



Annual Report

2012



LETTER FROM THE FOUNDER



Shared Hope's goal to eradicate sex trafficking and provide restoration for its victims continued to take shape in a most tangible way during 2012. In the closing weeks of last year our new justice initiative, the Protected Innocence Challenge, was announced; so it was during 2012 that we began to see results. Almost immediately upon release we began getting calls and emails from advocates and legislators that wanted to raise the grade their state had been given.

During the year we aggressively advocated in more than half the states for the introduction of Protected Innocence laws. In fact, 240 state bills impacting child sex trafficking were introduced in the 2012 legislative session. Seventy-eight laws passed in 33 states. Fifteen states raised their Protected Innocence Challenge grade. Even so, at the close of the 2012 session, 18 states still had failing grades on their Protected Innocence Challenge Report Card. We are very pleased with the response after just one year but realize that our work is not yet done. Just laws are the underpinning for improved services for victims of sex trafficking, and for that reason we will not rest until we see changes in laws around the nation.

One of the high points of the year was the Sharing the Hope event held in Washington DC in conjunction with the announcement of the 2012 report card grades. There was something for everyone including training for professionals and community alike, a colloquium for service providers, a caucus briefing in the House, a survivors' gathering, and announcement of our 2012 Pathbreaker Award winners.

I hope you'll plan to join us for Sharing the Hope 2013 November 7-9 in Washington, D.C.!

Sincerely,

A handwritten signature in black ink that reads "Linda Smith". The script is fluid and cursive.

Linda Smith
President and Founder, Shared Hope International

WHO WE ARE

Shared Hope International's 14 year history has taken us from the beginnings of our compassion for sex trafficking victims in India, then to Nepal, South Africa, the Netherlands, Dominican Republic, Fiji and Jamaica, and then home to the United States. As one of the first U.S.-based anti-trafficking organizations, we are now older than the average child victim of sex trafficking in America. We have a long history of leadership in international sex trafficking, and while we continue to be deeply invested in our international program, the rapid expansion of child sex trafficking in our own country demands our attention. For the past six years we have focused on adapting the lessons we have learned through experience and blend them with new strategies for the unique U.S. marketplace of victimization.

We believe that the victim of any type of slavery is very close to the heart of God. We strive to reflect His view of the value of every person. We remind ourselves that it always has been – and still is – about “one life at a time.”



**WE ARE LEADERS IN
A WORLDWIDE EFFORT**

**TO ERADICATE
SEX TRAFFICKING**

TIRELESSLY DETERMINED TO

**PREVENT, RESTORE,
AND BRING JUSTICE**

ONE LIFE AT A TIME



BOARD OF DIRECTORS

David Austen

Owner
David Austen CPA

Marjie Austen

Physical Therapist Assistant
Kaiser Permanente

Sandra Goh

Director of Business Management, Singapore
Microsoft Corporation

Ron Hart

Retired Pastor
SHI Chaplain

Sue Hotelling

Senior Program Manager
Microsoft Corporation

Les Pettit

Engineer
Structural Concepts

Fernando Proano, M.D.,

Physician

Linda Smith

Founder and President
Shared Hope International

Vernon Smith

Engineer
Burlington Northern Railroad

PREVENT

Prevention first requires awareness, and Shared Hope uses many tools to help overcome the ignorance and complacency that contributes to the sex trafficking problem. Training is essential, and the most effective curricula involve various different disciplines in the community training and working together as a team.

RESTORE

The word “restore” is a very small word used to describe a very large and complex effort. It encompasses the idea of “rescue” because without restoration, rescue will only lead to increased victimization. It is greatly impacted by having an appropriate legal and policy environment in which homes of restoration can thrive. Restoration starts with safety and offers the opportunity to rebuild trust in an environment of respect and patience. Important dimensions of restoration include medical and mental health care, spiritual renewal, education, life skills, job training and vocational programs.

BRING JUSTICE

Is it just for a woman or child to be treated as a criminal for the crime committed against her? Is it fair treatment for her to be jailed while her tormenters are allowed to pursue the next victim? Is it just to categorize the rape of a child as a misdemeanor? Should a buyer or trafficker be able to simply plead that he didn't know how young she was?

