

Multiplying Our Success

ANNUAL REPORT

2016





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CHAIRMAN'S LETTER



It is with great joy and gratitude that I share our 2016 accomplishments.

2016 has been a transformative year for COAF. We started the implementation of our SMART programs in six villages and commenced the construction of our SMART campus. The SMART model is designed to bring remote village communities to the world's stage through education and technology. We expect our SMART model to make sustainable improvements across all areas of rural Armenian life. Today, a total of six SMART Rooms and two SMART Safe Rooms are fully operational, providing access to the latest technologies and serving as an oasis of education and entrepreneurship.

Based on our successes, our objective is to expand our scope to cover most of rural Armenia.

During 2016 we made substantial progress advancing education and improving health in our rural communities. We were proud to partner with 32 schools in 29 villages to implement after-school clubs and summer camps. With the

help of our medical professionals, we successfully instituted dozens of medical, dental and mental health programs benefitting children and their families.

Thirteen years ago, I founded the Children of Armenia Fund to improve every aspect of life in our village communities populated with high-potential young people. We use education as our springboard for success, we have found opportunity amidst tragedy, growth amidst destruction and hope amidst what would have been an undefined future.

Today in 2017, we celebrate our commitment with the first generation of COAF graduates, a generation of healthy, educated, entrepreneurial young adults committed to reshaping Armenia. They represent the more than 67,000 people we have helped since inception.

In closing, I thank you once again for the unwavering generosity and ongoing support that improves the lives and guarantees the futures of all of Armenia's children.

*Dr. Garo H. Armen
Founder and Chairman*



SECURING THE FUTURE OF ARMENIA'S CHILDREN AND HELPING TO FULFILL THEIR TRUE POTENTIAL

OUR MISSION

Children of Armenia Fund (COAF) is a non-profit, non-governmental organization that uses community-led approaches to reduce rural poverty.

We began our work in 2004, launching with one small village and eventually expanding to **44**. Utilizing our innovative cluster village model approach, we have helped more than **67,000 people**.

PROGRAMS

With the help of our generous supporters, we employ strategic programs in the areas of **education, healthcare, child and family services, community engagement and economic development**.

WHY RURAL ARMENIA?

Due to the hardships of rural life, Armenians are **emigrating in large numbers**. Village communities **lack adequate healthcare, economic, educational and social opportunities**. Children, together with their families, have the potential for revitalizing the fabric of community life. COAF's work transforms the lives of rural children and their families, and in doing so, helps build a prosperous future for Armenia.

WHAT MAKES US UNIQUE?



COAF's Founder/Chairman and Board of Directors underwrite all administrative costs. This means that every dollar donated by our supporters goes directly toward funding COAF programs and projects.



Education is the lynchpin of advancement. Our programs utilize the most up-to-date educational modules and technologies.



We are proud to work with local partners and support the economy of the region. Our 40-person staff and over 150 local contractors, work on site, side by side with village residents, consultants, community leaders and local government officials.

2016 AT A GLANCE

With a focus on youth empowerment, we expanded our coverage to reach 44 villages

Based on its unprecedented success, COAF continued to establish **SMART Rooms** covering more villages in 2016. These serve as community-based facilities that provide access to COAF programs through the use of technology and telecommunications, as well as English self-learning platforms, such as the Rosetta Stone software. The SMART Rooms test out the curriculum of the SMART Initiative before expanding it to the SMART Campus. The innovative programs of the SMART Campus will target to serve 150,000 people.

Two SMART Safe Rooms were established in Tavush - a region where civilians, including children, are under the constant threat of hostilities from Azerbaijan. SMART Safe Rooms provide an area of refuge for children and adults, along with drinking water, electric energy, illumination and ventilation.

The **SMART Center** construction is underway in the region of Lori in tandem with COAF's core programs in healthcare and education. SMART Center is the largest project in rural village history of Armenia.

