2005 Highlights & Accomplishments















Arkansas Advocates for Children & Families

Mission

The mission of Arkansas Advocates for Children & Families is to ensure that all children and their families have the resources and opportunities to lead healthy and productive lives and to realize their full potential.

Current I ssue Areas

	Qua	lity]	Pre-sc	hool
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- Health Care for Children
- Economic Self-Sufficiency
- State Budget and Taxes
- Child Welfare
- Juvenile Justice

2005 AACF Board of Directors

AACF is committed to having not only the best board possible, but also a board that is representative of the families of Arkansas. We strive for diversity across economic, socio-demographic, and occupational lines. Most importantly, we strive for a board that is committed to improving the lives of Arkansas children and their families.

Dr. Gil Buchanan (President)

Cesar Compadre, PhD Dan Ferritor, PhD Melissa Henshaw Charles King

Freeman McKindra

Darren Peters Suzette Schutze

E'van Steele (Secretary)

Brigette Williams

Diana Gonzales Worthen

Sandra J. Brown, MPH, MSN, RN (President-Elect)

Missy Duke, JD Ray Hanley

Alice Hines, PhD Kathy McFetridge John McKissick

John Riggs IV (Treasurer)

Steve Sipes Brad Williams Beth Wilson, EdD

Letter from Executive Director

The past year has been an exciting one for Arkansas Advocates for Children & Families (AACF). The year marked the completion of our eight-year health care outreach project as part of the Robert Wood Johnson Covering Kids and Families Initiative, one of the most successful initiatives in our organization's history. 2005 also saw another major legislative accomplishment for AACF, the continued expansion of public support and new funding for quality pre-school for at-risk 3- and 4-year olds.

Earlier in the year we received two major honors, the Martin Luther King Nonprofit Salute to Greatness Award from the MLK Commission and the Cinco De Mayo Appreciation Award from the League of United Latin American Citizens (LULAC) for our work during the 2005 legislative session.

We were fortunate to have Dr. Gil Buchanan serve as Board President. Dr. Buchanan also served as AACF Board President in 1992 and has been an important part of our organization for many years. As a pediatrician, he has been a strong advocate for children's health throughout his career.

In several respects, 2005 was also a transitional year for AACF. We moved to new offices in Union Station, developed a new strategic plan to guide our future work, implemented new computer and database systems, added new staff, and began several new fundraising efforts. We also began new policy projects which included: building the network for promoting afterschool programs, protecting federal programs from budget cuts, increasing the state minimum wage, and developing alternatives to predatory payday lending.

Although we continue to see progress for Arkansas children, we know there is much more to be done to ensure that every child has the resources and opportunities to realize his or her full potential and build a better future for all families.

We thank you for the confidence and trust you have shown us on behalf of Arkansas children. We especially want to thank all of our community and coalition partners, our foundation, corporate and individual sponsors, and volunteers who give so freely of their time and money on behalf of AACF and the children of Arkansas. Together we can continue to make a major difference in the lives of all children and their families.

Rich Huddleston Executive Director

About Arkansas Advocates for Children & Families

Arkansas Advocates for Children & Families (AACF) was founded in 1977 by a group of prominent and concerned citizens who believed that children needed a voice at the state capitol when important public policy decisions were being made. AACF is one of the South's oldest child advocacy organizations. We are a respected voice for children nationally and at the state capitol.

Over the years our major accomplishments included leading efforts in the following:

- Creating and enrolling children in ARKids First, Arkansas's health insurance program for uninsured children;
- Securing funding to provide quality pre-school for at-risk 3- and 4- year old children;
- Passing legislation to require schools to participate in the federal school breakfast program;
- Making safer child welfare and juvenile justice systems;
- Increasing public awareness about the economic plight facing low-income families and the need for a more fair tax system.

Our mission is simple: to ensure that all children and their families have the resources and opportunities to lead healthy and productive lives and to realize their full potential.

AACF fulfills its mission by promoting the development and implementation of good public policy. We do this through research, monitoring and evaluation, communications, advocacy, building broad-based constituencies for children and their families, and developing child advocates.

