After the economic crisis of 2008, if you worked in social services, it was easy to see yourself as that Dutch boy, singularly holding back the devastating sea: fewer resources, greater need and a rising tide of the disadvantaged at your door. 

The history of Families First is one of being there, prepared to serve during our community’s most turbulent times. But in the wake of the recession, when our Board embarked on its strategic planning process, it recognized that our largely reactive role was not enough and, most importantly would not result in the more systemic change we seek. To engender sustainable hope and possibility in the lives of vulnerable child, Families First needed to attack the roots of poverty. We needed a paradigm shift.

Our first priority: Create a learning organization. We transformed ourselves from being outputs-oriented to being outcomes-driven. We made enormous strides in program evaluation and continuous quality improvement. And by the end of FY2012, we earned the highest score possible in 23 of 25 programs audited by the Council On Accreditation. So in FY2013 we started reframing our work within the context of intergenerational poverty by taking the conscious, powerful step of engaging. Engaging means moving from “doing to” and “doing for” to “doing with.” It means sitting on the same side of the table, staking out dreams and working to achieve them together. Engaging is essential in breaking the chains of intergenerational poverty because it rekindles hope, builds fortitude and empowers the dispossessed to take action with clarity and purpose. Change happens when families are trusted and supported in applying their energies and ideas to create meaningful change in their own lives and in their communities.

In working on other priorities, we found that engagement extends beyond client relationships. In realigning our organization, we engaged each other to benefit our clients even more. In building advisory boards for each impact area we engaged with community members to magnify our impact and increase the flow of resources to those in need. In engaging strategic partners we continue to build our capacity to strengthen families more effectively and efficiently.

As always, we are tremendously grateful and inevitably humbled by your confidence and support. At a time when the odds seem increasingly against families in crisis, and the plight of children in poverty seems only to worsen, you stand by us. As stakeholders in this ever-evolving journey, let us take heart in the words of Japanese poet Ryunosuke Satoro:

“Individually, we are one drop. Together, we are an ocean.”

John Montag
Chairman, 2012-13
Kim Anderson
CEO
There are two initiatives that exemplify the reframing of our work within the context of intergenerational poverty. Both seek to engage parents in educating their children.

In the Edgewood neighborhood, where the Zeist Foundation has diligently worked to galvanize a troubled community, Families First is helping parents to become advocates for their children and partners with their elementary schools. Using the mechanism of Parent Cafes, our coaches help parents identify issues and set and organize priorities. Edgewood parents now have two action groups: one provides free hygiene kits to children in need, and another ensures children’s safety when walking to and from school through unsafe areas.

CHISPA, which is Spanish for “spark,” is a pre-K initiative to ensure that children are ready for kindergarten. Based primarily in a Hispanic mobile home community in Norcross, our bi-lingual Parent Educators visit parents in their homes and coach them to be the primary educators of, and advocates for their children.

Although CHISPA was established several years ago, reframing our work to embrace empowerment and engagement has triggered changes in how we do what we do. In FY2013, instead of Families First coming in and simply working our plan, we engaged a group of parents in a six-month dialogue. The result? We discovered how difficult isolation and access is for this community—getting health care and staying connected with the school are huge problems. Now, health screenings are made available on site and the school comes to the community to hold PTA meetings. Engagement has led to other changes as well; the monthly Parent Cafes that Families First had been conducting are now managed by parent leaders like Ofelia Morales, featured in the accompanying story.

Families First will continue doing much of what we have done in the past. But rethinking how we work will spark an upward and sustainable momentum in the lives of the families we support.

Ofelia Lights a SPARK

“I was so sad,” laments Ofelia Morales. “I didn’t know how to find doctors, or enroll my son in school. I didn’t know anything. I was so afraid.”

Ofelia: the name literally translates to “help” in English. And the soft-spoken, big-hearted Ofelia Morales always had a passion for service. As a student in Mexico, she frequently helped classmates with homework and read to younger children. But, after emigrating to the U.S., everything changed. Ofelia was “completely lost.”

Although she had no idea how to seek the help she and her family so desperately needed, help found her. That help was CHISPA: “I was given a flyer about a CHISPA parent meeting,” recalls Ofelia. “I went to the meeting. I kept going to the meetings. I began to learn.”

CHISPA Parent Educator, Soledad Ruiz, explains: “Ofelia was very shy. She didn’t interact. She thought I was the teacher. But I said: “No, you are the teacher. You are going to be a leader.” And what a leader she has become. Ofelia applied the principles and skills learned through CHISPA to aid not only her own family, but her community as well. Her children thrive in their studies, even tutoring their peers on occasion. She volunteers two days a week at the neighborhood school, working in the classrooms, the office and the cafeteria. She plans and coordinates events to benefit her community, scheduling seminars and organizing fundraisers.

