



THE PLACE TO START & GROW YOUR BUSINESS



Support for small business. Countless ripples.

2010 INTREGRATED REPORT

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*From January 2009 through April 2011,
WESST's Albuquerque and Rio Rancho clients
created **380 new jobs**,
contributed **\$38.4 million in gross regional product**,
and generated **\$19.6 million in personal income** and **\$18 million in consumer spending**.¹*

Cover Photos: (Lto R) Louis Zaina and Tony Bunnell, Roofcare; Jeanette and Martin Candelaria, Greetings, Etc., Inc.; Debbie Ball, The Candy Lady; Matthew Kreitman and Robby Lipworth, Ground Floor, LLC; Elissa Breitbard, Betty's Bath and Day Spa; Patti Garrity, Dipietro's Biscotti and Gifts

Message from the Chair and President

Welcome to WESST's first integrated report. This approach to reporting reflects a growing trend for organizations to be more transparent and accountable to their stakeholders. As a nonprofit, we believe we have a responsibility to our contributors, clients, staff and other stakeholders to use the resources they provide in an efficient, effective and sustainable manner.

By integrating our financial performance within the social, environmental and economic context of our operations, we hope you will be better able to understand WESST and assess our program effectiveness and long-term viability. For us, the report is a starting point to evaluate our strengths and areas for improvement. It is also a starting point within our sector, because we are among the first nonprofits in the United States to report in this manner.²

In 2010, despite the ongoing economic recession, we continued to support entrepreneurs and the vital role that small business plays in fueling job creation and stimulating the economy. In fact, the Mid-Region Council of Governments recently began an economic analysis of new employment generated directly due to the assistance of WESST. The initial report estimates that WESST, specifically our activities in Albuquerque and Rio Rancho, has contributed 380 new jobs and \$38.4 million in gross regional product from January 2009 through April 2011. You can read more about the economic impact of our programs and services on page 8.

Also in 2010, we developed a five-year strategic plan, which will guide how WESST's programs and services can have an even greater impact on New Mexico's economy and beyond. Building on our strong national and local reputation for innovative program development and comprehensive service delivery, we are well positioned to move to a new level of performance and growth.

The cumulative impacts that you will read about in this report are the result of many relatively small but important acts that ripple from our clients to their families, employees and communities: from the low-cost loan that grows a business and enables local hiring to the training course that leads to a new business and financial independence. This ripple effect is not only the theme of this report; it's the heart of what we do.



Agnes Noonan
President

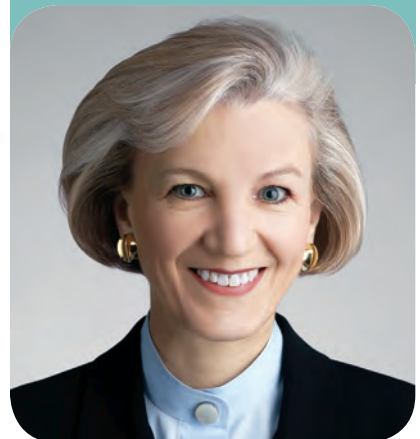


Beverly Reece Bendicksen
2011 Chair



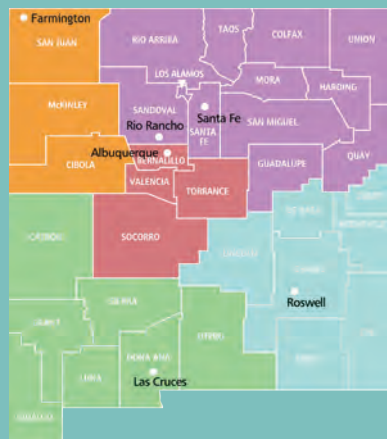
Agnes Noonan

Beverly Reece
Bendicksen



WESST's Six Enterprise Centers Have One Thing in Common:

A Commitment to Helping New Mexico Small Businesses Succeed.



WESST Enterprise Centers are located in Albuquerque, Farmington, Las Cruces, Rio Rancho, Roswell and Santa Fe.

About This Report

WESST's first integrated report combines the financial information regularly included in our annual report with a sustainability report. Sustainability reports provide a balanced overview of an organization's social, economic and environmental impacts and its performance in these areas.

The report covers the period from January 1, 2010, through December 31, 2010, except where noted otherwise. While we report financial information annually, we are using this first integrated report to evaluate the frequency of future reports in this format. Evaluation factors include the availability of resources required for reporting, stakeholder feedback on the usefulness and value of the report, and the costs involved in developing and publishing an integrated report.

Report Scope and Boundary

The report includes the performance of our Albuquerque headquarters located in the WESST Enterprise Center and our five additional Enterprise Centers located throughout New Mexico in Farmington, Las Cruces, Rio Rancho, Roswell and Santa Fe.³ Refer to *Our Footprint* on page 13 for limitations on the boundary for the environmental performance indicators we report.

We used the Global Reporting Initiative (GRI) Reporting Framework, including the NGO Sector Supplement, to guide the development of this report. The GRI Framework provides a global standard for best practices in sustainability reporting. Additional GRI information and the GRI Index are on page 16.

For this initial report, we followed a simple approach to define the content. A small cross-functional team participated in a third-party assessment of WESST's social, economic and environmental impacts. From this review, the team identified material topics and associated performance indicators, which the team then reviewed and finalized with WESST's president. Final topics were selected based on materiality to the organization and availability of data.

The key stakeholders and target audience for this report include current and potential funders, Board members and clients; our staff, volunteers and mentors; and members of the local communities where we work. We also hope other readers find this report useful for learning more about WESST.

We will use this first report to engage with our stakeholders and gain feedback on future topics and issues of importance to them, employing a more structured approach to materiality and topic prioritization.

ABOUT WESST

WESST is a statewide small business development and training organization committed to growing New Mexico's economy by cultivating entrepreneurship. Founded in 1988 as a 501(c)3 nonprofit, WESST has nurtured the entrepreneurial dreams of thousands of New Mexicans by providing training, technical assistance and access to capital. We believe that expanding entrepreneurship is the most effective way to yield the greatest economic impact.

