



THE HOPE EFFECT

# 2023 ANNUAL REPORT

---

---

# FROM OUR FOUNDER

---

Recently, I've been thinking about leaving a legacy. About how the decisions we make today will define the stories that are told about us in the future. And about the importance of living a story that inspires and motivates others whenever it's shared.

It's one of the reasons I am so passionate about minimalism. The less we waste our lives chasing things that don't matter, the more intention we can direct towards things that do matter—those things that leave a legacy worth sharing.

Since 2015, The Hope Effect's supporters have been changing lives and leaving a legacy of hope for orphaned and vulnerable children around the world. I am so grateful for the many generous individuals who share our passion for helping kids experience the love of a family.

As I reflect on 2023, I am humbled by the overwhelming generosity of our supporters. It was our largest fundraising year ever...together, we raised more than \$731,000. That's an astounding 35% increase over 2022. So many people have joined the movement and become part of the solution - helping children get out of orphanages and into loving families.

As you read just a few of their stories in the pages ahead, I hope you celebrate with us and share in the joy of knowing that these children now know what it means to grow up in a loving family. Thank you for making a significant impact in the lives of kids across the globe.

Together, we are changing the way the world cares for orphans...because every child deserves a family.

Sincerely,



**Joshua Becker**  
Founder, The Hope Effect



# WHAT WE DO

CHANGING THE WAY THE WORLD CARES FOR ORPHANS  
**BECAUSE EVERY CHILD DESERVES A FAMILY.**

## THE PROBLEM

There are millions of orphaned and vulnerable children worldwide, with 2.7 million of them living in orphanages. There is clear and compelling research on the damaging physical and psychological effects of traditional, institutional orphan care.

When children do not receive adequate personal interaction within a loving environment, development is stunted and learning abilities are delayed or lost. Many kids age out only to face a future of crime, prostitution, or trafficking. Children who grow up in institutional care are much more likely to have developmental delays, fall into crime or sex work, and commit suicide than children who grow up in a family environment.<sup>1</sup>

CHILDREN WHO GROW UP IN  
INSTITUTIONAL CARE ARE...

**10X**

MORE LIKELY TO  
FALL INTO SEX WORK

**40X**

MORE LIKELY TO HAVE  
A CRIMINAL RECORD

**500X**

MORE LIKELY TO  
COMMIT SUICIDE

## OUR SOLUTION

Children should not grow up in orphanages...kids do best when they are raised in families. That's why the Hope Effect is changing the way the world cares for orphans by providing loving family care for orphaned and vulnerable children across the globe.

1. Pashkina (2001). Sotsial'noe obespechenie, 11:42-45. Cited in Holm- Hansen J, Kristofersen LB, Myrvold TM eds. Orphans in Russia. Oslo, Norwegian Institute for Urban and Regional Research (NIBR-rapport 2003:1)



# WHAT WE DO

## OUR STRATEGY

The Hope Effect is changing orphan care by providing family-based solutions. Loving family care provides opportunities for each child to flourish and thrive. To get more kids in loving families, our strategy is to: 1) pioneer public family-style care, 2) partner with proven accelerators, and 3) promote a better way.



### PIONEER PUBLIC FAMILY-STYLE CARE

We bring family-style orphan care to locations where it does not exist. We change the primary care model of orphaned and vulnerable children by pioneering family care programs. To accomplish this, we collaborate with local governments to develop innovative, sustainable solutions.

### PARTNER WITH PROVEN ACCELERATORS

We partner with like-minded organizations to help the family care movement grow faster, which ultimately results in more kids getting out of orphanages and into loving families. We work through partnerships to accelerate family care programs as well as facilitate the reintegration of children who are currently living in orphanages back into their families.



### PROMOTE A BETTER WAY

A recent study shows that approximately \$2.5 billion a year is given from U.S. churches to orphanages around the world. We raise awareness about the dangers of institutional care and educate about the importance of family in a child's life. We promote a better way of orphan care to churches and people of faith in the U.S. to generate more momentum for the family care movement around the world.





