

March 2009

Highlights

- **Over 800 children receiving support in 2009**
- **Orfund to increase funding by 32% in 2009**
- **Focus is on building local community capacity to enable the programs to expand services, to increase the number of children receiving services and to improve overall service quality**

Background

Orfund Foundation is a Canadian Registered Charity providing relief and support to orphans and vulnerable children (“OVC”) in Botswana, Africa. The majority of these children have been orphaned or made vulnerable as a result of HIV/AIDS. Research has shown that orphans, compared with other children, face serious problems with malnutrition, poor school attendance, inadequate healthcare and social isolation. They are more apt to suffer health problems and depression and are highly vulnerable to physical and sexual abuse. Many have heavy workloads at home and frequently girls must leave school to care for younger children. These children need support to enable them to realize their potential.

How Orfund Will Help

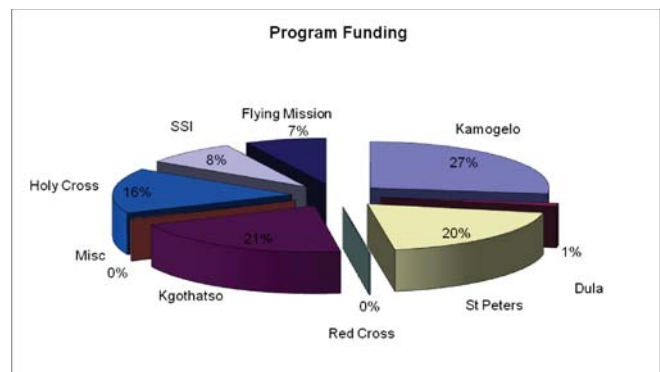
The macro picture is one of growing need for OVC services in Botswana. The number of OVC programs receiving support from Orfund has grown from one in 2005 to six in 2009. The number of children receiving services through these programs has grown from approximately 25 pre-school children in 2005 to 335 pre-school children and over 500 school aged children in 2009. Despite this growth, all the programs are turning new children away. Therefore the focus in 2009 is on local community capacity building to enable the programs to expand services, to increase the number of children receiving these services and to improve overall service quality.

During 2009, Orfund will continue to assist in building local human resource capacity through training and mentorship programs like the Flying Mission/Little Seeds teachers training program which is discussed below. In addition there are many local Botswana businesses and individuals who are interested in funding projects and providing services (food, clothing, mentorship etc). We will continue to expand our network of contacts and to work closely with the local community to coordinate and build resources.

2009 Program Funding Budget

The 2009 program funding budget anticipates funding of Pula 1.06 million or approximately C\$165,000. This is a 32% increase from Orfund’s 2008 program funding of about C\$125,000. While Orfund has existing financial resources to fund the 2009 programs it is important to note that longer term funding for these programs is required to ensure sustainable development through local capacity building. Your continued support of these programs through your kind donations is critical for future development.

With the 2009 programs Orfund’s total program funding, since its inception in 2005, will surpass C\$530,000. Funding since inception by program is as follows:



Orfund Foundation’s Policy of 0% Donations to Fund Operating Expenses

Orfund Foundation has a policy of not using donations to fund its administrative or other operating expenses. This means that 100% of all donations are used to fund orphan care programs. The “no operating expense policy” is made possible by Orfund’s unpaid volunteer staff including its Board of Directors, the provision of professional services by various partners on a pro bono basis and the financial support of its Founders.

How You Can Help

Orfund Foundation is dependent upon your kind and generous support.

One time or repeating monthly cash donations may be made to Orfund Foundation through CanadaHelps. Simply go to www.orfundfoundation.com, click on Donate Now and follow the easy instructions. Donations by cheque may be sent to Orfund Foundation, Suite 2 – 1520 West 8th Avenue, Vancouver, British Columbia, Canada, V6J 4R8.