2005 Highlights & Accomplishments

Improving Health Care for Low-Income Families

Eight years of direct outreach culminated with the wrap-up of the Robert Wood Johnson Covering Kids and Families initiative in 2005. Through our outreach efforts, more than 300,000 children are now enrolled in the ARKids First Program. Nationally, Arkansas has been one of the best states in reducing the number of uninsured children; decreasing its uninsured rate from 19 percent to 10 percent during the last seven years. The year ended with a celebration at AACF's annual meeting. Governor Mike Huckabee received the AACF Friend of the Children Award for his leadership in establishing ARKids First. The support of our health care partners, especially Arkansas Children's Hospital, has been a vital part of our success.

With funding from the Robert Wood Johnson Foundation, AACF convened a working group to improve access and education to families through the Early and Periodic Screening, Diagnostic, and Treatment Services (EPSDT) program. The group, which included Medicaid and the Department of Health and Human Services, met several times during the year and identified areas for improvement.

Finally, AACF was part of the Child Health Advisory Committee established in 2003 by the state legislature to develop standards and recommendations for nutrition and physical activities in the schools. These recommendations were adopted in August 2005. AACF health policy director Rhonda Sanders took over the chair of this committee in 2005. Under her leadership, the Child Health Advisory Committee worked with the Division of Health and the Department of Education to ensure nutrition and physical activity are included as part of the state's coordinated school health efforts and to monitor money set aside to provide staff support for childhood obesity-related activities in the schools.

Expanding Quality Pre-School Education for At-Risk Children

AACF and its partners in the Invest Early Network continue to be instrumental in efforts to build support for the expansion of quality pre-school education for Arkansas' at-risk 3- and 4-year olds. As part of the 2004 Arkansas State Legislative Special Session on education reform, the legislature adopted a \$100 million expansion plan for the Arkansas Better Chance for School Success program, Arkansas' state-funded quality pre-k program. The first \$40 million was funded in 2004. During the 2005 regular legislative session, the Arkansas legislature increased funding by another \$20 million. Over the last two years, funding for quality pre-k has increased from \$12 million to \$72 million, a \$60 million increase. Arkansas now serves nearly 19,000 three-and-four year old children in state-funded quality pre-k programs covering every county in the state.

As part of its efforts to expand quality pre-k, AACF staffs the Invest Early Network (which includes 35 coalition partners), prepares special analyses and materials to educate the public and policymakers about the benefits of quality pre-school education, recruits corporate partners to be public spokespeople for pre-k, operates an email information network of more than 1,000 constituents, holds regional trainings and briefings on the issue, and conducts advocacy with state policymakers.

Arkansas' pre-k efforts continue to be featured in national publications and at national conferences, including the National



Friend of Children Award

Gov. Mike Huckabee was the 2005 recipient of the Friend of Children Award presented during the ARKids First celebration luncheon wrapingup eight years of outreach. Gov. Huckabee was chosen as this year's recipient because of his role in creating ARKids First and supporting the outreach efforts.



Kids Count Day at the Capitol

Rep. Kevin Goss visits with constituents during Kids Count Day at the Capitol. More than 250 people attended this year's activities in the Capitol Rotunda. In addition to visits with legislators, participants attended committee meetings and heard from legislators on topics from healthcare and quality preschool to a fair tax system.

Association of State School Officers, the Pew Foundation and Pre-K Now, NIEER (the National Institute of Early Education Research), the Education Commission of the States, and the National Conference of State Legislatures.

Reducing the High Cost of Being Poor

AACF's work continues to set the stage for future policy changes that will reduce the high cost of being poor for Arkansas' working families. AACF conducted research and produced several publications on predatory payday lending practices in the state. One was titled "Payday Loans Don't Pay", an analysis of how Arkansas families are impacted by predatory payday lending practices in the state. Another publication, "Payday Lenders in Arkansas: Renting Out-of-State Bank Charters Help Evade State Law", was an analysis of how in-state payday lenders misuse out-of-state banks to skirt state payday lending restrictions.