In 2011 we created a methodology to assess how each state in the nation dealt with such questions. In the Protected Innocence Challenge we identified weaknesses in the law and remedies that could be applied to improve the protection of children and gave each state a grade based on its laws that impact the issue of domestic minor sex trafficking. Forty-one states scored either a D or an F in the 2011 analysis. Shortly after the release, Shared Hope began receiving contacts from state law makers and activists who were inspired to improve their laws and anxious to work with the recommendations provided. A year later, in November 2012, Shared Hope released Year 2 results of the Protected Innocence Challenge; we are happy to report that 15 states raised their grade!

In addition to state law advocacy, Shared Hope International has worked in support of federal legislation that would allocate resources to domestic victims of sex trafficking, and provided expert testimony at numerous hearings and forums.

PREVENT

Raising awareness about the reality of sex trafficking in America and Shared Hope's vision for eradicating it continues to keep us innovating on just how to deliver those messages and motivate the public to take action. We present at local and national conferences, collaborate with other groups involved in the anti-trafficking movement through coalitions, and participate in awareness raising events at local and national levels.

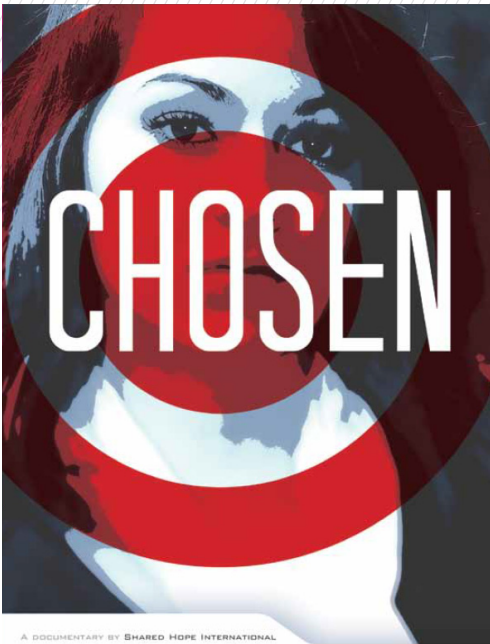
One of our most innovative awareness campaigns the **National Billboard Campaign** was launched in September 2011 in recognition that the market is driving the commercial sex industry. In 2012, 21 billboards in 8 states exposed millions to the issue of domestic minor sex trafficking. In a subtle but high impact way, the billboard was modified to fit the setting of the 2012 Republican and Democrat National Conventions.

Through the powerful visual message, the billboard focuses attention on the buyers of commercial sex and removes all preconceived labels for the victims but one, "*daughter*". Furthermore, the message is clear that a buyer can be anyone. A major outdoor advertising company accepted the billboard design; supporters and followers of Shared Hope were then invited to sponsor a billboard, with staff managing the production and posting.



Shared Hope continues to expand visibility through our **Ambassadors of Hope**, who now number 115. These knowledgeable advocates represent Shared Hope according to their varying capabilities at exhibit tables, on panels, before small groups, and at Combined Federal Campaign informational events. Our Ambassador of Hope in Ohio did a great job as she was interviewed on a local TV station about sex trafficking as it occurs, often unnoticed, in our own communities.

Since demand for sex with children is what drives the marketplace of victimization, The **Defenders USA** plays perhaps the most important prevention role there is. If men stopped buying, there would be no market. The Defenders' aim is to lead by example, demonstrating moral courage and leadership in their own lives and in their circle of influence. There were 318 new members added to the Defenders rolls in 2012.



Towards the end of 2012, we began plans for a creative and powerful way to reach potential victims with information that would effectively warn them about the dangers that can trap them in a life of sexual exploitation. The resource, called **Chosen**, will be a video relating the experience of two young girls who were lured into trafficking situations. It will be packaged, along with teaching and discussion resources, for use in high school and junior high school assemblies, as well as youth and community groups of all kinds.

“What can I do?” This question is the natural response from someone who has become aware of the horror and scope of sex trafficking. Shared Hope’s innovative **Do You Know Lacy?** training curriculum, with its unique community model, is providing the answer. Taking its inspiration from Linda Smith’s book, *Renting Lacy*, that follows the story of young trafficking victims here in the U.S., Do You Know Lacy? trains first responders, service providers, church and community members, and men in general—all major players in the community—to identify and help potential “Lacys”.

Five Do You Know Lacy? training events took place in 2012. Two of the largest took place in the last quarter—one on the east coast in Washington, DC and one on the west coast in Portland, OR.. Nearly thirteen hundred individuals—first responders and community advocates—were equipped in 2012 to work together to identify and respond to victims and potential victims, leveraging their intersecting spheres of influence.

