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INVESTOR REPORT 2019

outcomes.
growth.
voice.

FR1ENDS of the
CH1LDREN
New York

DEAR FRIEND,

I thank you so much for your support of Friends of the Children New York (Friends NY). I thank you not only for your monetary investment but also for your time, passion, and effort to spread the word about our mission. Your contributions have allowed us to serve hundreds of youth and families, improve outcomes, and work toward systemic change.

We provide long-term stability and relationships that inspire our youth to be their best selves and improve their communities. This past year, we have innovated our model with a new Two Generation (2Gen) initiative, which provides support to both the parent and child.

We have also re-energized our organizational culture, with a focus on putting children first, building relationships on love, committing to empowerment, pursuing goals relentlessly, and demanding equity. The culture we have established over 17 years is not fixed and will continue to evolve with the changing needs of New York City. We will always embrace the opportunity to impact generational change by empowering youth facing the greatest obstacles through relationships with professional mentors.

With the launch of our Power of One campaign, we will raise \$17 million to serve 30% of all children between the ages of four and six whose families have been impacted by the foster care and criminal justice systems in Harlem and South Bronx.

This past year, you invested more than ever in us, and with your contribution, we have raised \$4.3 million toward our goal.

The Power of One campaign and 2Gen initiative will be achieved by ensuring the highest quality program outcomes, amplifying the voices of our youth and families, and focusing our growth on effecting system change.

I hope you will continue to support our work. Together, we can empower our youth to change their stories.



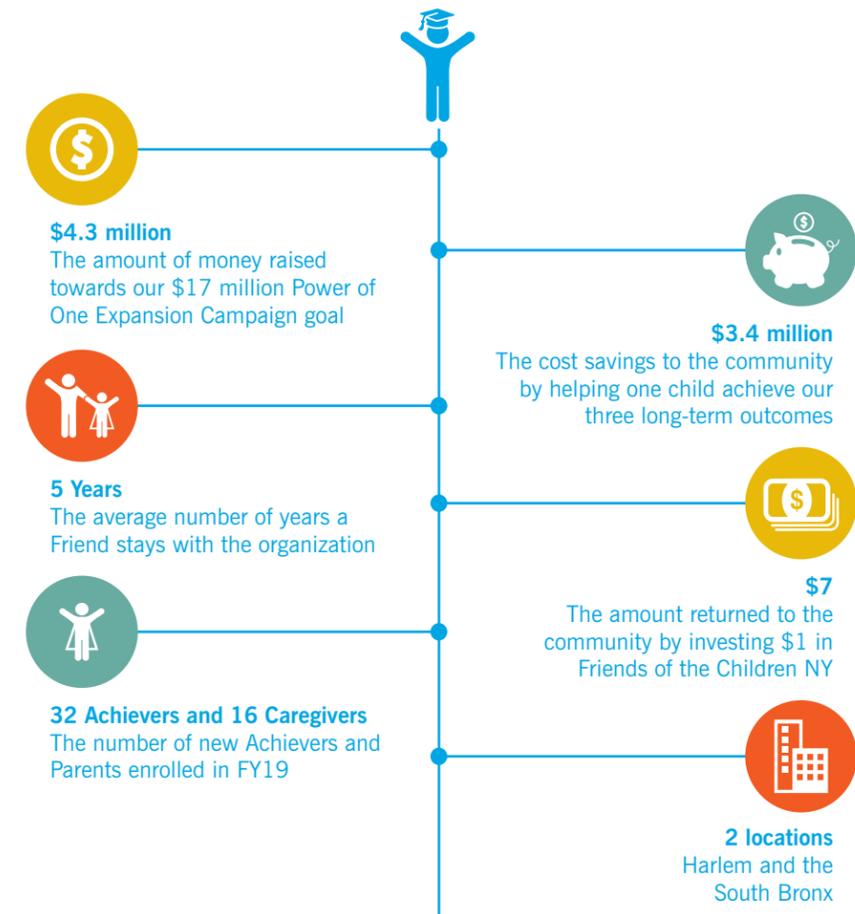
WARM REGARDS,

Gary Clemons
Executive Director
Friends of the Children - New York

WHO WE ARE

outcomes.

Friends of the Children NY is a chapter of Friends of the Children, a national nonprofit, that selects the most vulnerable children ages 4-6 from high-poverty schools and the foster care system and pairs them with a salaried, professional mentor (a Friend) who stays with them from kindergarten through graduation—**12½ years, no matter what.**



PUT CHILDREN FIRST

We intentionally serve youth who are facing the greatest obstacles. To help our youth discover their limitless potential, we foster their internal resiliency. We listen to our youth and base decisions on each youth's needs and dreams. We prioritize self-care so that we bring our best selves to our work and focus on our youth.

