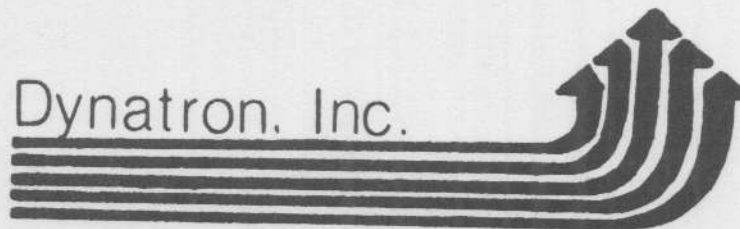


Dynatron Incorporated Biennial Report

July 1, 1980 - June 30, 1982



An Affiliate of the Specialized Training Program

Board of Directors

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Nancy Landis
Emily Moore
Bill Custer
Blair Fredstrom
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Member
Member
Member

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Dennis Sandow
Diane Dueno
Paul Marcouiller
Deborah Conrad

Director
Production Manager
Program Manager
Habilitation Assnt.

October 12, 1982

Having just passed our fourth anniversary, October 6, 1978, we are delighted to present to you Dynatron's Biennial Report.

With a distressed economy marking a 9.9% unemployment rate for Oregon's civilian labor force, (Annual Economic Report 1982, State of Oregon, Employment Division, 7/82), we are quite pleased to report on the continued and increased employment of Dynatron's moderately, severely and profoundly mentally handicapped adults.

To give credit where it is due we need to acknowledge a great variety of supporters. First and foremost we thank our handicapped employees, for they have proven, empirically, that a program such as Dynatron can adopt a single purpose, and, develop a direct service based program that is financially self-sufficient. We wish to credit Dynatron's Board of Directors and staff who have not only adopted a unified policy regarding the purpose of Dynatron, but, have also unselfishly responded to empirical data, disregarding personal biases and promoting the organizational strength required to produce the outcomes within this report.

We thank the staff of the Specialized Training Program and staff and Boards of similar replication sites to the exclusion of no one. You all have been quick to give Dynatron your unsolicited support during times of excessive work hours, difficult times, etc., your support is invaluable.

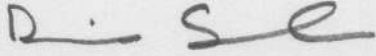
We thank our customers who have allowed critical assemblies to be manufactured by our workforce. Your willingness to cultivate and nurture a dependence on Dynatron's workforce for certain material requirements is a model of private industry supporting publicly supported programs to the mutual advantage of all.

We thank and appreciate the Deschutes Family Counseling Clinic for allowing Dynatron to flourish under your jurisdiction. A replication of research, such as Dynatron, many times does not conform to prescribed policies of existing services. Thanks for your patience and support of employment of moderately, severely, and profoundly retarded adults.

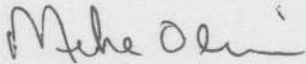
We thank Representative Tom Throop for extracting community service data and being the impetus behind one of the most innovative and humane pieces of legislation for mentally retarded/developmentally disabled citizens, House Bill 3232. Thanks for the courage it took to address issues formally judicated at the Supreme Court level in Oregon's Legislature, Tom.

Lastly, we thank the parents and volunteers of the Association for Retarded Citizens for your continued activities to better the life of those we serve. You have showed us, and we concur that the people we serve are not children any more. We hope this report is a glimpse of the future, a step towards the rightful, dignity they deserve.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. Sandow". The letters are cursive and somewhat stylized.

Dennis Sandow, Director

A handwritten signature in dark ink, appearing to read "Mike Olin". The letters are cursive and somewhat stylized.

Mike Olin, President

PEOPLE SERVED AT DYNATRON

Mission

The purpose of Dynatron is to offer long term employment to severely handicapped adults. To achieve this goal Dynatron operates an electronic sub-contract shop manufacturing wire harnesses, cable harnesses and printed circuit boards. In adopting this mission Dynatron's policies further stipulate that services are prioritized, and, that the most severely handicapped referral will be ranked as the highest priority for services. In realizing that vocational activities constitute the majority, but not the total activities of non-handicapped adults, Dynatron provides training in areas promoting community access and age appropriate behaviors.