Knowledge of each other’s role leads to greater collaboration and sustainable goals, so mark your calendars for November 7-8, 2013 in Washington, DC for the 2013 that will take place in conjunction with Sharing the Hope 2013.

In addition to the Do You Know Lacy? training experience multiple other Shared Hope training events for first responders—Intervene for service providers and Domestic Minor Sex Trafficking for law enforcement—were conducted by staff in 2012.

Our trainings equipped 4,250 people at over 60 awareness events. Additionally, five “Do You Know Lacy” trainings hosted in four states, educated 975 first responders, youth advocates and community members.

Everyone - and I mean everyone - is still talking about the training. It was incredibly well received, some participants are asking for further information, etc. We will definitely be continuing the discussion and developing some strategies for identification of and working with these girls in this community.

RESTORE

Shared Hope takes pride in the leadership we have provided in policy, prevention and education. But all that happens for a purpose—at the heart of our work are the women and children whom we serve today and the ones who are waiting for us to come to their aid.

There are very close ties between Shared Hope's prevention programs, policy initiatives and restoration efforts. Consider how our goal to end child sex trafficking in the U.S. and restore its victims relies on all of them. This is the foundation for restoration:

1. Public recognition and outrage that children are enslaved for sex in our country.
2. Changed laws that provide services for victims and deterrents for perpetrators.
3. Creation of safe shelter and specialized services to care for victims of this trauma.

All these things must happen for our nation to expand the network of services that can reach victims of sex trafficking. When people are trained to recognize sex trafficking and the public no longer accepts the callous disregard for the plight of its children (1)...and we have protective laws in place (2).....then we have an environment where we will be able to provide the needed shelter and services to heal and restore (3).



In 2012 Shared Hope announced the National Restoration Initiative, a program that will help foster and expand the network of services throughout the country. As a first step, we surveyed the nation to identify current providers of shelter and services. Subsequently, we brought together an Advisory Group and a Practitioners Working Group to help guide the process of prioritizing the issues that impact the delivery of services to domestic minor victims of sex trafficking. Then, in conjunction with Sharing the Hope, we invited these two groups plus survey respondents to an event in Washington, D.C. to examine the four top issues: placement of identified youth, licensing and maintaining a facility, funding, and therapeutic approaches. This event-- National Colloquium: Shelter and Services Evaluation for Action—will be followed by other pieces of the National Restoration Initiative in 2013 and beyond.

RESTORE

Shared Hope approaches grant making with an emphasis on stewardship, partnering with faith based organizations both domestically and globally that are providing transformative work to the survivors they serve. We strategically approach restorative services by funding three types of programs:

- Women's Investment Network (WIN): SHI recognizes it is not enough to simply rescue woman from bondage. The WIN program helps equip her with life skills and a legitimate source of work in order to support herself, maintain her independence, and prevent re-victimization.
- Intervention and restoration: Developed and operated by local partners, these programs address both the immediate and long-term need for comprehensive, victim centered restoration for the traumatized woman or girl.
- Outreach: Women and children exploited through sex trafficking are psychologically trapped and feel that escape is impossible, so do not seek help. These programs send qualified workers to seek out vulnerable victims with support, encouragement, and resources to assist them out of "the life".

On the following pages you will read a summary of Shared Hope's progress with these amazing organizations, but more importantly you will have an inside glimpse at the lives of the survivors we serve, the terror they have endured and the courage and bravery they have shown in their journey to freedom.





Domestic Partners:

While many Americans understand sex trafficking is happening overseas, many are unaware that it is happening right here in our country. Shared Hope has been a leader in raising awareness about sex trafficking through education, awareness and promoting effective policy, and we also provide financial and technical support to organizations on the ground that are working with the women and children through the healing process.

Shared Hope partners with organizations across the United States to support programs that deliver residential services, counseling and case management and street outreach for at-risk and trafficked women and children. These programs literally meet the girls where they are and provide services to support their transition from victim to survivor, and from survivor to a powerful advocate with her own story to tell.

U.S. service providers supported by Shared Hope provided the following services to victims of sex trafficking:

- Made contact with 2278 potential trafficking victims through outreach on foot and by phone
- Received hotline calls from 427
- Had interaction with 607 contacts
- Provided follow up services to 243
- Provided long term shelter to 10, and short term shelter to 33

Restorative Shelter Working Group:

While not a partner in the sense of funding support, Shared Hope founded and continues to lead this group of developing U.S. service providers. The group consists of a mix of faith based and secular, survivor-led and advocate-led organizations. Since 2009 the members have met together through monthly phone calls to exchange knowledge and experience each has gained the hard way as trail blazers in the emerging field of restoration work with trafficking victims. This group played a major role in the National Provider Survey and the National Colloquium held in December. They helped to underscore the major theme of the Protected Innocence Challenge—that the issue of victim services must be addressed state by state at the level of law and policy.



