A decade of dwindling investments in children and families has left Arizona at the bottom of the heap when it comes to state and local government operating spending. Several rounds of budget cuts throughout the past year have led to many staff vacancies and other cost-saving measures that mean children and families get fewer services. But policymakers are poised to cut more out of critical budgets that help preserve the health, safety and stability of Arizona's children as the new governor and legislature prepare to deal with an anticipated budget shortfall that exceeds $1 billion.

Many lawmakers insist that the deficit is an opportunity to trim state government back to its efficient essentials. But $1 billion is clearly more than a trim. Arizona could completely eliminate the Department of Health Services, the Department of Public Safety, the entire judiciary, state funding for community colleges, and more than 100 other state agencies and still not plug the hole.

We are already failing to live up to our own standards and laws in ways that threaten the well-being of our children every single day.

**PROTECTION FROM CHILD ABUSE AND NEGLECT**

Caseworkers in Child Protective Services lack the time and resources to adequately protect abused and neglected children. They already have to handle an average of 36 more cases per year than national standards; as a result, one-third of the children in foster care do not get the required monthly visit from their caseworker to make sure they are safe.

**ACCESS TO SAFE, AFFORDABLE CHILD CARE**

Many hard-working Arizona families struggle to pay for child care, which can cost up to $7,000 per year per child - more than tuition at a state university. Subsidies that help working parents pay for child care are already four years out of date. Without legislative action, the state will soon begin turning away working families who qualify for child care subsidies due to lack of funding. Without these subsidies, many parents cannot afford the child care they need in order to work. And the state is neglecting its responsibility to make sure that child care is safe. Staff shortages at the Department of Health Services mean that hundreds of licensed child care facilities in Arizona go without the required annual health and safety inspection each year.

**PREVENTION THROUGH SUCCESS BY SIX**

Since 1994, Arizona has benefited from a modest package of prevention efforts designed to help struggling parents give their kids a healthy and smart beginning in life. Health Start, Healthy Families, Family Literacy and preschool programs have improved children's health, increased parental employment, promoted early learning, and strengthened parenting skills. In the long run, these are the very efforts that succeed in reducing welfare dependency, lowering the school drop-out rate, and cutting adult and juvenile crime. Yet, these services are at risk of disappearing due to fund shifts and budget cuts.

**TREATMENT FOR YOUTH IN THE JUVENILE CORRECTIONS SYSTEM**

The courts are sending 30 percent more youth to the Department of Juvenile Corrections compared to one year ago. (Please see BUDGET on Page 5)
GUEST COMMENTARY

Why A Republican Supports Tax Increases

Arizona boasts a long, strong tradition of Republicans who care deeply about our state and our future. As part of that tradition and as a businessman, I am keenly aware of the need to maximize dollars flowing within the economy, especially during these economic hard times. As a fiscal conservative and a pragmatic Republican, I know the only logical thing to do right now is to raise taxes. The facts are clear and incontrovertible.

Cutting basic government services is bad for business. And eliminating state jobs and state spending threatens our economic recovery. This is a time when our economy needs the stimulus of tax dollars to keep money flowing in the economy. When we do the opposite - cut services and take tax dollars out of the economy - private businesses will ultimately feel the pinch. I have yet to see a business that shrank itself to greatness. That applies to government, as well.

Even before the budget crisis hit, Arizona's state and local governments spent less per capita than any other state in the country on operating expenditures. We did not enter this budget crisis overreaching with excess or unnecessary spending.

Our tax code hasn't kept up with the times and the changing consumption patterns. Arizona should use our tax code to be competitive in 2001! Special tax treatment for select goods narrows the tax base, distorts consumer behavior and is just plain unfair for industries that haven't (yet) gotten some special exemption.

During the past decade, our legislature has enacted state tax cuts, enough to total more than $775 million each year. It's only fair that those of us who enjoyed some of the perks of the economic boom times be willing to take some responsibility when it comes to the state budget crisis. When the economy was strong, did we do the prudent thing and put money aside for a rainy day? No, we reduced our rainy day fund and cut taxes so much that when the inevitable (and I do mean inevitable) economic downturn came, we were caught without proper savings to enable the state to weather the economic slump.

Republicans understand the importance of a strong work ethic building toward a strong future. And, we understand investment. My business colleagues would say I was nuts if I tried to reduce my workforce and my budget by 15 to 20 percent as the demand for my product peaked. But, that is exactly what we are asking the state to do by balancing the budget solely with spending cuts.

Even though we have consistently made choices as a state to do things on the cheap, somehow we seem surprised when we consistently get crummy results. We rank in the bottom when it comes to important measures such as school dropouts and child poverty. State budget cuts will only make us backward from there.

