At Phipps Neighborhoods, it’s all about impact. To make a lasting impact on the communities we serve, we focus on building and strengthening neighborhoods by providing access to services and developing opportunities for community members. Our impact is bolstered by a network of unprecedented partnerships, rooted in a shared vision of a Bronx that has risen above poverty.

Key social issues have divided our communities, leaving some of the most vulnerable among us even more at-risk. These challenges make our work, and the connections we build, all the more important. As we fight to give voice to communities who have been silenced, we are instilling and elevating a core value — that community prosperity bolsters the well-being of everyone.

We have invested resources to deeply integrate our staff and services, and collaborate closely with community stakeholders. We believe this approach amplifies the impact that any single program or service can aspire to have within the communities that we serve. We believe that sharing across program lines, amongst community members, and between organizations is imperative — that individual progress is inextricably linked to the progress of others. Collaborating and integrating in this way, we can contribute to building a society based on community responsibility for one another.

In the year ahead, we have committed to taking one step further; connecting our communities to the tools and platforms they need to influence systems and create change. We will work more directly to position our participants for increased access to opportunity and skills that strengthen their ability to effect positive change in the structures which perpetuate poverty.

We are ready to build on our history of education and concrete skills development, and galvanize our partners to build an educated, informed citizenry versed in their rights, capable of advocating for themselves and their communities, and confident in their ability to use their collective voices to create change. With a continued focus on our children and youth, we will impart communication and negotiation skills and the importance of civic education throughout our programs.

We are excited to strengthen the voice of the future. With your support, the commitment of our partners, and our trusted leadership, we can build a movement of young people who have risen out of poverty, and are committed to building a society based on community responsibility for one another.

In Solidarity,

Dianne Morales
Executive Director and CEO
Phipps Neighborhoods
Phipps Neighborhoods started small in 1972: one or two social workers to serve Phipps Houses’ sprawling new 731-apartment development and its surrounding community in the South Bronx. A staggering task. The years of economic unraveling in New York City that followed its founding made that task even more daunting. But family by family, child by child, Phipps Neighborhoods’ impact grew and grew.

Times are changing gradually in the South Bronx, but Phipps Neighborhoods remains true to its mission and method. We still work one family, one youth, one child at a time, but have scaled up our direct services in a collective with other providers to form a more holistic net of community-based programming, with the goal that no member of our communities slips back. Teamed together with the broad affordable housing mission of Phipps Houses, our organization supplies a one-two punch to address the issues of poverty faced by many New Yorkers.

Though it is critically important to make housing affordable to ensure a fairer, better-functioning city, if you want to address issues of economic opportunity in less advantaged neighborhoods, you need to help give people ways to bolster their fortunes. That means better education and career placement. And that’s the core of Phipps Neighborhoods’ work.

I hope you will join us in our shared mission to help others in our city rise above poverty.

Sincerely,

Adam Weinstein
Board Chairman, Phipps Neighborhoods
President and CEO, Phipps Houses
For the second year in a row, the Phipps Neighborhoods College Access program is celebrating a 100% college acceptance rate for our participants. During the 2017–2018 school year, we added two full-time college counselors to the program staff, expanding our reach from 210 students at two high schools to 387 total students, including 122 seniors at four public schools in the Bronx.

Included in that programming was our new SAT prep course which served 25 juniors. All of our seniors received individual counseling on applications for financial aid and scholarships, and submitted a total of 856 applications for admission to institutions of higher education. Many of these students are first generation college applicants, so our program works to directly address the structural and social barriers they often face. One key component is starting early.

“Early college access programming has been lacking in general — especially in low income communities,” says Christina Ortiz, a Phipps Neighborhoods College Advisor. To address this, our College Access workshops are implemented beginning in 9th grade, where we “touch on college and careers,” Christina says, but the workshops also focus on “self-exploration and personal identity. Psychologically, who am I and what do I like?” From Christina’s perspective, this stage of the college access program is about exploring the intrinsic value of each student’s experience, and applying it to the workforce and paths of higher education.

The workshops implemented by Christina and her colleague Angela Aponte, another College Advisor, include personality and career assessments, and also prompt students to assess their own passions. The students then research career goals which suit their interests and aptitudes as well as each career’s average salary and related sectoral growth in various states. This information can help them identify college and major options in their desired field while weighing the corresponding program duration and financial burdens. When connected with the self-awareness emphasized in the program’s exploratory components, “these experiences can open their minds — they have assets, they have character traits that they don’t see as skills that fit into careers.” By helping participants see the value in themselves and their experiences, Christina and Angela are helping students to forge tailor-made, achievable paths toward a career through college.