In addition to all of the new developments, we continued our work in Armavir and Aragatsotn regions. In Tavush and Shirak, we expanded to include our programs in the four cluster villages of Berdavan, Zorakan, Ptghavan and Archis. In Artsakh, we provided short-term crisis interventions.

Thirteen new communities from Shirak and Tavush regions joined the COAF beneficiary community pool, bringing the overall number of areas we support to **44** communities in five regions. At the local level, COAF's economic impact was significant as we helped create over **200** positions for COAF-supported club leaders, health educators, social workers, psychologists, drivers, food providers, construction workers and others.

Thirty-nine different programs in education, healthcare, child and family care and community support continued to be implemented across COAF villages.

SMART Safe Room in Aygehovit



9,599

PEOPLE USED SMART ROOMS

2

SMART SAFE ROOMS IN TAVUSH

6

SMART ROOMS IN LORI

SMART Center (model)



150,000

TARGET POPULATION

20

ACRE CAMPUS

40

VILLAGES TO BENEFIT

14,000

SQ. FT BUILDING

GEOGRAPHIES SERVED



VILLAGES SERVED:

- | | |
|-------------|--------------|
| AKORI | KARAKERT |
| ARAGATSAVAN | KARINJ |
| ARCHIS | KOCHBAVAN |
| AREVADASHT | KOTI |
| AREVATSAG | LANJIK |
| ARGINA | LERNAGOG |
| ARTAMET | MARTS |
| ARTENI | MARTUNI |
| AYGEHOVIT | MEGRASHEN |
| BAGARAN | METS AYRUM |
| BAGHRAMYAN | MYASNIKYAN |
| BENIAMIN | PTGHAVAN |
| BERDAVAN | SARDARAPAT |
| DALARIK | SARNAGHBYUR |
| DEBED | SHENIK |
| DSEGH | TALVORIK |
| DZORAGYUGH | TUMANYAN |
| GETASHEN | VAHAGNI |
| GUSANAGYUGH | VANAND |
| HATSIK | VARDAKAR |
| HOROM | YERVANDASHAT |
| HUSHAKERT | ZORAKAN |

67,393

PEOPLE IMPACTED BY PROGRAM

44

VILLAGES SERVED

5

REGIONS

ARTSAKH PROGRAM



In April, COAF launched an important humanitarian effort in Artsakh, following the four-day escalation on the Artsakh-Azerbaijani border. We were among the first to deploy and conduct a preliminary needs assessment on the ground through initial consultations with community leaders and families. Three successive visits immediately following the war allowed us to further our understanding of the local communities and build strong working relationships with key entities in Martuni and Martakert, including ministries, regional administrators, hospitals and schools. After identifying the most pressing issues, our humanitarian mission focused its initial interventions on first aid and psychological assistance. It included:

- An intensive 3-day first aid training course and first aid kits for 21 primary healthcare providers from conflict-bordering villages.

- Providing a wound suction device to Stepanakert military hospital, as its current protocols were insufficient for the responses to emergency needs.
- A 7-day intensive training course for 18 healthcare physicians and nurses from Stepanakert and surrounding regions.
- Direct psychological assistance, including group and individual counseling for all displaced families in shelters.
- A 3-day training course on "First Psychological Aid in Emergency Situations" and "Stress and Trauma", which included 18 local educators.
- A follow-up training course with 15 local educators and a school psychologist focusing on theory and practical applications.
- A 10-day summer camp that served over 250 school children from the Martuni and Martakert regions.



