



FIVE YEAR ANNUAL REPORT

2010 - 2015



OUR GUIDING PRINCIPLES

Grassroots. Rather than applying a pre-conceived, North American solution to a perceived need, we spend time in the community, listening and learning.

Local Engagement. To help ensure local commitment and sense of ownership, we insist that the communities pay for at least 10% of a project's total cost.

Engaging Donors. While the primary focus of our work is in economically marginalized communities in rural Peru and Bolivia, we hope to motivate and inspire donors and interested parties in Canada.

Micro philanthropy. We believe that small projects are more cost effective than large ones. All of our projects are within a CDN \$15,000 annual budget.

Direct Investment. We do not invest through intermediaries. Rather we invest alongside local partners and/or exercise direction of the projects ourselves.

Multiple Outcomes: While our focus is education, we incorporate messages of social responsibility and environmental awareness into our projects.

OUR MISSION

The Alma Foundation improves education for economically impoverished children in remote indigenous communities through education projects that reinforce critical thinking, creativity, analytical reasoning, and socially responsible values. We also partner with small, local initiatives that help educate marginalized children.

OUR VISION

To realize, through investment in education, a new generation of creative, critical thinkers who will spur socio-economic development and improve the quality of life in Latin America in a socially and environmentally harmonious manner.

A LETTER FROM OUR FOUNDER

“Five years later Alma has succeeded beyond my wildest expectations.”

Five years ago, disappointed with the work being done by two Peruvian charities that I was supporting, I founded the Alma Children's Education Foundation with the intent on improving the lives of children in remote indigenous communities in Peru. I hoped that a few key principles that made intuitive sense to me would make for effective programs that would also resonate with my friends and associates here in Canada. My expectations were modest and my plan quite simple. Five years later Alma has succeeded beyond my wildest expectations.

From a standing start and a business model of being open to any ideas that came from communities themselves that met our criteria Alma has successfully completed 21 projects and is currently managing 22 projects. Our core principles of micro-philanthropy, grass roots origination, low overhead, and the instillation of good social and environmental values continue to guide every project.

2015 was our most successful year to date. We ran a total of 16 projects, the most we have ever managed in a given year. Perhaps most exciting of all, our homework clubs evolved from being a place where kids could get afterschool tutoring on any/all subjects to a place where reading comprehension, mathematical reasoning and critical thinking are being taught in a truly creative and innovative way. The Peruvian Ministry of Education has expressed interest in forming a partnership to develop innovative teaching and training methodologies and even here in Canada the Munk School of Global Affairs at the University of Toronto has shown interest in our work.

“This success has made me think a little bigger”

In 2015 our partner projects reached new levels of success. In particular I am very proud that 16 children with autism were integrated into regular school classrooms, for the first time ever, in Cusco through our program with Manos Unidas. Also, Karina a girl whom we have been supporting through first our Pro Rural Program and then our Alumni Program, received a full scholarship to attend university.

This success has made me think a little bigger. In 2016 we will be initiating new projects in the jungle areas of both Peru and Bolivia. We expect to have 30 projects running by the end of 2016. I hope that over the coming year as our work continues to improve we come closer to having a national impact in Peru and Bolivia through a partial integration of our innovative teacher training programs and critical thinking-based homework clubs into the Ministry of Education's programming.

It has been a remarkable five years and I wish to thank all of the volunteers, program directors, partners and supporters who have helped us improve the quality of education and the excitement for learning amongst so many communities in Peru and Bolivia. I am convinced that some of the children we have worked with, as adults, will become agents of change in their communities and in their country.

My ultimate goal is for the Alma Foundation to become redundant.





TESTIMONY FROM A DONOR

“Alma listens, finds out what is needed, and then gives the community the tools to make it happen.”

Susan Greer and her family visited Alma's Patacancha project together with Ian McGroarty, our Project Director who lives in Peru. The following are Susan's comments:

Since its inception, I've been a wholehearted supporter of Alma. Through the Alma newsletter and stories from its founder Alan Harman, I'd heard about the struggles of the people in Peru; parents with no way of getting their children to school, schools with no means to pay teachers, kids who were so malnourished they couldn't possibly learn. When Alan started Alma, it began as a grassroots organization that dug deep within communities to see how Alma could help lift the community out of poverty and support the children. All these years later, Alma still employs that grassroots approach. They go into a community and reach out to the leaders - often the unofficial leaders to whom the community looks for guidance. Alma listens, finds out what is needed, and then gives the community the tools to make it happen.