While helping students discover options for their futures, Christina and Angela uncover areas where participants require additional support. Phipps Neighborhoods College Advisors play many roles in a student’s life, including peer mediator, life-skills instructor, empowering mentor, tutor, and advocate. Christina expresses that “teenagers can be very stand-offish — asking for help is seen as a weakness, and they don’t want to show any flaws.” Our College Advisors are committed to cultivating and nurturing a relationship with each individual student, understanding and addressing both academic and social challenges with compassion and empathy.

Christina relates to the barriers her students face and shows them through her example that success is possible. “Because I look like them — grew up in the same neighborhood, I’m not that far from their age, I listen to the same music, I’m more approachable. They have a lot going on in their lives... They want someone they can talk to. I’m not just working with them on college.”

The creation of a relationship where students feel supported also provides them with a source for accountability. Christina says that the bond they share motivates students to attend workshops, seek out extra guidance, and hand in application materials on time. “When we have that relationship, we’re able to succeed.”
Ami Picazo, one of Christina’s College Access participants, embodies the power that the deep student-counselor relationship can have on the path to college and career. Christina noticed that while Ami was clearly bright, she was not fully thriving outside the classroom. Christina came to understand that during Ami’s freshman year, her father became unemployed, and that her family was living in a shelter. Christina offered Ami a safe, supportive space to do homework or hang out during lunch and Christina began to see a change. Ami began to visit her office more frequently, would leap at the chance to volunteer with other Phipps Neighborhoods programs and would recruit other students to join programming. Throughout this time, Christina made sure Ami stayed on top of her school work and college applications.

That’s why Christina was the first person to hear that Ami was accepted into Lehman College, where she hopes to pursue a degree in School Counseling. Looking back on the day, Ami remembers, “I didn’t expect it. Without Tina and College Access, I don’t know if I would have gotten the Lehman acceptance.” Ami is attending with a $10,000 scholarship she applied for with Christina’s help. Ami agreed that the relationships built throughout the program are key to its success. “They want to be there as family. They were looking out for us. They would check up on you to see what was wrong. I would lose it and start slacking, but Tina would push me to do my best.”

College Access’ 122 seniors had plenty of other unprecedented success. This year, 15 students received full scholarships to Monroe College, up from four scholarships received by participants in 2017. Trinity Jaquez, a graduate of Bronx Leadership Academy, was also accepted to Cornell University.

Moving forward, the College Access program will begin to explore tracking college enrollment and retention. We hope to build a database to support our efforts. As our data collection capabilities evolves, we will be able to identify and address additional barriers to success faced by our students on their path towards college and career fulfillment.

“THEY WANT TO BE THERE AS FAMILY. THEY WERE LOOKING OUT FOR US. THEY WOULD CHECK UP ON YOU TO SEE WHAT WAS WRONG. I WOULD LOSE IT AND START SLACKING, BUT TINA WOULD PUSH ME TO DO MY BEST.”
Ami Picazo
Student

“When we have that relationship, we’re able to succeed.”
Christina Ortiz
Phipps Neighborhoods College Advisor
Economic success and upward mobility are not purely about having a job or advancing in your career. Credit scores, long-term planning, and sound budgeting impact one’s wealth, but they are rarely taught in school. Launched in 2018, Phipps Neighborhoods created the Financial Services program to better connect clients to the resources that they need to succeed today and tomorrow. The program is built on ten years of stellar outcomes piloting and establishing the community-based Financial Empowerment Center (FEC) model. Last year alone, our FECs served nearly 1,400 clients, increased their credit scores by an average of 114 points, and helped clients reduce their combined debt by over $665,000. Our Financial Services program is integrating personal finance and counseling best practices into other parts of our organization to ensure our clients’ success. The Financial Services program focuses on connecting our existing programs and clients to the counseling, tools, and advice that can help them thrive.

“In my role as the Financial Services Coordinator, I can expand financial literacy, education, and services across the agency. I’m working to find new innovative solutions to target youth and teach best practices about credit, savings and more,” explained Derison Puntier. He has spent eight years providing financial counseling to New Yorkers, six of those years were in the Bronx at our Financial Empowerment Center. “One thing people [who visited me] kept saying was, ‘If I learned this when I was younger, I never would have this problem with credit card debt or money management’.”

Even when our clients are connected to the tools and programs that help them succeed, a strong grasp of money management can be the difference between economic stability and an uncertain future. Connecting them with financial know-how allows our career development, community resources, and education programs to make a more sustainable impact. “This is why financial education goes together with our organization’s mission,” noted Derison, “it’s a crucial ingredient in breaking the cycle of poverty.”