And so much more. The giver, once lost, has been transformed and empowered.

“T have been born again,” beams Ofelia. “I am now a leader! I will lead my children to become future leaders. I will continue to coach, teach and be active in any community in which I live. CHISPA has changed my life!”
Connecting to Community Reaps MEANINGFUL BENEFITS

In seeking ways to multiply the effects of our expertise and efforts, Families First engaged the broader community in FY2013 by establishing an advisory board for each impact area.

Advisory board members vary in their backgrounds, from clients of Families First, to stakeholders and interested parties such as social workers, homeless advocates, medical professionals, business leaders, human resources professionals and financial advisors.

Initially, there was some uncertainty around how to best engage advisory board members. “I wasn’t sure what to expect,” said Joyce Sloan, Director of Family Sustainability & Empowerment. “but they really took ownership. They’re vocal in what they want to do.”

Sloan’s board members have already acquired computers, medical services and a laundry list of other items for our clients. The 15 laptop computers were placed in our supportive housing Learning Lab where young residents can do homework and older residents can write résumés and conduct job searches.

The advisory board for Child & Youth Permanency is similarly engaged in a hands-on way. In addition to helping with special events and sourcing in-kind donations, board members provide feedback on proposed evaluation tools, appear in promotional videos and open doors for recruiting efforts.

“They really want to make a difference,” said Peggy Baird, Director of Child & Youth Permanency. “I didn’t anticipate them asking me to use them more;” she continued with mild surprise. “It’s been a great learning how to work better together. And now it’s great trying to keep up with their well-needed input,” laughed Baird.

Undaunted, the Families First team continued to intercede on Robert’s behalf. An educational consultant/life coach was brought aboard. Soon, Robert, too, was able to focus on more than his troubles. He began to grow, mature and learn. He successfully transitioned into ILP, and now, just 17 months later, is thriving. “I have a job,” says Robert, now 20. “I plan to get a culinary degree. I have hope.”

Robert’s hope extends to others as well: “I’ve been given a lot,” he acknowledges, “and now I know how to give, too. I volunteer to help children and the homeless.”

Contemplating life beyond ILP, Robert envisions a far less-troubled future: “I’m taking one step at a time,” he explains, “but I am confident that I’ll be successful.”

We’re confident too.

Realigning for GREATER IMPACT

Engaging clients empowers them to stand for themselves. This is a primary output we seek. But before we truly realize this goal, we have to transform the way we operate.

Not long ago, Families First was organized into 33 “programs.” In FY2013, realignment became our top priority, and as a result, we now count 11 programs in three impact areas.

COO Raphael Holloway explains: “Historically we created unique, separate advisory board members vary in their backgrounds, to realize this goal, we have to transform the way we operate. created artificial silos that impeded our ability to maximize impact.”

A process of organizational self-reflection engaged board members and executive staff with each other like never before as the group grappled with the intersecting issues of our theory of change, our impact statements and how our services were organized. The overriding goal amidst all this discussion was to produce greater outcomes. And realignment has done so. In addition to re-framing our work to engage clients more directly, realignment has produced positive client impacts driven by a second layer of enhanced employee engagement. The Permanency Roundtable, for example, brings together staff who had not traditionally worked with each other to collectively address the needs of each child across programs and initiatives.

The result: Increased success in placing older children into adoptive families. New initiatives across all three impact areas are now being pursued.

The fruits of realignment will continue to grow for years to come as we learn what each of us brings to the table to benefit those we serve. And as we engage each other more deeply, we will begin to create new methods and solutions that neither exist today, nor would have likely emerged from an organization with 33 distinct services.

The advisory board for Child & Youth Permanency Roundtable, for example, includes business leaders, human resources professionals and financial advisors. "I didn’t anticipate them asking me to use them more;" she continued with mild surprise. “It’s been a great learning how to work better together. And now it’s great trying to keep up with their well-needed input,” laughed Baird.

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H
going created a culture of curiosity, inquiry and constant improvement, Families First has emerged as a leader in demonstrating meaningful impact. This position affords us unique opportunities and FY2013 provided us with two moments that simply had to be seized.

The John S. and James L. Knight Foundation, which fosters journalistic excellence and promotes community engagement through “timely access to relevant information,” sought partners to pilot its Community Information Toolkit. In conjunction with The Community Foundation for Greater Atlanta, Knight invited Families First to participate. Given our Theory of Change, that strong communities supporting families will produce children who give back to communities, we jumped at the chance.

