"No contact with my family members, 
There are tears everywhere. 
Am I alone? Or is someone there?"

These are the words of Tamara, a 14-year-old girl living in foster care in Arizona.

Her poem is part of a special collection of writings and artwork created by children living in foster care in our state. The words and images of this collection, on display in our state senate this month, express both the pain and the hopes of children who have suffered abuse or neglect.

These children are counting on us—through the Child Protective Services system of the state of Arizona—to make their families stronger and safer or to help them find new families for a secure future. They rely on temporary homes in foster care to help them heal and keep them safe until we find their forever family.

Arizona leaders will face a number of critical decisions in the coming months that will literally shape the future for these children—and thousands of others like them.

• First, our state legislature will be asked to repair the harm caused by a law passed by Congress in 2005. This law, known as the federal Deficit Reduction Act, cut federal funding to Arizona for foster care by $17 million each year. Arizona was hurt more than most other states due to how the federal formula was changed. This budget cut is the equivalent of eliminating more than 300 caseworkers—a loss that children like Tamara simply cannot afford. Arizona's legislature should approve supplemental funding to replace these lost federal funds.

• Second, CPS has begun to improve in-home services to keep children safely with their own families and to reduce the need for foster care. An increased appropriation of $9.7 million is needed to continue this progress and make up for past funding shortfalls.

• Third, Arizona has an independent living program to help youth who grow up in foster care transition successfully to adulthood. This transition is fraught with challenges for any youth—and is particularly difficult for young people who have no family or support network of their own. The monthly stipend these young people receive while they learn to make their own way has not been increased in 20 years. Yet living costs have soared during that time. Fair market rent for a studio apartment has risen 46% to 123% in different parts of Arizona. The state legislature should appropriate $2 million to raise the independent living stipend.

• Fourth, a national survey and meetings of Arizona foster youth found that these children often have little or no voice in the court proceedings during which critical decisions are made about their lives. Many youth don't know that they can participate in court hearings and there are few mechanisms in place to help them. Arizona's juvenile courts should adopt policies to encourage youth participation and to strengthen and clarify the legal representation of youth by attorneys and guardians ad litem.

With focused leadership from the Governor, the Department of Economic Security, state lawmakers, and Arizona courts, we can make sure that abused and neglected children know that someone is there to help and give them real hope for a safe and healthy future.

We welcome your support!

To make a donation to Children's Action Alliance, call 602-266-0707 or donate online at www.azchildren.org.
Children’s Action Alliance is 18 years old — entering young adulthood. Like any good parent, our founding CEO, Carol Kamin, has instilled our organization with clear and deeply held values and helped us develop a broad set of skills to navigate through both the storms and quiet waters we approach. As we enter this new year—and this new phase for Children’s Action Alliance—we have the strength to work harder than ever on the challenges and the solutions that make a real difference for Arizona families.

The pages of this newsletter reflect the wide variety of current issues facing children and families—from child abuse and neglect to the skyhigh rates of payday loans to the need for more education and training for working parents to debates about state budgets and taxes. We will absolutely continue to bring our expertise to these public issues and to participate in community partnerships to make positive changes.

There are two areas, in particular, where we see real opportunities to make some leaps for kids and families.

The first is children’s health. Certainly this issue remains one of the top concerns for voters in Arizona and across the country. Through federal and state funding, Kids Care and AHCCCS have helped dramatically reduce Arizona’s rate of uninsured children from 25% in 1998 to 15% today. This success is even more impressive given that employer-based health coverage has continued to diminish during this time.

Today, there are still about 250,000 children in Arizona without health coverage. That’s 3,500 school busloads of kids. While that number is large, there are very practical, cost effective steps we can take to further increase the coverage rate and improve children’s health and futures.

The second key issue is school readiness. We know that children’s experiences in their earliest years—before they ever start kindergarten—dramatically shape their brain development and their life-long learning and behavior. Those earliest experiences depend on parents first and foremost. And they also depend on support for parents, and high quality child care and preschool.

