



The Premier
Retirement Community
for America's Veterans



THE POWER
OF PROGRESS

Armed Forces Retirement Home Strategic Plan | FY11 - 15

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INTRODUCTION

The Power of Progress

We are pleased to present the AFRH Strategic Plan for Fiscal Years (FY) 2011 – 2015. Following the demonstrated achievements in our 2006-2010 Strategic Plan, AFRH is ready to move forward with a new “person-centered” approach to retirement. All the while, our sights will be set on greater ways to manage the Agency, combined with innovative methods to serve eligible veterans and retired military personnel.

The AFRH Strategic Plan for 2006-2010 ended on a high note with the opening of the new facility in Gulfport, MS. AFRH has continued to deliver on a promise: to focus our efforts and produce measurable results. This Strategic Plan builds on the continued momentum of that highly successful plan—to provide a safe and healthy sanctuary for our enlisted military in retirement.



AFRH HISTORY

200 years ago, the leaders of our young Nation made a solemn *Promise* to care for America’s former enlisted military personnel who were aging or infirm. This pledge would be the soldiers’ payback for risking their lives to preserve liberty. In 1811, Congress realized this pledge by passing legislation to construct a new home for destitute Navy officers, sailors, and Marines. In 1831 the interim Naval Hospital (at left) opened in the former country home of the notable Pemberton family in Philadelphia. By 1833, the new Naval Asylum was finally complete and it went on to house more than 400 pensioners.

By 1851, momentum had built to fund a second home in Washington, DC using reparations from the Mexican-American War. At the behest of General Winfield Scott, the Federal government bought the Riggs family cottage and farm in the Washington countryside and established the Soldiers’ Home with just three “inmates”. A Trust Fund was then formed to sustain the Home for future generations of veterans.

Since then, two separate and distinct homes evolved to meet the needs of their Residents. The Naval Asylum moved to Gulfport, MS and the Soldiers’ Home became a “city within a city” with a working farm. In the 1950s, leisure and recreation took priority and new amenities were added. By 1991, both merged and began operating under one standard business model. Today they make up one thriving, modern retirement home: the AFRH.

CORE BUSINESS

To achieve its Mission, the AFRH interacts with a variety of US Federal agencies and private-sector organizations. Our key public partnerships are with the Department of Defense, the Department of Treasury (Bureau of the Public Debt), the Department of Agriculture (the National Finance Center), the Department of the Interior (National Business Center), the General Services Administration and the Office of Management and Budget. We have numerous ongoing programs with these and other agencies. As we move forward, we plan to increase our outreach and partnerships with other public and private organizations.

The AFRH is organized in a contemporary business establishment with a corporate office that manages independent functioning retirement communities in different locations. This arrangement allows corporate to make strategic decisions as well as communicate with Congress and their constituents. Each AFRH facility operates under a Director, who reports to the COO. Each community may make its own tactical operational decisions, manage its facilities, and respond to local Resident requirements. The COO is subject to the authority, direction, and control of the Secretary of Defense, delegated to the Under Secretary of Defense (Personnel & Readiness) and the Deputy Under Secretary of Defense for Military Community & Family Policy. Plus an Advisory Board provides expertise and knowledge of all aspects of senior living.

ONGOING FUNDING

The AFRH is an independent establishment of the Executive Branch of the Federal Government and is financially independent. A permanent Trust Fund was established almost two centuries ago to sustain the AFRH. This Fund continues to be fed by active duty enlisted and Warrant Officer monthly payroll deductions, as well as fines and forfeitures from all branches of the military. It is also fed by monthly AFRH Resident fees, the sale or lease of underutilized land and buildings, gifts and bequeaths and interest gained on the Trust Fund balance.

CURRENT STATUS

The AFRH has two communities: The Gulfport, MS campus reopened in October 2010 in a modern, energy-efficient building (as it was damaged and closed in 2005, in the aftermath of Hurricane Katrina). The Washington, DC campus was established in 1851 on a scenic location near Capitol Hill, and it is currently undergoing a modernization project called The Scott Project.

EXECUTIVE SUMMARY

The Span of Achievement

Our standard operating environment was established following the National Defense Authorization Act of 2002, which created and appointed a Chief Operating Officer (COO) for AFRH. A Chief Financial Officer (CFO) was also hired that same year. In 2003, the AFRH Strategic Plan was developed. The core philosophy of that strategy was the "One Model". Additionally, the plan called for regular assessments of our "core competencies," plus determinations on whether to build internal capacity or competitively outsource functions. The AFRH 2003 Strategic Plan became our roadmap to recovery. Updated in 2006, this Plan centered on two major endeavors: The Gulfport Standup to replace the hurricane-damaged campus in Gulfport and The Scott Project to update and modernize the Washington campus.

2003 - 2005

After faltering in the 1990s and starting fresh in 2002, AFRH planned for and propelled forward on an upward trajectory. The consuming passion was to build on the Home's historic past and plan for a modern future. Fulfilling the needs of our Residents is at the heart of it all. And management was focused on fulfilling our Vision: "To actively nurture the Health and Wellness Philosophy of Aging...." So, we continually reshaped operations.

