DEAR FRIENDS,

There is an old saying that goes something like this: *tell me who your friends are, and I will tell you who you are.* Does this saying apply to social service agencies as well?

In these difficult economic times, Children, Inc. is looking at the quality and quantity of its partnerships with other organizations. Which of our partnerships is making a difference? Which partnerships need to be strengthened? And, yes, which partnerships may need to be let go?

While an individual may have friends just because friendship is good in itself, an organization has partners to get something done, to make a difference, and in our case, to make things better for children and their families.

In this annual report, we will highlight a few of our 125 partnerships with various organizations. We are grateful to our 60 plus partnerships with schools that enable us to work with hundreds of teachers and thousands of children as they discover that they can make a difference right now through service learning.

But there are many other partnerships that will not be highlighted. For example, we are grateful to HealthPoint and the Northern Kentucky Independent Health District, as together we bring oral health education and treatment to thousands of Northern Kentucky children each year. We are grateful to the Newport Independent Schools, Brighton Center, and Head Start, as together we develop a comprehensive method of measuring the impact of high quality early learning programs over time.
One of the coolest parts of my job is to ask the question with whom do we need to partner to provide more/better services to families and children? In 2008 Children, Inc. partnered for the first time with the Walton Verona Schools to provide the other half of the preschool and kindergarten day for working families. We also brought the other half of the preschool day for the first time to Kenton County’s River Ridge School. These partnerships are now thriving. Because we have so many wonderful partners there is a large number of possibilities to work together to make something special happen. We look forward to building new partnerships with new partners and new dreams as well as working more effectively with the many partners we have. Together we will better serve the children and families of our region.

Thank you to our many partners. Please know that we stand ready to dream new possibilities.

Gratefully,

Rick Hulgold

The Children, Inc. Foundation is a group of volunteers with a very specific mission— to assist Children, Inc. in fulfilling its philanthropic objectives that support its various programs and undertakings on behalf of children and families.

The Foundation will focus on increasing the support for Service Learning and In-School Preschools as well as to meet future opportunities to expand services for children.

The Foundation is established as a separate 501(c)(3) organization under IRS regulations. All monies raised by the Foundation will be on behalf of Children, Inc.

Members of the Children, Inc. Foundation are:

Lee Carter
Tom Choquette
Charles Goering
Debbie Koo
Roger Roeding
Roger Schorr
Greg Smith
NKYHelps.org is a one-stop-shop for volunteerism and donations in Northern Kentucky. It connects those who want to volunteer their time, money, and items with those who need them. It's comprehensive, easy, and is having serious impact on the Northern Kentucky community. Its vision is simple, to make Northern Kentucky the easiest place in the country to volunteer.

NKYHelps.org launched on February 29, 2008 and is already impacting Northern Kentucky nonprofits and volunteers. Since its launch there have been 153 nonprofit organizations register volunteer and donation opportunities on the site, as well as over 1,000 registered volunteers. The site has resulted in 1,620 volunteer opportunities answered by the community. This year NKYHelps.org will be focusing its efforts to grow its user base by targeting specific volunteer groups like students, senior citizens, young professionals, churches, and schools.

NKYHelps.org is produced in partnership with The Kentucky Enquirer, Northern Kentucky University, LEGACY, United Way of Greater Cincinnati, Northern Kentucky Chamber of Commerce, Children Inc., and others as a part of Vision 2015.

Children, Inc. is a partner in the Consortium for Resilient Young Children, a regional collaboration of eight early childhood and mental health organizations. The purpose of the collaboration is to promote social and emotional resilience in children birth through age six in the Greater Cincinnati Region. Their vision is that children will be socially and emotionally ready to succeed in school.

The Consortium for Resilient Young Children has been the recipient of several grants including: the Early Learning Opportunities Act funded by the U.S. Department of Education, the Promoting Resilient Children program funded by the United Way of Greater Cincinnati and the Strengthening Families in Westwood and Cheviot program funded by the Hamilton County Families and Children First Council.