Sixty percent of Arizona children live with a single working parent, or two working parents. Child care businesses in Arizona care for a total of 135,000 children on an average day. Yet, the quality and infrastructure of Arizona’s child care is dangerously weak. Our child care subsidy rates for qualified working families are six years out of date. Our state licensing regulations are inadequate and staff shortages at the Department of Health Services mean that many licensed child care centers don’t get the annual inspections required by state law. According to the U.S. Bureau of Labor Statistics, child care workers in Arizona earned lower wages in 2003 than coatroom attendants, hair stylists, and animal trainers.

Arizona voters showed their support for more community attention to young children by approving Proposition 203 last November which raises the tobacco tax to target funds for early childhood programs throughout the state. These funds and the new statewide board to oversee them will give Arizona the opportunity to go above the minimum, basic level of child care. But state leadership and sustained financial commitment from the state general fund are absolutely vital to strengthening the basic foundation for the early care that will literally form the brains and emotional development of our next generation.

With visionary leadership from our Board of Directors, an incredibly talented staff team, and active supporters throughout the state, Children’s Action Alliance will work energetically with our business, community, and elected leaders toward the day when all children in Arizona have health care coverage and all children in Arizona can start kindergarten ready to succeed.

Dana Wolfe Naimark is President/CEO of Children’s Action Alliance.

Carol Kamin
You are a one-of-a-kind leader
Our deepest appreciation for 18 years of inspiration and achievement for Arizona’s children.

With fond admiration, from the board and staff of Children’s Action Alliance.
It’s been quite a ride!

As many of you know, I am leaving CAA and “transitioning” with Alan to Boston to be close to our kids and to our extended family.

For eighteen years, I have had the enormous privilege of traveling with you toward our common vision: that all kids have health insurance, that every child is ready for school and graduates ready to succeed, that no child endures the ravages of neglect and abuse, that every child has a place to call home, and that families have the tools they need to succeed.

Sometimes, our ride toward that vision was pretty bumpy, but we got there; other times we fell into deep crevasses and never made it out; and, once in a great while, we actually had a smooth journey.

However, throughout this amazing voyage, you, the supporters of Children’s Action Alliance, acted with unflagging urgency, unfettered vision and an unyielding generosity of spirit. To all of you, I say thank you from the bottom of my heart.

Dana Wolfe Naimark is the new President/CEO of Children’s Action Alliance. Many of you know Dana, who has been with CAA for the past fourteen years. Dana is one of the smartest, most committed, and savviest advocates for children that I know. She epitomizes everything that is good and right about CAA’s work.

With Dana’s leadership and your continued support, CAA’s voice on behalf of Arizona’s smallest voices will ring out even stronger in the offices of our elected officials, in the boardrooms of our business leaders, and in communities all across the state.

I will miss you. Thanks so very much for your friendship and support.

Thank You Arizona

CAA welcomes new board members Ricardo L. Valencia, Head of Diversity Markets for ING financial services company, and Jack Gibson, General Manager of KUAT Communications Group.

CAA WELCOMES NEW STAFF

CAA welcomes Erika Zavislak as our new Director of Organizational Advancement. In this position, Erika oversees CAA’s development, ensuring our organization will have a strong financial future so we can continue to build a strong future for all of Arizona’s children. Erika has held a wide variety of positions in both the private and public sectors. She was a company representative in the pharmaceutical and technology industries, and an adolescent substance abuse counselor. She holds a Bachelor of Arts degree from Arizona State University and a Master of Arts in Public Policy from Johns Hopkins University.

Jonathon Gonzales joins CAA as Director of Community Outreach. In this position, Jonathon develops and nurtures relationships with a wide range of community organizations, with a particular emphasis on tax and budget issues. Jonathon holds Bachelor of Arts and Master of Public Administration degrees from Arizona State University. Prior to joining Children’s Action Alliance, Jonathon worked for the Maricopa County Tobacco Use Prevention Program and the American Cancer Society.

