

Annual Report 2016

Nepal Orphans Home, a 501(c)(3) public charity incorporated in Davidson, North Carolina, was founded in 2005 by Michael Hess.

Mission Statement

Nepal Orphans Home attends to the total welfare of children in Nepal who are orphaned, abandoned, or not supported by their parents. Papa's House provides for the children's basic needs of food, shelter, and clothing, as well as schooling and health care, and administers to their emotional needs with love and compassion. Papa's House allows children to grow up in a nurturing environment. The mission of Nepal Orphans Home is not just to rescue children from abject poverty, but to enable the children to develop and realize their potentials.

Review of 2016

In 2016 Nepal Orphans Home began its twelfth year of operations, ever diligent in its central mission of providing shelter, nourishment, education, and health care for Papa's House children. The younger Papa's House children continued their studies through grade ten at the Skylark School. Two dozen of our older children attended college. The Chelsea Education and Community Center began its fourth year of vocational and life skills training for older Papa's House children and its second year of adult literacy classes to local women in the community of Dhapasi. Construction of the new building for the Chelsea Center, made possible with a foundation grant, started in July on the grounds of Papa's Sambhav (Possibilities) House. Volunteer Nepal hosted nearly a hundred international volunteers.

PAPA'S HOUSE

NOH began 2016 with 106 children in our four Papa's Houses and 13 older children in transition housing. At the end of the year we were providing for 99 children in the four Papa's Houses: 34 girls in Samanjasya (Harmony) House, 21 girls Kalpana (Imagine) House, 24 girls in Gumba (Sanctuary) House, 20 boys in Sambhav (Possibilities) House, and 5 older boys and 9 older girls independently living in transition housing provided by NOH. Over the year

several new children came to live at Papa's House. Several older children voluntarily left Papa's House, finished with their schooling and entering society, including some who became employed as staff members for Nepal Orphans Home.

Each of the houses is well managed by Nepali staff. Anita Chaudhary runs Samanjasya House, ably assisted by Dawn Kumari, a loyal staff member since 2005. Anita Mahato, one of the first children to come to Papa's House in 2005, manages Kalpana House. Kamali Chaudhary, one of our young adults, is in charge of Gumba House. Sam Isherwood, a former 2008 volunteer, managed the boys of Sambhav House for the first half of the year, followed by Manon Pruvost who had volunteered with VN several times in the past, and later by Sunita Mahato, assisted by Saroj Dharji, two of the first children of Papa's House. In addition to the resident managers and their assistants, each house has a cook and a didi who come in daily to help with the cleaning and laundry. House managers also assist with buying supplies, accompanying children to medical appointments and other errands.

Each house is within a ten-minute walk to the Skylark School, the English medium school attended by Papa's House children through grade ten. With the exception of Papa's Sambhav House for boys, which is owned by NOH, all the homes, as well as the buildings for the Chelsea Education and Community Center and Volunteer Nepal, were leased in 2016. Computers with Internet connection are available for use in each house. Solar panels provide reliable lighting during the frequent power outages for the kitchen and dining rooms, which also serve as study halls, and reduce the electricity costs.

Michael Hess, the onsite director of operations, highlighted Dawn Kumari in his Update of February 2016:

Dawn Kumari Gurung has been with me from the very beginning. She was the cook and didi in the first orphanage that I found and she helped me in our efforts to free the children from their hideous life. We have been through wonderful times and times of unimaginable nightmares together; and in all times she has been solid as a rock, calm, pragmatic and determined. I don't know of anyone who works harder than she; in illness and in health, she simply refuses to stop. Dawn Kumari has always been my anchor, a place to find resilience and resolve.

Child Care

When children come to Papa's House, NOH commits to providing for their shelter, nutrition, education and health care until they reach adulthood and are ready to enter Nepali society. Consistent with our mission statement, NOH strives to enable Papa's House children in developing and realizing their full potentials. To monitor the progress of each child, detailed files are kept, consisting of guardianship information from their village and how the child came to NOH, school and health records, the vocational training and life skills workshops the child has completed, as well as anecdotal information and writing samples.





Dawn Kumari with one of our 37 children in 2005

Dawn Kumari at a Papa's House celebration of her in February 2015

What is not readily captured in the individual children's files is the large family of Papa's House. Michael alluded to the magic of Papa's House in his Update of November 2016:

Something that everyone who visits the homes of NOH will remark upon is how close a relationship the children have. Our older children are always available to play, talk with and listen to the youngest children. They know how to share the moments, to be inclusive, and to feel what their brothers and sisters are feeling. They know when to play the fool and when to take seriously the mood of the moment of the little ones; you will as often see our teenagers hanging out with our smallest children as you will see them with each other. Our older children help to make Nepal Orphans Home a happy and nurturing place for us all to grow up in.

In the May 2016 NOH Newsletter, Bhumika and Yashoda, two of the older girls, respectively described their experiences at Papa's House:

When I was first brought to Kathmandu from my village I was surprised to see vehicles, crowds of people, big buildings and other amazing things. When I came here I was a small girl and on the first night I cried because I was away from my home and I missed my family. On another day I was provided with new school uniforms and bags. I was really happy to get those. A few days later I was able to make many friends, and the aunties and Papa used to ask questions. Then I just used to say "yes" and "no" to every question. We had so much fun playing football with my friends, Papa and aunties. I have the unforgettable memory of celebrating each and every girl's birthday with so much fun and joy. The best part of living with so many sisters is that we never feel lonely. There is always someone to cherish one another. ~Bhumika

It has already been nine or ten years, but I have never felt like leaving the hostel. Rather I feel like I'm living with family—a big family with lots of care and love to each other. I feel like that because, more than my family, I have spent my life in NOH, and Papa and the aunties care for us like their own children. I feel so much pride to receive love from all of my sisters, Papa, and aunty. We are such a helpful family. Wherever there are any problems, we will stand for each other and try to solve them...Our love will never die for NOH because it is the home which made possible education in our life, which taught us to smile if we were sad. We will always be thankful to Papa and all the NOH members. ~Yashoda

Two other children, Hope and Aakriti deserve special mention. In late January, Michael and Anita Mahato took Hope to Shriners Children's Hospital in Boston, where Hope had been accepted for surgery on one of her legs. A few weeks later, Hope was fitted for new prosthetics at New England Orthotic and Prosthetic Systems in Branford, Connecticut. As recounted by Michael, "Hope, a little girl who has never once complained about her situation, who makes do with enthusiasm and smiles for every challenge before her, arrived back home at Papa's House after ten weeks in the U.S. to the embrace of her brothers and sisters." Michael added that in his absence the Papa's House managers did "a splendid job of keeping the children safe and on schedule."

