



About Lotus Outreach

Lotus Outreach is a 501(c)(3) non-profit dedicated to ensuring the education, health and safety of at-risk and exploited women and children in the developing world. It was founded in India as a secular organization, White Lotus Charitable Trust, in 1993 by Buddhist lama Khyentse Norbu to aid Tibetan refugees in Bir. Struck by the absence of media attention to the abject and widespread suffering of the local population, he expanded the mission of Lotus Outreach to serve the most neglected and forgotten peoples through education.

In 2002, Lotus Outreach was incorporated in California to create an U.S. center of infrastructure. Today, we work with over 30,000 of the most marginalized women and children in India and Cambodia to improve access to health, education and economic opportunity. Our projects range from providing education and rehabilitative services to victims of child labor and sexual exploitation, to ensuring food and water security for the rural poor, to extending preventative healthcare and income-generating opportunities to isolated communities.

Lotus Outreach affiliates are present in eight nations worldwide, and our all-volunteer international trustees have diverse backgrounds that span media, academia, human services and finance. Our staff of five draws on equally rich backgrounds, represents four nations, and enjoys a healthy and productive working rapport that bridges 14 time zones.

Contents

- 1 Letter from the President
- 2 Introducing Cambodia...
- 4 Phnong Education Initiative
- 6 GATEways IT Training and Internship Program
- 8 Lotus Pedals
- 10 Non-Formal Education for Sex Workers and Their Children
- 12 Integrated Rural Development
- 14 Safe Migration and Reduction of Trafficking (SMART)
- 16 Consoling Through Counseling
- 18 Girls' Access to Education (GATE)
- 20 Introducing India...
- 22 Lotus Education As a Right Network (LEARN)
- 24 Blossom Bus
- 26 Buddha Smiles
- 28 Education Scholarships for Child Laborers
- 30 Our Approach
- 31 Our Beneficiaries
- 32 Our Local Partners
- 33 Financial Snapshots
- 34 Principles & Practices
- 35 Our Team
- 36 Our Supporters
- 37 Contributors

Letter from the President

Dear friends and supporters

It is my great honor to accept the role of President of Lotus Outreach International and support the inspired vision of our Chairman and Founder, Khyentse Norbu. I am grateful to our Board of Directors for their confidence and look forward to facing the challenges ahead.

Please join me in thanking our outgoing President, Patrick Gauthier, for his six years of service on our Board of Directors, which have had a profound impact on Lotus Outreach. Patrick worked tirelessly to develop the organization's basic infrastructure including policies, procedures, strategic plans and project reporting mechanisms, which allowed LO to reach an entirely new level of sophistication as a non-profit organization. His natural leadership, intelligence, and problem-solving skills led us through a steady period of growth and expansion during these difficult economic times, allowing us to double the number of men, women and children we serve in Asia. Throughout the years he has been a delight to work with. His energetic and unswerving efforts demonstrated his incredible character and spirit, and we plan to keep him engaged in an advisory capacity in the years to come.

I would also like to extend my personal gratitude to all of you who support Lotus Outreach, be it through donating money, volunteering time or engaging in ongoing discourse on the critical issues we are addressing. As you will read in the pages that follow, 2010 was a groundbreaking year for Lotus Outreach. With your support, we celebrated our first graduating class through the GATE project, began supporting tertiary education programs, bussed hundreds of children to school for the first time, and much more!

Looking forward, I am inspired by our many result-driven initiatives and honored to have the privilege to work with LO's passionate staff, board, donors, partners and volunteers. Together, we will pursue our mission of educating and empowering as many women and children as possible through grassroots projects around the world. The year 2011 marks our most ambitious year to date and we have already committed to a number of program expansions such as university education scholarships and reintegration assistance for shelter-based victims of violence and trafficking.

As we celebrate our lives, may we ask ourselves to take a few moments and think of all the children throughout the world who, at this very moment, are experiencing unimaginable fear, pain, humiliation and suffering. These children—who are perhaps the same age as your daughter, or sister or granddaughter—are forced to pick through garbage dumps for recyclables, work in sweltering brick kilns for less than \$1 a day, or sell their bodies for their next meal. Our goal is to change their horrible fates and give them the resources, control and confidence they need to pursue a better life.

I thank you for joining us, hand-in-hand, as we vigorously pursue this mission.

Sincerely,

Patty Waltcher
President
Lotus Outreach International



Introducing Cambodia...

The Kingdom of Cambodia is plotting a slow, shaky recovery from a horrific genocidal episode that rocked its foundations a generation ago. The trauma inflicted by the Khmer Rouge's dictatorial regime continues to paralyze the national psyche, stifling a nation seeking to re-establish its identity.

During his three-year, eight-month reign that began in 1975, Khmer Rouge leader Pol Pot terrorized the population and decimated the intellectual class. Some groups estimate that as many as 2.5 million people - of a population of 7 million - perished in his push to impose a communist agrarian society. Those who posed a threat to his rule, namely the educated, were summarily executed or driven from the country. By 1978, there were no teachers, writers, or scientists left in Cambodia; a generation of literate role models had been eradicated.

The scars are plainly visible today. Per capita GDP is \$802 and nearly one-third of the country's 14 million inhabitants live below the national poverty line of \$0.60 a day. A full 40 percent of children under the age of five are classified as malnourished, and the country has one of the greatest disparities between rich and poor in all of Asia. Although Cambodia's economy grew an astounding 13 percent in 2008, it tanked the following year in reaction to the global economic crisis, shrinking 2 percent and exposing a fragile and unreliable infrastructure.

A further debilitating consequence of the Khmer Rouge's reign of terror is that as much as half the population today may be under 20 years of age; to make ends meet children are expected to contribute to the family purse. Competition for even mediocre jobs is fierce, and between the lack of skilled employment and the opportunity costs of attending school, the premium on education is low. Thousands upon thousands of children are squeezed out of classrooms and into the informal labor sector, joining begging rings, working in agriculture, migrating for domestic work or being absorbed by the sex industry.

Girls bear the brunt of this circumstance. Sex with virgins is widely believed to be a powerful health tonic, capable of curing even HIV/AIDS. Foreigners have been known to pay \$800-\$4,000 for a girl's virginity. The myth and its price tag buoy demand for pre-pubescent girls in brothels and abroad. While 91 percent of girls enroll in primary school, only 19 percent continue to secondary school. Many of the rest enter the workforce, at their own risk.

Child labor, gender inequality and the opportunity costs of education mire Cambodia in poverty and oppression. Each of LO's projects there target at least one, if not all, of these inhibitors to societal health and prosperity, and we continue to expand our reach year after year.

Per capita GDP is \$802... nearly one-third live below the national poverty line of \$0.60 a day



Capital
Phnom Penh (capital)
1.519 million (2009)

Largest city
Phnom Penh

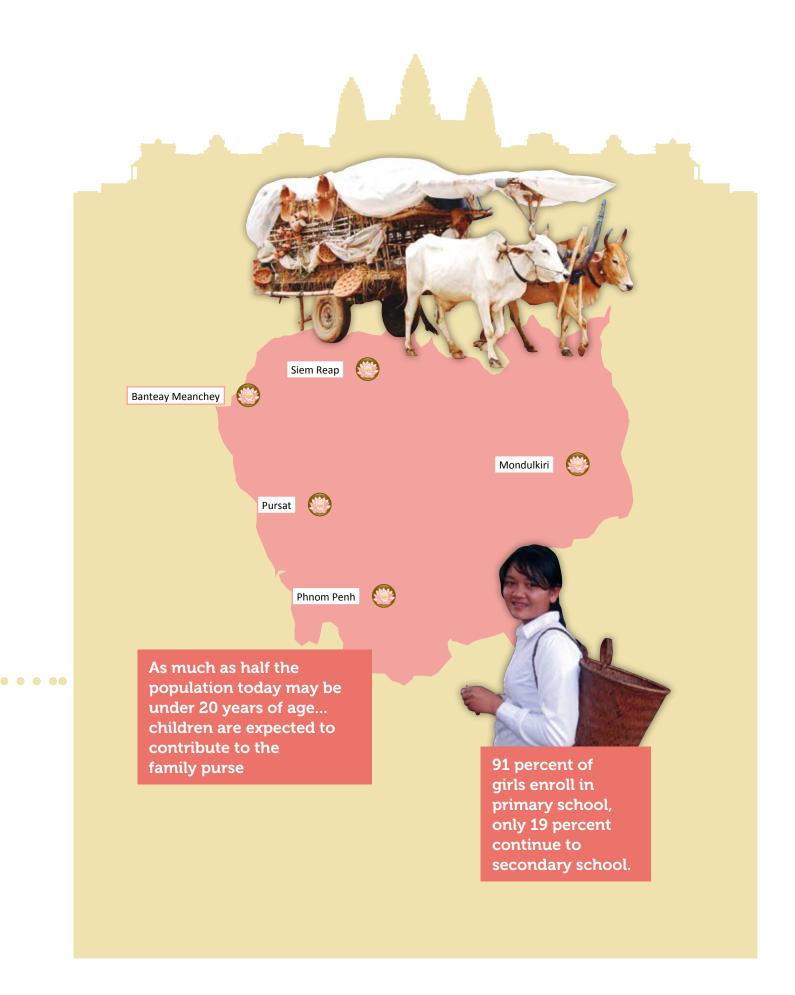
Total area 181,035 sq km

Population

14,701,717 (July 2011 est.) Life expectancy at birth

62.67 years

Population below poverty line 31% (2007 est.)





