



*Society for Orphaned Armenian Relief (SOAR), Inc.  
2008 Annual Report*

Prepared by the  
**Society for Orphaned Armenian Relief (SOAR), Inc.**  
P.O. Box 537 Berwyn, PA 19312  
(610) 213-3452 - Phone (267) 385-5814 - Fax  
info@soar-us.org www.soar-us.org



## Table of Contents

I. Message from the National President	3
II. Introduction	4
III. Creation and Management	5
IV. Orphanage Descriptions	6
V. Mechanisms of Assistance	8
VI. Methods of Shipping and Distribution	10
VII. 2008 Accounting Summary	12
VIII. Conclusion	15
IX. Appendix A	16

## Message from the National President

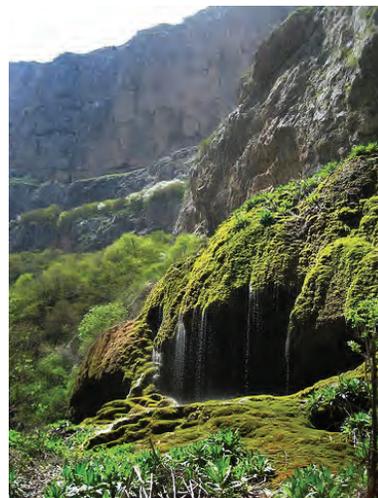
July 3, 2009

Dear SOAR Friends:

Thank you for an outstanding 2008! Our primary goal in 2008 was to improve upon our efforts from 2007. I am elated to say that we succeeded, in three primary areas – logistics, fundraising, and Chapter development. First, the National Board of Directors, based in Philadelphia, standardized our fundraising and distributions efforts. We hold a poker tournament in the spring, collect goods across the country for the Tsaghgadzor summer camp, sponsor NCAA March Madness and NFL eliminator pools, host our annual cocktail reception in October, and hold a holiday collection throughout the fall and early winter.



Second, we made distributions totaling **\$102,300.00** in 2008! This is the first time we surpassed the \$100,000.00 barrier, and this distribution amount represents a **15% increase** from 2007. It is important to note that this figure includes the work from our National Headquarters (Philadelphia), as well as our Chapters in Los Angeles and Washington, DC. This is particularly noteworthy because we no longer accept donations of used clothing and toys, which comprised a large proportion of our 2006 and 2007 distributions.



Third, our Los Angeles Chapter, which joined us in October 2007, is celebrating its first full year! Los Angeles has its own page on our web site with chapter-specific contact information and detailed biographical sketches for its Board of Directors. They had an excellent 2008 and are looking forward to an even better 2009. In addition, we welcomed the Washington DC, Metro Chapter in early 2008. Their contact information is also available on our web site. Please contact the local Board members with any questions or fundraising ideas.

Finally, let me offer my heartfelt thanks to everyone who has made SOAR successful since our launch in early 2006 – our National Board of Directors who work tirelessly throughout the year; our Chapters who have given us a critical, localized presence across the country; our Partners in Armenia who put up with my barrage of email queries and requests; and, most importantly, our generous supporters. Your unwavering financial, emotional, and logistical support is greatly appreciated, and we thank you for a fantastic 2008!

Sincerely,

George S. Yacoubian, Jr., J.D., Ph.D.,  
National President

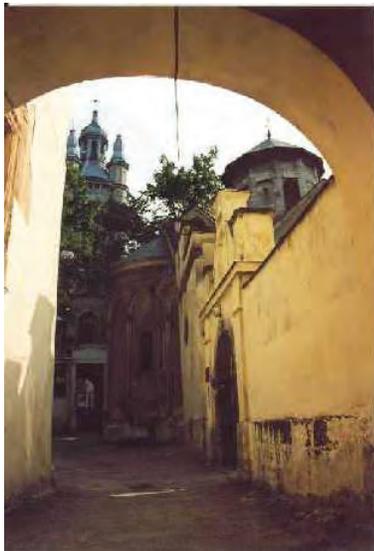
## Introduction

Although Armenia continues to address the economic crisis that resulted from its independence in 1991, it is one of the poorest countries in the world. More than 30% of the population lives in poverty<sup>1</sup> and, as of 2006, unemployment was as high as 30%.<sup>2</sup> Since 1991, nearly 25% of the population of Armenia has emigrated to pursue better economic opportunities. A disproportionately high percentage of these emigrants have been the male heads of families, which has left thousands of mothers to be the sole caregivers for their children. Government expenditures on social services remain very low and offer little in the way of a social safety net.