Our mission is to be a home to entrepreneurs. We provide a support system for our clients so they can successfully grow their businesses through market penetration, job creation and capital accumulation.

Our vision is to be a leader in growing businesses beyond New Mexico by expanding our services to a global audience through online learning tools that provide business and marketing information essential to planning, operating and growing a successful business anywhere in the real or virtual world.

WESST is headquartered in the WESST Enterprise Center in Albuquerque and operates through five additional Enterprise Centers located throughout New Mexico. We deliver our services through five key program areas: business training, business consulting, low cost loans, business incubation and special programs. Learn more about our programs on page 8.

We provide services across all sectors and support all individuals, while maintaining an emphasis on serving minority, low-income and women clients. We take great pride in knowing that the support we give to each client spreads to their families, their employees and communities: each small act carries the potential for greater impact.

Learn more at www.wesst.org



SUBE, INC.

"Thanks to WESST's SEO work, my business has gone from using my website as a glorified brochure with zero sales, to a primary source of income with 80 percent of my sales coming from direct searches to my site. This has saved me thousands of dollars in traditional print advertising and conferences, and makes the sales and marketing process seem effortless and enjoyable."

Agnes Chavez, *President*
Sube, Inc.
Taos, NM

Founded in 1996, Sube produces a line of multimedia products that empower teachers and parents to teach Spanish or English as a second language by incorporating research-based teaching methods into art, music and games. Learn more at www.sube.com.

2010-2011 BOARD OF DIRECTORS

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Modrall Sperling

2011 Chair

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Heritage Hotels & Resorts, Inc.

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Mary L. Escobar
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Ab Potter

Gordon Electric Supply, Inc.

Carol Radosevich

PNM

Sharen Ramirez

Wells Fargo Bank

Adam Trubow

TAL Realty

David Vedera

BV Alan, Inc.

Governance

WESST is governed by a pro bono Board of Directors composed of 17 independent members and WESST's president, who serves as an ex officio member.



(L to R) Mike Bickel, Pedro Garza and Frances Padilla; Diane Harrison Ogawa, Carol Radosevich and Amy Miller; Jonathan Urquidez, Anthony Urquidez and Cindy Wilson

The Board meets every other month, and its primary responsibilities include providing strategic direction, financial oversight, and policy establishment and oversight; and supporting and evaluating the president. Board members also play a leadership role in working with staff, volunteers, community partners and others to heighten WESST's profile throughout the state. The Board elects new members who can serve one-, two- or three-year terms, for a maximum of two terms in each category.

The four Officers of the Board, the immediate past Chair and the president serve on the Executive Committee. Other key organizational committees include the Governance, Loan Fund, Finance, Development, Marketing and Admissions Committees.

In 2010, the Board developed a five-year strategic plan along with a suite of annual goals and objectives in four focus areas: program services, loan fund, finance and operations, and the WESST Enterprise Center incubator. Related results are reported in *Our Programs* beginning on page 8.

Organizational Structure

The president oversees the vice presidents of development, finance, client services and lending, and the managing director of the Albuquerque incubator. WESST's six regional managers also report to the president.

Our management team embraces an open door policy, which encourages all staff to discuss any issue directly with the president. In addition, the Board of Directors welcomes employee feedback and invites financial and senior staff to attend its meetings as observers. Every year, the president receives an evaluation from the Board, which includes confidential input from WESST staff.

Stakeholder Engagement

Our interactions and engagements with individuals and organizations are central to the way we support our clients. Like most nonprofits, relationship building is essential to our success; therefore, we seek ongoing dialog with our key stakeholders. Approaches to engagement range from informal conversations to surveys, meetings and events.

We consider our key stakeholder groups to be those who most impact or influence our performance or are impacted by our services:

- ≈ Contributors who fund or support our programs and services: governments, foundations, corporate donors and individuals
- ≈ Individuals who promote and deliver our services: Board members, employees, contractors, volunteers and mentors
- ≈ Beneficiaries who receive or benefit from our services: former, current and potential clients, and the communities in which they live and work

The *Our Programs* section on page 8 provides more details about ongoing engagement efforts specific to our programs.

Awards & Recognition

We are proud of all of our accomplishments and the recognition that WESST and our staff members received in 2010. Third-party recognition not only provides valuable feedback on our services and the value of our work; it also encourages ongoing improvement.

2010 Awards & Recognition

WESST

- ≈ **Hewlett-Packard**
HP LIFE (Learning Initiative For Entrepreneurs) technology grant
- ≈ **New Mexico Business Weekly**
Best Places to Work: 8th place in Small Business
New Mexico Business Weekly Book of Lists: 3rd largest economic development agency in state
- ≈ **Samaritan Counseling Center**
New Mexico Ethics in Business Awards, Paul and Ladonna Hopkins Award for Excellence in Ethical Practice by a Nonprofit Organization (nominated in 2010, awarded in 2011)

WESST Enterprise Center, Roswell

- ≈ **U.S. Small Business Administration**
Women's Business Center of Excellence award

Barbara Lopez, IDA Program Manager, Albuquerque

- ≈ **U.S. Small Business Administration**
Financial Services Champion of the Year award

Anthony Urquidez, Regional Manager, Roswell

- ≈ **U.S. Small Business Administration**
Minority Small Business Champion of the Year award
-



GREAT LIVIN' LLC

"We've always had a game plan for our business, but it's nice to talk to other incubator members and WESST counselors when we have questions about strategy, growth and infrastructure. They're right there and willing to help us make decisions about how fast we want to grow, when to slow down and what we want to highlight. Starting our business without WESST would be like riding a bike without training wheels."

Matt Poel, *Executive Director*
Great Livin' LLC
WESST business incubator member since 2009

Founded by Matt Poel and Steven Nadolny in April 2008, Great Livin' LLC provides group home and supported living services to Medicaid Developmental Disability and Mi Via Waiver program recipients. For more information, visit www.greatlivin.com.

