



Free the Kids
HELPING HAITI'S CHILDREN

May 25, 2020

Free the Kids, Inc., makes every effort to demonstrate accountability and transparency to its donors. Therefore, this disclosure is being made available publicly on the website for the intended purpose of providing additional information to Footnote #9 documented in the Free the Kids' (FTK) audit report for fiscal years ending June 2017 and June 2018.

Findings of Mismanagement and Irregularities at Pwoje Espwa Sud (PES)

Shortly after Hurricane Matthew in Fall 2016, FTK provided management assistance onsite at Pwojè Espwa Sud in Les Cayes Haiti. The significance of the damage and vulnerability of the mission required that FTK staff oversee operations and project management for the purpose of rebuilding the facilities and redesigning the infrastructure. During this time, the FTK staff initiated an internal audit into the management of PES programs, and its outcomes, processes and systems of controls.

We found evidence of mismanagement of services and irregularities in the management of funds and supplies provided by FTK to PES. Those discoveries were revealed to our independent auditing firm and are noted in the above-mentioned audits. The findings led to the following internal actions and changes **at PES:**

- Termination of over 100 employees, including the entire leadership staff
- Implementation of new procedures for financial and asset management
- Promoting or hiring of new leadership and training of the remaining staff
- Assignment of oversight for PES operations and program management to FTK staff
- Retirement of the PES Founder and his resignation as PES CEO, President of the PES Board of Directors, and FTK fundraiser.
- Restructuring of the PES Governance Board
- Transformation of PES mission strategies to include (but not limited to) child development and family preservation.

We assure you that these steps have provided:

- much greater accountability and transparency for donor gifts,
- proper use of resources and
- better outcomes in the service of Haiti's most vulnerable.

PES continues to improve its management, services, controls, and processes with our assistance.

Transitioning Pwoje Espwa Sud (PES) from Orphanage to Child Development Day Center

In collaboration with a network of in-country partners, we encouraged PES to begin a thoughtful and thorough process of assessing the programs and outcomes for the beneficiaries of our mission, specifically focusing on the children in residency at PES. It was discovered that many of these children, who have been institutionalized during their developmental years, had social and emotional complications.

From inception, PES was established as an orphanage, which is a form of institutionalization for children. Most of the children at Espwa had been in residency for a decade or more. Research tells us that under these conditions physical, intellectual, emotional and spiritual growth are consistently and significantly delayed. This finding has been validated by many child advocate research agencies around the world such as Lumos, CRS, Faith in Action, etc.

Unlike the US, which phased out orphanages a half century ago, developing countries including Haiti have only recently addressed this problem. In Haiti vast numbers of families live in extreme poverty, and orphanages are believed to be a satisfactory source of providing for the basic needs of children. Despite all the love and care we think orphanages provide, ***nothing can replace the love and care of a mother and a family!***

At Pwoje Espwa Sud (PES) it was clear that expanded services were needed to better meet the needs of the children AND their families.

As a result, FTK staff oversaw the restructuring of PES' residential programs so they would:

- serve in the child's best interest,
- align with the expectations of the Haitian child welfare agency (IBESR), and
- join in advocacy with the international community for deinstitutionalizing children.

Currently, PES has committed its focus toward these primary services:

- **Family Preservation Program** to prevent family separation through education and counseling aimed at empowering families to achieve long-term self-sufficiency and independence.
- **Crisis Care** for temporary placement of children while families regain their ability to care for their child(ren) Children are reunified with their families or alternative family placement is chosen.

- **Education** is offered to families with vulnerable children at a reduced tuition rate or full scholarship. Education on the Espwa campus consists of Pre-K through University Prep and in Camp-Perrin, K through 9th. Religious Education is offered during the school day, which develops the *spiritual, moral, ethical, and service culture of the students*.
- **Life Skills and Vocational training** programs enable children to reach their highest potential, build confidence and dream big. Enrichment activities also include job exploration and professional development through in-house experiences and internships with key partners.
- **Young Adult Empowerment Program** offers a broad range of services to prepare and guide the students toward a productive career. Educators and community leaders mentor youth to achieve professional success, live independent lives, develop civic responsibility and life skills.

Over the past year PES has successfully:

- reunified over 225 children with their families,
- transformed the residential care to a crisis care program, and
- expanded its child development services to include more community children.

Facilities at the Espwa Child Development Day Center will be fully utilized for:

- Supporting family counselling and education programs such as parenting, literacy and economic development.
- Housing temporary residents from families in crisis, sanctioned by IBESR
- Educating nearly 1200 children in our schools located in Les Cayes (Madame Combe-Castel Pere) and Camp-Perrin.
- Augmenting the Haitian curriculum by offering an after-school program that includes educational, vocational and internship opportunities.
- Enhancing our students' innovative and creative skills through the arts (dance, music, art and recreational activities)
- Offering a pastoral program which consists of sacramental development, liturgy, (choir, reading and altar serving), prayer services, and community service, to children who are in crisis care or live in the local community.
- And finally, assisting young adults to become leaders in their communities by offering a Youth Adult Empowerment Program that prepares them to become economically self-sufficient.

Partnership with Overture International

Realizing the need for community development to sustain families and prevent separation, PES has recently joined into a partnership with ***Overture International*** and its network of public and private social service agencies.

Overture Outreach International (dba Overture International), is a 501c3 organization with a mission to empower families living in extreme poverty through sustainable social, community, and economic development. Its collaborative network consists of international, governmental, business, and non-profit partners.

Overture guides impoverished families and communities in assessing their own problems, identifying their own resources, and developing their own solutions. All projects are based on best-practices of sustainability and lead to the overall goal of breaking the cycle of poverty and aid dependence. Preserving the family unit is a jointly held goal of PES and Overture.

Learn more about Overture and this partnership at www.overture.international.

Timothy J. Ciampaglio

Tim Ciampaglio
Board Chairman
Free The Kids, Inc.