

# CONNECTS

CASEY

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A REPORT FROM THE  
ANNIE E. CASEY FOUNDATION

IN THIS ISSUE: Countering the Hidden Costs of Poverty; Notes of Recognition; Supporting America's Other Frontline; INSITES

## COUNTERING THE HIDDEN COSTS OF POVERTY

The best way to ensure brighter futures for kids is to strengthen the ability of our nation's most vulnerable families to work, earn more money, provide for their children, and save for the future. But hidden obstacles that drain hard-earned dollars and diminish their chances of success block the path to economic security for many of America's low-income families.

"Even when the earnings of poor families improve, the disproportionately high price they pay for basic goods, services, and credit stands in the way of building savings and assets," Casey Foundation President Douglas W. Nelson said at a June 11 policy briefing timed to

coincide with the release of the 14th annual *KIDS COUNT Data Book*.

Each year, the *Data Book* provides state-by-state data on ten measures of child well-being, presents national charts and rankings, and offers the Foundation's perspective on an issue affecting disadvantaged families.

In the opening essay this year, entitled *The High Cost of Being Poor*, Nelson notes that for all families, "real financial security is dependent on their ability to build savings, accumulate assets, and protect themselves from emergencies. Yet for low-income families, it costs more simply to participate in the workforce, purchase basic goods, and secure

reasonably priced financial services—things most Americans take for granted."

Because mainstream retailers and banks that offer competitive prices and services are often absent from poor communities, low-income families end up paying more for goods and services. They wind up relying on local markets and businesses that offer convenience, but often at a steep price. They cash paychecks or conduct routine financial transactions only by paying extra fees, and their inability to borrow money at reasonable rates makes them vulnerable to unscrupulous predatory lenders. All of these factors combine to strip hard-earned dollars from the working poor and sap their ability to save.

Simply getting to work can be more expensive for low-income workers. Many jobs don't have ready access to public transportation, making owning a car a necessity. Yet too often, people who have less money to buy and maintain a car are charged higher rates for financing and insurance based on their zip codes and credit histories.

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LAURA STAFFORD

Gloria Guerrero, left, and Corinne Chacón of the Rural Development & Finance Corporation and Martin Eakes of the Center for Community Self-Help at the June 11 policy briefing on the high cost of being poor.

# NOTES OF RECOGNITION

## CULTURAL AND TECHNOLOGY CENTER ADDS NEW DIMENSION TO EL PASO WELLNESS PROGRAM

Imagine a child diagnosed with diabetes getting an Rx enrolling her in a computer lab to help her learn about the disease and

folk dancing classes from her native country to help her shed extra pounds and stay in shape.

The door to that dream opened for El Paso, Texas families on April 30, when the Centro De Salud Familiar La Fe added to its repertoire of exemplary health services a new Cultural and Technology Center.

The Centro De Salud Familiar La Fe, better known simply as “La Fe,” is a 2001 honoree in the Casey Foundation’s FAMILIES COUNT: National Honors program, which recognizes organizations doing outstanding work to help strengthen both families and communities.

tiny clinic in a tenement building into a network of seven facilities with a \$13 million budget.

In 1999, La Fe launched the Child and Adolescent Wellness Center, a full-service pediatric medical and dental facility offering social services and extras like vouchers for school supplies for families who stay up to date on physicals and free car seats and training on how to use them for parents receiving prenatal care.

The Cultural and Technology Center rounds out the package with a state-of-the-art facility including 75 computer workstations for children and their parents,

a professional graphics center, a 200-seat theater/auditorium, arts studio, and a small recording studio.

“As we have traveled around the country, we haven’t seen anything that links traditional health care with culture and technology in this way,” says Salvador Balcorta, the executive director of La Fe, who was one of the patients who visited the clinic with his mother as a

little boy. “We feel very strongly that as we expand the office visit, we will create more of an environment where the child feels comfortable visiting our medical and dental personnel.”

