

# Raising her prospects...

2008 Annual Review





### **On the Cover**

**Real potential:** Seventeen-year-old Gladys Cruz Fernandez is going places. Despite a family income of less than \$200 a month, and the ever present backdrop of poverty that surrounds her, sponsorship has taught Gladys to believe. She wants to use what she has learned to get into college and study business administration. For now, she is learning to be a leader in Children International's Youth Program and serves her community through the Youth Health Corps.

## From the president...

This year, I had the great fortune of helping our agency in Guayaquil, Ecuador, celebrate its 20th anniversary.

An anniversary of such importance confirms an essential goal we set out to achieve in every community...to be a supportive presence for the long haul. It also represents what our work is – a force for change.

While I was in Ecuador for the celebration, there were many current and former sponsored children in attendance. Talking to both groups revealed that the lessons of sponsorship not only have a day-to-day impact on their lives, but continue to influence their decisions and the directions they take, even years after graduating from the program. This is especially true for those who were sponsored early in life and remained so until they graduated.

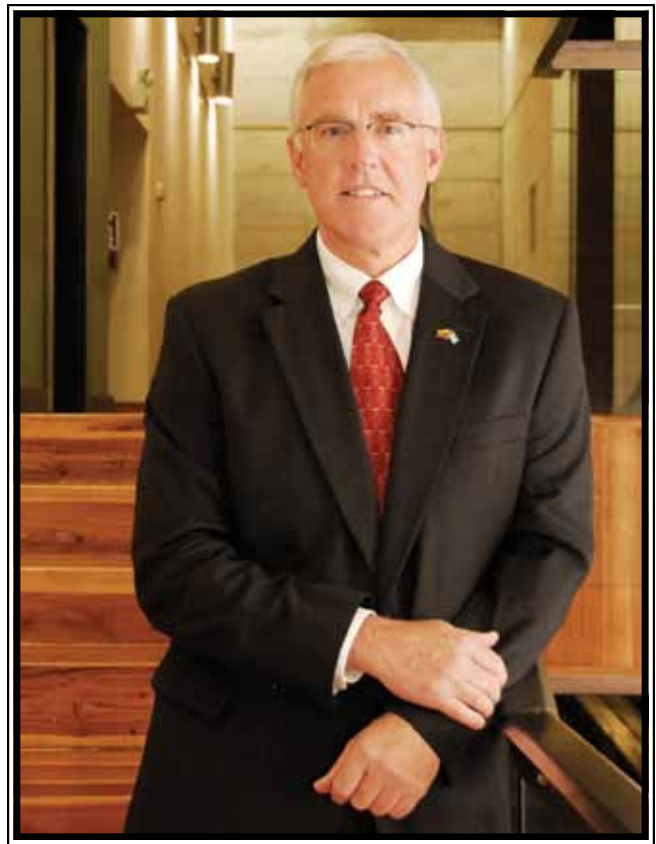
As we honored the historic work that has taken place in Ecuador and elsewhere, we also began laying the foundation for the support we'll provide to future generations.

New community centers were erected or expanded in places that were long overdue for improvement. In other locations, we helped make sure schools were open and prepared so children could learn, and that those children had the supplies and uniforms they needed.

Nutritional assistance helped build strong bodies, and our Lifeline Food Program was launched in response to the global food crisis to aid families already struggling to feed their children.

We also expanded the reach of our Youth Program, which recognizes the unique needs of youth. By helping them become leaders, teaching them civic skills and providing vocational and educational opportunities, we prepare them to take a step into successful adulthood.

For Gladys, the young Guatemalan woman who appears on the cover, addressing gender issues that might prevent her from realizing her potential was important in 2008...and beyond. It means making sure girls and young




women continue to have the opportunity to study from primary school until they graduate from a vocational program or college. It means addressing health and social issues and empowering all children – both boys and girls – to believe in the possibilities.

As 2008 came to a close, I was reminded once again how consistent our contributors are, even in a year filled with so many dramatic ups and downs.

That steady hand of support allows us to maintain the long-term commitment that is so important to children. It helps every child trust that we will be there when they need us. And that we – and our supporters – will do all we can to help.

On the pages that follow, in the program descriptions and very personal stories of success, you can see how this year, once again, we worked together to...raise their prospects.