Although there has been economic growth in the capital city of Yerevan, the situation remains bleak elsewhere. The disparity between the rich and the poor has taken a sharp increase since independence, with the benefits of recent economic growth going to a relatively few wealthy people. Poverty in Armenia is rooted in both external and internal factors, including widespread government corruption, poor state governance, an unresolved conflict with Azerbaijan over the Karabagh territory, economic blockades by Turkey and Azerbaijan, loss of economic links after the dissolution of the Soviet Union, and an outdated technological base and labor force.

Children in Armenia are more vulnerable to the consequences of poverty than any other age or social group. In some regions, nearly 50% of children under five are stunted because of poor nutrition. Poverty in Armenia has resulted in ever increasing numbers of orphans, institutionalized children, and children living and working on the streets. There are 11,000 otherwise healthy children committed to more than 50 public boarding schools and nearly 1,500 children living in the 15 state- and privately-funded orphanages.



The orphan population in Armenia is different than in the United States. In Armenia, there are both “natural” and “social” orphans. Natural orphans have no mother or father. Social orphans have living parents that are unable or unwilling to care for them. The state orphanages are underfunded, poorly managed, in disrepair, and understaffed. Although the children receive basic material, educational, and nutritional support, most institutions fail to care for the emotional, spiritual, and psychological well-being of the children. According to the 2007 Trafficking in Persons Report,<sup>3</sup> Armenia has Tier 2 status because street children, orphans, and institutionalized children are at very high risk of being trafficked, abused, falling into prostitution, and/or coming into conflict with the law. It is because the vulnerable orphan population is at very high risk of physical deterioration and emotional despair that we created the Society for Orphaned Armenian Relief (SOAR), Inc.

<sup>1</sup> See [www.worldbank.org](http://www.worldbank.org) (accessed June 3, 2009).

<sup>2</sup> See [www.indexmundi.com/armenia/unemployment\\_rate.html](http://www.indexmundi.com/armenia/unemployment_rate.html) (accessed June 3, 2009).

<sup>3</sup> U.S. Department of State, The 2007 Trafficking in Persons Report, Washington, DC: U.S. Department of State, June 2007.

## Creation and Management

George S. Yacoubian, Jr., and his wife Erica, SOAR founders, decided to adopt a baby from Armenia in the spring of 2005. Throughout 2005, they went through “home study” and various levels of domestic governmental approval.<sup>4</sup> In July 2005, they traveled to Armenia to visit a summer camp hosted by the Our Lady of Armenia Center. While in Armenia, they saw Liliana for the first time. They submitted their dossier to the Armenian government in the fall of 2005, received their preliminary approval in December 2005, and received their final approval in March 2006. They brought Liliana home on April 23, 2006.

After observing the conditions of the orphanages during their 1995 trip, George & Erica created SOAR, a 501(c)(3) nonprofit organization that provides humanitarian relief to orphaned children living in Armenia. SOAR’s mission is to distribute much needed food, clothing, medicine, educational supplies, and other essential resources to orphanages throughout Armenia. Between October 2005 and May 2006, the necessary corporate documents were filed, the 501(c)(3) tax exempt status was approved, preliminary research was conducted, an experienced and talented National Board of Directors was assembled, a trustworthy network of Partners in Armenia was established to assist with distributions, and the web site ([www.soar-us.org](http://www.soar-us.org)) was launched.

SOAR has no paid employees, and the National Board of Directors, Chapter Boards of Directors, and Partners in Armenia volunteer their time. Appendix A identifies those persons across the country and in Armenia who represent the lifeblood of this organization.



<sup>4</sup>The step-by-step Armenia adoption process is provided, as a courtesy, on our web site. SOAR, however, is not an adoption facilitating organization. We provide this information solely to help prospective parents understand the process.