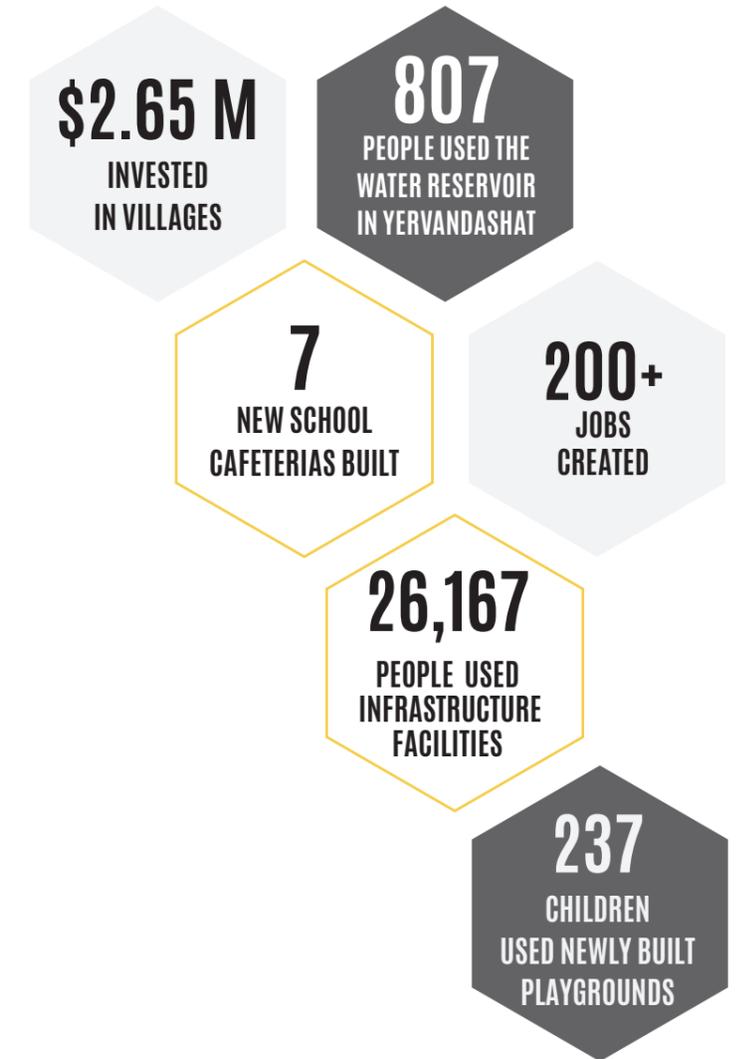
COAF PROGRAMS

2016 Programs Across the COAF Villages

In 2016, COAF's interventions in over 44 communities resulted in improved education, healthcare facilities and practices, social and psychological support to families and child development programs for pre-natal through high school age. COAF created over 200 jobs under its programs and construction projects. Local professionals, including teachers, doctors, nurses, social workers, speech therapists and school psychologists, were able to improve their qualifications through professional training, mentorship and seminars.

All of COAF's policies and programs (education, psychological services, financial and social education, healthy lifestyle, physical activity, community social work and others) continued to be in line with current state policies, thus ensuring the sustainability of our interventions.

In 2016, COAF continued improving access of beneficiary communities to technology and connectivity through its Creativity Labs, SMART Rooms and SMART Safe Rooms. Increasingly, more teachers integrated technology into their instruction making the learning process more engaging for the students.



EDUCATION PROGRAMS

COAF improved the overall quality of education in rural communities by renovating physical infrastructures and creating progressive learning environments.

After-school and summer programs allowed children of all ages to advance their skills, interests, and talents. They also provided children with the opportunity to learn a vocation that can become a future source of income.

32 schools in 29 communities in Armavir, Aragatsotn, Lori, Tavush and Shirak partnered with COAF to implement educational programs such as after-school clubs, summer camps, professional training and support, financial education, debate clubs, social clubs, student councils and English instruction.

3 ongoing grant programs, including the HSBC Bank-supported Professional Orientation projects in Armavir, Aragatsotn, Lori and Shirak; US Embassy-supported English Access micro-scholarship programs in Armavir, Aragatsotn and Lori; and support from the British Council provided English instruction through both in-person and online training.