CONTRIBUTORS

We receive funding for WESST's programs and operations through government, foundation, corporate and individual support.⁴ This financial support is enhanced by in-kind contributions. Together, these generous contributors enable us to fulfill our mission, and we greatly appreciate and acknowledge all who have provided financial and in-kind support in 2010 and over the years.

For more information on our funders, partners and supporters, visit www.wesst.org/about/funders-supporters.

Financial Donors

* designates top five nongovernmental contributors

\$50,000 and above

Assets for Independence, U.S.
Department of Health and
Human Services
City of Albuquerque
Comcast*
Community Development
Financial Institutions Fund-
USDT
EDA, U.S. Dept. of Commerce
Hearst Foundation*
McCune Foundation*
Office of Refugee
Resettlement, U.S.
Department of Health and
Human Services
Office of Women's Business
Ownership, U.S. SBA
Program for Investment in
Micro-Entrepreneurs, U.S.
SBA
Rural Community
Development Initiative-
USDA
SBA Microloan Program, U.S.
SBA
State of New Mexico

\$10,000–\$49,999

Ab & Cara Potter
Allstate Foundation*
Aspen Institute
Bank of Albuquerque
Bank of America Foundation*
Bank of the West
CitiGroup Foundation
Daniels Fund
Economic Development
Administration, U.S.
Department of Commerce
HP Life Center of Excellence
United Way Women in
Philanthropy

\$1,000–\$9,999

Agnes Noonan
BBVA Compass Bank
Bueno Foods, The Baca Family
Charles & J.D. Wellborn
Chet & Diana French Stewart
Dakota Foundation
Daniels Fund
Dave Davis & Judy Zanotti
David Hughes &
Angela Anderson
Don & Diane Chalmers,
Don Chalmers Ford
Dr. Jacki P. & Joseph Riggs
Duffy & Jean Ann Swan
Enterprise Builders
French Family of Companies
Gerald Martin General
Contractor
Hubbard Broadcasting
Foundation
Jeff & Jan Sterba
Joe Menapace &
Carol Radosevich
John & Julienne Brown
Kirtland Federal Credit Union
Meyners + Company
Michael & Carla Bickel
Modrall, Sperling, Roehl, Harris
& Sisk, PA
NM Department of Economic
Development
Paceline Consulting Group
Deborah Peacock, Peacock
Myers, P.C.
Perry & Beverly Bendicksen
PNMR Services Company
Sam's Club Foundation,
Santa Fe
Sandia Foundation
Scott & Gwen Clapp
Sisters of Charity
Slate Street Café
Steve & Marjorie Rogers

Dr. Sul & Hayem Kassiech
Summit Electric Supply
Virginia Stanley
Wells Fargo Bank
Wells Fargo Foundation
Mary Escobar, Workspace
Dynamics

Up to \$999

Adam Trubow
Adrienne McCurrach
Agave
All is Well
Amy Miller
Andy Sandoval
Ann Silva's Bernina Sewing
Center
Anna O'Connell
Anne Nokes
Anonymous
B.C. Designs
Barbara Lopez
Betty's Bath and Day Spa
Bhava Yoga Studio
Biomoda
Bridges Inc.
Brigid Noonan
Brivea
Brownstein, Hyatt, Farber,
Schreck, LLP
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Community Action New
Mexico
Contract Associates
Curt & Cindy McGill
David & Karen Vadera
David Baland & Caroline
Buerkle
David Buchholtz &
Bridget Gavahan
Diane's Restaurant
Doug Lee
Ed & Caroline Chamblin

Elaine Williams
First Financial Bank of Santa Fe
GenQuest
Great Livin' LLC
Intel Corporation
Jim & Bette Bradbury
Joan Griffin
Joellyn Murphy
Kara Ramer
Ken & Sally Adams
Klinger Constructors LLC
Kosh Solutions
Latin Distribution
Lazarus, LLC
Leslie Neal
Lorie Guthrie
Manuel Lujan Agencies
Marty Tatum
Mary Wiederholt
Medical Practice Solutions
Nina Anthony
Recycle Runway
Red Meat Foods
Regalos De La Tierra Pottery
Company
Rene & Sharen Ramirez
Reno Trucking, LLC
RoofCare, LLC
Serafina Technical Consulting,
LLC
Shoemaker Law Firm
Sridhar Yarlagadda
Stacy A. Sacco and
Dorothy Stermer
Thomas Lehn Designs
Tiger Lily Floral
Voice Power Studios
Wally Drangmeister

The above list includes financial contributors as of December 31, 2010. If any omissions have occurred, we regret the error and ask that you please contact WESST.

