Christina, age 9
ZAMBIA
Visiting with CI graduates recently, I told them, ‘When I grow up, I want to be just like you.’ Despite the staggering conditions in which they were raised, these young people studied, worked and dreamed to make life better. Their courage, determination, resilience and desire to pay it forward is beyond inspiring. They certainly make me want to be a better person.

Everyone who completes our program and goes on to higher education and employment stands as proof that the CI approach is working. Further proof is in the data. Last year, 82 percent of participants in our capstone employability program found jobs soon after completing the training. Thank you for making this success possible!

We designed this 2017 annual report just for you, our closest supporters, to share our progress and a view of the holistic program framework that differentiates CI. With your support, we’ve made significant changes that allow us to do more than alleviate symptoms of poverty. Investing wisely in the first two decades of a child’s life through health, education, empowerment and employment programs, we create opportunities and teach life skills that pave a path out of poverty. Our outcomes-focused approach is bold, comprehensive, intentional and impactful.

Behind the scenes, we continue to improve our operational effectiveness and now send a higher percentage of income to our international field operations. Charity review organizations have noticed. Great Nonprofits named CI a top-rated charity for 2017. Charity Watch gave us an “A” grade, and most recently, GuideStar awarded CI “Platinum” status, their highest rating.

Ratings like these, together with positive impact data, tell us we’re on the right track. Our unique investment in children also has power beyond what we can measure. Mother Teresa of Calcutta said that the greatest tragedy of poverty is not the lack of bread or roof, but the feeling of being no one. CI kids come to know they are indeed someone. We nurture their self and public esteem so they can transcend circumstances and create better conditions … for themselves and their communities.

Because of you, and with you by our side, CI is ending poverty of spirit one child at a time. Together, we are creating positive change today that will influence generations to come. Thank you for being part of our circle, for being at the heart of our work.

With heartfelt gratitude,

Susana Eshleman, PRESIDENT & CEO
LEADERSHIP TEAM
Susana Eshleman, President & CEO
Claire Bishop, Vice President, Marketing & Engagement
Bill Browster, Executive Vice President & Chief Operating Officer
John Clause, Vice President, Global Philanthropy
Carol Hall, Vice President, Information Technology
Jack McCanna, Vice President, Global Programs
Danielle Mitchell, Vice President, Finance
Vickie Wiedenmann, Assistant Vice President & Secretary
James Cook, CEO Emeritus

BOARD OF DIRECTORS
David Cacioppo, Chairman
Dean Oskvig, Treasurer
Brad Cloverdyke
Liderman Duin
Susana Eshleman
Tara Frank
Mike Reilly
Robyn Wiens

90% of our total expenses in 2017 went directly to the programs and activities that help sponsored children, and we’re proud of the high standards we met in achieving that number. At CI, your money goes a long way in changing lives.

Children International ranks highly among charity watchdog groups.

Facts and financials

CONDENSED AUDITED FINANCIAL INFORMATION
Independent auditor: BKD LLP For year ended September 30, 2017

PUBLIC SUPPORT & REVENUE
Sponsorships and contributions $80,465,572
Product donations $55,570,635
Legacies and bequests $1,161,637
Grants and other income, net $765,584
Total public support and revenue $137,963,428

EXPENSES
Worldwide program services $123,642,664
SUPPORTING SERVICES
Management and general $6,593,347
Securing financial support $7,531,836
Total supporting services $14,125,183
Total expenses $137,767,847

Net assets, beginning of the year $58,353,688
Public support and revenue over expenses $195,581
Nonoperating activities $2,831,187
Net assets, end of the year $61,380,456

To access our full audited financial statements, visit children.org/accountability.
COLOMBIA
10 community centers

DOMINICAN REPUBLIC
8 community centers

ECUADOR
10 community centers

GUATEMALA
7 community centers

HONDURAS
5 community centers

INDIA
5 community centers

MEXICO
9 community centers

PHILIPPINES
14 community centers

UNITED STATES
Little Rock, Arkansas*

ZAMBIA
3 community centers

*Little Rock doesn’t have an official community center. We partner with the University of Arkansas at Little Rock, as well as other local community based organizations to implement programs in existing spaces such as schools and churches.

Around the world

We commit to impact and results

Laser-focused on impact and outcomes, Children International last year launched CI+, a new initiative to elevate our front-line teams’ capacity. CI+ provides agency teams around the world with the unique tools they need to conduct learning experiments, make connections with partner organizations and develop disciplined roadmaps for performance improvement. Committed to continuous learning, CI’s goal is to develop global teams that are adaptable, reflective and on the cutting edge of new practice. To date, CI+ launched in eight agencies, and 43 experiments are complete. Several of those have led to significant change that will ultimately translate to more positive outcomes in the lives of our children and in our communities.
A safe place to grow

In the communities where we work, Children International community centers are an oasis for our children ... safe, clean places where they can learn, grow and develop life skills. Here, our children are nurtured in mind, body and spirit through programs focused on health, education, empowerment and employment. With dedicated spaces for libraries, computer labs, medical clinics, dental clinics, pharmacies, sports, playgrounds and multipurpose rooms, our centers give CI children the space they need to dream and work for a better future.

