only the best for Hawaii’s keiki!

ANNUAL REVIEW 2016
Aloha,

The theme from this year’s annual report, “only the best for Hawaii’s keiki”, highlights the excellent, quality programs offered through PATCH and is delivered by the dedicated and caring staff members. These unique programs make significant impacts on children’s brain development at a crucial time in their lives.

Early childhood education and care is key to preparing Hawaii’s keiki for success in higher education and in life. In 2016, nearly 8,000 parents received referrals to access quality child care, the number of PATCH’s child care training program hours increased by over 240% from 2015, we helped 1,830 or 38% more low-to-mid income children to attend preschool with a Preschool Open Doors subsidy, and administered the food program to provide almost 675,000 healthy, nutritious meals to keiki, primarily of low-income families.

PATCH celebrated our 40th anniversary in 2016. We look forward to working with all of you for the next 40 years and beyond, as we continue to be the premiere early child care and education resource, helping to educate the community on the importance of quality child care programs, and working to recruit more providers to meet the needs of our community.

My sincerest appreciation to the employees and volunteers of PATCH for their dedication, care and hard work. Thank you to the Board Members for their hours of service and their many contributions. And finally, the Board and I extend our deepest thanks to our donors, whose generosity made our accomplishments in 2016 possible. Here’s to continuing to strive for “only the best for Hawaii’s keiki”.

Mahalo

CHERYL NISHITA
2016 BOARD PRESIDENT
7,978 child care referrals provided.

$8,408,145 State-funded tuition assistance helped 1,830 at-risk children attend preschool.

4,192 child care practitioner credentials verified.

$65,695 helped 116 people take college courses in early childhood education.

780 people assisted to start a family child care home business. 38 became licensed making 228 NEW child care spaces.

674,687 meals were fed to 2,313 children in our Food Program for low-income kids. 288 daycares received nutritional support services to promote child health.

4,699 parents and early education professionals attended 1,077 FREE trainings.
who did we help?

**ethnicity**
- 26% White
- 24% Asian
- 13% Samoan/Pacific Islander
- 12% Hawaiian or Part Hawaiian
- 9% Filipino
- 7% Hispanic
- 5% Other
- 3% Black or African American
- 1% Native American

**gender**
- females accounted for 55% of those using PATCH services.

**age**
- ≤19: 46%
- 20’s: 21%
- 30’s: 22%
- 40’s: 6%
- 50+: 5%

85% of keiki were under 5 years old.

**income**
- 91% of PATCH clients earned less than state median household income.

- 88% are low-income.
- 66% live in poverty.

One in three Hawaii single mothers with children under 5 years of age live below the poverty line.
Two year old Reese enjoys eating fruit and vegetables every day. Thanks to our USDA food program, more at-risk kids grow up healthy, learning, and safe – so they have the future they deserve. By age 4, children from low-income families are often up to 18 months behind developmentally*.

Almost 10% of Hawaii’s households experienced food insecurity* last year, meaning they had difficulty providing enough food due to lack of money or resources.

*talkpoverty.org 2016. Hawaii was rated 2nd of US states for Hunger and Food Insecurity;

We recruit home daycares to feed children healthy meals. With generous support from Atherton Family Foundation and C&C of Honolulu, we offer materials to help them run a business and feed kids proper portions of nutritious foods.
Inquiries to PATCH indicate the thousands of young children in need of child care. Most requests are for care for kids of ages 2 years or younger. The majority of parents in 2016 chose a family child care home. Lack of vacancies and cost remain the largest obstacles for finding care.

**age of child**
- 2 and under 67%
- 3 to 5 years 27%
- 6 and older 3%
- not yet born 3%

**type of care**
- family CC home 32%
- preschool 20%
- undecided 20%
- relative/informal 8%
- infant toddler center 4%
- parents 4%
- before/aft-school 1%

**problems finding care**
- no openings 34%
- cost 20%
- other 15%
- schedule 13%
- quality 10%
- location 8%

Hawaii has over 2,500 child care practitioners whose average yearly salary* is $20,280. We work to boost the skills and knowledge of our child care workforce — via professional development, career counseling, child care trainings, scholarships, recruitment, referrals, and other services — in our mission to support and improve the quality and availability of care for the young people of Hawaii.

