

Annual Report

2013



LETTER FROM THE FOUNDER



"Stay in your lane." It's a wise admonition that reminds all of us at Shared Hope to evaluate every project we are inclined to undertake in light of whether it is within our "lane," and advances our mission to end sex trafficking and restore its victims. This discipline has worked quite well for us and has allowed us to accomplish a great deal with funds raised exclusively through the compassion of private, non-government sources and a small, highly dedicated team. In 2013 we advanced that mission through major accomplishments in our three imperatives—prevention, restoration, and justice. We have had resounding success in the release of Chosen, our comprehensive prevention tool for the age group most vulnerable. We have expanded restoration initiatives to include opening

a restoration home of our own, Terry's House, for 18-22 year old victims. And we have brought justice through the influence our Protected Innocence Challenge has had on state laws across the country. There is much more to tell you about these and other initiatives that clearly lie in our "lane," so I encourage you to read in detail what has been accomplished with the blessing of God on our work and the support of friends and donors who stand with us against the monstrous crime of sex trafficking.

One of the high points of the year was Sharing the Hope and the JuST Conference held in Washington D.C. in conjunction with the announcement of the 2013 Protected Innocence Challenge state report card grades. Interest around the events was piqued by dramatic advertising produced by Brunner, an ad agency in Atlanta that carried a strong prevention message and brought attention to the conference. Over thirty U.S. survivors and two international partners were part of the events along with over 500 participants.

In 2014 we will celebrate 16 years of restoration with regional events introducing some of the beautiful young adults that were little children in our early restoration work abroad, and we will again host the JuST Conference in Washington, D.C. I hope you'll plan to join us November 6-8, 2014!

Sincerely,

Linda Smith

Kinda Smith

President and Founder, Shared Hope International

WHO WE ARE

In the first five years of existence, Shared Hope International expanded quite rapidly from an initial restoration footprint in India to Nepal and then to South Africa, the Netherlands, Dominican Republic, Fiji and Jamaica. The year 2006 and the research we conducted under a State Department grant began our look into the issue of demand both internationally and here in the U.S. and focused our attention on the problem of sex trafficking in America. While we have covered a lot of other ground since then, we continue to be directed back to the issue of demand—the phenomenon that drives a marketplace where children serve as products for sexual gratification. As one of the first U.S.-based anti-trafficking organizations we are now, at 15, older than the average age a child is first victimized in America. While we continue to be deeply invested in our international program, the rapid expansion of child sex trafficking in our own country requires our attention. For the past seven years we have focused on adapting the lessons we have learned through experience and blended 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



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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 all the professional disciplines invovled in keeping our children safe, and including parents and community members as well.

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 solutions for 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. Two years later, in November 2013, Shared Hope released Year 3 results of the Protected Innocence Challenge; we are happy to report that 29 states raised their grade and three states—Tennessee, Louisiana, and Washington—achieved an A!

In addition to state law advocacy, Shared Hope International advocated for 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.

Awareness

The most innovative prevention message in Shared Hope's history was teed up by a golf game. The father of our Director of Programs discussed his daughter's passion with his golfing

partner, Frank Compton, Chief Creative Ambassador at Brunner, an advertising company in Atlanta. By the end of the round Mr. Compton had caught the passion and was convinced that Brunner could develop ad concepts that would raise awareness in a big way. Brunner donated its talent to create ads in metro subway stops and on metro busses in Washington, D.C. during October, leading up to Sharing the Hope and the JuST Conference. By far the most eye popping display was the "doll"



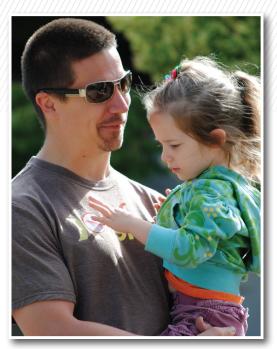
box." This human-sized replica of a girl packaged for sale bore the message "Children Aren't Playthings" and contained a live model (over 18); it drew much attention at the corner of 14th and K where it was situated during the conference.



Chosen

We deeply believe that if young teens are a primary target for pimps and traffickers, we need to target them first—with education. Youth that are wise to recruitment tactics will be equipped to protect themselves and their friends from situations of sexual exploitation. In May of 2013 we released a powerful prevention package called Chosen, aimed directly at this vulnerable age group. The resource is a 21 minute video relating the experience of two young girls who were lured into situations of sexual exploitation. It is packaged along with a CD containing suggestions for use and teaching and discussion resources that can be tailored for any adult or teen group. The Chosen toolkit has met with resounding success, with over 2,000 copies in circulation. In 2014 it will be enhanced with Chosen—Gang Edition, a 12 minute video and resource guide that addresses the unique aspects of gang sex trafficking.

PREVENT



Ambassadors of Hope and Defenders USA

Shared Hope continues to expand visibility through our Ambassadors of Hope, who now number 335. 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.