Besides encouraging preventive health care and healthy lifestyles, the new center’s programs will expose young people to microenterprise opportunities and teach them more about their communities and native cultures. It’s all part of the founding women’s quest for a better life for their children.

“We are using everything and anything we can in an attempt to curb the ugliness of gangs, violence, drug abuse, and kids

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*The Annie E. Casey Foundation is a private charitable organization dedicated to helping build better futures for disadvantaged children in the United States. The primary mission of the Foundation is to foster public policies, human-service reforms, and community supports that more effectively meet the needs of today’s vulnerable children and families. In pursuit of this goal, the Foundation makes grants that help states, cities, and neighborhoods fashion more innovative, cost-effective responses to these needs.*



Local families celebrate the opening of the Centro Salud Familiar La Fe’s new Cultural and Technology Center with Salvador Balcorta, executive director.

Founded in 1967 by a group of poor women tired of trekking their children long distances to doctors who didn’t speak their language or know their culture, La Fe has been a trailblazer in addressing “La Totalidad de Nuestro Bienestar”—wellness encompassing a full range of social, economic, political, educational, spiritual, and psychological needs.

The founders’ tenacity—and substantial support from foundations and institutions—has transformed what began as a



CAROL HIGHSWORTH

The Latin American Youth Center provides many kinds of support to help young people complete their education and lead productive lives. A new partnership with Venture Philanthropy Partners will help the center expand its impact.

dropping out of school and getting pregnant at an early age,” says Balcorta.

### INVESTMENT PARTNERSHIP GIVES YOUTH CENTER A CHANCE TO BROADEN ITS IMPACT

The Latin American Youth Center is not content to be an “island of caring” in its Columbia Heights neighborhood in north-west Washington, D.C. The 29-year-old organization dreams instead of being a bridge to ever-expanding opportunities for its residents as well as a model for other communities to follow.

The center, a 2002 FAMILIES COUNT Honoree, will have the opportunity to springboard to the next level thanks to a new partnership with Venture Philanthropy Partners (VPP). The nonprofit public charity has tapped the center as one of a

dozen or so promising community organizations in the National Capital area to receive financial and technical support to expand its reach and magnify its impact.

Launched in 1974 primarily as an after-school program for Latino youth whose families were new to the United States, the center now comes in contact with thousands of D.C. youth and families through an innovative array of educational, employment, and social programs, including two charter schools, a Ben & Jerry’s ice cream store owned and operated by the center, and another store and partnerships with other businesses in the works.

“We have looked for ways to bring resources into the community and put them to work for our young people and families,” explains Lori Kaplan, executive director of the center. The center’s work

focuses mostly on young people who have dropped out, are having trouble in school, or need extra support to stay on course and graduate. A third of the center’s staff were recipients of these services, and many young people touched by the program are making positive contributions to the community.

VPP will provide the center up to \$250,000 and intensive support from its network of business and management experts to support a long-term strategic planning process. The center hopes to replicate its programs in some surrounding Maryland and Virginia communities and explore ways to influence policies on issues affecting immigrant and first- and second-generation youth and families in the region.

“Being able to hire a professional consulting firm to address some of the major questions we’re looking at will provide a blueprint for the future of the center,” Kaplan notes. One thing that attracted VPP to the center was its “potential for high impact with a very underserved population,” notes Jennifer Brown Simon, a partner with VPP.

VPP, founded by philanthropist Mario Morino, Prixicom founder Raul Fernandez, and Virginia Governor Mark Warner, uses a broad network of contacts, resources, and professional advisers to help leaders build on the strengths of their organizations.



*This Far By Faith: African American Spiritual Journeys*, the last project conceptualized by the late Henry Hampton, the legendary producer of *Eyes on the Prize*, aired on PBS June 24–26.

The six-hour series, funded in part by the Casey Foundation, combines archival photography, music, interviews, and re-creations to shed light on the religious experience of a population that has confronted adversity, clung to hope, and used faith to rally for social justice.