# ALAN'S STORY

Alan was placed into an institution when he was only four months old. He remained in the orphanage for the next three years, never experiencing life outside those walls.

During his time in the orphanage, he was diagnosed with a complex medical condition. As a result, Alan had significant delays in almost every developmental area, including his motor skills, cognitive and language abilities, and emotional and psychological development.

In many places in the world, Alan would likely remain in the institution until he reached adulthood, aging out into an uncertain future. But thankfully, Alan's story doesn't end in the orphanage.

When he was three and a half years old, Alan was welcomed into loving family care. Alan's foster family was ready to provide him with the love, attention, and special care he needed. The family met with professionals to create a plan for the development of Alan's motor skills, language abilities, and other areas. And in this loving family environment, Alan began to thrive.

Alan's foster mother lovingly and diligently worked with him on various activities that would not only strengthen his muscles, but also build his confidence. Alan became more independent, trying more activities on his own. Alan's language skills also improved greatly, and after four months in family care, Alan could say several new words and phrases.

Emotionally, Alan has formed strong bonds with his foster family. He knows that his foster mother and father are safe people, and he stays close to them when other people are around.

Alan's journey is far from over, and he still deals with symptoms of his original diagnosis. But he is growing and thriving, and we are so thankful that Alan knows what it means to be part of a loving family.





# GLOBAL IMPACT

## LATIN AMERICA

### **SONORA, MEXICO**

The first nonprofit to receive government approval to pioneer family care in Sonora. Currently working in Hermosillo and San Luis Río Colorado.

### **MICHOACÁN, MEXICO**

Invited by the government to help establish family care in the capital city of Morelia.

### **COLIMA, MEXICO**

Invited by the government to develop and implement family care in Colima.

### **NUEVO LEÓN, MEXICO**

Facilitating the reintegration of children in the capital city of Monterrey who are currently living in orphanages back into their loving families.

### **CHIHUAHUA, MEXICO**

Tripled the capacity to offer family care in Chihuahua.

### **SIGUATEPEQUE, HONDURAS**

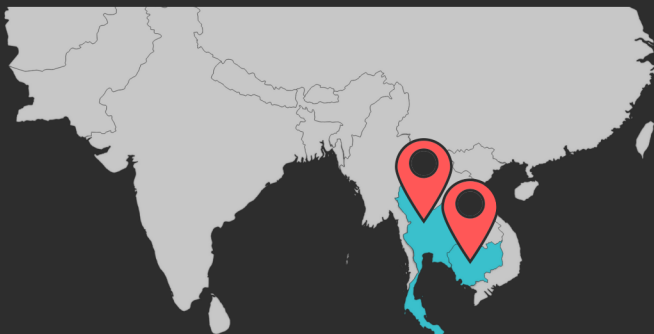
Our first project and international location. Doubled the capacity to provide family care in Siguatepeque.

### **SANTA ROSA DE COPÁN, HONDURAS**

Helped implement a family care pilot program to get more children in loving families.



## SOUTHEAST ASIA



### **BATTAMBANG, CAMBODIA**

Focusing on reintegration and prevention to get children out of orphanages and into loving families.

### **CHIANG MAI, THAILAND**

Facilitated a program focused on reintegration, prevention, and family strengthening.



# BY THE NUMBERS



## TOTAL LOCATIONS

In 2023, we expanded into two additional locations – Nuevo León and Colima, Mexico. This brings our all-time total to **10 locations** in four countries.

## CHILDREN IN LOVING FAMILIES

Since The Hope Effect was founded in 2015, **354 children** have been placed into loving family care or reunited with their family after living in an orphanage.



## OUR GROWING SUPPORTER BASE

We are so thrilled that each year, more heroes become part of the solution. Since The Hope Effect was founded, **3,254 generous people** have joined the movement to change the way the world cares for orphans!