A caring team

Our centers are staffed with local experts — passionate community advocates that provide the care and connections that help CI kids thrive. Then, when those children step outside our centers, they become role models in their communities, inspiring others to engage with our efforts and participate in the work. Family members often volunteer at the centers and share the knowledge they receive with others in the community. A testament to the strength of our program, some of our own graduates become volunteers, employees and sponsors helping uplift the next generation of children. We call this THE RIPPLE EFFECT. It’s what happens when all the good CI has to offer reaches far beyond our community center walls.
Children International’s vision is that every child graduates from our program healthy, educated, employable and empowered to break the cycle of poverty. We focus on these four key areas of development informed by research and findings from several organizations including the World Health Organization and the U.S. Agency for International Development. This holistic and long-term approach is truly unique, bold and impactful. We connect children and youth with the support, skills and opportunities they need to become healthy, productive adults and multipliers of change in their communities.

A path to a better life

Children International's vision is that every child graduates from our program healthy, educated, employable and empowered to break the cycle of poverty. We focus on these four key areas of development informed by research and findings from several organizations including the World Health Organization and the U.S. Agency for International Development. This holistic and long-term approach is truly unique, bold and impactful. We connect children and youth with the support, skills and opportunities they need to become healthy, productive adults and multipliers of change in their communities.
Health and poverty are strongly linked, as poor living conditions and lack of information and knowledge often predispose our kids to health issues. Children International’s comprehensive health programs focus on reducing the burden of health care costs through medical and dental services, nutrition education, disease prevention and specialized referrals. By expanding our preventive health programs, we teach our children healthy behaviors and habits.

### IMPACT:

Sponsored kids and their families in the Dominican Republic receive services from Ministry of Health doctors at some of our centers. By partnering, we have realized a savings of over $40,000 which we reinvested into other health programs, like preventive health.

#### HEALTH

- **175,541 medical exams**
  - provided within our clinics

- **97,036 children & youth**
  - received dental care

- **41 children**
  - received catastrophic and life-saving medical support through our medical emergency fund, including: leukemia treatments, brain trauma surgery, leg prosthesis and heart surgery.

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“My wife and I have had the pleasure of working with Children International to provide funds and to raise awareness for the dental needs of thousands of children. Without a doubt, and with relatively moderate investment, we are now making a positive and lasting impact on the dental and overall health of those children! It is our hope that others will be inspired to duplicate our efforts.”

*Dr. and Mrs. Paul and Barbra Marchand, CI SUPPORTERS*
Working in so many countries, we know that education isn’t one-size-fits-all. Above all, we invest in helping kids complete secondary school and in improving their literacy and numeracy. This is one of the best ways to set them up for opportunities and employment as young adults.

**THIS COMES TO LIFE IN OUR COMMUNITY CENTERS THROUGH:**

- Computer labs and libraries
- Tutoring kids either one-on-one and in groups
- Working directly with parents to ensure their kids are enrolled in school
- Providing primary, secondary and post-secondary HOPE scholarships

**13,060 children & youth**
completed computer courses

**12,530 scholarships**
were awarded for primary, secondary and post-secondary education

**99% of youth**
awarded scholarships completed the academic year

**IMPACT:** Nearly 100% (99.75%) of children and youth who completed the computer skills course had an increase in computer skills proficiency in Guayaquil, Ecuador.

> Every time we see a CI youth, we feel in our hearts that they have potential and a promising future. The Children International HOPE scholarship program allows us the opportunity to help and provide a better future for them and their families. It is our wish that those same youth will someday be able to help others as we have helped them.”

Rita & Rohit Doshi, CI SUPPORTERS
When Cigie’s father, the household’s sole breadwinner, suffered a stroke that left him unable to work, it took a big toll on his family. Financial stresses made it impossible for Cigie’s family to continue supporting his education. They struggled to accept that he would have to withdraw from school in order to contribute to the family’s needs.

An active participant in CI programs — previously as a facilitator in CI-Philippines’s Youth Health Corps and now as president of his agency’s Youth Council — Cigie learned about Children International’s HOPE scholarships and immediately applied, believing there was still a chance for him to realize his dreams. When his family learned that he had indeed earned a scholarship, they were relieved and elated. Cigie’s gratitude is echoed by his family members, each of whom has pledged to do everything possible to support Cigie in his studies.

After graduation, Cigie hopes to work in government or in a local travel agency.

Cigie L. Tiu, PHILIPPINES

“A HOPE scholarship was my savior. It really lifted my spirit and strengthened my belief that there are still people with the heart to help individuals like me.”

Cigie, PHILIPPINES
To make the journey out of poverty, kids first need to believe they have power over their futures. Our empowerment programs develop life skills, knowledge and social responsibility so CI youth can create change for themselves and in their communities.