There are both selfish and pragmatic reasons I care about the budget. My business will suffer if I can't find qualified employees or move my product across Arizona highways because accidents don't get cleared, for example. As a businessman, I want a well-prepared and educated workforce; I want sound family supports, like health insurance and child care assistance for my employees and customers who need them.

And on a more fundamental level, I care about this state, I moved to Arizona because I love it here. As an Arizonan, I want us to be the best in the nation when it comes to quality of life issues like high school graduation rates, stellar universities, healthy citizens, well-trained employees and family income. As a Republican, I know that we need to invest in Arizona to make it a state worthy of all the great people who live here. And, yes, I'm willing to pay more taxes to make that happen.

Dave Wolfenden is a partner in a consulting firm and has served as an Arizona legislative aide. He is now a managing partner of a business in Flagstaff. He is a graduate of ASU with a degree in History and an MBA in Accounting. He is a member of the board of the Maricopa County Chamber of Commerce, and the Arizona Educational Foundation.

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A Voice for Arizona's Abused and Neglected Children

Dr. Richard Gelles, a nationally recognized expert in family violence, will be the keynote speaker at a luncheon symposium February 6 made possible through the generosity of the Margaret T. Morris Foundation and the J.W. Kieckhefer Foundation. Dr. Gelles, who is currently Interim Dean of the University of Pennsylvania's School of Social Work, is a noted author of books and articles on family violence. His latest books are The Book of David: How Preserving Families Can Cast Children's Lives and the third edition of Intimate Violence in Families.

Following Dr. Gelles' remarks, local child protection officials, human service providers and advocates will strategize on improvements needed in Arizona's child protection system. For registration information, please call 602-266-0707.
State Groups Make Strides In
Expanding Learning Opportunities for All

STATE BOARD FOR
SCHOOL READINESS

A decade of research on brain growth shows that the first years of life are crucial to a child's moral, social and academic development. Participation in quality early learning programs has been linked to a child's readiness for school, delays in reading grade level by the kindergarten graduation from high school. But, programs that address the early care and education of Arizona's youngest children are fragmented, lack planning, overlap in some instances and have critical gaps in others.

In order to develop a coordinated, efficient and cost-effective delivery system for early childhood programs in the state of Arizona, Governor Janice Dee Hall in August established the Arizona State Board on School Readiness. Nadine Mathis Baker, a longtime advocate and leader on children's issues, was named chair of the Board, which includes leaders in education, child care, advocacy and business from throughout the state. The Board is scheduled to have its first meeting in January.

SCHOOL READINESS
TASK FORCE

Chaired by Pinelode West CEO Bill Post and comprised of leaders in business, education, philanthropy and the community, the Arizona School Readiness Task Force has worked for a year to analyze research on early brain development, investigate what other states have done to improve access to early learning programs, and recommend how Arizona can help all children start school ready to learn.

In that end, the Task Force released its "Growing Arizona" report on December 3. The report, sponsored by AWA, is a comprehensive, multi-faceted report of the state of our population and not receiving the kind of schooling they will need to have any hope of success in tomorrow's economy," Post said. "Improving child care and preschool education should be near the top of everyone's personal agenda and the highest priority for Arizona's public policy leaders."

The task force, whose work was made possible through grants from the Arizona Community Foundation, St. Luke's Health Initiatives and Southwest Human Development, recommends increased coordination of existing early childhood programs, increased earned income requirements and higher standards for preschool and child care teachers, and increased funding in a public-private partnership to expand access to quality preschool in all Arizona children.

Stefen Fallo, a Texas oil executive and member of the Committee for Economic Development who was the keynote speaker at the report's release, summed up the effect of disparities in early learning opportunities in a new book he calls "the Monopoly Game of Life."

In an equal opportunity system, Fallo argues, all children would start the game with $200 and an equal chance to win Boardwalk and Park Place to win the game. Disparities in early learning mean that, in reality, some children start the game with $2,000 and others start with only $10. When some children start out so behind, it is unlikely they will ever catch up.

Although the state budget crisis has made some in our state feel important issues facing children and families on the back burner, many Arizona leaders are continuing to lay a foundation for improving early learning opportunities. When state funding catches up with economic sense and our growing needs, Arizona must be prepared to plan to ensure that all kids start school ready to learn.

VAIL AFTERSCHOOL PROJECT

Middle school students in southern Arizona's Vail School District will have greater learning opportunities after school as the result of a community project inspired by CAA. In January 2002, Rosamary McColl, Vail's coordinator for afterschool programs, received her district to pilot a process developed by CAA.

The project, with financial support from the Governor's Division for Children, used CAA's Afterschool Tool Kit, which provides a step-by-step guide for parents and neighborhood leaders interested in expanding options for academic and enrichment of child care and engaged in a public-private partnership to expand access to quality preschool in all Arizona children.