Akkriti, who is attended to by Santoshi, one of our young adults now on the staff of Papa's House, graduated in 2016 from her entry level school for the blind to a larger school for the blind where she will learn with older children.



Hope after her surgery at Shriner's



Aakriti on graduation day

Education

All of the children of Nepal Orphans Home are encouraged to continue their schooling for as long as they can. The younger Papa's House children attend Skylark School, with an approximate cost per child through grade ten of \$300, which includes tuition, uniform, books and other necessary school supplies. The academic progress of each student is carefully recorded. Some of our children rank in the top ten of their classes. This is more likely for those children who were with Papa's House when they began their schooling. For example, in the 2015-16 academic year: in Class Six, four of our ten children ranked 1st, 2nd, 7th, and 9th; in Class Four, six of the eight Papa's House children, ranked 1st through 5th and 8th; in Class Three, ranks of our six children included 1st, 6th, 8th, and 9th; and of our six children in Class Two, the ranks were 2nd, 7th, 8th, and 10th. While we can be proud of our children's academic accomplishment, we are committed to ensuring each student's steady progress. In particular, last year we explored how to make better use of the online Khan Academy math curriculum for our younger children to supplement the instruction they receive at Skylark.

In 2016, twelve of the older Papa's House children who had completed Class 10 and sat for the national gateway SLC (Secondary Leaving Certificate) exam, which typically less than 45 percent of students in Nepal pass, earned 2 A+'s, 7 A's, a B+, and 2 B's.

Twenty-four of our children were attending college (sometimes referred to as Classes 11 and 12), with annual fees ranging from \$400 to \$700, depending on the area of studies (generally business, science, social work, or tourism management). Two of our young adults were studying in university, where fees average \$1,500 per year. With 20 of our young adults currently in Class 10, we expect there will be forty-four of our children attending college and four in university when the next school year begins.



Sending off our college students at the beginning of the semester



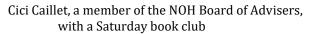
Papa's House students who passed the SLC exams this year and traveled to Pokhara as celebration

In 2016, total expenditures on education exceeded \$47,500. Nepal Orphans Home is grateful to the Sanctuary for Kids Foundation and Possible Worlds Foundation for supporting the annual education costs of the Papa's House children at Skylark and to the Life's Handy Work Foundation and Saudi Aramco for supporting the higher education expenses of our older children in college and university. Nepal Orphans Home pays for the higher education of several older children who have left Papa's House to live with family in the Kathmandu Valley.

Enrichment

Papa's House children follow a busy schedule. Six days a week during the school year, the children rise early in the morning for breakfast, attend classes from 9:00 through 3:30, followed after school by vocational training or extracurricular activities, then study hall, supper, and finishing any remaining homework. Saturdays and holidays are more flexible, allowing for free play, family birthday parties, and personal enrichment. Reading is encouraged through Papa's House book clubs. Holidays, both Western (including Christmas, Valentine's Day, and Halloween) and Nepali (like Dashain and Tihar) are celebrated.







Girls drawing on "Cow Day" during Tihar

On September 17th, Papa's House held its fourth annual "Sisters Day," a NOH celebration to complement the traditional "Brothers Day." As Michael relates, "The program is completely put on by the boys and includes a fine meal that they have prepared and served for all the girls. It is an occasion which further galvanizes our family's togetherness with the blessings from all the boys to all the girls."





The older boys doing a self-choreographed skit

Kajul receiving her blessing on Sisters Day

In 2016, for the first time, our Taekwondo children participated in competition. Half of the thirty children learning Taekwondo and practicing early every other morning over the last few years were chosen for the competition. Overall, the NOH team finished second and a number of our children placed first in their divisions.



The NOH Taekwondo team with their trophy and medals

CHELSEA EDUCATION AND COMMUNITY CENTER

NOH opened the Chelsea Education and Community Center (CECC) with a Sustainable Livelihoods Program in the spring of 2013 to provide vocational and life skills training. The CECC's primary purpose is to support the transition of our children to young adulthood and productive, fulfilling lives. The Chelsea Center continued its exciting development in 2016.

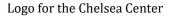
Development of the Chelsea Center

In October of 2015, Nepal Orphans Home was awarded a grant from a foundation to expand the educational and vocational infrastructure of Nepal Orphans Home through the construction of a new Chelsea Education and Community Center building, more vocational training services for our children and adult education for women in the local community, and the creation of a business incubator program.

By the beginning of July 2016, the architectural plans had been developed and the building permits and contractors had been secured. Site work on the plot of land in front of the Papa's Sambhav House began on July 8th. On July 20th a Puja, a ceremony to bless the ground and building, was held, guided by the neighborhood Dhami and attended by many of the CECC teachers and students, including local women from the adult education classes.

The ground floor plans include a lobby and a large, multipurpose community room with a library. On the first floor above are two large rooms for computer classes and labs, and the computer hardware classroom. There will be three classrooms on the second floor above the ground floor.







Puja for the new CECC, July 20, 2016

Reflecting Nepali architecture, on the roof of the CECC will be the water storage, gravity feed and rain harvesting equipment. There will be a bored well and 12,000 liter storage tank, along with a drain system from water collection. The new Chelsea Center is expected to be operational by April of 2017.

The two-story cottage on the property, currently used to house the college boys, will be converted to an annex of the Chelsea Center. On the bottom floor will be the CECC offices. On the second floor will be a classroom for languages and math. The college boys will relocate to the current CECC building.

The new CECC and its annex combined will have over 3,000 square feet of space with seven larger classrooms, a community room/library, and an office. This represents a significant improvement over the leased building of approximately 1,800 square feet of floor space for seven classrooms and two workshops.