AACF also helped lead a statewide coalition – *Arkansans Against Abusive Payday Lending* — to eliminate the predatory payday lending industry and develop more sensible financial credit alternatives for low-income families. The coalition has been very active and vocal, generating increased attention – media, legislative, regulatory, and public – to the issue. During the 2005 legislative session, two bills were introduced to eliminate the usurious payday lending industry in Arkansas. Although neither bill passed, they helped generate increased media attention around the issue.

AACF worked with the coalition partners, the Federal Reserve Bank, and representatives of the banking community to develop realistic financial credit alternatives for low-income families. By conducting a series of focus groups and interviews with families impacted by predatory payday lending practices and representatives of the financial community, AACF developed preliminary information about alternatives to payday lenders. This research resulted in the publication "Alternatives to Payday Loans."

Making the Tax System Fairer for Arkansas Families

Our analyses of state tax and budget issues, the quality of which is widely recognized by legislators, continues to move the public debate for progressive taxation in the legislature and throughout the state. As part of its State Fiscal Analysis Initiative (SFAI) project, AACF worked to make the Arkansas tax system fairer for low and middle-income families and to protect state funding for programs serving low-income families and their children.

The need for fairer taxes is greater now than ever. Recent legislative changes – such as the capital gains tax cut of 1999, the large sales tax increase that was passed to fund K-12 education in 2004, and the elimination of the income tax surcharge state estate tax during 2005 – have placed a disproportionate share of the state and local tax burden on low- and middle-income families. AACF continued to conduct research and educate the media and public about alternatives, such as establishing a state earned income tax credit (EITC) and greater use of more progressive taxes, that would reduce over-reliance on sales taxes that hurt low- and middle-income families.

During the 2005 legislative session, AACF supported bills to expand the refundable state child tax credit bill, reform the property tax, reinstate the estate tax, and establish combined reporting and the closing of corporate tax loopholes. The only bill to make it out of House Revenue and Tax Committee was the expanded child care tax credit. This bill came within a whisker of being passed by the Arkansas Senate, but was defeated in the final days of the session. AACF also worked to prevent the passage of a tax increment financing bill (TIF) that had the potential of undermining local property taxes for education in future years. While that legislation passed in spite of the best efforts of AACF and our partners, it is likely to be revisited in future years.

Helping Families Achieve Economic Self-Sufficiency

AACF supported GARN (Give Arkansas a Raise Now), a broad faith-based coalition established to increase the state minimum wage from \$5.15 to \$6.15 an hour and make future adjustments for inflation. In real terms, the current minimum wage is at its lowest value in all but one of the last 50 years and provides insufficient income to meet the basic economic needs of families with children.

In late 2005, AACF wrote an issue brief titled "Workers, Business, and the Minimum Wage in Arkansas," that examined the potential impacts of increasing the state minimum wage. AACF also served on a committee that helped design a public opinion poll on the minimum wage. The poll found that 86 percent of all Arkansans supported increasing the state minimum wage. The coalition has proposed a constitutional amendment increasing the minimum wage for inclusion on the November 2006 election ballot.

AACF also released the "State of Working Arkansas 2005," a major update of its biennial report on the economic status of Arkansas families and economic trends impacting the state. The report found that many of Arkansas' working families continue to struggle despite the economic turnaround in recent years. Now, more than ever, Arkansas needs to explore better ways of promoting the ability of Arkansas families to achieve economic self-sufficiency.

Protecting Critical Federal Programs for Families

For the first time in several years, AACF was active on the federal level by conducting a sustained, year-long federal budget advocacy campaign to educate the public and protect funding for federal programs that serve low-income children and families including Medicaid, Food Stamps, and TANF. As part of the campaign, AACF formed a coalition of community, faith, and nonprofit groups; conducted trainings on the federal budget; developed analyses of the issues; kept our network informed; circulated sign-on letters that were shared with members of the Arkansas congressional delegation; developed press releases and conducted interviews with media; and briefed members of our congressional delegation about the potential impacts of the proposed cuts.

Although the U.S. Congress passed a 2005 budget that contained significant budget cuts for low-income programs, the cuts were not as severe as they could have been, especially in Medicaid and Food Stamps. However, these cuts will further weaken the federal revenue base that supports low-income programs.