The information was compiled and shared at a Town Hall meeting in August. The results of surveys were striking. More than a quarter (25%) of Vail's students, primarily middle schoolers, are at home alone after school with no adult. The survey of existing programs found very few that offered structured activities throughout the after-school hours, especially for middle school students. Most afterschool activities currently available are either not easily accessible, like a week-long football camp, or an enrichment activity offered only several hours a week, such as Girl Scouts.

Faced with troubling statistics about the academic and safety risks to youth without adult supervision, parents and community leaders brainstormed ideas to expand supervised after-school opportunities for middle school students. Many parents have volunteered their time to provide after-school activities. The school district is visiting after-school programs in other places to see what works best for youth. And the district is working with community partners to establish after-school programs at all of its middle schools early this year. Thanks to the partnership of the school district, parents, religious leaders, and community groups, parents and students will benefit from safe and enriching opportunities after school.

2003 Legislative Priorities

The billion-dollar budget deficit certainly will cast a shadow over all other issues at the legislature this year. But despite the deficit, about 85,000 babies will be born in Arizona this year and more than 890,000 children will learn in public schools. During these tough times, more than ever, thousands of hard-working parents will need health insurance for their children and fiscal help when they're in between jobs. And thousands of abused and neglected children need protection and safety. The budget deficit cannot freeze us in our tracks. With the united efforts of policymakers and community-based organizations, religious leaders and parents, employers and employees, we can open doors of opportunity for children throughout Arizona. In addition to protecting children and families from budget cuts, Children's Action Alliance will fight for the following improvements in state laws and policies.

Renew successful family literacy project (sponsored by Representative Pete Hersberger). Research shows that children who read at grade level by the end of third grade have a much greater chance of succeeding in school. President Bush has declared our nation's commitment to helping young children prepare to read so that more Arizona students are strong readers and successful students. Arizona's effective family literacy project is expected in January 2004. With a $1 million annual appropriation to the Arizona Department of Education, this project supports community organizations that help parents of preschool aged children improve their literacy and teach their kids to be strong readers.

Improve health outcomes for KidsCare and AHCCCS. Hundreds of children become uninsured each month because their parents don't renew the complete procedure and paperwork for AHCCCS and KidsCare.

(BUDGET continued from page 1)

But the juvenile corrections budget for youth treatment has been reduced by millions of dollars. Judges are often forced to make placement decisions about youth based on where funding is available rather than what's best for rehabilitation and public safety. Juveniles who are confined without appropriate supervision and treatment services are at great risk.

QUALITY EDUCATION FOR ALL ARIZONA CHILDREN

Arizona clearly support increased educational funding. And business leaders, educators, parents and voters agree that education is essential to Arizona's economic growth and development. No one wants Arizona to continue to have the highest rate of school dropouts in the nation. Yet, education budgets continue to be at risk.

Children don't have years to "wait out" an economic recovery. We can't afford the expensive problems that result when we ignore the health, safety and education of children. We share your relentless commitment and dedicated energy to stand up and speak out with the facts about Arizona's children and families.
Donors

The work of Children’s Action Alliance is made possible through the support of hundreds of individuals, organizations, businesses and businesses that make generous contributions, support our programs and provide volunteer assistance toward sustaining and strengthening the voice for Arizona’s children. Listed below are those who have contributed $5 or more between October 1, 2000, and September 30, 2001. Without you, there would be no voice.

Barbara and Eugene Polk were the winners of the 2002 Horace Steele Child Advocacy award. This award is sponsored by the Phoenix Children’s Chorus and was presented in recognition of the Polk’s contribution to Arizona’s abused and neglected children.

The presentation was part of the fourth annual Through the Eyes of a Child event to benefit CAA. The event included a auction of professional-quality art by young artists from schools throughout the state. The Arizona Children's Chorus and the Phoenix Children's Chorus entertained guests with various selections throughout the program.

This year’s event, sponsored by The Arizona Republic and Blue Cross/Blue Shield of Arizona, raised almost $100,000 to support CAA's research, education and advocacy efforts on behalf of children.

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Publications Available from Children’s Action Alliance

NEW: Growing Arizona - A report by the Arizona School Readiness Task Force with recommendations to help more children in Arizona start school ready to learn.

NEW: 6 Lessons Learned 6 Years Later - A research bulletin describing important lessons learned since the passage of sweeping legislation to reform the nation’s welfare system.


Reliable Revenue for Responsible Budgets - Bulletin describing ten tax policies to help Arizona raise reliable revenues for responsible budgets.

KIDSCOUNT 2002 - Ranks Arizona compared to other U.S. states on ten indicators of child well-being.

Special thanks to APS for donating printing services for the CAA newsletter.

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