## Orphanage Descriptions

There are 15 orphanages in Armenia. Between February and April 2006, George, Erica, and several of SOAR's Partners met with the orphanage directors to inform them of SOAR's creation and to identify their most pressing needs. Since 2006, we have maintained regular contact with the orphanage directors to update their list of needs. A description of each orphanage is presented below.

**Children's Home of Gyumri** (Mrs. Ruzann Avagyan, Director) is a state-funded orphanage in Gyumri, housing approximately 105 mentally and physically handicapped children six years old and younger.

**Gavar** (Mr. Nikolay Nalbandyan, Director) is a state-funded orphanage in Gavar, housing approximately 115 healthy children between the ages of three and 18.



**Hadug Tibi** (Mrs. Hasmig Mgdrtchyan, Director) is a state-funded orphanage in Yerevan, housing approximately 83 healthy and handicapped children between seven months and eight years of age.

**Houys** (Mr. Ruben Markosyan, Director) is a state-funded orphanage in Gyumri, housing approximately 80 healthy children between the ages of four and 18.

**Kharberd** (Mr. Harutyun Balasanyan, Director) is a state-funded orphanage in Kharberd, housing approximately 240 mentally and physically handicapped children between the ages of six and 18.

**Nork** (Mrs. Liana Karapetyan, Director) is a state-funded orphanage in Yerevan, housing approximately 80 healthy children six years old and younger.

**Nubarashen** (Mr. Merouj Yenkibarian, Director) is a state-funded, special boarding school in Yerevan, housing approximately 105 mentally and physically handicapped children between seven and 18 years of age.

**Our Lady of Armenia Center** (Sr. Arousiag Sajonian, Director) is a privately-funded orphanage in Gyumri housing children between the ages of six and 18. The Our Lady of Armenia Center is operated by the Armenian Sisters of the Immaculate Conception, a religious order of nuns established in 1847. The Sisters also operate the Our Lady of Armenia Summer Camp in Tsaghgadzor, a mountain retreat in Northeast Armenia.

## Orphanage Descriptions



**Sisters of Charity - Spitak** (Sr. Francesca, Director) is a privately-funded orphanage in Spitak. Located in north central Armenia, Sisters of Charity-Spitak houses approximately 33 mentally and physically handicapped children. There are no age limitations. The Sisters of Charity is a Catholic religious order established in 1950 by Nobel Peace Prize winner Mother Teresa to tend to “the poorest of the poor.” The order currently consists of more than 4,500 nuns who are active in 133 countries. In addition to the vows of chastity, poverty and obedience, the nuns adhere to a fourth vow of giving “wholehearted and free service to the poorest of the poor.”

**Sisters of Charity - Bethlehem** (Sr. Nella, Director) is a privately-funded orphanage in Yerevan. Located in central Armenia, Sisters of Charity-Bethlehem houses approximately 15 mentally and physically handicapped babies and young children, all of which were abandoned at local hospitals. The Sisters of Charity is a Catholic religious order established in 1950 by Nobel Peace Prize winner Mother Teresa to tend to “the poorest of the poor.” The order currently consists of more than 4,500 nuns who are active in 133 countries. In addition to the vows of chastity, poverty and obedience, the nuns adhere to a fourth vow of giving “wholehearted and free service to the poorest of the poor.”

**SOS Children’s Village** (Mr. Armen Ayvazyan, Director) is an international organization that provides a new home for children who have lost their parents or who for other reasons can no longer live with their parents (for example, because the parents have abandoned their children, are alcoholics, or are in prison). SOS Children’s Village, located in Abovyan, houses approximately 80 healthy children between the ages of 9 months and 15 years of age. When the children turn 15, they move to one of three SOS centers in Yerevan, where they remain until age 20.

**Trchoonian Home** (Mrs. Sonya Simonyan, Director) is a privately-funded orphanage in Gyumri, housing approximately 60 intellectually gifted children between the ages of three and 12.

**Vanadzor** (Mr. Arshalouys Haroutounian, Director) is a privately-funded orphanage in Vanadzor, housing approximately 110 healthy children 18 years of age and under.

