

ANNUAL REPORT 2014

Dear Friends,

Founded in 2003, Spirit of America (SoA) is a 501c3 tax-exempt public charity. SoA provides humanitarian and economic assistance in response to needs identified by deployed US troops and diplomats. We apply our resources at the intersection of security, humanitarian need, and US national interest. This support makes our deployed personnel safer and more successful in their missions and helps local people not reached by large-scale aid programs. At the same time, we provide Americans with an opportunity to directly support the work of those who serve, a connection that leads to a more well-informed public and more effective US engagement in the world.

2014 marked an inflection point in Spirit of America's maturation as a valued partner in US missions around the globe. While we maintained our commitment to supporting our nation's men and women serving in Afghanistan, our efforts in support of security and stability operations worldwide expanded dramatically. The year began with the signing of a Memorandum of Agreement with Special Operations Command-Africa, a document that provided a formal framework for our work with US elements on that continent, and ended with a renewed mission to support our troops and diplomats in Iraq. In between, our field personnel designed and executed projects everywhere from Bosnia to Vietnam, from Cambodia to Syria – over the course of the year, SoA completed highly targeted initiatives in response to critical local needs identified by deployed US personnel in almost every region of the world: Africa, the Asia Pacific, Eastern Europe, Latin America, and the Middle East. All told, in 2014, SoA completed 59 projects valued at \$258,000 in 25 countries around the world.

These efforts resulted in unprecedented visibility in the media. Our work with the State Department in support of its Syrian independent media project was profiled in the New York Times Magazine: http://www.nytimes.com/2014/12/07/magazine/radio-free-syria.html?emc=eta1. In November, the Wall Street Journal ran a feature-length interview with our Founder and CEO, Jim Hake: http://on.wsj.com/12d8GI6. And, CBS News covered our project to ease the suffering of children fleeing ISIS in Iraqi Kurdistan: http://www.cbsnews.com/news/american-charity-sends-boots-to-kids-displaced-by-isis/. Spirit of America was also featured in pieces by Foreign Policy, the Washington Times, DVIDS, and Web Talk Radio.



SoA's Iraqi refugee project was profiled by CBS News

In addition, 2014 was one of our best fundraising years ever. In the last six weeks of the year alone, Spirit of America raised over \$1.1 million dollars, and our project supporting Iraqi refugee children received more donations than any project since 2004.

Select Project Highlights

Afghanistan

Note: 2014 marked the conclusion of US-led operations in Afghanistan. While a sizeable contingent of US and coalition forces remain in overwatch, as of January 1, 2015, Afghan forces are in the lead in securing their country. Spirit of America maintained a persistent presence in Afghanistan until the fall of 2014, when, due to lessening demand, we transitioned to a remote support model. Moving forward, we will continue to maintain relationships with deployed US personnel and provide support on an asneeded basis.



Water to Benefit Afghan Security

The Afghan Provincial Response Company (PRC) is a highly-trained police unit, similar to SWAT in the United States. These men, the best of the best of Afghan police, make the highest-risk arrests that ordinary police are not trained or equipped to do – dangerous work that is critical to creating a safe and secure Afghanistan.

A PRC compound located in a critical location in eastern Afghanistan lacked access to running water. This issue made it very challenging for

the policemen to perform their difficult duties over the long term. Previous efforts to fix this situation had been unsuccessful, but a simple, sustainable solution was identified by engineers: a well. While much of the necessary supplies had been obtained, Spirit of America's support was needed to provide the final resources required to make this project a success.

Spirit of America funded the parts and labor needed to provide running water, making the camp and the unit fully mission capable.

Bosnia

Repairing a Flood-damaged School



In May 2014, the Balkans were hit by the worst flooding in over a century. Across the region, 100,000 homes were destroyed. Bosnia alone was impacted by 1,900 landslides, and almost two dozen people lost their lives in an event that is estimated to have cost some \$2 billion in damages. With government resources severely taxed trying to react to the enormity of the catastrophe, dormant ethnic tensions threatened to reignite unless help was quickly provided.

The US Army Civil Affairs Team in the country sprang into action to help local government meet these challenges. The team informed SoA of a critical need in one of the most devastated areas of the country. An important school – a facility that both educated 40 percent of

the area's children and also served as a communal meeting space – was badly damaged. Rapid repairs would provide a very visible display of the Bosnian government's commitment to taking care of its citizens in the wake of disaster and would also open the facility back up to the community. The Bosnian military had the manpower to refurbish the school, but they lacked the materials to do so.

Spirit of America provided the simple supplies – paint, primer, spackle, and basic tools – to help the Bosnian military quickly and effectively react to the needs of its country's most vulnerable people.

Honduras

Education and Community Building for At-risk Youth



Gracias a Dios is the furthermost eastern department in Honduras. The area is only accessible by boat and plane, and in recent years this poverty-stricken region has been overrun by drug trafficking operations. According to reports from the Department of State, some 80 to 90 percent of cocaine bound for the US passes through Honduras, mainly through this department. As a result of the rampant drug trafficking, substance abuse, crime, and prostitution have become pervasive problems in the communities.

Recent reports cite the proportional use of crack and cocaine among males aged 15 to 30 to be as high as 50 percent, and the remoteness of the region makes it difficult for military or police to enforce rule of law. The lack of security force presence, extreme poverty, and a poor educational system all contribute to the vulnerabilities among youth that malign actors exploit.

Given that the exploitation begins with such young boys and girls, the US team working in Gracias a Dios wanted to find a way to have an impact on the youth. They identified an educational program that had been developed by the central Honduran government called "Guardianes de la Patria" (Guardians of the Homeland). Designed to be implemented by the team's Honduran military partners, the 9-month program targets at-risk youth identified by their local teachers. It involves numerous classes and activities designed to achieve multiple objectives: strengthening physical and mental development, reinforcing principals and ethical moral values, improving educational performance, developing a culture of service and national pride, and preventing juvenile delinquency, drug abuse, and affiliation with drug trafficking organizations. Finally, the program strengthens familial ties and unity within the community, all principles that help to insulate youth from becoming vulnerable to malign influence.