By 2004, we had reduced the footprint at the sprawling Washington campus and outsourced transportation, dining services, and maintenance at both campuses. As a result both AFRH communities flourished. The Agency was once again fiscally solvent and the Trust Fund balance began to rise again. However, Hurricane Katrina put many plans on hold in August 2005. After that destructive storm, AFRH-Washington became the sole provider of Resident housing for the AFRH, and many resources were shifted to care for transferred Residents from Gulfport.



2006 - 2010

Changes beyond our control swept over the AFRH in 2006 and forced us to retool our strategy and initiatives so we could maintain the ground we had gained. To truly endure, the AFRH needed to change and adapt again – just as it has done many times over the past two centuries. Our greatest challenge was to provide better service and programs for all Residents now at the Washington campus, while rejuvenating its infrastructure. Meanwhile, the other major challenge was to rebuild Gulfport.

Throughout this period we developed services better matched to the Residents' needs and abilities so they could be more independent and mobile. Strategic objectives were achieved in all Resident-focused action plans. Our "One Model" became a reality, as Washington managers worked diligently to replicate processes, contracts, and programs for a receptive new management team in Gulfport. For the first time in the Home's storied history, we realized two campuses with business models that mirror one another. So, Residents who move from one community to another can feel right at home with the same care and service. By November 2010 the new Gulfport reopened as the new standard in senior care. Fiscally, the AFRH received its 6th annual "unqualified" audit opinion in 2010, and the Trust Fund balance held steady at high levels.

By the close of FY10, we also transformed our information systems, partnering with the National Business Center (NBC) to provide a hosted network that is compliant with the Federal Information Security Management Act of 2002 (FISMA). The assessments we underwent in 2010 yielded suggestions and ideas, yet they ultimately culminated with praise for our staff. We responded to the oversight of the Office of Personnel Management (OPM), our Advisory Board, the Department of Defense (DoD) Inspector General (IG), and the Commission on Accreditation of Rehabilitation Facilities (CARF), our oversight authority designated by Congress.

With focused goals and objectives, the AFRH completed a modern building in Gulfport and designed a new one for Washington. We created a major pilot program in senior living: Independent Living Plus (ILP). Further, we realized many goals and objectives in the final year of our FY06-10 Strategic Plan. At the start of FY11, we closed the outdated Scott dormitory and transitioned all AFRH-W Residents to the Sheridan and LaGarde residences. Plus, we moved dining to Sherman North and relocated all service staff to Sherman and Sheridan.

ONGOING CHALLENGES

Moving forward, we must effectively deploy and manage the Scott Project, successfully advance the wellbeing of Residents and staff through our evolving concept of Person-centered Care, and efficiently maintain smooth operations at the fledgling Gulfport community.

The Scott Project is an exciting design concept, and we are on track for 2011-12 construction. Our Independent Living Plus (ILP) program is growing and assisting more Residents to remain independent. Plus the AFRH Performance Challenges revolve around our Strategic Human Capital Plan, the succession plan, staffing models, military heritage, staff training, and cost-containment. The AFRH-G stand-up was our greatest success, as the entire AFRH community put its heart and soul into this project. Our next major challenge is to achieve the same level of success with the Scott Project.

To propel forward, we drew on external stakeholders to create and publish a 10-year Capital Improvement Plan. Further, we are now aligned with DoD's strategy, so the AFRH is now forging ahead with its energy and gashouse emissions reductions to become compliant with Executive Orders 13423 and 13415.

SUMMARY

In order to live up to our Nation's original *Promise* to care for its veterans – and to grow the Trust Fund that supports them – AFRH had to evolve. We determined we must build the "*AFRH of the Future*." As we planned our revival in the 21st Century, we focused on providing the same high level of care and service found in the private sector. Yet, our niche is a focus on military heritage – where Residents find camaraderie and enjoyment in being among "their own".

The new Gulfport community is a model for senior living with wellness programs, energy efficiencies, and enjoyable activities. The new design / build for the Washington community is well underway and expected to be finished in 2013. As such, AFRH is truly a leader as a Continuing Care Retirement Community (CCRC). More importantly, the AFRH is strategically poised to maintain and expand its primary role of serving our Nation's veterans. For the Residents and staff of AFRH, we are indeed demonstrating *The Power of Progress*.



The Plan of Progress

The AFRH Vision, Mission and Guiding Principles were updated in 2011 to focus on the Agency's evolving top priorities. Also, these new strategies aim to meet and exceed the expectations of a new generation of military veterans and retirees. When an organization has a strong future vision – and its people and resources are aligned towards a goal – progress is boundless.

Since 2002, AFRH has been relentlessly pursuing a new course to improve the Residents' lives. Our charge: to transform an historic site into a modern facility with the best service and amenities. While the journey has had ups and downs, the focus forward has been unwavering. We've made great progress revamping facilities and programs with Aging in Place, which provides more personalized care and broader support. Plus we've made greater strides with modern business practices and capital improvements. All of these efforts will keep America's unsung heroes healthy and happy well into their golden years. Now management is achieving its strategy to create two premier facilities that are also cost-effective. After all, prudent management and fiscal discipline put us in the position to re-create AFRH in the first place. Soon, our aim to achieve greatness will be fully realized.