In-Kind Contributors

Account
Ab Potter
Adrian Mizher, Century Bank
Albuquerque Economic Development
Alison Schuler, Shuler Daly Law Firm
Amanda Powers, NY Life
Amour Chocolates
Andrew Melendrez, The Rio Rancho Sleep Center
Angie King
Anjali Suri, Financial Network Consultant
Astuti Abukusumo, Washington Chapel Christian Worship Center
Barry Barnett
Benjamin Liechti
Bernadette Vadurro
Betty's Bath and Day Spa
Bob Daniel, Pulakos CPAs
Bob Lehman, Bank of Albuquerque
Brad Stewart, Pulakos CPAs
Brett Moody
Carol Cooper, NM Arts
Carol Hanback, Comfort Keepers
Cassie Kermode, Goodwill Industries
Cathy Weber, Accion
Century Bank
Chuck Higgins
Chuck Widger, First American Bank
City of Santa Fe
Clear Channel Outdoor
Cone Wilson, Goodwill Industries
Corless and Associates
David Bailey
David Martin
David Valdez, Century Bank
David Vadera
Diane Bowman
Don Chalmers Ford
Don Panagrossi
Don Pizzolato
Donald Stout, Lake Peak Association
Donna Paul, Mary Kay
Ed Kosciolk, Habitat for Humanity
Elizabeth Mesh
Enchantment Land Certified Development Co.
First Community Bank
First NM Bank, Las Cruces
FirstLight Federal Credit Union
Francine Sommer, Village Ventures
Greetings, Etc., Inc.
Griffin & Associates
Gruet Winery
Hilary Noskin
HP Life Center of Excellence
Human Resources Works, LLC
Ingrid E. Baker
Jacob Young
Jane Emberty
Jennifer Cantrell
Jesse Roderick, Bank of America
Jim Bradbury, Santa Fe Hospitality Group
Joan Blodgett, Tobosa Developmental Services
Joaquin Garofolo
Joe Lennihan
John Chavez
John Gordon
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Julienne and John Brown
Karen Burnhardt
Kathy McCormick
Kendall Wallin, Wells Fargo
Keri Stewart
Laurel Shelton
Laurie Roach
Leigh A. Schutzbeger
Lenann McGokey Gardner Management Consulting, Inc.
Living Wall Band
Lorena Chavez, Enchantment Land CDC
Marian M. Thompson, Altrusa International
Mariann Johnston
Marilyn Mayse, Mountain States Escrow
Mary Ellen Merrigan, Merrigan Group, LLC
Mary Wiederholt
McKee, Wallwork, Cleveland
Michelle Baca Consulting
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Mike Peters
Modrall, Sperling, Roehl, Harris & Sisk, PA
Mood Salon
Naomi Engleman, RDC
NearSea Naturals
New Mexico Angels
New Mexico Bank and Trust
New Mexico Business Weekly
New Mexico Workforce Connection
Nora Roberts
Oso Technologies, Inc.
Paceline Consulting Group
Papa Murphys
Patrick Gillespie
Patsy Villalobos
Pauline Barnes
Peacock Myers, P.C.
Peleton Group
Peri Pakroo, P-Brain Media
R.F. Walt Meyers
Results 4 Business
Retirement Strategies
Rhonda Faught
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Sarah Stegall, Surefire Promotional Products
Shane Barber
Sharen Ramirez
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Steve Montoya
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Susan Kroger, Waddell and Reed
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Tierra del Sol
Tiger Lily Floral Design
Tim Tokarski
Tracy O'Neil
Trader Joe's
Val Alonzo, Santa Fe Chamber
Vapour Organic Beauty
Veronika, TDS
Veronique Longmire
Vicki Goss, USPS
Volt Services Group
Wayne Unze
Wells Fargo Bank
WESST Board of Directors
Whole Foods
Yvonne Bryan's Bookkeeping Services

OUR PROGRAMS

*Our programs help individuals start and grow businesses in New Mexico through **business training, business consulting, low cost loans and business incubation.** Each year, we identify opportunities to foster business success for entrepreneurs in general and for specific beneficiary groups such as minority, low-income and women clients.*

2010 TRAINING HOURS

4,660

Training

Our training programs focus on the skills needed to start, run and grow a business, such as business start-up basics, bookkeeping, business planning, human resource management, marketing, technology, social media and financial literacy. In 2010, our trainers spent 4,660 hours teaching 841 New Mexicans.

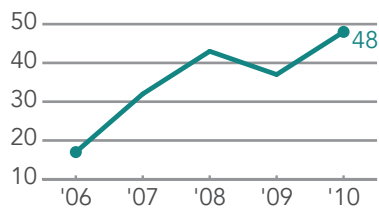
2010 CONSULTING HOURS

9,736

Business Consulting

WESST consultants serve as professional, one-on-one business coaches, providing expertise in management, finance, sales and marketing, and search engine optimization (SEO) to meet the specific needs of entrepreneurs and owners of startup and existing businesses. In 2010, WESST staff and volunteer consultants provided a combined 9,736 hours of pro bono and low cost individual consulting.

2006–2010 NUMBER OF LOANS

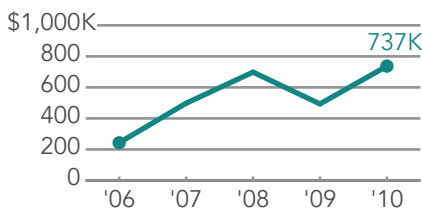


Low Cost Loans

WESST's loan program focuses on women, minorities, low-income individuals and those who lack the necessary credit history to obtain a traditional business loan. In addition to regular telephone and email contact with loan clients, WESST provides business counseling and training to ensure successful business outcomes for loan recipients.

In 2010, we provided 48 loans totaling \$737,231. WESST's 2010 default rate was two percent, which is half of the four percent rate for comparable loan programs during the same period.⁵ Our historic default rate over the past 22 years is less than two percent. Since the loan program began in 1990, WESST loan clients have created or retained more than 1,300 jobs across New Mexico.

2006–2010 AMOUNT LOANED



2010 YEAREND PORTFOLIO

\$1.2M

JOBS CREATED/RETAINED BY
LOAN CLIENTS SINCE 1990

1,300

Innovation is one of our core values. We continually adapt our programs to address ever-changing client needs in a dynamic marketplace. The significant role of technology, and the Internet in particular, has triggered advances in our services as well as our reach. Consulting services in SEO and social media marketing help clients build a successful online presence. In addition, we're expanding our information technology systems to offer real-time online training to clients in and beyond New Mexico, a strategic initiative aimed to increase the accessibility of our services and our impact.

Our HP Learning Initiative For Entrepreneurs (HP LIFE) technology grant is helping to fuel these efforts. HP LIFE is a "global program that trains aspiring entrepreneurs and small business owners to use IT and business skills to create opportunities to transform their lives, and the lives of others in their community."⁶

Business Incubation

Our Albuquerque flagship building, the WESST Enterprise Center, is a 37,000-square-foot mixed-use business incubation facility accommodating up to 20 light manufacturing, service, professional and high-technology businesses. The incubator provides operational support and resources to start-up and early-stage businesses with potential for job creation. Incubator clients receive hands-on business consulting from a strategic business advisory council composed of venture capitalists, angel investors and special business advisors.

From 2009 through 2010, our incubator members created 136 new jobs in New Mexico with a payroll of more than \$6.8 million, generated more than \$14.5 million in revenues and raised \$7.4 million in equity investments.

