A photograph of several children in a classroom or school setting, all with their arms raised high in the air, smiling and appearing to be in a state of excitement or celebration. The children are wearing blue and white shirts. The background shows a typical school ceiling with recessed lights.

How Do We Ensure Kids Enjoy a Foundation for Lifetime Success?

Dennis J. Campa
The Annie E. Casey Foundation
June 30, 2014

Overview

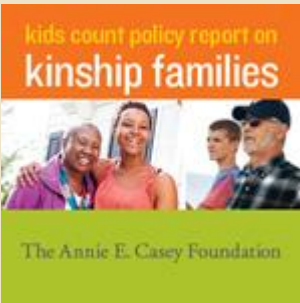
1. Annie E. Casey Foundation
2. What we do
3. Key demographic data
4. Economic inequality
5. Policy recommendations

Our Mission

The Casey Foundation dedicates all of its resources to creating a brighter future for vulnerable children in America. **We foster public policies**, human services practices and community supports that help struggling families meet their children's needs.



National and State KIDS COUNT



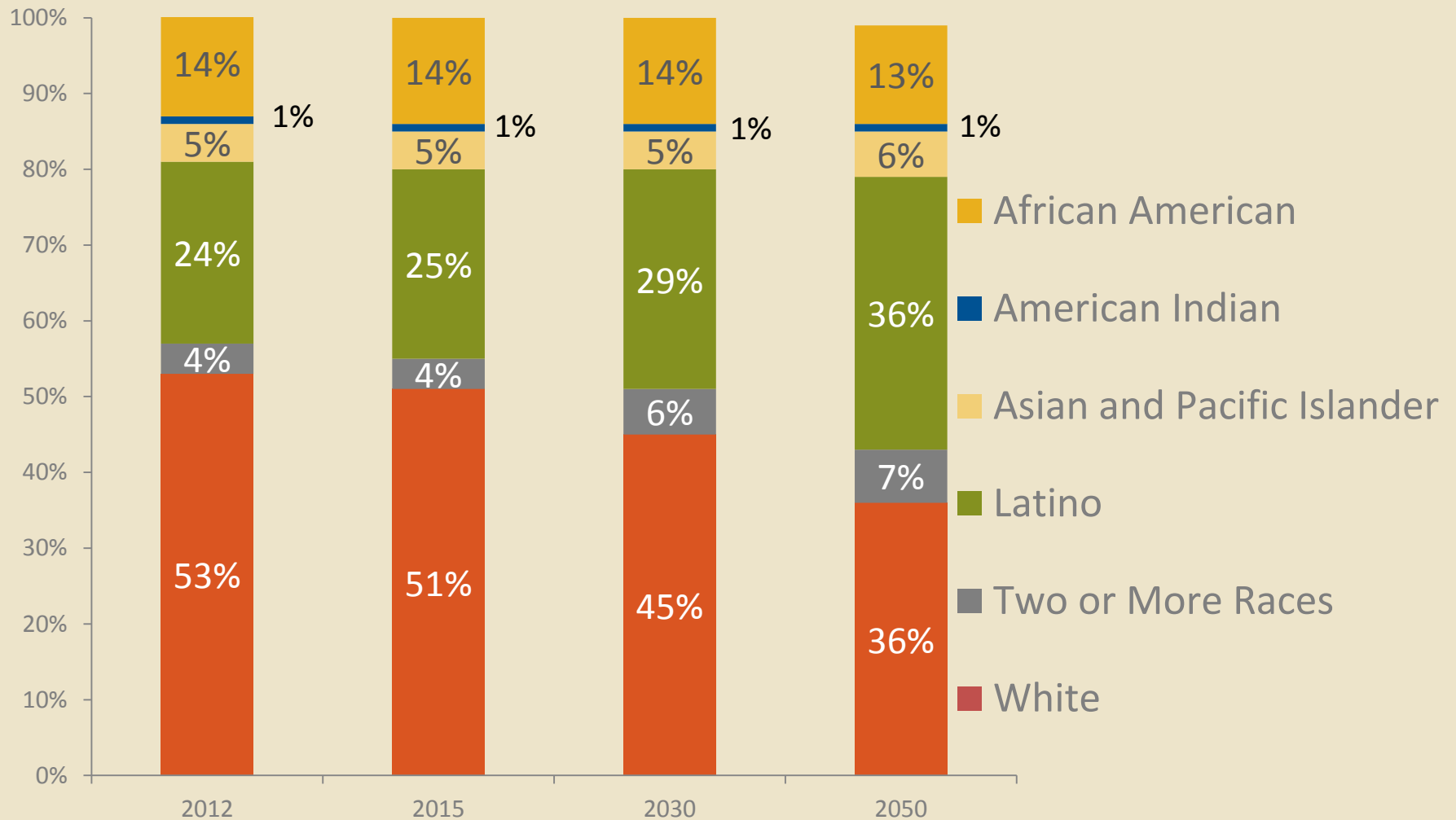
how are kids doing?