Progress

Dynatron served an average of thirteen handicapped adults during the reporting period. This was three positions less than Dynatron was funded for, however, with the assistance of the Oregon Mental Health Division, Deschutes Family Counseling Clinic and the Association for Retarded Citizens of Central Oregon, five moderately-severely handicapped adults will be moving into the Bend community from either of the two state institutions, and, employed at Dynatron. Dynatron offers it's thanks and appreciation to all who are making this move possible.

Dynatron has augmented it's mission over the 1980-82 reporting period. The first program serves to offer vocational training to severely handicapped youths. Begun in 1981, in conjunction with Bend Public Schools, Dynatron provides training in electronics assembly during the school year, and then, continues with employment throughout the summer. The second program offers computer keypunch training to a physically disabled adult.

During the reporting period the average age of a Dynatron assembly employee was 32 years. The average intelligence quotient was 38, with an I.Q. range from 20-66. The average I.Q. during the past two years increased 26%, indicating a trend towards serving more moderately handicapped adults.

Future Goals

1. To continue to serve the most severely handicapped adults referred to Dynatron.
2. To continue to offer to provide long term employment to handicapped adults currently being held at Fairview Training Center and Eastern Oregon Hospital.
3. To develop appropriate objectives for those not appropriate for long term employment.
4. Formalize summer employment program for severely handicapped youth.
5. Develop community access measures to evaluate impact on quality of life, and, formal vs informal training.
6. Initiate consumer satisfaction index to monitor individual quality of life.

VOCATIONAL SERVICES

Mission

Dynatron, Incorporated has continued it's mission to operate two self-sufficient electronics sub-contract shops which employs severely handicapped adults. Related to this mission Dynatron adopted five goals in October, 1980, they were:

- 1) Increase the productivity of the handicapped labor force.
- 2) Serve a wider customer base necessary for long term financial solidarity.
- 3) Continue to prioritize vocational training to the most severely handicapped employee of Dynatron.
- 4) Increase monthly take home average by 15-25%.
- 5) Increase employee's time in production to 80-90%.

Progress

The following progress on October 1980 goals were achieved during Dynatron's last Fiscal Year, (July, 1981-June 30, 1982). The reported data corresponds to the goals above.

1. Graphically depicted in Fig. 1.1, Dynatron's productivity increased 77% over the reporting period. The low productivity of the target workforce was 26% in July, 1981. The high productivity was 46% in June, 1982.
2. During the reporting period Dynatron added two customers to it's customer base. In November, Dynatron began manufacturing a program burn in card for National Semiconductor. In June, Dynatron received purchase orders from Network Measurements Division, Hewlett Packard, for a interconnect cable.
3. Training has been continually prioritized to the employee earning the fewest dollars per month. The Fig. 1.1 and Fig. 1.2 represent the outcome of this policy.
4. Over the reporting period, (7/1/81-6/30/82) the average monthly wage was \$105.47. This does not include benefits, (sick/vacation leave). The average represents a 50% increase in average wages as opposed to the 15-25% increase targeted in October, 1980. Fig. 1.2 depicts trends in the gross monthly wage for Dynatron's target workforce over the reporting period.
5. Dynatron did not achieve this goal. Rather Dynatron's employees spent an average of 76% of their time in production.

Future Goals

There are eight goals related to vocational services.

1. Hire a full time Habilitation Assistant.
2. Open electronic sub-contracting with three independent manufacturers.
3. Increase shop productivity from 46% (June 1982), to 55%.
4. Increase monthly take home average from \$145.00 (June 1982), to \$200.00.
5. Continue to prioritize training to the most severely handicapped employee first.
6. Increase time in training to an average of 54 hours/month.
7. Continue to operationalize and adopt training technologies validated at the Specialized Training Program.
8. Document all sub-assemblies with task analysis.