Advocacy Training Academy

Paul Kelly facilitates an advocacy training. AACF and the Kids Count Coalition sponsored three advocacy training academies. Participants were trained and educated on how to become an effective advocate on issues affecting children. The acadmies were held in Conway, Springdale and Jonesboro.



Open House

Former board members Grif Stockley and Ann Hedges visit during AACF's open house at the organization's new offices in Union Station.

Improving Juvenile Justice through Afterschool Programs

AACF worked with the Arkansas Out-of-School Network (AOSN) to collect research and coordinate state-level advocacy and partnerships to promote quality afterschool programs in Arkansas. Providing safe places with adult supervision and structured activities are proven methods for preventing juvenile crime and other risky behavior. As a result of these efforts, the AOSN received a three-year grant from the Charles Stewart Mott Foundation that will allow AACF to build partnerships and create a statewide campaign to maintain and expand quality afterschool programs over the next three years. AACF will be a major partner in this initiative.

Improving the Child Welfare System for Abused and Neglected Children

AACF conducted new research documenting that the state's system for caring for abused and neglected children was on the verge of crisis. AACF released "The Arkansas Child Welfare System: More Than a Decade of Change, Yet Many Things Remain the Same." This report received widespread media coverage, led to enhanced interest by the legislature and helped spur new steps by DHHS to deal with statewide staffing crisis that has plagued the child welfare system that last several years.

Educating the Public Through Kids Count

AACF participated in the release of the National Kids Count Data Book by the Annie E. Casey Foundation, an annual report that tracks changes in the well-being of children in Arkansas and other states. AACF also began a major update of its CLICKS data system (a system that provides downloadable state and local-level data on the well-being of Arkansas children and families.)

AACF also released several data reports about children, including:

- "Issues Critical to Children in 2005: Track the Voting Record of Your Legislators and the Governor"
- "The Arkansas Child Welfare System: More Than a Decade of Change, Yet Many Things Remain the Same"
- "The State of Working Arkansas 2005"
- "Health Insurance for Children: The Arkansas Success Story"
- "Closing the Gap on Healthcare for Arkansas Children"

The Arkansas Kids Count Coalition, staffed by AACF, continued to be a strong voice for children. During the 2005 legislative session, this statewide coalition of nonprofits, service providers, concerned citizens, and child advocates held a Kids Count Day at the Capitol to increase awareness of children's policy issues. After the session, a post-legislative conference was held to recognize outstanding child advocates and discuss the legislative changes affecting children and families that were enacted. Later in the year, AACF conducted several child advocacy trainings around the state for new child advocates.



Post Legislative Conference

A panel of Kids Count Coalition members discuss the effects of legislation passed during the legislative session. As part of the conference, legislators who have supported legislation positively affecting children and families are recognized as Champions for Children.

Communications & Public Education

AACF was quoted, interviewed and cited as sources in more than 200 newspaper articles and radio and TV interviews getting our key messages out across the state in 2005. Many of these were in response to the numerous analyses that AACF issued during the year. For the first time, AACF also conducted Smart Chart, a structured process used to develop key media and communication messages for the organization's major policy issue areas.

Developing the Infrastructure to Ensure Future Success

During 2005, AACF took major steps forward to ensure the future success of the organization, including moving to new offices in Union Station, developing a new four-year strategic plan, merging AACF's contact databases into one, upgrading AACF's fundraising software, and updating our computer system.

Our Long-Term Goals

AACF adopted a new strategic plan in 2005. Our long-term goals for the children of Arkansas include:

Health Care for Children

All Arkansas children should have access to affordable and quality health care that meets their preventive needs as well as their acute and chronic disease state needs.

Education

All children should have the educational opportunities – including access to quality preschool, after-school and summer programs, and other services – that enhance their learning and ensure school success.

Fair Taxes

Arkansas should have a fair and progressive tax system for families that ensures adequate revenue for programs supporting children and families and promotes the state's ability to raise family incomes.

Economic Self Sufficiency

Every family should have the resources to meet the basic needs of its children and to achieve long-term economic self sufficiency.