Mondulkiri province is home to the Phnong people, an indigenous minority and hill tribe who survive mainly on subsistence slash-and-burn agriculture in the region's mountainous forests. Literacy rates for highland minority tribes flounder at 5.3 percent, far behind the Khmer majority (48.8 percent). Ethnic minority females fare even worse, with a 2000 study placing the highland tribe female literacy rate at less than 1 percent.

With few educated locals, most instructors in Mondulkiri are of Khmer ethnicity from outside provinces, and Khmer remains the official language of instruction in public schools. Low enrollment rates (16 percent for secondary school compared to a national average of 35 percent) and high dropout rates attest to the difficulties faced by Phnong children.

In 2007, Kampuchean Action for Primary Education (KAPE) began the Phnong Education Initiative (PEI) to assist children with insufficient means to continue their studies at the upper primary and lower secondary levels. This year, 31 lower secondary students (26 girls) are continuing their studies thanks to LO-supported PEI scholarships which

include provisions for housing, food, school supplies, lunch money, transportation and class fees. We also support grade 9 students who choose to study at the Provincial Teacher Training College (PTTC), placing graduates in their local communities to fill the gap in native language instruction. Twenty students attended PTTC this year with PEI's support.

KAPE and Lotus Outreach have high hopes for PEI's long-term reach, and we are already witnessing Mondulkiri's Phnong people assume responsibility for their education, governance and natural resources.





2010 at a glance

- One hundred percent of PEI students successfully passed their examinations at the close of the 2009-2010 academic year and advanced to the next grade level.
- All four of our year-two scholars at the Provincial Teacher Training College (PTTC) have graduated from the program and are now sharing the gift of education with other children in Mondulkiri's public classrooms.
- Nearly 40% of PEI students ranked in the top 25% of their class for the 2009-2010 academic year, with five students ranking in the top 10%.
- "If you talk to a man in a language he understands, that goes to his head. If you talk to him in his language, that goes to his heart "- Nelson Mandela

Case StudyTes Chandra

One of the first graduates of the Provincial Teacher Training College gives great hope for what this innovative program can achieve. Finishing the course top in her class and second in the entire province, 20 year-old Tes Chanra teaches a second grade math class in Keo Sima village. On a visit this past December, our director of field operations observed that Tes' students at Cheng primary school were happy and attentive, equipped with school supplies and uniforms.

Tes's background highlights the impact the program is having in this remote province. Her home village of Srey Prea, 20 kilometers from her post in Keo Sima, is majority Phnong and consists of little more than a few humble dwellings along the side of the road. Accompanying her on a weekend visit to her family, our staff listened to them describe their predicament. "This village is 80 percent Phnong," says her father, who lost his eyesight and part of one arm ten years ago while working with unexploded ordnance as a soldier. "Khmer people are in the habit of sending their children to school, but the Phnong are not."

Tes's mother continues to lead the lifestyle her daughter has escaped. "Every day is the same hard slog for me," she says. "I get up at 5:30 and cook my husband's breakfast before walking to the fields and working seven hours for \$3.75. We have all had a very hard life. Aside from endless farm work we have to cope with malaria, dengue, tuberculosis and typhoid. Some of these illnesses are very expensive to treat and there are no clinics anywhere nearby." Yet Tes now sees herself as an instrument of change. As a teacher, her voice carries authority and she intends to use it. "I can now encourage and influence these families to send their children to school, educating them about the importance of education and the inevitable life of drudgery that awaits their children if they end up uneducated laborers," she says. Through the PEI project, the family is reaching for a better life. "My second-eldest, Piseth, is now also studying at the PTTC, and my youngest girl Sarika is in grade 6," Tes's mother boasts. "I want all of my children to get an education. I had a very hard life and wouldn't like my children to face the same."





With a goal of reinforcing Cambodia's fractured human capital, this year Lotus Outreach initiated the first arm of the Girls' Access to Education / Women and Youth Scholarships (GATEways) project. Approached by two socially-conscious vocational entities, we seized the opportunity to further maximize returns on the brightest young women in our Girls' Access to Education (GATE) program (see page 19). While all senior-year GATE scholars undertook university orientation in 2010, nine of those graduates were accepted to a professional internship program with a post-training employment guarantee - a truly astounding development considering that only 19 percent of Cambodia girls even reach secondary school.

The Data Entry Operators program is administered by the Center for Information Systems Training (CIST), a non-profit based in Phnom Penh that targets disadvantaged students for IT training and subsequent employment in the marketplace. The second partner committed to enabling the poor to pull themselves out of poverty is the New York-based Digital Divide Data (DDD), currently the largest technology

employer in Laos and Cambodia. DDD offers CIST interns part-time employment in local companies upon completion of their training, providing them the flexibility to pursue formal studies at university while gaining precious work experience.

But DDD goes one step further. Realizing that part-time work does not generate sufficient income for basic living expenses and course fees, DDD further hedges its bet on these hopeful young women by covering 60 percent of their tuition fees.

CIST selected nine GATE Banteay Meanchey scholars among a pool of 2,000 applicants across Cambodia. We financially support the six-month CIST training of these nine and a further 11 girls from among the successful applicants. Through GATEways, Lotus Outreach is pushing the envelope and partnering with cutting-edge organizations to bring the unbelievable within reach of the most disadvantaged members of society.



- The 20 CIST trainees sponsored by LO achieved a higher average GPA than the class as a whole as well as previous classes undergoing the same training.
- Nine of the young women received a mark of 80 or above, the equivalent of an "A".
- "If you give people tools, [and they use] their natural ability and their curiosity, they will develop things in ways that will surprise you very much beyond what you might have expected "
 Bill Gates



Even compared with other developing nations, Cambodia lags in the realm of girls' education: whereas 43 percent of girls in the developing world attend secondary school, only 19 percent of Cambodian girls do. In the communities where Lotus Outreach operates, the road to school is long and full of hazards. By supplying all-terrain bicycles to the poorest girls living a minimum of one mile from their nearest public school, Lotus Pedals has become a powerful supplement to our education programs.

The young women in our Girls' Access to Education, Non-Formal Education and Integrated Rural Development programs are among the most dispossessed on the planet. They are undervalued and discriminated against by their society and prime targets for abuse and sex trafficking. All too often, these girls are forced to choose between eating and paying for a taxi to attend classes. For many, their time is better spent working than traveling several kilometers to school on foot.

Given a bicycle, these tough decisions disappear. Lotus Pedals has already changed the lives of hundreds of girls by supplying safe, reliable transportation. By staying in school, their achievements far exceed those of formal lessons: they gain confidence, access to academic communities and the respect of their families and neighbors.

Many children in destitute areas share rides, boosting the reach of the program. A few hundred bicycles result in many more deserving girls in classrooms across Cambodia. Moreover, Lotus Pedals beneficiaries tend to view the new avenues available to them as leading back to their home communities: they are charting a course to become doctors, teachers, and non-profit leaders in their own villages.

"I think [the bicycle] has done more to emancipate women than anything else in the world...it gives a woman a feeling of freedom and self-reliance. The moment she takes her seat she knows she can't get into harm unless she gets off her bicycle, and away she goes, the picture of free, untrammeled womanhood. "

- Susan B. Anthony



Case Study Teuk Thida

The middle child of five, Thida was often thrust into the role of an eldest sibling due to the negligence and mischief of her older brothers. While her landless parents labored on nearby farms, Thida scavenged for vegetables, river shells and snails to sell after school, bringing in \$0.50 on a good day. None of this distracted her from her studies: she left her house every day at 5am to walk six kilometers to school, and usually ranked near the top of her class.

As Thida was finishing primary school her oldest brother was planning to marry. With no job and no savings, he beat and harassed Thida to come up with \$150 to cover the wedding expenses. In desperation, she turned to her neighbors for loans, but all she could manage was \$112. So she fled, terrified, to Phnom Penh in the hope of escaping her brother's wrath and finding a way to repay her loans. She found work as a servant for the proprietors of a karaoke bar where Lotus Outreach operates a Non-Formal Education (NFE) class.