Alabama

KIDS COUNT DATA CENTER

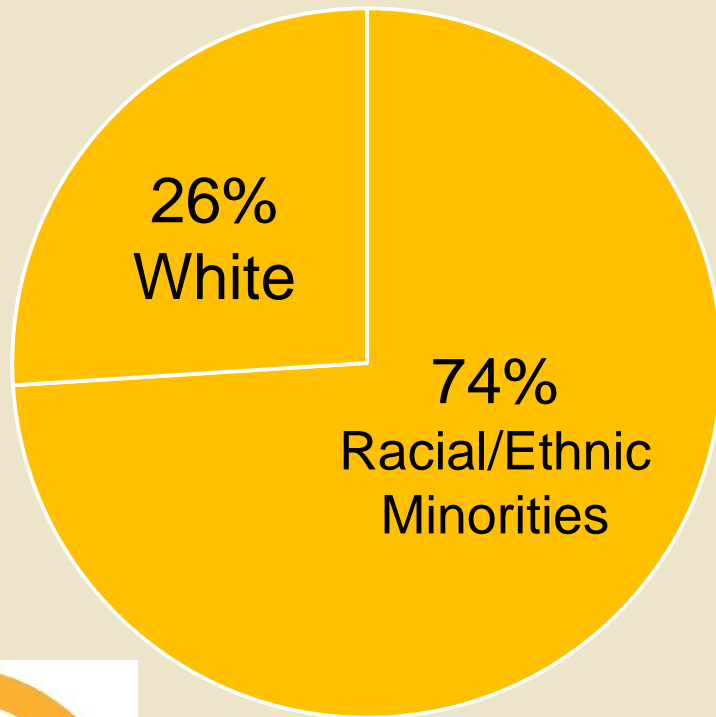


The Changing Demographics

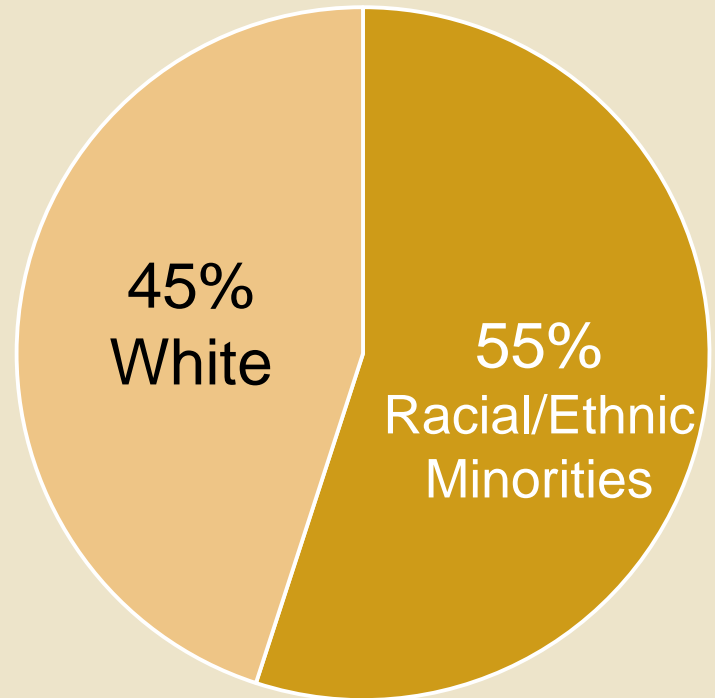


New Mexico is ahead of the trend

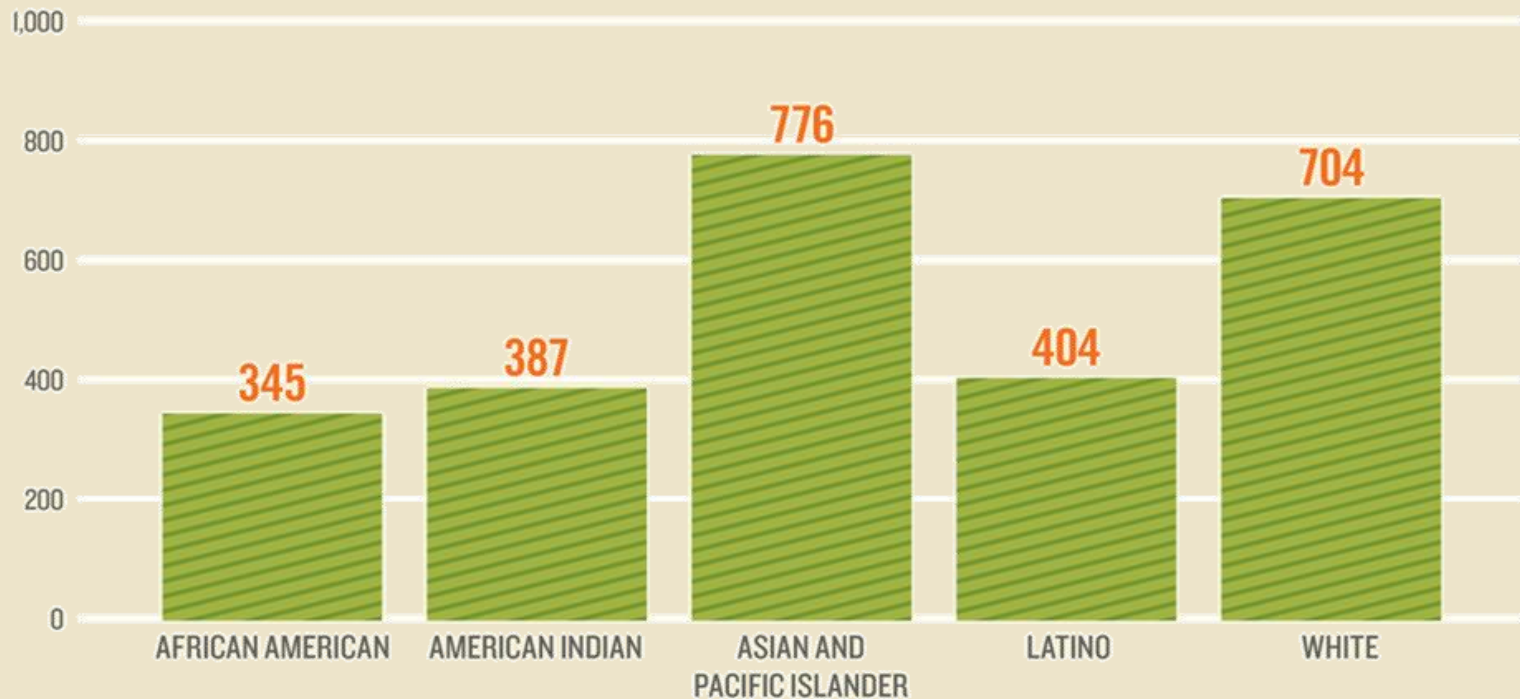
**New Mexico
2012**



**U.S.
2030**

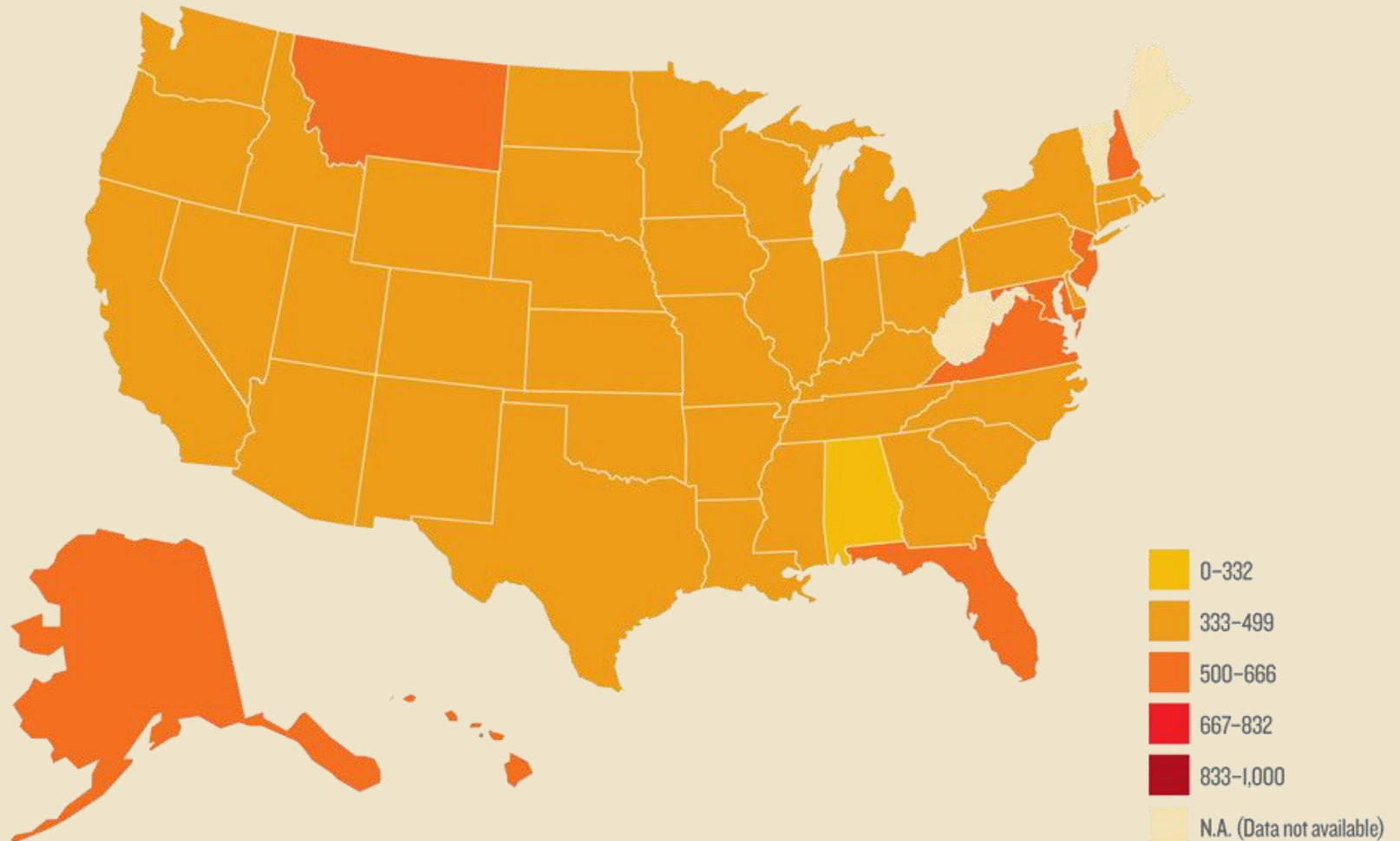


National Race for Results Index Scores



NOTE Racial and Hispanic origin categories are mutually exclusive.

Latino Children



Race for Results Index Values

United States vs. New Mexico

| Race/Ethnicity | US | New Mexico |
|-----------------------------|-----|------------|
| African American | 345 | 446 |