*results from follow-up calls; US Department of Labor incomes 2013
2016
facilities, capacity + enrollment:

<table>
<thead>
<tr>
<th></th>
<th>Hilo</th>
<th>Kona</th>
<th>Kauai</th>
<th>Maui</th>
<th>Oahu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Child Care Homes</td>
<td>59</td>
<td>22</td>
<td>40</td>
<td>75</td>
<td>208</td>
</tr>
<tr>
<td>Preschools</td>
<td>34</td>
<td>24</td>
<td>26</td>
<td>61</td>
<td>275</td>
</tr>
<tr>
<td>Infant/Toddler Centers</td>
<td>3</td>
<td>5</td>
<td>0</td>
<td>9</td>
<td>47</td>
</tr>
<tr>
<td>Before/After School Programs</td>
<td>5</td>
<td>9</td>
<td>5</td>
<td>14</td>
<td>62</td>
</tr>
</tbody>
</table>

= 29,248 children served statewide in 2016

64,526* children under age 6 need child care.

- 33,382 licensed spaces available statewide.

= 31,144 spaces are still needed.

*U.S. Census Bureau 2014; PATCH 2016

Child care is the 2nd most expensive household cost for Hawaii’s families, after housing and rent. A family of 4 who live at the poverty line must pay 107% of their income, or more, for preschool and center-based child care. Preschool Open Doors helps them to afford child care by paying preschool tuition costs for up to one year in the year before the child gets to go to kindergarten.

Average Annual Cost of Child Care by Age Group.

<table>
<thead>
<tr>
<th>age range</th>
<th>preschool &amp; center based</th>
<th>family child care home</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-18 months baby:</td>
<td>$13,500</td>
<td>$8,088</td>
</tr>
<tr>
<td>2-3 year old child:</td>
<td>$13,464</td>
<td>$7,740</td>
</tr>
<tr>
<td>3-4 year old child:</td>
<td>$11,568</td>
<td>$7,680</td>
</tr>
</tbody>
</table>
Our Big Island residents don’t all have the same opportunities to go to college and night classes as residents of Oahu. Along with the cost, getting to class can be a difficulty. On the west side of the island, going places usually means traveling great distances. And, on the east, traffic in and out of town centers makes it a long commute. Many rural areas have poor internet access which can rule out online learning.

This year, our Hawaii County sponsors made it possible for PATCH to offer residents gas cards or a complimentary dinner to attend our child care workshops on the Big Island. Participants were pleased they could get to the classes and increase their child care skills and knowledge. In turn, this benefits the local communities and keiki. Mahalo to the sponsor who made this possible!

How wonderful it was to be part of some very special 2016 events on Kauai. Renowned expert, Tom Copeland, joined us again to share his expertise on the business of child care with Kauai’s care providers.

Thao Tu, Easter Seals’ Occupational Therapist, gave workshops on practical approaches to helping keiki with special needs. Sometimes you may wonder, “is this child developing appropriately, and how do I know?” Thao addressed ways to identify and work with children with special needs including those on the autism spectrum. She shared tools and tricks of the trade, and reminded us how important it is to slow down to work with these kids.

Children can feel very powerless. Providing them with useful tools such as calendars and day-timers can better a child’s understanding of what they are supposed to do, and when.