At just 15 years old, Thida was working 18 ½ hour days for \$30 a month. She was, however, permitted to attend NFE classes with the karaoke bar's female entertainers. This proved to be the sliver of luck that would reverse her fortune.

During a site visit, Thida was identified as being young enough to return to school and was given a bike to cover the nine kilometers to the nearest school. The karaoke owner didn't take kindly to the idea, and threatened to withhold Thida's wages if she tried to leave. NFE's program manager intervened with a few threats of her own - namely a lawsuit for child exploitation. By the end of the month, Thida was on her way home with scholarship materials and a new bicycle.

With her brother living in another province with his new wife and the door to secondary school propped open, life has been much brighter for Thida. "I am very happy with the bike - it's the first ever that my family has owned!" she says. "And with more education I will be able to get a better job, that doesn't have long hours like what I had been doing."

2010 at a glance

- A total of 229 bicycles were distributed to needy girls across our program areas.
- Bikes benefitted the rural poor, former sex workers, orphans and one beneficiary now at university.





As gender equality takes a more prominent role among economists and the international development community, Lotus Outreach is already ahead of the curve with programs like Non-Formal Education and Life Skills that seek to bring women into the workforce. Aimed at sex workers, their children, and those vulnerable to recruitment in the sex industry, NFE offers a viable alternative to women who are desperate for a means to survive.

In Cambodia's patriarchal culture, women are largely dependent on their husbands, fathers or brothers for financial support. Many NFE students have either lost a provider to sickness or death, or have been abused by him. In either case, they are left to fend for themselves, unskilled, uneducated, and often with children to feed.

Rather than distributing aid, NFE teaches a broad set of practical, marketable skills that prime these women for personal autonomy and entry into the workforce.

Over the 12-month course, students learn not only a trade that will be profitable in their community, such as cooking or sewing, but also basic life skills that are hard to come by in the third world: literacy, mathematics, conflict resolution, nutrition, financial management, and HIV awareness and prevention, to name a few.

Women share these skills and knowledge not only with their children, but also with their friends and neighbors, amplifying the program's impact. And because educated women have healthier babies and are more likely to educate their children, this training course is a boon not just to students, but to the next generation.

"In the last 50 years, more women and girls have been discriminated against to death than all the men who died in all the battles of the 20th century " - Nicholas Kristof



and STDs was given to 77 students; 66 were referred for HIV tests

(all were negative).



Phnom Kravanh (Cardamom Mountain) is one of six districts in Cambodia's Pursat province where poverty, lack of access to education, poor health and food insecurity are systematically interrelated. An insufficient diet contributes to widespread health problems among the poor majority, and the cost of poor health pushes many rural households further into poverty. Many of Phnom Kravahn's children suffer from malnutrition, and struggle to study and attend school.

In 2009, Lotus Outreach began coordinating with the Cambodian Organization for Children and Development (COCD) to simultaneously address these intersecting challenges. The Integrated Rural Development (IRD) program works to alleviate poverty and its tragic consequences for 5,167 marginalized villagers living in four villages of Phnom Kravanh's Samroung commune by offering relief in three crucial areas: primary healthcare, access to education, and food security/income generation.

Recognizing that a collapse in any of these elements undermines progress in the others, IRD seeks to shore up potential pitfalls to create a resilient scenario for sustainable development. From day one, the program is rolled out from the ground up - local people are recruited and trained to administer each component. Village health volunteers educate their communities on basic sanitation and preventative healthcare practices in exchange for a small monthly food stipend. Education working groups monitor the scholarship program, and self-help groups administer individual microloans to support village development plans.

By placing ownership of the three mutually supportive branches in the hands of their beneficiaries, Lotus Outreach and COCD are nurturing the confidence and autonomy that sustainable change is made of.

The problems we face today, violent conflicts, destruction of nature, poverty, hunger and so on, are human created problems which can be resolved through human effort, understanding and the development of a sense of brotherhood and sisterhood. - 14th Dalai Lama



2010 at a glance

- Provided 150 families with a much-needed source of sustenance and income by distributing seed packs and farming tools. Since the project's inception in 2009, the families have generated over \$31,000 in cash crop income from our \$4,500 initial investment.
- All 56 scholarship students were promoted to the next grade level at the close of the 2009/2010 academic year.
- As a result of our healthcare advocacy, medical expenses fell 35 percent for families from 2009, and among the target population, 70 percent of households began either boiling water or using ceramic filters.
- Four-fifths of the successful community microfinance groups are led by women.
 Over the year have doubled their total savings to \$2,000.

Case Study Chuin Chim Li

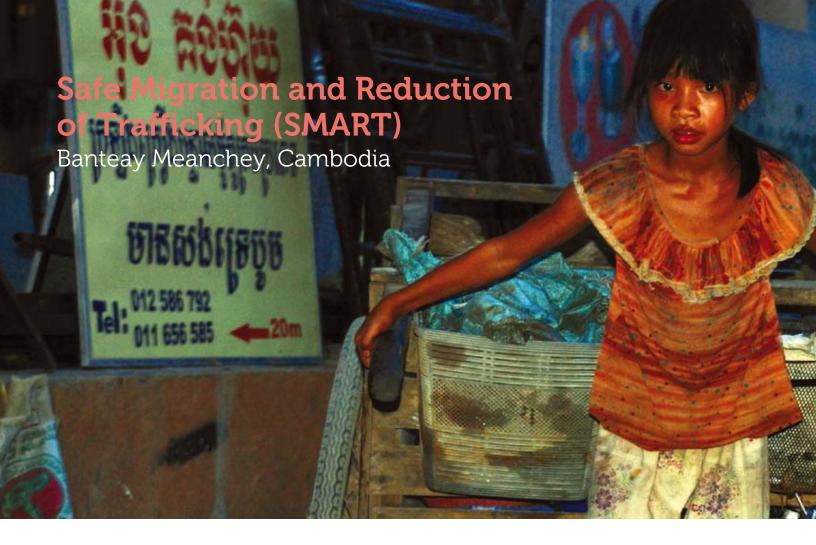
The story of Chuin Chim Li underscores how—when managed properly—little loans can make a big difference. Since joining a self-help group (SHG), Chuin has taken out three loans to begin and expand a mushroom farm. Though her business is thriving, she still struggles to make her payments to the SHG. "We took an outside loan of \$100 from a large microfinance institution to pay medical bills from treating typhoid, and had to sign over our house as collateral," she tells us. In contrast to the SHG loans which have modifiable repayment schedules and do not require collateral, the risk of losing her house means Chuin must put her institutional debt before everything else.

Chuin's eyes filled with tears while telling us that as a widow, she previously couldn't provide her four children with enough to eat. "Before starting the mushroom business we didn't have enough to support the family, food, school and all, we were basically falling down." Today, although finances are tight, Chuin and her family are getting back on their feet. "I've always wanted a better life but didn't know what to do, but now I have this mushroom growing skill and can support my family... why didn't you people come 3 years earlier?!" she asks playfully.

Self help groups represent just one piece of our broader development strategy in Phnom Kravanh. In addition to providing capacity-building and capital assistance to the SHGs, Lotus Outreach also provides children's scholarships, teaches villagers about preventative healthcare practices, builds wells and distributes water filters, constructs hygienic toilets, and supports home gardens and cash crop production.

"You have taken the place of my husband and we are all really grateful and can't thank you enough!" says Chuin. "Please continue to help us for as long as possible, so our children can complete their education. We don't want to go backwards now."





More than 30,000 Cambodian women and girls were deported from Thailand in 2009, indicating the massive scale of illegal migration. Not only are illegal migrants unprotected from exploitation, but many know very little about the circumstances that await them beyond the border. Additionally, they are unlikely to speak or read the local language as many are illiterate even in Khmer.

A 2009 survey conducted on the Thai-Cambodian border revealed that 92 percent of respondents were crossing into Thailand without documentation. Restricted to employment on the black market, the vast majority of Banteay Meanchey's migrants run an elevated risk of abuse: being forced to work under brutal conditions, having wages withheld, and being trafficked or recruited into the sex trade. To make matters worse, only 2 percent of those surveyed were aware of an NGO in the destination country that they could turn to for help.

The SMART project, in operation since 2007, mitigates the likelihood of crisis for undocumented migrants in Banteay Meachey by hosting awareness campaigns at five of the most popular border crossing points in Poipet. In July 2010, SMART

entered its second three-year cycle with several significant adjustments. It expanded to ten more border checkpoints and extended its public awareness strategy to surrounding villages, reaching those at-risk before they opt to migrate.

Secondly, the program now places greater emphasis on leveraging existing local human resources. While continuing to pursue a peer educator component, SMART is also coordinating more closely with a network of like-minded government and non-governmental groups in the area and plugging into a pool of relevant, reliable information sharing on human trafficking intervention and prevention. Moreover, SMART is hosting meetings and training sessions for local authorities and enforcement agents to reinforce institutional capacity and increase participation in anti-trafficking measures.