1022
STUDENTS
INVOLVED IN SUMMER
CAMPS

250
STUDENTS
INVOLVED IN SUMMER
CAMPS IN ARTSAKH

COAF-supported English programs helped many of our students become proficient in English. Teachers involved in professional training dramatically improved their teaching and communication skills. These teachers also applied and get accepted to international conferences, while their students obtained entry into prestigious initiatives such as TEDx Talks, FLEX exchange program and others. Students were also accepted to a range of higher education institutions without requiring further English instruction.

Across the board, COAF's youth mobilization programs improved self-confidence for thousands of students. They gained social and leadership skills and learned how to make informed decisions about their future professions. Participation in school and community activities increased the students' sense of responsibility and ownership across all areas of life. In 2016, over 60 initiatives were proposed and implemented by the participants of youth programs to support their schools and communities.

1,800+
STUDENTS
INVOLVED IN YOUTH
PROGRAMS



600
STUDENTS
INVOLVED IN 70
AFTER-SCHOOL CLUBS

HEALTHCARE PROGRAMS

In 2016, COAF's Health Programs were active in 36 communities in Armavir, Aragatsotn, Lori, Tavush, Shirak and Gegharkunik regions. In Gegharkunik, COAF partnered with six organizations to support Martuni. School health and education seminars were introduced to a number of new villages in Lori, Tavush and Shirak regions, while health screenings, community health education and healthy lifestyle clubs were introduced in Lori region for the first time ever.

The renovation of four new cafeterias commenced in late 2016 bringing the total number of COAF-renovated cafeterias to 17. In collaboration with the World Food Program, the newly renovated cafeterias in Tavush received equipment and food supplies.

Our First Aid program in Artsakh provided 21 healthcare providers from conflict-bordering villages with a 3-day intensive training course. We also educated over one thousand women who underwent breast and thyroid screenings on the importance of preventative care and early detection.



COAF expanded the comprehensive dental care programs to new villages. Emphasis on education, prevention, and treatment improved oral hygiene and reduced the number of cavities among children and their parents.



7081
STUDENTS
PARTICIPATED IN HEALTH
SEMINARS

1,390
WOMEN
UNDERWENT BREAST AND
THYROID SCREENINGS

64
RURAL DOCTORS AND
NURSES WERE TRAINED

1,129
CHILDREN
REGULARLY BRUSHED
TEETH IN BRUSHODROMES

800
CHILDREN
RECEIVED DENTAL
FLUORIDATION

Over 1,000 elementary school children from socially vulnerable families received affordable and healthy hot meals on a daily basis, improving both their academic performance and quality of life.



CHILD & FAMILY SUPPORT

Frequently addressed issues include domestic violence, bullying at schools, challenges in interpersonal family relationships, reintegration of the disabled into society, access to legal rights for socially vulnerable segments, social assistance to disadvantaged groups, gender issues and child protection.

Service provisions on community, family and individual levels were key to identifying and addressing a myriad of issues, including childcare, elderly care, mental health and community mobilization.

Child development interventions through designated centers and in partnership with schools and kindergartens were essential for age-specific child development. Social workers helped children prepare for elementary and middle school by addressing speech impediments and

learning difficulties. With these programs in place, children were performing better academically and socially, communicating better with others, and demonstrated higher self-esteem. More parents participated in their children's development.

Interestingly, our programs led to an increasing number of high school graduates who chose to pursue careers in psychology, speech therapy and social work.

The village communities in Myasnikian and Karakert enthusiastically accepted inclusive education practices. COAF's multidisciplinary teams of social workers, psychologists, speech therapists and special educators provided consultations and training to schools, and launched the inclusive drama therapy program in Aragatsavan for children with special needs.

110
CHILDREN RECEIVED
SPEECH THERAPY TO
OVERCOME SPEECH
IMPEDIMENTS.

Toward the end of the year, socio-psychological services were introduced to six new communities in Lori and Tavush. We also provided support for school psychologists in Akori, Tumanyan and Arteni villages.

COMMUNITY & INFRASTRUCTURE DEVELOPMENT PROGRAMS

Strengthening and preserving village communities and empowering village residents are key to COAF's holistic approach to rural development.