| Latino | 404 | 363 |
| White | 704 | 634 |
| Asian and Pacific Islanders | 776 | 728 |
| American Indian | 387 | 293 |

New Mexico Children and Families

Children in Families With Incomes at or Above 200% of Poverty

| Race/Ethnicity | United States | New Mexico |
|-----------------------------|---------------|------------|
| Total | 55% | 44% |
| African American | 35% | 42% |
| Latino | 36% | 37% |
| White | 69% | 66% |
| Asian and Pacific Islanders | 68% | 62% |
| American Indian | 36% | 26% |

Poverty Across Race and Ethnicity

Children who Live in Low-Poverty Areas (Poverty < 200 Percent)

| Race/Ethnicity | United States | New Mexico |
|-----------------------------|---------------|------------|
| Total | 74% | 56% |
| African American | 50% | 65% |
| Latino | 57% | 50% |
| White | 86% | 76% |
| Asian and Pacific Islanders | 84% | 77% |
| American Indian | 51% | 30% |

INCOME INEQUALITY HAS GROWN IN NEW MEXICO

A Lost Decade for New Mexico's Low- and Middle-Income Households

7.4%

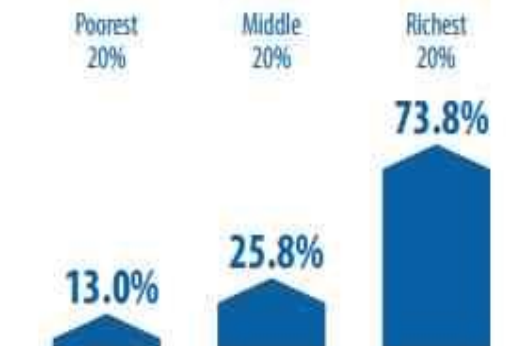
Change in income by household income group, late 1990s to mid-2000s



The average increase in incomes among the bottom 20 percent of households over the last decade.

