil Industry Executive, Bakersfield City Government employee and Kern High School District employee. No new members joined the BoD this quarter. The above positions still to be filled are Medical Employee of CHW and College Professor of Cal State Bakersfield, and an oil industry executive.
- 2) BoD will engage community members of the differing careers listed above as opportunity allows. At each BoD meeting utilization of this task will be discussed.
- 3) During annual open house members from the above professions will be encouraged to consider joining our Board. After the open house each senior staff and BoD member will be asked if they made any progress towards encouraging a member of the above professions to consider joining our BoD. Open house completed. BoD recruitment continues. Next open house will be held once we are in full compliance with AB 403.
- 4) A BoD recruiting post will be put on our web site and Facebook pages: Completed

- 5) BoD members to more actively fund raise and market the agency: Progress made.
- 6) BoD members will solicit Wishmas Tree donations during the Christmas Holiday season: This was accomplished in both 2015 and 2016.
- 7) BoD members will be asked for commitments at the October BoD meeting: This was accomplished. BoD attendance 60% in April; 80% in May and 50% in June. The By-Laws were changed to make four members the number for a quorum.
- 8) BoD members will spearhead at least one fundraiser in addition to those listed above: This has not been accomplished.
- 9) Fully implement COA standards and gain COA Accreditation: This was complete on September 30, 2014 and the next one will be due on September 30, 2018. The annual data submissions are sent to COA every year. With the new law AB 403 COA will require KBYH to be accredited as a Residential Treatment Center and as a Mental Health Provider. This process has begun.
- 10) All personnel will be involved in training for accreditation standards and will have an opportunity over the five-year plan to participate on differing committees: Will be documented in file. All personnel old and new have been trained and this is ongoing.
- 11) Management team will discuss accreditation progress at weekly management meetings: This is discussed at weekly management meeting and is ongoing
- 12) Build monetary fund reserves to \$300,000.00: Current reserve is \$160,849.40. Each quarter, as cash flow allows, a CD may be bought and set aside as part of fund reserves. This amount will be discussed as part of regular BoD meetings and progressed assessed. This is progressing well.
- 13) Resource family homes: The goal is to maintain the number of foster children place at a minimum of 60 for the next five years.
- 14) Adoptions: The goal is to complete a minimum of 5 adoption placements per month to reach 60 total per year. We now have two full time social workers providing adoption services, but will be adding an additional adoptions position. We also have agreed with the county to do adoption studies of families that do not currently have children placed with them.

15) Staffing: The goal is to maintain a well-educated, trained staff that can deliver our services at the highest standards. Kern Bridges must be proactive in hiring and reducing employee turnover.

2016/2017 Budget Year Goals

In addition to the above 5-year strategic plan long term goals with short-term plans the following goals are adopted for the budget year 2016/2017. Under new audit guidelines presented by CDSS all new capital expenditures over \$5,000.00 will now need CDSS preapproval effective July 9, 2015.

As of August 15, 2017

Paint Administrative Office Restrooms & Kitchen	Completed
Repair Sidewalks that have become a safety hazard	Completed
Repair south side of building landscape tree & Lawn safety issues	Completed
New data base – “Extended Reach”	Completed

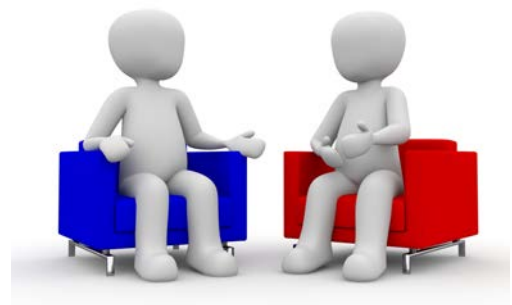
Strategies/Action Plan

Strategic Products and Services

Due to the fact that both our group homes and foster care programs represent 84% of current and projected revenues, these two programs are vitally important to Kern Bridges' future. Our adoption program, once considered ancillary to these two programs, is now accounting for 16.5% of revenues. However, adoptions are only reimbursed at a cost basis so there is no reserve revenue generated from this program. All over payments are returned to the State of California at the end of each fiscal year.

Regarding the strategic goal of helping or teaching others so they can better serve their clientele, Kern Bridges' will continue to provide and expand our CEU program.

Positioning



Group Homes - Kern Bridges is currently one of a few Level 12 Group Home providers in Kern County. More than 15 group homes in Kern County have closed their doors since 2007. We are transitioning to STRTP.

Foster Care - Kern Bridges is one of eleven foster family agencies (plus Kern County).

Adoption Services - Kern Bridges is one of three private agencies that provide adoption services.

