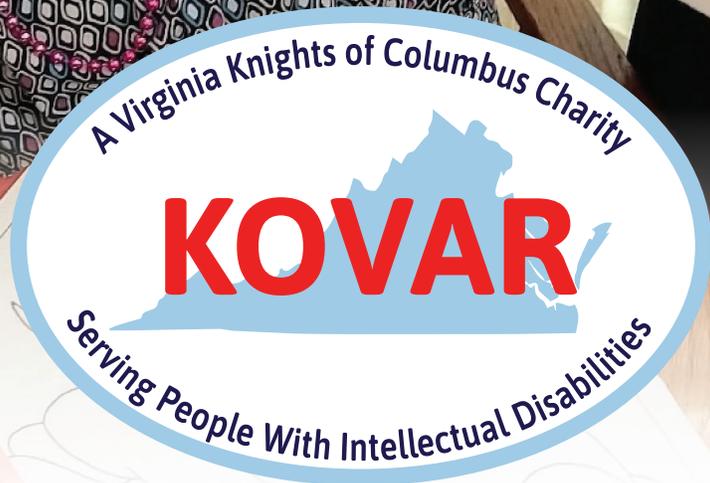


KOVAR Corporation

2024 Annual Report



Introduction

KOVAR Corporation is a Virginia Knights of Columbus 501(c)(3) tax-exempt charity established in 1971 to provide financial assistance through grants and home loans to tax-exempt organizations providing training and opportunities to persons with intellectual disabilities (ID). KOVAR has provided over \$19 million in grants and \$6 million in no-interest home loans to non-profit organizations who support persons with ID within the Commonwealth of Virginia. We are the largest non-governmental provider in the Commonwealth of Virginia.

Why KOVAR?

The Virginia Department of Behavioral Health and Developmental Services estimates there are some 71,000 persons in Virginia with ID. The services provided to these persons covers a wide spectrum from group homes for community living accommodations to day care, education, sports, and job training. The more serious the ID condition of the person, the more care is needed.

Mission

KOVAR Corporation exists to improve the quality of life for Virginians with Intellectual Disabilities (ID). This is done through the grant and group home loan programs and is facilitated by the efforts of Virginia Knights of Columbus Councils who raise money for KOVAR and individual donors.

Year in Review

Our Fiscal Year (FY) 2024 (6/30/23 to 7/1/24) was a remarkable year. We approved 32 grants to 501(c)(3) non-profit organizations for over \$559,000. We issued 2 group home loans, with 16 total active loans, totaling over \$1,800,000. Due to the astonishing efforts of the over 150 Knights of Columbus (KofC) Councils throughout the Commonwealth of Virginia, together we raised over \$622,000 for our programs. To continue the positive momentum gained during our strategic plan update, the Board deliberated the urgent need to increase our ability to make no-interest group home loans by embarking on a capital fundraising campaign, providing more, quality housing available to Virginians with ID.



President's Message

For over 53 years, KOVAR has provided an incredible range of goods and services to Virginia non-profit organizations that support individuals with ID. It is simply amazing to see how these organizations are using the latest technology, along with improving their facilities in order to increase the depth and breadth of activities and programs that enrich the lives of these special people.

I am looking forward to our efforts in the coming year to examine how KOVAR can increase its ability to raise additional funds for more no-interest group home loans and chip away at the large need for quality and affordable housing.

I continue to be in awe over the time and efforts of so many Virginia Knights of Columbus members and our other donors who breathe life into our organization.

Fraternally,

Edward S. Whitlock, III, President

Grants

Since 1971, KOVAR has provided grants to qualifying non-profit organizations to improve the quality of life to Virginians with ID. Grant requests are reviewed by the KOVAR Board as received every two months. The maximum amount for a grant in FY24 was \$20,000 and the waiting period for a single non-profit organization between grants is 18-months.

Each grant recipient signs a contract with KOVAR before we provide funding. We require each grant recipient to provide documentation and receipts within six months to ensure that funds were spent as approved. The Audit Committee reviews all submissions and once the organization passes the audit, they are eligible to apply for a subsequent grant when the waiting period has been satisfied.

As you can see in the following chart, our grants have provided equipment, facility upgrades & renovations, and scholarships to increase the life/ health/ safety of the clients and group home residents, materially increasing their quality of life. During FY24, KOVAR awarded (paid out) 38 grants to non-profit organizations totaling over \$646,000 reaching across the entirety of the Commonwealth of Virginia.

- **A Farm Less Ordinary**

Funding to support workforce training with tools and equipment for adults with ID through our farming program.

- **Arc of Hanover**

Provide transportation and job development opportunities to individuals with intellectual disabilities in Hanover County.

- **Best Buddies**

Funding for 50 Virginia Best Buddies High School and College Chapter leaders, 5 Ambassadors and 5 community participants to attend the 2024 Best Buddies International Leadership Conference at Indiana University as part of our area's official delegation.