Also through CanadaHelps, donors may now give to Orfund by donating stocks, bonds, or mutual funds, all online. Simply go to www.orfundfoundation.com, click on Donate Now, then click on How To Give, then click on Donate Securities and follow the easy instructions. The federal budget of May 2, 2006 announced the elimination of capital gains on donations of publicly traded securities and options, making it the most tax efficient means of making a charitable donation.

The superiority of a direct donation of shares or options as calculated by TD Bank Group is illustrated below*

	Shares Sold & Cash Donated \$	Shares Donated Directly \$
Current Value of Shares	\$1,000	\$1,000
Purchase Price of Shares	\$400	\$400
Capital Gain	\$600	\$600
Capital Gains Taxes**	\$139.23	\$0
Funds Available for Donation	\$860.77	\$1,000
Tax credit	\$399.48	\$464.10
Benefit to Charity	\$860.77	\$1,000
Tax Benefit to Donor	\$399.48	\$464.10
Profit on Investment of Donor	\$0.52	\$64.10

* TD Economics, Special Report, May 2007 – www.td.com/economics.

** For illustrative purposes the Ontario combined federal and provincial tax rate of 46.41% has been used.

“It’s so easy [to donate securities through CanadaHelps],” remarked Fred Ketchen, Director, Equity Trading with Scotiabank, past Chairman of the TSX, and long-time supporter of various charities.

“It was a quick 5-step process that took a total of three minutes. There’s no doubt this will be an attractive means of giving for donors.”

Your donations are greatly appreciated.

2009 Program Funding

Flying Mission/Little Seeds Teacher Training (train the trainer); Orfund 2009 funding of Pula 150,000

The intent of this program is to produce better qualified teachers. It is a partnership between Flying Mission (www.flyingmission.org) and Little Seeds (www.littleseeds.co.za). The program’s goal is to train and accredit approximately 60 pre-school teachers who can then provide training to other pre-school teachers in Botswana. During 2008 this program graduated its first class of ten female teachers with financial assistance from Orfund. During 2009 the goal is to graduate a similar number of pre-school teachers.

Flying Mission is a Botswana non-governmental organization that was established in the early 1980s by locally based medical doctors. It originally commenced as an emergency medical transportation organization, which utilized airplanes to provide services to the sick and injured in remote areas. In 1999 the operations were expanded to include the provision of services to HIV/AIDS sufferers. Further in 2004 Flying Mission opened a non-profit accredited school to train aircraft maintenance engineers. Today Flying Mission operates emergency medical services for the Governments of Botswana and Zambia, the aircraft maintenance engineering training facility, an OVC day care centre and the teacher training program. The medical emergency flight operations in Botswana and Zambia are commercial operations which provide funding for Flying Mission’s charitable operations, including its teacher training program and OVC day care program.

Little Seeds is a local South African non-governmental organization that was established in 1998 as an early childhood development teacher training organization. A charitable operation, its funding comes from a variety of donors including the Red Cross and AUSaid, the Australian Government’s overseas aid program. Little Seeds’ focus is on training trainers to enable local communities to increase their capability to look after their OVCs. Little Seeds teacher training programs are accredited in South Africa.

Holy Cross Day Care - 50 pre-school children; Orfund 2009 funding of Pula 200,000

Holy Cross’s (www.holycrosshospice.org) pre-school and after-school programs cater to children aged 3-18 years who are either orphaned or considered vulnerable. In early 2007, Holy Cross Day Care relocated into larger premises in Old Naledi Village. The move was enabled by the Anglican Church, which provided premises and funded the conversion and upgrading of the building to meet day care regulations. This move is beneficial for the children’s development and growth as the new school is well equipped and more spacious. In addition, the children have been removed from the Hospice environment.

Today, the program is focused on upgrading services and expanding to enable more children to benefit from the facilities. Holy Cross Day Care now has two teachers, two assistant teachers and several other support people. Orfund has been working with the Director, Una Ngwenya, and has arranged for nutritional support at a discount from two local supermarkets. Orfund also arranged for two students to work at the program during the summer months as volunteers.