VISION

A retirement community committed to excellence, fostering independence, vitality and wellness for veterans, making it a vibrant place in which to live, work and thrive.

MISSION

To fulfill our Nation's commitment to its veterans by providing a premier retirement community with exceptional residential care and extensive support services.

PERSON-CENTERED CARE

This philosophy is defined as the careful manner in which Resident needs are considered while developing proactive plans of care and delivering meaningful services.

This new concept recognizes that AFRH Residents are active participants in guiding and charting their own lives. In order for Person-centered Care to be effective, everyone must identify and understand each Resident's individual needs, listen carefully to the Resident's expressed needs, and offer smart choices for consideration.

Resolution and negotiation between staff and Residents will yield realistic actions taken within the scope of AFRH resources and capabilities—and highly personalized results. Our core person-centered "values" include: choice, dignity, respect, self-determination and purposeful living within the support structure of a caring environment.

Person-centered Care does not imply all Resident desires are to be met without regard to available resources and the organization's ability to successfully meet their needs.

The value of Person-centered Care extends well beyond development of a written plan. The way in which AFRH implements each plan is equally important. In order to ensure our planning and service is truly person-centered:

- AFRH pledges to continually evaluate its policies, procedures and the delivery of Person-centered Care to ensure the spirit of the plan is deployed Agency-wide
- AFRH is committed to breaking down silos and barriers within the organization that inhibit or slow its comprehensive plan to achieve a person-centered Home
- AFRH will ensure that planning and implementation of this philosophy is in sync with policy and guidance provided by CARF, the AFRH accrediting organization

FUTURE GOAL

Person-centered Care will help AFRH achieve its Mission, Vision and Guiding Principles, which will ultimately make this a more vibrant and wonderful place to live and work.

GUIDING PRINCIPLES

Person-centered

“Person-centered Care” is defined as the careful manner in which Resident needs are considered while developing responsive plans of care and delivering meaningful services.

Accountability

We expect our workforce to achieve what we promise to Residents, staff and service partners. To ensure success, we measure progress and provide feedback to our customers.

Integrity

We will strongly uphold the mission of the AFRH. We are honest and ethical and deliver on our commitments. We recognize that good ethical decisions require individual responsibility enriched by collaborative efforts.

One vision/one mission/one organization

Success depends on our devotion to an unwavering vision and mission. Working together in different locations, under various managers and leaders, we maintain a distinct focus to serve our Residents. We collaborate and respond in a unified and single voice.

Workforce growth

We strive to hire and retain the most qualified people. We maximize their success through training and development as well as maintaining and promoting open communication.

Honor heritage

We honor the rich history of the US Armed Forces – from our Veterans to our victories. As such, our campus reflects that military heritage with memorabilia and tributes.

Inspire excellence

We continuously work to improve each process, service and its delivery, while striving for excellence in all we do. We expect excellence and reward it.

STRATEGIC GOALS

Embrace Resident-centered Care

Each person understands the Resident’s individual needs and takes realistic action within AFRH resources and capabilities.

Maintain Exceptional Stewardship

Pursue and implement innovative ways to deflect, reduce, and manage costs by maximizing assets, resources, and programs to fulfill needs and wishes of current / future Residents.

Promote Staff-centered Environments

Expand staff knowledge that directly impacts the accountability and efficiency of the Agency, which will in turn empower all employees to be proactive.

Leverage External Stakeholders

Harness, cultivate and focus our external stakeholders to become increasingly active participants who are engaged in AFRH operations in each of the next five years.



The Venues of Vitality

Two communities are designated by law to provide retirement services and amenities to former enlisted and Warrant Officers who meet the eligibility requirements. One campus is located in Gulfport, Mississippi and the other is in Washington, DC. Together, the organization strives to rival the care and services found in private retirement homes across the US. A comfortable retirement here is the ultimate payback for the sacrifices our Residents made in serving America.

Gulfport, Mississippi



The first official, large-scale “asylum” for retired US military personnel opened in Philadelphia, PA in 1833. The “Naval Home” was built exclusively for aging and decrepit sailors, seamen, and Marines. After 150 years, it was relocated to its present site in historic Gulfport, MS – on the former grounds of a military academy for young men. Later on, in 1991, it became part of the AFRH.

In 2005, Hurricane Katrina severely damaged the original 11-story tower built back in 1976. It was closed, then eventually demolished to make way for a new facility. Congress appropriated funds to rebuild the Gulfport campus in May 2006 (per Public Law 109-234).

By 2007, funding and plans for a new AFRH-Gulfport (AFRH-G) were approved with the support of Congress. Our team rapidly went to work to create the new AFRH-G. We integrated new trends in environmental design, incorporated the latest advances in Green technology, and implemented our new Aging in Place philosophy to foster personalized care and broader support. Ultimately, this new Home was built to mitigate the effects of a Category 5 hurricane. Like our resilient Residents, AFRH-G stands tall once again.

Built under the management of GSA, on schedule and within budget, this new Home opened for residency in October 2010. This new Home is a wonder in modern engineering and senior health and housing. It is the result of great talent, firm resolve, and keen patriotism.