**Vardashen** (Mrs. Larisa Sargsyan, Director) is a state-funded, special boarding school in Yerevan, housing approximately 83 healthy children who “exhibit socially dangerous behavior” between the ages of six and 18.

**Zadik** (Mr. Ashot Mnatsakanyan, Director) is a state-funded orphanage in Yerevan, housing approximately 138 healthy children between the ages of six and 18. After the age of 18, the children have the option of moving on to either Rainbow House or a farming village in Arzni. Rainbow House is sustained, in part, by handcrafting greeting cards, which are sold throughout Armenia. The farming village is approximately 15 kilometers from the orphanage.

## Mechanisms of Assistance

SOAR has a variety of mechanisms through which assistance is provided to the orphanages. In alphabetical order, they are:

### Balik-Jan Project:

The Balik-Jan Project brings warmth, love, and comfort to the orphaned children in Armenia. Balik-Jan Project volunteers knit, crochet, and sew infant, toddler and children's clothes. The handmade items are then donated to Armenia's orphanages. The following items can be made in all children's sizes – booties, hats/bonnets, dresses, sweaters, ponchos, socks, mittens, scarves, and blankets. Persons interested in becoming a Balik-Jan volunteer can contact Anna A. Turcotte at [BalikJan@soar-us.org](mailto:BalikJan@soar-us.org). All items can be shipped to the following address:

George S. Yacoubian, Jr.  
c/o Public Storage  
#B037  
245 West Chester Pike  
Havertown, PA 19083

### Donation of Goods:

Throughout the year, SOAR holds various drives to accept donations of goods for shipment to the orphanages of Armenia. These drives are advertised on our web site and occur in various venues across the United States.

The following is a non-exhaustive list of items of items that are always needed by the orphanages: baby supplies (e.g., bumpers and changing table pads); Band-Aids; bath towels; bedding (for cribs and twin beds); blankets; new clothing (infants through young adult)<sup>5</sup>; diapers; hair products (combs and brushes); musical items (e.g., CDs and radios); OTC medications (e.g., Tylenol and vitamins); personal hygiene products (e.g., soap and shampoo); shoes; and, umbrellas. SOAR only accepts certain products (e.g., Band-Aids, diapers, and hairbrushes) if they are in their original sealed containers. All items can be shipped to the above address

<sup>5</sup> We no longer accept donations of used clothing or used toys.

## Mechanisms of Assistance

### Financial Donations:

All cash donations made to SOAR are tax deductible. There are two methods by which donations can be made: 1) by check; and 2) through our on-line donation system ([www.soar-us.org/donate.html](http://www.soar-us.org/donate.html)). All donations are acknowledged in writing for tax purposes. Checks should be made out to the Society for Orphaned Armenian Relief, Inc. and mailed to:

Society for Orphaned Armenian Relief (SOAR), Inc.  
P.O. Box 537  
Berwyn, PA 19312-0537

### Special Gifts Program:

In addition to our conventional method of financial donations, SOAR offers a Special Gifts Program. This Program includes bequests, charitable gift annuities, charitable lead trusts, charitable remainder trusts, donor-advised funds, endowments, in lieu of flowers, retained life estates, scholarships, and wealth replacement trusts. If you would like more information about our Special Gifts Program, please contact George S. Yacoubian, Jr., at (610) 213-3452 or [gyacoubian@soar-us.org](mailto:gyacoubian@soar-us.org).



## Methods of Shipping and Distribution

### Protocol:

SOAR assists the orphanages through **three (3) primary mechanisms**. First, we work with for-profit corporations (e.g., Hasbro) to provide donations of specific products. SOAR receives these goods in the United States and ships them to Armenia via an airlift provided by the United Armenia Fund (UAF). As a recognized 501(c)(3) non-profit organization, SOAR is permitted to use the services of UAF free of charge. The airlift departs from John F. Kennedy (JFK) International Airport in New York, NY, approximately every two (2) months. Moreover, the truck we use to take our items to JFK is provided free of charge by Mr. and Mrs. Vaughn Hoplamazian of Bargain Rental (Broomall, PA). As such, there are minimal costs associated with our shipments to Armenia.