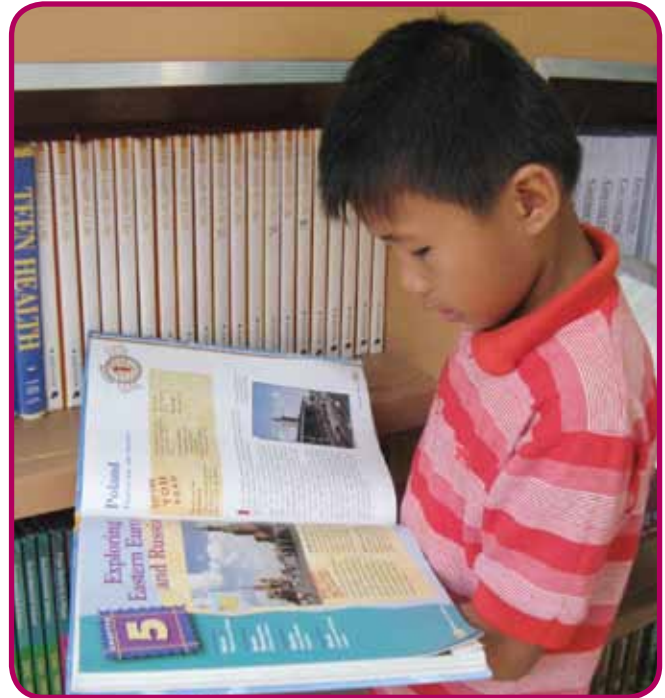
  
Jim Cook  
President

## Education

### Knowledge is Power

Since getting children into a classroom – and keeping them there – affords them the best possible opportunity to overcome poverty, educational support represents a major component of Children International’s sponsorship program.

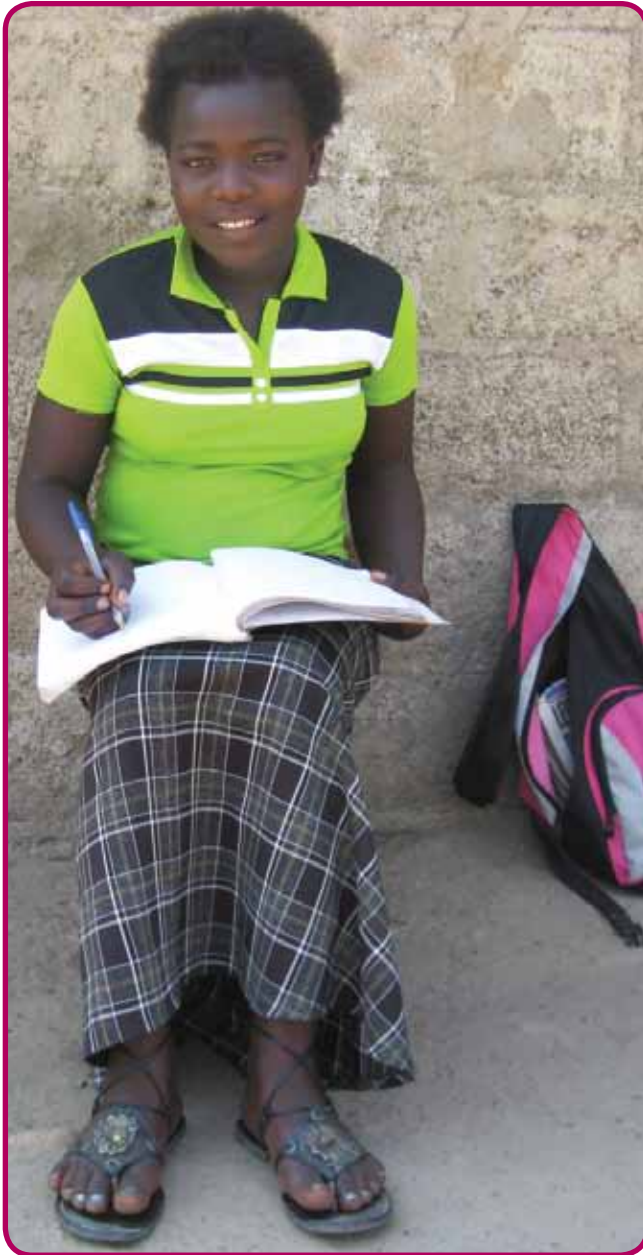
Many of the children in our program are first-generation learners and face an increased number of obstacles in their effort to get an education. To help remove those obstacles, our program provides school supplies, assists with school fees, helps improve and expand schools, trains teachers, and supplies libraries. Our efforts to increase cultural understanding of the importance of education across entire communities are also key in bringing real and lasting change to children’s lives as well as the communities in which they live.