PATCH introduced two new workshop series in 2016, about Special Needs and Child Care Administration, adding to the over 100 free and low cost classes we offer to inform and inspire all who work with kids.
<table>
<thead>
<tr>
<th></th>
<th>FYE 2016</th>
<th>FYE 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and Support</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government grants and contracts</td>
<td>$3,027,594</td>
<td>$3,149,505</td>
</tr>
<tr>
<td>Contributions from United Way</td>
<td>$27,387</td>
<td>$28,289</td>
</tr>
<tr>
<td>Program fees</td>
<td>$71,152</td>
<td>$93,280</td>
</tr>
<tr>
<td>Released from restrictions</td>
<td>$36,169</td>
<td>$42,600</td>
</tr>
<tr>
<td>Other contributions</td>
<td>$81,109</td>
<td>$119,362</td>
</tr>
<tr>
<td>Other income</td>
<td>$9,792</td>
<td>$13,780</td>
</tr>
<tr>
<td>Total Revenue and Support</td>
<td><strong>$3,253,203</strong></td>
<td><strong>$3,446,816</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Care Food Program</td>
<td>$1,443,976</td>
<td>$1,484,178</td>
</tr>
<tr>
<td>Child Care Training Program</td>
<td>$528,452</td>
<td>$545,487</td>
</tr>
<tr>
<td>Preschool Open Doors</td>
<td>$402,468</td>
<td>$279,505</td>
</tr>
<tr>
<td>Resource and Referral Program</td>
<td>$279,914</td>
<td>$374,375</td>
</tr>
<tr>
<td>Other Child Care Services</td>
<td>$332,184</td>
<td>$393,307</td>
</tr>
<tr>
<td>Management &amp; General</td>
<td>$258,207</td>
<td>$312,550</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$36,354</td>
<td>$62,427</td>
</tr>
<tr>
<td>Total Expenses</td>
<td><strong>$3,281,555</strong></td>
<td><strong>$3,451,829</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in unrestricted net assets</td>
<td>$(28,352)</td>
<td>$(5,013)</td>
</tr>
<tr>
<td>Temporarily restricted contributions</td>
<td>$24,740</td>
<td>$54,817</td>
</tr>
<tr>
<td>Released from restrictions</td>
<td>$(36,169)</td>
<td>$(42,600)</td>
</tr>
<tr>
<td>Increase (Decrease) in Temporarily Restricted Net Assets</td>
<td>$(11,429)</td>
<td>$12,217</td>
</tr>
<tr>
<td>Increase in Net Assets</td>
<td>$(39,781)</td>
<td>$7,204</td>
</tr>
<tr>
<td>Net Assets End of Year</td>
<td><strong>$961,186</strong></td>
<td><strong>$1,000,967</strong></td>
</tr>
</tbody>
</table>

For Fiscal Years ended June 30, 2016 and 2015.

Photo courtesy of Hawaii Children’s Access Network.
PARTNERS

Action Strategies
Adults & Children’s Alliance
Aloha United Way
Alu Like
Arbor ResCare
Baby STEPS
Center for Social Emotional Foundations of Early Learning
Chaminade University
Champions for Children
Susan L. Chapin
Child & Family Service
Child Care Aware
Child Care Business Coalition, County of Hawaii
DOE Community Engagement Office
Early Childhood Education Comprehensive System
Early Childhood Positive Behavior Support
Early Learning Advisory Board
Easter Seals Hawaii
Family Support Service
First To Work
Friends of the Future
Hawaii Association for the Education of Young Children
Hawaii Careers with Young Children
Hawaii Children’s Action Network
Hawaii Independent Energy
Hawaii Island United Way
Hawaii Pacific University
Head Start Collaboration Office
Healthy Mothers-Healthy Babies
Honolulu Community Action Program
Honolulu Community College
Hui Lau Lima
INPEACE
K.I.D.S./Fashion Delivers
Kamehameha Schools
Kauai Community College
Kauai Community STEPS Project
Kauai Early Learning Practitioners
Kauai United Way
Keiki Caucus
Keiki O Ka Aina,
Keiki To Career Kauai
Kia I Ka Ike
Maui County / Maui County Early Childhood Resource Center
Maui Economic Opportunity
Maui Family Support Services
Maui United Way
Mayor’s Advisory Committee
David Murphey
National Association of Family Child Care
Neighborhood Place of Kona
Neighborhood Place of Puna
NetEnterprise, Inc.
North Hawaii Community Hospital
Oceanic Time Warner Cable
Office of the Prosecuting Attorney (Hilo)
Parents And Children Together
Partners in Development
PMRF Early Childhood Development Center
Positive Behavior Support State Leadership Team
Queen Liliuokalani Trust
Safe Sleep Hawaii
State of Hawaii Department of Education
State of Hawaii Department of Health
State of Hawaii Department of Human Services
Strengthening Families
Tutu & Me Traveling Preschool
University of Hawaii at Manoa
UH Center on the Family
UH Hilo
UH Maui College
Waianae Coast Early Childhood Services
Waikiki Community Center