24th Annual Soup Sunday

Pictured are Board President Gil Buchanan and former staff member Julie Robbins and during the 24th Annual Soup Sunday held each year in February. The event draws more than 900 participants and 30 area restaurants.



Annual Meeting

Pictured are Derick Easter, Gov. Mike Huckabee, Rhonda Sanders and Rich Huddleston during the Annual Meeting and ARKids First Celebration.

Child Welfare

Children in the child welfare system should have services that ensure their safety and preserve and strengthen the families that care for them.

Juvenile Justice

The juvenile justice system should have a primary focus on prevention and maintaining a separate system of adjudication and treatment for juvenile offenders.

AACF Publications Produced in 2005

"Issues Critical to Children in 2005: Track the Voting Record of Your Legislators and the	
Governor"	
"Property Tax Reform for Arkansas: The Forgotten Child in the Education Adequacy Debate"	
"Kids at the Capitol: A Summary of Legislation Affecting Arkansas' Children"	
"The ABC's of TIF in Arkansas"	
"Payday Loans Don't Pay"	
"The Arkansas Child Welfare System: More Than a Decade of Change, Yet Many Things	
Remain the Same"	
"Food Stamps: Supporting Healthy Families and Communities in Arkansas"	
"Workers, Business, and the Minimum Wage in Arkansas"	
"Closing the Gap on Healthcare for Arkansas Children"	
"Payday Lenders in Arkansas: Renting Out-of-State Bank Charters Help Evade State Law"	
"The State of Working Arkansas 2005"	
"Health Insurance for Children: The Arkansas Success Story"	
"Alternatives to Payday Loans"	
"Revisiting the Arkansas Capital Gains Tax Cut: Is It Time to Reconsider?"	
"Quality Pre-k in Arkansas: Lessons Learned"	



Board President

The 2005 board president was Dr. Gil Buchanan, a pediatrition and former Medical Director of Children's Medical Services at the Department of Health and Human Services.

Coalition Partnership

Rhonda Sanders, director of health policy, presents John Kennedy, Department of Health & Human Services/Division of County Operations with an award for his work on the ARKids First outreach.



Our Major 2005 Funders

We would like to thank the many individuals, corporations, and foundations who supported our work during 2005. In particular, we would like to thank our major funders during 2005:

- Annie E. Casey Foundation
- Center on Budget & Policy Priorities
- Enterprise Corporation of the Delta
- Robert Wood Johnson Foundation
- Mazon: A Jewish Response to Hunger
- Pre-K Now & Pew Charitable Trusts
- Stoneman Family Foundation

- Arkansas Children's Hospital
- Fred Darragh Foundation
- Ford Foundation
- Harvey and Bernice Jones Charitable Trust
- Munro Foundation
- Stephens, Inc.
- Nathan Dalton Whetstone Endowment

Our Staff

Several staff changes occurred during 2005. Melody Moore (finance and administration director), Casey Pierce (administrative assistant), and Derick Easter (statewide health outreach coordinator) left AACF to take new jobs. These staff did admirable work for AACF during their tenures with the organization, and we will miss their valuable contributions. Jennifer Ferguson, formerly with the Arkansas Community Foundation, re-joined AACF as operations and legal director. Malisa Morris, formerly with Baptist Medical, joined AACF as our new administrative assistant. Interns during 2005 were Melissa Smith-Wolverton, Katherine Terrill, Elizabeth Pearce and Megan Coyle. Our current staff includes:

Rich Huddleston, Executive Director
Jennifer Ferguson, Operations and Legal Director
Kathryn Hazelett, Research & Fiscal Policy Director
Paul Kelly, Senior Policy Analyst
Malisa Morris, Administrative Assistant
Kenetta Ridgell, Communications Director
Rhonda Sanders, Director of Health Care Policy & Legislative Affairs
Connie Whitfield, Parent and Community Liaison
Diane Vibhaker, Study Circles Coordinator



Staff members left to right are: Malisa Morris, Derick Easter, Rhonda Sanders, Paul Kelly, Connie Whitfield, Jennifer Ferguson, Kathryn Hazelett, Kenetta Ridgell, Rich Huddleston



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