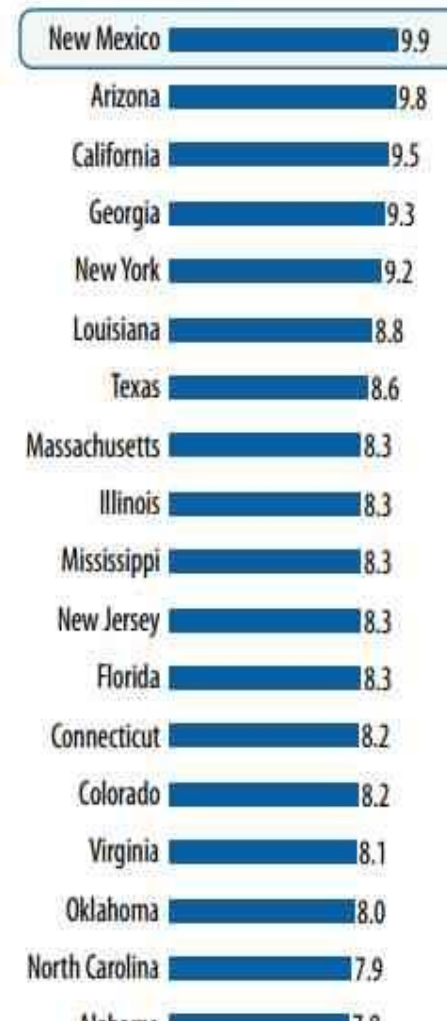
Inequality Worsening Since the 1970s

Change in income by household income group, late 1970s to mid-2000s



New Mexico Has Highest Income Inequality in the Nation

Ratio of average household income for the richest 20% of households to the poorest 20% of households, 2008-2010



Incomes of New Mexico's Richest Households Dwarf Those of Its Poorest

After decades of widening inequality, New Mexico's richest households have dramatically bigger incomes than its poorest households.

The richest 5 percent of households have average incomes 16.8 times as large as the bottom 20 percent of households and 5.3 times as large as the middle 20 percent of households.



Source: Economic Policy Institute/Center on Budget and Policy Priorities analysis of U.S. Census Bureau data. Income is post-federal tax and includes the value of the EITC and the value of food stamps and housing subsidies. Income is adjusted for inflation (to 2009 dollars) and for household size. Changes shown are significant at the 90% level. For more detail, see *Pulling Apart: A State-by-State Analysis of Income Trends*, November 2012.

Starting Behind

Children 3 to 5 Enrolled in Nursery School

| Race/Ethnicity | United States | New Mexico |
|-----------------------------|---------------|------------|
| Total | 60% | 52% |
| African American | 63% | 59% |
| Latino | 54% | 49% |
| White | 62% | 58% |
| Asian and Pacific Islanders | 66% | 55% |
| American Indian | 56% | 54% |

Falling Further Behind

Fourth Graders Above Proficient in Reading

| Race/Ethnicity | United States | New Mexico |
|-----------------------------|---------------|------------|
| Total | 34% | 21% |
| African American | 17% | 24% |
| Latino | 19% | 17% |
| White | 45% | 38% |
| Asian and Pacific Islanders | 51% | 5 |
| American Indian | 22% | 7% |

Failure to Thrive

High School Students Graduating On-time

| Race/Ethnicity | United States | New Mexico |
|-----------------------------|---------------|------------|
| Total | 78% | 67% |
| African American | 66% | 59% |
| Latino | 71% | 65% |
| White | 83% | 71% |
| Asian and Pacific Islanders | 94% | 95% |
| American Indian | 69% | 63% |