One of our main goals is to create a sustainable environment for impoverished villages by utilizing local agricultural resources. The installation and renovation of irrigation water pipeline networks dramatically increased the agricultural output of the villages.

COAF remained committed to improving the business and management skills of the farmers by training them to effectively use the most up-to-date intelligence, technology and financing solutions.

With the support of our generous partners, COAF organized a number of successful programs targeting environmental consciousness and community development. Children of the Aflatoun Social-Financial Education Club, implemented a notable project which included the following activities:

- Planting trees in Marts village
- Planting flowers in Karinj village
- Cleaning the Debet river in Tumanyan
- Cleaning historical monuments



The Student Council members cleaned the villages of Dalarik and Hatsik, while the HSBC Scholarship holders planted trees in the village of Myasnikyan and cleaned historical monuments and community parks in the village of Dsegh.



SUPPORT BY THE NUMBERS IN 2016

\$3,438,068

RAISED

1,143

NUMBER OF DONATIONS

\$150

AVERAGE DONATION PER PERSON

\$694,137

COLLECTED ONLINE



PROGRAMS BY THE NUMBERS IN 2016

41

UNIQUELY TAILORED PROGRAMS

365

PROJECTS IMPLEMENTED IN 39 VILLAGES

165

AVERAGE NUMBER OF BENEFICIARIES PER PROJECT

60,225

LIVES IMPACTED BY PROGRAMS



CELEBRITY SUPPORTERS

Who speak about COAF and support our mission



ALEXIS OHANIAN



TOM HANKS



SERJ TANKIAN



LEONARDO DICAPRIO



KHLOE KARDASHIAN



CONAN O'BRIEN



TERRY GEORGE



ARIANA GRANDE



ANDREA MARTIN

13TH ANNUAL GALA

COAF's largest annual fundraising event.
December 9th, 2016, Cipriani 42nd, New York



\$3,133,893

RAISED

\$497,600

RAISED THROUGH THE AUCTION OF 13 ART PIECES

394

GUESTS

BOARD & LEADERSHIP

BOARD OF DIRECTORS

USA

Michael Aram
 Gregory Badishkanian
 Kelley Buechel Badishkanian
 Peter Balakian
 Khalil Barrage
 Gregory Ekizian
 Donna Evans
 Larry Feinberg
 Clare Gregorian
 Diron Jebejian
 Khajak Keledjian
 JoAnn Luehring
 Shake Nahapetian
 Vahe Nahapetian
 Alice Saraydarian

ARMENIA

Serob Khachatryan
 Ovsanna Yeghoyan

ADVISORS TO THE BOARD

John Evans
 Vartan Gregorian
 Nora Nercessian
 Patrick Sarkissian
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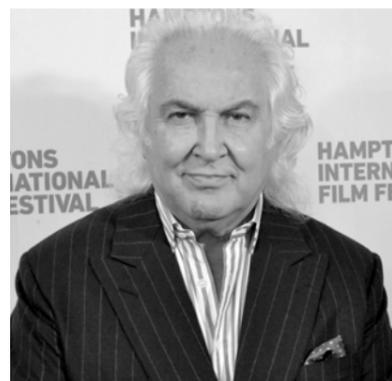
COAF AMBASSADORS



ANDREA MARTIN

ACTRESS

A celebrated Armenian American actress, singer, author and comedian, Andrea Martin has been a prominent spokesperson, ambassador and gala host for COAF. She has received five Tony award nominations for Best Featured Actress in a musical, more than any other actress in the award's history.



TONY SHAFRAZIAN

ART CURATOR & INVENTOR

Tony Shafrajian is one of the world's best-known art dealers. He is famous as the most artistic person in that business. Tony Shafrajian is an avid COAF supporter and spokesman for COAF and other Armenian causes.