The Government of Honduras designed the program with the intent that it be sponsored by local businesses and leaders. Because of the extreme poverty of the region the program was left unfunded in the Gracias a Dios department. In an ongoing initiative, Spirit of America provided the necessary supplies and logistical costs to implement this very important program for up to 300 at-risk youth.

Iraqi Kurdistan

Boots for Children Who Fled ISIS



Since the beginning of summer, 2014, ISIS attacks had driven more than 850,000 innocents to Iraqi Kurdistan, many of them fleeing horrific violence in the desert heat with little more than the clothes on their backs.

After meeting with US officials, local officials, and relief organizations, Spirit of America personnel identified an urgent unmet need. Children between the ages of 1 and 5 – some of the most vulnerable

members of the refugee population – had little protection for their feet, arriving in Kurdistan with only sandals or sometimes nothing at all. When coupled with the fact that these young children had to frequently slog through raw sewage in order to go to the toilet, this situation was a recipe for great suffering and disease.

By the end of 2014, there were more than 100,000 1 to 5 year-old refugee children in Kurdistan. Spirit of America provided 40,000 of these children with rubber boots for to help them survive the harsh winter of northern Iraq.

Syria

Radio Free Syria



The media conversation in Syria is dominated by two opposing viewpoints: the Assad regime on one hand, and extremist organizations like ISIS and Jabhat an-Nusra on the other. The silent majority of Syrians – those just trying to survive the brutal civil war devastating their country – lack independent outlets to turn to for objective news and information.

The Department of State is working with brave Syrians to change that across the country. Locals have decided to stay in their communities to provide vital information to their neighbors. Broadcasting on a mixture of radio and TV, these dedicated individuals communicate unbiased messages about everything from local fighting and

emergencies to the price of food – vital information their communities desperately need. In doing so, the media outlets are also building the foundation for robust civil society once this conflict ends.

One radio station in Idlib Province was having a particularly great impact. Citizens from the surrounding area cited it as their primary and most-trusted source for news about current events. The station employees, at great risk to themselves, resolutely stayed on the air to provide this valuable service to their community.

Despite the great work being done, many locals could not tune in to the station for critical news, simply because they lacked radios or the electricity to power them. Spirit of America helped solve this problem by providing 500 simple, durable hand-cranked, solar-powered radios for the station to distribute.

The Philippines

Improving Opportunities through Seaweed



As early as 1970, seaweed, known locally as "agar-agar", was abundant in the Philippines, especially in the southern region of the archipelago. Collecting and selling seaweed became an important source of income among the people living in the coastal areas. Today, gathering has given way to farming the economically important plants.

One group of refugees living in a transient camp in the Autonomous Region for Muslim Mindanao (ARMM) relied heavily on the farming as

a source of income. Attacks by the Moro National Liberation Front (MNLF) forced these refugees and thousands of others to flee their homes and jobs in search of safety.

With more than 500 families and so few livelihood opportunities, the residents of the Internally Displaced People camp in Taluksangay were vulnerable to exploitation by malign actors. A US Army team, working in cooperation with the Philippine Armed Forces and Government, determined that one of the best ways to decrease the vulnerability of the refugee population was to improve upon their existing seaweed processing capability. A drying dock would allow the farmers to dry their harvest in half the time and earn up to ten times what they earn when selling their harvest wet. By funding the construction of a concrete drying dock, Spirit of America significantly improved the economic situation of some of the most vulnerable members of Philippine society.

Niger

Countering Extremism through Opportunity



Niger, with its 17,000,000 people sandwiched between Nigeria, Libya, Mali, and Chad, is one of the poorest countries on the planet. Plagued by rampant desertification, high birth/mortality rates, a lack of economic opportunity, and threats from extremist groups like al Qaeda in the Islamic Maghreb, Boko Haram, and the Movement for Unity and Jihad in West Africa, the UN ranked Niger last in its annual Human Development Index rankings.

A US Army team was working to stabilize the most vulnerable regions of the country, striving to provide enough breathing space from the significant challenges facing Niger to allow progress to be achieved. In the northwest region of Agadez, the team was focused on the issues local tribes have told them were most important: human and animal food security, youth unemployment, and marginalization from the Nigerien government. Without assistance confronting these challenges, tribal elders warned the US team that unrest was building. In the undergoverned spaces of West Africa, that can have disastrous consequences (as in the case of Mali in 2012).

Spirit of America helped address these issues by providing support centered on an annual livestock festival that brought tribes together from throughout the Agadez region. This provided a high-visibility platform to help solve locals' problems and create stronger connections to the Nigerien government.

SoA provided scholarships for local youth to attend the national veterinary school, giving them the skills they need to take care of their tribes' cattle, camels, and goats – the backbone of the traditional way of life. We provided dirt bikes so that livestock ministry officials could reach the most far-flung herds, improving their ability to treat sick animals and monitor disease among populations that are furthest removed from government services. Finally, SoA funded additional veterinarians to participate in the annual vaccination campaign, a critical component of the Nigerien government's strategy to take care of its people.

This support helped counter the root causes of instability in Agadez, improving herd health and youth employment, strengthening connections between the government and its people, lessening vulnerability to extremism, and ultimately helping prevent conflict.

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Thank you for joining us in our mission to support the safety and success of Americans serving abroad and the local people and partners they seek to help. We are excited to join with you to build on the momentum achieved in 2014!

All the best, The Spirit of America Team