At right, the Rev. Cecil Williams’s work with the Glide Memorial United Methodist Church in San Francisco is featured in hour three.



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Participant at the June 11 policy briefing peruses the 2003 *KIDS COUNT Data Book*.

## COUNTERING THE HIDDEN COSTS OF POVERTY

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Reliable, high-quality child care options also are more limited for low-wage employees working multiple jobs and long hours, and skyrocketing housing costs in many cities make it even harder to make ends meet. Many low-income families also confront an “earnings tax” that hits when their salary and tax gains are offset by reduced federal assistance and increased payroll taxes.

The essay concludes with examples of public and private initiatives taking root around the nation to remove these obstacles and replace them with opportunities for families struggling to build financial security.

Through the report in the book and a soon-to-be-released resource kit, the Foundation advocates a platform of recommendations to help level the “affordability” playing field for vulnerable families. These include promoting and implementing reforms that will encourage retailers to locate in low-income communities; providing education about and access to financial services that build assets and boost credit; enforcing stronger regulatory reforms; and reinforcing policies that protect earnings and savings.

The Foundation hosted a policy forum on the high cost of being poor at the National Press Club in Washington, D.C., on June 11, moderated by Ray Suarez, senior correspondent for the *NewsHour with Jim Lehrer*. Casey Foundation Board of Trustees member Kent “Oz” Nelson and Foundation President Douglas W. Nelson offered introductory remarks to a lively panel

discussion that included Larry Aber, director of the National Center for Children in Poverty at Columbia University; Yolanda Scott Brown, senior vice president of Union Bank of California; Martin Eakes, chief executive officer of the Center for Community Self-Help in Durham, N.C.; Gloria Guerrero, president and chief executive officer of the Rural Development & Finance Corporation in San Antonio; Jack Markell, treasurer of the state of Delaware; and Bob Weissbourd, senior advisor of MetroEdge/Shorebank Advisory Services in Chicago.

Along with the essay and the state-by-state data and rankings on indicators reflecting the current status of child well-being across America, the 2003 *KIDS COUNT Data Book* provides insight into how kids and families have fared across the decade of the '90s. Overall the news is good.

“The 2003 *Data Book* shows that child well-being improved significantly during the 1990s,” says KIDS COUNT Coordinator William O’Hare. “Eight of the ten indicators we use to track how kids are doing improved during the decade, and improvement was seen in nearly every state. This was due to enhanced employment and earnings, and to the improvement of government supports for low-income families.”

Panelists at the forum agreed, however, that the hidden costs of poverty must be addressed to sustain positive outcomes for children. Ray Suarez, the moderator, reflected, “We are all paying the price in one way or another for the fact that large numbers of Americans are now living a life that perhaps holds less promise that they’ll be able to jump the hurdles into a sustained membership—rather than a precarious one—in the middle class.”

Copies of the *Data Book* and related materials are available by calling the Foundation publications line at 410-223-2890, or by visiting [www.kidscount.org](http://www.kidscount.org).

## SPOTLIGHT ON COMMUNITY HEALTH LEADERSHIP

More than 100 leaders of community health programs shared strategies for strengthening their organizations at the Casey Foundation’s fifth annual Community Health Summit. The meeting at the Academy for Educational Development in Washington, D.C., May 30–June 1, helped executive directors, chief executive officers, and board members explore their leadership roles in developing strong health programs for diverse populations. Manuel Teixeira, a student at the Metropolitan Regional Career and Technical Center in Providence, R.I., helped render a “graphic recording” of the meeting.



# SUPPORTING AMERICA'S OTHER FRONTLINE

An estimated 3 million Americans work on the domestic frontlines—in child welfare, child care, juvenile justice, youth services, and employment and training programs. For the most vulnerable families and children, these are the first responders who can intercede before a problem becomes a crisis.

Yet these workers themselves face often-overwhelming odds: caseloads twice as high as recommended standards, unclear job expectations, and turnover rates that exceed 40 percent in some sectors. In tight fiscal times, they are among the first targets for funding cuts and layoffs.