School or Working

Young Adults (19-26) In School or Working

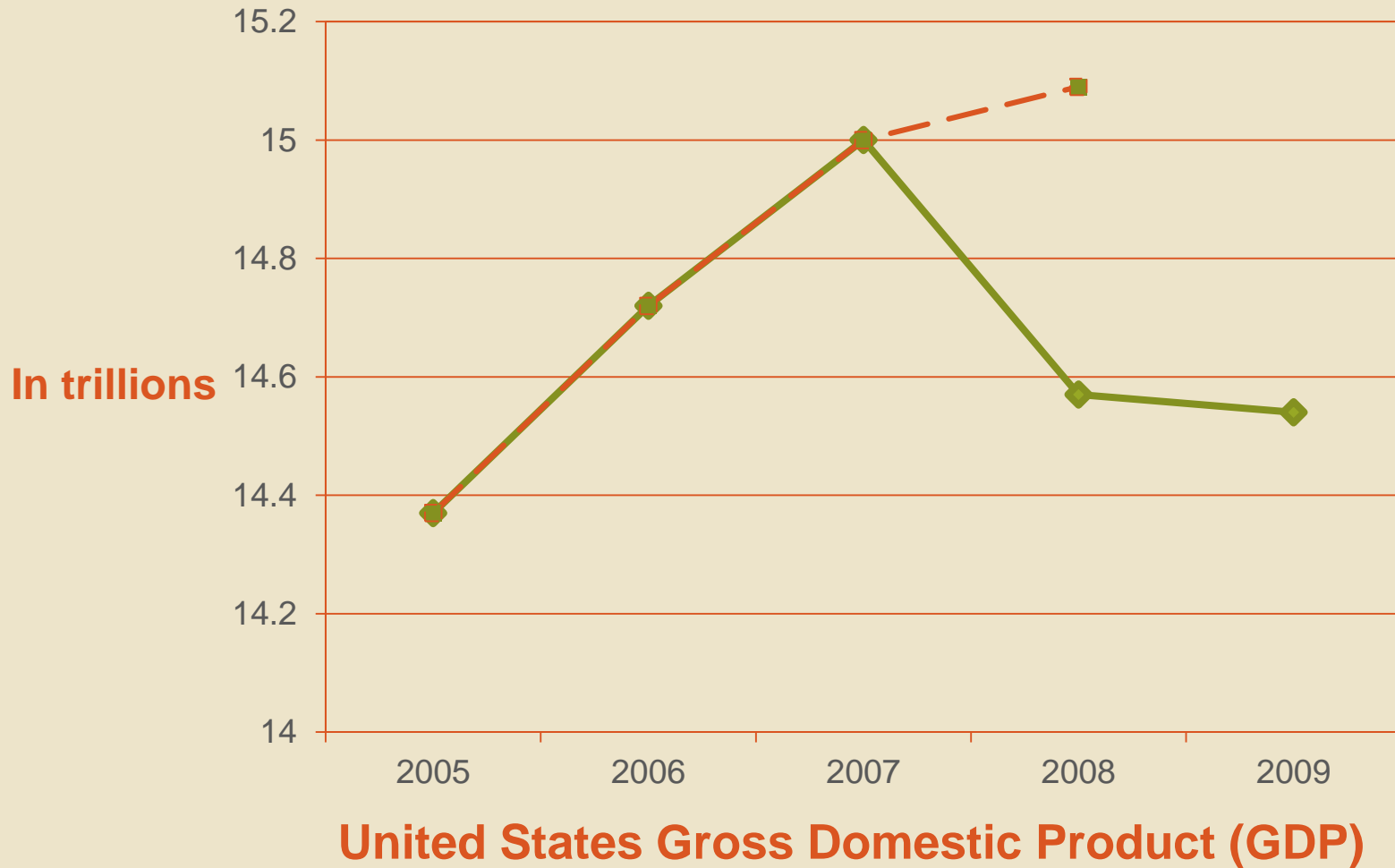
| Race/Ethnicity | United States | New Mexico |
|-----------------------------|---------------|------------|
| Total | 83% | 77% |
| African American | 72% | 78% |
| Latino | 77% | 76% |
| White | 86% | 84% |
| Asian and Pacific Islanders | 93% | 95% |
| American Indian | 65% | 65% |

Post Secondary

Young Adults (25 to 29) Who Have Completed
and Associate's Degree or Higher

| Race/Ethnicity | United States | New Mexico |
|---------------------------|---------------|------------|
| Total | 39% | 27% |
| African American | 26% | 20% |
| Latino | 19% | 19% |
| White | 47% | 42% |
| Asian & Pacific Islanders | 66% | 52% |
| American Indian | 19% | 17% |

Economic Impact of Inequity



What does it take to change this trajectory?

- Universal 3-4 year old preschool upon demand
- Increase and weight EITC and CTC to early years
- Universal children savings accounts
- Ensure supports are comprehensive and coordinated for all children and their families from cradle to career
- Raise the level of public and private investments to the magnitude of the challenge
- Change of heart and public will



THE ANNIE E. CASEY FOUNDATION

Developing solutions to build a brighter future for children, families and communities

www.aecf.org

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