COAF'S CHAMPIONS & SOCIAL MEDIA

1.5 year-old Hunter became our youngest supporter when he donated his baptism to COAF



\$6,000+

RAISED ONLINE THROUGH
PEER-TO-PEER FUNDRAISING

5

ONLINE FUNDRAISERS
ORGANIZED BY
SUPPORTERS

9,000+
NEW FOLLOWERS ON SOCIAL MEDIA

TEAM

Our team consists of incredibly talented and passionate people. We have two offices continually communicating on a daily basis. Our New York office, comprised of 7 people focuses on fundraising, marketing and communications. The team of 33 in Yerevan works on the ground to develop and implement programs for the villages in Armenia. Every member of our team is dedicated to the mission of our organization - transforming the lives and building a better future for the children of Armenia. We also work with over 250 local contractors and consultants to make our work maximally effective and relevant to the local needs.

VOLUNTEERS & PARTNERS

We have many supporters who share our passion and help to serve our mission. Our work would not have the same quality and spirit without the enthusiasm and dedication of our committed volunteers!

We are also honored to partner with organizations and companies such as Birthright Armenia, Peace Corps, UNESCO and others to accomplish common goals and help rural Armenia.

SOME OF OUR PARTNERS



MAIN PROJECTS BY VILLAGES



Education

- Aragatsavan - Creativity Lab, Auditorium
- Arteni - School & Gym Renovation, Creativity Lab
- Dalarik - School Renovation
- Dsegh - Creativity Lab, Art Studio
- Getashen - School Renovation, Creativity Lab
- Hatsik - School Renovation, Creativity Lab, Library, Playground
- Karakert - Kindergartens Renovation, School & Gyms Renovation, Creativity Lab, Art Studio
- Lernagog - Kindergarten Renovation, School & Gym Renovation, Creativity Lab
- Myasnikyan - School & Gym Renovation
- Sardarapat - Creativity Lab
- Shenik - School & Gym Renovation, Playground, Martial Arts Room
- Tumanyan - Creativity Lab
- Vanand - Creativity Lab, Gym Renovation



Healthcare

- Aragatsavan - Cafeteria & Brushodrome
- Arteni - Ambulatory, Brushodrome
- Bagaran - Health Post
- Dalarik - Ambulatory, Cafeteria & Brushodrome
- Debed - Cafeteria & Brushodrome
- Dsegh - Cafeteria & Brushodrome
- Dzoragyugh - Cafeteria & Brushodrome
- Getashen - Cafeteria & Brushodrome
- Hatsik - Cafeteria & Brushodrome
- Karakert - Ambulatory, Cafeteria & Brushodrome
- Karinj - Cafeteria & Brushodrome
- Lernagog - Ambulatory, Cafeteria & Brushodrome
- Martuni - Health Post
- Myasnikyan - Regional Health Center
- Tumanyan - Cafeteria & Brushodrome
- Vanand - Health Post, Cafeteria & Brushodrome



Social & Community

- Aragatsavan - Playground
- Argina - Playground, Community Hall
- Dalarik - Playground
- Karakert - Playground, Public Park, Community Center, Child Development Center
- Myasnikyan - Child Development Center
- Shenik - Playground
- Vanand - Playground
- Yervandashat - Playground



Economic Development

- Aragatsavan - Road, Irrigation Water Network
- Arteni - Machinery Park
- Dalarik - Irrigation Water Network
- Karakert - Technical Water Network, Water Pump
- Yervandashat - New Water Reservoir