Construction progress in September 2016: Front of new CECC and second floor exterior walls

Consistent with the foundation grant's project goal of providing retail space for several potential businesses, CECC opened two store fronts in Dhapasi in the summer of 2016. Our new Tailoring Shop is located on the ground floor of the current Chelsea Center. Here three of our girls manage the shop during the day and teach sewing between 4 and 6 p.m. Since opening the shop they have been busy with new orders. They have long been making our school uniforms as well as the uniforms for the Gholadunga Blind Children's Home that NOH supports. Our new Shoe Shop is located on the ground floor of Papa's Sanctuary House, next to the current Chelsea Center. The girls make all our school shoes as well as sell them to other local students.





Store front of Papa's House Tailoring Shop

Store front of Papa's House Shoe Shop

In the spring of 2014 NOH established a Café at the Skylark School grounds, averaging 300 nutritious meals served daily at a cost of less than 15 cents per plate to the school students and staff. During the border embargo that began in the fall of 2015 the Café was closed due to a shortage of cooking fuel. In the spring of 2016, with the return of a regular supply of cooking fuel, the Café opened again.

The Chelsea Center increased its visibility during the year. In the spring of 2016, Toni Thomson of the NOH Board of Directors designed a logo for the Chelsea Center, incorporating NOH's "house with a heart" design. The Chelsea Center portion of the NOH website was significantly expanded to include a more detailed history of its operations, information about the new building under construction, as well as a listing of special events and workshops that have occurred during the year. An Instagram account specific to the CECC was opened in December and information is posted more often on Facebook.

In the summer of 2016, Nepal Orphans Home opened an office in the Chelsea Center to handle all our outreach programs. Present staff doubled up; using the office full time was Mrs. Sunita Pandey, who also served as a manager of our volunteer program. Merging our staff in these related endeavors increased our capacity and performance in the many ongoing projects.

Sanjeev Dahal, the new Director of Education and Outreach Programs, began his work in early September, assuming some of Michael's responsibilities in running NOH, coordinating with the directors of the Chelsea Center and Volunteer Nepal, as well as overseeing the outreach programs of Nepal Orphans Home. From 2012-2014, Sanjeev was Associate Director and Head of the Office of Student Affairs at Thames International College in

Kathmandu. For the last two years, Sanjeev had been working on an Erasmus Mundus European Masters in Social Work with Families and Children.



Papa's House Community Service Center Office

The Hope Café

CECC Administration and Programs

In December of 2015, Michael (Abe) Triozzi, who had served earlier as Director of NOH's Volunteer Nepal, was hired as Interim Director of the CECC. In addition to managing the program, Abe advanced a Life Skills curriculum. Adult learning opportunities increased with new English and Nepali literacy classes and conversation groups. Classroom logistics improved with more efficient room arrangements. There was better integration of math instruction with the Skylark School curriculum. Coordination with Volunteer Nepal increased the number of volunteers helping with conversation sessions.

Abe left the CECC at the end of May 2016, returning to his home in the U.S. before beginning a two-year stint with the U.S. Peace Corps in Morocco. Hillary Bernhardt was hired to take over as the Director of the CECC, beginning in September 2016. Hillary had spent time working and studying in Kathmandu with the School for International Training, where she had intensive Nepali language study and conducted independent research on the social effects of work-based emigration in Nepal. After graduating *magna cum laude* from Davidson College, Hillary served for a year with AmeriCorps and completed the 2016 summer program at Dartmouth College's Tuck Bridge Program in business.

In the gap between Abe's departure and Hillary's arrival, Manon Pruvost, an industrious volunteer from Canada helped manage the Chelsea Center. She developed the digital record-keeping of the students, teachers, and classes. She also organized a field trip to the National Gardens, a joyous occasion for the 200 women who attended.

Under Hillary's leadership over the last four months of 2016, the CECC made impressive progress including: the number of life skills workshops and the educational opportunities for the local community women increased; employment contracts for the instructors were formalized; measuring the effectiveness of the workshops and classes improved, as did the electronic record keeping of student academic progress; and a new Women's Council was established.

For the fall 2016, the Chelsea Center was open to NOH children Sunday through Friday from 4 to 6 p.m. with the following classes: four Math Prep/ Khan Academy classes serving a total of thirty-eight children; two upper level math classes with twenty children; three web design/QBasic programming classes for twenty-eight children; a computer hardware class for six children; and one MS Word Skills class for twelve children. In addition, sixteen older girls were focused on learning tailoring skills, a group of children were engaged in shoemaking, and on Saturdays some children attended music workshops.

CECC Life Skills Training

Life Skills Training (LST) is an important part of our overall effort to effectively prepare our children for life after Papa's House and help community women lead healthier and more productive lives. Prominent among the Life Skills workshops during 2016 were:

- Two workshops by a volunteer on first aid and caring for sick children attended by our older children and some of the local women in the adult education classes.
- A presentation to older children on burn prevention and treatment by Dr. Shankar Rai and his team from the Nepal Cleft and Burn Center.
- A series of Professional Career Seminars for our older girls through <u>Girl Talk</u>, a group that is dedicated to empowering girls through online learning opportunities.
- A songwriting workshop by Betsy Rose from the <u>Mindful Songs</u> project taught the students original songs of empowerment, and then helped them write and develop their own lyrics.
- A series of workshops for Class 10 students, led by Carola Drosdeck, vice president of the NOH Board of Directors, on making oral presentations and writing articles.

- A two-hour business workshop led by NOH volunteer, Yvonne Elliot, who used the example of Procter and Gamble to illustrate key factors in running a successful business.
- Two ninety-minute workshops on pregnancy led by volunteer, Dr. Amanda Hill, for sixty-six women from the community about the stages of pregnancy, good practices during pregnancy, and what to expect during childbirth.
- A workshop on banking offered by one of our former teachers at the Chelsea Center, now a banker, who explained the various services banks offer and how to open a bank account.
- Separate workshops on emotional wellbeing for Papa's House children in Classes 4 through 10 and for over seventy-five women from the community.

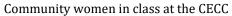
Adult Education at the CECC

One of the most important initiatives of the Chelsea Education and Community Center was opening its doors to the adult women of the area in July 2015. In 2016 well over two hundred women were in classes or workshops six days a week. Others came hoping to audit classes until room became available for them.

