



2013

The Savong Foundation Annual Statement



Board members

Phil Caldwell, CEO
Amelia Yim, Treasurer
Brandi Jackson, Secretary
Amir Lakhani
Eddie Lamborn

Advisor to the Board

Dilshad Sumar

2013 – a message from phil

If there was one word that I would use to sum up 2013 for the Savong Foundation, it would be “evolution.” After nearly three years of working in Cambodia, we are still learning, adapting and moving forward. This type of progress is essential if we are to make a difference for the youth that we support.

The biggest evolution has happened at the **Savong Student Center (SSC)** which started out in 2012 as simply a place to accommodate students in Siem Reap so that they could attend the local high school or university. In 2013, we improved the physical structure – the outdoor area was tiled over, we added fruit trees and we completed the upstairs room which was later transformed into a computer center thanks to a very generous donation from the nonprofit organization called Heal The World For Children. Beyond the physical structure, we have also redefined its purpose. We want it to be a learning center, not only for the students living there but also students in the community and we have implemented projects with these goals in



mind. Seda, one of the university students, started teaching English classes in January and continues to do so five days a week. With the computer center, two of our students will be able to teach computer classes, both with Office programs such as Word and PowerPoint but also visual programs such as Photoshop and Adobe Premiere. In supporting these students, we feel that they need to learn to support others and these classes are one of the ways that they can do this.

We have also had to make quite a few changes with the students, too. After our high school students completed their school year, we made the very difficult decision to move almost all of them to a new school, the **Future**

Bright International School in Siem Reap. We fully realized that a transition would cause a disruption for them but the benefits outweighed the drawbacks. At Future Bright, the students have better supplies, improved classrooms and the school has a strict policy against corruption and cheating. There is much better communication between the



school's director and our NGO and we are able to get monthly reports on all our students to monitor how they are doing. If they aren't doing well, then they are required to take supplemental classes. This December, we were able to tour the facility, meet with the director and some of the staff and I was very impressed: The school appeared clean, modern and had a well-rounded curriculum. Most importantly, we got the sense that the staff were more involved with our students and took a more proactive approach to monitoring how well they're doing. I also like the idea that the school was affiliated with the University of Southeast Asia which was right next door.

Unfortunately, Grade 12 was not offered this year so one of our students was required to finish out his senior year of high school at New York International School. All things considered, this was probably wise to keep him there during his final year. Next year, Grade 12 will be offered at the Future Bright School so our Grade 11 students will not be required to change schools to complete their high school education.

Currently, we have nine male students living at the center. Not only do we provide them with accommodation and cover their food expenses but we also provide them with a small monthly "salary." We call it a "salary" because we firmly believe that this money is not just a handout or a freebie or an allowance; they have to do something to earn it. All our students have roles at the center and they must do them or possibly forfeit all or part of their salary. We



have a student manager, Kadeb, who is primarily responsible for ensuring the day-to-day operations of the Student Center run smoothly and reports to me and Savong with any problems or concerns. We also have a student accountant, Orong, who looks after the receipts and helps me keep our books in order. Hai is our scholarship manager and is responsible for acquiring the monthly report cards and sending

them to us. Additionally, we have other students who are responsible for teaching computer software programs, providing additional English classes, or other various duties such as physical security, cooking and general repairs and maintenance. Our youngest male student, Voth, is being trained to perform bicycle repairs which, if you know anything about Cambodian roads, is a necessary skill.

Eventually, we would like to have a business at the Student Center not only to help sustain it financially but also help to teach the students about entrepreneurship, something that is very much needed in Siem Reap. During my last trip to Cambodia I had a long talk with the students about some potential business ideas and it was a lot of fun brainstorming what we could do. At this point, a business may be a little too ambitious but I'm keeping my eyes and ears out for something that could work for some very busy students. Part of our mission statement is to empower our youth and we believe a business, even on a small scale, could do just that.