## MONTHLY SUPPORTERS

As of the end of 2023, approximately **270 heroes** give monthly to help children experience the love of a family.



## INFORMED PLACES OF WORSHIP

To date, we have reached **22 U.S. places of worship** representing **137,000 individuals** to raise awareness about dangers of institutional orphan care and the importance of family in a child's life.



# PIONEERING PUBLIC FAMILY-STYLE CARE

## SONORA, MEXICO

The family care movement continues to gain momentum in Sonora, Mexico! This year, so many children were welcomed into the loving arms of a family.

In addition, 2023 was a banner year for raising awareness of our family care program in Sonora. In March, The Hope Effect was invited to speak to all government attorneys in Mexico regarding family care at a national conference. That led to several exciting conversations and opportunities for expansion in Mexico.

In May, The Hope Effect's founder, Joshua Becker, spoke at Sonora's TEDx Pitic event. This allowed us to reach a large new audience and spread the word about family care.

And this summer, The Hope Effect commissioned artist Brady Black to create a large public mural to raise awareness of family care in Sonora. There was fantastic coverage on local news, radio, and social media, resulting in more promotion of family care through this project than any other event.





## MICHOACÁN, MEXICO

We continue to make strides in Michoacán, Mexico! In 2023, we focused on training the government on the family care process and placing children in loving families.

We continue to be grateful for our partnership with UNICEF (United Nations Children's Fund), an agency of the United Nations responsible for providing humanitarian and developmental aid to children worldwide. In 2022, we received a grant to further our work in Michoacán, and UNICEF renewed their support in 2023.

Our team also hosted many recruitment events, awareness campaigns, and family trainings. We're so encouraged by the support and enthusiasm from the community. Big things are happening in Michoacán!



## COLIMA, MEXICO

In August 2023, we announced our expansion into our newest location – Colima, Mexico. The government of Colima invited us to pioneer family care in their state, and we're grateful the government wants a better future for orphaned and vulnerable children in Colima.

In the fall, we hired our state director, psychologist, and family recruiter. Our office is up and running, and we're thrilled to share that we already have several families lined up to go through training and certification to provide family care! We can't wait to share stories of lives changed in Colima in 2024.





# PREPARING FAMILIES

## UN GLOBO LLENO DE AMOR

In 2023, The Hope Effect wrote and published a children's book to help future foster families as they prepare to welcome a child into their homes. As several of our locations are in Latin America, the book was first written and published in Spanish to help the majority of the foster families. There are plans to release additional translations in the future.



*Un Globo Lleno De Amor* follows the journey of a young boy named Andrés as he is asked to share his family with his new foster brother. Andrés is growing up in a loving family with his mom, dad, and older sister. One day, Andrés' parents tell him they are going to welcome another child into their family for a time. While Andrés is excited and happy for Emilio to join his family, he soon learns there can be emotional – and sometimes challenging – moments as everyone adjusts. Ultimately, Andrés is able to share his feelings with his parents and process his emotions so he can better communicate and bond with Emilio.

This book provides a helpful and realistic perspective of foster care for parents and their children. It will encourage and prepare the family for their own journey into foster care.





# JESSICA'S STORY

Jessica was placed in institutional care in Sonora, Mexico, when she was just 18 months old because she was being neglected. Sadly, she would remain in the orphanage for almost four years with no contact with her biological parents or extended family. During this extremely important developmental time in Jessica's life, she was without the love of a family. Jessica, like all children in institutional care, didn't get the individual love and attention she needed.

But thankfully, when she was five years old, Jessica was welcomed into family care. Surrounded by the love of a family, she began to thrive. After just a few months, the changes in Jessica were incredible. She made significant progress in virtually every developmental area – physically, academically, socially, and emotionally.

When Jessica first arrived in family care, she became sick frequently. But as she began sleeping regularly and eating well, she became healthier. In her first few months in family care, Jessica gained more than three pounds thanks to the care and nutrition she was receiving.