In the fall of 2016 the Chelsea Center was open for adult education Sunday through Thursday from 10 a.m. to 3 p.m. offering the following classes (total numbers of adult women in the classes): four basic math classes (47); two computer classes (25); eleven Basic English classes (159); six Intermediate English classes (72); two Proficient English classes (21); two English conversation groups (25); and five Nepali Literacy classes (71). On Fridays, the Chelsea Center hosts optional workshops and computer classes to interested students. After starting three new Basic English classes at the beginning of September, the center expanded to serve the women on the waiting list.

In total, over 250 women regularly attended classes at the Chelsea Center, most taking more than one class each day. For example, all the women who participated in the conversation groups were also enrolled in a separate English class. Our teachers for the adult women include four of our own young adults who work as effective instructors at the CECC after they finish their own college classes in the mornings. They joined eight other local college students to round out the CECC faculty.







Volunteer Dr. Amanda Hill leads a workshop on pregnancy health for more than sixty women

In addition to the adult education classes, workshops are offered to the women. As explained by Hillary Bernhardt, Director of the Chelsea Center:

The workshops are providing women with in-depth coverage of information they would otherwise not have easy access to, with workshop topics including pregnancy, depression, diabetes, personal finance, and child development. We hope the workshops as well as the daily classes are leading to the women feeling an increased sense of self-control over their lives, a sense of purpose through life-long learning, increased well-being from the ability to make educated decisions for themselves and their families, and the ability to share what they have learned with members of their community.



Welcome back celebration at Papa's Harmony House



Women's Council: Parvati, Tara, Minu, Sabitri, and Sabina

In August of 2016, the first meeting of the Chelsea Center Women's Council took place. Consisting of five local women recommended by the instructors from the adult education classes, the council meets regularly with Chelsea leadership as an advisory group on the curriculum and schedule for the classes. The council members also represent the concerns of other community women attending the Chelsea Center and help NOH identify families in the community who may be having difficulties. In November of 2016, the Chelsea Center organized a party filled with games, dancing, and awards for its women members to welcome everyone back to the Center after the long Dashain/Tihar vacation.

VOLUNTEER NEPAL

In 2016, Volunteer Nepal hosted 99 individuals representing nineteen countries, a drop off from the 122 volunteers in 2015. The top four home countries in 2016 were the United States (35%), Australia (22%), United Kingdom (9%) and Canada (7%). While the number of volunteers dipped, the average length of the volunteer's stay increased, so that the total number of volunteering days rose to 2,478 in 2016 from 2,385 in 2015.

In 2016 Volunteer Nepal (VN) offered nineteen placements in the Kathmandu Valley (including teaching with local community schools for underprivileged children and children with disabilities, offering life skills workshops in our Chelsea Center, assisting in health clinics, and working with other nonprofits for human rights) and thirteen placements outside the valley (including teaching English in village schools, assisting in health clinics, and even helping farmers in the field).

Perhaps the best way to capture the work of Volunteer Nepal could be found in a volunteer's review, which was posted on the Nepal Orphans Home profile on Guidestar in September 2016 (See http://greatnonprofits.org/whitelabel/reviews/nepal-orphans-home-inc).

Working through Volunteer Nepal has been an incredible experience. All of the people whom I have had the pleasure of working with at this organization are friendly, generous, and exude a positive energy while working together to make a change in the local community. My intentions for coming to Nepal were to volunteer in a medical capacity, and Volunteer Nepal was among the first group of organizations that popped up on my Google search. After close communication with several different volunteering organizations that offered "medicine" among other things, I am lucky to have chosen Volunteer Nepal for its genuine and selfless nature. At the time, Volunteer Nepal stood out above the rest as being a program dedicated to helping women and children and selflessly giving back to the community. Volunteer Nepal ... also supports efforts such as The Chelsea Center - a local center that empowers women through offering skills and English language classes; EDUC - a local preschool that provides an effective and motivating framework for their children to learn; participating with Curry Without Worry - an organization that cooks and provides a hot meal to homeless people every Tuesday evening

in Kathmandu; and many placements both in Kathmandu and outside The Valley in medicine, agriculture and development, and teaching English.

I feel grateful to have had the opportunity to participate in many of the aforementioned projects during my 2 month stay in Nepal, and will be leaving today with a greater sense of accomplishment than I thought was possible. I cannot emphasize enough how wonderful of an organization Volunteer Nepal is - and I've worked with a few others in the past, this one is undeniably top notch. Thank you for all of the lessons you've taught me, the friendships I've developed, and for allowing me the opportunity to do something good in this world. Cheers & Namaste. ~ Maria

Volunteers, while in Dhapasi, often join Papa's House children on Saturdays and holidays. For example, on Sports Day, volunteers designed events that were meant to challenge dexterity, endurance as well as the ability to perform while laughing hysterically.

Annually members of the NOH boards volunteer in Nepal. In 2016, Glenn Detrick and Carola Drosdeck of the Board of Directors and from the Board of Advisers, Laurie Levine, Liz Early, Anne McCadden, Cici Caillet, Ted Seymour, and two new members, Yoav Deri and Suresh Acharya, spent time with the children at Papa's House and helping at the Chelsea Center.

Membership on the VN+NOH group page on Facebook continues to grow, exceeding 1,400 by the end of 2016. There have been weekly posts from the Director of VN highlighting activities at the Volunteer House or at placements. Sometimes specific questions are posted by volunteer applicants; they are usually answered quickly with at least a couple of replies from former volunteers. Volunteers are added to our Vertical Response (newsletter) list and therefore receive information about NOH and VN. Many also stay in touch via Facebook.





Sports Day at Papa's House with VN Volunteers

In the fall of 2016, Shreya Upadhyay, a 2016 graduate of Thames International College, with a degree in business administration, became the new Director of Communications of Volunteer Nepal, replacing Eileen Witham, a former volunteer from New Zealand who had served as VN director for two years. At Thames, Shreya was the president of the Student Council in her senior year, after serving as the treasurer in her junior year. In addition to ensuring established procedures are followed consistently, Shreya implemented exit surveys and interviews with the volunteers and initiated additional record keeping.

Mrs. Sunita Pandey has been Assistant Director over this time, managing the accounting of expenses and fees and arranging the logistics of volunteer travels within Nepal. Four other staff members include a cook/housekeeper and three Volunteer Coordinators, two of them our former children, who run the orientation program for new arrivals and accompany volunteers to and from their placements.

Volunteer Nepal is important for providing valuable services to the poor in Nepal. Moreover, the net income from volunteer fees significantly contributes to the operating expenses of Nepal Orphans Home, including covering the stipend for the Director of Operations. In 2016 the net income from Volunteer Nepal was nearly \$28,000.

OUTREACH

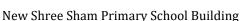
As part of its mission, Nepal Orphans Home has long supported other local charities. With the earthquakes in 2015, Nepal Orphans Home set up the NOH Earthquake Relief Fund for both short term humanitarian assistance and longer run reconstruction and development. In 2015, donations to the NOH Earthquake Relief Fund totaled nearly \$142,000. In the aftermath of the earthquake, NOH spent nearly \$27,000 in relief. The remaining funds were designated to a restricted fund for future relief and recovery assistance.

As Mikel Dunham noted in an article, "Deadly inertia: One year after Nepal's earthquake, the government's shameless record in aiding its own people," the earthquakes in the spring of 2015 killed over 8,900 people, injured over another 22,000, and destroyed or severely damaged more than 776,000 homes, 1,200 health centers, and 8,000 schools in Nepal. A year later, despite pledges of more than \$4 billion in international assistance, little had been accomplished in reconstruction or relief. Dunham attributes this largely to Nepal's ineffective government, noting "the Indian blockade of fuel, building supplies, and other essential commodities also contributed to the disruption of reconstruction."

(See $\frac{http://www.mikeldunham.blogs.com/mikeldunham/2016/04/deadly-inertia-one-year-after-nepals-earthquake-the-governments-shameless-record-in-aiding-its-own-people.html.)$

In 2016 NOH spent over \$54,000 from its Earthquake Relief Fund. Most of this went towards the reconstruction of buildings destroyed by the earthquake. NOH has long supported the Shree Sham Primary School in Dumrikharka, funding a hot lunch program six days a week and contributing to teacher salaries and school supplies for the village children. In 2016 NOH contributed \$45,000 to the Shree Annapurna Community Society in Ramechhap for the reconstruction of the school building. Similarly, for the last seven years, NOH has been involved with the Bigu monastery, a bus ride and two days' hike up a mountain from Kathmandu. A spiritual place, Bigu has been a favorite of our volunteers who teach, help with maintenance, or work in the gardens or kitchen. Here too the destruction of buildings was extensive. Immediately after the quake, NOH provided emergency funds for tents, blankets and food. In 2016 NOH spent over \$6,500 for reconstruction at Bigu.







The new house and kitchen at Bigu

Among other charities, in 2016 NOH also assisted Mother-Sister Nepal, an NGO serving the women of remote Sindhupalchowk as well as caring for children who lost both parents in the earthquakes, and the Gholandunga Blind Children's Home nearer to NOH in the Kathmandu Valley. NOH also subsidizes the education of sixteen local children in Dhapasi, allowing them to attend the Skylark School.

For the second year, NOH supported terminally ill children in the cancer ward of Kanti Children's Hospital. Fresh fruit and food treats are supplied twice a week and birthdays of the children are celebrated, complete with birthday cake, candles, presents, balloons and sweets. Support (generally for pain medications) is provided for poor families who cannot afford the medical costs.



Sanjeev and Mrs. Mina Thapa, Director of Mother-Sister Nepal



Young patients of Kanti Children's Hospital

Over all, in 2016 NOH Outreach provided for nearly \$24,000 in charity assistance. The Nepali Board of Papa's House indicated its desire to be included in decisions regarding local community outreach projects. Members felt they could provide additional background and information on those seeking assistance and that they could also "run interference" between NOH and the recipients, helping them to understand that the support was a temporary remedy rather than a long-term arrangement.

Actions of the NOH Board

Early in the year, the 2016 budget for Nepal Orphans Home proposed in the NOH Annual Report for 2015 was approved. Board members recommitted to serving Nepal Orphans Home. Each board committee submitted a report, setting forth its agenda for the new year.

During 2016 three individuals were added to the NOH Board of Advisers: Marie-Cecile (Cici) Caillet, a preschool teacher at Calvary Nursery School in San Francisco; Yoav Deri, retired Human Resources specialist after a 32-year career with Bank Leumi in Israel; and Suresh Acharya, a software professional from Washington, D.C., who was born and raised in Nepal. Lauren Yanks left the board of advisers.

Barbara (Boo) Hess announced her intention to step down as NOH Secretary and Treasurer. From the beginning, Boo with her extraordinary work has been the unsung hero of NOH...quietly, carefully, and efficiently keeping our financial records, conducting our banking, and filing all of the official forms. The Board of Directors approved hiring Liz Early, a member of the NOH Board of Advisers, to be an accountant for NOH at \$20 an hour. The

board subsequently agreed to regard the Board of Advisors independently from the Board of Directors; not having compensation for directors, but allowing advisors to serve in paying roles--as did Abe Triozzi as interim director of the Chelsea Center and Liz will as NOH bookkeeper. Accordingly NOH By-Law 8 was changed to read: *Officers and members of the Board of Directors will receive no compensation*.

Towards the end of 2016 the Financial Committee began to explore the desirability of hiring a trained accountant to file the necessary IRS forms and secure an external audit of NOH. With annual expenses over \$350,000, NOH may need to move to professional accounting.

While Carola Drosdeck was in Dhapasi for six weeks in the spring of 2016 volunteering at Papa's House, the Chelsea Center, and Volunteer Nepal, she attended a meeting of the Nepali Board of Papa's House. Her comprehensive onsite report was shared with the NOH boards. Other members of the board, including Glenn Detrick, Ted Seymour, Laurie Levine, Liz Early, Anne McCadden, Yoav Deri, and Suresh Acharya, shared their insights on our operations after their visits.

Plans were announced for holding our next physical board meeting in Dhapasi, to coincide with the official dedication of the new Chelsea Education and Community Center building, in the Spring 2017. The tentative schedule and agenda for the board meetings were distributed to the board in early December 2016.

Management

For some time now, the NOH Board of Directors has recognized the importance of developing Nepali management of our operations. Having an assistant director of operations would free up Michael Hess from some of the daily business to focus on implementing the strategic plan, promoting NOH, and corresponding with supporters and other NGOs in Nepal sharing our mission. This individual might serve like a business manager for Nepal Orphans Home, with responsibilities for overseeing the onsite operations, including Papa's House, Volunteer Nepal, the Chelsea Education and Community Center and our outreach programs, and maintaining the necessary documentation and certification with government agencies in Nepal.

With the hiring of Sanjeev Dahal as Director of Education and Outreach Programs in the fall of 2016, we were confident this position had been filled. The hiring of Shreya Upadhyay filled the important position of Communications Director of Volunteer Nepal. And, as noted earlier, Hillary Bernhardt has been making impressive progress at the Chelsea Center. In short, by the end of 2016, NOH had in place excellent managers of its vital operations.

Moreover, a number of our Papa's House children, becoming young adults, have joined the staff at Nepal Orphans Home. These include Anita Mahato, who serves as the manager of Kalpana (Imagine) House and assists in the organization's on-site operations; Kamali Chaudhary, who has taken over management of Gumba (Sanctuary) House; Deepa Regmi, who works with Volunteer Nepal, in addition to attending college; Saroj Darji, assistant manager of Papa's Sambhav (Possibilities) House, who also works with Volunteer Nepal; Sunita Mahato, who manages Papa's Sambhav House for boys; Himal Shahi, who is House Manager at the Volunteer House; Rabindra Sunwar, who is a coordinator of our Gholadunga outreach project; Sunita Khumal and Ruki Chaudhary, who operate Hope's Café; and Sarita Chaudhary and Sunita Khadka, who work as Papa's House cooks.

In addition, Puja Sapkota is a full-time teacher at the Chelsea Center; Ashok Yadav and Kabita Kharki are instructors in the Chelsea Center's adult education classes after attending their own college classes; Amrita Chaudhary and Samjhana Chaudhary are tailoring shop teachers and managers; and Rita Chaudhary and Gita KC manage the Shoe Shop.



New Management in 2016: Shreya Upadhyay (Director of Communications at Volunteer Nepal), Hillary Bernhardt (Director of the Chelsea Center), and Sanjeev Dhahal (Director of Education and Outreach Programs)

The next generation of leadership on the Board of Directors also needs to be identified. The current officers, president (Peter Hess), secretary and treasurer (Barbara Hess), and vice-president (Carola Drosdeck), have served since the board was officially formed in 2007.

There are talented members on the boards, who will hopefully have the interest and time to serve as future officers.

At the end of 2016, Michael Hess informed the Board of Directors of his intent to retire as the Director of Operations. Sanjeev Dahal, who was serving as the Director of Education and Outreach Programs, was appointed by the board to be the new Director of Operations.

With his background knowledge and experience, combined with his enthusiasm, Sanjeev has established positive working relations with existing NOH staff. He has organized and implemented a protocol and recordkeeping system for requests for local assistance. Through his impressive network of contacts and colleagues, he has worked to ensure that NOH (and our local NGO "Papa's House") meets all government requirements. Sanjeev enthusiastically supports the work NOH has in place and he has ideas about how to move forward. Sanjeev is well qualified for this position and the Board of Directors pledged full support to him as our new onsite director.

Michael will still be involved in strategic planning, procure new donors and grants, send donation receipts and letters, assist with fundraising efforts, and offer guidance to Sanjeev. Moreover, Michael will continue his parenting of Papa's House children, greeting them at school, counseling them, and preparing Saturday tiffin. As Founder of NOH and Director of Operations Emeritus, Michael will continue to advise and guide the NOH Board of Directors. In addition, Anita Mahato, long-time manager of Papa's Imagine House will become the new Director for Children's Affairs. She will have a voice in the decision-making for all things pertaining to the children, including the management of each home, the acceptance of new children, and the preparation of older children for becoming more independent. She will report to Sanjeev.

Communications and Fundraising

Effective communications through the NOH web site, social media, and public profiles have not only increased awareness of Nepal Orphans Home, but assisted our fundraising. The attractive twelve-page brochure created by Alliance in 2014 was still being distributed at fundraisers throughout the U.S. and Canada in 2016.

We are grateful to Jen Kim, a previous volunteer with Volunteer Nepal in 2009, for continuing to edit the NOH Newsletter. During 2016, through our association with VerticalResponse, six editions of the NOH Newsletter, along with two special announcements (Toni Thomson's documentary film, *What It Takes to Be Extraordinary*, which premiered on the Canadian documentary channel on June 13th and the opportunity for friends of Nepal Orphans Home

to download and watch the video for three days from August 19-21) and an end-of-year Holiday Greetings from NOH, were emailed to over 2,800 subscribers.

In the fall of 2016, What It Takes to Be Extraordinary was shown at three film festivals: Chicago International Social Change Film Festival in September; and in October, the Black Bear Film Festival in Milford, Pennsylvania and the LA Femme International Film Festival in Los Angeles, where Toni's film received an award for the 'Best Foreign Documentary.' During the year, several members of the NOH boards screened the documentary in their communities, including Davidson, Cleveland, the Bay Area of California, and New South Wales, Australia. Also the film was screened by friends of Nepal Orphans Home at fundraisers in London and Belgium. Collectively, these fundraising events have generated approximately \$20,000 in donations. Toni also made the film available through her postings on our NOH & VN pages, Possible Worlds and the film's own Facebook page, and over the three-day period in August there were eighty downloads from 18 countries.





The poster for Toni's best foreign documentary

Toni with her award and her brother. Karl

NOH continued to maintain an active presence on Facebook, posting a message roughly once a week. At the end of 2016, there were over 3,700 members on the NOH page.

In 2016, as in previous years, Nepal Orphans Home maintained its profile on Guidestar, the world's largest source of information on nonprofits (http://www.guidestar.org/profile/20-3545915), where NOH has earned Silver Level participation with its commitment to transparency. Moreover, individuals have generated support for NOH through the online fundraising platforms of JustGive, Benevity, FirstGiving, AmazonSmile and Network for Good.

Contributions

In addition to the net income from Volunteer Nepal, Nepal Orphans Home depends on donations. In 2016, 338 individuals from across the world donated funds to NOH. We have been inspired by the gifts of friends, who have seen or heard about our good work in Nepal.

Other monetary gifts were received through benefits and fundraisers. Friends and members of our boards have organized events from bake sales to silent auctions, photo exhibitions (including the photography of NOH board members and Papa's House children), yoga celebrations, well-being days, and fun runs. Others have made and sold tote bags sporting the NOH logo, and have given presentations to spread awareness of our work. Nepal Orphans Home is grateful for every donation.

Foundation Support

As noted, Nepal Orphans Home was awarded a grant from a foundation to construct a new Chelsea Center and expand our programs in vocational training, life skills, and adult education. We are fortunate to have the support of several other foundations, two of which also asked to remain anonymous.



A successful bake sale in San Francisco



A fundraiser Down Under

Board member Toni Thomson's Possible Worlds Foundation, based in Canada, has been integral in raising awareness and generating funds for our mission over many years. The Sanctuary for Kids Foundation in 2009 made a major contribution to the NOH capital fund and in every year since, has generously supported our operations, funding education and nutrition of Papa's House children.

Nepal Orphans Home is grateful to Life's Handy Work Foundation for supporting the college costs of our older children and to Aakriti's Kids Foundation for providing for Aakriti, our young, blind girl living in Papa's Gumba House.

Financial Statement for 2016

Below please find the financial statement for Nepal Orphans Home for 2016. For the year, income from donations, volunteer fees, and grants totaled \$482,051. The total expenses of NOH summed to \$353,681. Total expenses for Papa's Houses (including shelter, food, clothing, medical care, education, and staff) were \$160,253, or slightly more than \$1,400 per child.

Net income for NOH in 2016 was \$128,370. Accounting for the \$90,905 in construction expenses for the new Chelsea Center building, the adjusted net income for 2016 was \$37,465. Net income for Volunteer Nepal in 2016 was \$27,972, accounting for 75 percent of the adjusted net income for Nepal Orphans Home in 2016.

NOH cash assets stood at \$649,308 at the end of 2016. Of this, over a third (\$216,584) was restricted (mainly for the Chelsea Education and Community Center and Earthquake Relief).

The proposed budget for Nepal Orphans Home for 2017 follows the financial statement.

NEPAL ORPHANS HOME Statement of Expenditures and Income January 1 - December 31, 2016

Figures are expressed in U.S. dollars, converted from the actual expenditures in Nepalese rupees using an exchange rate determined each day.

Papa's House Expenditures:

\$ 33,525 Property \$ 23,719 Leases on Children's Homes and Playground \$ 2,554 Repairs and Improvements at all Houses \$ 3,079 Utilities at all Houses \$ 1,825 Cost of Furniture \$ 2,348 Supplies for the Homes
\$ 48,102 Childcare
\$ 40,937 Food
\$ 1,402 Clothing
\$ 3,863 Supplies
\$ 1,900 Medical
\$ 9,703 Special Care Children
\$ 1,241 Aakriti
\$ 6,804 Hope Angel
\$ 1,658 Gita
\$ 47,558 Education
\$31,039 Skylark Tuition, Exam Fees, Tutors
\$10,891 Higher Education
\$ 2,455 Enrichment & Entertainment
\$ 3,173 Uniforms, Books, Supplies
\$ 1,284 Transportation
\$ 20,081 Staff Wages
\$ 160,253 Total Expenditures for Papa's House

\$ 37,645 Chelsea Education and Community Center

- \$ 1,629 Furnishings
- \$ 5,348 Lease
- \$ 22,940 CECC Staff wages
- \$ 4,409 Supplies & Misc. class expenses
- \$ 1,946 Discretionary Bonus Pool
- \$ 1,373 New Bdg Permits & Plans

\$ 7,240 Cafe

- \$ 5,891 Food
- \$ 29 Supplies
- \$ 1,320 Wages

Administration and Fundraising Expenditures:

\$ 5,917 Communication and Fundraising

- \$ 4,600 Fundraising
- \$ 1,128 Web Site Maintenance
- \$ 189 Internet, Computers

\$ 20,565 Business, Accounting and Banking

- \$10,270 Business (legal, registration, office supplies, visa)
- \$ 2,557 Accounting
- \$ 7,738 Banking Tax and Fees

\$ 26,482 Total Administration & Fundraising Expenses

\$ 54,487 Earthquake Relief

- \$45,000 Ramechhap School Reconstruction
- \$ 6,543 Bigu Reconstruction
- \$ 2,944 Other Relief

\$ 15,929 Outreach

- \$ 2,960 Education for Local Children
- \$ 1,940 Donations to EDUC-Nepal (Education and Development for Underprivileged Children of Nepal)

- \$ 4,741 Donations to OCFP(Our Children's Family Protection)
 \$ 1,260 Donations to Kanti Hospital Oncology Ward
 \$ 5,028 Other local charity
- \$ 8,065 Gholadunga Blind Children's Home

\$43,580 Volunteer Nepal Program

- \$11,355 Food, transport, placements, sightseeing, other VN exp.
- \$ 6,738 House lease, furnishings, computers, supplies, utilities
- \$ 4,393 VN Director & Travel
- \$12,650 NOH Director + FICA
- \$ 8,444 VN staff wages

\$353,681...... Total Expenditures for Nepal Orphans Home in 2016

Nepal Orphans Home Income:

- \$199,608 Donations
- \$155,314...... Grants
- \$ 15,194 CECC
- \$ 7,823 Hope Fund
- \$ 14,755...... Gholadunga Blind Children's Home
- \$ 12,289...... Higher Education
- \$ 71,552...... Volunteer Nepal Fees
- \$ 3,068...... Cafe
- \$ 2,448...... Interest
- \$482,051 Total Income for Nepal Orphans Home in 2016
- **\$ 128,370**...... Net Income for Nepal Orphans Home in 2016
- \$ 90,905 Cost of CECC New Building construction in 2016
- \$ 37,465 Adjusted Net Income for Nepal Orphans Home in 2016

NEPAL ORPHANS HOME Proposed Budget for 2017

Projections of income and expenses are necessarily speculative, since conditions in Nepal and plans can change. Estimates have been rounded to the nearest hundred dollars. In general, we assume that any inflation in Nepal is offset by the appreciation of the U.S. dollar against the Nepalese rupee. In general, for continuing programs, unless otherwise noted, budgeted expenditures are assumed to increase by 5 percent to reflect anticipated growth. Other specific assumptions underlying the proposed budget for 2017 include:

- 1. The number of children provided for in the Papa's Houses in Dhapasi will be 110.
- 2. The current leases for Papa's Houses for 2016 are used as are the related property costs of repairs, utilities, and furniture. Similarly, the 2016 expenditures for Childcare are budgeted for 2017, except for Hope, which is reduced to \$1,000, since we're not expecting a trip to the U.S. in 2017 for her medical care.
- 3. A projected decrease of ten percent is used for school tuition and expenses at Skylark School (reflecting a decrease of Papa's House children attending) and a hundred percent increase is used for higher education expenses (allowing for the additional children attending college). Twenty percent is the projected increase in uniforms, books, and school supplies.
- 4. A ten percent increase in Papa's House staff wages is budgeted.
- 5. There are no lease expenses for the Chelsea Center in 2017. Furnishing the new CECC buildings is budgeted at \$8,000. Staff wages are assumed to increase by twenty percent as are supplies and miscellaneous expenses to allow additional vocational training and adult education. A line item for Initiatives of \$10,000 is added.
- 6. Expenses and revenues for the Café are expected to increase by 20 percent, assuming operation for the full year.
- 7. Communications and Fundraising expenses are expected to continue, except for a decrease to \$600 for Fundraising now that *What It Takes to be Extraordinary* has been produced.
- 8. Business expenses are budgeted to increase by ten percent, as are those for Banking. Accounting expenses are budgeted to increase to \$6,000, given our likely outsourcing of some of the accounting.
- 9. Expenditures for Earthquake Relief are budgeted to decrease to \$30,000, which is half of the remaining funds in the NOH Earthquake Relief Fund.
- 10. NOH Outreach and Local Charity for Gholadunga Blind Children's Home are budgeted at the 2016 levels.
- 11. Growth of five percent in the number of volunteers to 105 and increases of ten percent in VN operating expenses for food, transport, placements, and sightseeing to account for growth in the program are projected. A ten percent increase in staff wages is budgeted. A line item of \$15,000 is added for the pension of the NOH Founder and Director of Operations Emeritus.
- 12. The line item for the NOH director of operations salary is included under Administration.
- 13. Growth of five percent in donations to NOH, CECC, Gholadunga, and for higher education are projected. NOH will continue to pursue foundation support and other grants. Grants are assumed to increase by five percent, as are VN fees. Interest income is anticipated to increase to \$4,000.

Papa's House Expenditures:

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$ 33,500...... Property
       $ 23,700 ...... Leases on Children's Homes and Playground
       $ 2,600 ...... Repairs and Improvements at all Houses
       $ 3,100 ...... Utilities at all Houses
       $ 1,800...... Cost of Furniture
       $ 2,300 ...... Supplies for the Homes
$ 48,200 ...... Childcare
       $ 41,000 ...... Food
       $ 1,400 ...... Clothing
       $ 3,900 ...... Supplies
       $ 1,900 ...... Medical
$ 3,900 ...... Special Care Children
       $ 1,200 ...... Aakriti
       $ 1,000 ...... Hope Angel
       $ 1,700 ...... Gita
$ 56,200 ...... Education
       $27,900 ...... Skylark Tuition, Exam Fees, Tutors
       $22,000 ...... Higher Education
       $ 2,500 ...... Enrichment & Entertainment
       $ 3,800 ...... Uniforms, Books, Supplies
$ 1,300 ...... Transportation
$ 22,100 ...... Staff Wages
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\$ 165,200 Total Expenditures for Papa's House

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$ 50,800 ...... Chelsea Education and Community Center
        $ 8,000 ...... Furnishings
       $ 27,500 ...... CECC Staff wages
       $ 5,300 ...... Supplies & Misc. class expenses
       $10,000 ...... Initiatives
   8,800 ...... Cafe
        $ 7,100 ...... Food
             100 ...... Supplies
        $ 1,600 ...... Wages
Administration and Fundraising Expenditures:
$ 18,000 ...... NOH Director of Operations
$ 25,800 ...... Business, Accounting, and Banking
       $11,300 ...... Business (legal, registration, office supplies, visa)
       $ 6,000 ...... Accounting
       $ 8,500...... Banking Tax and Fees
$ 2,000 ...... Communication and Fundraising
       $ 600 ...... Fundraising
       $ 1,200 ...... Web Site Maintenance
      $ 200 ...... Internet, Computers
$45,800 ...... Total Administration & Fundraising Expenses
$30,000...... Earthquake Relief
$ 15,900 ...... Outreach
$ 8,100 ....... Gholadunga Blind Children's Home
$47,700 ...... Volunteer Nepal Program
      $11,900 ...... Food, transport, placements, sightseeing, other VN exp.
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\$ 6,700 House lease, furnishings, computers, supplies, utilities

\$ 4,800 VN Director & Travel
\$15,000 Pension for NOH Founder and Director of Operations Emeritus
\$ 9,300 VN staff wages

\$372,300...... Total Expenditures for Nepal Orphans Home in 2017

Nepal Orphans Home Income:

\$2	210,000 Donations
\$1	163,000 Grants
\$	16,000 CECC
\$	15,500 Gholadunga Blind Children's Home
\$	12,900 Higher Education
\$	75,100 Volunteer Nepal Fees
\$	3,700 Cafe
\$	4,000 Interest

\$ 500,200 Total Income for Nepal Orphans Home in 2017

\$ 127,900...... Net Income for Nepal Orphans Home in 2017

\$ 90,000 Cost of New CECC Building construction in 2017

\$ 37,900 Adjusted Net Income for Nepal Orphans Home in 2017



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