The Gulfport community is located on 47 acres of prime waterfront land on the Mississippi Sound. It features a new multi-tower complex with complete amenities such as dining, social, recreational, and therapeutic activities, a swimming pool, hobby shops, a wellness center with basic dental and eye care, a bank, a barber and beauty shop, bowling areas, movie theater, a computer room and library, plus a private walkway to the beach.

CURRENT STATUS

AFRH-G is still accepting new Residents for Independent Living. This campus is providing the same programs and services it was known for before Katrina, similar to those in Washington. Meanwhile, preparations are underway for its first CARF inspection.

Local students support the Residents' return





The Washington, DC campus of the AFRH dates back to 1851, when the Military Asylum was established. In its early days, the Home was a self-sufficient working farm, complete with livestock and farmhands. The campus proudly sits on the crest of a majestic hill in Northwest Washington, DC – nestled in the heart of a peaceful neighborhood with historic homes. Our campus is a constant reminder to the community of the great service and sacrifice that thousands of veterans have given to our country.

When prospective Residents enter the Washington campus for the first time, they are stunned by its wooded acreage, rolling hills, majestic views, tranquil lakes and historic landmarks. In a warm country setting, the Home is just minutes from the US Capitol, White House and other national landmarks in Washington, DC. This picturesque environment has served as the temporary residence of four US Presidents, including the summer home of Abraham Lincoln.

Our Washington home has seen many changes in nearly two centuries. Resting atop a hill that overlooks the US Capitol, the Washington campus has been home to thousands of former enlisted military. The buildings include historic quarters as well as large modern residences built within the last 60 years – the LaGarde and Sheridan buildings. We offer exceptional care across a number of levels including Independent Living, Independent Living Plus, Assisted Living, Memory Support, and Long Term Care.

The Sheridan building accommodates Resident and guest rooms, as well as chaplain offices, dining services, the library, and the Wellness Center (which encompasses both medical, dental, eye clinics, and Resident services).

To keep pace with changing needs in senior care, like complying with the American Disability Act requirements, much needed improvements will make our entire facility more vibrant and functional.

The modernization at AFRH-Washington (AFRH-W) is ongoing through a design / build of the Scott Dormitory. Coined the “Scott Project”, this plan is approved and funded by \$5.6 million in FY09 and \$70 million in FY10 from the AFRH Trust Fund.

Today, AFRH-W is evolving into an even better retirement community that fulfills the Government’s original *Promise* to “take care of its own.”

CURRENT STATUS

As of this writing, AFRH-W is in a “transition” as the design / build of the new Commons and Healthcare building has already begun. Temporary offices and common activity spaces are disbursed among the Sherman, Sheridan, and LaGarde buildings as the Scott Project advances. Construction completion is slated for 2013.

An artist’s rendering of the future “Commons”



SERVICE DESCRIPTION

AFRH is a unique Federal Agency that closely resembles a private sector CCRC. The AFRH distinction: we only admit qualified former military members in accordance with guidelines established by law. And a longstanding Trust Fund supplies our resources. In order to advance the organization, we conducted a classic, Strategic "SWOT" Analysis – a detailed assessment of our various Strengths, Weaknesses, Opportunities and Threats. This platform will help us retool our strategy and resources so we may thrive as an organization.

STRENGTHS

- Unique Brand
- Dedicated Staff
- Expansive, Valuable Properties
- Loyal Residents
- Rich Military Heritage
- Ample Levels & Types of Care
- New Modern Facilities
- Human Capital Plan
- IT Modernization
- CARF Person-centered Progress
- Resident / AFRH Partnership

WEAKNESSES

- Silos in Communication
- Accountability via CARF Standards
- Decaying Physical Plant
- Not Capitalizing on External Stakeholders
- Training Gaps for Staff
- Absence of Contractor Training
- Insufficient Resident-centered Services
- Limited Campus Locations

OPPORTUNITIES

- Large Pool of Potential Residents
- Educating New Constituents
- Poor Economy = Cheaper Goods & Services
- Meeting New Expectations of an All-volunteer Force
- Advertising to VSOs & the Public
- Fundraising
- Social Networking (Residents / Prospects)
- "Virtual" Provision of Services

THREATS

- AFRH Value Not Universally Recognized
- Poor Economy = Prospects Can't Sell Homes
- Declines in Retirement Investments
- Drains on AFRH Trust Fund
- Limitations in Replenishing Trust Fund

STRATEGIC GOALS

STRENGTHS



- **Unique Brand:**

Our Residents all share a special military affinity. Fighting in an armed conflict or serving the military for an entire career creates a unique camaraderie and understanding. This “Circle of Safety” is very comforting to Residents in their later years. To strengthen this bond, AFRH creates innovative military-themed programs and maintains outreach to veterans and VSOs to recruit new Residents.

- **Dedicated Staff**

There has been very little turnover at AFRH (except in health care) over the years. People who enjoy working with older people become attached to them – and prefer to stay here. In fact, staff members often go the extra mile out of a sense of duty – and they often provide management with valuable input to improve the Home.

- **Expansive, Valuable Properties**

Both Gulfport and Washington are strategically located – and have retained their value over time. Gulfport is ideal for warm weather preferences, as it overlooks the Gulf of Mexico. Washington is in Northwest DC, near Capitol Hill. So, its great potential for development is one of the keys to supporting our veterans for many years.