International Partners:

Shared Hope International was founded when our founder and president, Congresswoman Linda Smith witnessed firsthand the reality of sex trafficking in India. Beginning with the founding of our first Home of Hope and Women's Investment Network (WIN) program in India, Shared Hope's funding and technical support priorities reflect the need we encounter during our policy work abroad. Shared Hope has built strong relationships with our international partners that go beyond financial support to technical assistance and long-term sustainability strategies.

We have six international partners in Fiji, Nepal, India and Jamaica to provide outreach, residential care and counseling, job skill trainings and critical medical care to support women and children victimized by, or at risk for, sex trafficking.

Recognizing the intense trauma experienced by victims through the commercial sex industry, Shared Hope has formed lasting partnerships with local organizations to fund programs that offer comprehensive, long-term care to women and children. Each of these programs offers a survivor-informed model of care that focuses on counseling, empowerment and healing.

Six international service providers supported by Shared Hope provided the following services to victims of sex trafficking:

- Provided shelter, support and education to 180 women and children
- Trained 135 in job related skills (WIN program)
- Sent out two missionaries
- Provided loving care to HIV infected members of their communities
- Sent outreach teams daily into brothel areas to offer hope to those in bondage



State action turn into national change!

In 2011, Shared Hope was propelled into undisputed national leadership on the topic of child sex trafficking in America by responding to the question, “what must we do to rid the nation of this horrific crime against our children?” with a practical tool called the Protected Innocence Challenge. Again in 2012 we continued applying the pressure of unbiased appraisal of state laws and recommendations for improvement.

We addressed the question by presenting every state with a letter grade based on an analysis of its laws that deal with penalties for perpetrators—traffickers, facilitators and buyers, services for victims, and investigative tools for law enforcement.

As a result of the 2011 grades Shared Hope was asked to be an advisor on policy change efforts throughout the country. During the 2012 legislative season, 240 state laws were introduced and 78 of them passed in 33 states. Fifteen states raised their Protected Innocence Challenge grade. Even so, at the close of the

2012 session, 18 states still had failing grades on their Protected Innocence Challenge Report Card. Our work is not yet done and will continue for at least another year.

Our 2012 report to the nation, The Protected Innocence Challenge, was released at a press conference in conjunction with Sharing the Hope in Washington, DC on November 30, and four Pathbreakers were announced at the Sharing the Hope Gala on December 1. Pathbreakers were selected for their significant impact on the movement to end human trafficking in America and included Ernie Allen, Founding Chairman, National Center for Missing and Exploited Children, Drew Oosterbaan, Chief, Child Exploitation and Obscenity Section (CEOS), U.S. Dept. of Justice, Amy O’Neill Richard, Senior Advisor to the Office to Monitor and Combat Trafficking in Persons, U.S. Dept. of State, and Deborah Richardson, Executive Vice President, Center for Civil and Human Rights. More than 30 survivors of sex trafficking attended the Sharing the Hope Gala and Pathbreaker awards ceremony where two survivors enacted a drama that vividly illustrated the oft played out injustice survivors experience in the legal system



CONSOLIDATED FINANCIAL REPORT

	2012	2011
Functional Expenses		
Program Activities	82%	81%
Administration	11%	11%
Fundraising Activities	7%	8%
Support Sources		
Individuals	73%	68%
Foundations	15%	20%
Churches/Religious Orgs	2%	2%
Corporations/Businesses	7%	5%
Educational	1%	1%
Professional Orgs	1%	1%
Others	1%	3%
Total Support & Revenue	\$2,461,317	\$2,200,496
International Programs	364,684	435,622
Domestic Programs	1,637,628	1,428,264
Programs	2,002,312	1,863,886
Fundraising/Development	181,395	192,327
Administration	265,303	252,369
Supporting Activities	446,698	444,696
Total Expenses	\$2,449,010	\$2,308,582
Change in Net Assets	\$12,307	(\$108,086)

Note: Program descriptions and statistics include activities from January to December 2012. Consolidated financial information includes activities from fiscal year 2012 (July 2011-June 2012).