- Slavery has been fruitful in giving herself names ... and it will call itself by yet another name; and you and I and all of us had better wait and see what new form this old monster will assume, in what new skin this old snake will come forth **
 - Frederick Douglas



- SMART program staff provided information on safe migration and human trafficking to over 2,600 people in the border region, 60% of whom are actively engaging in illegal migration to Thailand.
- Referred 72 illegal migrants to social services including scholarship programs, vocational training and medical treatment.
- Provided immediate medical care to 559 migrants and street children.
- Trained 119 young women as counter-trafficking volunteers who disseminated information on safe migration to 1,400 of their peers during the year.



In Cambodia, an old adage enjoys popular currency. "Women are like cloth and men are like gold," it claims, meaning that once cloth is soiled, it ought to be thrown away for it cannot be cleaned.

Tragically, this chauvinistic attitude still reigns, hovering oppressively over the hopes and dreams of an entire nation's female population. Domestic violence is perhaps the most common consequence of this toxic ideology, afflicting approximately one in four women—the vast majority of whom have nowhere to turn.

Sex trafficking and rape land tens of thousands of Cambodian girls and women in a devastating predicament. Women are perceived as commodities, and not all commodities are equal: sex with young women and girls is believed to boost virility and health, placing the most vulnerable first in line for mistreatment at the hands of traffickers, neighbors, teachers, brothers and fathers. A young victim of rape will often find her trauma compounded by the actions of her family. Virginity is highly prized in a bride, and parents will sometimes resolve the problem of an unchaste, unmarried daughter by demanding that the rapist marry the girl himself.

The LO-supported counseling and reintegration project provides a safe haven for victims of violence. Physical protection and emotional support provide patients the sanctuary needed for recovery. At our shelter in Sisophon, near the Thai border, they are welcome to stay for up to one year, during which time they have access to individual and group counseling, literacy courses, vocational training, life skills classes, legal services and reintegration assistance. Women are encouraged to retake control of their lives - to shed their sense shame and see themselves as survivors, rather than victims.

A slave sold in 1850 would now roughly cost \$30,000 to \$40,000. Today you can buy a 9 year-old girl as a sex slave for \$50 **



2010 at a glance

- Held 285 individual counseling sessions for 96 clients, including 29 victims of domestic violence, 32 victims of rape and 26 victims of human trafficking.
- Nearly half of the clients receiving individual counseling were under 18 years old.
- 44 clients showed sufficient improvement to be referred to the shelter's reintegration program.
- Project staff attended five training programs to enhance reporting, evaluation and administration methods for mental health initiatives.

Case Study

Pich

There is no shortage of brave, resilient women recovering from abuse at our shelter. Yet the story of Pich, who came to us after instigating her own rescue from a brothel, astounded even our trauma counselors.

By 24, Pich was divorced with two children; her husband had left her for one of her friends. Yet another "friend" told her about a job in Battambang, and after a few fruitless searches nearer to home, she traveled there to work in a bar. Before leaving the following day, her acquaintance introduced her to the owner, and for four nights Pich sold beer. The fifth night she had a rude awakening. Her boss told her she wasn't there to sell beer; he expected her to sell sex. Pich then realized that her friend had sold her into a brothel for an unknown sum. Locked in the building with no way out, she was a sex slave.

Yet Pich never forgot who she was. She objected when customers didn't wear condoms or when she was made to service clients while ill. She even tried (unsuccessfully) to escape. But she paid dearly; each time she stood up for herself, she was beaten, strangled, or worse. By the time she reached our shelter, Pich had only two teeth left in her mouth.

To punish her protestations, the brothel owner extracted her teeth, one by one, with a pair of pliers. This happened time and again as Pich insisted on her rights, all the way through thirty teeth. Despite having no means of escape and no reason to hope, Pich kept fighting and finally convinced a customer to let her use his phone to call the police. The police raided the brothel the next day and brought Pich to our shelter.

In addition to receiving trauma therapy, dentures and skills training at the shelter, Pich was provided with legal representation from our partner's attorney. In September 2010, Pich's captors and torturers were sentenced to eight years in prison.

Today, Pich has a positive outlook. Her feelings of anger and isolation have been replaced by optimism, comradery and even activism: Pich recently participated in a Violence Against Women campaign, proudly donning the symbolic white ribbon while passing out leaflets on preventing abuse and exploitation.





A rising tide of evidence points to the central role of women in the fight against global poverty. Consider that while women perform 66 percent of the world's work, produce 50 percent of its food and reinvest 90 percent of their incomes in their families, they earn only 10 percent of the world's income and own less than 2 percent of its land. Two-thirds of the earth's most impoverished populations are women. In the face of such astounding data, women's empowerment can no longer be viewed as anything less than imperative.

Since 2006, Lotus Outreach has endeavored to put Cambodia's most disenfranchised communities on a path out of poverty through the GATE program. By keeping more than 700 bright, ambitious girls in Phnom Penh, Siem Reap and Banteay Meanchey in school with supplies, transportation, food support and dormitory housing, GATE is fostering a generation of smart and capable women.

Each additional year of school will boost a girl's eventual wages by up to 25 percent, but the benefits of GATE extend far beyond increased earning potential and greater competitiveness in the job market. The program targets

populations that are most vulnerable to unsafe migration, trafficking and the sex trade; by keeping them in the classroom, GATE protects these girls from any number of horrors that might otherwise befall them.

GATE pushes back on the suffocating gender inequality that continues to dominate Cambodian society. Confronted with economic shortfall, families are far more likely to withdraw their daughters from school in order to work, believing that investing in their sons will reap greater dividends. Yet having seen the first class of GATE scholars graduate high school last August to join 2 percent of Cambodian women with diplomas, Lotus Outreach is demonstrating year after year that girls are well worth believing in.

When we see the face of a child, we think of the future...but today, there are 72 million children in the world who have had at least part of their futures stolen from them. That is because they've been denied a basic education. 99 - Desmond Tutu



2010 at a glance

- GATE celebrated its first graduating class in history, with 62 GATE scholars in Banteay Meanchey successfully passing their year 12 board examinations to receive diplomas. Of the 86 GATE scholars to take the board exam, 77.5% passed—a rate which eclipses the general pass rate of 64.62% in Banteay Meanchey province overall.
- Nearly 70% of the graduates matriculated into higher education programs.
- 88% of GATE students advanced to the next grade level at the close of the academic year, with many girls topping their classes.
- Reached 14,000 community members through advocacy activities such as youth club performances, literacy campaigns, scholarship workshops and mobile cinemas.

Case StudyMan Sima

Last year GATE saw its first round of 62 girls finish high school, and their commencement ceremony was an unprecedented event in the rural countryside. A window to the possibilities that lie ahead for 2011's graduates can be seen in the progress of 19 year-old Man Sima, valedictorian of her class in 2010. A girl from one of the poorest provinces in Cambodia is on her way to becoming a lawyer, thanks to a \$92 annual scholarship from GATE beginning in grade 10. Today Sima is studying law at Phnom Penh University, supported by Lotus Outreach's continuing education project, GATEways (GATE Women and Youth Scholarship Fund - see page 6).

GATE literally changed Sima's life. Applying for a scholarship was a last desperate effort to remain in Cambodia - at her parent's urging, she was planning to follow several cousins who had migrated to Malaysia for work. "If I had never gotten a scholarship, I would be in prison in Malaysia now," says Sima. "My cousins who have been working there went to prison where they were beaten with electrical wire because they didn't have visas. Now they are not only paying off the debt they incurred to travel there, but have to pay off the bail agent too."

The dangers of migration for young women in Southeast Asia go well beyond being arrested. In a region that incubates a thriving sex industry and which UNESCO estimates is accountable for one-third of the global human trafficking trade, a teenage girl traveling abroad for work would be lucky to end up in prison, rather than enslaved in a brothel.

Yet many Cambodians, especially the poor and uneducated, have little notion of how perilous migrating can be. Because of GATE, today Sima is learning happier lessons, like managing her life away from her parents and taking greater responsibility for her own learning. "In high school, students only learn what teachers teach, but at university we need to do research," she says. "We can't just wait for the teacher to explain everything."

Perhaps most inspiring is the fact that Sima hopes to pay her good fortune forward. "I want to get a good job as a lawyer so I can contribute to helping the younger generation financially and spiritually," she shares.



Introducing India...

India is a land of contradictions. It is houses the ancient and modern, myth and sober reality, opulence among the wretched. Following a decade of robust economic growth, nearly half of all children under the age of three in the world's second most-populous nation are malnourished. Fewer than half are vaccinated against illnesses long since eradicated in the West, like measles, diphtheria and polio. Twenty percent of children under five years old who die across the globe each year, die in India.