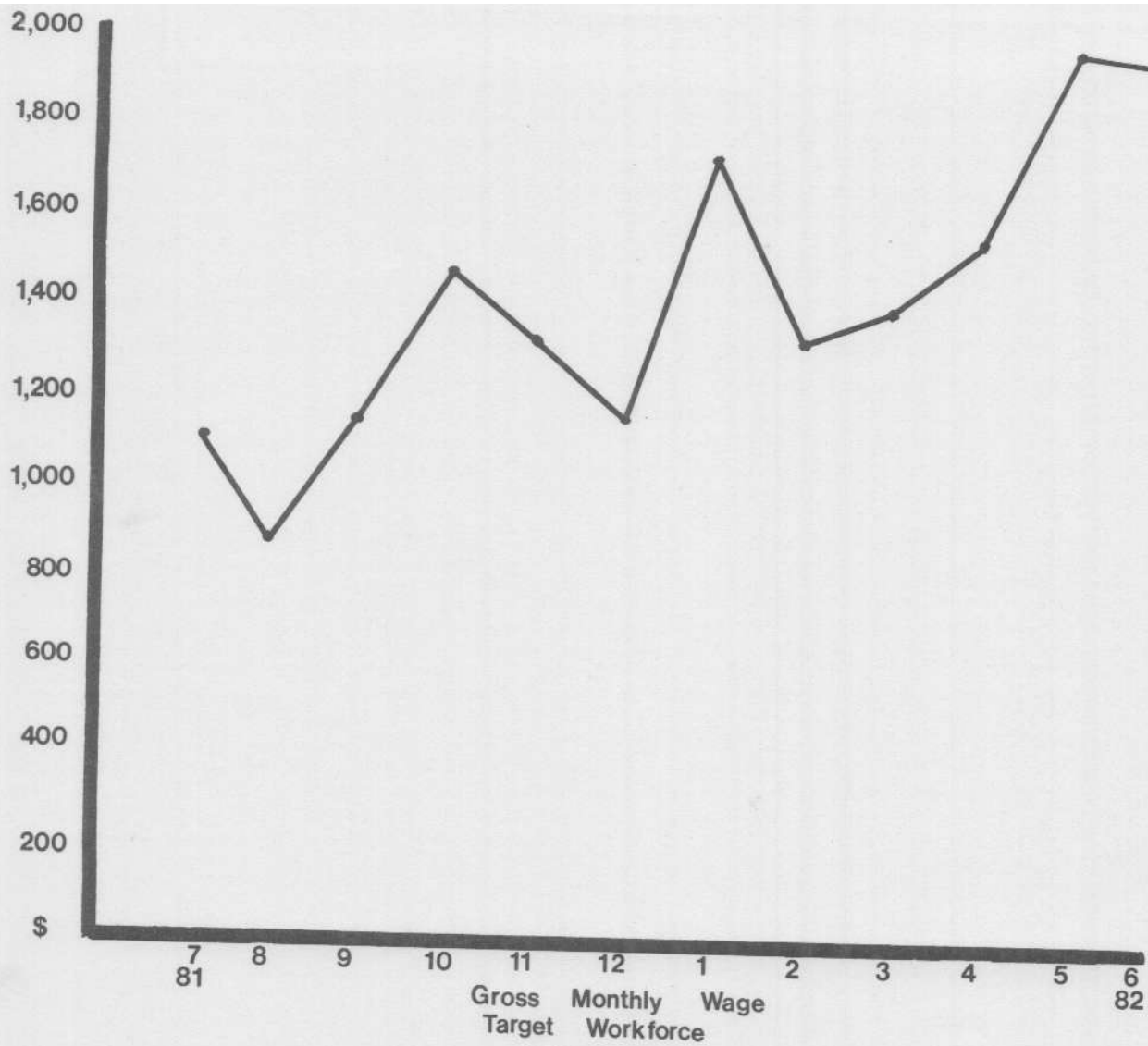


FIG 1.2

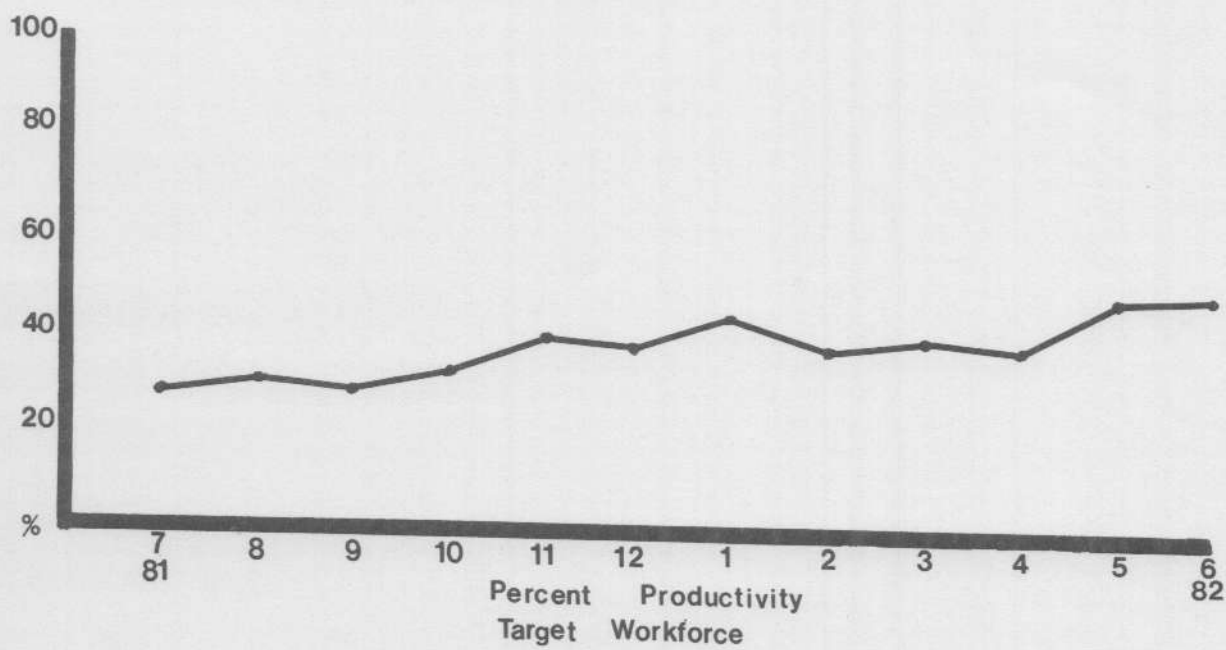


FIG 1.1

COMMERCIAL OPERATIONS

Mission

Dynatron's mission to offer long term employment in electronics assembly to moderately, severely and profoundly mentally retarded adults is contingent upon a strong set of commercial operations. The commercial operations then, are a network of systems which allow Dynatron to acquire, maintain and build relations with the private sector.

Progress

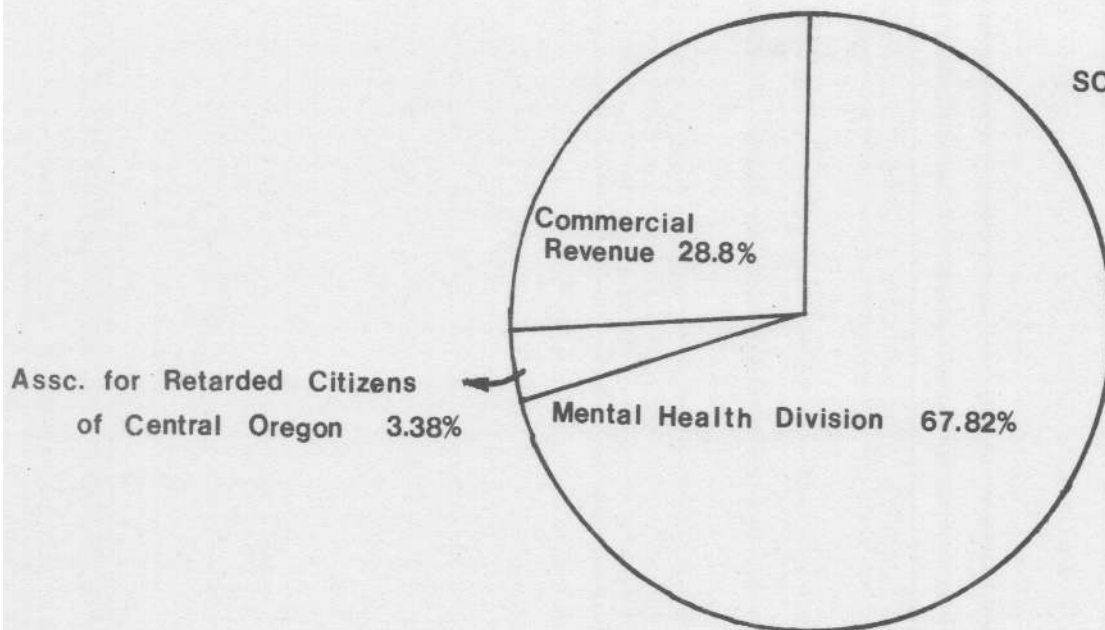
As submitted to the public, there were no goals in commercial operations in October 1980. Fig. 2.1, depicts Dynatron's growing dependence on commercial revenues. Despite a generally distressed economy Dynatron's commercial contribution to total income increased by 74% since 1980! In FY 1981-82 Dynatron matched public funding, dollar for dollar through commercial activity and investment incomes. Fig. 2.2 represents a cumulation of products and customers Dynatron has had the pleasure of working with since our doors opened in October of 1978.