### Opening the Doors

The children in our program are filled with vast potential... potential that Children International’s educational assistance can help them realize. It includes:

- New clothing and shoes that allow children to attend school with the proper uniform
- School fees to ensure children are able to enroll – and stay – in school
- Backpacks and school supplies to give children the tools they need to learn
- Libraries at our community centers that can host remedial classes and tutoring, and offer a safe environment conducive to studying, reading and completing homework
- Computer labs to give children and youth access to the technology that’s an essential component of today’s education.



## **Meet Belita**

Tragedy struck when Belita Chakamana of Zambia was only 10 years old. Her mother died from malaria, and she and her siblings were put in the care of their stepmother, Gertrude, who was also caring for her own children.

Belita abandoned her education because her stepmother couldn't afford her school fees. Instead of attending class like other children her age, she fetched water, washed clothes and cleaned houses for pennies a day to help feed the family.

In 2008, Belita enrolled in Children International's sponsorship program. Our program paid her school fees and provided her with school supplies. She also attended remedial classes at our community center library.

"If Children International were not there, she would have been married by now or going to night clubs like the many young girls here in Chibolya," explains Belita's stepmother, Gertrude.

Instead of being sidetracked by negative influences, Belita, now 13, is studying to create a better life for herself. She hopes to one day become a nurse and help cure the sick. With the support of Children International, Belita can receive the basic education she needs to strive for her goal.

## Health

### A Right Everyone Deserves

When sickness strikes, impoverished families often have nowhere to turn. The price of basic health care is often too much for them to bear. As a result, children may suffer through illnesses without the relief that a proper diagnosis and medicine can provide.

Children International's medical clinics are staffed with doctors and offer free basic medical care and medicine to help cure sick children, while promoting preventive health care measures. Only when children are well can they focus on what's truly important – pursuing an education and creating better lives for themselves.



#### The Road to a Healthier Life

Children International's health programs take a proactive approach to keeping children healthy. Here is an overview of the care we provide to sponsored children:

- Basic health care and medicine
- Advanced care and referrals for children suffering from more serious illnesses
- Dental care and oral hygiene supplies such as toothbrushes, toothpaste and floss
- Anti-parasite medicine for children and families who are infected or susceptible to parasites
- Educational workshops about sanitation, hygiene and other preventive health measures
- Distributing information about common regional diseases and illnesses like dengue and malaria to help prevent infection.



## ***Healing an Ailing Child***

Six-year-old Brenda of Guatemala was suffering. She had recurrent fevers, difficulty sleeping, and made frequent trips to the restroom.

When Brenda and her family were informed that Brenda had a sponsor, it seemed like a miracle. She visited a Children International doctor for her very

first medical visit, and the doctor arranged for laboratory tests. Brenda was eventually diagnosed with a urinary tract infection and received treatment.

“I don’t have words to explain how happy I feel...,” exclaims Blanca, Brenda’s mother. “When I see that my child is healthy, it makes me feel very proud.”

## Nutrition

### One Day at a Time

Food. Our survival depends on it. Yet countless impoverished children live without access to enough nutritious food to grow up strong and healthy. Often their families can't afford a balanced diet or simply lack knowledge about nutrition. Sadly, some of the unhealthiest foods are also the cheapest, making it difficult for families living on the lowest incomes to afford anything but the least nutritious foods.

Children International's nutrition program operates in locations where the need is great. The children in our program receive regular health and malnutrition screenings, and we provide food and nutritional education when necessary to ensure malnourished children return to good health.



### Feeding the Need

When children are plagued with hunger and malnutrition, Children International works hard to help them stay healthy through:

- Regular health and malnutrition screenings
- Providing healthy food for children who are suffering from malnutrition
- The Lifeline Food Program, which provides emergency food aid to families struggling to feed their children
- Offering workshops to help parents learn to make healthy, low-cost meals to feed their families.





## ***Hatching a Plan: Better Nutrition Takes Root in the Philippines***

*Cluck-cluck. Cluck-cluck.*

In a rural community in the Philippines, a flock of chickens roamed a community coop built by our Tabaco sponsorship agency, while the familiar sounds of roosters transcended culture and language.

Little did the hens know that the eggs they laid gave vital nourishment to a number of malnourished sponsored children...children like 6-year-old Argee, who has since recovered. The eggs provided protein that helped him regain his health.