Population density compounds the spread of disease and the stagnation of poverty; dizzying diversity stymies remedies. With barely one-third the land mass of the United States, India is home to more than three times as many people. It lists 15 official languages, excluding widely spoken English and Hindi, and hosts one of the most dynamic religious melting pots in the world. Adding yet another layer to the seemingly unconquerable chaos is the caste system, which continues to divide and determine the fate of hundreds of millions of people.

It is the smallest members of Indian society who tumble to the bottom where they carry the weight of widespread penury on their backs. In nearly every economic area of consequence - agriculture, textiles, rock quarries, brick kilns, hotels, domestic servitude - children are found at work. Government figures confirm 12 million children under the age of 14 go to jobs instead of school; various child advocates put the number between 60 and 100 million: half of all children in the age group. It should come as no surprise that 35 percent of the world's illiterate reside in India, and this figure is expected to reach 50 percent by 2020 barring a drastic shift in policy.

Lagging woefully on major development indicators, India recently furnished its people with a powerful instrument that could underpin sustainable development across all castes. The Right to Education Act (RTE) of 2010 guarantees free and compulsory education for all children 6 to 14 years. It also makes India one of the few countries to place the onus for ensuring enrollment and attendance on the government rather than on parents.

Implementation of the watershed law faces formidable obstacles: millions of illiterate, lower caste citizens have never heard of it, enforcement agencies are incomplete and ill-equipped, endemic corruption in schools continues to hinder enrollment and attendance, and most difficult of all, the specter of poverty continues to channel millions of children to factories and fields.

The task to meet the UN's Millennium Development Goal of universal primary education by 2015 is gargantuan. Whether or not it is met, normalizing formal instruction for India's burgeoning population is one the most efficient means for bridging the gulf that severs the masses from prosperity. The passage of RTE alone does not bestow a sea change, but it arms children's rights and education advocates with a federal mandate for their missions. Lotus Outreach is making the most of what RTE has to offer.



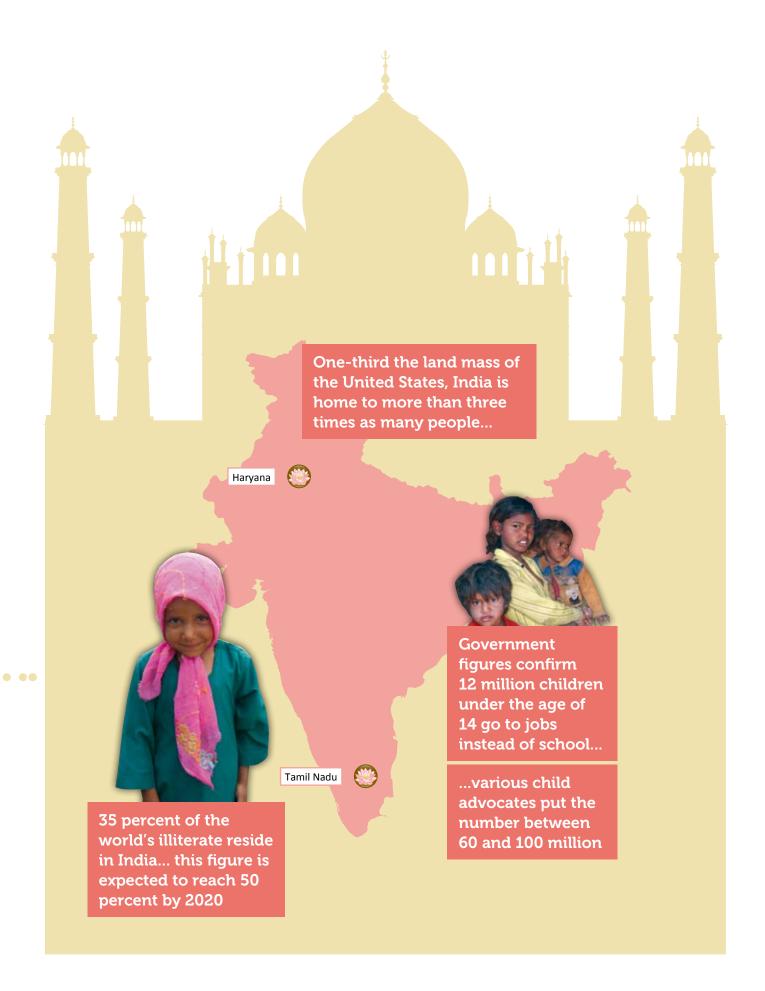
Capital
New Delhi (capital)
21.72 million

Largest city
Mumbai
19.695 million

Total area 3,287,263 sq km

Population 1,189,172,906 (July 2011 est.) GDP - per capita \$1.477 (2010 est.)

Population below poverty line 25% (2007 est.)





The Lotus Education As a Right Network (LEARN) leverages both national legislation and grassroots advocacy to get children enrolled in school and to verify that teachers show up for work in the most substandard classrooms in India, thereby addressing the root causes of a highly corrupt and dysfunctional system. The program operates in rural Mewat, one of the country's most destitute districts despite being located in the relatively affluent state of Haryana. Its residents, a Muslim minority called Meos, suffer a multitude of afflictions: lack of infrastructure, high maternal mortality rates, sweeping illiteracy, and a flatlined economy.

LEARN navigates various legal channels to compel education authorities to comply with Indian law. Just as importantly, LEARN also fights on behalf of Mewat's school-aged children for the free education promised by India's Right to Education Act by empowering the community as a whole. Mobilizing village elders, parents, officials and even religious leaders to become activists for their children's rights, the program teaches citizens not only the value of formal education but also civic engagement and social cohesion.

The program's fourth year saw official recognition of its work as well as local participation continue to grow. LEARN's project manager was appointed by a national watchdog for children's rights to represent the entire state of Haryana as an advocate for education. The same group chose our field team to collaborate on a government-sanctioned social audit to catalogue conditions in Haryana's schools. Moreover, thousands of parents lined up at our team's urging to get reimbursed for illegally-charged school fees this year, representing a sea of change in the relationship between citizens and educators.

•• Indeed, [illiteracy] tends to be a persistent problem for people at the bottom of the ladder, whose rights are often effectively alienated because of their inability to read and see what they are entitled to demand and how. The educational gap clearly has a class connection. •• - Amartya Sen





- Instigated and oversaw the return of \$3.2 million in illegally-charged school fees.
- Official enrollment figures nearly doubled from the previous year with 31,001 children enrolled in 2009 and 57,556 enrolled in 2010.
- Held 135 community meetings across two blocks drawing 4,463 attendees, with women showing a strong presence.
- Four sport day events were held over the year to enhance community appreciation of public schooling. Each event was attended by 400 to 500 children.
- Meo villagers submitted more than 100 affidavits authorizing our field team to approach the High Court on their behalf.





Mewat, Haryana, is largely populated by the Muslim Meo tribe whose misfortunes clash sharply with more affluent surrounding areas. With a female literacy rate of only 2%, Mewat ranks among the most regressive districts in terms of girls' education in all of India. The scarcity of secondary schools combined with conservative local attitudes toward female mobility has terrible consequences for an adolescent girl in Mewat: if there is no school in her village, she is forced to drop out.

The immediate resource gap occurs in the form of transportation as few villages have secondary schools. Because allowing a girl to travel alone is widely believed to be imprudent, female education typically ends at the primary level. This low ceiling feeds into a downward spiral for the female population by diminishing the return on a girl's schooling, increasing the likelihood of her ending up working in the fields or at home.

The Blossom Bus bridges the chasm between parents' legitimate concerns for their daughters' safety and a girl's right to education. By providing pioneering families with a bus and a parent chaperone to safely deliver their daughters to secondary school, the program helps delay the traditional Meo institution of childhood marriage and early childbearing. Giving these girls the chance to develop a sense of autonomy before motherhood increases their capacity for social participation and leadership. As such, the Blossom Bus acts as a powerful corollary to LEARN (see page 22), our broader education and legal advocacy program in the area. Until proper secondary schools become available in all villages, the Blossom Bus aims to rescue girls at this transitional stage, leading the way in establishing female education as a norm rather than an anomaly.

It is mandatory for every Muslim to ensure proper education of his daughter at any cost ** - Fatwa issued by an Islamic seminary in Lucknow, India



2010 at a glance

- Of the 46 girls to ride the Blossom Bus, 40 percent had been forced to drop out and were returning to school.
- Attendance among the group during the pilot period was 100 percent - far higher than local girls at the same schools not riding the bus.
- Thanks to two buses making two trips each morning and afternoon, all 46 girls in the program were promoted to the next grade and will be returning to school next fall.