The Financial Services program has been increasing financial literacy in some of our youngest clients through one of our afterschool programs. Derison collaborated with our Education Specialist, Tashana Williams, to create a fun and informative 12-week curriculum tailored to 3rd graders. “They got competitive playing our games. And our outcomes look great.” The students’ pre- and post-tests covered topics such as identifying American coins, how to prioritize budget needs, and what happens in a bank. After students completed the program, their financial literacy test scores increased by an average of 54 points. This year, Financial Services and our managers are exploring how to expand the pilot to other grades and programs.

This is just one way our Financial Services program is helping our clients connect the tools and support to the opportunities they need to thrive. The program has also accepted 88 referrals from programs across our three divisions including Career Network: Healthcare, Family Resource Center, case management programs, and family Transitional Housing shelters, aiding our programs in reaching their goals and empowering the community. But this is only the start. Derison Puntier and Financial Services have more projects on the horizon leading to an even stronger network of Phipps Neighborhoods services.
We believe that by participating in elections, residents will feel that they can make positive change; not only in their neighborhoods and local government but in their own lives.

Historically, people of color and the poor have been overlooked and disenfranchised resulting in low turnout rates at the polls. That trend remains today in New York State. The Bronx had the lowest percentage of active registered voters participate in the 2016 elections out of every county in the state. 

In 2014, Phipps Neighborhoods participated in seminars lead by nonpartisan, New York organizations such as Community Votes and the FPWA, to learn how to train our staff to ethically increase voter registration and participation. We did this by incorporating voter engagement activities in community events, offering and advertising the ability to register at our program sites, tabling outside of our offices, or through existing client interactions. During these interactions, our staff would ask community members to register to vote or to pledge to vote if they were already registered. While we started small in 2014, our results have grown significantly since then.

In 2014 during the midterm elections, we had 118 voters pledge and/or register to vote. 25% of them turned out at the polls. That rate is 9% higher than all registered voters, a strong indication that our efforts were making a difference. In 2016, our 919 pledged voters still turned out at a 7% higher turnout rate than the general population at 54%.

This year, as the 2018 midterm elections draw closer, we are continuing our goal of engaging and educating local citizens to register and pledge to vote. As of September 7th, Phipps Neighborhoods has already surpassed its goal to receive pledges from 1,000 New Yorkers. We are hopeful that our voter turnout efforts will continue to inspire our participants and neighbors to own their voice, exercise their rights, and realize the power that they have to create change in our communities.
### Reaching More Voters

#### 2014

<table>
<thead>
<tr>
<th>PHIPPS NEIGHBORHOODS (PN) REGISTERED/PLEDGED VOTERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>118</td>
</tr>
</tbody>
</table>

#### 2016

<table>
<thead>
<tr>
<th>PN VOTER TURNOUT RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>25%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL POPULATION REGISTERED VOTERS*</th>
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</thead>
<tbody>
<tr>
<td>16%</td>
</tr>
</tbody>
</table>

DIFFERENCE: +9%

#### 2018

<table>
<thead>
<tr>
<th>TO BE DETERMINED</th>
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<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

#### 2016 Demographics

<table>
<thead>
<tr>
<th>2016 DEMOGRAPHICS</th>
<th># PN REGISTERED</th>
<th># PN VOTED</th>
<th>% PN TURNOUT</th>
<th>% TOTAL POPULATION TURNOUT REGISTERED*</th>
<th>DIFFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>30</td>
<td>18</td>
<td>60%</td>
<td>56%</td>
<td>+4%</td>
</tr>
<tr>
<td>Black</td>
<td>283</td>
<td>145</td>
<td>51%</td>
<td>48%</td>
<td>+3%</td>
</tr>
<tr>
<td>Latino</td>
<td>562</td>
<td>323</td>
<td>57%</td>
<td>47%</td>
<td>+10%</td>
</tr>
<tr>
<td>Youth</td>
<td>122</td>
<td>65</td>
<td>53%</td>
<td>42%</td>
<td>+11%</td>
</tr>
</tbody>
</table>

* New York Congressional District 15 covering the Bronx
Phipps Neighborhoods is always looking for new ways to maximize our impact in our three target neighborhoods with the most need: Soundview, West Farms, and Melrose/Morrisania. We have added new programs in these communities so we can connect residents to multiple services and collaborate efficiently. To help this process and to coordinate our programs with other community based organizations, we have launched Neighborhood Impact Alliance meetings. Located in our three target areas, each Neighborhood Impact Alliance (NIA) is an opportunity for staff to collaborate across programs and with external partners to coordinate resources and services to better address community needs. NIAs meet quarterly to plan special events, share best practices and outreach strategies, strengthen referral pathways, troubleshoot client needs, and coordinate engagement with other community leaders who share our vision for thriving neighborhoods and families.