Future Goals

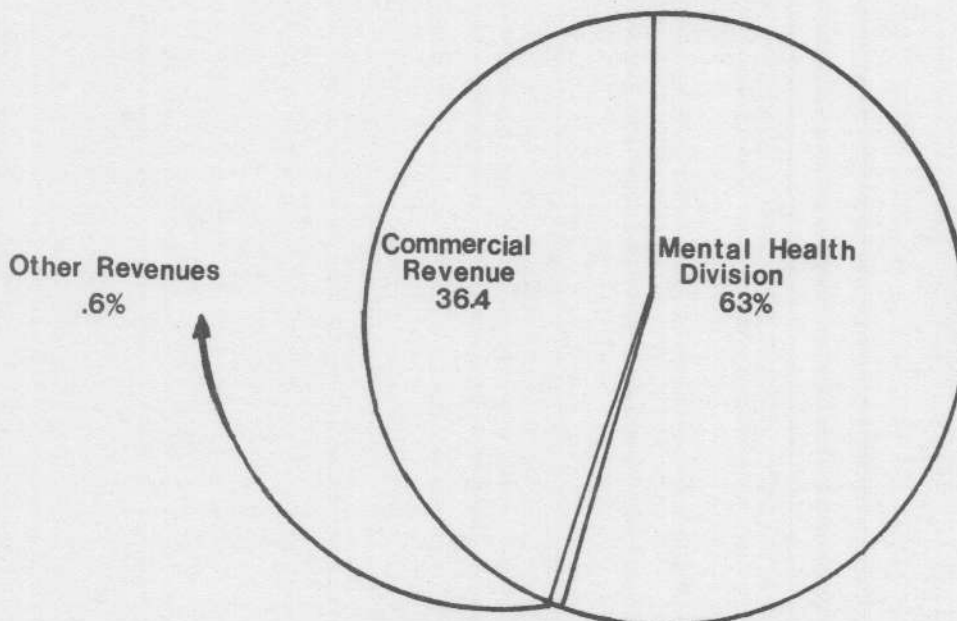
Again, Fig. 2.1 demonstrates Dynatron's income as dependent on commercial activity as it is on public funding. To continue to secure, and expand, this contribution Dynatron has nine goals related to commercial operations. It is evident that Dynatron will continue to design and implement commercial operations as our relations with customers mandate.

1. Expand physical plant to 3,000 - 4,000 sq. ft.
2. Utilize second phase computer programs including: forecasting, return on investment, order point calculations, etc.
3. Evaluate product/market diversification.
4. Initiate sales data system and share cooperatively with sister shops.
5. Establish feasibility of servicing contracts in Santa Clara Valley.
6. Research and adopt more efficient quality assurance procedures from private sector.
7. Adopt and operationalize M.I.Q. specifications in quality assurance.
8. Develop production inservices for production manager.
9. Select utilitarian production schedule format.