TWO GENERATIONS, ONE FUTURE:

Friends of the Children NY has been an incredible support for me and my children. My daughter Tasha* has been in the program for 12 years and just graduated high school. Friends was there for her every step of the way, from the time she was in kindergarten to her graduation ceremony. No one else has been in my family's life longer than Friends NY.

- Friends NY Parent

*Name changed to protect youth's privacy

outcomes.

PURSUE GOALS RELENTLESSLY

We celebrate all achievements, big and small. We are disciplined in our commitment to goals, while innovative in how we reach them. We believe that the definition of success requires intentional reflection and adjustment over time. We work together and hold ourselves accountable with data to achieve short and long-term outcomes.



94% of Friends NY youth wait until after their teen years to become parents

85% of our children's parents started parenting during their teen years



95% of Friends NY youth avoid the criminal justice system

60% of our children's parents have been impacted by the criminal justice system



91% of Friends NY youth celebrate graduation

50% of our children's parents didn't have the support necessary to graduate high school



IMPROVED PROGRAM QUALITY

The FY19 year was full of exciting developments, including a focus on enhancing our program structure and quality. In anticipation of our planned growth, we have instituted new quality controls and increased our program management capacity by:

- Creating middle managers that directly support Friends
- Providing leadership training to all staff
- Refreshing our Core Values
- Incorporating Core Values into annual appraisals for all employees

These changes have resulted in improvement of the organization and program quality, including:

- Caregiver contacts per month increased by **18%**
- School contacts per month increased by **50%**
- Outings per month increased by **25%**
- Monthly hours increased by **25%**

"Friends NY was like my family and my peers and their parents were like my extended family. Seeing my Friends, who looked just like me and grew up in my neighborhood, achieve their educational goals helped to inspire me to believe that it was possible for me too."

- Freddie (Friends NY Graduate)

THE POWER OF

1/1

ONE DONOR CAN CHANGE A CHILD'S LIFE

Power of One Expansion Campaign

Friends NY is focused on doubling the number of Friends we are able to employ. Our expansion efforts will target two of NYC's most challenged systems: child welfare and criminal justice. We aim to serve more than 30% of all children between the ages of four and six whose families have been impacted by foster care and/or the criminal justice systems.

Youth aging out of our foster care system struggle in numerous ways. For example, at least 45% do not graduate from high school in four years and 25% are involved in the juvenile justice system. Similarly, the challenges for families working to re-enter the community on parole and probation are numerous, including limited housing options and lack of access to behavioral health supports. NYC has begun to acknowledge the years of historical racial disparities by transforming its child welfare system and reforming its prison system. Friends NY has an opportunity to impact youth and families positively in Harlem and the South Bronx, empowering them to overcome the multiple effects of poverty and familial fragmentation.

FROM THE BRONX TO HARLEM

Our goal is to scale our program services to serve 30% of our defined target population over the next five years.

DEMAND EQUITY

We acknowledge the historical and present injustices impacting marginalized communities. We demand equity from ourselves and from our community. We insist that all people have the necessary support to achieve all of their hopes and dreams. We amplify the voices of our children, families, and communities. We bring together different experiences, skills, and backgrounds to provide opportunities to overcome personal, systemic, and institutional barriers.



growth.



BRONX

HARLEM

WE STARTED WITH 152 ACHIEVERS

- CURRENTLY: 176 Achievers
- FIVE YEARS: 300 Achievers

growth.

outcomes.

OUR MODEL IS DATA-DRIVEN AND INDEPENDENTLY EVALUATED

Friends of the Children NY has always been dedicated to using data to drive performance and continuously improve our model. It isn't just about validating our model; it's about giving our best to the youth we serve.

COMMIT TO EMPOWERMENT

We leverage personal strengths to take ownership of our futures. We build relationships within the communities of our youth and families to strengthen social networks and provide bridges to new opportunities. We consistently inspire possibility through empathy, hard work, and fun. We model all of this for our youth, families, and each other.



INNOVATING OUR MODEL ALONG THE WAY

Friends NY is focusing on innovation in four key areas that we believe will make our model stronger and more responsive to the communities we serve.

Empowering Families Through a Two-Generation (2-Gen) Approach

Beginning in 2019, as part of our new Two-Generation (2-Gen) program, Friends NY will begin to enroll 4-6 year old children of young adult parents who have either experienced foster care or have been impacted by the criminal justice system. A 2Gen approach helps children and parents make progress together, and it strengthens our impact on families and communities.

Serving Foster Care and Criminal Justice Impacted Youth and Families

Our historical enrollment strategy to identify children facing the greatest number of barriers revealed a strong correlation with system involvement. We are innovating our enrollment strategy to partner with public service agencies that can help us to identify those system involved youth and families who would benefit the most from our long-term model.