Special Programs

WESST also provides special programs focused on the specific needs of women, minorities, and rural and low-income individuals. We also promote arts and crafts-based clients through our WesstArtisans.com website.

- ≈ **Individual Development Accounts (IDA):** Our IDA program is a financial literacy training and savings program targeted to low-income individuals. WESST counselors provide hands-on money management skills that focus on budgeting, savings and credit. IDA participants deposit funds into an account maintained by WESST and receive designated matching contributions. In 2007, we added a youth IDA program in partnership with Junior Achievement and an Albuquerque high school. In 2010, 26 IDA clients saved \$78,000 earmarked for business ownership, home ownership and higher education.
- ≈ **Refugee Loan Programs:** Access to capital and professional business assistance can lead to economic self-sufficiency for political refugees and contribute to a stable and secure New Mexican economy. WESST provides loans to qualified, documented refugees from designated countries to start a small business, expand an existing business or establish good credit. In 2010, WESST provided 32 loans totaling \$166,852 to political refugees in New Mexico.

Learn more at www.wesst.org

2009–2010 IMPACT OF INCUBATOR MEMBERS

NEW JOBS

136

GROSS PAYROLL

\$6.8M

TOTAL REVENUE

\$14.5M

2003–2010 CUMULATIVE IDA RESULTS

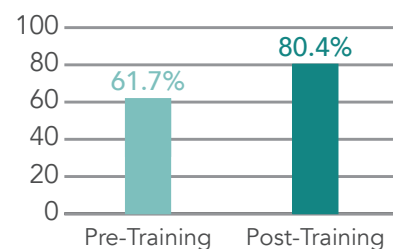
IDA PARTICIPANTS IN
10-WEEK TRAINING PROGRAM

485

CLIENT SAVINGS

>\$200K

AVERAGE FINANCIAL LITERACY SCORES OF IDA PARTICIPANTS



Average financial literacy test scores of IDA participants improved by **30 percent** after completion of the training program.

2010 NUMBERS SERVED

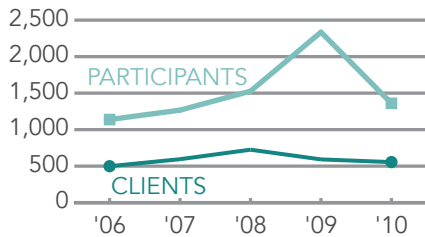
PARTICIPANTS
(ONE OR MORE HOURS SERVED)

1,360

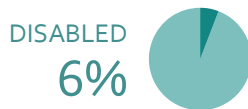
CLIENTS
(MINIMUM OF FIVE HOURS SERVED)

555

2006–2010 NUMBERS SERVED



2010 CLIENT DEMOGRAPHICS



2010 STATEWIDE IMPACT

NEW BUSINESS STARTUPS

47

JOBS

287

CLIENT GROSS REVENUES
from 43 percent of clients reporting

\$30.7M



Pay It Forward

In 2010, we launched the Pay It Forward campaign to encourage those who have benefitted from WESST services to contribute to a scholarship fund dedicated to individuals who are most in need of our consulting and training services. Learn more at www.wesst.org/about/wesst-clients-pay-it-forward.

Measuring Program Impact

Our programs rely on the financial support we receive from government agencies, foundations, corporations and individuals, and we consider these contributors key stakeholders in our organization's success. Some funding entities provide predefined program measures and outcomes, whereas others collaborate with us to develop program objectives and performance measures. In both cases, we track and report program outcomes, measures and learning opportunities to our funders for feedback. Through this continual review and improvement cycle, WESST and our funders ensure positive outcomes for our clients.

Program Performance

The driving force behind our work is to create a ripple effect throughout New Mexico by creating jobs and contributing to the local economy. As such, the ultimate indicator of our success is the economic impact of our programs and services.

According to a recent report by the Mid-Region Council of Governments, WESST's Albuquerque metro region clients created 380 new jobs, contributed \$38.4 million in gross regional product, and generated \$19.6 million in personal income and \$18 million in consumer spending from January 2009 through April 2011.

WESST Client Demographics

While WESST is a home for all entrepreneurs, we place a special emphasis on serving minority, low-income and women clients. Accordingly, much of our funding is dedicated to serve specific target markets, and many funders require us to collect demographic information to demonstrate that we are reaching those markets and serving the needs of diverse entrepreneurs. We collect information such as gender, race, ethnicity, income level and disability status through a client intake form, and then aggregate the information for confidential reporting.

Funding

Government grants represented 65 percent of our 2010 funding (support and revenue), and private contributions and in-kind services provided 25 percent. The remaining 10 percent was earned income from program services and incubation memberships and from loan interest and fees. We have developed several strategic objectives aimed at diversifying our funding sources through increased private contributions and revenue from earned income. These efforts will help to address the challenges inherent in public funding while promoting long-term viability.

Program Processes

Effective, innovative programs are essential to sustaining and developing our clients' businesses. In addition to measuring our program effectiveness quantitatively, we regularly assess our processes for stakeholder involvement; program monitoring, evaluation and development; and feedback and complaint management to identify opportunities for improvement.

Because our services are delivered in person, often one-on-one, most feedback and complaints are handled in person and through phone conversations. We also use evaluation forms, web-based feedback forms, focus groups and meetings. Some approaches are program specific:

- ≈ Trainers administer course evaluation forms, which we record and store using a performance tracking system. The training committee reviews individual and consolidated course results to address beneficiary needs and adapt programs on an ongoing basis.
- ≈ Consultants and regional managers have ongoing feedback with clients to address their specific needs.
- ≈ The director of the business incubator holds monthly meetings with member companies and has ongoing conversations to gather feedback, topics of interest and member needs.

To improve the quality, accessibility and impact of our programs and services, we set an objective in 2010 to develop and implement a more systematic mechanism for soliciting client feedback and evaluation of services. Work continues in this area to enhance consistency across programs and offices, while maintaining our focus on individual client relationships.