Jessica started preschool and her confidence grew as she developed a love for learning. Our team worked with her school to develop a strategy to help Jessica adjust to life in a new educational environment.

Jessica also continued to establish meaningful connections with friends and foster family. When a child is able to attach to others, it's a huge milestone. We are so thankful that Jessica feels secure enough to trust and bond with her foster family.

Today, Jessica is a happy, joyful child, with a smile that can brighten anyone's day. We are thrilled that this beautiful little girl is surrounded by the love and support she needs and deserves.



# PARTNERING WITH PROVEN ACCELERATORS

## NUEVO LEÓN, MEXICO

In April 2023, we announced our expansion into Nuevo León, Mexico. We are working alongside our experienced partner organization, Back2Back Mexico, to focus on reintegration. Last year, we saw so many families reunited through our Strong Families program:

- 11 children have been reunited with their families after previously living in orphanages.
- Our partnership has provided deeper support to 43 additional children.
- 7 families have experienced the joy of reuniting with their children.
- Through our collaboration, an additional 13 families have received vital assistance and guidance, paving the way for stronger family bonds.



## CHIHUAHUA, MEXICO

In early 2023, we completed our four-year partnership with Familia LightShine in Chihuahua, Mexico. Since 2019, we greatly increased the capacity to provide family care in Chihuahua. We're thrilled that with your support, we helped more than 125 orphaned and vulnerable children in Chihuahua get out of orphanages and into loving families!



## BATTAMBANG, CAMBODIA

In October 2023, we celebrated the first anniversary of our partnership with Cambodian Children's Trust in Battambang, Cambodia.

Research indicates that three out of four children in Cambodian orphanages have at least one living parent or close family member who could care for them. We are working to get those children out of orphanages and back into their loving families. In addition, we strengthen families to prevent them from surrendering their children to an orphanage in the first place.

Our work in Cambodia has impacted the lives of more than 65 children in Battambang, and we look forward to more lives changed in 2024.



## CHIANG MAI, THAILAND

In 2023, we also celebrated the success of several families in Chiang Mai, Thailand. For the past two years, we have facilitated the Building Family Dreams program, which provides education and resources to strengthen families as they learn, heal, and grow together. Families work to develop and maintain a strong family structure so they can bring their children home from orphanages.

Over the summer, the families participated in a graduation camp, signifying successful completion of the program. Thank you for making this possible! We're so grateful these children are able to grow up in their loving families because of you.



# YEAB'S STORY

Yeab, a mother in Battambang, Cambodia, found out she had cancer a few years ago. In addition to receiving that extremely difficult diagnosis, Yeab was facing another hardship. Her husband had just passed away and the family was already in serious debt.

Yeab couldn't afford the cancer treatment and worried about what future she could provide for her daughters. She thought she had no option but to send her daughters to an orphanage.

Thankfully, our partner organization, Cambodian Children's Trust, was there to help. They knew Yeab's family needed to stay together. After advising Yeab about the importance of family and the dangers of institutional care, they worked with Yeab to develop a plan.

First, our partner's medical team helped Yeab access surgery to remove the cancer. Our partners in Battambang covered all the medical bills and regular health checks for Yeab's surgery and treatment. After receiving the necessary treatment, Yeab is in remission.

After regaining her health, Yeab was ready to get back to work. She wanted a sustainable income that would ensure her daughters grew up strong, healthy, and educated. Before starting her own small business, Yeab partnered with our partner's family finance team to undergo financial literacy coaching, focusing on budgeting, saving, and paying off debt. Soon after, Yeab began growing and selling vegetables at her local market. After saving the money she earned, Yeab was able to buy a drink stall and a sugar cane cart.

Today, Yeab is successfully running three small businesses, her daughters are thriving at school, and Yeab is now saving money each month. Yeab and her daughters have become self-sufficient and no longer require any support from our partner organization.