- **Loyal Residents**

Happy AFRH Residents say they’d prefer to live here than anywhere else. Many Residents volunteer on campus and actively take advantage of the many activities and events we offer. Our Residents tout the benefits to visitors and serve as the best “marketers” we could ever hope for.

- **Rich Military Heritage**

Tens of thousands of retired soldiers, sailors, airmen and Marines have lived at both Homes since the 1800s. To promote our rich military past, memorabilia is proudly displayed in our buildings and in the Residents’ rooms. Truly, many colorful stories from America’s wars lie within the walls of this Home just waiting to be shared.

- **Ample Levels & Types of Care**

Unlike many homes, the AFRH offers five distinct levels of care: Independent Living, Independent Living Plus, Assisted Living, Memory Support, and Long Term Care. Today, the ILP pilot has expanded options to keep Residents independent and in their rooms by providing home healthcare and daily living assistance. Plus, Dental, Medical, Optometry, and Pharmacy services are onsite.

- **New Modern Facilities**

We integrated sustainable design guidelines into new construction and renovation projects. Gulfport was built to withstand effects of a CAT5 hurricane, plus it is certified LEED Silver, as is the Scott Project. Further, we are in compliance with American Disabilities Act (ADA), person-centered concepts, and senior living design concepts.

- **Human Capital Plan**

AFRH is compliance with the Office of Personnel Management’s guidelines for strategic human capital planning. Our “Strategic Human Capital Plan for FY09-14” was distributed in February 2010, along with a succession-planning guide. This directly supports a key AFRH Guiding Principle to support workforce growth.

- **IT Modernization**

By end of FY10, we had transformed our information systems by partnering with NBC to provide a hosted network that is compliant with FISMA.

- **CARF Person-centered Progress**

Management incorporated the Person-centered Care philosophy into the FY11-15 Strategy and all training for staff, contractors, and volunteers. Now AFRH is well on its way to improving its living and working environment.

- **Resident / AFRH Partnership**

AFRH management is listening to the Residents in order to create personalized solutions to the various needs and wants (within the realistic capabilities of AFRH). This is helping us move toward a tighter-knit community, where staff and Residents become even more loyal to each other and develop greater communication.



• Silos in Communication

AFRH staff has been highly successful in solving Resident issues and concerns while documenting them in great detail. Yet, CARF pointed out: accountability resides across the entire enterprise – and not within individual groupings, units, or even campuses. So, we must make an extra effort to collaborate with all units, stakeholders, and communities to ensure that comprehensive communication and cross-discipline solutions are reached in all areas.

• Accountability via CARF Standards

AFRH-W has had two CARF inspections, while AFRH-G is gearing up for its first in the fall of 2011. Specific CARF standards that are not met will appear on inspection findings, yet it will take time to integrate these into individual staff performance plans. Accountability exists through inspections, but not through manager/employee objectives. Additionally, CARF promotes accountability

throughout the entire enterprise for all deficiencies, so that all parties are accountable. This is next for AFRH.

• Decaying Physical Plant

AFRH-W buildings are old and need extensive repair. At a glance, our stately buildings are appealing, yet they have problems such as mold growth, peeling paint, worn fixtures, leaky faucets and more. Upkeep is expensive. So to minimize costs we've focused on Sherman, Sheridan and Scott buildings – the centers of Resident activity.

• Not Capitalizing on External Stakeholders

The AFRH operates under Federal guidelines. Unlike other retirement homes, it cannot leverage local and national organizations that may wish to provide volunteers and financial assistance. Many untapped resources exist outside the Government and AFRH has not pursued those actively. Hence, this is now a strategic goal.

• Training Gaps for Staff

Of late, the Agency focus has been to make progress on modernizing our physical plant and buildings, implementing Aging in Place, and establishing Person-centered Care. As a result, staff training has not been at the forefront. Mandatory training classes are now prescribed, but some specialties have not received refresher training and updated methodologies to cope with emerging technology and gerontology advances.

• Absence of Contractor Training

Person-centered Care means considering the needs and aspirations of staff as well. The AFRH uses a large percentage of its workers as contractors. Current contracts do not include the need for Person-centered Care training, and this must be changed so contractors will adhere to the new AFRH direction.

• Insufficient Resident-centered Services

The AFRH has recently become aware of the philosophy of Person-centered Care, so the provision of programs and services is lagging. The old models of Residents doing what is directed by staff needs to be changed to a negotiated discussion between our Residents and staff. This will help Residents thrive and truly feel at "home."

• Limited Campus Locations

Both AFRH-G and AFRH-W fulfill our Nation's original *Promise* to its veterans. Yet, Gulfport, MS is isolated in the far south, which is not an appealing location for some. Plus, there is the ongoing threat of hurricanes and evacuations. Washington, DC is an urban metro area that is not appealing to some who live far away or come from small towns. Plus, driving into DC or taking public transportation is often challenging for the elderly.