BOARD PROFILES

People Who Care

MARYANN GUERRA

MaryAnn Guerra, Chief Operating Officer of the Translational Genomics Research Institute (TGen), joined the Board of Directors of Children’s Action Alliance in 2006. As COO, she oversees TGen’s business and administrative management operations, including business development and strategic partnerships, legal and financial management, and communications and outreach. MaryAnn is an expert in strategic planning, and brings a strong background in the health care community to CAA’s board. She previously served in a variety of positions at the National Institutes of Health and was Deputy Director of Management at the National Cancer Institute.

“As a mother and a businesswoman, I am excited about the work of Children’s Action Alliance. I know there are so many competing requirements that need to be addressed, but I feel very strongly that it is vital that all of Arizona’s children grow up strong and healthy, enter school ready to learn and have an opportunity to become a part of our state’s growing workforce,” said Guerra.

CAA is pleased to have MaryAnn’s energy and enthusiasm on the Board of Directors!
A HOMEGROWN INGREDIENT FOR ECONOMIC SUCCESS

Arizona is on the move toward the knowledge economy that will define this century; we are making investments in research, biosciences, and technology. But as the baby boomers age and the skill requirements of many jobs evolve, Arizona competes with other states for a quality workforce to fuel our economy.

With financial support from the Casey, Mott, Ford and Joyce foundations, Children’s Action Alliance participates in the multi-state Working Poor Families Project. We examined a huge amount of data to evaluate the competitiveness of our workforce. Our findings are sobering. Low levels of education and training limit the opportunities for individual families and dim the economic prospects of the entire state.

* Two out of five Arizona adults of working age possess only a high school education or less.
* Over one-third of our workforce earn wages so low they cannot support themselves and their families.
* More than 550,000 children are growing up in these struggling, working families. Without better connections to education and training, these children will likely be tomorrow’s low-wage workforce—lacking skills and earning potential.

Raising the level of education and training of Arizona’s low-income workers will help energize the state’s 21st century economy. Our new report, *Lifting Arizona’s Workforce: A Homegrown Ingredient for Economic Success*, highlights practical action steps Arizona can take to build a trained workforce and make more of our economic dreams come true. These include: strengthening existing health care programs for low-income families and small businesses; providing mentoring to working adults to link them with employment supports, education, and career opportunities; and increasing state investments in basic adult education and need-based financial aid for community college students.

For more information, contact Karen McLaughlin at 602-266-0707#207 or kmclaughlin@azchildren.org.

TABOR STILL TRYING TO RISE FROM THE DEAD

In 2006, TABOR proponents introduced the Taxpayers Bill of Rights (TABOR) in sixteen states, including Arizona. Whether in the state legislature or in the courts, TABOR was rejected in every state. The Arizona legislature voted no on 5 different TABOR and TABOR-like bills. They said no to tying lawmakers’ hands with arbitrary formulas that take away the ability to respond to changing circumstances and priorities. Voters in Maine, Nebraska and Oregon defeated TABOR at the ballot box.

Despite the across-the-board rejection of the failed TABOR experiment, supporters are talking about trying again in Arizona and in other states. Arizona already has numerous spending and taxing restrictions, including a constitutional limit on state appropriations, a supermajority vote requirement for the legislature to raise revenue, and constitutional limits on local property taxes. Despite these limits, some are talking about asking voters to approve a new and different limit—even if it’s not called TABOR.

The *Arizonans Against a Bad Idea* coalition of seniors, business leaders, health care providers, police and firefighters, education leaders, and community organizations fought against TABOR last year. The coalition expects our lawmakers to focus on voter and business priorities such as health care, education and transportation—not on tweaking formulas that threaten legislative responsibility for annual budgets.

For more information, visit www.azchildren.org and click on Issues/Fight TABOR or contact Karen McLaughlin at kmclaughlin@azchildren.org.
None of us is surprised that Arizona is now the fastest growing state. Our streets and highways are being strained as our population expands. Schools in new communities struggle with classroom space as enrollments boom. This growth demands increased financial investment in children and families in our state. In addition to the foster care budget issues described in the cover story, here are a few other issues that will need attention as the Governor and Legislature consider the FY 2008 budget:

- Updating the rates paid to help working parents afford child care—$35 million annually to increase the rates from 2000 levels up to 2004 amounts.
- Providing child care assistance to all qualified working parents—$7.8 million.
- Adding child care staff to the Department of Health Services to conduct all required health and safety inspections—$632,100.
- Keeping state aid for K-12 education up-to-date—$350 million.
- Providing health coverage for more qualified adults and children through AHCCCS and KidsCare—$56.4 million.