When my family and I visited the Sacred Valley in 2011, Alma's program director Ian McGroarty let us join him on one of his visits to a hillside town called Patacancha. You could see instantly the respect that Ian had for the members of the community and vice versa. Alma had helped this community build a fish farm so the children could have a few high protein lunches every week and the community could generate income. Ian wasn't there to tell them what to do, or to do it for them, but to see how things were going and see if they needed help. It was a partnership based on mutual respect and simple solutions. Alma still employs this grassroots approach and has made significant improvements to many communities, and to many children who without Alma's help, would never have had the opportunity to stay in school or even go to school. So when we donate to Alma, we know that gift is truly making a difference.

HIGH LEVEL SUMMARY OF GOALS AND ACHIEVEMENTS

In 5 years Alma's projects in Peru and Bolivia helped improve the lives of 4,346 individuals including 4,068 students and 278 teachers all of whom were direct beneficiaries of our work. In this period, 17,909 people including the students' parents and their communities indirectly benefited. The table below outlines how we improved education and our areas of focus:

Improve Education Through:	Areas of Focus	Direct Beneficiaries	Estimated Indirect Beneficiaries
(A) Improving and/or reinforcing student performance	<ul style="list-style-type: none">• Critical thinking• Reading comprehension• Communication• Creative thinking• Analytical reasoning• Mathematical logic/reasoning• Enjoyment of reading & writing• Vocational training	1513	3953
(B) Expanding educational levels	<ul style="list-style-type: none">• Early childhood education• Grades not offered locally• Preparedness for university entrance exams	544	1385

Improve Education Through:	Areas of Focus	Direct Beneficiaries	Estimated Indirect Beneficiaries
(C) Improving physical and mental health	<ul style="list-style-type: none"> • Training and materials for nutritional projects (e.g. trout farms, vegetable gardens) • Promoting emotional health and self-esteem 	641	3468
(D) Providing General Assistance	<ul style="list-style-type: none"> • Constructing classroom • Providing transportation • Providing financial support 	1370	3710
Sub-Total:		4068	12496
(E) Enhancing teaching quality	<ul style="list-style-type: none"> • Training Teachers 	278	5413
Total:		4346	17909

SOCIAL RETURN ON INVESTMENT – MEASURING IMPACT

In our first five years, Alma has been measuring impact through “hard” quantitative data including:

- Attendance
- Academic grades
- Nutrition accounts

We also have been measuring “soft” qualitative data including:

- Motivation
- Self esteem
- Resilience
- And the ability to think critically through interviews of parents and teachers and through video presentations and analysis.

We are excited about further developing creative ways to measure children's abilities to apply mathematical reasoning, comprehend what they are reading and apply critical thinking. We have a series of images of what a “better quality of life” looks like and what abilities children need to possess to realize that quality of life. The challenge remains to somehow capture the improvements in those abilities with data.



OUR PLAN FOR THE FUTURE

The Alma Strategy is designed to allow us to achieve and implement our Mission and Vision Statements. In the five years that Alma has been operating, our focus has evolved as we have learned from our experience and adapted to the constantly changing environment. This evolution is reflected in our Mission and Vision Statements.

One constant over our five year history has been the Alma brand which is synonymous with our reputation for listening to and learning from local communities to better understand their needs and develop educational solutions tailored to those needs.

IN THE YEAR AHEAD, WE WILL CONTINUE:

- Concentrating our activities in the Cusco and Loreto (jungle) regions of Peru and La Paz and the Beni (jungle) region of Bolivia
- To keep community projects “small” (generally under 50 direct beneficiaries per project)
- Not to seek strategic funding partners at this time
- To undertake projects that help children across the full spectrum or pre-school, primary, secondary and university
- To keep budgets per project at approximately CDN \$15,000 plus project management expenses
- To selectively invest in partner projects. While we are not looking to grow our involvement in partner projects, they represent an avenue to help children in our target locations in 2016 while we progress through the planning, design, implementation, and active project stages of new community projects. As such 2016 will be a transitional year.

By the end of 2016, we plan to grow to 22 community projects (10 in Cusco region, 7 in Beni (rainforest) region of Bolivia, 5 in Loreto (rainforest) region of Peru) and 8 partner projects for a total of 30 projects.

Technology will be an important initiative and an exciting challenge in 2016 as we work to find or create a good quality school curriculum and full set of learning modules replacing the need for teachers in remote communities.

TO REALIZE THIS, WE WILL:

- Define the curriculum we need
- Survey current offerings
- Create the curriculum
- Extrapolate data to create value (to society, economy) proposition
- Leverage Canadian expertise





PROJECT EXAMPLE

TUKSA BIBLIOTECA PROJECT

"It is a very remote community, isolated to the point where the community has little contact with the outside world."