This year, we were also very proud to start supporting female students! I am especially happy about a well-known student named Kimsan who was a long time resident of the SOC (Savong Organization Cambodia). She had been teaching English at the SOC for a couple of years and although this was helping many students, she had stalled with her own education. We took her out of the SOC, brought her into town and signed her up for her first



year of university education at the Build Bright University. We are also supporting five other female students who attend the Future Bright International School. We believe that the male and female students should be treated equally. To that end, just as other university boys were given a laptop, every female university student will be given one and we began by presenting one to Kimsan last November. For the younger girls, they have a single desktop computer where they can do their homework. The girls are also given a salary. Although they haven't been assigned roles yet, we have explored the idea of a business for them. They are very excited about making jewelry and we hope that we can turn this into a business as well as a learning experience.

Both our male and female students are fully supported with accommodation, food, salaries, tuition and have access to computers and the internet but we do realize that we could support even more students if we budgeted for tuition-only scholarships – saving us a lot of money – and we have plans to do this in the near future. There are excellent candidates who live in Siem Reap who don't have the money to attend the better schools. Our aim is to find these candidates and provide them the opportunity to complete their education. We hope to work with Future Bright International School as well as the universities to help us with this project.

Our focus is clearly on the older students and their scholarships but **we do try to help out with the SOC and the Savong School as our finances allow.** In 2013, we donated fruit trees for the school and paid to replace the faded sign with a beautiful new one. At the SOC, we provided money for the electrical project which allowed for better lighting at night. Although I don't spend much time out at the school anymore, it seems to be running quite well thanks to one of its founders, Duncan Stuart and the staff. I do still enjoy going out to the SOC and meeting with the kids. I love talking and playing with them as well as helping them practice their English. There are some of them that I have known for five years and it's great to see how they are doing. The SOC will also need to evolve. Although the details have not completely come out as I type this, it sounds like the SOC will need to transition into a daycare/educational facility. Due to some sweeping policy changes, the Cambodian government is shutting down



“orphan centers” and the children are being returned to any remaining family members that they have. For the children that don’t have a family to return to, exceptions will be made. Overall, I think this is a step in the right direction but it still leaves Savong and his project managers with a whole new set of challenges.

Besides scholarships, **we have also been expanding our fluoride program in 2013.** Two primary schools named Phnom Krom primary School with 1,200 students and Krosangroleung Primary School with 300 students are the beneficiaries of this program. The teachers are reporting that since this fluoride rinse program has been instituted, the rate of absenteeism due to dental problems has decreased and students are not complaining of toothaches as much. This is a great achievement for the fluoride rinse program which was implemented in conjunction with the Angkor Hospital for Children (AHC). Encouraged by the success of this program, the fluoride program will be extended to two more schools of 300 and 1,000 students for 2014. While I was in Siem Reap this year, I took some of our students complaining of dental problems to the dentist. After seeing what shape their teeth were in, I hope our fluoride program continues to prevent other students from experiencing that type of oral pain. Last I heard, our students were doing better.



Despite our accomplishments, there have been some monumental challenges as well. One of our most promising university students stole a large amount of money (not from us) and pawned his computer and camera. He was subsequently evicted from our program and his sponsorship was terminated. I did meet with him on my last visit and I’m happy to hear that he is bouncing back. He seems to have learned his lesson and is working full time. Although he

cannot currently afford to go back to university, he hopes to continue his education at some point when he has enough money. We have also had some other problems at the student center. Someone broke into one of the bedrooms and stole a laptop so we have since placed iron bars on the windows (it looks better than it sounds). We also have a leaky room both in the dining room as well as the main classroom. We need to get them fixed before the rainy season begins its annual downpour. We also consider our students like family and they have problems with their relatives like everyone else—but often times to a much greater degree. The father of one of our students was in an accident and lost the use of one of his eyes. His hospital bill was \$170 which he couldn't pay due to the fact that he only makes \$60/month for a family of four. The student asked me to help him. How could I say no to that? We both teared up as I handed over the money (from my personal account). I felt fortunate that I was able to help them out in this way.

One of the most important things a nonprofit can do is to learn from its past and we have learned a lot over the three years. Yes, we have hit some major obstacles and suffered some tough disappointments – and I'm not so naïve to think that we will avoid similar problems in the future – but I believe in what we are doing. I believe that providing these young people with education will make a difference. I believe in the power of our students and their desire to make their dreams a reality. This means continuing with our mission and, yes, evolving as we learn how to improve our impact on a young person's life.