# FINANCIALS

## OUR PROMISE TO DONORS



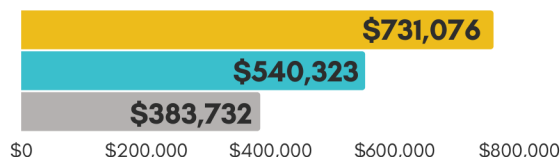
At The Hope Effect, we know that when you make a donation, you want your money to be used for the reason it was given. With every gift, you can choose to put 100% of the donation directly into a specific orphan care project. Or, you can choose to support the awesome team of people who work hard to make it happen – helping with our “behind the scenes” expenses.

You can give with confidence, knowing that in 2023, **85% of our spending went directly to programs**. Thanks to our dedicated behind the scenes investors, our general and administrative costs made up 9% of our spending, and fundraising expenses made up the final 6%.

## 2023 GROWTH

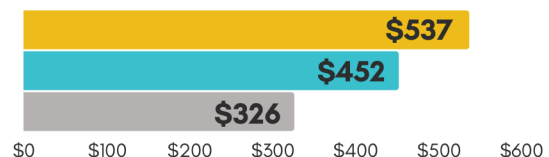
### FUNDRAISING TOTALS

**90.5% GROWTH FROM 2021 TO 2023**



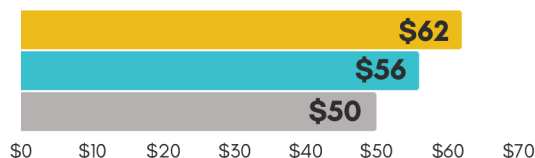
### AVERAGE ONE-TIME DONATION AMOUNT

**65% GROWTH FROM 2021 TO 2023**



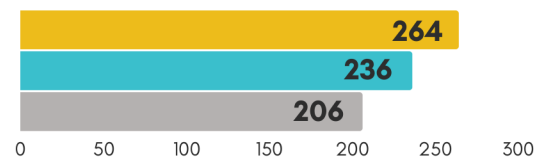
### AVERAGE MONTHLY RECURRING GIFT AMOUNT

**24% GROWTH FROM 2021 TO 2023**



### NUMBER OF RECURRING DONORS AT YEAR END

**28% GROWTH FROM 2021 TO 2023**



2023 2022 2021

## STATEMENT OF ACTIVITY

SUPPORT AND REVENUE	2023	2022	2021
PPP LOAN			\$24,700
INDIVIDUAL DONORS & FOUNDATIONS	\$731,076	\$540,323	\$383,732
INTEREST INCOME	\$1,927	\$631	\$1,141
MISCELLANEOUS INCOME	\$56		
<b>TOTAL SUPPORT AND REVENUE</b>	<b>\$733,058</b>	<b>\$540,955</b>	<b>\$409,573</b>
<b>EXPENDITURES</b>			
PROGRAM SERVICES	\$658,161	\$430,853	\$379,678
GENERAL AND ADMINISTRATIVE	\$69,314	\$65,071	\$41,872
FUNDRAISING	\$47,422	\$34,994	\$28,171
<b>TOTAL EXPENDITURES</b>	<b>\$774,897</b>	<b>\$530,919</b>	<b>\$449,721</b>
<b>REVENUE LESS EXPENSES</b>	<b>(\$41,839)*</b>	<b>\$10,036</b>	<b>(\$40,148)*</b>

## STATEMENT OF FINANCIAL POSITION

ASSETS	2023	2022	2021
<b>CURRENT ASSETS</b>			
BANK ACCOUNTS	\$251,523	\$301,805	\$311,307
OTHER CURRENT ASSETS	\$37,655	\$26,899	\$10,132
<b>TOTAL CURRENT ASSETS</b>	<b>\$289,178</b>	<b>\$328,704</b>	<b>\$321,439</b>
FIXED ASSETS	\$4,232	\$3,208	\$1,588
<b>TOTAL ASSETS</b>	<b>\$293,410</b>	<b>\$331,912</b>	<b>\$323,027</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
CREDIT CARDS	\$5,765	\$4,046	\$5,781
OTHER CURRENT LIABILITIES	\$6,361	\$4,743	\$4,158
<b>TOTAL LIABILITIES</b>	<b>\$12,126</b>	<b>\$8,788</b>	<b>\$9,939</b>
EQUITY	\$281,284	\$323,124	\$313,088
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$293,410</b>	<b>\$331,912</b>	<b>\$323,027</b>

\*We raise 18-24 months of funding in advance before starting a project. Money raised in prior years is used to cover current expenses.