- **Large Pool of Potential Residents**

Many veterans, retirees, and current war-theater combatants don't know about the AFRH and the great benefits of living here. A recent marketing study revealed approximately 3 Million potential Residents now live here in the US. *Our challenge is educate them on the many benefits of retiring at AFRH.*

- **Educating New Constituencies**

The AFRH must seize the opportunity to educate new members of Congress as the administration changes each election. We can communicate what exactly will work best for our eligible veterans, such as added availability for those eligible, more flexible funding options for the AFRH, and less bureaucracy.

- **Poor Economy = Cheaper Goods & Services**

At this low point in the economic recovery, the AFRH should take advantage of completing as many capital improvements as possible because prices are down. Competition between vendors is heightened and much more can be acquired and completed at this juncture.

- **Meeting New Expectations of an All-volunteer Force**

The AFRH has evolved over the centuries, just as the military has changed and adapted its operations. Similarly, today's military retiree has much greater expectations than those of a generation ago. Their attitudes about health, mobility, happiness, and family connections are quite different than retirees from the World War II era. Communication is key to reach and persuade today's all-volunteer force to live here. So, we must develop professional and effective marketing campaigns, outreach programs, volunteer support, and financial support.

- **Advertising to VSOs & the Public***

**Requires Law Change*

If the AFRH were allowed to recruit new Residents through advertising, like our private-sector counterparts, then more veterans could benefit from the AFRH. Plus, we would realized unprecedented growth and new revenue streams. Yet, as a Federal Agency, the AFRH can only provide informational advertisements.

- **Fundraising**

Currently, the AFRH is not allowed to raise money per legislation. Yet, many veterans' organizations consistently raise enormous funds to support our former military and insure greater services.

- **Social Networking (Residents / Prospects)**

Adopting 21st-century communication methods will help the AFRH reach new military members who have grown up with electronic communications. So, the AFRH must adapt to reach current and prospective Residents.

- **"Virtual" Provision of Services**

We can reach more eligible Residents by offering programs and services to those who live beyond the boundaries of both AFRH campuses. With technology, we can create national awareness for the AFRH, and become the envy of other retirement homes and Federal agencies. A few offerings might include online activities, healthcare forums, senior living tips, home design trends, home healthcare resources, and military-related programs and events.





- **AFRH Value Not Recognized**

Garnering attention and creating a competitive edge remains our greatest challenge. Current retirees are not aware of the opportunities available to them given their investment in the AFRH back in their service days. Currently, advertising is not permitted to reach potential Residents. Hence, a great number of retirees remain unaware of the AFRH and the great benefits of living here in retirement.

- **Poor Economy = Prospects Can't Sell Homes**

The current economic situation dictates that even eligible and approved seniors may not be able to move into the AFRH after all. The rapid decline in home sales and values over the past five years means that it is taking seniors much longer to sell their homes. Plus, they end up with less money from the sale for retirement than originally anticipated. These factors may prevent some potential Residents from moving into the AFRH.

- **Declines in Retirement Investments**

Given the recent decline in investment income due to stock market fluctuations, many eligible retirees may not have as large of a nest-egg to live a comfortable retirement. This may indeed impact their decision to move from their own house to a full-service retirement home. Still, the cost of retiring at the AFRH is far less than most private-sector homes. So this apparent threat may indeed be an opportunity we can leverage to convince veterans their savings go further, and will last longer, living at the AFRH. The challenge is to get the word out.

- **Drains on the AFRH Trust Fund**

The burdens of our aging physical plant, rising energy consumption, and escalating service costs may drain the AFRH Trust Fund. So, new and innovative ideas must be deployed to halt the erosion of funds.

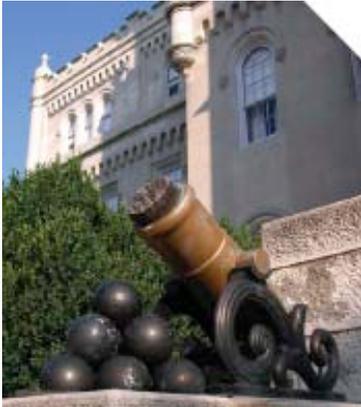
- **Difficulties in Replenishing Trust Fund**

The main source of revenue for the AFRH Trust Fund is military fines and forfeitures from active duty personnel. This works well when the US military is engaged in one or more war theaters, with many deployed troops. But, when a drawdown of forces occurs, our revenue declines rapidly.



STRATEGIC GOALS

The Guide to Greatness



The AFRH is a premier retirement community and continuing care provider for eligible veterans and retired military personnel of the US Armed Forces. We proudly serve our Residents with the same level of honor and commitment that they demonstrated in serving our country. To fulfill our mission, we have defined our Strategic Goals across four major service areas:

GOAL EMBRACE RESIDENT-CENTERED CARE

Each person will understand each Resident's individual needs and take realistic action to fulfill them within AFRH resources and capabilities.

Description & Purpose:

Our first responsibility is to ensure the satisfaction and wellbeing of the Residents. The AFRH also places high importance on the satisfaction of service partners and other key stakeholders. To generate high customer satisfaction, we will strategically provide quality services and meet our customers' needs. However, this is a negotiated relationship that operates within the realistic means and capabilities of the AFRH.

Challenges & Trends:

Our major challenge is to educate the staff and Residents about Person-centered Care to produce outstanding results, in spite of working in other operational models for years. Truly, the Home must facilitate the shift to a more effective living environment with the AFRH philosophy of Person-centered Care. To remain accredited by CARF, it is essential that we show validated changes and improvements as soon as possible.