Continuing Education Units Provider - Kern Bridges no longer provides CEUs as the California Law has changed and the BBS does not certify agencies to provide CEUs any more.

Rate Setting

As with all group homes and foster programs prices are fixed per the state's mandate. With group homes, the higher rating or level an agency achieves translates into greater services for the clients. Prices for the CEU program are comparable to others.

In the past fiscal year foster care rates were unchanged and group home rates rose 1.92%.



Fund Raising

Recent Annual Supporters (and/or events) include:

The AT&T Pioneers have supported the foster care summer camp program for over 25 years.



The Children's Home Society of California has provided \$10,000-15,000 annually for the last 3 years to continue supporting the KBYH adoptions program.



Key Personnel

CEO / John Bacon, MA Psych., MSW, LCSW / 17 years with KBYH

Adoptions Director / Jim VanderZwan, MSW, LCSW / 15 years with KBYH

Group Homes Program Director / Robert Carter, M.S. / 17 years with KBYH

Human Resources Director / Kathy Irwin, / 20 years with KBYH

Social Workers

GH Steve Kresha, MA, / 1 year with KBYH

GH Mark Dominguez, MA / 8 years with KBYH

GH Diana Cisneros, MSW / 1 year

FFA Joe Ortega, MA / 17 years with KBYH

FFA Jennifer Robbins, MSW / 1 year with KBYH

FFA Ruth Jackson, MA / 11 years with KBYH

FFA Mike Ramirez, MSW / 2 years with KBYH

FFA Bibi Carrasco, BS / 18 years with KBYH

Adoptions Carrie Wombacher, MSW / 5 year with KBYH

Adoptions Jessica Mosely MSW / 10 years with KBYH

Board of Directors

President / Mike Conard / Dr. Technology ***Vice President*** / Jeff Petrini / A/C Electric

Treasurer / Michael O’Doherty / Cushman & Wakefield Pacific Realty Advisors

Secretary/ Mark Camareno / Retired

Member / Stephanie Baker / Retired

Member / Bill Slocumb / Slocumb Law Offices

Member / Mike Nisser / Kern County Human Resources

Member / Kevin Danley / Attorney Young Woolridge

Member / Vic Swall / Bakersfield Police Department

Member / Kim Clerou



FINANCES



Salaries

Groceries

Outings

Allowances

Clothes

Toys

Health Insurance

Workers Compensation

Mortgages

Vehicles

Utilities

For a complete 990 visit www.guidestar.org

EXTENDED TO AUGUST 15, 2017

Form 990 **Return of Organization Exempt From Income Tax** OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations) **2015**

Department of the Treasury Internal Revenue Service Open to Public Inspection

Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2015 calendar year, or tax year beginning **OCT 1, 2015** and ending **SEP 30, 2016**

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization
KERN BRIDGES YOUTH HOMES, INC.
 Doing business as
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1321 STINE ROAD
 City or town, state or province, country, and ZIP or foreign postal code
BAKERSFIELD, CA 93309

D Employer identification number
77-0168444

E Telephone number
661-396-2301

G Gross receipts \$ **4,201,348.**

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

J Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: ▶ **WWW.KERNBRIDGES.COM**

K Form of organization: Corporation Trust Association Other ▶ **L** Year of formation: **1987** **M** State of legal domicile: **CA**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: KBYH SERVES CHILDREN WHO FOR A MULTITUDE OF REASONS CAN NO LONGER LIVE WITH THEIR PARENTS. OUR		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	12
	5 Total number of individuals employed in calendar year 2015 (Part V, line 2a)	5	53
	6 Total number of volunteers (estimate if necessary)	6	50
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	228,060.	268,954.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,665,298.	3,924,352.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	793.	438.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,735.	7,604.
	12	3,899,886.	4,201,348.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,823,538.	1,990,198.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,922,559.	2,120,956.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	3,746,097.	4,111,154.
19 Revenue less expenses. Subtract line 18 from line 12	153,789.	90,194.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	1,742,741.	1,856,084.
	22 Net assets or fund balances. Subtract line 21 from line 20	697,403.	720,552.
22	1,045,338.	1,135,532.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer **JOHN BACON, EXECUTIVE DIRECTOR** Date

Paid Preparer: Print/Type preparer's name **NANCY C. BELTON, CPA** Preparer's signature Date Check if self-employed PTIN **P01234207**

Preparer Use Only: Firm's name **DANIELLS PHILLIPS VAUGHAN & BOCK** Firm's EIN **95-2972229**
 Firm's address **300 NEW STINE ROAD BAKERSFIELD, CA 93309** Phone no. **661-834-7411**

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

532001 12-16-15 LHA For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2015)

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION