



nepal orphans home

Annual Report 2023

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

Mission Statement

Nepal Orphans Home attends to the 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.

Nepal Orphans Home (NOH) funds and advises Papa's House NGO, our operations in Nepal. There are three divisions of Papa's House NGO: Papa's House, Chelsea Education and Community Center, and NOH Outreach.

Nepal Orphans Home is listed on GuideStar, a leading source of information on U.S. non-profits. In 2023, for the fourth year in a row, Nepal Orphans Home earned the Platinum Seal of Transparency, the highest recognition, placing us in the top 1% of the 1.7 million nonprofit organizations on GuideStar, and demonstrating NOH's strong commitment to transparency in its mission and operations. The NOH profile on GuideStar includes recent annual reports and 990 forms, available as public record. None of the members of the NOH Board of Directors receives compensation for their service.

In 2023, Nepal Orphans Home (NOH) began its nineteenth year, providing for young children living in Papa's House, supporting adolescents living in transition housing while attending college preparatory classes, and funding the higher education of young adults living independently and studying in university. The Chelsea Education and Community Center (CECC) entered its eleventh year of academic enrichment and life skills training for the Papa's House children and its ninth year of free literacy classes to over a hundred local women in Dhapasi, a community outside Kathmandu. NOH Outreach continued providing assistance throughout Nepal, including to the Goldhunga Blind Children's Home and Kanti Children's Hospital.



Nepal Orphans Home

The year would be pivotal in the transition of Papa's House NGO, with new leadership in Nepal and the phasing out of childcare at Papa's House. Nevertheless in 2023, through Papa's House NGO in Nepal, NOH was able to provide:

- primary education at Skylark School, an English-medium private school, for our thirteen young children in Papa's House and support for more than twenty local children from poor families to attend Skylark and other primary schools in the Kathmandu Valley
- college preparatory education for our ten adolescents in grades 11-12.
- academic enrichment classes in math, science, and computer, as well as life skills training for Papa's House children and adolescents at the Chelsea Center
- after-school basic English and computer classes at the Chelsea Center for students in grades 6-8 from the local Dhapasi School
- university education for young adults from Papa's House -- fifteen studying in Nepal and thirteen others studying in Australia, Germany, Finland, Canada, Japan, England and the United States
- free literacy classes in Nepali, English, and mathematics and workshops at the Chelsea Center for more than a hundred local community women
- initiation of a Chelsea Center International Child Development Program for the community women, a psychological care initiative to foster the holistic development of children
- assistance through NOH Outreach to Kanti Children's Hospital and Goldhunga Blind Children's Home.

New Leadership of Papa's House NGO

At the end of June, Sunita Pandey, the Director of Operations of Papa's House NGO for the past six years, left Nepal and immigrated to the U.S. with her family. Since March, Sunita had been training her replacement, Sushmita Thapa, a bright, diligent, and organized young woman. Sushmita had served with Volunteer Nepal in late 2008 until early 2010 and did an outstanding job of growing the volunteer department into what became one of the top volunteer organizations in Nepal. She later earned a master's in gender studies and a master's in psychology. Before returning to Papa's House NGO, Sushmita was serving as a senior counselor with TPO Nepal, one of Nepal's leading psychosocial organizations. She has spent many years working with children and women's issues.

Sushmita hired Jesika Maharjan as a general assistant to the director. Sushmita had earlier worked with Jesika at CAP Nepal, a non-profit based in Kathmandu with a mission to emancipate women and girls from gender-based violence and discrimination. Jesika has a bachelor's degree in development studies and a master's degree in gender studies.



Transfer of directors in a key exchange ceremony at the Chelsea Center in June with Sushmita Thapa (left) receiving the keys from Sunita Pandey



Jesika Maharjan, new assistant to Director of Operations

At the end of June, Prashanna Bista, who had been the Director the Chelsea Education and Community Center for the past six years, left Papa's House NGO to pursue graduate work in psychology. Sushmita then became, in effect, also the Director of the Chelsea Center.

Nepal Orphans Home is fortunate to have dedicated management of its operations in Nepal. Papa's House NGO employees believe in NOH's mission and are committed to their work.

At the end of the year, there were twenty employees at Papa's House NGO, including the Director and Assistant Directors of Operations. Nearly half of the staff were former Papa's House children, including four who were instructors at the Chelsea Center, while also attending college or university; two assistants with NOH Outreach to Kanti Children's Hospital; the Papa's House bookkeeper; and a staff member at Hope's Café.

Under the Papa's House Human Resources Policy, employee benefits include medical insurance, a Dashain allowance, 14 paid holidays, 12 days of paid personal leave, 60 days of paid maternal leave, and 13 days of paid mourning leave. In addition, there are funds for personal and professional development and special circumstances support (including assistance with family responsibilities). Papa's House Enrichment and Social Capital Fund can be drawn on by the directors to purchase items and pay for events that extend beyond normal programming and operating costs of the organization and provide enrichment, foster cooperation, extend mutual trust, and build morale.

Moreover, Papa's House NGO's Enhanced Savings Plan provides employees each year with three percent of final salaries as accumulated savings when the individuals leave Papa's House NGO employment. During the year, eight staff members, with tenures of employment ranging from three to twelve years, received their enhanced savings. In March five staff left, including three young adults from Papa's House who were instructors at the Chelsea Center. In April the enhanced savings deposits were renewed at Himalayan Bank at an annual interest rate of 7%. In June and July, Sunita Pandey and Prashanna Bista, respectively, received their enhanced savings. In August another CECC instructor left after seven years on the staff.

All the bank transactions of Papa's House NGO are administered and reconciled by the Director of Operations every month and the bank records are sent to the Finance Committee of Nepal Orphans Home. All the bills are collected and are submitted to the Papa's House NGO bookkeeper on a weekly basis for maintaining the accounting records.

The Director of Operations maintains a daily log of transactions. The Papa's House NGO bookkeeper enters all expenses in vouchers and ledgers, which are also sent to Nepal Orphans Home Finance Committee monthly.

Renewal of Papa's House NGO

Annually Papa's House NGO in Dhapasi has to be renewed with local government authorities. In her *Papa's House Update of July 2023*, Sushmita reported that on July 12, 2023, the government representatives of Dhapasi ward-4 and staff from Tokha municipality came to the Papa's House office for monitoring before approving the new projects. They suggested strengthening the documentation and record keeping. The monitoring committee also recommended placing a signboard for Papa's House which was installed on the CECC building on July 16 (see picture below). The committee appreciated the contribution of Papa's House NGO to the local community. After the compilation of all the needed documents, Papa's House received the referral from Tokha Municipality on July 19.

Papa's House has been listed in the "Red Book" published by the municipality, which is the record of the programs and budgets for upcoming years. The municipality has also requested Papa's House NGO to collaborate in after school classes with other government schools of Dhapasi and also for the installation of smart boards at government schools of Tokha municipality.



New Papa's House Sign on CECC building

Moreover, every three years, Papa's House NGO has to renew our project and operations in Nepal with the Social Welfare Council (SWC). In 2023 a new renewal had to be submitted. The renewal and recertification process is complicated and involves the submission of a project proposal and three-year budgets as well as meetings with the SWC and local authorities. Sushmita Thapa, as the new Director of Operations, submitted a comprehensive proposal which included a brief history of Papa's House NGO and the Chelsea Center, showing the impressive contributions over the years to the welfare of hundreds of children and women in Nepal. The HEARD (Helping in Education, Advocacy, and Resources for Development) project, the new emphasis of Papa's House NGO and the Chelsea Center, fully funded by Nepal Orphans Home, was explained with a detailed outline of the programs with benefits, monitoring, evaluation, accountability, and sustainability. The Papa's House NGO proposal for 2023-2026 was submitted to the SWC, effective July 19, 2023. The SWC, however, delayed in approving the Papa's House NGO project proposal, insisting on the addition of new programs, including day care for seniors at the Chelsea Center and new outreach in Chitwan, outside the Kathmandu valley. By the close of the year, the SWC still hadn't approved the project proposal.

The HEARD project aims to consolidate all existing programs of Papa's House while introducing new initiatives to facilitate the holistic development of children and women within the community. Leveraging the expertise accumulated by CECC in non-formal

education, HEARD will continue adult literacy classes and extend its after-school enrichment classes to children from local schools as well.

In addition to the existing programs, the HEARD project will include community-based psychosocial care and intervention, which has already begun through the new International Child Development Program (ICDP) caregivers' weekly meetings. This evidence-based psychosocial care for children is community-driven. HEARD seeks to provide resources, support, and advocacy in the field of education, ensuring children receive a quality education, while empowering women through diverse programs and initiatives. The Outreach programs too will continue under this project.

Papa's House NGO Board of Directors

The Papa's House NGO board in Nepal supports and guides the organization. The board gives the authority to the Director of Operations to make decisions for children and the staff, and for the renewal of Papa's House NGO in the government offices. The board members are updated with all the activities of Papa's House, the Chelsea Center, and the outreach program when the board meetings are held.

According to the by-laws of Papa's House NGO, every three years, the board of directors has to be re-elected and, if needed, new members must be added to the required seven-member board. Entering 2023 the board members were: Narayan Sharma, a local grocery shop owner and long-time supporter of Papa's House, serving as chair; Gaya Prasad Pandey, Sunita Pandey's husband and an economics teacher at Skylark, serving as secretary; Mina Kumal, a Papa's House young adult, serving as treasurer; Srijana Dhakal, a teacher at Skylark, serving as vice-chair; Ambika Acharya, an adult student on the Women's Council at the Chelsea Center; Kumar Shrestha, an engineer, owner of a garment shop in nearby Basundhara, and member of the Lion's Club; and Jiwakhar Lamichhane, a local business man, involved in microfinance. This board, however, was not deemed by NOH to have the expertise and commitment to Papa's House NGO needed.

After Sunita Pandey's departure from Papa's House and emigration from Nepal, one of the members of the Papa's House Board, began agitating, not only interfering with Sushmita's work, but attempting a power grab of Papa's House NGO operations in their own self-interest. Michael Hess, as founder of NOH, and Peter Hess, as president of the NOH board, subsequently wrote to this individual and the Papa's House NGO Board emphasizing the Nepal Orphans Home's full support of and confidence in of Sushmita Thapa as Director of Operations of Papa's House NGO and Jesika Maharajan as Assistant to the Director.

Moreover, Michael stated that Nepal Orphans Home supported the SWC's recommendation that the key members of the Papa's House Board be female. NOH expected that male members of the Papa's House NGO board, including this individual, would resign and a new, better board would be established. Sushmita and Jesika would recruit capable female candidates to take their positions. Further, Nepal Orphans Home would not continue funding Papa's House NGO until a new board was in place.

In late summer, the Annual General Meeting (AGM) of Papa's House NGO Board of Directors took place, as mandated by law, with a Social Audit of the organization. In this meeting, the people from the community and the local bodies were updated about the programs and projects run by Papa's House NGO. The SWC had subsequently deemed the current board was illegitimate and recommended that a new board be formed. Yet, this member persisted with his obstruction and it wasn't until the AGM on December 12th that the new board, recommended by Sushmita, was formed, also with the help of the head of the SWC evaluation committee. The new board members are:

Bhagarathi Badu - President (CECC Women's Council member and homemaker)
Kalpana Ale - Vice President (CECC Women's Council member and homemaker)
Kokila Khatri (Asha) - Treasurer (hospitality service worker)
Kabita Mahato - Secretary (former CECC teacher, now student in psychology counseling)
Tara Shrestha - Member (CECC Women's Council member and businesswoman)
Jayanti Regmi Jasi - Member (CECC Women's Council member and businesswoman)
Kamal BK - Member (former CEEC teacher, now teacher at Triyog School)

The new board, with six of the required seven members women, appropriately reflects the future of Papa's House NGO, where the Chelsea Center is the main mission. Three of the members are young adults from Papa's House, Kabita, Asha, and Kamal.



The new Papa's House NGO Board: Jayanti Regmi Jasi, Kabita Mahato, Kamal BK, Asha Khatri, Tara Shrestha, Bhagarathi Badu, and Kalpana Ale

Papa's House

A decade ago, NOH operated five Papa's Houses with one hundred and thirty-five children. Harmony House, the first Papa's House, opened in 2005, with a large yard in front that served as a playground and campus for the children. With the aging of our children, progressing from elementary school to college preparatory classes to young adults leaving Papa's House for university or transitioning into independent living, by 2023 far fewer children were directly provided for by Papa's House.

Closing Harmony House

Last year, after eighteen years, Nepal Orphans Home lost the lease to the grounds in front of Papa's Harmony House to the demand of housing construction and shortage of space. As Michael wrote in his *Papa's Update April 2023*,

It was a good run, hallowed grounds upon which our children played, revealed dreams, studied, made best friends forever, put on plays, celebrated brother's and sister's days, where promises were pinky finger committed, and children found character in themselves and others, the place that silently witnessed personal evolution, from being a five-year old bouncing a basketball with both hands to dunking the ball and receiving a full scholarship in college. It is where many in our neighborhood fled during the earthquake, after our wall and gate collapsed; it is also the resting place of a couple of our beloved dogs. It was there that on Christmas Eve candles would be precisely laid out to reveal a message when simultaneously lit from the children's candles after dark, and by whose light Santa arrived on the roof of Papa's House in 2017, to the astonished and misty-eyed children looking skyward after hearing him bellow out Merry Christmas! It was our "Field of Dreams" where every Saturday the children from the five homes of NOH would congregate for lunch and play. It is where we grew as individuals and as a family, and it is now unrecognizable but for in our hearts.



Playground in front of Harmony House in 2014



New construction in 2023 in front of Harmony House

Our lease for Harmony House ran out in April of 2023, and the thirteen children and house managers moved to the CECC Annex, formerly Papa's Possibilities House, the large home NOH acquired in 2017 and soon after built the Chelsea Center on the same property. On the ground floor of the Annex there are two rooms for boys and a kitchen. On the first floor are three rooms for girls and a room for the House Manager. The second floor encompasses one room for the staff and a storeroom and a balcony. The young adults in college transition in the CECC Annex moved to independent living in flats in the community, supported by Papa's House with stipends for rent and food.

Cessation of Papa's House Childcare

In accordance with mandates of a new act passed by the National Child Rights Council (NCRC) of Nepal that children with parents or guardians capable of providing care should return to their families, Nepal Orphans Home and Papa's House began phasing out childcare. Consequently, in April 2023, the five youngest girls (age ten in grade 1, age nine in grade 3, age seven in grade 1, and two of age eleven in grade 4) who had come to Papa's House at the end of 2020, were returned to their families. For each child, the Director of Operations and staff of Papa's House worked closely with the families to determine that the girls would be welcome and adequately provided for. Papa's House NGO also provided a final stipend for each girl's care and education.

As reported by Sunita Pandey, still the Director of Operations in the spring, Shristy Chaudhary went back to her mother and joined the government school in her village. So too, Sarita Chaudhary returned to her mother and her village school. Anjal Chaudhary went to live with Kanti Khadka, a young adult from Papa's House who had received her final stipend for independent living. She would continue to attend Skylark School. Zoya Singh and Saya Singh would live with their grandmother and their aunt, Mary Singh, another Papa's House young adult who had received her final stipend.

This left thirteen children (eight girls and five boys) living in Papa's House -- two in grades 7, two in grade 8; four in grade 9; and five in grade 10. We believed that these older children would be better served to stay at Papa's House and finish their Skylark schooling. So Papa's House sought a special exemption for these older children.

In late May, however, in a meeting with representatives from the National Child Rights Council and Tokha Municipality, Papa's House NGO learned that according to NCRC guidelines there must be at least twenty children in children's homes. Thus, parents or guardians, if existing, of the thirteen children in Papa's House must be contacted and either the children would be returned to their families or Papa's House would have to provide shelter for these children with guardians.

Three of these children were able to return to family: Rojina Karki of Class 10 (with an aunt living in Dhapasi), Sandip Magar of Class 9 (with parents living in Basundhara), and Ranjhana Adikhari of Class 7 (with an aunt living in Dhapasi). Papa's House NGO would continue to provide family support and education to these children.

Ten children went to live with Papa's House guardians: David Chaudhary (Class 10), Renuka Chaudhary (Class 8), Sarita Gurung (Class 8), and Saurab Chaudhary (Class 7) would be cared for by Sushila Chaudhary (manager of Harmony House); Samjhana Chaudhary (Class 10), Samira Kumal (Class 9), Sanjeev Tamang (Class 9) and Samita Tamang (Class 10) would be cared for by Dhan Kumari (cook at Harmony House), and Suman Chaudhary (Class 10) and Junu Chaudhary (Class 9) would be cared for by Sanu Chaudhary (staff at Hope's Café) in flats in Dhapasi. Papa's House NGO continued to provide for their rent and food as well as educational support for Skylark tuition, fees, and school supplies. Also, in lieu of their current salaries, Papa's House NGO provided monthly stipends to these guardians for their providing childcare. Upon graduating from Class 10, each child would have the option of living independently, receiving NOH educational support and monthly stipends of Rs. 6,000 for rent and food. If a young adult decides not to continue with higher education and is ready to live independently, they can receive their final stipend.

Education

According to the NOH Continuing Education and Transitional Support Policy, Papa's House young adults can expect support for the tuition and fees for their college and university studies, subject to satisfactory performance. Young adults not on a university track can receive support for vocational training and internships. Young adults choosing to work abroad with a secure job are supported with their international travel fees and initial living expenses.

Early in the first semester of their Class 10 year, students receive a copy of the transition policy and the rules for NOH transitional housing. After attending the group counseling sessions at the Chelsea Center, where general information about options available for post-Skylark schooling or training, and meeting individually with the Director of Operations and CECC staff, Class 10 graduates will be required to submit a proposal outlining the course of study they would be interested in pursuing and what commitment they would make in order to be successful.

After Class 11 has been completed, all students will be interviewed by the Director of Operations and CECC staff concerning Class 12 expectations. During their Class 12-year regular interviews will be held to check on the student's progress, state of mind, and thoughts concerning their future.

Instead of attending university or vocational training programs, some young adults may feel ready to leave Papa's House, live independently and seek employment in Nepal. These young adults must first consult with the Director of Operations and will be expected to submit a written proposal with a rationale for their plans. They will need to establish a bank account and NOH will provide a one-time payment of Rs. 240,000 (approximately \$1,800) for their transition, which might also be used for apprenticeships or to start their own businesses. Continued contact with these young adults is encouraged, but essentially they have chosen to live independently of the organization's assistance.

In summary, for the 2023 school year, ten young children in grades 7-10 were living with Papa's House guardians in Dhapasi and attending Skylark school. There were seven adolescents in grade 12 preparing for university and living independently, supported by Papa's House with their tuition and school fees and monthly stipends for rent and food. Twelve young adults in first, second years, or third years at university were also receiving food and rent stipends along with their tuition and school fees. Another three young adults in their third or fourth years at university were living with family or independently while receiving their education support.

Thirteen young adults were studying in foreign universities: four in Australia, three in Germany, and one each in Finland, Japan, Canada, and the U.S. In 2023 eight young adults had completed their bachelors (four in computer science, two in social work, and one each in business studies and medical laboratory technology).

In 2022 seventeen young adults from Papa's House, who had completed Plus 2 and were then in their early twenties, decided not to pursue university and took advantage of NOH final stipends of Rs. 240,000 (approximately \$1,800) for their independent living. In 2023, another eight young adults received their final support.

Papa's House Family

As Michael noted in his *Papa's Update Summer 2023*, despite growing up and leaving Papa's House, many of the children remain close:

In early summer many of our older children, those still in college or having graduated, organized a picnic. It has always been a pleasant daydream to think of the day when all our children reunite. They do a good job of staying connected with social media, and those remaining in our area of Kathmandu see one another frequently. But now with some of our children in Japan, Germany, Croatia, Tanzania, Malta, Australia, Portugal, Finland, and the US, our Papa's House diaspora grows.



Summer picnic for Papa's House young adults and staff

On Saturday, November 25th, a day off from school, Papa’s House celebrated Thanksgiving. With the Harmony House campus no longer part of Papa’s House, the gathering was held on top of the Chelsea Center. As for the past ten years, the feast was funded by Jonathan Paluga, a former volunteer who remains a good friend of NOH. Attending were the thirteen young children, more than forty young adults, and the staff of Papa’s House. The menu included roast chicken, macaroni and cheese, garlic ginger potato, and apple pie.



Thanksgiving 2023—Chelsea Center



Some of our Papa’s House young adults enjoying the day on top of the Chelsea Center Thanksgiving 2023

Then at Christmas the Papa’s House family gathered again at the Chelsea Center. As Sushmita reported, there was Secret Santa gift-sharing and the children and young adults from Papa’s House also received gift packs which included a customized cup with their

name, lip balm, socks, a hand towel and chocolates, along with Rs. 3,000 and Christmas card.



Christmas at Papa's House 2023

The Chelsea Education and Community Center (CECC)

Consistent with the decreased number of children in Papa House and the new leadership of Sushmita Thapa, the Chelsea Center began a transformation in 2023. In the future, Papa's House NGO will focus on the Chelsea Center, with its programs of adult literacy classes, workshops, and celebrations for community women of Dhapasi and after-school academic enrichment classes and life skills workshops for Papa's House and other local children. The Chelsea Center also initiated an International Child Development Program to serve the community women and children.

According to its new mission statement:

"The Chelsea Education and Community Center supports children in their development through academic enrichment programs and community based psychosocial child care. The Center also promotes the empowerment, personal growth, and social connection of local Dhapasi women."

In the late afternoons after school, Sunday through Friday, the Chelsea Center held classes in math and computer, as well as study halls with tutoring, for the Papa’s House children and select other Dhapasi School children. For the children from Papa’s House, there were also career workshops and life skills training.

For the Dhapasi School students attending the after-school program, the CECC director held a preliminary discussion with the head teacher of the school to identify the students most needing assistance. A meeting with the parents of the respective children was then arranged, where the parents were oriented about the support the program would deliver. Most of the children recommended by the school had a poor foundational knowledge on these subjects therefore, so as not to slow down the progress of the students who had a good understanding, the classes were designed according to proficiency with basic and advanced categories. All the children of Papa’s House along with a few children from the Dhapasi school were in advanced classes. As our Papa’s House children graduate in the next few years, the after-school classes for community children could potentially be a core program of CECC similar to the adult literacy classes for women.

The Director of Operations, in her *Papa’s House Update of July 2023*, reported that in July the CECC held workshops on internet safety for the children and women. Also, eight sessions of the inaugural International Child Development Program (ICDP) for caregivers concluded in July. The participants learned about the importance of the care which needs to be given to children. It helped participants to understand the children’s perspectives, their rights, and their choices.



Dhapasi school students studying English at CECC International Child Development Program workshop

For adult literacy and female empowerment, the Chelsea Center continues to offer classes in Nepali, English, and math. In the mornings and early afternoons over one hundred community women regularly attend these literacy classes at the Chelsea Center.



A March conversation class for Advanced English students led by a visitor from Australia



Awareness session for the community women on Basics of Menstrual Hygiene led by local physician

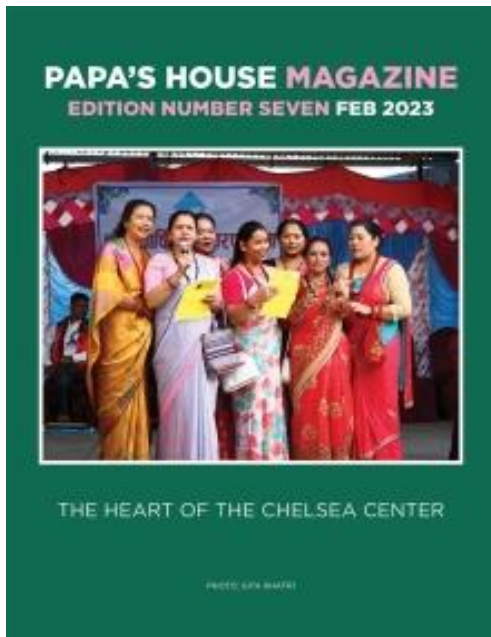
Special events were organized with the women such as International Women's Day Celebration and Diversity Day. The Chelsea Center Women's Council, made up of select leaders among the adult women, served as an advisory group to the Director of Operations and assisted the Chelsea staff in organizing the community celebrations.



Spring picnic held at the National Botanical Garden for CECC staff and community women students

The seventh edition of *Papa's House Magazine* (March 2023) featured the community women students. That the Chelsea Center continues to contribute to the welfare of local community women is reflected in their testimonies. One, Tara Shrestha, wrote:

The name of my institution is Chelsea Education and Community Center. It was founded in 2013. It is a community center that emphasizes service and is situated in Kathmandu's Dhapasi Height. For all women residing in the Kathmandu valley community, it offers a variety of educational facilities. It is in a good, peaceful environment. Since four years ago, I have been a student here. With the assistance of one of my friends, I was able to enroll here. I knew nothing about the English language before coming here to study. I had a very difficult time understanding it. I learned a lot about the English language after attending this school. Now, I feel like a woman with education. I want to express my gratitude to each and every CECC educator for a prosperous life. I am quite happy and enthusiastic about a lot of things that will happen soon.



Papa's House Magazine (March 2023)



Tara Shrestha, a Chelsea Center student

NOH Outreach

As part of its mission, Nepal Orphans Home has long supported other charities in Nepal. Much of our outreach is funded by donations from friends, former volunteers, and board members of Nepal Orphans Home. In 2023 NOH Outreach provided over \$20,000 in assistance, accounting for over twelve percent of Papa's House NGO total expenditures.