GOAL MAINTAIN EXCEPTIONAL STEWARDSHIP:

Pursue and implement innovative ways to deflect, reduce, and manage costs by maximizing assets, resources, and programs to fulfill needs and wishes of current / future Residents.

Description & Purpose:

The AFRH Trust Fund is the source of financial resources for the AFRH and has to be continuously replenished. Our fundamental financial strategy is to effectively manage resources, decrease expenditures, increase revenue and realize net growth in the AFRH Trust Fund. The AFRH must maximize all available resources – while also providing the best services and facilities to our Residents.

The AFRH, like all other Federal agencies, is required to meet energy, waste, water, and gashouse emissions standards. That requires the involvement of every person – from staff and Resident to volunteer and contractor – to be aware, involved, and active in conserving energy.

Challenges & Trends:

Understanding Person-centered Care, gerontology, and senior living – as well as energy conservation, environmental principles and fiscal responsibility – is a large educational component that the AFRH must spearhead. Promoting awareness and empowering our community to act are the first steps.

GOAL PROMOTE A STAFF-CENTERED ENVIRONMENT:

Expand staff knowledge that directly impacts the accountability and efficiency of the Agency, which will in turn empower all employees to be proactive.

Description & Purpose:

Person-centered Care also involves the staff and their personal and professional growth. Every staff member must be aware of his/her ability to affect a difference in the bottom line as well as his/her interactions with other staff, Residents, family members, and stakeholders.

The AFRH is a growth organization that promotes professional development and excellence for all staff members. Management can achieve this by promoting learning, refining skills, building competencies, developing proficiencies and encouraging advancement. The Home encourages its employees to continually improve and expand their skills – while also gaining from the rich experience of serving the AFRH community.

Challenges and Trends:

Many “baby boomers” are retiring from Government service – and they are taking with them a time-tested respect for authority and a hard-work ethic. Unfortunately, younger employees have different attitudes, behaviors and expectations in the workplace today. This new generation is more demanding and far less patient. A partnership between the AFRH and its staff that allows empowerment is an ongoing challenge for training, supervision, and management.

GOAL LEVERAGE EXTERNAL STAKEHOLDERS:

Harness, cultivate and focus our external stakeholders to become increasingly active participants who are engaged in AFRH operations in each of the next five years.

Description & Purpose:

The Home can provide quality services to America’s former enlisted by expanding its circle of influence to families, organizations, and corporations that are interested in veterans. These stakeholders can help to manage resources, facilitate communication, and promote AFRH operations.

Challenges and Trends:

Identifying and reaching out to people and organizations outside of the physical boundaries of the AFRH is a new and exciting challenge. The possibilities are endless and quite lucrative when it comes to developing support and interest in America’s veterans who have served our country so selflessly.



The Might of Measurement



GAUGING SUCCESS

The AFRH has developed four corporate Strategic Goals to align with the Obama Administration's requirement for High-priority Performance Goals. Our updated Strategic Goals form the basis of this new AFRH Strategic Plan for 2011-2015. Each Goal below has specific and measurable objectives – with corresponding Key Actions to ensure our steady progress.

Just as our prior Strategic Plan helped guide the AFRH from financial insolvency to a position of fiscal strength, we expect this Plan to guide us to much greater performance. Our ultimate hope is to make tremendous progress over the next four years so that our veterans will be just as proud of this organization as we are of them. With that in mind, we march forward with steadfast determination to meet and exceed the following AFRH Strategic Goals:

GOAL EMBRACE RESIDENT-CENTERED CARE:

Each person will understand each Resident's individual needs and take realistic action to fulfill them within AFRH resources and capabilities.

Objective RC1: Enhance and increase communication with direct input from Resident and staff.

Key Action

- RC1-a Build & develop a communication plan to include Resident education (April-May 2011).
- RC1-b Use internal/external methods inclusive of Team STEPPS® concepts (E.g., SBAR, huddles, CUS) and staff meetings, standup, Resident TV, Plan of the Week (POW), town halls, Focus Groups, RAC, Communicator, RAC Resident Committees and Local Board.
- RC1-c Develop AFRH policy to maintain Logbook (electronic database/spreadsheet) to document Resident generated complaints or questions with resolutions and follow-up.
- RC1-d Implement Closet Care Plan plus follow-up and follow-through for ILP, AL, LTC/MS.
- RC1-e Enhance continuity of Position responsibilities between both campuses (Adhere to One Model – do not reinvent the wheel).

Objective RC2: Develop and offer comprehensive training for staff, and require parallel training for contractors and volunteers, related to Resident-centered care – which is in turn tied to performance, competencies, and accountability.

Key Action

- RC2-a Establish a training program that is oriented toward measurable results.
- RC2-b Display linkage between training with results on IPP.
- RC2-c Develop and maintain a referral program with follow-through for accountability.
- RC2-d Implement and initiate Team STEPPS for AFRH.
- RC2-e Assure safety program is exercised and effective.
- RC2-f Use a team approach to deploy Vitality Plan.
- RC2-g Expand scope of existing training resources to cover Person-centered Care.
- RC2-h Train staff and volunteers how to respond to difficult situations.