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 586 men added to the Defenders rolls in 2013, and a Defenders Captain Program was started with 26 men training to be leaders of various chapter groups. Defenders, who number approximately 2400, sponsored the creation of an awareness video called "We Can End Demand,"

spoke before the Ohio legislature, and conducted a Super Bowl Campaign in January to raise awareness about the sex trafficking that takes place in conjunction with that and other major sporting events. The capstone Defenders' achievement in 2013 was Terry's House. A passionate Defender and his wife donated to Shared Hope a dilapidated property situated on a beautiful piece of land in the Puget Sound area. His desire to provide sex trafficking survivors

the opportunity to recapture their dreams was realized through a team of Defenders that gutted the house and transformed it into a beautiful and warm home for 18-22 year old survivors.

Training

Shared Hope's renowned training for professionals concerned with the sex trafficking issue as well as for grassroots activists received praise for advanced level content in 2013 with the launch of a new training format called the JuST Conference. JuST (Juvenile Sex Trafficking) offered 38 workshops and sessions over two days from 35 human trafficking experts around

"I love the heart and mission of Shared Hope International, thank you for assembling such a talented and qualified line up of speakers at Sharing the Hope! I'm in this to help you!"

the nation. This unique new national conference focused on juvenile sex trafficking and drew 550 attendees from 39 states and 3 countries. The learning and sharing experienced by so many at the JuST Conference will be taken to the next level again in 2014, on November 6-8 in Washington, D.C.

In addition to the JuST Conference, 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 2013. In total, our training events equipped 3,000+ individuals in 16 states.

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. Laws that provide services for victims and deterrents for perpetrators.
- 3. 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 and we have protective laws in place then we have an environment where we will be able to provide the needed shelter and services to heal and restore.





National Restoration Initiative

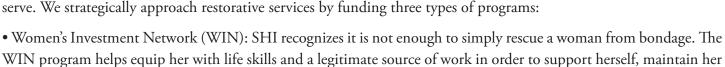
In 2012 Shared Hope announced the National Restoration Initiative, a program designed to foster and expand the network of services throughout the county. As a first step, we surveyed the nation to identify current providers of shelter and services, placement of identified youth, licensing and maintaining a facility, funding and therapeutic approaches, and then held a National Colloquium on the topic in November 2012. In July of 2013 we hosted a congressional briefing in coordination with the Victim's Rights Caucus where we released our findings from that research—(*The National Colloquium Report: An Inventory and Evaluation of the Current Shelter and Services Response to Domestic*

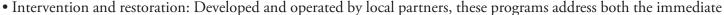
RESTORE

Minor Sex Trafficking). In November 2013, we deepened our knowledge on protective responses by hosting our second National Colloquium in partnership with Casey Family Programs and the National Association of Juvenile and Family Court Judges, assessing current response practices for identified trafficked youth by child serving agencies, particularly juvenile justice and child welfare. Findings from this research, called JuST Response, will be released in 2014 and will provide critical guidance to provide trafficked youth with access to the safest and highest quality care on their road to recovery. As a support tool, Shared Hope analyzed existing punitive and services responses in each state under child protection and/or delinquency laws and published state-specific flowchart to assist in improving the response to DMST victims (2013 Statutory Responses to Domestic Minor Sex Trafficking Victims).



Shared Hope provides grants to a number of international and domestic organizations involved with victim restoration. We approach grant making with an emphasis on stewardship, partnering with direct service organizations that are providing transformative work to the survivors they







independence, and prevent re-victimization.

- 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 and get an inside glimpse of the work we do.



RESTORE | Domestic Partners







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. 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:

- Safe long-term housing services to 23 trafficked youth.
- Emergency crisis shelter for 43 commercially sexually exploited women and girls.
- Ongoing community based therapy and case management to 58 trafficked youth.
- Identification of 41 youth as trafficking victims through use of Shared Hope's assessment tool, Intervene.

Restorative Shelter Working Group (RSWG)

Shared Hope founded and continues to lead this group of developing U.S. organizations serving domestic trafficking survivors. 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. The RSWG not only provides a safe space for programs and providers to learn from each other, it also informs Shared Hope's development of restoration policy, research and direct service initiatives.

RESTORE | International Partners







International Partners

Shared Hope International was founded when 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 support priorities reflect the need we encounter during our policy work abroad. We have built strong relationships with our international partners that go beyond financial support to technical assistance and long-term sustainability strategies.

We have six faith based international partners in Fiji, Nepal, India and Jamaica that 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:

- Shelter, support and education to 187 women and children.
- Training for 182 in job related skills (WIN program)
- Loving care to thousands of HIV infected members of their communities.
- Daily outreach into brothel areas to offer hope to those in bondage.

BRING JUSTICE



Vednita Carter, 2013 Pathbreaker

State Action Leads to National Change!