Achieving the 3 E's: Enrollment in Higher Education, Enlistment in the Military, Employment

Our Friends are supporting youth in the adolescent years to graduate from high school with a solid plan in place for one of the "Three E's": Enrollment, Enlistment or Employment. One way Friends do this is by working to ensure that middle- and high-school-aged youth have practical experiences and networking opportunities that expose them to new career paths and position them for internships, jobs and educational opportunities.

Employing a Social Justice Framework

Our model is a promising solution to counteracting the historical and system-induced trauma marginalized communities face by (re)distribution of resources, opportunities, and responsibilities. Our staff is trained to understand the roots of oppression, injustice, and trauma. We empower youth and families to exercise self-determination, build social solidarity, and increase capacity for collaborative community action.

STUDY	DATES	EVALUATOR(S)	RESULTS	STATUS	FUNDER(S)
Randomized Control Trial: Early Years	2007-14	University of Washington Princeton University New York University	Children experience (avg. age 11): • improved pro-social strengths • decreased anti-social behavior • more positive parental perceptions of their child's behavior	Next phase: adolescent years	National Institutes of Health; Edna McConnell Clark Foundation; Robert Wood Johnson Foundation; Office of Juvenile Justice and Delinquency Prevention
Social Return on Investment Study	2010-11	Harvard Business School Association of Oregon	7:1 return on investment with benefits from higher wages, decreased criminal justice and public health costs	Complete	In-kind donation
Qualitative Caregiver Support Study	2017	University of Washington	Impact extends to foster and biological caregivers who see improvements in their children while receiving emotional and resource support	Complete	Annie E. Casey Foundation
Pay for Success Feasibility Study	2015-18	Third Sector Capital Partners/Sorenson Impact Center	In process/TBD	In process	Corporation for National and Community Service – Social Innovation Fund
Annual Program Performance Scorecard	2015-now	Friends of the Children	Ongoing - analyses of monthly and quarterly Efforts to Outcomes (ETO), school and report card data and Friend assessment survey	In process	Unrestricted annual donations
Research Toolkit on the Impacts of Foster Care and Criminal Justice System	2019	Non-profit Board Leadership Program/Columbia Business School	Friends of the Children NY is positioned to provide dramatically improved results for system involved youth and families through the 2-Gen program	Complete	In-kind donation

FACTS

KIDS IN FOSTER CARE

- Only **58%** will graduate from high school by age 19 (compared to 87% of all 19-year-olds)
- **One in four** will be involved in the justice system within two years of leaving the foster care system
- **71%** of young women are pregnant by age 21

KIDS WITH INCARCERATED PARENTS

- Are **six times** more likely to be expelled or suspended from school
- **43%** more likely to suffer from school behavioral problems
- Boys ages 11-14 are **25%** more likely to drop out of school

voices.

IMPACTS
OF THE
FOSTER
CARE
SYSTEM



BUILDING CONSISTENCY

Aziza had a difficult childhood growing up in Harlem. Her mother was a single parent who struggled to take care of her. As a result, Aziza spent a number of years in the foster care system and was heavily impacted by her experiences. The trauma she endured then, she still contends with today. Now, a mother to two daughters and a young son, her first priority is to protect her children and to give them a better childhood than she had.

Aziza was first introduced to Friends of the Children NY when her oldest daughter was in kindergarten. Her daughter's teacher recommended that she join the Friends program. Her Friend would spend four hours a week with her, every week, for the entire year. She spent time helping Aziza with her homework, taking her on outings, and exploring her community while building a strong friendship.

"Friends help my kids to explore other parts of the city, exposing them to new things and giving them the confidence to believe they can do anything they put their mind to."

- Aziza (Friends NY Parent)

Throughout the years, Aziza developed a close relationship with both of her daughters' Friends. Often, the Friends would give unique insight into the personal and emotional struggles that her children were facing, which enabled her to problem solve more actively as a parent. There were times when Aziza felt she didn't have the strength to care for her children and felt like giving them up to the foster care system, but Friends helped her to push forward.

Today, both of Aziza's daughters and her son are Achievers at Friends NY.

voices.

IMPACTS
OF THE
CRIMINAL
JUSTICE
SYSTEM



CREATING STABILITY

Diana is a mother of two boys, Brandon (18) and Caleb (14). Her boys both have fathers who have been in and out of prison throughout their childhood, leaving Diana to raise her boys as a single mother.

Diana was first introduced to Friends of the Children NY when her younger son, Caleb, was in kindergarten. Caleb attended a school which partnered with Friends of the Children NY, and he was chosen to enroll into our program. Unfortunately, Brandon attended a school outside of our partnership and did not have the opportunity to enroll. For the next 10 years, Caleb was given the stability and guidance of a Friend, who spent four hours each week with him, developing his critical social and emotional skills as he developed into a young man.