Children, Inc. is very involved in the Promoting Resilient Children program of the Consortium. Promoting Resilient Children is enhancing children’s social and emotional development while providing mental health interventions for children birth to age five. Through consultation, coaching and training services, PRC is increasing the professional capacity of child care staff in 25 early childhood programs in Hamilton County. Children, Inc. provides staff to the program for coaching and evaluation services.

The Consortium for Resilient Young Children is helping change how our community supports children’s social and emotional development and Children, Inc. is proud to be a part of it!
When a friend asks you to be involved in an organization it is very often hard to say no. Many people volunteer and join organizations because their friends are so energized about the opportunities they want to be involved.

For the past 30 years Children, Inc. has been committed to bringing children and families the best in early education and care to the community. Through direct services, education, advocacy and collaboration, Children, Inc has created a world that understands young children.

As Children, Inc. has grown so has the need for volunteers who want to share their special gifts with the children, from reading in the classrooms to special beautification projects. Today Children, Inc. benefits from over 15,000 volunteer hours in our programs each year. Many of the hours are from the corporate community, as well as individuals.

Ethicon Endo-Surgery has committed to physical and aesthetic improvements at Montessori and Early Learning Academy for the past two springs. Mulching, planting flowers, trimming trees, painting and general beautification of the center have been their goal.

Fifth Third Bank has supplied and served Thanksgiving Dinner to our families at Gardens at Greenup for the past three years, as well as collected and distributed Christmas gifts for the children in our programs.

Macy’s spent a morning reading with the children at Treasure House and giving each child a book to keep.

Proctor and Gamble spent the entire month of August collecting school supplies for the children in our programs. US Bank, BASES/Nielsen, Barnes and Noble Booksellers, The Madison, Kroger, Ellenbee Leggett and many more have also donated generously to our children and families.

Many of our volunteer hours come from individuals, parents and grandparents of our children. Most read to children, take part in art projects and just lend a helping hand in the classroom.

Children, Inc. has many volunteers who can not volunteer in the centers but still want to help. Ongoing and special opportunities are posted on nkyhelps.org, allowing volunteers special projects such as making blankets for naptime, curtains for classrooms, assembling home activity kits and donating paper for art projects.

Children, Inc. is so grateful for our volunteers. If you were to visit a Children, Inc. program on any given day, you will find volunteers interacting with the children.

If you would like to volunteer call 859-431-2075, visit our website www.childreninc.org or www.nkyhelps.org.
How do we work together for a better future? Do we build a better future for our community when we help a young student learn about a need in the community, develop a plan of action to make things better, and then with his classmates take action? What is the impact on our community’s future when thousands of young students get involved in addressing the needs of the world around them every year?

In the 2008-2009 school year, 19,208 elementary and middle school children took something that they were learning in class and used it to help someone else. The students studied all kinds of issues from hunger to the environment. Their solutions were varied and creative. For example over 3100 students were concerned about meeting basic needs of others. Some did traditional can food drives; others grew fresh vegetables; some raised funds for local pantries; some learned how to make scarves; some challenged local business to match their generosity; some addressed needs in foreign countries. When children learn again and again that they can make a difference, what is the impact on our community’s future?

It is often said that we live in a global economy. We know that our students will grow up competing with children from all over the world. But it is even truer to say that we live in a global village and that what happens anywhere in the world impacts all of us. Can we work together so that young students will understand that whatever happens in the world, happens in their town? Grants Lick Elementary was named a "School of Success" by the Education Council of the States for its work in Haiti and Honduras. Glenn O. Swing Elementary students raise funds to support an orphanage in Guatemala. Students across Northern Kentucky completed projects in India, Africa and Central America. When students learn about children in another country and establish an on-going relationship, does that impact the future of our community?

Children, Inc. is proud to partner with teachers and principals from 63 elementary and middle schools in Boone, Campbell and Kenton counties. Children, Inc. provides to each school free training on how to do service learning, and one-on-one teacher support in locating speakers and organizations that can help the students understand the issues. Children, Inc. provides start-up funds for service learning projects and brings the media to cover the class’s service project. Children, Inc. helps schools develop more impactful service learning projects by involving Northern Kentucky University in evaluating the impact of service learning and providing additional in-depth training for those teachers who desire to take on more challenging projects.

