

ORPHAN Network

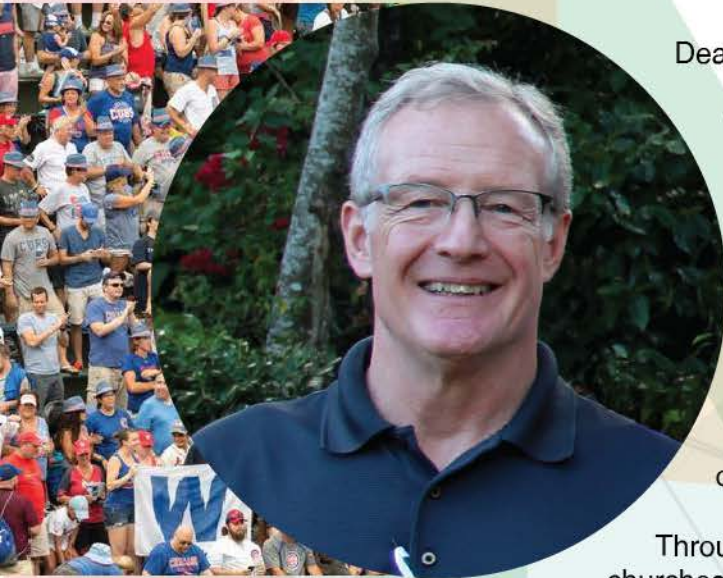
Annual Report 2016

The word 'INNOVATION' is rendered in a stylized, multi-colored font. Each letter is composed of overlapping, semi-transparent shapes in various colors including red, orange, green, blue, purple, and yellow. The letters are set against a background of a white network of nodes and lines, with several large, solid-colored circles (purple, green, blue, orange, red) scattered around the text.

INNOVATION

Breaking the Cycle of Poverty Through
INNOVATION

Innovation Brings Results



Dear Friends,

Through innovation and creativity, we are breaking the cycle of poverty for orphaned, abandoned, abused and vulnerable children in Nicaragua.

ORPHANetwork investors have inspired and supported innovative tools and programs such as state-of-the-art computer centers, online learning programs, job skills training and paid internships.

In 2016, 16 transition students landed internships that will help them get good starter jobs. Mirza Aguirres, a child from our partner home, El Canyon, was the first student to complete an online internship with the Marketing Department of Live Oak Bank, a publicly traded company in the United States. This opportunity was made possible to Mirza because of her English and computer skills; it is opening doors for her professional future.

Through our SMART Missions ® program, investors and highly qualified individuals from our partner churches are training our transition students in job search skills.

We are sourcing Nicaragua's growing garment manufacturing industry with fully trained, job ready employees through our Local Church Initiative job skills training program. Students are trained 15 at a time, in an environment that mimics a real shop floor in a garment manufacturing plant. This readiness is highly desirable to employers in this significantly growing industry.

Club Pregnant is an innovative tool designed to wipe-out malnutrition before the largely irreversible damage it can cause. Mothers are educated and empowered to proactively care for their children's development, dispelling myths and cultural norms that have prevented generations of children from developing to their potential. The atmosphere is supportive and the material presented provides a valuable resource of education, support and empowerment for the women that is uncharacteristic in communities of abject poverty – and especially of the local church.

These are just a few of the examples of how God has gone before us to break the cycle of poverty through innovation. I hope you are inspired and moved by the results you will see in our 2016 Annual Report.

We Give Credit to God for all He is Accomplishing,

Dick
Dick

Breaking the Cycle of Poverty Through
INNOVATION

ORPHANetwork IMPACT

1,080
CHILDREN SERVED IN
15 NEW LOCAL
CHURCH
INITIATIVES

NEARLY
400
JOBS
CREATED

863
LEADERS TRAINED
THROUGH THE WILLOW
CREEK ASSOCIATION
GLOBAL LEADERSHIP
SUMMIT

438
WOMEN
IMPACTED IN
41 CLUBS

2,764
CHILDREN AND PARENTS
MADE JESUS CHRIST THE
LEADER OF THEIR LIVES

AFTER SCHOOL
EDUCATION
PROGRAMS
PILOTED IN
8 LOCATIONS

22,400
CHILDREN SERVED

27
STUDENTS PLACED
IN A JOB OR
INTERNSHIP

245
NICARAGUAN
LOCAL CHURCH
PARTNERSHIPS

Leveraging Technology to Innovate

In the growing economy of Nicaragua, English and computer skills open doors for entry-level employment which provides an opportunity for our children to break the cycle of poverty. ORPHANetwork's six partner orphanages are innovatively transforming orphaned, abused and abandoned children's lives through first-class computer centers.