Case StudyMurshida

The parents of 11 children, Farooq and Amna were planning marriages for four of their daughters - Farana, 15, Ruksana, 14, Murshida, 13, and Farzana, 12. With the girls' completion of grade 5, the highest level of schooling available in Babupur village, marriage was the safest option to ensure the girls were properly provided for. Responsible parents in Mewat rarely permit their daughters to commute several kilometers to school unattended. Walking through empty fields, young women may be subject to harassment or other undue attention.

Yet these four young women had a taste of the upper schooling available to their brothers. Until their father found a job driving a truck that kept him away from home, he had accompanied the girls to an upper primary school in a neighboring village. Farana advanced as far as grade 8, but her father's employment signaled the end of her and her sisters' academic careers since he could no longer escort the girls to school each day.

Murshida dreamed of reaching grade 12 just like her eldest brother. When White Lotus Officer Suraj Kumar approached her mother in April about sending her and her sisters back to school, Murshida's heart leaped. Although her marriage was being planned, it hadn't yet taken place - there was still time to take another path. Her mother refused, but Murshida spoke up in support of Suraj's appeal: all four sisters wanted badly to return to school.

Suraj proposed supervised transportation, even allowing for one person from the family to serve as the chaperon. Learning that the organization offering transportation was the same that had been working in the area over the previous three years to improve the conditions in schools, Farooq gave his consent. The work of White Lotus was esteemed in the community, and he felt safe giving its new program a chance. "That was the most memorable day for the four of us," Murshida tells us.

Since fall, Murshida and her three closest sisters have traveled to school together on the Blossom Bus, and feel confident they will each at least reach the tenth grade. Best of all, says Murshida, is that none of the four will be pressured to marry before she is 18.





Stone quarries in southern India's Tamil Nadu state draw unskilled, lower caste laborers in search of work from across the region. Traveling great distances, migrants typically arrive with their families, or even entire communities, in tow. Impromptu settlements sprout up with little or no access to clean water, sanitation, or health services.

For the children of these families, education is an extraordinary challenge. Although public schooling is provided for free, they quickly fall behind and frequently drop out. Lotus Outreach's partner, Spirit in Life, has identified a root cause of their difficulties - stone quarry children typically have no adult at home to turn to for help. More often than not, parents are illiterate and even less educated than their children.

Buddha Smiles, a network of local volunteer teachers, was developed to assist struggling primary school students with free after-school tutoring. For less than \$15 per student per year, the program not only reinforces formal teaching of basic literacy and mathematics, but also seeks to imbue the program's children with broader concepts such as critical thinking, conflict-resolution, and human rights.

This inexpensive, nimble program generates a rewarding bond for the children and mentors alike, who are then able to pass an appreciation of education on to a population that most stands to benefit from it. Pushing back against class discrimination, Buddha Smiles prepares these disadvantaged children to compete with those from more privileged sectors.

If we are to teach real peace in this world, and if we are to carry on a real war against war, we shall have to begin with the children ** - Mahatma Ghandi





Of the earth's poorest classes, migrant laborers are arguably the most pitiable. Besides living from one day to the next, struggling for each meal, and lacking access to clean water, sanitation and other infrastructure, migrants also live without a home or stable community, and are often excluded from local government incentives. They uproot their families to live in unfamiliar places among often unwelcoming people where they remain overlooked, ignored and forgotten.

Child labor is commonplace among migrant families, and almost equally so throughout India. The nation has the highest number of child laborers in the world with some estimates placing the number of children going to jobs instead of school at more than 100 million.

In the course of our right to education advocacy in Mewat, it came to our attention that hundreds of out-of-state children were laboring in the district's 30 brick kilns. Operational eight months out of the year, the sweltering kilns draw families from across India who are unable to support themselves

in their home communities. Unable to leave their children behind or to afford to send them to school once in Mewat, parents take children as young as five on their grueling 12 to 16-hour work days.

The Child Laborer Scholarship program was born to extend the benefits of education advocacy already underway in the area to migrant children. Along with scholarship materials, Lotus Outreach began providing transportation in the form of locally-owned minivans to see the children across several kilometers of narrow, heavily-trafficked roads that lead to schools, assuring their parents that they would reach schools safely. As a result, today hundreds of enthusiastic, first-generation students are learning the rudimentary skills they need to escape a life of endless migration and subsistence labor.



2010 at a glance

- Eight locally owned and operated vans transported over 400 children from 15 brick kilns to five primary schools.
- Because of their exemplary attendance, these migrant children now occupy positions of favor with teachers.
- Provided new school supplies, book bags, uniforms and shoes to brick kiln children as needed.
- Why do we have to pay the price of poverty? We didn't create poverty, adults did ** - A twelve-year garment factory

worker from Bangladesh

Case Study Kamlesh

Migrant laborer Sukhpal has come to work in the brick kilns of Mewat from Uttar Pradesh for each of the last 12 years. His eldest daughter is married, but two of his younger children accompany him on his annual journey to Mewat. When Lotus Outreach officers approached him about enrolling his children, Sukhpal had mixed feelings. "I was very happy as I felt it was important that my son be educated, but I admit I didn't want to lose another income," says Sukhpal. He decided to split the difference by keeping his daughter at work with him. As is all too typical among the rural poor, Sukhpal felt it wise to support his son's education over his daughter's.

A few days after eight year-old Neeraj began taking the Lotus van to school, 12 year-old Kamlesh shyly approached the driver and asked, "Can I also go to school?" Familiar with Lotus Outreach's mission to provide access to all school-aged children, the driver made our officers aware that Kamlesh had been left behind.

Asked why Kamlesh was still working when she was very keen to go to school, Sukhpal explained that the loss of her income would be very hard on the family. LO Officer Suraj Kumar impressed upon Sukhpal that educating a daughter was just as important as educating a son, and that Kamlesh would benefit equally, if not more, from formal schooling. Sukhpal agreed to send her.

Several months later, with Kamlesh excelling at her studies, Sukhpal shares that he is "very happy the Lotus people convinced me to send her, as she's the only child among the 30-odd families at our brick kiln who can read English. This is a matter of pride for our whole family."

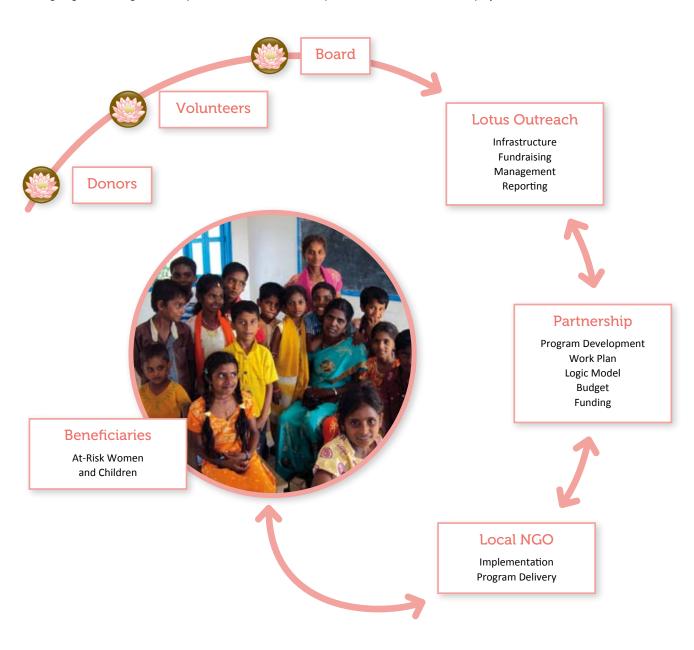
The illiterate parents who migrate to work in Mewat's kilns are very happy to have their children enrolled there, since the quality of education is better than in Uttar Pradesh. Yet even when Sukhpal returns home during the brief rainy season, his kids insist on going to school. "The children have become so involved with their studies, they don't want to miss school even at home!"



Our Approach

Grassroots Collaboration

Our unique approach to tackling poverty and its tragic consequences involves working with local grassroots organizations which possess the deepest understanding of their communities' needs and challenges. And while we believe that change spreads fastest from the ground up, we are also aware that grassroots organizations in the developing world are confronted by a unique set of challenges including lack of money, infrastructure, accountability measures, and performance management techniques. Lotus Outreach is thus working to empower our local partners by providing critical, on-the-ground support in the areas of funding, program design, performance management, technical support, training, and data collection and analysis, while giving them enough autonomy to ensure the local ownership and cultural relevance of each project.



Our Beneficiaries

Lotus Outreach seeks to empower both its partners and beneficiaries to become self-sufficient. Lotus Outreach has, at its core, a simple value and principle—to enable local resources to flourish so people can meet their own needs. We only seek to change the inequity between those who can manifest their own solutions and those who cannot.