Partnerships for Prosperity

To foster financial literacy and business growth in New Mexico, WESST nurtures key partnerships with government agencies, private organizations, microenterprise peers, community business leaders and advocacy organizations. These partnerships create jobs, stimulate local spending and support economic growth across New Mexico.

The WESST Enterprise Center—our headquarters and premier business incubator—is the result of a unique partnership between WESST and the City of Albuquerque. The City of Albuquerque, which owns the building and land, leases the center to WESST for a nominal fee in exchange for creating jobs in the Albuquerque metro region. The State of New Mexico, the U.S. Economic Development Administration and the private sector are also key partners in the business incubation program.

At the state level, WESST participates in the Coalition for Financial Literacy, an advocacy group of organizations that provide programs similar to WESST's Individual Development Accounts program. At the federal level, WESST participates in similar coalitions that advocate for businesses owned by women, minorities and disadvantaged individuals.



WESST Board of Directors & Alumni (L to R), bottom row: Carol Radosevich, Linda Wedeen, Kate Mulqueen, Ab Potter and Agnes Noonan; middle row: Mike Bickel, Tom Garrity, Stephanie Catasca, Nancy Denker, Marjorie Rogers, Mary Ellen Merrigan and Sally Adams; back row: Jack Harrington, Linda Parker, Beverly Bendicksen, Jacki Riggs, Shirley Ragin, Leslie Neal and Anne Nokes

MicroTest

Since 2003, we have been a member of the MicroTest program, which is developed and managed through FIELD, an Aspen Institute program focusing on best practices and education about microenterprise as an anti-poverty strategy.

MicroTest provides a set of management tools to track the performance of our programs over time and to compare our results against 42 similar microenterprise service organizations. Its performance categories include target market reach, program scale, credit program effectiveness and program funding sustainability.

We review annual MicroTest results as part of our strategic planning processes. In addition, results inform planning discussions about program effectiveness, potential improvement areas, and annual program targets and goals for the coming year.

OUR PEOPLE

The foundation of all we do is our talented team of 24 employees and 3 contractors, supported by an amazing group of over 100 volunteers. They all contribute their experience and expertise to deliver the support, connections and resources that entrepreneurs need to start and grow their businesses.



The WESST Team



Cara and Ab Potter

Our Team

Committed to being an equal opportunity employer, we are proud of the diversity of our staff. Seventy percent of our workforce (employees and contractors) are women, including the president, all four vice presidents, and three of our six regional managers. Forty-four percent of our workforce identify themselves within a minority group.

Full-time employees represent 88 percent of total employees and receive a benefits package with company-paid health insurance, paid time off and an employer matching retirement plan. Part-time employees—those working 20 to 39 hours per week on a continuous, regular basis—receive pro-rated sick and vacation benefits, and those who regularly work more than 32 hours are eligible for company-paid health insurance.

WESST employees with the same qualifications, experience and performance receive equal pay for equal work with respect to their relevant comparators. The position of regional manager, of which we have six, is the only position where gender comparisons can be made due to our small size. The average salary ratio for male regional managers to female regional managers is 0.75. Significant variance in employee longevity accounts for the difference.

Our staff receives annual 360-degree feedback from an average of three to four peers, which provides constructive input on their performance and builds our team focus. In 2010, both our turnover and new hire rates were 15 percent.

As a small organization, we promote collaboration and knowledge sharing, and we maintain an open communication policy to promote an environment for inclusive dialog. Employees can go directly to their supervisor or the president to discuss any issue or complaint. We also have a whistleblower policy to provide protection from retaliation when an employee reports or complains about an activity, policy or practice that the employee reasonably believes is in violation of a law or regulation, or is in violation of a clear mandate of public policy concerning the health, safety, welfare or protection of the environment.

Our Volunteers

Like most nonprofit organizations, we rely on individuals who volunteer their time and talents to support our mission. WESST's Board and committee members all serve pro bono. Other volunteers provide services such as training, consulting, and professional and administrative support. We also have student interns. All volunteers serve on an occasional basis. In-kind pro bono services during 2010 were valued at \$196,033.

GENDER REPRESENTATION (% FEMALE)



DIVERSITY (% MINORITY GROUP IDENTIFICATION)



Learn more about our exceptional team at www.wesst.org/about/board-staff.

VOLUNTEERS BY FUNCTION



OUR FOOTPRINT

Our first environmental footprint measures our 2010 energy, water, waste and emissions and serves as a starting point for future analysis and improvement. We have chosen to define the boundary of our environmental footprint as the Albuquerque-based WESST Enterprise Center.

This decision is based on several factors:

- ≈ The Albuquerque location represents more than 90 percent of WESST office space statewide, and in 2010 housed two-thirds of WESST staff along with 62 individuals from 10 business incubation member companies. Our other locations house one to two staff members.
- ≈ From a data collection perspective, all other office locations are either leased or shared spaces. These spaces receive a single utility bill for multiple tenant usage, which makes it difficult to determine consumption directly attributable to WESST.
- ≈ The WESST Enterprise Center in Albuquerque is directly metered, and WESST has direct control over the building systems at that location. Additionally, through our role as building owner and service provider, we can exert influence over tenant behaviors and consumption patterns through the implementation and management of environmental practices in the building.



The WESST Enterprise Center in Albuquerque was recognized by CNNMoney.com as one of the seven hottest start-up incubators in the country.

Although the report boundary for our environmental footprint is narrowed by the exclusion of our regional offices, it has been expanded more significantly in terms of usage by including the business incubator members.

2010 Environmental Performance

Our 2010 footprint reflects the combined consumption, emissions and waste of all Enterprise Center occupants. In 2010, the WESST Enterprise Center in Albuquerque was home to 77 professionals: 15 WESST staff members and 62 business incubator staff members from 10 companies. Three of the incubator member companies were light manufacturing businesses (roofing, biotech equipment manufacturing and microwave communications equipment installation), which tend to have higher usage patterns than service organizations such as WESST.