Learning from a curriculum that was developed to meet government standards, students are eligible to earn an INATEC computer certification that verifies their skill set and distinguishes them from their peers in a competitive job market.

Children are benefitting from technology and access to online learning tools such as Khan Academy and Duolingo, a free English language program. These programs allow students to work at their own pace, advancing when they are ready and remediating when they are not. Additionally, our children are developing their language skills through Skype calls with Christian schools in the United States.



45
CHILDREN WITH
CERTIFIED
COMPUTER SKILLS



MORE THAN
800
STUDENTS
IMPACTED



16
STUDENTS
GAINED REAL-WORLD
WORK EXPERIENCE
THROUGH PAID
INTERNSHIPS



Club Pregnant

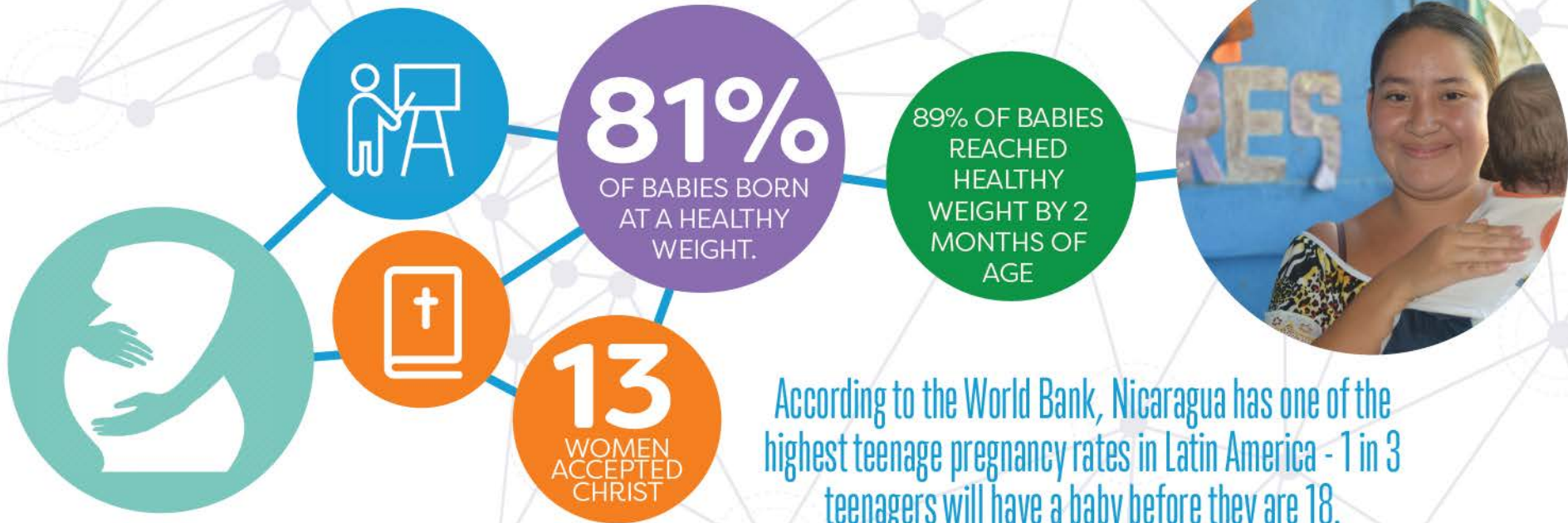
The primary goal of the program is to prevent the largely irreversible cognitive and physical defects that are caused by chronic malnutrition during a child's most formative years.

"A child who is severely stunted is sentenced to a life of underachievement: diminished performance in school, lower productivity and wages in the workplace, more health problems throughout life, and a greater propensity for chronic illnesses such as diabetes and heart disease as an adult. And the life sentence is most often rendered by the time a child is two."

- Robert Thurow, *The First 1,000 Days*

The program is innovative because it engages women in a fun environment where discussions enlighten young mothers about the harmful effects cultural norms and generational myths have on long-term health. Learning that coffee and a tortilla is not an appropriate meal for their baby - is an example of a cultural norm that the clubs work to eradicate.

ORPHANetwork is innovatively reaching teenagers through Club Pregnant with information about preventing teenage pregnancies as well as how to protect themselves from sexual abuse.