Photos: Marisol Diaz
2018 BY THE NUMBERS

93% of Universal Pre-K students met or exceeded development goals in social-emotional, physical, language, cognitive, literacy, and mathematics skills.

4,276 In- and After-school students served.

18% reduction in suspensions in target partner schools.

2,048 financial counseling sessions held with 1,398 community members.

550 young people placed in summer jobs at 62 worksites.

230 of these young people received a personal finance training.
1,100 youth served at our Summer Learning Camp

2,474 residents assisted with tax returns

468 families offered transitional housing

387 Bronx students served by College Access

158 received food assistance services

633 senior citizens served
PHIPPS NEIGHBORHOODS, INC. FINANCIALS

STATEMENTS OF ACTIVITIES
Years ended June 30, 2017 and 2016 (in thousands)

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UNRESTRICTED NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue and other support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phipps Houses</td>
<td>$1,283</td>
<td>$1,423</td>
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<tr>
<td>Other</td>
<td>276</td>
<td>398</td>
</tr>
<tr>
<td>Program and grant revenue</td>
<td>2,478</td>
<td>2,554</td>
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<tr>
<td>Fundraising events</td>
<td>1,076</td>
<td>1,024</td>
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<tr>
<td>Investment and other income</td>
<td>230</td>
<td>181</td>
</tr>
<tr>
<td>Net assets released from restrictions — satisfaction of program restrictions</td>
<td>16,771</td>
<td>17,633</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE AND OTHER SUPPORT</strong></td>
<td>22,114</td>
<td>23,213</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
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<tr>
<td>Program expenses</td>
<td>19,753</td>
<td>20,243</td>
</tr>
<tr>
<td>Management and general</td>
<td>2,499</td>
<td>2,315</td>
</tr>
<tr>
<td>Fundraising</td>
<td>643</td>
<td>692</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>22,895</td>
<td>23,250</td>
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<tr>
<td>Loss from unrestricted activities before postretirement benefit adjustment</td>
<td>(781)</td>
<td>(37)</td>
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<tr>
<td>Postretirement benefit adjustment</td>
<td>(208)</td>
<td>18</td>
</tr>
<tr>
<td>Decrease in unrestricted net assets</td>
<td>(989)</td>
<td>(19)</td>
</tr>
<tr>
<td><strong>TEMPORARILY RESTRICTED NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program and grant revenue</td>
<td>10,523</td>
<td>21,612</td>
</tr>
<tr>
<td>Net assets released from restrictions — satisfaction of program restrictions</td>
<td>(16,771)</td>
<td>(17,633)</td>
</tr>
<tr>
<td>(Decrease) increase in temporarily restricted net assets</td>
<td>(6,248)</td>
<td>3,979</td>
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<tr>
<td><strong>PERMANENTLY RESTRICTED (ENDOWMENT) NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income (loss)</td>
<td>578</td>
<td>(313)</td>
</tr>
<tr>
<td>(Decrease) increase in net assets</td>
<td>(6,659)</td>
<td>3,647</td>
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<tr>
<td><strong>NET ASSETS, BEGINNING OF YEAR</strong></td>
<td>34,166</td>
<td>30,519</td>
</tr>
<tr>
<td><strong>NET ASSETS, END OF YEAR</strong></td>
<td>$27,507</td>
<td>$34,166</td>
</tr>
</tbody>
</table>
TRUSTEES

PHIPPS HOUSES

Ronay Menschel
Chairman

Dita Amory
Michael Campbell
David S. Chao
Tommy Craig
Peter S. Duncan
Victoria Guest, Esq.
Richard A. Kessler
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Thomas Osterman
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Darcy Stacom

Lynda Simmons
Member Emeritus

Philip Winterer
Member Emeritus

Adam Weinstein
President and CEO

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Alba Román
Ruby Saake
James F. Smith
James Wiener

Lynda Simmons
Trustee Emeritus

Dianne Morales
Executive Director & CEO
Phipps Neighborhoods helps children, youth and families rise above poverty. We work in South Bronx communities where we can address the greatest barriers to lasting success through education and career programs, and access to community resources.

We’re dedicated to our neighborhoods for the long term, supporting individuals and families as they establish self-sufficiency. Our services create opportunities for people to thrive in every aspect of their lives.