Energy, Emissions, Water & Waste	Usage	Cost
Electricity (metered kilowatt hours per year)	292,800	\$30,024
Natural gas (metered therms per year)	9,727	\$7,629
GHG emissions from purchased electricity ⁷ (estimated metric tons of CO ₂ equivalents per year)	167	N/A
Water consumption (metered gallons per year)	331,364	\$4,504
Waste generated ⁸ (estimated short tons per year)	13.57	\$1,251



The Living Wall at the WESST Enterprise Center in Albuquerque stands 24 feet high and 17 feet wide and is the only wall of its kind west of the Mississippi.

Recycling

Our environmental footprint omits recycling. External barriers to commercial recycling impact our ability to develop effective, long-term recycling programs for our organization. Currently, we recycle paper, plastic and aluminum at our Albuquerque, Santa Fe and Rio Rancho offices. These are informal, voluntary efforts where everyone from staff to the president personally collects and transports recyclable materials to regional collection centers as time, storage and personal vehicle options allow. We look forward to the results of recent efforts to increase recycling transportation and processing hubs across the state, which will lower current logistical barriers to commercial recycling.

New Mexico's First Green Business Incubator

The WESST Enterprise Center in Albuquerque received LEED®-NC Silver certification in December 2009 from the U.S. Green Building Council's Leadership in Energy and Environmental Design standards for New Construction.

We are proud that our flagship building is designed and built with tenant comfort and environmental impacts in mind. Low-emitting materials, ample daylight and a living bio-filter wall allow fresh air and natural sunshine to reach all areas of the building. The building also provides bicycle areas and showers, priority parking for fuel-efficient vehicles and easy access to public transit to encourage alternative transportation. Water-efficient landscaping reduces irrigation water use, and permeable parking surfaces prevent storm water runoff and allow rainwater to percolate back to the water table.

FINANCIALS

Financial Stewardship

As a steward of government, private and individual funds, WESST is committed to financial accountability and transparency. To demonstrate that commitment, we retain the services of an independent auditor to review and verify our financial statements. We also provide our financial data so that our donors, contributors and other stakeholders can assess our performance and make informed decisions.

Summary Financials for Year Ending December 31, 2010

The tables below summarize our 2010 financial activity. Our 2010 IRS 990 forms and Audited Consolidated Financial Statements and Independent Auditors' Report are available for download at www.wesst.org/about/financials.

Summary Financial Position

ASSETS

Cash and cash equivalents	\$ 2,732,171
Receivables	1,450,113
Prepaid expenses	3,702
Property and equipment, net of accumulated depreciation	6,380,807
Total assets	\$ 10,566,793

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable and accrued expenses	\$ 90,280
Funds held for others	52,073
Line of credit	160,400
Loans payable	1,288,055
Capital lease payable – WESST Enterprise Center	1,075,590
Total liabilities	\$ 2,666,398

Net Assets

Unrestricted	\$ 6,260,168
Temporarily restricted	1,638,882
Permanently restricted	1,345
Total net assets	7,900,395
Total liabilities and net assets	\$ 10,566,793

Summary of Revenues and Expenses

Support and revenue

Contributions and support	\$ 272,558
Government grants	1,973,875
Consulting, training and other fees	39,389
WEC membership	181,194
Interest and loan fees	77,094
In-kind	463,461
Total support and revenue	3,007,571

Expenses

Business consulting and training	1,674,366
Financial assistance	894,614
Management and general	210,814
Fund raising	181,859
Total expenses	2,961,653

Change in net assets before unusual item 45,918

Unusual item — WEC Equity Contribution 5,099,350

Change in net assets **\$ 5,145,268**

Global Reporting Initiative

The Global Reporting Initiative is a network-based organization that produces GRI's Reporting Framework, a comprehensive sustainability reporting standard that is widely used around the world. For more information about GRI and the indicators reported, please visit www.globalreporting.org.

Coverage assessment

This report has been prepared according to the GRI G3.1 Guidelines, using the NGO Sector Supplement, Application Level C (self-declared). The coverage assessment was completed by Concept Green LLC, a third-party sustainability reporting firm.

GRI Index

The following table identifies the GRI standard disclosures reported and the location of the response within the report. Disclosures not listed are not reported.

GRI ID	Status	Reference	GRI ID	Status	Reference	GRI ID	Status	Reference
Strategy and Analysis			Report Parameters			Economic		
1.1	●	1	3.1	●	2	EC1	●	15
Organizational Profile			3.2	●	2	EC3	○	12
2.1	●	Women's Economic Self-Sufficiency Team (WESST)	3.3	●	2	EC4	●	6, 15
2.2	●	3	3.4	●	18 (back cover)	EC9	●	8, 9, 10
2.3	●	3	3.5	●	2	NGo7	○	15
2.4	●	3	3.6	●	2	NGo8	●	6, 15
2.5	●	3	3.7	●	2, 13	Environmental		
2.6	●	3	3.8	●	13	EN4	○	13
2.7	●	2, 3	3.10	●	2010 Audited Financial Statements	EN8	○	13
2.8	●	6, 8, 9, 12, 15	3.11	●	N/A	EN16	○	13
2.9	●	None	3.12	●	16	EN22	○	13
2.10	●	5	Governance, Commitments, and Engagement			Social		
Reporting Status			4.1	●	4	LA1	●	12
●	Fully reported		4.2	●	4	LA2	○	12
○	Partially reported		4.3	●	4	LA3	●	12
			4.4	●	4	LA12	●	12
			4.14	●	5	LA13	○	12
			4.15	●	5	LA14	○	12
						NGo9	●	12
						Program Effectiveness		
						NGO1	●	11
						NGO2	●	11
						NGO3	●	11
						NGO4	●	10