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The Toolkit is designed to “offer ways communities can take stock of its local news and information environment,” and in turn, “act to strengthen themselves by improving their information flows.” We tested the instrument in the Edgewood and Norcross communities mentioned earlier, and acquired a deeper understanding of how to help communities enhance communications and information exchange, and in turn, how that enhanced knowledge serves as a catalyst for community engagement.

The second opportunity appeared as a hand reaching across the ocean. From a chance meeting at President Obama’s first inauguration to the signing of a Memorandum of Understanding in West Auckland this spring, the story of our partnership with Te Whānau O Waipareira Trust is just beginning.

Waipareira is a social services agency serving the indigenous Maori of New Zealand. Its CEO, John Tamihere, had met our former CEO at that first inauguration. And unbeknownst to us, he had been following our progress in program evaluation and continuous quality improvement. Last year, as Waipareira was launching its 25-year Strategic Plan, they called Families First for advice on measuring outcomes and demonstrating meaningful impact and requested that we serve as their evaluation partner.

We will learn from this relationship as well. Waipareira's mission and programs mirror ours; it, too, seeks to establish healthy relationships and promote family empowerment and sustainability.

An appropriate symbol of our partnership with Waipareira is hongi, the traditional Maori greeting of simultaneously pressing together foreheads and noses, thereby sharing the breath of life. From shared visions and goals, through different settings and circumstances, we will learn together and teach each other.

What does Families First hope to learn from Waipareira? Forget hope. Kim immediately ticks off several things that have already inspired her.

Waipareira has a 25-year plan and wants to measure impact over that time period. Why 25 years? Because that’s the definition of intergenerational. Families First will learn from Waipareira’s intergenerational approach.

“They have informed our efforts to be more attuned to cultural factors influencing the families it serves since over half our client base is of African American or Hispanic descent. Kim’s excitement around discovery was amplified by a sense of deep bonding. “I really felt it, our hearts and souls yearning for the same possibility for families and children,” says Kim. “I feel that together, we’re going to figure out how to beat poverty. And once we do, there will be real hope for children in both Atlanta and Auckland.”

““I really felt it, our hearts and souls yearning for the same possibility for families and children.”

Kim Anderson: CHIEF LEARNING OFFICER?

It was a story that brought a smile to Kim Anderson, CEO of Families First. The COO of Te Whānau O Waipareira Trust had reached out to her saying that his CEO had tossed a report on his desk and remarked: “I want us to have one of these.” The report was Families First’s Annual Outcomes Report, our extensive look at the impact of every one of our agency’s programs.

The fact that an organization halfway around the world found and pored over our report was truly affirming. But feeling affirmed was as far as it goes; learning organizations stay hungry, and the temperament that drives that is humility.
FY2013: Another Year According To Plan

FY2013 marks yet one more year in which Families First delivered solid financial performance against plan. This narrative reviews the major metrics, highlights variances and discusses significant underlying dynamics and board policies that shape outcomes.

Highlights & Discussion

- Families First posted a positive change in net assets of $185,681. Total revenues increased 6.3% to $10.2 million. The revenue mix reflects recent trends and our efforts to shift towards alternatives not supported by Families First.

- Despite a slight increase in United Way funding this year, UWGA funding has declined by nearly $1 million in the past four years. There are two contributing factors: 1) Fewer dollars available to UWGA to invest, and 2) a decrease in UWGA funding of mental health overall.

- The portion of operating revenue from contributions by individuals, foundations and corporations has more than doubled from 10% to 22% over the last four years. We have focused here to offset declines in other areas. From 2009 to 2012 we increased contributions from these sources by 84% vs. 13% from these sources nationwide (source: Giving USA).

- Total expenses were down 4.9% YOY highlighted by a 12.2% decline in State funding for services at Deowe Village. An increase in support expenses was addressed by a 23.3% increase in funding, including an increase in in-kind donations that is recognized as “contributions” in revenue and as “fundraising” in expenses.

### Statement of Activities

**July 1, 2012 – June 30, 2013**

<table>
<thead>
<tr>
<th>Revenue (excluding investment income)</th>
<th>2013</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions, fees and grants</td>
<td>6,237,818</td>
<td>6,401,057</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Program and purchase service fees</td>
<td>2,558,165</td>
<td>2,796,552</td>
<td>-8.5%</td>
</tr>
<tr>
<td>Total Non-Investment Revenue</td>
<td>8,795,983</td>
<td>9,197,609</td>
<td>-4.4%</td>
</tr>
</tbody>
</table>

### Expenses

- **Program services**
  - Child & Youth Permanency: 4,048,839, 4,168,173, -2.9%
  - Family Sustainability & Empowerment: 1,803,727, 2,054,039, -12.2%
  - Health Family & Relationships: 2,108,366, 2,280,073, -7.5%