Pre-school Program

During the past year, the pre-school enrolled fifty children aged 3-6 years. At the pre-school, the children receive education, psychosocial support through counseling, play therapy, as well as nutritional, healthcare and material support. Over the past four years, the number of children enrolled in the pre-school has gradually increased from 15 in 2004 to 50 in 2009.

After-School Program

The after-school program is geared towards children aged 9 -18 years. In 2009, the program has approximately 125 children enrolled from various schools in Gaborone. The program includes activities such as football, netball, volleyball, drama and marimba for OVC to provide relief of everyday stresses and duties. The program includes workshops and five-day camps offered to the children as a means of psycho-social support and bereavement counseling. The workshops include topics such as HIV/AIDS related issues, protective behaviors and coping with bereavement. During the past year, Holy Cross Hospice sponsored 25 children to attend a five day camp for intensive counseling and anger management at the Mokolodi Nature Reserve.



St Peters – 110 pre-school children; Orfund 2009 funding of Pula 200,000

St Peters’ new day care buildings were completed and occupied in 2008. The local business community provided funding for construction and equipment. As a result of larger, better equipped facilities, the program received Government certification in 2008. Also, as a result of the new premises, total enrollment has increased from 60 pre-school children to 110 at the beginning of 2009. The larger premises and enrollment have driven a significant increase in staff numbers (16 staff members in 2009) as well as the need for better planning and execution of services. During 2008, Gladys Mudereri, a qualified nurse and former local school employee, became the program’s head. Gladys has worked hard to establish structures and systems and to embed the program within the local community. Progress is evident with increased support from within the local caregivers’ community who volunteer at the centre. The program has also made good progress with local funding and is receiving over 50% of its operating funding, including 100% of its food, from the local community. St Peters has constructed a vegetable garden and has planted fruit trees provided by Barclays Bank to increase internal food production. St Peters is also raising chickens for nutrition for the children. During 2008 Orfund arranged for two Canadian teachers to volunteer at St Peters.



Stepping Stones International (SSI) – 60 after school children; Orfund 2009 funding of Pula 108,400

The Grand Opening for Stepping Stones International’s new centre and expanded program was held on October 16, 2008. Special guests and speakers included Former President of Botswana Festus Mogae, Colonel Welton from the European/African Command, U.S. Embassy Charge D’Affaires, Rebecca Gonzales, and Bishop Setlalekgosi from Gaborone Catholic Diocese, among other dignitaries and collaborators. Stepping Stones International (www.steppingstonesintl.org) commenced operations in January 2007 providing a holistic after school program.

Stepping Stones International's mission is "to empower orphaned youth and vulnerable children to become leaders of the next generation by nurturing their mental, physical and spiritual well being." The vision is "to motivate 75% of the orphan centre's participants to either continue education or obtain employment by the age of 18". Orfund's funding commenced in the second half of 2007.

SSI has developed an innovative educational and psychosocial support program for youth between the ages of 12-18 in Mochudi, Botswana. The program serves youth who have one or more deceased parents. Many of the program participants are HIV positive. SSI focuses the program on prevention of HIV and AIDS and on other teenage problems through educational activities and by providing care and support to the orphans and their families/caregivers. The program includes: building self-esteem, goal setting/planning, income-generation and job skills, prevention of HIV and AIDS, preventing alcohol/substance abuse, dealing with peer pressure, organic gardening, children's/women's rights and taking care of oneself physically, spiritually and mentally. Since inception SSI has involved the community in the design and implementation of the program. The community involvement has established ownership and a sense of pride in the program as well as, promoted sustainability of the program. The program allows community-based problem solving to ameliorate the hardship orphans and vulnerable children experience and offers them a chance to grow under more normal circumstances.

In its initial phase SSI gave direct support to 30 vulnerable or orphaned youth and their families. Through support from the Catholic Church and the U.S. Government's Office of Defense Cooperation, SSI has moved to its new building. SSI is now serving 60 youth and their families with outreach to another 1,000 youth through its peer education program. intimate knowledge and strong relationships through personal contact.