Children

Children are the most vulnerable members of our global community, and it has been demonstrated that working with them provides the greatest long-term, sustainable benefits to communities in need. Poverty is nearly always transmitted from one generation to the next—a devastating cycle that must be broken. Children who are afflicted by poverty are substantially more likely to grow into adults who lack the education, resources and empowerment to give their children more hopeful futures. Consequently, Lotus Outreach operates on UNICEF's principle that "investments in children are the best guarantee for achieving equitable and sustainable human development."



Women

The connection between empowering women and improving the lives of children is now widely recognized by the international community. As stated in UNICEF's 2007 State of the World's Children report, "healthy, educated and empowered women have healthy, educated and confident daughters and sons." With this important connection in mind, Lotus Outreach also specifically targets girls and young women in order to achieve this "double dividend" of social change.



Vulnerable Communities

Lotus Outreach programs also target children in communities that are among the poorest and most vulnerable. Lotus Outreach programs are deployed in regions where both the needs are most pressing and where the organization has the ability to operate effectively. Though there are several large, highly effective NGOs and non-profits operating in Asia today, Lotus Outreach is unique in that it works to 'fill the gaps' that larger organizations leave behind. Lotus Outreach specifically targets underserved populations in isolated regions in order to ensure that it does not duplicate efforts already underway while reaching the people most in need, such as the rural poor.



Local Partners

Recognizing that change spreads fastest from the ground up, our projects are delivered at the grassroots level by local people. Lotus Outreach carefully selects smaller partners who have demonstrated a capacity to do excellent work and could benefit from both financial assistance and program development. In addition to keeping its programs culturally relevant, this model also allows Lotus Outreach to have a much greater impact at a lower cost. Lotus Outreach follows the principle of 'a hand-up, not a hand-out' (change not charity) and aims to build local capacity in the areas it serves.

Our Local Partners



The Center for Information Systems Training (CIST)

CIST is the result of a collaboration between Enfants du Mekong, a French NGO that sponsors vulnerable children in Southeast Asia, and Accenture, a global consulting and technology service provider. Its founding vision is to give disadvantaged youth a means to escape poverty through specialized education. Specifically, it seeks to train them to be both skilled technicians in the rapidly growing field of information technology and savvy professionals able to respond to the needs of thriving companies.



Cambodian Organization for Children and Development (COCD)

COCD is a local NGO registered with the Royal Cambodian Government's Ministry of Interior. Its vision is to see a society where all people have equality, where all children are free from all forms of abuse, and where children are protected, educated, cared for, and have their rights respected. COCD's mission is to improve the social welfare of vulnerable children, their families and communities through the implementation of integrated development and empowerment projects.



Cambodian Women's Crisis Center (CWCC)

CWCC is a local Non-Governmental Organization (NGO) registered with the Royal Cambodian Government's Ministry of Interior. Its primary purpose is to provide assistance to women and children who are victims of domestic violence, sexual abuse and trafficking. Its mission is to eliminate all forms of violence against women and to work toward creating a society founded on equality, peace and development that will achieve happiness for all.



Kampuchean Action for Primary Education (KAPE)

Founded in 1999, KAPE is a grassroots NGO that seeks to improve both the quality of, and access to, basic education for children living in Cambodia. The agency was founded by local stakeholders for the stakeholders, representing a unique experiment in stakeholder driven development. KAPE also seeks to assist the Cambodian government to realize recently proposed educational reforms that focus on increased access to education by vulnerable groups.



Khemara

Khemara was the first Non-Governmental Organization for women established in Cambodia. It was founded by Mu Sochua, the former Minister of Women's and Veterans' Affairs. Khemara delivers Non-Formal Education to sex workers and to impoverished youth who are at risk of entering the commercial sex industry. Classes are taught by Ministry of Education-trained teachers and cover a wide range of subjects including numeracy, literacy, life skills, income generation and bill paying, how to avoid credit schemes, embroidery, sewing, gardening, HIV prevention and sanitation.

Spirit in Life Movement

Founded by Indian University Professor and deeply engaged social worker Dr. Manivannan, Spirit in Life is a humble grassroots initiative that aims to build a peaceful, nonviolent and just world. Buddha Smiles is a project of the Spirit in Life Movement, a registered Public Charitable and Educational Trust in India. Buddha Smiles is a secular initiative that draws its inspiration from Gandhian philosophy of Sarvodaya (Welfare of All) which recognizes that moral, cultural, social, economic and political dimensions are all necessary components of holistic development.



White Lotus Charitable Trust

Founded by Khyentse Norbu in 1993, White Lotus works with socio-economically weaker sections of society with special emphasis on women and children—irrespective of caste, creed, culture and religion—toward the sustainable socio-economic development of individuals, the family and the community through various interventions to raise the standard and quality of their lives.

Financial Snapshots

Assets

Cash	
Checking	5,376.87
Savings	162,312.25
Reserves	55,000.00
Total Cash	222,689.12
Accounts Receivable	94,540.42
Other Short Term Assets	
Merchandise Held for Sale	260.00
Undeposited Funds	4,322.55
Total Current Assets	321,812.09
Total Assets	321,812.09

Statement of Activities Jan 1 - Dec 31, 2010

Revenue

Contributed Support, Individuals	147,568.17
Corporate Grants	125,642.00
Non-Profit Organization Grants	130,289.50
Gifts In-Kind	263.00
Net Online Sales	16,012.40
Interest	256.21
Total Revenue	420,031.28
Cost of Goods Sold Online	11,518.65
Net Revenue	408,512.63
	400,312.03
Expenditures	408,312.03
Expenditures Programs	294,550.56
•	· · · · · · · · · · · · · · · · · · ·
Programs	294,550.56
Programs Fundraising	294,550.56 61,950.37
Programs Fundraising Administration	294,550.56 61,950.37 7,227.37

Liabilities & Fund Balances

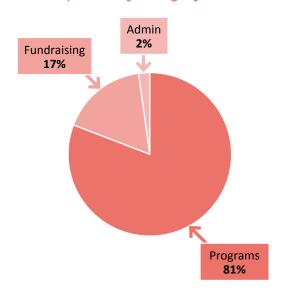
Liabilities

Accounts payable	42.00
Total Liabilities	42.00
Retained Surplus	
Restricted—Use	53,381.19
Unrestricted	223,604.57
Surplus (Net Income)	44,784.33
Total Retained Earnings	321,770.09
Total Surplus & Liabilities	321,812.09

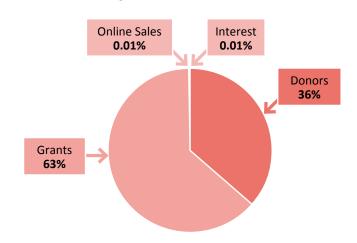
Fund Balances Years' End 2009 - 2010

Fund Balance Dec. 31, 2010	321,812.09
Fund Balance Dec. 31, 2009	276,985.76
Add 2010 Surplus	44,784.33
Add 2010 Liabilities	42.00
Fund Balance Dec. 31, 2010	321,812.09

2010 Expenses by Category



2010 Revenue by Source



Principles & Practices

Principles and Practices of Financial Management

Lotus Outreach has adopted and adheres to the most current practices of financial and performance accountability. We want every stakeholder to rest assured in the transparent presentation of our fund management. The following are some of the most important principles we practice:

- Lotus Outreach operates in accordance with an annual budget that has been approved by the Board of Directors prior to the beginning of each fiscal year.
- Lotus Outreach maintains financial reports on a timely basis, accurately reflecting the financial activity of the organization, including the comparison of actual to budgeted revenue and expense.
- Lotus Outreach subjects its financial reports to review annually.
- Quarterly financial statements are provided to the Board of Directors. The statements explain any significant variation between actual and budgeted revenues and expenses.
- Lotus Outreach has written financial policies.
- Lotus Outreach may budget for a deficit from time to time but does not incur persistent or increasing operating deficits.

Charitable Donations and Giving Guidelines

Lotus Outreach follows all laws, rules and regulations concerning charitable giving and receiving. We believe it is important to conduct our giving and receiving with as much transparency and accountability as possible. We want to assure every donor that each dollar is collected and distributed in a manner compliant with pertinent U.S. and international law.

Charitable Donations and Contributions to Lotus Outreach

- Lotus Outreach will accept only unrestricted contributions and contributions for projects approved in advance by Lotus Outreach. While Lotus Outreach welcomes suggestions from donors about our use of funds, donor suggestions are not binding on Lotus Outreach. In all cases, Lotus Outreach will, as required by law, retain full discretion and control over the use of contributed funds, including the right to withdraw approval of a previously approved project if necessary so as to insure that all contributions will be used or are being used to carry out Lotus Outreach's functions and purposes.
- Lotus Outreach cannot accept funds that have been earmarked or restricted by the donor for use by a
 particular foreign organization or person.