The Annie E. Casey Foundation and the Brookings Institution held a policy luncheon in the spring to release new findings from a study about the status of the human services workforce and to launch the Casey Foundation's multiyear Human Services Workforce Initiative.

The initiative will highlight the need for better support for workers to produce better outcomes for families and communities. It has three components: collecting data on this workforce and on the link between workplace improvements and system outcomes; identifying and promoting best practices; and developing strategic communications plans to raise public awareness and strengthen policies and investments.

“As the single largest charitable institution focused on bettering the situation for kids and families, we believe it's impossible to improve publicly funded services and systems of delivery in a meaningful and sustainable way without paying attention to what goes on at the frontline,” said Janice Nittoli, who manages the initiative at the Casey Foundation.

Initial findings from this study, which is the first major look at this workforce as a whole, show the field is nearing a breaking point. A new Brookings Institution random-sample survey of 1,200 human services workers finds that high stress, scant systemic support, and over-work lead many—in some cases up to one-third—to leave the field after two years or less.

The study points out that workplace conditions, not lack of commitment, are driving high turnover. “This is one of the

best motivated workforces in America—engaged and deeply committed to making a difference,” noted Paul C. Light, director of the Brookings Institution's Center for Public Service.

“Our findings tell a story of an industry that is egregiously failing to prepare, attract, retain, support, or reward a



David S. Broder, Cokie Roberts, Douglas W. Nelson, and Paul C. Light at a spring event launching the Human Services Workforce Initiative. Roberts moderated a panel discussion that also included Andrew L. Stern and William C. Bell.

RICHARD A. BLOOM

workforce ready and able to take on the jobs that are asked of them,” said Casey Foundation President Douglas W. Nelson. “In any sector, this would represent a terrible inefficiency and missed opportunity. In the human services systems designed and funded by government to help the most vulnerable children and families, the consequences are terribly costly in both financial and human terms.”

To demonstrate that these problems are not intractable, the Foundation is working to identify approaches that have shown promise in improving this workforce and to monitor their effects over time. Based on an online survey of 100 areas and visits to 13 sites, the Foundation has selected two locales as models: Hamilton County, Ohio, for its work to reward employee performance, and the state of Michigan, for its innovative recruitment techniques.

Nittoli is overseeing a national survey of nonprofit human services providers—the first of its kind—to learn how the best ones manage to attract and retain strong frontline workers.

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Janice Nittoli, manager of the Human Services Workforce Initiative, and William C. Bell, commissioner of New York City's Administration for Children's Services.

## SUPPORTING AMERICA'S OTHER FRONTLINE CONTINUED FROM PAGE 5

But best practices and voluntary behavior are not enough to change a whole system. It often takes real-world incentives to motivate policymakers to find the necessary funding and political will for reform.

“There’s a lot of talk about policy, but not enough about politics,” said Andrew L. Stern, president of the Service Employees International Union. Stern stressed the importance of leveraging the power of unions to organize and exposing the real costs of system failures to the public. Unfortunately, it often takes a tragic event—such as the death of a child or some other incident that rivets public attention—to spur change.

For example, the much-publicized death of a child and formation of a court-approved special child welfare advisory panel prompted improvements in New York City child welfare caseworkers’ training, salaries, and professional development opportunities. These changes are credited with reducing the turnover rate from nearly 50 percent in 1995 to 29 percent last year.

But too often these kinds of solutions come too late. “When a police officer fires in the line of duty, there is a battery of supports when he returns to the office,” noted William C. Bell, commissioner of New York City’s Administration for Children’s Services. “If a child dies, there is a battery of accusations when the caseworker returns.”

As researchers continue to gather data, findings will be strategically released and tied to local and national events to seek support for human services workplace reforms. “We need to drive home the costs in terms of public dollars and putting kids and families quite literally in harm’s way,” said Nittoli. “The private labor market won’t fix these problems. This is by definition a matter of public policy because these systems are created by public policy.”

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