Kamogelo – 135 pre-school children; Orfund 2009 funding of Pula 200,000

Kamogelo is a pre-school program operated by the Catholic Church in Mogoditshane, Botswana. Operations commenced in 2003 at Holy Cross Church with around 25 pre-school children. The program was greatly expanded in 2005 with the construction and occupation of the current facility. Funding for the new facility was primarily provided by the U.S. Government and Rotary Club of Gaborone. Today the program provides services to 135 pre-school children and their caregivers.

Orfund's support of Kamogelo commenced in 2005 and includes the construction of a garden facility which partially meets the nutritional needs of the children and also provides them with a learning opportunity.



Kamogelo provides OVC with a stigma-free environment in which they can enjoy easy access to quality services. Project activities are focused primarily on identifying and capitalizing on the strengths and coping strategies of OVC and the communities in which they live. Kamogelo's program is based on the belief that orphans and vulnerable children should be regarded as resources rather than victims. Consequently, all program activities attempt to address the unique and complex needs of OVC and to identify and capitalize on the strengths and coping mechanisms of vulnerable communities. In an effort to realize this vision, Kamogelo is focused on achieving the following key objectives:

- Improve psychosocial and physical well-being of the project population through the provision of direct services and the fostering of a community environment conducive to their healthy development.
- Increase the capacity of the educational system to identify and respond to the diverse needs of OVC.
- Reduce stigma and raise community awareness of children's needs and rights.
- Support community-based efforts to provide ongoing support to OVC and increase the capacity of caregivers to ensure that the diverse needs of the OVC are well catered for.
- Start income generating activities to ensure that the program will be self sustaining in the long run.
- Provide the children with a quality pre-school education.

There is great potential for Kamogelo to increase services as well as the number of children attending the centre. The Catholic Church and Rotary Club of Gaborone are both active at the Board and management levels. The Catholic Church is also a major funder providing Pula 200,000 per annum in operating funds.

Kgothatso - 40 pre-school children; Orfund 2009 funding of Pula 200,000

Kgothatso's day care program commenced operations in 2008 with the completion of its new building. The building was funded through donations raised by the Evangelical Lutheran Church of Botswana. The program is situated on the Church's site in the village of Gabane. The program is now fully staffed and a new program head, Bontle Masego, was appointed during the year. The program has the full support of the Village Council, with several Council members sitting on the program's management board, and the local community, with many of the caregivers active daily at the program.

The program is designed to meet the needs of pre-school children in terms of stimulation, nutrition and health. Orfund's involvement with Kgothatso commenced in 2006 with a home-based care program which provided basic services such as nutritional support to OVC. The program has evolved to providing centre-based early childhood development services including pre-school education.

Putting it all into perspective

Orfund's ultimate goal is to provide orphans and vulnerable children with the tools to realize their full potential. Education is the primary means of achieving this so most of Orfund's efforts are focused on providing pre-school education and supplementing the primary and secondary education of the children. Activities which support and enhance the effectiveness of educational efforts (such as providing basic necessities such as nutrition and health) are seen as the main building blocks. Therefore, Orfund:

1. Assists with the children's education by helping to establish and support community based day care, pre-school and after school programs. The children are provided a properly supervised, safe environment where they have a chance to gain experience and develop skills to cope with the challenges they face.
2. Provides the children with relief from poverty and illness by serving them daily meals, and giving them access to medical services, clothing, blankets, books, and toys. We help them learn to cultivate and maintain vegetable gardens as a source of nutrition.

3. Arranges for trauma counseling and other related counseling services for the children and their caregivers to help them to cope with the difficult circumstances of their lives.
4. Helps protect the welfare of the children by working with governments and other aid organizations to strengthen child welfare, inheritance and property laws.
5. Assists with training teachers and caregivers.

Orfund's relief and support is typically delivered through community-based day care and pre-school centers (not live-in orphanages). These centers meet multiple needs including providing a safe environment, serving daily meals, and delivering pre-school care and education. These centers also provide a place where school aged children can go after regular classes for care and support. The centers also provide support to the children's caregivers through training and support programs and by allowing them time to work or carry out other day to day chores and duties. Orfund works with community-based organizations where it has intimate knowledge and strong relationships through personal contact.