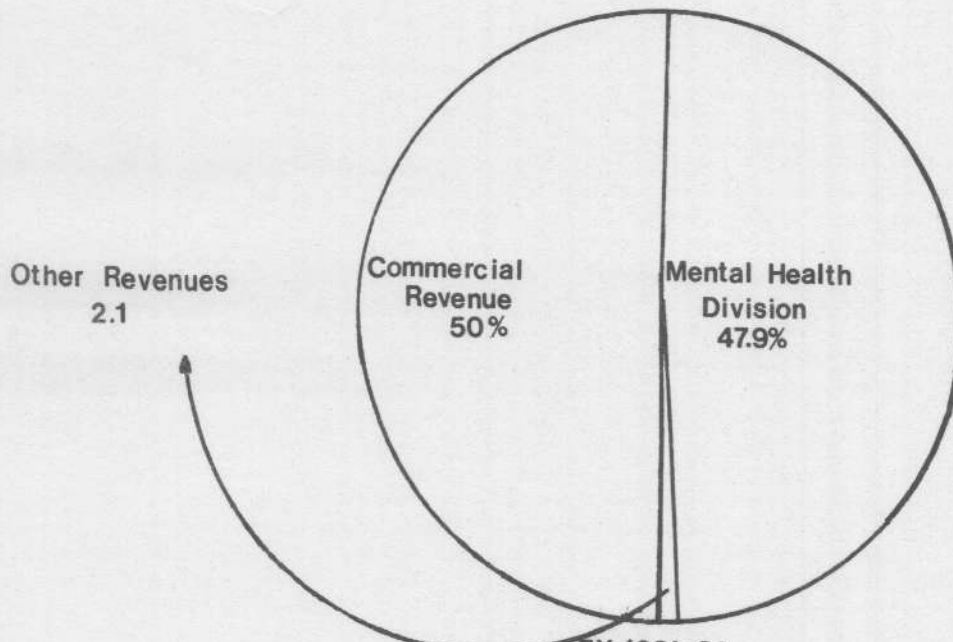
SOURCES OF INCOME
FIG 2.1



FY 1978-80



FY 1980-81



FY 1981-82

SUB-CONTRACTED PRODUCTS SINCE 1978

Switching Devices

Oscilloscope cam switch acuator

Wire Harness'

Laced cable harness
Crash stop cable

Cable Assembly

Power supply cable
RS 232
Interconnect cable

Printed Circuit Boards

Power supply board for blood pump in dialysis machine
Control board for blood pump in dialysis machine
Program burn in card

Manual Assemblies

Component crimp
Component vice cut
Component fixture bend
16 bearing chain saw sprocket
24 bearing chain saw sprocket
Dogbone bearing chain saw sprocket
Peanut bearing chain saw sprocket

SUB-CONTRACT CUSTOMERS 1978 - 1982

Drake Willock Company
Hewlett Packard, Vancouver Division
Intel
Hewlett Packard, Network Measurements Division
Morrow Company
Omark Industries

MANAGEMENT

Mission

As stated in October, 1980, Dynatron's Board of Directors have managed and been solely responsible for the operation of Dynatron Incorporated. Their collective mission was; to replicate the technology developed at the Specialized Training Program, offer quality vocational services to severely handicapped adults residing in Deschutes County, operate a program not dependent on philanthropic support, base decisions on data generated by handicapped employees rather than pre-conceived notions, and to significantly decrease handicapped employees dependence on state welfare systems.

Progress

In October 1980 Dynatron identified four goals related to management.

1. Insure the Board is adequately occupied with professionals necessary for proper management.
2. To increase Dynatron's financial independence, beyond 30%.
3. Continue to serve Deschutes County's severely handicapped population.
4. Continue to represent our handicapped employees as adults accomplishing vocational goals in electronics assembly.

The following is Dynatron's progress related to those four goals.

1. Dynatron's Board is currently comprised of successful businessmen, representatives from accounting, legal and health professions, private citizens and a parent of a developmentally disabled adult.
2. Dynatron's financial independence, (commercial + other revenue/total income x 100), was 50% for FT 1981-82. This surpasses our goal by 67%!
3. Dynatron continues to prioritize severely handicapped adults for services.
4. Through habilitation, training and time in production, Dynatron continues to represent our handicapped employees as vocationally competent adults.

Along with the performance on 10/80 goals there were other areas of significant growth over the past fiscal year.

- Relating to a portion of it's mission, to replicate the technology developed at the Specialized Training Program, Dynatron was measured on July 20, 1982 as implementing 96% of the checklist items on the STP Model Implementation Checklist.
- Through the past two years programs from Nova Scotia, Oregon, New York, Texas, Kentucky, Georgia, Missouri, Connecticut, California, Ohio, Maryland, West Virginia, Washington and Newfoundland have corresponded with Dynatron requesting additional data on the program.

- Fig. 3.1 represents the overall management outcomes relating to the Board of Directors primary mission, employment of moderately, severely and profoundly retarded adults.
- Fig. 3.2 depicts the percent change in Dynatron's revenues and expenditures between 1981-82. This emphatically supports Dynatron's commitment to commercial growth (commercial vs MHD revenue), personnel (staff and client wages vs total expenditures) and prudent fiscal management (excess revenues over expenditures).
- Also relating to it's mission statement Dynatron did not solicit, collect, or accept any contributions or philanthropic funds, thus, supporting the programs ability to support itself financially.