As Arizona moves further into the 21st century, our technology systems need to be brought up-to-date. This includes the eligibility and claims systems in the Department of Economic Security and AHCCCS which are dinosaurs developed in the 1970s and 1980s. Without computer systems updates, our state bureaucracies become unwieldy, slow, and heavy with paperwork and staffing.

As always, there will be far more budget requests and expectations than dollars to fund them. Children and families should be high on the priority list.

Skyhigh Payday Loan Fees Hurt Arizona Families

In 2000, the Arizona legislature exempted the payday loan industry from the 36% annual percentage rate usury cap, and payday lenders may now charge more than TEN TIMES that rate. Instead of benefiting families, payday loans trap many into high-cost debt. Since this exemption was created, payday lending has exploded in Arizona. The exemption is set to expire in 2010. While voters and lawmakers are talking about how to rein in payday lending and reduce the skyhigh rates, the industry is interested in making their exemption permanent. Some facts about payday lending:

- There are now more payday loan stores in Arizona than the number of McDonald’s and Starbucks combined.
- In 2005, the average payday loan fee in Arizona was equal to 460% annual percentage rate interest.
- The typical payday loan customer nationally pays back $793 for a $325 loan.
- Nationwide, payday loan consumers average 10-13 loans a year at a single lender, and 99% of payday loans go to repeat borrowers.
- Almost 2/3 of payday loans are made to families headed by women. Families moving from welfare to work are targeted.
- About half of Arizona payday loan customers have children in the household younger than 18.
- Less expensive options do exist, such as credit union loans, cash advances on credit cards, payment plans with creditors, or short-term loans from relief societies.

For more information, contact Penelope Jacks at 520-795-4199 or penelopejacks@alumni.grinnell.edu.

BUDGET ISSUES WILL MEAN A LOT FOR KIDS

None of us is surprised that Arizona is now the fastest growing state. Our streets and highways are being strained as our population expands. Schools in new communities struggle with classroom space as enrollments boom. This growth demands increased financial investment in children and families in our state. In addition to the foster care budget issues described in the cover story, here are a few other issues that will need attention as the Governor and Legislature consider the FY 2008 budget:

- Updating the rates paid to help working parents afford child care—$35 million annually to increase the rates from 2000 levels up to 2004 amounts.
- Providing child care assistance to all qualified working parents—$7.8 million.
- Adding child care staff to the Department of Health Services to conduct all required health and safety inspections—$632,100.
- Keeping state aid for K-12 education up-to-date—$350 million.
- Providing health coverage for more qualified adults and children through AHCCCS and KidsCare—$56.4 million.

As Arizona moves further into the 21st century, our technology systems need to be brought up-to-date. This includes the eligibility and claims systems in the Department of Economic Security and AHCCCS which are dinosaurs developed in the 1970s and 1980s. Without computer systems updates, our state bureaucracies become unwieldy, slow, and heavy with paperwork and staffing.

As always, there will be far more budget requests and expectations than dollars to fund them. Children and families should be high on the priority list.

Through the Eyes of a Child Gala Supports Arizona Kids

Nearly 400 people gathered to celebrate childhood at CAA’s eighth annual Through the Eyes of a Child gala. This fundraising event helps sustain CAA’s advocacy work, ensuring a brighter future for all of Arizona’s children.

Held October 7 at the Scottsdale Resort and Conference Center, this year’s event honored former Governor Jane Hull and George Cunningham, Deputy Chief of Staff for Finance and Budget for Governor Napolitano, with the 2006 Jacque Steiner Public Leadership Award for Children. The Honorable Dan Schweiker, Co-Founder of China Mist Tea Company and Paradise Valley Town Councilman, was awarded the Horace Steele Child Advocacy Award for his community leadership on behalf of children. The event was chaired by Richard Boals, President/CEO of Blue Cross Blue Shield of Arizona.