Why Botswana

Largely due to the AIDS epidemic, Botswana's orphan population has been steadily increasing and is likely between 60,000 to 120,000 (1). Botswana, with a population of about 1.7 million, has one of the highest AIDS prevalence rates in the world with approximately 24.1% of the adult population affected (2). It is estimated that 76% of all orphaned children were orphaned due to AIDS (3). Despite these frightening statistics, progress is being made in Botswana in tackling both AIDS and the resulting increase in the number of orphans and vulnerable children. Orfund works in Botswana because of: (1) the Government of Botswana's high priority to assisting OVCs; (2) the strong commitment of Botswana's civil society including the extended family, village leaders and the business community to find and provide solutions; (3) the provision of financial support and expertise by a number of prominent institutions and organizations including the United States Government, UNICEF, Bill and Melinda Gates Foundation, BMS Foundation, the Merck Company Foundation, Harvard Medical and Baylor Medical; and (4) Orfund's embedded position in Botswana society through political, business and social interaction over a 30 year period.

Orphan Care Programs

As Africa's traditional answer to orphan care (the extended family including grandparents, aunts and uncles) is overwhelmed by the magnitude of the problem, the Government of Botswana has encouraged broader community responses to support and care for OVCs. At this time there are over 150 community initiatives supporting OVCs in Botswana (4). Many of these initiatives are supported by the local business community, local non government organizations such as religious organizations, the Red Cross and Rotary Clubs and village councils. International institutions and organizations have also made a huge impact through their support of local initiatives. The United States Government, UNICEF, Bill and Melinda Gates Foundation, BMS Foundation, the Merck Company Foundation, Harvard Medical and Baylor Medical have all had a positive impact in assisting communities to meet the needs of their OVCs. Given the large number of initiatives, the Government of Botswana has recognized the need for better understanding and coordination. During 2007 the Department of Social Services organized two conferences that brought together community-based orphan care providers, as well as donors, in an effort to facilitate dialogue, learning and a better understanding of needs and available resources. Major findings from these conferences include the need for skills building, an investment in human resources and the search for sustainable, long term solutions. Orfund Foundation is supportive of these findings and will continue its efforts to support sustainable orphan care programs that are focused on education as a means to realize full potential, especially with respect to female children.

Our Appreciation

Thanks to everyone who has supported the Foundation since inception. With your ongoing support we will continue to assist communities in providing OVCs with the necessary tools to realize their potential. A special thanks to Sue Nielsen for keeping the Foundation operating on a day-to-day basis and to Jeff Bookbinder for his legal work and support. Also thanks to Gregory Ronczewski and Emplus Communications for all the assistance with the website, advertising and newsletters. Thanks to Brenda Bookbinder, Lynne Berrard, Terry Sauchuk and Deirdre Campbell for help with advertising, communications and newsletters. Thanks to all our business supporters including Pinnacle International, Rimrock Café, Canadian Home and Country Magazine, Canadian Gardening Magazine, Canadian House and Home Magazine, Vice Magazine, Onestop Media Group and Stikeman Elliott. Finally a very big thanks to Peter Dickson, Doug Johnson and PW for the generous financial support they have provided to the Foundation.

Donations to Orfund Foundation may be made online at www.orfundfoundation.com or by mail to: Orfund Foundation, #2 – 1520 West 8th Avenue, Vancouver, British Columbia, Canada, V6J 4R8

References

- (1)UNAIDS, 2006 Report on the Global AIDS Epidemic and National Donor Forum on Community-Based Child Care (2006)
- (2)UNAIDS/WHO, 2006 Report on the global AIDS epidemic
- (3)Unicef (2006), 'Africa's Orphaned and Vulnerable Generations: Children Affected by AIDS'
- (4)National Donor Forum on Community-Based Child Care (2006)