The community of Tuxsa is located at an altitude of 4,400 meters above sea level, in the province of Canchis. It is a very remote community, isolated to the point where the community has little contact with the outside world. They have no telephone service and most of the people there do not speak Spanish. There are 40 families living in Tuxsa mostly farming alpacas for their wool.

The project came from the community itself. A group of community leaders traveled to the municipality of Combapata and asked for a library. The municipality approached Alma as they knew of our experience with "libraries" (homework clubs).

We traveled to the community and began attending “assembleas” with parents. We developed the idea of not only having the library but also reinforcing the library with reading comprehension, linguistic comprehension and homework support—a “homework club”. It was to be a place where kids could come in the afternoons, receive tutoring and share their doubts with a highly qualified teacher, in a friendly and fun learning environment. Parents were to organize

“We decided to focus on reading comprehension.”

academic activities with the teacher and the students once every month. What became clear to us was that while children could read quite well their reading comprehension was very, very poor. We decided to focus on reading comprehension. Ian, our program director, noticed that the children loved playing with his camera so he and the teacher developed a reading comprehension program based on the children making movies in groups. To make their movies they would need to write scripts. To write scripts they would need to learn about characters, story arcs, plots and of

course to learn this they would need to understand nouns and verbs and the construction of a sentence. Ultimately by writing sentences and developing characters for their movies they would learn the tools needed to comprehend what they read.

In its first year the project was a great success. Almost all of the 29 children (in Tuska) attended every day, even on holidays. Seventy percent of the children who attended our program had improved their reading comprehension scores.

The community of Tuska has never received support for education from any other organization so it has been an historic project. We hope that it will incent other communities in the district to explore better academic options for their children.

THE WAY WE WORK

*“We develop projects that have **REAL** community support, engagement and ownership.”*

We truly are “grass-roots”. We are sufficiently interested in the long term success of our work to live in the communities, speak the language of the communities, and truly get to know the children, parents and teachers BEFORE we develop projects that have REAL community support, engagement and ownership.

We believe in micro-philanthropy. The marginal benefit of a project decreases after about the CDN \$15,000 investment mark and we prefer to have a meaningful, long-term impact on fewer lives than a short-term “intervention” in the lives of many.

We like the low overhead model. We want to engage people and feel that offering volunteer opportunities is a way to do this. We feel our funds are better spent in the communities in Peru and on people in Peru than on overhead in Canada.

We instil good social and environmental values into all of our curriculums.

There are a few civil society organizations that operate with some of these principles but none that we know of that truly deploy all of them. In fact there are none that we know of in Cusco province that spend the quantity and quality of time in communities that we do.

In Appendix A, we map the Tuxa Biblioteca Project to our Guiding Principles as a concrete example of “How We Work”.





PARTNERS AND DONORS

In addition to our hundreds of individual donors, the Alma Children's Education Foundation is grateful to the following organizations for their ongoing support and commitment:





INVESTING IN OUR GROWTH

Over the next three years we plan on staying true to our guiding principles while growing to 30 community and partner projects in our three geographic regions: Cusco province of Peru, the Iquitos district (jungle) of Peru and Bolivia.

We would like to have a national impact through the continuing development and partial integration of our innovative teacher training programs and methodologies, and critical thinking workshops into the Ministry of Education's programming in Peru and Bolivia and perhaps that of leading edge education organizations in North America.

Our three year goal will require an annual budget of CD\$600,000 (twice our current annual budget).

MANAGEMENT DISCUSSION AND ANALYSIS

In 2013 the Alma Foundation received a \$500,000 one-time donation from an individual supporter. Our intention is to hold these funds in reserve in the event of a future shortfall in fund-raising.

As we are an extremely cost conscious small charity and benefit from having our financial systems reviewed on a regular basis by two volunteers with extensive knowledge of such matters, and because we are required by Peruvian law to submit for review all receipts and financial reports on a monthly basis, we have in the past decided not to undergo a financial audit every year. Our financial statements were last audited in 2013. We plan to have our financial statements audited annually starting in tax year 2015. Financial statements will be audited in accordance with the Canadian Government requirements for non-profits.