Over the year, the Papa's House NGO Director of Operations fields numerous requests for assistance, both from other non-profits and individuals. Agreements between NOH Outreach

and the recipients are signed with renewable and review dates pre-established. Progress toward self-sufficiency, where possible, is expected.

With generous donations from the Healing Buddha Foundation, NOH supports terminally ill children in the cancer ward at Kanti Children's Hospital in Kathmandu. Two young women from Papa's House, Manisha and Muskan Nepali, on the NOH Outreach staff visit six days a week providing fresh fruit and art supplies and playing with the young patients. Birthdays of the children are celebrated, complete with birthday cake, candles, presents, balloons and sweets. Support for pain medication is provided for poor families, usually from remote areas, with children at the hospital. At Christmas this year, the children received gift packages of a winter cap, woolen gloves, socks and thermos with two cups.

NOH also supports the Goldhunga Blind Children's Home in the Kathmandu Valley, paying the salaries of the staff and the expenses of school uniforms and shoes, as well as supplying laptop computers. Rabindra Sanjyal, a young adult from Papa's House, who also serves as the Papa's House NGO bookkeeper, is the coordinator of this NOH Outreach program and visits the home on Tuesdays and Fridays, bringing milk and eggs for the children and helping them with their academics. At Christmas, the children received gift packages that included a towel, handkerchief, undergarments, nail cutters, comb, socks and chocolates.



Young patient at Kanti Children's Hospital



Liz Early and Anne McCadden of the NOH Board with Rabindra and Goldhunga children

NOH Outreach provides tuition support for other children, mostly for attending Skylark School. In 2023 the primary educations of twenty-two children outside of Papa's House were funded. NOH Outreach also helps local families in Dhapasi with food and medicines.

Khemraj

To have witnessed the growth and development of the children of Papa's House has been most gratifying. Michael Hess often portrays Papa's House young adults in his Papa's

Updates. Featured in the Papa's Update for Summer 2023 is one young man who is already giving back.

Khemraj Shahi came to Papa's House as a young boy, fourteen years ago. After college Khem spent a few years working on a hydroelectric plant in Solukhumbu District (home of Mt. Everest), saved his money and then left to begin an NGO he named "No Limits Nepal" primarily serving his home district of Kalikot. Thus far he has managed to remodel a school which was in shambles and provide for the children's educational supplies, bring doctors for a health clinic, and most recently bring eye doctors for an eye clinic. Now, due to the high incidence of mortality among women and infants in his district, he is focused on building a birthing center that is safe, warm and sterile where the local women will feel comfortable giving birth with visiting OBGYNs that he manages to induce to come from hours away.



Khemraj in 2009



Khemraj (center, in sunglasses) after a successful eye clinic he put together in Kalikot district in 2023

Actions of the NOH Board

Early in the year, the 2023 budget for Nepal Orphans Home proposed in the *NOH Annual Report 2022* was approved. Board members recommitted to serving Nepal Orphans Home. Also board members and committees submitted reports reviewing their actions over the last year and setting forth their agendas for the current year. Hillary Bernhardt, newly married and early in her professional career, decided to drop off the NOH Board of Directors. Hillary had served NOH well; before joining the NOH Board of Directors she was an excellent Director of the Chelsea Center from September 2016 to May 2018.

Throughout the year, the NOH board was in regular contact with the Directors of Papa's House NGO and the Chelsea Center. The Director of Operations interim and annual reports provide helpful information to the NOH boards on the programs, initiatives, and developments at Papa's House and the Chelsea Center.

The NOH Board's CECC Committee counseled and supported the operations of the Chelsea Center. The NOH Board's Strategic Planning Committee worked with the Director of Operations and Founder in planning and setting policies for Papa's House NGO.

In April 2023, NOH board members Anne McCadden and Liz Early volunteered at Papa's House. They brought with them several large boxes of books and art supplies for the children of Papa's House and Goldhunga Blind Children's Home. For years now, Anne and Liz have led NOH's support of Goldhunga and their families have also raised funds for Kanti Children's Hospital.

In May, Carola Drosdeck, Vice President of NOH and Auntie C. to Papa's House, made another visit to Nepal. She has championed reading with the kids and because of the countless handpicked books that she has brought and distributed to the children at the Chelsea Library, many have become avid readers. Her work with our novice teachers at the Chelsea Center has helped turn them into confident, effective and popular adult education teachers.



Anne and Liz at JFK airport in April with supplies for Papa's House



Carola at Chelsea Center in May with community women students

The founder of NOH and former Director of Operations, Michael Hess (Papa), now retired in North Carolina, remained in regular contact with the current Director of Operations offering guidance and counsel. Moreover, he continued to be very involved in strategic planning, donor relations and fundraising for Nepal Orphans Home, as well as advising the NOH Board of Directors, and mentoring the young adults of Papa's House.

The NOH Board of Directors voted in 2022 to reimburse Michael for the effective loans he made in 2005 and 2006 out of his personal savings to cover the excess expenses of NOH operations in Nepal. He was reimbursed for the 2005 loan in 2022 and for the 2006 loan in

2023. The NOH board is grateful to Michael for his founding and early investments in Nepal Orphans Home, which then allowed NOH to continue for the next two decades serving many children and women in Nepal.