UAF informs us of the date of arrival in Armenia approximately one week in advance. We then notify our Partners in Armenia who arrange for picking up the goods from the airport in Yerevan. Our Partners in Armenia receive the goods and make all distributions as determined by the National Board of Directors.

Second, we receive goods (e.g., new clothing) from donors across the United States and ship them to Armenia via UAF.

Third, we receive cash donations to purchase goods and services for the orphanages. Some of these products are purchased outside of Armenia and shipped to our Partners. Most of the products, however, are purchased in Armenia. This method of procurement serves the dual role of satisfying the orphanages' needs while simultaneously providing a much needed boost to the Armenian economy. Our Partners are responsible for either receiving the goods purchased by SOAR or for purchasing the items/services for SOAR and subsequently making the distributions.

### Quality Control:

SOAR has a **strict quality control protocol** to assure that all donations reach the intended recipients. This protocol has five (5) primary steps:

- First, **we only occasionally make cash distributions directly to the orphanages**. Rather, those goods/services that can be procured in Armenia are purchased by our Partners and distributed directly to the orphanages.
- Second, we implement **chain of custody procedures** for any goods or services distributed to the orphanages. This assures us that these items have been received by the orphanages in the exact quantity intended. These chain of custody procedures have 3 sub-steps:

## Methods of Shipping and Distribution

- Our Partners sign for the shipments received and attest to the type/quantity of goods/services purchased in Armenia. This invoice includes an exact description of the type and quantity of goods shipped/distributed and services provided.
  - The orphanage directors sign this invoice, indicating that the exact type/quantity of goods and services they have received is the quantity indicated on the invoice.
  - Both invoices are faxed or mailed to the attention of the National President as evidence of a successful distribution.
- Third, our Partners make **random inspections** of the orphanages following each distribution to assure that a reasonable quantity of goods remains. We recognize that this step may be difficult with certain types of products (e.g., diapers). With other products, however, such as mattresses, most if not all of the original quantity should remain long after the distribution. Discrepancies are reported immediately to the National President.
- Fourth, when possible, goods donated by SOAR are **engraved and/or stamped with a corporate seal**. This type of identification is particularly feasible with non-perishable items, such as appliances, beds, books, and desks and chairs.
- Fifth, we implement a zero-tolerance policy for fraud, theft, and/or deception. Prior to making a distribution to the orphanages, orphanage directors are reminded of our strict protocol. They are warned that random checks are part of this protocol and that, in the event a discrepancy arises, they will no longer be eligible for assistance.

## 2008 Accounting Summary<sup>6</sup>

<b>Cash contributions and donations of goods (gross receipts)</b>	<b>\$142,699.00</b>
<b>Investment income</b>	<b>\$88.00</b>
<b>Total Revenue</b>	<b>\$142,787.00<sup>7</sup></b>
<b>Total Orphanage Distributions</b>	<b>\$102,300.00</b>
<b>Children's Home of Gyumri</b>	\$9,155.00
New baby supplies	
New furnishings	
New toys and games	
<b>Gavar</b>	\$10,450.00
New shoes	
New toys and games	
<b>Hatug Tibi</b>	\$450.00
New clothes	
New toys and games	
<b>Houys</b>	\$1,300.00
Installation of gas heating system	
New toys and games	
<b>Kharberd</b>	\$4,650.00
New orthopedic shoes	
New toys and games	
<b>Nork</b>	\$3,300.00
New kitchen supplies	
New toys and games	
<b>Nubarashen</b>	\$500.00
Hosted Christmas party	
New toys and games	
<b>Our Lady of Armenia Center</b>	\$53,495.00 <sup>8</sup>
Tsaghgadzor summer camp supplies	
Cash donations	
New toys and games	
<b>Sisters of Charity</b>	\$8,400.00
New furnishings	
New toys and game	

<sup>6</sup>SOAR's 2008 tax return was prepared by prepared by Greg Mangasarian, Mangasarian and Associates, 103 Chesley Drive, Suite 103, Media, PA, 19063, (610) 891-7710.

<sup>7</sup>This figure includes the work from our National Headquarters (Philadelphia), as well as our Chapters in Los Angeles and Washington, DC.