Objective RC3: Encourage activities for Residents' Health and Wellness.

Key Action

- RC2-a Conduct annual PPD, H&P, and other screenings for Residents and staff.
- RC2-b Continue efforts on both campuses regarding health fairs.
- RC2-c Create quarterly health-focused communication for AFRH TV station, Newspaper & Town Halls.
- RC2-d Expand Safety awareness through activities and programs.
- RC2-e Incorporate Resident social activities based on survey in July 2011.



GOAL MAINTAIN EXCEPTIONAL STEWARDSHIP:

Pursue and implement innovative ways to deflect, reduce, and manage costs by maximizing assets, resources, and programs to fulfill needs and wishes of current / future Residents.

Objective ST1: Utilize outside resources to lower costs (Medicare, Tricare, Historic Preservation Society).

Key Action

- ST1-a Find a contractor to research the benefit of the National Healthcare Reform Act (by FY12).
- ST1-b Develop an inventory list of resources (outside) to reduce costs.
- ST1-c Petition for a grant: Historic Preservation Fund (HPF) under Department of Interior (DOI) to work on historical buildings.

Objective ST2: Seek authority for grants and fundraising through DoD and Congress.

Key Action

- ST2-a Create verbiage, presentations, and language for fundraising.
- ST2-b Work with DoD to present new language for Congress.

Objective ST3: Establish annual net revenue by 2013 and maintain "in the black" status.

Key Action

- ST3-a Maintain and update AFRH Long Range Financial Plan.
- ST3-b Execute DOD guidance for AFRH Master Plan.
- ST3-c Establish and implement AFRH Capital Improvement Plans.
- ST3-d Invest in video teleconferencing equipment (i.e., Skype) to more effectively communicate ideas and hold meetings between communities.

GOAL PROMOTE A STAFF-CENTERED ENVIRONMENT:

Expand staff knowledge that directly impacts the accountability and efficiency of the Agency, which will in turn empower all employees to be proactive.

Objective SC1: Educate staff on accreditation, inspection, and regulatory standards (annually).

Key Action

- SC1-a Achieve and maintain CARF/CCAC accreditation (includes individuals and groups addressing CARF recommendations).
- SC1-b Formulate a training program for new and current employees, contractors, and volunteers.
- SC1-c Share focus groups, CARF recommendations, and DoD findings with all employees.

Objective SC2: Encourage responsible displays of individual initiative to achieve organizational Goals and staff accountability (daily).

Key Action

- SC2-a Implement Team STEPPS approaches (E.g., huddles, SBAR, CUS).
- SC2-b Use the Needs Assessment Team (NAT) to break down silos.
- SC2-c Implement & demonstrate new initiatives through Performance Improvement (PI) teams.

Objective SC3: Link performance to results (semi-annually).

Key Action

- SC3-a Monitor employee accountability semi-annually through individual performance plans.
- SC3-b Develop effective metrics to reward performers and to weed out non-performers.

Objective SC4: Encourage activities that promote workforce growth beyond training.

Key Action

- SC4-a Develop and implement activities that promote understanding (multi-cultural, cross-generational, cross-societal).
- SC4-b Develop and deploy a plan that addresses personal education and growth.

GOAL LEVERAGE EXTERNAL STAKEHOLDERS:

Harness, cultivate and focus our external stakeholders to become increasingly active participants who are engaged in AFRH operations in each of the next five years.

Objective ES1: Explore and recommend Board membership to ensure diversity, local campus representation, and functional guidance based on membership's expertise.

Key Action

- ES1-a Develop orientation process for new members outside of regular meeting time. Get them up and running prior to their first meeting.

Objective ES2: Partner with High Profile Drivers (HPDs) to successfully effect recommended changes in law, policy, finance, healthcare, and Resident initiatives that impact AFRH.

Key Action

- ES2-a Make contact with Congressional staffers quarterly.
- ES2-b Hold an annual Veterans Services Organization (VSO) event.
- ES2-c Establish and hold two community events on each campus annually (by the end of FY11).
- ES2-d Pursue "Grateful Nation" sponsorship: Boeing, Motorola, and General Dynamics.

Objective ES3: Partner with volunteers and families to identify Resident and staff concerns – then negotiate solutions to resolve issues.

Key Action

- ES3-a Plan and implement a message channel (Forum) used by Residents, Volunteers, and Families to lodge, resolve, and monitor complaints to a successful resolution.
- ES3-b Incorporate RAC participation in the resolution of issues.
- ES3-c Brainstorm a list of possible Board/HPDs, Family members, and Volunteers for inclusion and "courting" in the next 6 months.

Objective ES4: Plus up opportunities to cross-flow information from our known and suspected silos.

Key Action

- ES4-a Adopt "One Vision, One Mission, and One Organization", then highlight successes quarterly to all stakeholders.
- ES4-b Establish a silo demolition team incorporating at least three different functions responsible to share information and act on it to conclusion.
- ES4-c Incorporate information from current processes such as PI, NAT and more.

Objective ES5: Explore new revenue streams.

Key Action

- ES4-a Research one new revenue or cost-avoidance stream every year, for five years.