Endnotes

1. Economic Impacts of Job Creation Related to WESST, prepared by Kendra Watkins, Senior Planner, Mid-Region Council of Governments, May 2011.
2. The Global Reporting Initiative maintains a list of registered sustainability reports that follow the GRI Reporting Framework, including use of the NGO Sector Supplement. The list, while not definitive, provides a reliable representation of GRI reporting trends worldwide. As of October 2011, it included five U.S. nonprofits that published GRI-based sustainability or integrated reports in the past three years, two of which used the NGO sector supplement. Learn more at www.globalreporting.org.
3. The western New Mexico office relocated from Gallup to Farmington in March 2011. One employee works from a home office in Taos, NM; this workspace is not included in the report boundary.
4. The breakdown of federal funding by agency is available in the WESST Audited Financial Statements for 2010, Hinkle + Landers, page 26, which can be downloaded from www.wesst.org.
5. The default rate is the dollar amount of charged-off microloans outstanding at the end of the fiscal year divided by the total dollar amount of microloans outstanding at the end of the fiscal year.
6. For more information about the HP LIFE technology grant program, visit www.hp.com/hpinfo/socialinnovation/hplife.html.
7. Indirect greenhouse gas emissions are based on WESST purchased electricity in 2010 at the WESST Enterprise Center in Albuquerque and are converted to CO₂ equivalents using the Climate Registry General Reporting Protocol, Version 1.1, Indirect Emissions from Electricity Use, Tier B/C Method for Default Emissions. Emission factors reflect regional averages of 2004 emission rates for CO₂, CH₄ and N₂O based on grid electricity data for the eGRID subregion, WECC Southwest Grid-AZNM.
8. Waste estimates are based on one eight-cubic-yard waste container picked up weekly and assume that the container is three-quarters full each week. Weight calculations assume that mixed office waste averages 87 pounds per cubic yard. Average weight assumptions are based on EPA WaRM model, August 2010 version. Waste costs are based on 2010 utility bills.

Acknowledgements

WESST would like to acknowledge the organizations that contributed to the development and production of this report: Concept Green LLC for development of the report content and performance measures; Griffin & Associates for report design; and Greetings, Etc., Inc. for printing.

ALLSTATE SECURITY SERVICES LLC

"Thanks to the WESST loan, I was able to buy a canine narcotics protection dog, all the supplies and the training I needed to start offering canine drug detection services. People saw the direction we were going in and knew we were in the security business for the long haul, which really distinguished us from our competitors.

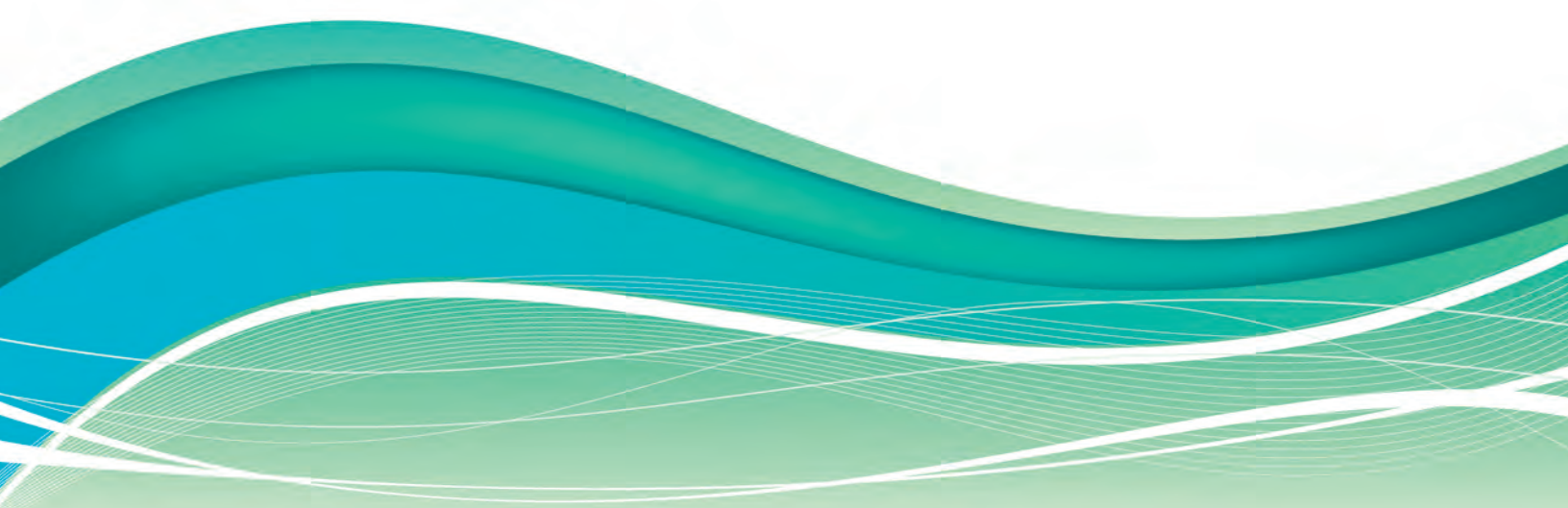
We've grown from one security officer to 18, and we've opened offices in Clovis and Portales. Without the WESST loan services, we wouldn't have been able to grow our business so quickly over the past two years."

Camilo F. Romero IV, *Owner*
Allstate Security Services LLC

Founded in 2009 by a father and son team with over 40 years combined experience in the security field, Allstate Security Services LLC provides canine narcotics detection services, security services and training courses in Roswell, Clovis and Portales. For more information, visit www.allstatesecurityservices.us.



THE PLACE TO START & GROW YOUR BUSINESS



Offices

WESST Enterprise Center, Albuquerque
609 Broadway Blvd. NE
Albuquerque, NM 87102
505.246.6900

WESST Enterprise Center, Farmington
5101 College Boulevard
Farmington, NM 87402
505.320.7477

WESST Enterprise Center, Las Cruces
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Las Cruces, NM 88011
575.541.1583

WESST Enterprise Center, Rio Rancho
4001 Southern Blvd. SE
Rio Rancho, NM 87124
505.892.1238

WESST Enterprise Center, Roswell
500 N. Main Street, Suite 700
Roswell, NM 88201
575.624.9850

WESST Enterprise Center, Santa Fe
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Report Feedback & Contact

We welcome feedback on this report.
Please contact Agnes Noonan with
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