"After undergoing the feeding program,

Argee's no longer skinny," according to his mother, Marilou. "He's healthier now and seldom gets sick. He also developed a good appetite."

Through the program, children who are moderately or severely malnourished receive healthy food and education to help them regain their health. We have also loaned chickens to some families to produce chicks – all in hopes of ensuring children have access to adequate nutrition, a fundamental of life.

*“You are heaven-sent to our  
saddest part of our lives at*

## Annual Highlights

In fiscal year 2008, we provided support to more than 322,000 children and their families. Our dedicated supporters made this possible – and it’s thanks to their generosity that our year was a successful one. Here are just a few of our many accomplishments:

**We opened or renovated community centers around the world.** This year, work was completed on centers in the Dominican Republic, Ecuador, Guatemala, India and Mexico. Our community centers concentrate sponsorship services into one central location, making it easy and convenient for children and their families to receive benefits and participate in activities. Each new center typically includes medical and dental clinics, a pharmacy, library and meeting spaces, and is designed to serve between 5,000 and 7,000 children.

**We created valuable partnerships to increase our impact.** Children International became a nongovernmental organization in Special Consultative Status with the Economic and Social Council of the United Nations. We began working with the UN’s World Programme for Youth in Action on issues facing youth. We also work with a number of governments, community leaders and other organizations to expand our impact.

**Our youth program reached more teens.** This year we expanded our Youth Health Corps peer-to-peer education initiatives and the number of HOPE scholarships we provided. This gave more youth the ability to learn important lifestyle and health education information. It also gave more sponsored teens an opportunity to train for jobs or attend college so they could one day enter adulthood prepared to earn a living.



*our family...you came in the  
and lifted us from poverty.”*

Sponsored youth Rosemarie Esumbra, Legazpi, Philippines

## Sponsorship Overview

Sponsorship works. Time and again we've seen how providing the right benefits at the right time positively changes lives. Our graduating sponsored youth are a testament to that because they leave our program more prepared to seek a better life.

Children typically enter our program between the ages of 2 and 9, and we provide everyday essentials like new clothing and shoes, and basic health care. As they grow older, we continue providing age-appropriate benefits to give them the knowledge and tools they need. When they graduate from our program at the age of 19, our hope is that they make the move into adulthood with the confidence and skills they need to find a good job and eventually support families of their own, free from the confines of poverty.



## Program Highlights for 2008

### Health

- 521,403 anti-parasite treatments given
- 453,453 medical exams administered
- 178,031 dental exams provided
- 102,788 hygiene kits distributed

### Nutrition

- 309,916 meals distributed
- 6,615 dietary supplements given
- 3,329 nutrition classes offered

### Education

- 210,413 school supply kits given
- 91,649 backpacks provided
- 37,406 received tuition assistance
- 5,488 children tutored

### Clothing and Shoes

- 598,712 clothing items given
- 305,680 pairs of shoes distributed
- 54,035 school uniforms provided

## Youth Program

# The Leaders of Tomorrow

The teenage years can be difficult. They are a time when young adults are given more responsibility and greater freedom to make their own choices...choices that can have an impact on the rest of their lives. Children International helps youth avoid pitfalls that plague impoverished communities, while teaching them skills relevant to the circumstances they face every day.

Through Youth Program initiatives such as Youth Councils, Youth Empowerment Funds, HOPE Scholarships and the Youth Health Corps, we're equipping young adults to face the future with confidence. Those programs promote civic responsibility, offer leadership training, and provide scholarships, age-appropriate health programs and more, enabling them to reach their long-term goals.

### Becoming a Responsible Adult

Children International's Youth Program offers many different tools to help youth make a successful transition to adulthood:

- **The Youth Leadership Training Program:** Teaching youth to act as agents of change in their communities.
- **Youth Councils and the Youth Empowerment Fund:** Youth Councils work to solve social, cultural and economic problems in their communities through projects and activities. Each agency receives a \$20,000 annual Youth Empowerment Fund to carry out these projects, which are planned and managed by the Youth Councils.
- **Youth Health Corps:** By training sponsored youth to serve as peer educators, we are reducing preventable illnesses, substance abuse, sexually transmitted diseases and unwanted pregnancies throughout sponsored communities.
- **International Youth Day at the United Nations:** Participants join other youth from around the world to learn about and solve common youth-related problems.
- **The HOPE Fund:** Each year, our HOPE Fund helps provide scholarships to hundreds of qualified youth so they can attend college or vocational programs.