In October, three members of the NOH Board of Directors volunteered to serve as officers for the next three years: Peter Hess and Carola Drosdeck will continue as president and vice president and Anne McCadden will serve as secretary. Peter and Boo Hess (treasurer emerita) will in effect serve as Treasurer, aided by the NOH Financial Committee, Anne McCadden and Liz Early, the NOH bookkeeper.

Dissolution of Nepal Orphans Home

Last year, the NOH board considered, but did not formally approve, the dissolution in 2025 of Nepal Orphans Home, the 501(c)(3) non-profit organization, incorporated in Davidson, North Carolina. The primary rationale for the dissolution was that the NOH leadership, Michael Hess, Peter Hess, the president, and Boo Hess, who has effectively served as treasurer, are all in their early seventies and ready to retire. Younger leadership with the time and interest to continue NOH had not been found. Before dissolution, however, Nepal Orphans Home would provide sufficient funds for the continuation of Papa's House NGO, which by then will largely be the Chelsea Education and Community Center, and for the higher education of the remaining Papa's House young adults.

In essence, there seemed to be three options. The preferred option would be that current NOH board members who do not favor a dissolution of NOH would be willing to continue Nepal Orphans Home with a new president, treasurer, and secretary. NOH would still be incorporated in North Carolina, but all the banking would be in the hometown of the new treasurer. NOH would continue to guide and fund Papa's House NGO and the Chelsea Center in Nepal.

The second and least desirable option would be Nepal Orphans Home dissolve as a non-profit in 2025 and find a way to transfer its financial assets over to Papa's House NGO for operations in the future. Likely there will be several hundred thousands of dollars in financial assets (the bulk of NOH savings) to transfer at the end. There are concerns with transferring such a large amount over to Papa's House NGO, not the least of which is the Social Welfare Council's monitoring and limiting bank accounts in Nepal. We would have to rely entirely on the Papa's House NGO board and Director of Operations for the diligent management of these funds. Moreover, we would need to find a way for supporters of NOH to continue contributing to Papa's House NGO and the Chelsea Center.

The third option would also have Nepal Orphans Home dissolve in 2025. Before then, however, we would find another nonprofit to take over for NOH in guiding and funding Papa's House NGO. Nepal Orphans Home would provide this nonprofit with the financial resources to operate Papa's House NGO and the Chelsea Center, including support for the higher education and final stipends on Papa's House young adults. With NOH savings there should be sufficient funds for operations in Nepal for the next few years at least. Moreover, this nonprofit would inherit NOH's support base and should be able to continue raising

fundraising for Papa's House NGO and the Chelsea Center. Some of the present members of the NOH board might be asked to serve on the board of this nonprofit.

Last year Michael and Peter engaged in discussions with Sunsar Maya, a U.S. non-profit founded by Jehan Seirafi, a former Director of Volunteer Nepal and long-time friend of NOH, about this possibility. With similar operations in Nepal, Sunsar Maya, however, ultimately decided they were not interested. In 2023, Michael and Peter began discussions with Toni Thomson, a former Director on the NOH Board and long-time supporter, who founded the Canadian non-profit, Possible Worlds.

With a new Director of Operations, the transition of Papa's House NGO, and the trouble on the Papa's House NGO board, however, Nepal Orphans Home decided to postpone dissolution. Instead, for the next few years, at least, and perhaps further into the future, NOH will continue on directly funding and guiding Papa's House NGO. We need to ensure there is a capable and honest Papa's House NGO Board in place, complete our care for the young children in grades 7-10 currently under the supervision of Papa's House guardians, and develop the programs at Chelsea Center that Sushmita Thapa, the Director of Operations of Papa's House NGO is planning. The NOH Board is confident that Papa's House NGO has a promising future under Sushmita.

Communications and Fundraising

Effective communications through the NOH website, social media, and public profiles have not only increased awareness of Nepal Orphans Home, but enhanced fundraising.

During the year the Communications Committee published four newsletters, including *Papa's Updates*, to over 2,600 subscribers. There were frequent postings of news and special events on both Facebook and Instagram, including holidays and celebrations and 'Throwback Thursday' photos throughout the year, all of which helped increase interest in and motivate support for Nepal Orphans Home. Young adults from Papa's House serving as Papa's House photographers, along with the directors of operations and the Chelsea Center, supplied many of wonderful photos.

In 2023 there were over 3,900 followers on the NOH Facebook page and over 320 followers on Instagram. The United States accounted for the largest percentage of Facebook followers (48%), with Nepal second (24%). Many of the Nepali followers are Papa's House young adults (and their friends), staff, and adult students at the CECC. Followers in other countries included Australia (10%), UK (5%), Canada (4%), Portugal (3%), India (2%) and Germany (1%).

Donor Support

Nepal Orphans Home depends on donations, with hundreds of supporters around the world. We have been inspired by the gifts of friends, who have seen or heard about our good work in Nepal. Moreover, many other individuals have supported NOH through the online fundraising platforms, including Network for Good. Other monetary gifts have been received

through benefits and fundraisers. NOH also received support from civic organizations and businesses (with matching employee contributions).