Children, Inc is proud of the 27 schools that achieved the lofty title of “School of Contribution” which is only awarded to a school if over 70% of the students complete a service learning project each year. We will be honoring these schools at a special celebration at the Drees Pavilion in October. Together as teachers, principals, students we are creating a better future.
the Kaplan Early Learning Company, these products have been sold to programs in every state. The primary vehicle for marketing to parents is through the e-commerce website, shop.childreninc.org. The songs were also introduced to the general public through a local cable TV program, *Musical Memos for Moms and Dads*.

The response to our first suite of products has been very gratifying. One kindergarten teacher at Fort Bragg wrote to let us know how she was using the *Songs of Resilience* to help her children deal with their separation from parents deployed to Iraq. A teacher in Taiwan sent us a YouTube link to show how she was using the songs to teach social and emotional skills to her Taiwanese students.

Also in the first phase of Growing Sound™, Children, Inc. partnered with Dr. Barbara Burns, Chairperson for the Department of Psychological and Brain Sciences at the University of Louisville to develop a music-based twelve-week intervention to develop mastery motivation in young children. Children with mastery motivation seek out challenging tasks and are persistent on task. It is a skill that is critical to school success. The results of this study will be presented at the Head Start Research Conference. The songs were published as a CD entitled *Tough Stuff*.

The Children Inc. team also collaborated with clinicians and researchers at the Division of Speech Pathology at the Cincinnati Children’s Hospital Medical Center to produce *Music in My Mouth*, a CD and manual that can be used as an adjunct to speech therapy or by teachers and parents to promote language development.

Over this past year, a team from Children, Inc. has been working with Community Wealth Ventures, a Washington-based consulting firm to develop a business plan for Phase Two, the expansion of Growing Sound™. It will introduce a range of new products from a variety of new artists. The goal is to get these important resources to as many teachers and parents as possible so that they can get their children ready for school and ready for life.

The next suite of products will draw from the emerging field of Positive Psychology focusing on emerging character strengths in early childhood. The first module already in development is *Songs of Hope and Optimism*. We expect to publish this product in Fall 2009.

We are gratified at the success of Growing Sound™ to date, not only for what it has meant to Children Inc., but most importantly what it has meant to teachers, parents and children around the world.
Children, Inc. offers nationally accredited child care and early childhood education programs in a variety of settings throughout Northern Kentucky for infants to school age children. The agency currently consists of eleven centers, operates school age care centers at forty-five local schools, manages a family child care network of approximately fifty-five certified providers, runs a home visitation program called "Young Families Program" which is part of the regional "Every Child Succeeds" network, and offers a variety of training programs for parents and early childhood professionals across the country. Visit www.childreninc.org for more information.

OUR VISION

Young children are ready to succeed in school and in life.

OUR MISSION

We advance the success of young children by partnering with families, professionals and the community through exemplary services, training, research and advocacy. We accomplish our mission within a culture of innovation, collaboration and shared leadership.

OUR BELIEFS

We believe in children.
We believe in families.
We believe in our community.
We believe in ourselves.
More Donations under $1,000

Robert Goering
Joseph Gonding
Michael Grefer
Michael Hammonds
Marlene Hanner
Robert and Lisa Hans
Josh Hatton
Carrie Hayden
Ray Hebert
Dennis Hetzel
Fred Hollis
Charles & Sandi Hornings
Joan Hoxsey
James Huizenga
Rick & Mary Hulefeld
David Hulefeld
Frank Hulefeld, Jr.
Cathy Jackson
KEDS
Lavonda King
Sharon King
Patrick Klocke
Debbie Koo
Carmen Kovarsky
Earl & Renee Kreisa
John Lange
Jonathan & Nancy Lippincott
Aurora Lira
Tom Lottman
J. Gibbs MacVeigh
Macy’s Corporate Services, Inc.
Linda Mauk
Megan Maxfield
Douglas & Ann Miller
Sandra Moore
James Morrison
Mutual of America
National City Bank
Henry Newberry
C. Brooke Ober
Col Owens
Catryna Phelps
Steve Pomeroy
Anita Preston
Jason Redar
Robert Richardson
Jon Rousseau
Thomas Ruberg
Robert Sathe
Roger & Glenda Schorr
Paul Schwartz
Robert Schweitzer
Dorothy Sciarra
James and Gay Smith
Kathryn Smith
Jack Steinman
Barb Stonewater
David Suelholz
Steve Suskin
Dennis Terry
Tesco Elevator
Kim Thompson
Trinity Episcopal Church
Michael Tromans
John Triutt
Suzanne Vaughan
VonLehman & Company Inc
Elizabeth Waite
Nick Walter
Wilbert Ziegler
Christie and Timothy Young
Jennifer Zimmerman
Richard Zimmerman