## **A Quick Study**

Twenty-two-year-old María Alejandra González is reaping the rewards of HOPE in Chile.

With help from a HOPE (Helping Overcome Poverty through Education) scholarship from Children International, she received a business administration technical degree from a professional institute in 2007, the same year she graduated from our sponsorship program.

María Alejandra was hired to work as an administrative assistant for the Valparaíso Regional Council, which is part of the regional government. Today, she takes care of financial and administrative tasks dealing with government affairs.

“To be honest, if it hadn’t been for this scholarship, I could not have pursued further studies,” she admits. “After high school, I took the college selection test, but my parents were unemployed at the time and could not pay for my education. I am deeply thankful for this benefit.”

According to María Alejandra, the scholarship was a great starting point in her work history. We’re confident that with hard work and dedication, María Alejandra will continue to excel in her chosen career.

## **Family and Community Support**

### **Help the Family...Help the Child**

While the majority of our work is focused on the one-on-one support we provide children, we have found that by helping parents improve their lives, and through the support of community improvements, we ultimately benefit sponsored children.

For families, this means assisting with household materials, business training and when possible, helping build and repair homes. When tragedy strikes, we help families in our program with emergency relief such as food, clothing and shelter.

In communities across the globe, that assistance is provided in the form of special donations, which are utilized for everything from clean-water projects and infrastructure improvements to school expansions and the construction of new community centers.



#### **Uplifting the Family**

We help sponsored children's families and the communities they live in by:

- Providing household support like new dishes or cookware, making the chore of caring for children a little easier
- Helping families improve their homes or build new ones so children grow up in a safer, more comfortable environment
- Providing emergency food for families in crisis to help avoid malnutrition
- Installing clean-water projects for better health and hygiene
- Developing income-generation programs so families can become self-sufficient
- Completing infrastructure improvements to make lives easier
- Building new community centers that transform entire neighborhoods.

## ***A Breath of Fresh Air***



Change is in the air in the Santa Paula neighborhood in Mexico. Families are abuzz with excitement and anticipation, ready to face the challenges life throws their way – and there are many.

The Jacqueline Byer Dial Center is the hub of it all – a place where hope thrives and impoverished children emerge with smiles on their faces, invigorated by a reading session in the library, a dental checkup, or free medicine they've received to treat a common ailment.

Named in honor of a dedicated donor's late wife, the large modern building is our third and newest community center in the Guadalajara area of Mexico. Complete with medical and dental clinics, a nursery, pharmacy, library, computer lab, and much more, the center is ready and able to

transform lives.

The Castañeda family is one of many families in Mexico benefiting from our community center campaign. Reinalda and her husband, José, struggle to provide the basic necessities of life for their children.

Four of the children in the family were fortunate to enroll in our program.

"With the help of Children International, we will be able to save money to buy other basic things that my children need, maybe more food or more school supplies for my other children who are not sponsored," Reinalda explained.

For them, the Jacqueline Byer Dial Center is a chance for a better future. And for all the families it serves, the center is breathing new life into a community filled with poverty.

## Partnerships

# Corporate Philanthropy at Work

Through product donations, special grants and contributions, Children International's corporate partners are playing a vital role in supplementing the basic benefits we provide to impoverished children around the world. They have found that corporate philanthropy helps boost employee morale, builds and reinforces brand reputation here and abroad, and helps them reach important philanthropic goals.

Our corporate partners have helped us establish ground-level programs that have

wide-reaching impact, enhance children's lives, raise standards of living for families, and bring new levels of success to communities at large.

We're proud to report that this year, thanks to our corporate partners, large donors and foundations, Children International shipped over \$45.4 million worth of product donations, utilized \$5.9 million in major contributions, and put \$1.2 million in grant revenue to work around the world.

### Our Partners

We work with corporations of all sizes to help them reach their philanthropic goals:

- Broetje Orchards
- Citigroup
- MetLife
- W.K. Kellogg
- Microsoft
- Action Products
- American Homepatient Equipment
- Benco Dental
- Dawn Publications
- Howard Johnson
- Fresh Produce
- Sakura of America
- GlaxoSmithKline
- Logix
- Sanofi Adventis del Ecuador





**MetLife:** The MetLife Foundation supports the education programs Children International operates in Mexico through donations meant to improve learning environments, enhance youth interaction, and increase the utilization of technology.