Attendees were entertained by the Jordan Tompkins Quartet, Nebellen Dance, and musicians from Valley Youth Theatre. The evening also included a silent auction showcasing the artwork of talented high school students from around the state.
Susan and Richard Goldsmith take their commitment to children and our community very seriously. The Goldsmiths moved to the Valley in 1973, bringing with them their vision of community building, arts, and education. They soon set that vision into action. Richard is a partner at Lewis and Roca law firm and a member of the Board of Trustees of the Phoenix Art Museum. Susan is a former Scottsdale School Board member and current President of the Board of Directors for the Family School.

Susan met CAA’s founder and former President/CEO, Carol Kamin, through Valley Leadership and has followed CAA’s progress since its early days. The Goldsmiths support CAA and other organizations like it. “We both believe that it is very important for children to have an advocate. The issue of early childhood development is critical to the state as it sets the foundation for what comes later…it sets kids and families on a path for success both within school and the community.”

Richard and Susan have contributed to CAA’s general solicitation campaign for the past several years and made a significant contribution to the Carol Kamin Early Childhood Endowment in November. “We are really pleased to honor Carol’s work by contributing to the endowment. We feel Arizona’s kids can benefit greatly from a new Early Childhood Policy position being created at CAA.”

CAA would like to thank Richard and Susan for their continued support of our work. Their financial commitment moves us closer toward the day when all Arizona children can start kindergarten ready to learn and succeed.

ARIZONA VOTERS PUT TOBACCO TAX TO WORK FOR YOUNG KIDS AND FAMILIES

In November, Arizona voters adopted the First Things First ballot initiative – Proposition 203 – to invest $150 million in new tobacco tax dollars for young children and their families. Governor Napolitano has appointed the nine-member board that will lead the implementation of this initiative and distribute the funds. After a phase-in period for the new board to hire staff and establish priorities, resources will be available for efforts such as training for child care teachers, quality improvement at child care centers, high quality preschool programs, and prevention and support for parents. Proposition 203 gives Arizona the opportunity and the resources to dramatically improve children’s care and learning in their earliest years, strengthening families and educational success.

Carol Kamin Early Childhood Endowment Fund

Children’s Action Alliance expresses our deep appreciation to the Ellis Center for Educational Excellence for a substantial grant of $500,000 to establish our new Carol Kamin Early Childhood Endowment Fund. With additional contributions from supporters like you, this endowment will provide a dedicated staff position at Children’s Action Alliance for early care and education issues.

We invite you to join this initiative to help us move Arizona toward quality child care, preschool, and family support so that all Arizona children can start kindergarten ready to succeed. Thank You!

CAA DONORS MAKE THE DIFFERENCE FOR KIDS

Susan met CAA’s founder and former President/CEO, Carol Kamin, through Valley Leadership and has followed CAA’s progress since its early days. The Goldsmiths support CAA and other organizations like it. “We both believe that it is very important for children to have an advocate. The issue of early childhood development is critical to the state as it sets the foundation for what comes later…it sets kids and families on a path for success both within school and the community.”

Richard and Susan have contributed to CAA’s general solicitation campaign for the past several years and made a significant contribution to the Carol Kamin Early Childhood Endowment in November. “We are really pleased to honor Carol’s work by contributing to the endowment. We feel Arizona’s kids can benefit greatly from a new Early Childhood Policy position being created at CAA.”

CAA would like to thank Richard and Susan for their continued support of our work. Their financial commitment moves us closer toward the day when all Arizona children can start kindergarten ready to learn and succeed.
CAA Goes to Bat For Kids’ Health

Poet and Diamondbacks’ pitcher, Miguel Batista, helped Children’s Action Alliance launch a very successful health outreach campaign in August. The Covering Kids & Families Back-to-School Campaign is part of a nationwide effort, supported by the Robert Wood Johnson Foundation, to enroll more uninsured children into health coverage that is already available. In Arizona, that means AHCCCS Medicaid coverage and KidsCare for kids and parents in working families.