2008
FINANCIAL
STATEMENT

Revenue
Parent/Client Fees $5,911,427 66.0%
Government Sources $1,604,902 17.9%
United Way Allocations $992,977 11.1%
Contributions/Fundraising $35,217 0.4%
Foundation/Corporations $140,990 1.6%
Other $267,362 3.0%
Total Revenue $8,952,875 100%

Expenses
Programs $7,903,894 86.1%
Administration $1,142,944 12.5%
Fundraising $131,504 1.4%
Total Expenses $9,178,342 100%

Expenses by Program
Early Education Centers $4,125,407 45.0%
School Age Services $1,921,230 20.9%
Family Child Care $588,682 6.4%
Young Families Program $789,693 8.6%
Training $258,509 2.8%
Service Learning $220,373 2.4%
Management & General $1,142,944 12.5%
Fundraising $131,504 1.4%
Total Expenses by Program $9,178,342 100%

Change in Net Assets Operations	$-225,468

Net Assets, Beginning of Year $3,666,175
Net Assets, End of Year $3,440,708
Children, Inc. is reaching for the STARS in its early education and care centers, family child care homes and school age programs, offering the largest number of multi-STAR rated programs in Kentucky.

STARS for KIDS NOW is a voluntary quality rating system for licensed and certified child care programs. Regulated child care programs are given a 1 to 4 STAR rating based on measurable quality indicators beyond the Kentucky state minimum.

STAR ratings are based on factors associated with good outcomes for young children such as staff to child ratios, program curriculum, and staff education and training. Research has established that children who are cared for in safe, stable and nurturing environments tend to develop effective social skills and are more likely to be prepared for elementary school.

The rating system provides parents with a tool to help them identify quality programs for their child. It also ensures that young children in Kentucky receive a higher quality of care.

Children, Inc. strives for the highest possible quality. Children, Inc. provides their staff with continuing education and training options, ensuring that children meet and exceed standards for evaluation and engaging parents in the education and development of their children.

**Montessori and Early Learning Academy**
419 Altamont Rd, Covington
859-491-1455
Monday - Friday, 6:30am - 6:00pm
Ages 2 years - Kindergarten
Montessori and Early Learning Academy serves 100 children, offering both traditional and Montessori classrooms, as well as a full-day kindergarten program.

**Rated 3 STARS**
NAC Accredited

**Treasure House Child Development Center**
203 W River Center Blvd, Covington
859-669-2770
Monday - Friday, 6:15am - 5:30pm
Ages Infant - Kindergarten
Treasure House is located on Covington’s IRS campus in a beautifully equipped U-shaped facility that wraps around a fabulous play area. Treasure House serves 118 children of IRS employees and the community in both Montessori and traditional classrooms.

**In-School Preschools**

- **Walton-Verona Elementary Rated 3 STARS**
  859-431-2075

- **River Ridge Elementary Rated 3 STARS**
  859-431-2075

- **Ninth District Elementary Open Fall 2009**
  859-431-2075

- **Newport Preschool Center Rated 3 STARS**
  859-292-3084

Children, Inc. and school districts in Northern Kentucky have come together to increase learning time for preschoolers to a full day of preschool education. In concert with these school districts, Children, Inc. will offer the other half of their preschool day plus extended care before and after the school day to accommodate working parents. When school is not in session, Children, Inc. will continue to offer full day preschool with extended care during the summer, holidays, snow days, and professional days.