According to the World Bank, Nicaragua has one of the highest teenage pregnancy rates in Latin America - 1 in 3 teenagers will have a baby before they are 18.

Internships in Nicaragua Reach to the United States

Employees of Live Oak Bank (Wilmington, NC) utilized technology to offer a four month internship to Transition Student, Mirza Aguirres.

Mirza is a Graphic Design major who completed her English certification at a Nicaraguan university in early 2016. The Marketing and Art Directors at Live Oak Bank created an internship position that consisted of online projects that allowed Mirza to further develop her skills while she continued her studies in Nicaragua. A portion of Mirza's four month internship included a two week trip to Wilmington to work on-site with the team and gain exposure to the US work culture. This experience will be a game-changer for Mirza's future and it is the first of many internship opportunities for our children with US based companies.

During Mirza's visit to the Live Oak campus, she was able to cast a big vision through a video conference to over 60 high school students across four partner orphanage homes back in Nicaragua. The vision: working hard in school, learning computers and speaking English will take you to places beyond your dreams.



"It was very encouraging to me..when you see what she has accomplished, it encourages us to follow in her footsteps, to be responsible, to see the future and to not give up" Scarleth Almanza Velásquez, 15 years old



Breaking the Cycle of Poverty Through Employable Job Skills - Innovative Approaches

Nicaragua's growing garment manufacturing industry is being sourced with fully trained, job ready employees through our Local Church Initiative job skills training program.



Through a collaborative partnership with Mission14, students are trained in an environment that mimics a real shop floor in a garment manufacturing plant. They finish the program job ready and highly desirable to employers.

Welding is another key industry in Nicaragua. In 2016, our first two classes of Managua welders graduated and 15 applied their skills at internships, opening opportunities for employment.



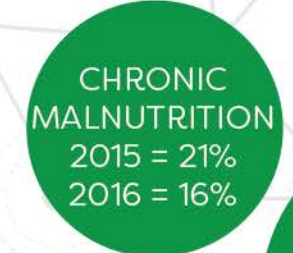
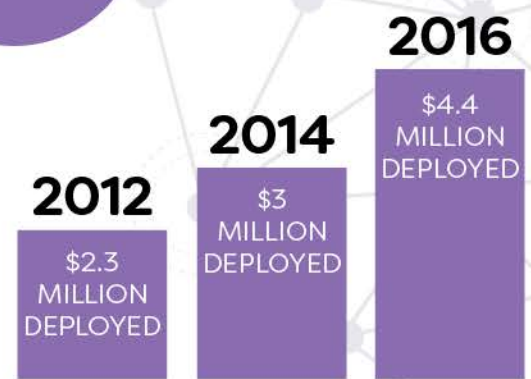
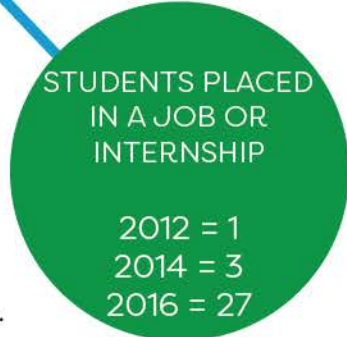
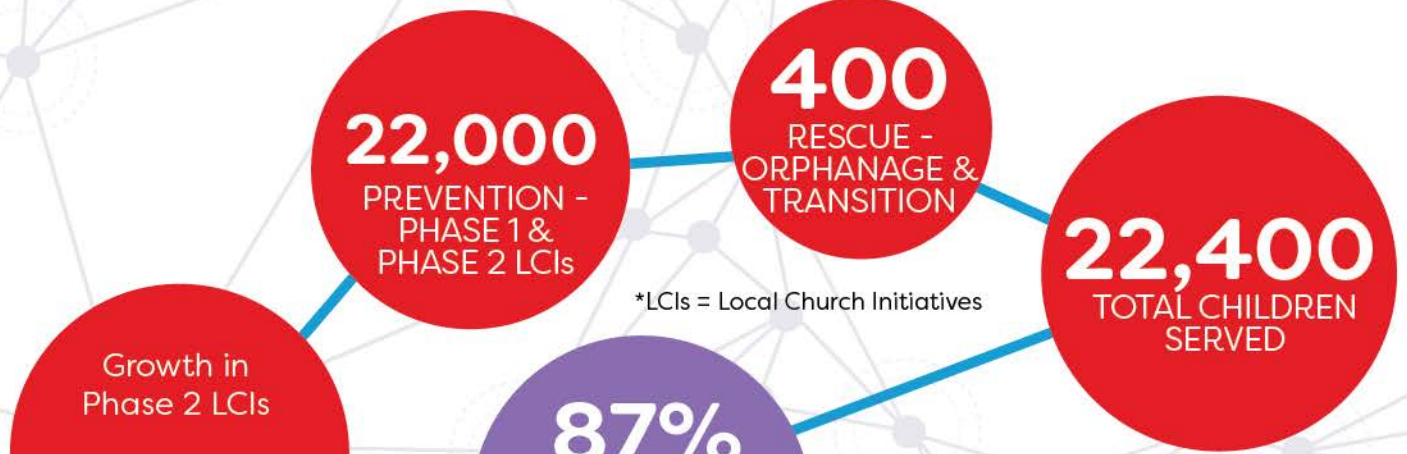
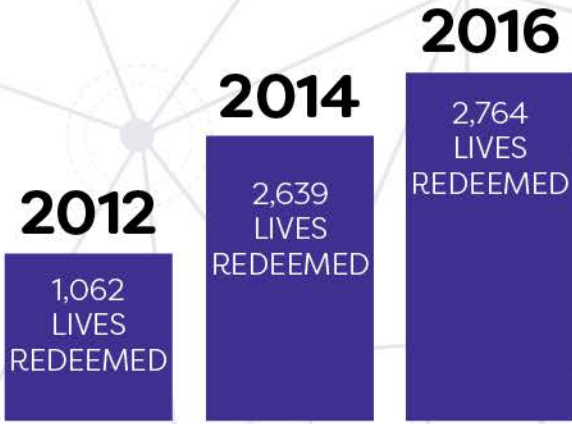
Doors to employment are opening for our Transition Program students because of their English and Computer skills. Pilar is one of 16 students who was placed in an internship - she and three other students' internships developed into full-time jobs!