<sup>8</sup>The total for OLA is driven by the \$47,495.00 distributed to the Tsaghgadzor summer camp, which OLA hosts for orphans and other underprivileged youth across Armenia.

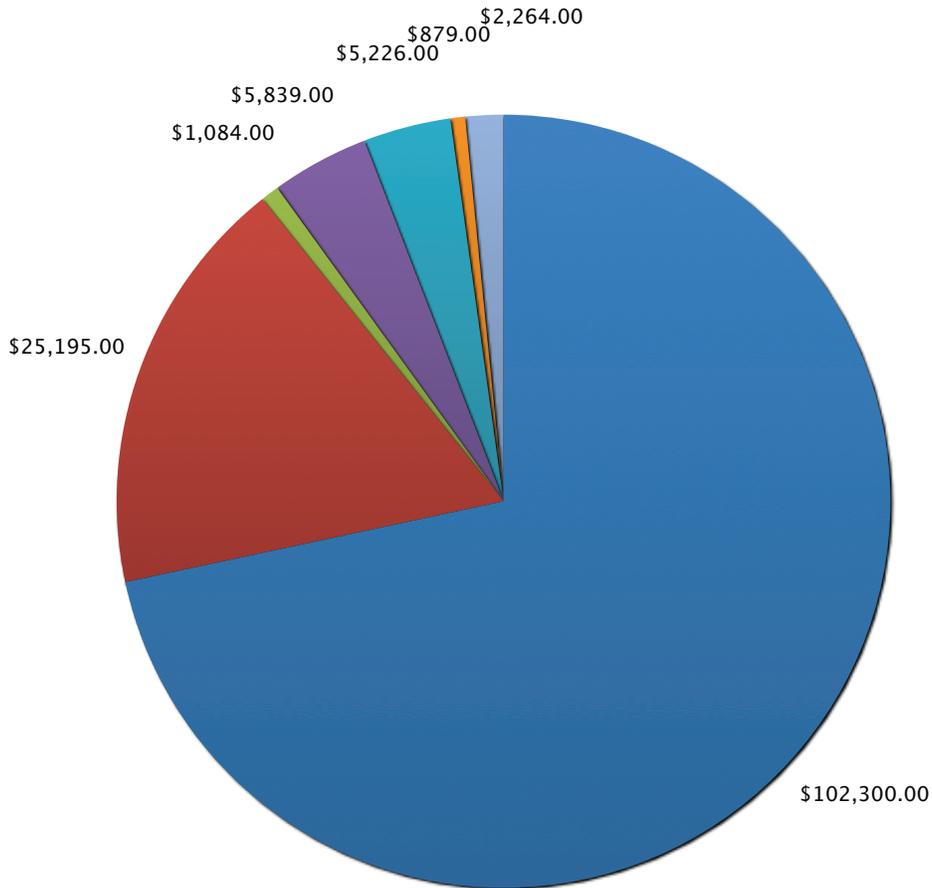
## 2008 Accounting Summary

<b>SOS Children’s Center</b>	\$3,900.00
Cash donation	
New toys and games	
<b>Trchoonian Home</b>	\$2,000.00
Cash donation	
New toys and games	
<b>Vanadzor</b>	\$2,700.00
New wardrobes	
New toys and games	
<b>Vardashen</b>	\$1,000.00
New freezer	
New toys and games	
<b>Zadik</b>	\$1,000.00
Subsidy for fuel expenditures	
New toys and games	
 <b>Other Expenses</b>	 <b>\$15,292.00</b>
Accounting	\$345.00
Advertising and promotion	\$5,839.00
Office expenses	\$183.00
Information Technology	\$689.00
Travel	\$190.00
Insurance	\$400.00
Banking	\$339.00
Equipment	\$2,264.00
Printing and copying	\$2,798.00
Postage and mailing	\$2,245.00
 <b>Closing Balance</b>	 <b>\$25,195.00<sup>9</sup></b>
National (Philadelphia)	\$14,647.54
Los Angeles Chapter	\$9,024.46
Washington, DC Metro Chapter	\$1,523.00

<sup>9</sup> The Closing Balance is Total Revenue - (Total Distributions + Other Expenses).