The foundation has helped build and equip computer labs, provided support for the expansion of resources in Children International libraries, and funded the development of youth meeting spaces for program participants.



**Microsoft:** In the Dominican Republic and Mexico, Microsoft helped Children International establish computer centers for children and youth in poor communities in an effort to “offer opportunities to individuals and communities to gain access to technology and close the digital divide that exists in developing countries.”

This program creates the transfer of knowledge and contributes to the educational development of youth.

Centers are equipped with computers, internet access and popular business applications. The centers also offer information services and training to youth and the women who work as volunteers for Children International’s programs in the community.

## BOARD OF DIRECTORS

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**Susana Eshleman – Treasurer**  
**Mark Garrett**  
**Joan Horan**  
**Fred Mitchell**  
**Dean Oskvig**  
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**Children International follows the standards and practices of these organizations in developing our programs to help needy children:**

**World Health Organization:**  
 Child Growth Monitoring  
 Parasite Prevention Program

**National Center for Health Statistics:**  
 Adolescent Body Mass  
 Index Measurement

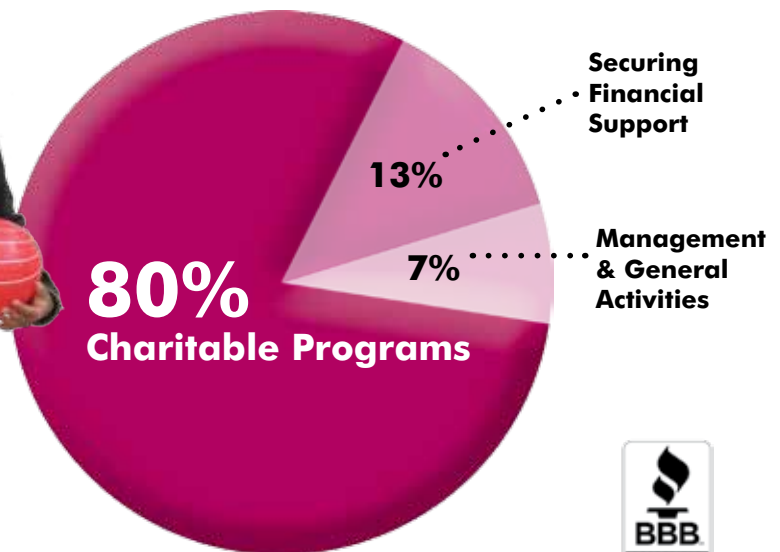
**American Institute of Certified Public Accountants and the Financial Accounting Standards Board:**  
 Accounting procedures

## Condensed Audited Financial Information

Independent Auditor – BKD, LLP

For year ended September 30, 2008

<b>Public Support and Revenue</b>	
Sponsorships and Contributions	\$ 94,528,420
Corporate Gifts and Commodities	45,372,250
Legacies and Bequests	1,138,347
Grants and Other Income, Net	1,658,700
<b>Total Public Support and Revenue</b>	<b>142,697,717</b>
<b>Expenses</b>	
Program Services	
Worldwide Program Services	110,107,817
<b>Supporting Services</b>	
Management and General	9,543,813
Securing Financial Support	17,198,994
Total Supporting Services	26,742,807
<b>Total Expenses</b>	<b>136,850,624</b>
<b>Public Support and Revenue Over Expenses</b>	<b>5,847,093</b>
<b>Non-Operating Activities</b>	
Net Realized Endowment Earnings	1,768,718
Increase in Unrealized Gain (Loss) on Investments	(7,011,964)
Increase in Actuarial Liability for Gift Annuities	(164,746)
Increase (Decrease) in Value of Non-Deliverable Forward Contracts	(214,169)
Increase in Net Assets	224,932
Net Assets, Beginning of the Year	37,546,171
Net Assets, End of the Year	\$ 37,771,103



bbb.org/charity



**Hand in hand:** Sponsored children know the lessons of teamwork well. From the time they enter the program at a young age until their graduation at age 19, the ideals of cooperation, teamwork and giving back to the community are always a part of the lessons they learn.



Our mission is to help children living in dire poverty.  
This is accomplished through the generosity of our contributors by providing children with program benefits and services that meet basic needs, enhance their self-esteem and raise their physical and educational levels in a meaningful, lasting way.

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[www.children.org](http://www.children.org)