In 2011, Shared Hope introduced a practical tool to evaluate state laws that pertain to the issue of domestic minor sex trafficking called the Protected Innocence Challenge. In 2012 and again in 2013 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 our initial challenge and annual updates, Shared Hope has become an advisor on policy change efforts throughout the country. During the 2013 legislative season, 793 bills relating to sex trafficking were introduced nationwide and 47 states passed a total of 183 bills; 40 of those states enacted legislation that was directly related to the Protected Innocence Framework. Twenty nine states improved by one letter grade, and eight states

improved by two letter grades. For the first time there were "A" grades earned—well deserved by Tennessee, Louisiana, and Washington. Since the first challenge in 2011, the number of states receiving a grade of D or F has dropped from

41 to 20. We are proud of this progress, but recognize that there is still work to be done, particularly in the area of demand.

More About Demand

That issue of demand began receiving our particular focus in 2013 because so little has been done to confront the obvious conclusion that deterring buyers is essential to protecting our youth. As we announced our 2013 Protected Innocence Challenge at a press conference during Sharing the Hope and the JuST Conference in Washington, D.C. we also highlighted a specific project to delve more deeply into Section 2 of the Protected Innocence Challenge legislative framework that deals with laws relating to demand. Phase one



Cynthia Cordes, 2013 Pathbreaker

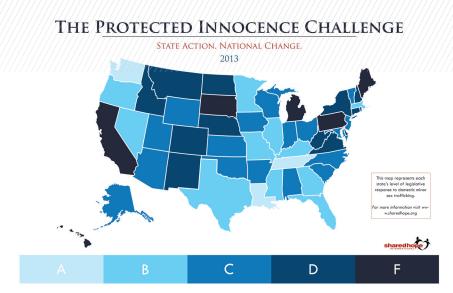
of this project, the Demanding Justice Project, was released in 2013 and a second phase will be released in 2014. Consistent with the anti-demand theme, three Pathbreakers that play significant roles in anti-demand efforts were announced at the Sharing the Hope Gala on November 7. They included Vednita Carter, Survivor and Founder of Breaking Free in Minnesota, Cynthia Cordes, former Assistant U.S. Attorney, now in private practice, who successfully prosecuted buyers under the federal Trafficking Victims Protection Act, and U.S. Congressman Judge Ted Poe who has been an ardent supporter of anti-demand legislative efforts at the national level.

BRING JUSTICE

More About the Protected Innocence Challenge

Recognizing that most of the gaps in responding to domestic minor sex trafficking must be addressed at the state level, Shared Hope designed the Protected Innocence Challenge to set out the basic policy principles required to create a safer environment for children.

Six categories of statutes addressing 41 legal mandates were crafted and vetted into a methodology that allowed for holding each state's existing laws to a common standard of what represents a safe environment for children.



The Six Categories of Legal Intervention are:

- 1. Criminalization of domestic minor sex trafficking (does the state have human trafficking law)
- 2. Criminal provisions addressing demand (buyers)
- 3. Criminal provision for traffickers (agents, pimps)
- 4. Criminal provisions for facilitators (hotels, transports, websites, etc.)
- 5. Protective provisions for the child victims
- 6. Criminal justice tools for investigation and prosecutions

Federal Legislation

In addition to state level efforts, Shared Hope continued to pursue federal legislation that would strengthen the federal responses to sex trafficking. It was a light year for federal legislative activity because of Obamacare, etc.; however, in March 2013, the TVPRA reauthorization was finally passed. Shared Hope was a strong advocate for it. In November the End Sex Trafficking Act was introduced and we are looking forward to a very busy year of advocacy for this and other federal level legislation that will be put forward in 2014.

Shared Hope is a member of seven human trafficking task forces, providing expertise on domestic minor sex trafficking and working to develop response protocols in conjunction with other advocates.

CONSOLIDATED FINANCIAL REPORT

	2013	2012
Support Sources		
Individuals	59%	73%
Foundations	25%	15%
Churches/Religious Orgs	9%	2%
Corporations/Businesses	5%	7%
Educational, Professional Orgs,	2%	1%
Others		
Functional Expenses		
Program Activities	80%	82%
Administration	10%	11%
Fundraising Activities	10%	7%
Total Support & Revenue	\$3,422,837	\$2,461,317
International Programs	284,282	364,684
Domestic Programs	1,816,860	1,637,628
Programs	2,101,142	2,002,312
Fundraising/Development	245,896	181,395
Administration	265,800	265,303
Supporting Activities	511,696	446,698
Total Expenses	\$2,612,838	\$2,449,010
Change in Net Assets	\$809,999	\$12,307

Note: Program descriptions and statistics include activities from January to December 2013. Consolidated financial information includes activities from fiscal year 2013 (July 2012-June 2013).

^{*} FY13 includes property donation.