Thanks to AHCCCS and KidsCare, Arizona’s rate of uninsured children has fallen dramatically from 25% in 1998 to 15% today. Yet, there are still about 250,000 children in Arizona without health coverage – more than 3,500 school buses full. It is estimated that at least half of these uninsured kids already qualify for AHCCCS or KidsCare, but their parents don’t know about it or don’t know how to apply.

“This low-cost health insurance program helps a family of four earning up to $40,000 a year,” Batista announced at a press conference at Chase Field. “It allows kids to visit the doctor for well checks, see the dentist when needed, and visit the hospital when necessary without families going deep into debt.”

The campaign has definitely been a hit with kids and families. Based on publicity from the launch, advertisements on local radio and television stations, community health fairs to involve parents, and thousands of fliers and brochures distributed at schools, churches, businesses, and community centers, calls to the KidsCare hotline jumped 429% in September 2006 compared to the previous year.

With financial support from the BHHS Legacy Foundation, we are working to keep our batting average high with ongoing community outreach and additional advertising. Special thanks to our other coalition partners: Mountain Park Community Health Center, St. Joseph’s Hospital and Medical Center, Arizona Small Business Association, Phoenix Children’s Hospital, HealthCare Connect, and Phoenix Day/HealthLinks.

Future of KidsCare Depends on Congress

Arizona’s KidsCare provides health coverage to children in low-income working families who pay premiums and meet other requirements. Despite rising health costs and declines in the availability of job-based coverage, AHCCCS and KidsCare have dramatically reduced the rate of uninsured children in Arizona. Arizona receives three dollars in federal funds for every state dollar spent on KidsCare—up to a maximum cap. This year, Arizona relies on $123 million in federal funds to help provide coverage to over 58,000 children who would otherwise be uninsured.

The federal law that provides this children’s health funding to Arizona and every other state expires in 2007. This law, known as the State Children’s Health Insurance Program—or SCHIP—must be reauthorized by a vote in Congress this year. Because SCHIP is a block grant with a fixed amount of annual funding, the dollars have not been keeping up with the rising cost of health care or the number of children needing coverage. It will take $12 to $14 billion more over five years simply to sustain existing SCHIP coverage across the country. Lower federal funding will reverse the remarkable progress that has been made and leave more than one million children uninsured across the nation. If federal SCHIP funding is not increased, Arizona will face a shortfall beginning in 2011 of over $45 million each year.

We are counting on our Congressional delegation to reauthorize and fund SCHIP—without hurting other children’s health efforts—to move closer to our goal of all children in Arizona and throughout the nation getting the health care they need.

For more information, contact Kim VanPelt at 602-266-0707 or kvanpelt@azchildren.org.
Publications Available from Children’s Action Alliance

NEW! Beyond Kissing Babies: Transforming Campaign Sound Bites Into Common Sense Solutions for Arizona’s Kids and Families — briefing papers for state legislators on the major issues facing children and families and policy actions that can make a difference.

NEW! Lifting Arizona’s Workforce: A Homegrown Ingredient for Economic Success — discussion of findings and recommendations on raising the skills and education of Arizona’s low-income workforce to fuel our 21st century economy.

NEW! Getting from Here to There: A Guide to the Dependency Court for Children and Youth in Foster Care — easy-to-find answers for youth living in foster care about their rights and the court procedures that will determine their living arrangements.

UPDATED! Health Care Resources for Arizona’s Low Income and Uninsured Families — resource manual with easy-to-use index to low-cost health insurance and health services available to adults and children.

Raising the Minimum Wage: More Value for Arizona Work — report highlighting the positive impact of the minimum wage increase on children and families.

KIDS COUNT 2006 Data Book — ranks Arizona compared to other states on ten indicators of conditions for children.

Mark Your Calendar

Children’s Action Alliance Annual Meeting March 8 5:00 p.m.
2007 Child Welfare Symposium March 9 11:30 a.m.