SMART Initiative

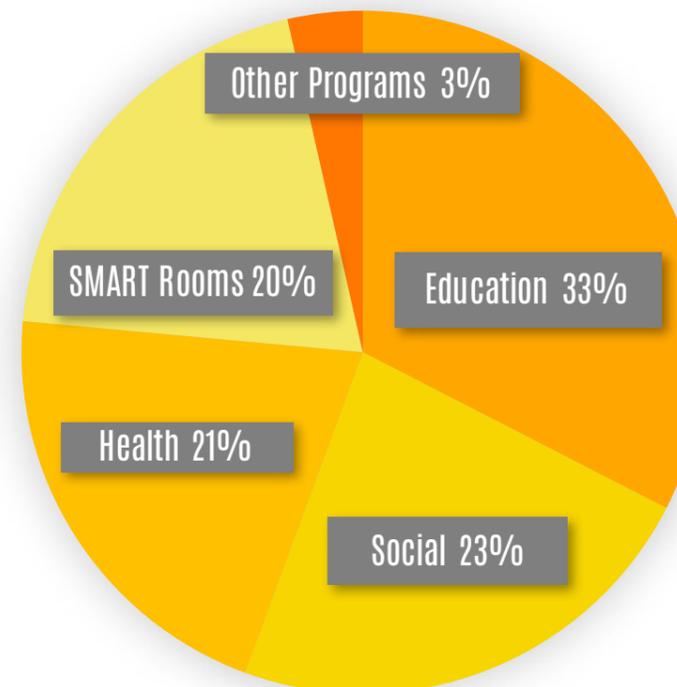
- Akori - SMART Room
- Arevatsag - SMART Room
- Aygehovit - SMART Safe Room
- Dsegh - SMART Room
- Karinj - SMART Room
- Koti - SMART Safe Room
- Mets Ayrum - SMART Room
- Lori - SMART Center
- Tumanyan - SMART Room

FINANCIAL SUMMARY

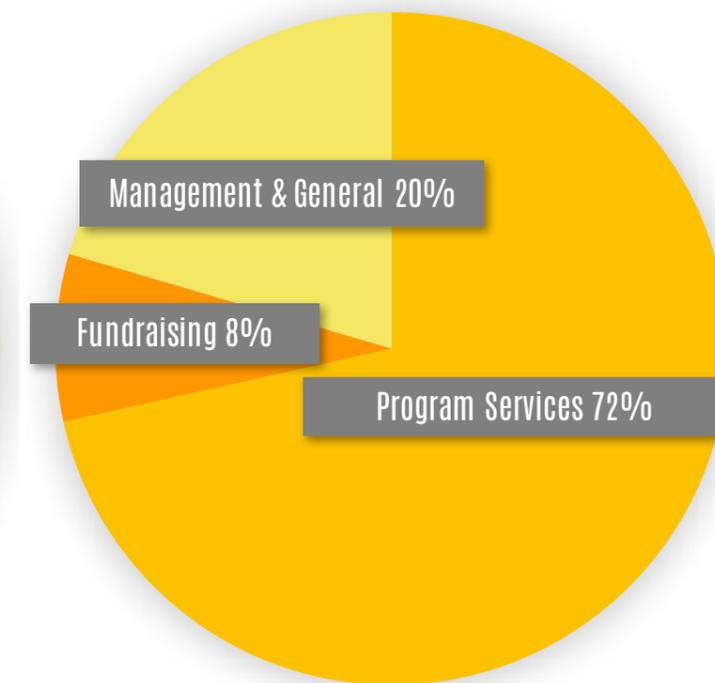
Consolidating Statements of Financial Position, 2016
Year ended December 31, 2016

Assets	
Cash and cash equivalents	\$635,054
Unconditional promises to give (unrestricted)	2,341,783
Other current assets	136,211
Total current assets	3,113,048
Property and equipment - net	2,141,319
Long-term investments	1,684,928
Investment - gifts in kind	25,000
Intangible assets - net	68
Total other assets	1,709,996
Total assets	\$6,964,363
Liabilities and net assets	
Accounts payable and accrued expenses	\$173,061
Grants received and deferred income	2,385,052
Total liabilities	2,558,113
Total net assets	4,406,250
Total liabilities and net assets	\$6,964,363

BREAKDOWN OF EXPENDITURES BY PROGRAMS



ORGANIZATIONAL EFFICIENCY





TOGETHER, WE CAN MAKE A DIFFERENCE

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