FINANCIAL SUMMARY (AS AT DECEMBER 31, 2015)

Income Statement

Revenue	\$275,000
Program expenses	\$229,000
Salary/Fundraising/Other expenses	\$34,000
Surplus	\$12,000

Balance Sheet

Assets*	\$871,000
Liabilities	\$11,000
Fund Balance	\$860,000

**Includes reserve*

RECOGNITION

ADVISORY COUNCIL

Walter Meekes

Carolina Benavides

Chance Lindsey

Louise Norton

STAFF ROLES

Consistent with our low overhead model, staff roles are filled by only five individuals; four of whom are in the field with three in Peru including our Program Director and one in Bolivia. Our Executive Director is based in Toronto. Alma does not rent or own office space and therefore all staff either work from their homes or are in the field. All other work is performed by volunteers.

BOARD OF DIRECTORS

Alan Harman

Anatol von Hahn

Sandy Houston

Rob Djurfeldt

Michael McCarthy

Trevor Townsend

Ana Maria Villaran

Andy Dickison



PROGRAM DIRECTOR: IAN MCGROARTY

Ian graduated from Pennsylvania State University's Smeal College of Business with a B.S. in Economics, a minor in International Business, and a focus in International, Development and Transition Economics. After working in both New York City and Washington DC in development related NGO's and foundations, he moved to Peru in 2009. Ian worked in the creation and implementation of community, education and economic development projects as the General Coordinator of Nexos Voluntarios in Urubamba and as an Economic Development Project Coordinator in the District Municipality of Maras. Ian began working for Alma on July 20, 2011 managing our direct community programs and developing new projects in very remote villages.

EXECUTIVE DIRECTOR: MELANIE GOLDMINTZ

Melanie graduated from the University of Western Ontario's Ivey School of Business with an Honours Business Administration degree as well as a Certificate in Sustainability. Experienced in non-profit and program consulting, she has completed nine consulting projects in five different countries. During a 2012 volunteer trip to a Children's Home outside of Cusco, Peru, Melanie fell in love with Latin America and has returned to Cusco to build upon her initial experience every year since. Previously, Melanie worked as a Financial Analyst for TD Bank, a Communications Specialist for Ivey's Building Sustainable Value Research Centre, and as a Sustainability Lecturer for The University of Western Ontario's Continuing Studies program. Most recently Melanie worked as a Program Associate in Nicaragua with the non-profit Global Brigades. As Executive Director Melanie manages all aspects of our charity other than the community programs.

APPENDIX A

■ HOW WE WORK – MAPPING OF THE TUKSA LIBRARY PROJECT TO ALMA’S GUIDING PRINCIPLES

Alma Foundation	Tuksa Library Project
<p>MISSION STATEMENT</p> <p>The Alma Foundation improves education for economically impoverished children in remote indigenous communities through education projects that reinforce critical thinking, creativity, analytical reasoning, and socially responsible values. We also partner with small, local initiatives that help educate marginalized children.</p>	<p>The beneficiaries of the Tuksa Library Project include 40 children attending nursery and primary school in Tuksa and their parents whose livelihood in this remote community in the Peruvian Andes is mostly farming Alpaca for wool. Tuksa’s isolation extends to the absence of any phone service with the majority of inhabitants speaking only Quechua (i.e. not Spanish which is the official language of Peru). The Tuksa project is an afterhours “Homework Club” that in addition to providing a library will have a teacher who will reinforce reading comprehension, creative writing and critical thinking.</p>
<p>VISION STATEMENT</p> <p>To realize through investment in education, a new generation of creative, critical thinkers who will spur socio-economic development and improve the quality of life in Latin America in a socially and environmentally harmonious manner.</p>	<p>Most of the parents in Tuksa have limited ability to read and/or write. This project which will provide the children of the community with enhanced education will increase the self-esteem and self-confidence of these children leading to an improvement in their quality of life.</p>

Alma Foundation	Tuksa Library Project
<p>GUIDING PRINCIPLES</p>	<p>The approval and implementation of the Tuksa Project fully complies with Alma's Guiding Principles as outlined below:</p>
<p>(A) Grassroots. Rather than applying a pre-conceived, North American solution to a perceived need, we spend time in the community, listening and learning. If we recognize a need within the context of education, and if we feel we can create and support an innovative solution, we will help the community create an Alma project.</p>	<ul style="list-style-type: none"> • Elders from Tuksa visited the nearby and larger Municipality of Combapata and asked for a library. • Combapata was aware of Alma's experience with libraries and approached Alma for assistance. • The Alma program director travelled to Tuksa in order to attend meetings with parents. He stayed with families for extended periods of time. • As a result of the meetings with parents, Alma developed a plan of not only having a library but reinforcing existing school curriculum with reading comprehension, linguistic comprehension and homework support. • In order to validate the merits of this plan and to ensure local support, prior to proceeding, Alma met with: Community Leaders, Tuksa primary school teachers, Municipal Authorities in Combapata and the Ministry of Education (regional office).