**Gardens at Greenup Child Development Center**
133 E. 11th St, Covington
859-261-4282
Monday - Friday, 7:00am - 5:00pm
Ages Infant - 5 years
Gardens is a joint project with Welcome House and located on site at Gardens Center, a 20 unit housing complex and self-sufficiency program. This center serves 20 children of the families of Gardens at Greenup and families of Covington’s East Side.

**Rated 3 STARS**
NAC Accredited

**Imagine Tomorrow Child Development Center**
1260 Pacific Ave, Erlanger
859-727-3575
Monday - Friday, 6:30am - 7:00pm
Ages Infant - Kindergarten
Imagine Tomorrow serves the children and families of Toyota Motor Engineering and Manufacturing North America. The 30,000 square foot facility includes a 17,000 square foot outdoor playground.

**Rated 3 STARS**
NAC Accredited

**Kenton Child Development Center**
11096 Madison Pike, Independence
859-960-0365
Monday - Friday, 7:00am - 3:00pm
Ages Infant - 3 years
This center is located at Simon Kenton High School. Teen parents are free to concentrate on their work and feel good knowing their children are on site and in a quality child care setting.

**Rated 4 STARS**
NAC Accredited
Young Families Program
1522 Dixie Highway, Park Hills 859-491-9200
The Young Families Program is a voluntary program offering weekly home visits to prenatal and first-time parents with children up to age 3 years. This program is part of the regional prevention program, Every Child Succeeds, and serves 285 Kenton County families.

Greater Cincinnati Center for Montessori Education
859-431-2075
GCCME offers in early childhood and infant-toddler Montessori certifications. The program is designed to accommodate individuals who are working full time and wish to pursue a career in Montessori education. GCCME is affiliated with the American Montessori Society and is accredited through MACTE (Montessori Accreditation Council for Teacher Education).

Devereux Early Childhood Regional Training Center
859-431-2075
Children, Inc. partners with the Devereux Foundation to provide nationally certified Devereux training, technical assistance, demonstration classrooms and support research on the Devereux model. The Devereux Early Childhood Initiative strives to promote resilience in young children attending early childhood programs.

Service Learning
859-431-2075
www.servicelearningnky.org
Children, Inc.’s team of Service Learning coordinators work with Northern Kentucky elementary principals and teachers and assist in all stages of Service Learning projects. The six service learning coordinators have trained over 1900 teachers in 61 schools, and expect that over 18,600 children will complete more than 400 service learning projects by the end of the 2008-2009 school year.

Parent Voice
www.parentvoice.org
Parent Voice is a grassroots advocacy effort that connects the parents of young children and early childhood educators to Kentucky’s legislative decision makers.

nkyHELPS.org
This website connecting volunteers and donations to nonprofits in Northern Kentucky was developed in partnership between Children, Inc., The Kentucky Enquirer, Northern Kentucky University, The Scripps Howard Center for Civic Engagement, LEGACY, and United Way of Greater Cincinnati, as a part of Vision 2015.

Family Child Care
859-431-2075
Infants - school age children
The Family Child Care Program offers quality early education and care in small groups with flexible hours in safe, nurturing state-certified homes. Family Child Care is available throughout Northern Kentucky with 50 locations in seven counties. Certified Family Child Care Providers within the Children, Inc. network participate in the USDA Food Program to ensure healthy nutritional standards.

School Age Services
859-431-2075
School age children
School Age Services has grown to over 90 programs at more than 40 elementary schools throughout 4 Northern Kentucky counties. Each program is individually licensed and emphasizes activities that promote reading, service learning and character building. Recreational activities offer indoor and outdoor games, time for friends and nutritious snacks, as well as homework assistance. Extended Educational Care Programs allow kindergartners to remain in school for a full day, extending their learning and classroom experience. Care is also available on snow days, professional days, breaks and summer.

Rated 1 - 4 STARS

3000 children EACH DAY

Children, Inc. has offered affordable quality child care to Northern Kentucky communities since 1977.

Through early education and care centers, a network of family child care homes, school age programs and a home visitation program, Children, Inc. cares for an average of 3,000 children each day.