Charitable Giving

- The Lotus Outreach Board of Directors reviews and approves all charitable giving abroad and retains full
 discretion and control to ensure that partners are using funds for the stated purpose.
- Foreign charitable partner agencies submit to regular financial and narrative reporting that assures Lotus
 Outreach funds are being spent on the stated purpose formally approved by the Board of Directors.

Our Team

Chairman of the Board

Khyentse Norbu

Executive Committee

Patrick Gauthier, President
Patty Waltcher, Vice President and President-elect
Ed Malley, Treasurer
Agam Patel, Secretary

Board of Directors

Marlow Brooks
Angie Dillon-Shore
Kathryn Gessner
Cara Goldberg
Germaine Hoston, Ph.D.
Julia Booth - President, Lotus Outreach Australia
Valerie Chou - President, Lotus Outreach Hong Kong
Jacqueline Chow - President, Lotus Outreach Society Canada
Penelope Tree - President, Lotus Outreach United Kingdom

Ex Officio Members

Michael Fritzsche Patrick Jacqueline Dr. Mila Eche Regina Kaczmerick

Staff

Erika Keaveney, Executive Director Glenn Fawcett, Executive Director of Field Operations Raksmey Var, Country Representative - Cambodia Suraj Kumar, Program Manager - India Rachel Curtis, Development Manager

Communications and Development

Michaela Haas, Media and Public Relations
Krista Lundgren, Media and Public Relations
Maura Ginty, Webmaster
Pat Armstrong, System Administrator
Kristen Jourdonais, Online and Social Media Advisor
Stephen Mortimer, Graphic Design
Susan Rose, Graphic Design
Andrea Murphy, Graphic Design
Emily Hill, Community Outreach
Marina Viscun, Community Outreach
Melissa Wierman, Community Outreach
Allison McCurdy, Event Planning
Erin Mullooly, Event Planning

Our Supporters

We are immensely grateful to our individual donors, foundation and corporate funders, in-kind donors and volunteers for your support and partnership. You make the work of Lotus Outreach possible and your continued aid is invaluable as we further our mission and expand the reach and benefit of Lotus Outreach programs. Your generosity is a lifeline for the children we serve.

There are many ways to support Lotus Outreach, including:

- Visit www.lotusoutreach.org and click 'Donate Now'
- Gifts of stocks, bonds and other appreciated assets
- Enrolling Lotus Outreach in your employer's matching gifts program
- Honoring someone with a gift in their name
- Making a gift by bequest



Contributors over \$1,000

Michael Allen

Anonymous

Marlow Brooks

Richard Chang

Valerie Chou

Judith Cole

Eileen Fisher, Inc.

Melinda Farrelly

Timothy & Kristine Hennessy

Jason Kaufman

Anne & Peter Meehan

Hans-Georg Meschede

Peter Richter

 ${\it Sales force.com}$

Shiwa Shadden

Shopkick Inc.

Theow Tow

Lynda Weinman

Foundations

Buddhist Global Relief

GlobalGiving Foundation

The Independent Pilots Association Foundation

The Material World Charitable Foundation

Tarsadia Foundation

In Kind Donors

Sibet Hyder Alspaugh, M.A., MFT

Con Pane

CRAC San Diego

Cupcakes Squared

Dana Dean Optometry

Dulce Handbags, Shoes & Accessories

Friestedt International, Inc.

Jacobs & Spadea

JOL Salon

LAVA Fitness

LBL Health Solutions

Jane Li

Liz Lozada

Lululemon

Connie C. Madden

One Hope Wine

Point Loma Outfitting

Recreational Music Center Robert Cromeans Salon

Sail Ho Golf Club

Salon Tonic

San Diego Ballet

San Diego Gymnastics

Sharon McEfee's Skin Care

Solare

The Bar Method San Diego

Two Chicks and Co.

U.S. Karate Academy

Warp 9 Imaging

Anna Woerman

Zoological Society of San Diego

Contributors

Catherine Acin Hector A. Acosta Joan Adams Kathryn Alexandrei Jimena Alonso Holly Amaya Cynthia Anderson **Charis Anton Atchison Family Trust** Eamon Barisone John & Susan Barisone Sheila Bascetta Michelle Basnight Jessica Beattie Kelly Becker Lisa Belott C.G. "Mike" Bender Allison Bishop Frica Boddie Martin Boise Helen Bonzi Sarah Bowen Christina Bremer Michelle Bridwell Fleanor Bristol Roy Buchanan Stephanie Burns Liliane Busby Jennifer Byrne Julie Caldwell Alvaro Luis Campos Lisa Capell Katherine M. Carruthers Lapo Cavina

Taison Chang Ching Lan Chen Rosemarie Chen Ginger Chih Chen Ching Lan Anna Chuen Gina Collins Lillian Concordia Olga Contreras

Shevla Costa Jennifer Cotton **Sharon Crayton Courtland Creekmore** Angela Crivello

Alyssa Dacut **Bruce Dal Santo** Charlotte Davis Kris De La Barrera Shirin Delalat

Mae Desmond Li Dewen Steve & Kerry Dibartolomeo

Laure Dillon

Minh-Ha Do Tien-Sun Donn **Kelly Douglas** Helen Downs Melissa Eckmann

Jill Edmonson Brian Eichman **Heather Elsey** Robin Fenick Jessica Findlay FirstGiving Cheri Fleming

Walter Fordham Amanda Fox **Courtney Gant** Kateri Garcia Patrick Gauthier Franck Genson Kathryn Gessner

Patricia Gessner Kristi Gochoel Cara Goldberg **Daniel Goldstein** Yazel Gonzalez GoodSearch Google

Tracy Green Michaela Haas Erika Hall Ray Harth Yeshe Hegan Chan Hei Jean Hendrickson

Jeffrey Granett

Jennifer Hogan Imran Hossain Germaine A. Hoston

Nancy Hoy Jane Huang YunJu Huang Zihyuan Huang Michelle Huma Jeffrey Irelan Sindee Irelan Lynda Isenberg Frank Jen Lori Jerman Viwena Jim Feng Jin Sukha Jnana Aimee Jobe Helen Jones

Kyle Jones Kristen Jourdonais JustGive.org Matthew Kameron Stephanie Kane Kat Karrat

Natalie Keam Erika Keaveney Linda Keavenev Lisa Keaveney Melissa Kelley Gaelle Kennedy Jason & Jennifer Kiefer

Gabriele Klentze Birgit Koehler Brenda Kofford Elizabeth Krainer Lihshin Ku Marlene Kurz Beatriz Lado Cherry Lai

Libby Levine Rinchen Lhamo Amy Lindsay Andrew Logan Natalie Lohman Rosann Lorenz Valerie Lorig

Liz Lozada Samantha Luchans Krista Lundgren Yuan Mei Ma **Ed Malley**

Carolyn Mandelker Leon Marcus Liza Matthews Jim Mazza Katie Mazza Sandra McCann

Allison & Michael McCurdy Matthew McCurley Andy Meas Henia Miedzinski MissionFish

Sole Molander

David Moore Jackie Morgner Gloria Morisaki Omer Mozaffar Erin Mulloolv Andrew Munro Kaitlin Murphy

NAAAP-San Diego Lucy Needham Lucy Newhouse Erika Nicolalde Colleen Nolan Barbara Noonan Olivia Nouskajian Luciana Novaes

Maureen O'Brien & Roy Creekmore Chin Hwee Ong

Carol Parker Sapna Patel **Shalom Peres** Marianne Perignon Penny Peterson Phi Alpha Delta

Law Fraternity Alison Phillips Michael & Shou-Jou Piston

Maurizio Pontiggia Kathleen Pratt Andrea Pucci Jody Pyatt Nannette Ray

Susanne & Moritz Regnier

Mimi Roukoz Bek Sanicki Owen Sayre William E. Scheffer Karin Scherer Phalgoon Shah Sylvie Sills **Graham Simmons** Ng Siok Hwang Kerry L. Smith **Natalie Smith** Janice Speas Michael Speraw Sharon Spivak Steve Splendorio Alison Squier Clarissa Stanley

Brian & Peggy Stevens Erin Swain

John Swearingen Natalie Swentek **Erdal Tansev** Paul Tatsuta Sera Thompson Vicky Thompson Stacey Thornton YuChien Ting **Yuling Ting** Carole Trilling Madeline Tsui Fred Tufts Rocio Vega

Annabell Von Arnim Patty Waltcher **Trudy Walter** Fangiie Wang Rebecca Wasserman Brittni Weaver Erik Wegweiser Lauren West Stephanie West

James White

Lora White Julie Wilhelm Vonna Wilkins Karen Wintemute **Audrey Yang** Helen Yuan Bo Zhang Dave Zwieback Paula Breymeier

LOTUS OUTREACH