Alma Foundation	Tuksa Library Project
GUIDING PRINCIPLES	<p>The approval and implementation of the Tuksa Project fully complies with Alma's Guiding Principles as outlined below:</p>
<p>(B) Local engagement. We believe in a “hand up” rather than a “hand out” and discuss our projects with all stakeholders in the community. For us, local engagement does not mean the approval of a community leader but the support of the entire community. To help ensure local commitment and sense of ownership, we insist that the communities pay for at least 10% of a project's total cost.</p>	<ul style="list-style-type: none"> • Responsibility for implementation of this project was documented in a contractual agreement between the local partner (Municipality of Combapata) and Alma. Responsibilities were allocated as follows: <p>LOCAL PARTNER RESPONSIBILITIES</p> <ul style="list-style-type: none"> • Dedicate existing public building for use as a library • Perform maintenance, clean-up, painting of the library space and provide suitable furniture • Provide books and a computer • Create a local organization for the administration of the library when the teacher is not present. <p>ALMA RESPONSIBILITIES</p> <ul style="list-style-type: none"> • Hire and train teacher who will attend the library two days per week from 2:00 – 5:00 pm.

Alma Foundation	Tuksa Library Project
GUIDING PRINCIPLES	<p>The approval and implementation of the Tuksa Project fully complies with Alma's Guiding Principles as outlined below:</p>
<p>(C) Engaging donors. While the primary focus of our work is economically marginalized communities in rural Peru and Bolivia, we hope to motivate and inspire donors and interested parties in Canada. Donors feel a sense of ownership because we invest 93% of their monies in projects, and we maintain creative and constant communication with the communities in which they invest.</p>	<ul style="list-style-type: none"> • Funding for the Tuksa project was provided by Alma's Canadian donors. • From project conception in November 2013 to the opening of the library in April 2014, the Alma program director travelled to Tuksa several times to monitor and assess implementation.
<p>(D) Microfinance and micro philanthropy. We believe that small projects are more cost effective than large ones. All of our projects are within a CDN \$15,000 annual budget. We maximize the social return on our investment.</p>	<ul style="list-style-type: none"> • The total annual cost of the Tuksa project per year is an estimated CDN \$8,100 or which Alma funds CDN \$7,750 at an exchange rate of CDN 1 to Nuevo Soles 2.56. The community also contributes with volunteer labour.
<p>(E) Direct investments. We do not invest through intermediaries. Rather we invest alongside local partners and/or exercise direction of the projects ourselves.</p>	<ul style="list-style-type: none"> • Alma, as noted above, entered into a contract with the Municipality of Combapata to ensure each parties' responsibilities were clearly set out. Direction of the project was managed by our program director.

Alma Foundation	Tuksa Library Project
GUIDING PRINCIPLES	<p>The approval and implementation of the Tuksa Project fully complies with Alma's Guiding Principles as outlined below:</p>
<p>(F) Multiple outcomes. We pursue a holistic approach to all projects. While our focus is education, we incorporate messages of social responsibility and environmental awareness into our projects. For example, our meal programs deliver a local food, sustainable agriculture, and nutrition message together with the provision of meals.</p>	<ul style="list-style-type: none"> • The outcomes pursued and achieved in the Tuksa project are: <ul style="list-style-type: none"> • Establish a library for use by both students and parents • Through the Homework Club aspect of the project, build on the formal government education curriculum by reinforcing: <ul style="list-style-type: none"> • Reading comprehension • Creative writing • Critical thinking • Incent other communities to explore better academic options for their children. In this regard, Tuksa is a pilot project for potential use in other communities.

Alma Foundation	Tukša Library Project
GUIDING PRINCIPLES	<p>The approval and implementation of the Tukša Project fully complies with Alma's Guiding Principles as outlined below:</p>
<p>(G) Performance measurement. We have created meaningful evaluation and performance measurement tools based upon on the Canadian International Development Agency Standards and the Poverty Reduction Lab protocol.</p>	<ul style="list-style-type: none"> Quantitative measures of success will include: <ul style="list-style-type: none"> Year over year comparison of: Academic grades for each student Participation by parents in workshops Qualitative measures of success will include: <ul style="list-style-type: none"> Comparison of results from the first and last survey of improvement in academic performance conducted by the teacher Analysis of students' video presentations to ascertain improvements in critical thinking