Through fun and engaging programming, youth learn invaluable life skills, including: interpersonal relationship skills, critical thinking, and coping with stress and emotions. As our teens develop these skills and the ability to voice their opinions, they seek opportunities to actively serve as leaders and volunteers who care about making life better in their communities.

**6,557 youth**
led and implemented community improvement projects

**104,912 people in our communities**
benefited from those improvement projects

**2,878 youth**
actively participated in our Youth Council program

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**IMPACT:** In Manila, 100% of kids in the Sport for Development program reported having a strong competency in coping with emotions and stress at the end of the program cycle.

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“The CI-Youth Council made me realize that everything is possible — that to reach a goal, it is necessary to organize. I learned to respect the abilities of my other project colleagues.”

Edwin, GUATEMALA
One of my favorite experiences during my time visiting the community centers was observing the community youth reporters in action. The youth reporters in Cartagena, Colombia, were producing a radio talk show during our visit and invited us to listen in. The teens decided to discuss violence against women and girls. They shared stories and insights on the topic, effortlessly building upon each other’s ideas, periodically looking to their coach for validation — even occasionally pausing for commercials.

I remember spinning through all the lessons they were learning (far beyond the technical aspects of reporting) by engaging in this form of media: communication, cooperation, empathy, public speaking and confidence in their own ideas. The stories they told were difficult to hear. I knew, having visited homes and neighborhoods much like the ones they lived in, that these were likely not theoretical stories, but incidents they’d seen or heard about from people they know and love. These young people were determined to be a voice for those who had no voice — a light in a dark place. While I’d been feeling emotionally drained by the living conditions I’d observed that morning, these children gave me life. Their flame of hope lit mine.
Young adults who are employed are better positioned to support their families and give back to the community. In their last years in our programs, CI teens develop workplace and technical acumen to help them graduate with essential skills.

A FEW EXAMPLES OF HOW IT COMES TO LIFE:
- Scholarships to attend vocational school or higher-education institutions
- Training programs that include work-readiness activities, soft-skills development and job placement
- Career counselors teach interview techniques and conduct mock job interviews as well as counsel on how to write résumés and other employment communication

82% of Into Employment graduates had jobs within six months of completing the program

2,730 youth completed our Career Readiness program in 2017

348 businesses hired Children International kids

IMPACT: In Colombia, 100% of youth who received post-secondary scholarships also received life-skills training to better prepare them for job searching and interviewing.

My wife and I love supporting CI’s Into Employment program. We have had the chance to see the results firsthand in several countries where CI works. Young people, who otherwise would have little or no chance of obtaining paying jobs, become primary bread winners for their families. And this brings about permanent, multi-generational upward mobility for the entire family. As these young people gain entry-level jobs in a variety of industries, it is rewarding to watch them grow, develop confidence, take pride in their work and get promoted. Employers love their dedication and work ethic. We think the dollars we invest in Into Employment give us, and the youth they help, the highest possible return on our investment.”

Gordon & Donna Bailey, CI SUPPORTERS
Ana María, a 23-year-old CI graduate, exudes the self-confidence of a young woman who is determined to reach her potential and build a brighter future.

Growing up in rural Guatemala poses a unique set of challenges — especially for women. Indigenous women are more likely to be sick, illiterate, poor and have unplanned children.

But sponsorship provided Ana María many opportunities, of which she took full advantage, from leadership training to Youth Health Corps, Aflatoun to Sport for Development. The most crucial to preparing her for the future was Into Employment.

In agricultural economies like rural Guatemala, owning a small business is often the best — or only — option, outside of migrating to the capital city or elsewhere. So, Ana María opened a small store in front of her house where she sells handmade fashions.

As her product line rapidly expanded, so did her customer base. In fact, her business became so successful that she began taking preorders for a range of items, including dresses, hats, aprons and sweaters. The extra income has helped tremendously with family expenses.

But, Ana María has big plans beyond her humble clothing store. She hopes to one day go back to school to study architecture, interior design or even social work. “I’d love to work for Children International and help other young people like me achieve their dreams,” she says.

Ana María Cuy Surec, GUATEMALA
The Pathy Family Foundation has had the privilege of partnering with Children International for over a decade. This relationship has allowed us to accompany CI on an exciting evolution to becoming a leading global player in the work to end poverty for CI kids. This has been a true partnership, one where we challenge each other and ask the hard questions, yet accomplish our goals in an atmosphere of mutual respect. Working with CI has enhanced our practice as funders and enabled us to have a greater impact with all of our grant partners. We look forward to the next exciting chapter.”

Paul Pathy, Board member, Pathy Family Foundation

In my 25 years working with nonprofits to help them connect their mission with measurable and evaluative goals, Children International stands out as an organization that is creative, rational and simplified in the way they have connected their objectives to measuring outcomes and impact. The discipline and commitment they have put around their programs, connecting them to demonstrated progress, will help generations of children from some of the world’s poorest neighborhoods break the cycle of poverty.”

Bill Scarborough, PIRE (The Pacific Institute for Research and Evaluation)