- **Total program services**: 7,960,932, 8,502,285, -6.4%

- **Support Services**
  - Fundraising: 721,156, 585,009, 23.3%
  - Management and general: 1,292,743, 1,404,673, -8.0%

- **Total support services**: 2,015,899, 1,989,682, 1.2%

- **Total Expenses**: 9,974,831, 10,491,967, -5.0%

- **Change in net assets**
  - before investment income: (1,788,848), (1,294,358), 8.9%
  - Investment income and other gains: 1,364,529, 360,748, 278.2%
  - Change in Net Assets: 185,681, (933,610)

### Statement of Financial Position

**For year ending June 30, 2013**

<table>
<thead>
<tr>
<th>Assets</th>
<th>2013</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1,002,438</td>
<td>1,246,152</td>
<td>-19.6%</td>
</tr>
<tr>
<td>Receivables, prepaid expenses &amp; other</td>
<td>1,233,172</td>
<td>1,356,697</td>
<td>-9.2%</td>
</tr>
<tr>
<td>Investments</td>
<td>9,865,032</td>
<td>9,257,021</td>
<td>6.6%</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>1,625,571</td>
<td>1,775,089</td>
<td>-8.4%</td>
</tr>
</tbody>
</table>

**Total Assets**: 15,725,213, 15,634,959, 0.7%

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th>Liabilities</th>
<th>2013</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables and other liabilities</td>
<td>564,926</td>
<td>560,353</td>
<td>0.8%</td>
<td></td>
</tr>
<tr>
<td>Line of credit</td>
<td>100,000</td>
<td>n/a</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

**Total Liabilities**: 564,926, 660,353, -14.5%

<table>
<thead>
<tr>
<th>Net assets</th>
<th>2013</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>9,280,299</td>
<td>8,940,461</td>
<td>3.8%</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>3,337,761</td>
<td>3,491,848</td>
<td>-4.4%</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>542,297</td>
<td>542,297</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

**Total net assets**: 13,160,287, 12,974,606, 1.4%

**Total liabilities and net assets**: 13,725,213, 15,634,959, 0.7%

### Expenses By Category

- Child & Youth Permanency: 41%
- Family Sustainability & Empowerment: 18%
- Health Family & Relationships: 31%
- Fundraising: 7%
- Management and general: 12%

### Net Assets, End of Year

- 2009: 12,145,000
- 2010: 13,000,000
- 2011: 13,500,000
- 2012: 13,500,000
- 2013: 13,500,000
BOARD OF DIRECTORS FY2013

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Partner, A. Montag & Associates
Kenneth Neighbors, Vice Chair,
Partner, Greenberg Traurig, LLP
Frank M. Howard, Treasurer,
Senior VP & Treasurer, Genuine Parts Co.
Deborah Baker, Secretary,
Senior Office Manager, Arcapita, Inc.
James T. Mills,
Managing Partner, Dominiun Benefits
Bernadette Hartfield,
Assoc. Professor, GSU School of Law
Lee Ann Lednik,
Partner, Ernst & Young
Felicia Speetjens, Immediate Past Chair,
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AmeriGroup, Corp.
Justin Berman, Principal,
Berman Capital Advisors, LLC
Keisha L. Bottoms, City Council Member,
District 11
Sunny Burrows, President,
The Lookout Foundation
Ludy van Broekhuizen, Chief Innovation Officer,
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Sandra Carey Founding Partner,
Atlanta Fine Homes/Sotheby’s International Realty
Carolyn Carl, VP,
Coca-Cola North America

Dave Cole, VP, Inside Sales,
IBM Corporation
Alford J. Dempsey, Jr., Judge,
Superior Court of Fulton County
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Southeast Region, Be The Match Foundation
Audrey Horne, Healthcare Management Consultant
Roya Irvani, Community Liaison
William Jordan, Partner,
Alston & Bird, LLP
Marybeth Leamer, 
EVP, Human Resources & Administration
Cox Enterprises
Valerie Munnings, Community Liaison
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Supreme Court of Georgia
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Dawn Rock, VP, Regional Compliance,
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Community Liaison
Beth Tanis, Partner,
King and Spalding
Lou Winship, Partner,
WinSmith Design, LLC

ENGAGE WITH US!
Have a question for our executive team?
One of us will answer via e-mail or Facebook.
Reach out at information@familiesfirst.org

SUPPORT OUR WORK!
To make your contribution of time, money, 
products or services, please contact Candice Jordan,
Development & Donor Relations Manager, at 
(404) 853-2810 or cjordan@familiesfirst.org