"Getting a job changed my life. English and computers opened the doors for my professional career. I am so thankful to God for my job that helps me make money to buy food and things I need day to day."

- Pilar Contreras
InterContinental Hotel Customer Service Professional

Metrics

ORPHANetwork is a results oriented ministry. We measure the progress that God is producing through stewarding and leveraging His resources. Changing children's lives through our Nicaraguan partners remains our highest priority. We directly address the epic challenges they face and continuously empower our partners to share Christ.



Malnourishment Rates
Parasite Infections
Anemia

Computer skills
English
Job skills
Full-time employment
Internships
LCI Education



Accredited with the Evangelical Council for Financial Accountability (ECFA) since 2004.



4 Star Rating from Charity Navigator

Nicaragua Staff

Our team of local Nicaraguan professionals is comprised of doctors, nurses, educators, counselors, accounting and logistics specialists who are driven to strategically impact children and break the cycle of poverty in their country.



ALMOST 400 FULL OR PART
TIME JOBS CREATED
THROUGH OUR WORK
IN-COUNTRY.

15
STUDENTS
PLACED IN
STARTER JOBS

106
LOCAL CHURCH
INITIATIVE
COOKS

22
ORPHANETWORK
STAFF

8
VOCATIONAL
TRAINERS

13
COMPUTER AND
ENGLISH
TEACHERS

167
ORPHANAGE
STAFF

13
CONTRACTED
MEDICAL
PROFESSIONALS

8
AFTER SCHOOL
EDUCATION
PROGRAM
FACILITATORS

SPIRITUAL TOOLS OF INNOVATION

These creative tools help children reach their God-given potential and visually comprehend the story of Jesus' sacrifice.



MUSIC



STORY
BOARDS

MANGA
BIBLES



JESUS
AND ME
BOOKS



Board of Directors

A ministry needs strong guidance and much wisdom. ORPHANetwork's board is a collection of experienced leaders who provide great leadership and insight. With proven careers in the medical, legal and business fields, our board of directors are innovative leaders in their respective industries. Each of them provide extraordinary value to our ministry.



Ted Wille (2004)
Chairman
Florida



Dr. Windy Mason-Leslie (2011)
Virginia



Tyler Tuite (2013)
Virginia



David Lucht (2015)
North Carolina



John Pitzafferro (2011)
Illinois



Michael Freeborn (2010)
Illinois



Pastor Michael Simone (2000)
Founder, Director Emeritus
Virginia



Lane Moyer (2012)
Illinois



Tedde Reid (2016)
Idaho

INNOVATION

ORPHANNetwork

“For I know the plans I have for you,” declares the Lord,
“plans to prosper you and not to harm you, plans to give
you Hope and a Future.”

- Jeremiah 29:11

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