# 2023 STAFF

## UNITED STATES



**JOE  
DARAGO**

Executive Director



**HILARY  
PEELE**

Communications Director



**CHRISTINE  
HERNANDEZ**

Financial Director



**TARA  
PETERSEN**

U.S. Awareness Director

## SOUTHEAST ASIA



**CHANNA SORN**

Social Worker  
Battambang, Cambodia



**THO PAT**

Social Worker  
Battambang, Cambodia



**SOPHEA NHOL**

Social Worker  
Battambang, Cambodia



**RATTANA "MIMI"  
CHOCKDUANGDEE**

Counselor  
Chiang Mai, Thailand



**NUTTAKARN  
"DONUT" CHUWONG**  
Family Development Liaison  
Chiang Mai, Thailand



---

## LATIN AMERICA



**PEDRO BORG  
MORENO**

Director  
Sonora, Mexico



**KARLA  
PALACIOS**

Psychologist  
Sonora, Mexico



**KARINA  
MARTINEZ**

Psychologist  
Sonora, Mexico



**DANIEL MORENO  
GONZÁLEZ**

Family Recruiter  
Sonora, Mexico



**DANIELA GOMEZ  
DE LA CUEVA**

Director  
Michoacán, Mexico



**NERI PRISACK  
PICHARDO**

Psychologist  
Michoacán, Mexico



**CRISTINA  
SANDOVAL**

Administrator  
Michoacán, Mexico



**ARELI  
BOJÓRQUEZ**

Director  
Colima, Mexico



**ELI  
PEÑA**

Psychologist  
Colima, Mexico



**SARAI  
QUINTERO**

Family Recruiter  
Colima, Mexico



**RODRIGO LOPEZ  
JIMÉNEZ**

Psychologist  
Chihuahua, Mexico



**MARIANA  
GONZALEZ**

Social Worker, Nuevo  
León, Mexico



**JESÚS  
BARRÓN**

Attorney  
Latin America



**ALEJANDRA  
CARBAJAL**

Staff Technical Advisor  
Latin America



**ELIAB  
ROMERO**

Comm. Director  
Latin America



**GUSTAVO  
HERNÁNDEZ**

Executive Assistant  
U.S. and Latin America

# 2023 BOARD MEMBERS



## **JOSHUA BECKER** **FOUNDER AND CHAIRMAN**

Joshua Becker is an author, speaker, and philanthropist. He has written several best-selling books on minimalism, and his website *Becoming Minimalist* has more than one million readers each month. Inspired by his wife's experience being adopted, Joshua founded The Hope Effect in 2015.

## **2023 BOARD MEMBERS**

### **JOE DARAGO**

Executive Director, The Hope Effect

### **JEFF VAN EGDOM**

Partner, Deloitte

### **JILLIAN JOHNSRUD**

Writer/Creator/Speaker,  
Montana Money Adventures

### **DEBORA GARCIA, MD**

Comprehensive Ophthalmologist  
and Cornea Specialist,  
Eye Institute at Boswell

### **KATHRYN LINCOLN**

Board Chair and Chief Investment Officer,  
Lincoln Institute of Land Policy

### **BYRON K GRAYSON MMS PA-C**

Owner, Allied Mobile Imaging





THE HOPE EFFECT

**CHANGING THE WAY THE WORLD  
CARES FOR ORPHANS**



hopeeffect.com



thehopeeffectorg



thehopeeffect