Nepal Orphans Home is fortunate for the steadfast support of Toni Thomson's Possible Worlds Foundation. Based in Canada, her foundation has been integral in raising awareness and generating funds for our mission over many years. In particular, PWF donations support the education and nutrition of Papa's House children, the salary of the Papa's House official photographer, and the Valentine's Day celebration at Papa's House.

Nepal Orphans Home is grateful for the generosity of these donors and considers their support confirmation of our continuing progress in our mission.

Financial Statement for 2023

Below please find the financial statement for Nepal Orphans Home for 2023. Listed on the Nepal Orphans Home Financial Statement are the NOH sources of income (mainly from donations and grants). With respect to NOH expenditures, the major ones are the NOH transfers to Papa's House NGO during the year. The *Papa's House NGO Annual Report 2023* Financial Statement provides details of the expenditures for operations in Nepal. The largest expenditures for Papa's House NGO were for the higher education and final support for the young adults and for outreach and local charity in Nepal.

For 2023, Total Income for NOH was \$158,029. Total Expenditures for NOH summed to \$202,860. Accordingly, the Net Income for NOH in 2023 equaled - \$44,831. The negative net income, mostly reflecting the decrease in donations (from \$260,128 in 2022 to \$138,003 in 2023), is covered by NOH savings, indicating a decrease in NOH Financial Assets.

The proposed budget for Nepal Orphans Home for 2024 follows the financial statement.

**NEPAL ORPHANS HOME Statement of Expenditures and Income
January 1 - December 31, 2023**

Nepal Orphans Home Income in 2023

\$107,856 Unrestricted Donations

\$ 19,320 Foundation Grants

 \$15,320 Possible Worlds Foundation

 \$ 4,000 Other Grants

\$ 10,827 Restricted Donations

 \$3,950 Kanti Children's Hospital

 \$2,813 Goldhunga Blind Children's Home

 \$2,364 CECC Programs

 \$1,250 Rabindra Education

 \$ 250 Devraj Support Fund

 \$ 200 Five Sisters 200

\$ 20,021 Interest

 \$10,546.... Bank OZK

 \$ 9,475.... Fifth Third Bank

\$ 5 Dividends

\$158,029 Total Income for Nepal Orphans Home in 2023

Nepal Orphans Home Expenditures in 2023

\$150,000 Transfers to Papa's House NGO 150,000

 \$30,000 on 1/24/2023

 \$30,000 on 4/4/2023

 \$30,000 on 6/2/2023

 \$30,000 on 7/6/2023

 \$30,000 on 9/25/2023

\$40,638 Reimbursement of Founder's 2006 Loan to NOH

\$ 1,255 International Travel for Papa's House Young Adults for Study or Work

\$ 4,891 Business, Accounting and Banking

\$ 4,424 Accounting in U.S.

\$ 266 Banking Wire Transfer Fees

\$ 201 Other (Form 990 filing fees and postage)

\$ 2,747 Fundraising and Communication

\$ 1,434 Online Donation Fees

\$ 1,096 Website Maintenance

\$ 200 Fundraising (North Carolina Solicitation License)

\$ 17 Postage

\$ 3,329 Outreach

\$ 427 Art Class Expenses for Papa's House NGO

\$ 1,034 Hope's Medical Expenses in U.S.

\$1,868 Support for Goldhunga Blind Children's Home

\$ 202,860 Total Expenditures for Nepal Orphans Home in 2023

- \$ 44,831 Net Income for Nepal Orphans Home in 2023

NOH Proposed Budget for 2024

Projections of income and expenses are necessarily speculative, since conditions in Nepal and NOH plans can change, as illustrated in 2020 and 2021 with the pandemic. The NOH budget for 2024 is largely based on the proposed budget for Papa's House NGO for 2024. The proposed budget expenditures for Papa's House NGO in 2024 from *Papa's House Annual Report 2023* total \$176,800 (using a conversion rate of Rs. 135 = \$1.00).

Nepal Orphans Home proposes to transfer \$180,000 to fund Papa's House NGO operations in 2024. NOH hopes to maintain the levels of donations and foundation grants in 2023. Other NOH expenses are expected to remain steady. The projected negative net income would be covered by NOH savings.

Nepal Orphans Home Income in 2024

\$108,000 Unrestricted Donations

\$ 19,000 Foundation Grants

\$ 11,000 Restricted Donations

\$ 20,000 Interest

\$158,000 Total Income for Nepal Orphans Home in 2024

Nepal Orphans Home Expenditures in 2024

\$180,000 Transfers to Papa's House NGO

\$ 1,300 International Travel for Papa's House Young Adults for Study or Work

\$ 5,000 Business, Accounting and Banking

\$ 4,500 Accounting in U.S.

\$ 300 Banking Wire Transfer Fees

\$ 200 Other (Form 990 filing fees and postage)

\$ 2,700 Fundraising and Communication

\$ 1,400 Online Donation Fees

\$ 1,100 Website Maintenance

\$ 200 Fundraising (North Carolina Solicitation License)

\$ 3,000 Contingency Fund

\$ 192,000 Total Expenditures for Nepal Orphans Home in 2024

- \$ 34,000 Net Income for Nepal Orphans Home in 2024