Future Goals

There are seven goals related to management.

1. Increase financial independence by increasing commercial/investment revenue from 54% (1981-82 average) to 75%.
2. Construct financial statements to be reflective of agency/commercial nature of shop.
3. Foster closer relations with similar STP sites.
4. Continue public relations at local, state and federal levels.
5. Continue to operationalize and adopt training strategies validated at the STP.
6. Secure experimental/shelter workshop certificate from the Dept. of Labor.
7. Sponsor inservices, PL 95-602 and Dept. of Labor, for parents and clients.

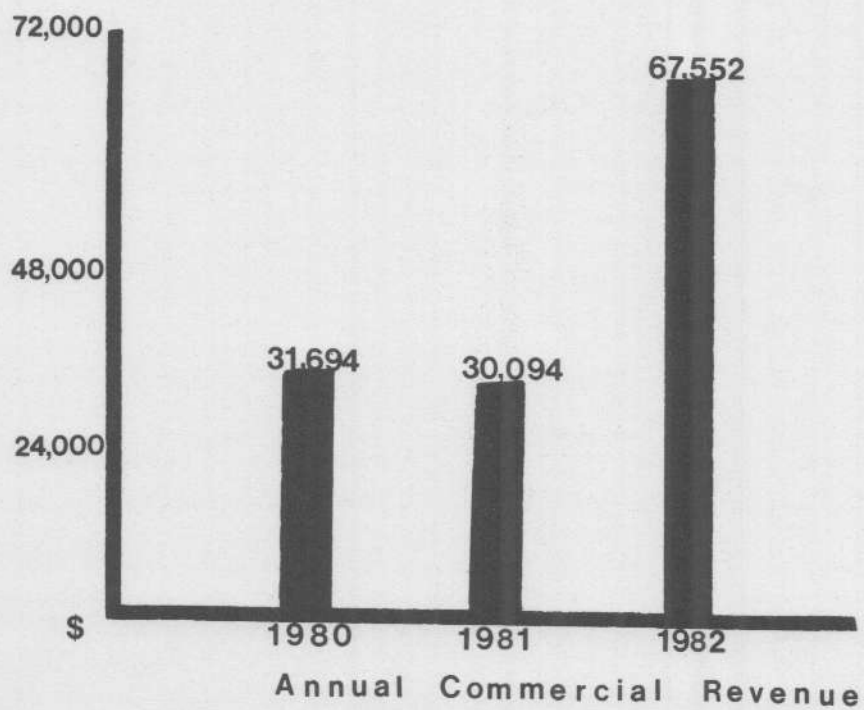
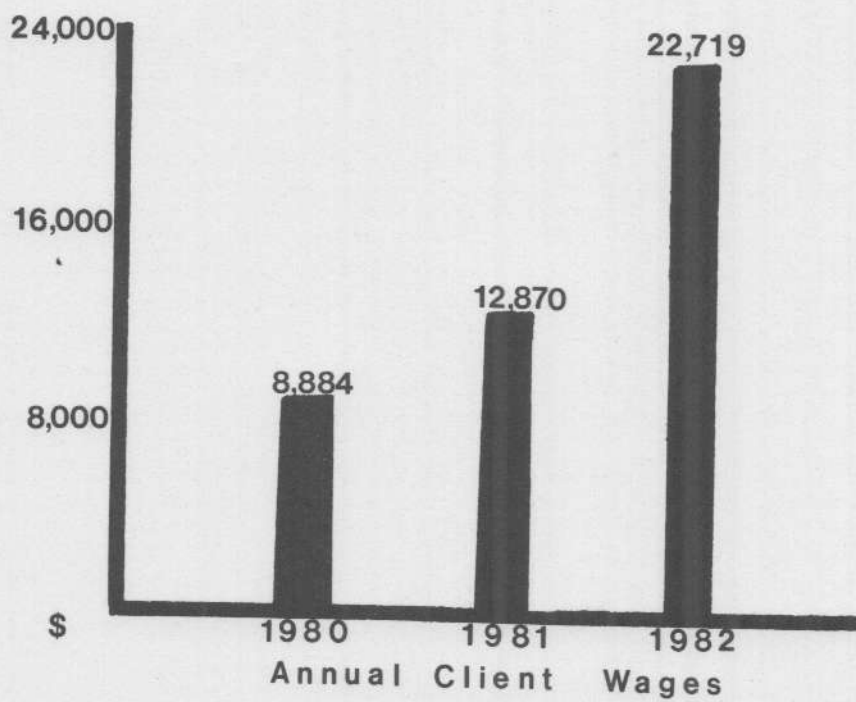
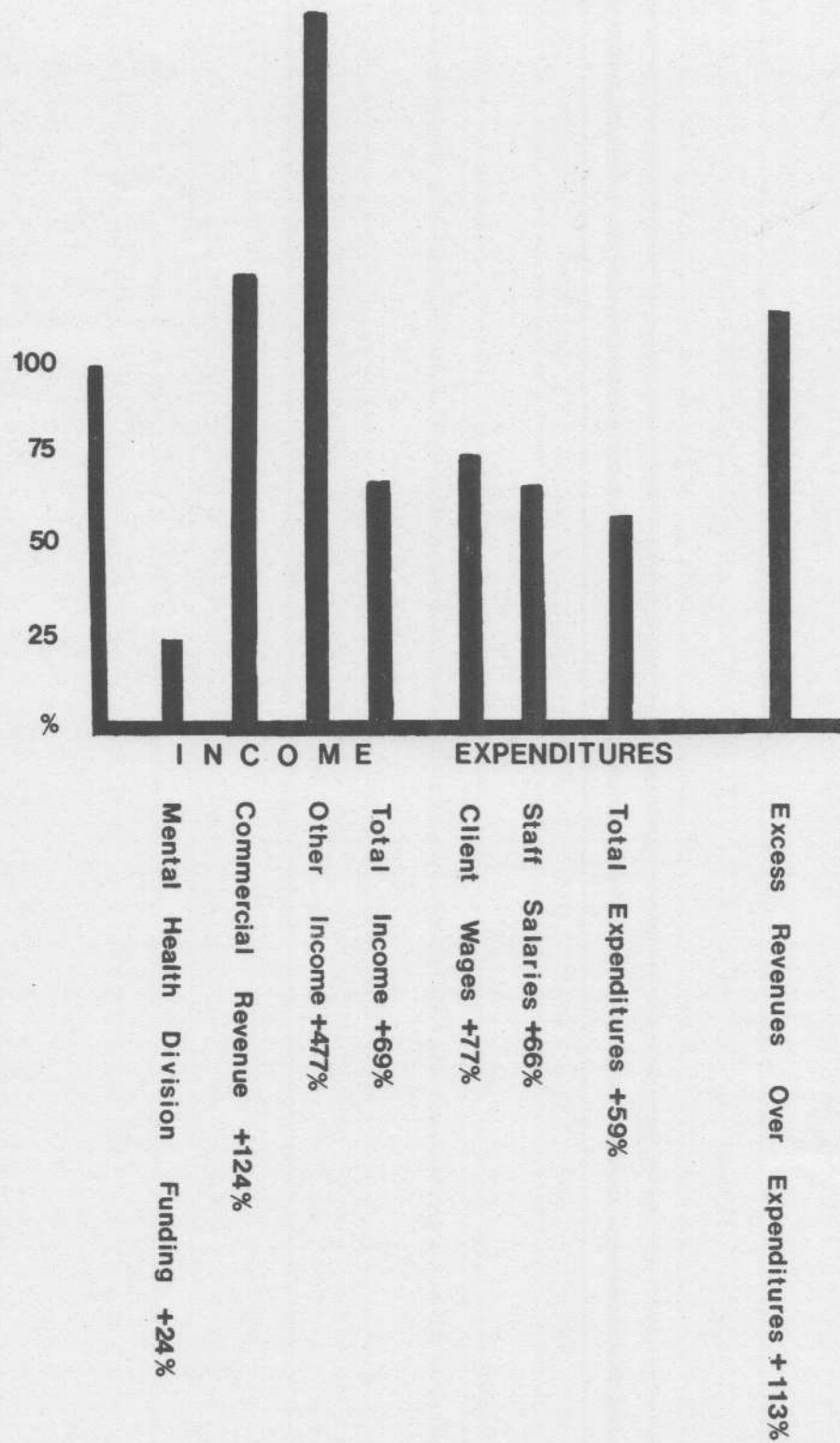


FIG 3.1



PERCENT CHANGE 1981 - 1982
FIG 3.2