<sup>10</sup> Because the Chapters do not make distributions directly to the orphanages, we present their respective closing balances, which represent their total fundraising efforts less any respective “other expenses.”

**Figure 1 – 2008 Accounting Summary**



- Orphanage Distributions
- Cash Reserve
- Banking/Accounting/Insurance
- Advertising
- Printing/Postage/Misc Office Expenses
- Information Tech/Travel Expenses
- Equipment Rental

## Conclusion

The Society for Orphaned Armenian Relief (SOAR), Inc. was established in March 2006 to provide humanitarian relief to the orphanages in Armenia. Our long-term goal is to provide the orphaned children living in Armenia with the resources fundamental to their physical, emotional, and intellectual development. Over time, we hope to provide these underprivileged youth with the tools necessary to become accomplished, educated, and self-sustaining Armenian adults.

There are 15 orphanages in Armenia with varying levels of need. Our web site ([www.soar-us.org](http://www.soar-us.org)), launched on May 4, 2006, provides a complete description of our organization, our work to date, and the population we serve.

In calendar year 2008, SOAR distributed **\$102,300.00** to the 15 orphanages, receiving and shipping a variety of items: new clothes, toys, diapers, games, books, school and office supplies, and personal hygiene products. Moreover, we purchased (in Armenia) new furnishings for Children's Home of Gyumri and SOC; purchased (in Armenia) new shoes for the children at Gavar; paid for the installation of a gas heating system at Houys. In addition, we purchased (in Armenia) orthopedic shoes for the children at Kharberd, kitchen supplies for Nork, hosted Nubarashen's 2008 Christmas party, purchased (in Armenia) wardrobes for Vanadzor and a refrigerator for Vardashen, and subsidized Zadik's winter fuel costs. We made cash donations to Our Lady of Armenia Center (\$3,000.00), SOS Children's Center (\$500.00), and Trchoonian Home (\$500.00).

SOAR is a completely volunteer organization. We had no paid employees in 2008 and occupy no formal office space, which allows us to keep our operating expenses to a minimum. As such, a high proportion of the cash donations we receive are channeled directly to the orphanages.

If you have any additional questions about SOAR, the orphanages we serve, or our 2008 accounting, please contact George S. Yacoubian, Jr., at (610) 213-3452 or by email at [gyacoubian@soar-us.org](mailto:gyacoubian@soar-us.org).



## Appendix A

### **National Board of Directors**

(<http://soar-us.org/board.html>)

George S. Yacoubian, Jr., J.D., Ph.D. – President  
Hagop Keshishian, P.E. – Vice-President  
George S. Yacoubian – Treasurer  
Susan Harootunian – Secretary  
Tanya M. Bardakjian, M.S.  
Jack E. Kazanjian, D.O.  
Arousiag Keshishian, Esq.  
Asadur Minasian  
Erica Yacoubian, M.P.T.

### **Los Angeles Chapter Board of Directors**

(<http://soar-us.org/losangeles/index.html>)

Peter Abajian – President  
Annet Arakelian, Pharm.D. – Vice-President  
Kevin Avetikyan – Treasurer  
Kohar M. Pelter – Secretary  
Houry Abajian  
Manushak Amzoyan  
Anna Bedikian  
Nora Boghossian  
Ani N. Shabazian, Ph.D.  
Lena S. Soghomonian, B.Pharm., Pharm.D.

### **Washington, DC Metro Chapter Board of Directors**

(<http://soar-us.org/washingtondc/index.html>)

Mike Airumian, M.D., Ph.D. – President  
Suren Avanesyan, J.D., LL.M. – Vice-President  
Anna Koridze, B.A. – Secretary/Treasurer  
Virginia Avanesyan, M.A. – Chair of Educational Programs  
Susie Baker, M.A. – Chair of Assistance Programs  
Aideen Mannion, M.A.

### **Partners in Armenia**

(<http://soar-us.org/partners.html>)

Davit Avanesyan  
Vartuhi Baloyan, M.A.  
Siranoush Hovhannisyan  
Moses. V. Sahakian, M.B.A., M.I.M.  
Sr. Arousiag Sajonian