But I can't do it without YOU. You, the donors and the supporters, have helped us make this progress. It takes an incredible amount of work to get everything done but I'm inspired by the generosity of the people who have given us money to get through another year. I realize that there are always plenty of choices where to donate money and I'm deeply thankful for those people who have chosen to support the Savong Foundation. We promise to do our best to honor your donation by putting it towards our youth projects that can make a long term difference with minimal overhead fees. We hope that you will continue to support us in 2014.

It has been an interesting ride this year and I'm looking forward to more. On behalf of the Savong Foundation and our students, I would like to say a big **"Ahkun."**

Sincerely,



Phil Caldwell

CEO The Savong Foundation



Statistics at a glance

Students that we support: 17

Male students: 11

Female students: 6

Students at Future Bright International School: 10

Students at New York International School: 1

Students in University: 4

Students in Phnom Penh studying to be mechanics: 2

Students that are supported with our fluoride project: 2,800

Current number of likes on Facebook: 1347

Current number of followers on Twitter: 97

Letters per year that a supporter should receive from their student: 3

Board members: 5

Advisors to the board (pediatric dentist): 1

Board member who is also an overworked veterinarian: 1

Organizations we would like to thank

Not only do we receive donations from individuals but there are also businesses and organizations that give us both money and guidance. We sincerely appreciate their support!

(In no particular order)

- Heal The World For Children
- Engelstoft Family Foundation
- The Pepper Project
- Hanson and Wen
- Global Secutive
- The Pet Doctors of Sherman Oaks

Our goals in 2014

Our foundation is working hard to improve our projects. Here is what is on the agenda:

- Empower the students without making them feel entitled
- Find ways to improve sustainability of our projects
- Objectively measure the impact of our projects
- Keep our budget as lean as possible while still expanding our support
- Improve selection of scholarship students
- Find more sponsors willing to support students
- Provide tuition-only scholarships
- Start computer classes at student center
- Improve student communication to their donors through regular letters (direct communication is not allowed, however)
- Deepen our relationship with Future Bright International School
- Establish a jewelry business with the female students
- Fix the classroom and the dining room ceiling at the student center
- Explore other fundraising ideas
- Expand our fluoride project to include other schools
- Continue to be a mentor and a friend to all our students



When we say we support our students, we really mean it!



Financials

Income		
Contributions		\$ 48,361
Fundraising		137
Interest		2
		2
Total Income		\$ 48,500

	<u>MGT/GENERAL</u>	<u>PROGRAM</u>	<u>TOTAL</u>
Expense			
Grants to other Nonprofit Organizations		\$ 32,627	\$ 32,627
Direct Program Expenses		4,792	4,792
Advertising & Promotions	\$ 169	144	313
Professional Fees	1,015		1,015
Office Expenses	841	758	1,599
Travel Expenses		4,276	4,276
		\$	
Total Expense	\$ 2,025	\$ 42,597	\$ 44,622

Net Income		\$ 3,878
-------------------	--	-----------------

Program Breakdown:	<u>\$\$</u>	<u>%</u>
Community Outreach	\$ 4,360	10%
Savong Organization Cambodia	1,424	3%
Savong School	372	1%
Savong Student Center	24,850	58%
Young Cambodian Womens Center	6,992	16%
General Cambodian Program	4,599	11%
Total:	\$ 42,597	100%

Percentage Administrative vs. Program	5%	95%
---------------------------------------	----	-----

Note: Government guidelines suggest that administrative costs vs. program costs be no more than 25:75 while nonprofit grading scales allow the top rankings for organizations with a ratio of 15:85. The Savong Foundation's ratio of 5:95 gives them a high ranking among nonprofit organizations.

**All travel expenses and Management/General expenses were covered by board member contributions.
100% of 2013 public contributions went to program expenses.**

This report was prepared by Johnson's Bookkeeping, an independent bookkeeping service specializing in nonprofit compliance.