PATCH also thanks over 50 organizations that donated training space throughout the year.
Corporations & Foundations guardians

ABC Stores
Aloha for Hawaii Charities
American Savings Bank
Amprsand
Atherton Family Foundation
Bank of Hawaii
Samuel N. & Mary Castle Foundation
Central Pacific Bank
C.W. Associates, CPAs
DataHouse
Elite Parking Services
Excelsior Lodge I IOOF
First Hawaiian Bank Foundation
Friends of Hawaii Charities, Inc.
German Benevolent Society of Hawaii
Hawaii Community Foundation
Hawaii Hotel & Lodging Association
Hawaii Hotel Industry Foundation
Hawaii Pacific Health
The Hawaiian Electric Companies
Hawaiian Telcom, Inc.
Island Insurance Foundation
Kamehameha Schools Kūānani Community Education
Keiki o ka Aina
McDonald’s Restaurants of Hawaii
Maui Mall Association
Matson
TOPA Management Company
Roy & Hilda Y. Takeyama Foundation
Harry & Jeanette Weinberg

Individuals angels $1000+
Lorilynn & Steven Lindmeier

benefactors $500-$999
Ronald T. Aoyama
Kerstan J. Wong
Todd Yamanaka

contributors $100-$499
Cheryl M. Bain
Sandy & Cindy Ballard
Alvina Delima
Terilyn K. T. Esperanza
Jasmine Fontanilla
Billy Henson
Virginia Lord
John E. McComas & Christine M. Kobayashi
Jocelyn Matias
Deborah W. L. M. Q. Ng-Furuhashi
Darren Okihara
David G. Okumura
Mei Qing Ou
James & Kathleen Reinhardt
Ian Saldana
Lisa A. Shigemura
Lorraine Shimauchi
Brandie F. Shin
Mariko Shotwell
David Y. Takeyama
Susan & David Todani
Kevin Tsubota

supporters $1-$99
Jondi Kapualani Anderson
Patsy Asato
Rosie P. Batallones
Jim Eberle
Pamela & Fred Ferguson-Brey
Jasmine Fontanilla
Robert & Julie Glick
Louise K. Y. Ing
Chris S. Jackson
Helene Kuwaye
Charles E. Larson
Yuni Lee
Deedra Miller
Lani Muraoka
Laureta M. Nasis-Bacarro
Kiko Prothe
Amy M. Sato
Cathy Shanks
Beverly Taira
Edith Tyau
Elaine Yamashita

Report reflects donations as of December 31, 2016. In the preparation of the listings within this report, we try to avoid errors and omissions. Please accept our apologies in advance if any are found and contact us for corrections.

by supporting PATCH, you're improving keiki’s lives!

board of directors

Cheryl Nishita (President)
Ryan Yamamoto (Vice President)
Deborah Ng-Furuhashi (Treasurer)
Donna Takeda (Secretary)

Jondi K. Anderson
Julie Glick
Shayna Hayashi
Kehaulani (Thelma) Kam
Cheryl Kawasaki
Susan Masumoto-Nonaka
Mia Noguchi

Liane Nomura-Siu
LaVonne Pironi
Cara Tanimura
David K. Todani
Abe Toma
Kerstan Wong
Elaine Yamashita
$1 → $8
For every $1 invested in early childhood education and care, $8 is the return.

With our partners, PATCH improved the lives of 100,000+ young children in 2016.

Addressing Hawaii’s child care needs supports the economy and especially helps the 65,147* families with children under age 6 in Hawaii.

*US Census 2015