"Caleb's Friends were there for him as a positive male role model when his father couldn't be. The stability that Friends NY provided to Caleb helped me to focus my energy on overcoming the challenges of being a single mother."

- Diana (Friends NY Parent)

Over the years, the support that Caleb's Friends provided naturally extended to his family, as they grew to develop strong and trusting relationships. Caleb's current Friend, Kevin, works closely with Diana, supporting her emotionally, while being a thought partner alongside her as she navigates the challenges of raising her two boys. Diana is an incredibly strong advocate for her children and works closely with Kevin to give her boys every opportunity she can to help them succeed.

Today, Caleb's father is out of prison, but he struggles to connect with his son, having missed so much of his childhood as a result of being incarcerated. Kevin works with Caleb and his father to re-engage their relationship and is working to find pathways to healing for the whole family.

OUR FUNDERS ARE OUR BIGGEST ADVOCATES

Here's a snapshot of funders from the past year

\$500,000 and up Pinkerton Foundation Anonymous Donor Conrad N. Hilton Foundation Price Family Foundation	\$25,000 - \$49,999 Stephen & May Cavin Leeman Foundation Matthew Landy and Nirupama Rao Carson Family Charitable Trust MBIA Foundation Leslie Shearing & Joseph T. Verdesca, Jr. Kirkland & Ellis L & L Foundation Kathleen Maurella	William E. Simon Foundation Kazie Metzger and John C. Harvey Bettina and John Benson Vinson & Elkins Weil, Gotshal & Manges LLP Wells Fargo	Antares Capital Centerview Partners Davidson Kempner Capital Management LP Stroock & Stroock & Lavan LLP Marie DiMonte Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, P.C. PJT Partners Prime Clerk, LLC The Brewer Family Foundation White & Case Anchorage Capital Group Morrison & Foerster LLP Willkie Farr & Gallagher LLP Norton Rose Fullbright Gary Clemons
\$100,000 - \$499,999 Anonymous Donor Christopher Rollins	\$10,000 - \$14,999 Paul M. Lewis Jamie Iselin and Jessica Casey James McClammy Erica Baird and Kevin Gaynor Kathleen Roberts and Howard Clyman Patrick and Michelle McGrath The Kolter Group David W. Browne		
\$50,000 - \$99,999 Quest Foundation Beth and Michael Neumann OJJD The Edith Glick Shoolman Children's Foundation The Carl Marks Foundation	\$15,000 - \$24,999 Raymond V and Gladys H Gilmartin Foundation Inc Mindy and Karn Chopra Joan Rosenthal and Fred Schiff		

Friends NY serves communities that are most impacted by the foster care and criminal justice systems. As our neighbors, I feel we share a collective responsibility to support our families in overcoming their barriers and helping them realize independence and stability.

- Kathy Maurella, Board Chair

OUR BOARD OF DIRECTORS HELPS US GROW

Kathy Maurella, Board Chair Brand and Strategy Marketing Consultant	Bettina Benson Assistant Director Federal Compliance Pfizer Inc. (retired)	Matthew Landy Manager/Analyst Lazard Asset Management	Christopher Rollins CEO BTIG
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Berna Barshay CFO Burkland Associates	Peter W. Kolp Founder Peter W. Kolp P.C.		

OUR FINANCIAL OUTLOOK IS STRONG AND GROWING

For the fiscal year ending August 2019

ASSETS

Cash and investments.....	\$350,055
Receivable	\$1,914,304
Prepaid expenses/other	\$40,753
Building and equipment.....	\$7,488
Total assets	\$2,345,616

LIABILITIES

Accounts payable and accrued liabilities	\$108,367
Total liabilities	\$108,367

NET ASSETS

Unrestricted net assets	\$301,945
Temporarily restricted net assets	\$1,935,304
Total net assets and liabilities	\$2,345,616



Government:	\$60,000
Events:	\$487,681
Foundations:	\$1,948,488
Individual:	\$267,378
Corporate:	\$309,875
Other Revenue:	\$2,984



Program Expenses:	\$1,824,350
Fundraising Costs:	\$330,886
Administrative Services:	\$143,071



BUILD RELATIONSHIPS ON LOVE

We nurture long-term relationships from a foundation of love, acceptance, and culturally-informed practice. We don't give up easily, and take a no matter what approach to our work. We commit for the long-term. We intentionally develop collaborative relationships over time with trust, empathy, and healthy communication. We believe that we build community through one-on-one connections that are authentic, respectful, and meaningful.

OUR MISSION

Impacting generational change by empowering youth who are facing the greatest obstacles through relationships with professional mentors.

12+ YEARS, NO MATTER WHAT.



THRASHER
SKATEBOARD MAGAZINE

FRIENDS of the
CHILDREN

New York

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