- **BizNet, Inc. dba Hearts & Homes**

Renovation and repair of two group homes to promote accessibility and safety issues.

- **Blue Ridge Opportunity Services, Inc.**

Replacement of 2 HVAC Units and a Wheelchair Accessible Bus Engine Replacement

- **Cole's Horse Autism Therapy Station**

Purchase an Outfitter 400 UTV vehicle to assist us in our equine therapy program. We will use this equipment to facilitate our therapy program and to help maintain the paddocks as well as other land maintenance projects.

- **Cora Kelly School PTA**

To create a sensory room with equipment that provides students with special needs; to help them calm and focus themselves so they can be better prepared for learning and interacting with others throughout their school day.

- **craveABLES- All Are ABLE Inc.**

Equipment for a food trailer that employs adults with intellectual disabilities.

- **Crossroads Community Services Board**

Purchase of outdoor living furniture and accessories, games, puzzles, arts and crafts supplies, gardening supplies, electronic equipment, chairs/tables for the programs.

- **Echo**

Purchase landscaping equipment to fulfill ECHO's oldest contract and to grow the program further into the future. This purchase will provide employment opportunities to adults with disabilities.

- **Franciscan Brethren of St Philip**

Repair/replacement of wheelchair ramp and replacement of floor covering in activity room at St. Michael's Day Care Center, as well as replacement of 20-year-old HVAC system at group home.

- **Hampton Newport News Community Services Board**

Purchase furniture, laptop computers, and tablets for the Creative Options day support program.

- **Harmony Day Support**

Purchase adaptive sensory equipment and technology to individuals with disabilities in order to incorporate innovative sensory therapy tools to improve their skills and lives.

- **HopeTree Family Services**

Repair and update a shower in the HopeTree Family Services' Men's Developmental Disability Ministry (DDM) home to improve safety and efficient operation.

- **Kindness Café + Play**

Purchase of kitchen equipment to open a second location that will employ more adults with intellectual disabilities.

- **Langley Residential Support Services**

Purchase and installation of new windows at a group home. This project will promote energy efficiency and extend the life of the new HVAC.

- **LovABLE SERVICES, Inc.**

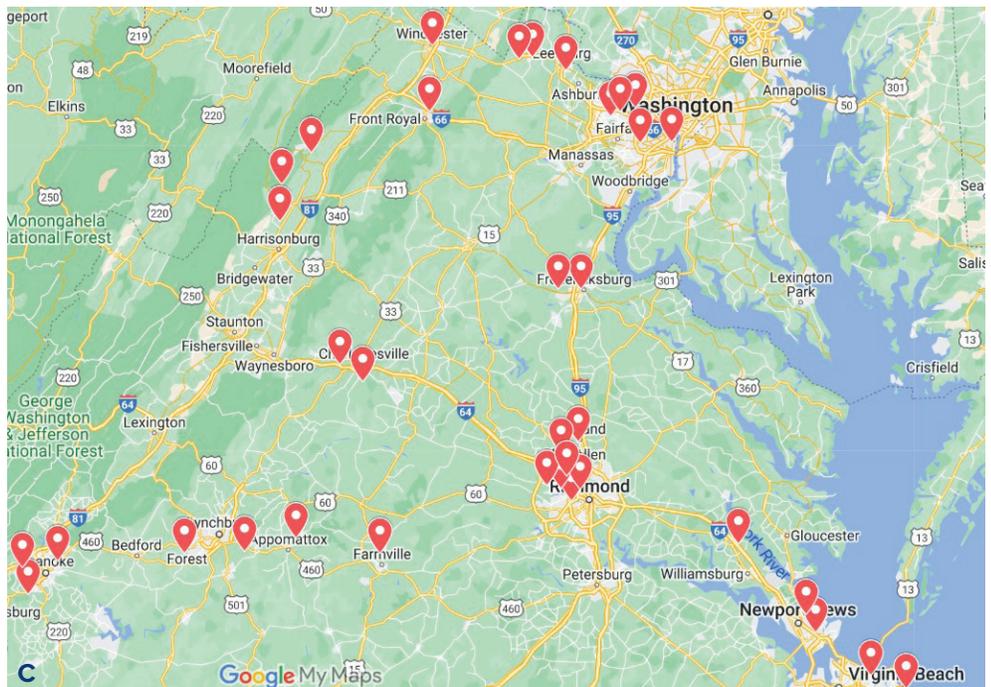
Purchase required equipment to complete the custard truck job site.

- **Medical Home Plus**

Scholarships for clients with ID for services scholarships.

- **Next Move Program**

Provide job training, supported employment, and vocational education to young adults with developmental disabilities



Grants



- **No Bounds LLC**

Purchase laptops for our students with Intellectual Disabilities to complete college coursework to compete for meaningful employment. Laptops will allow for faculty and students to stay in contact with each at other times outside of school.

- **Northstar**

Provide scholarships for students with Intellectual Disabilities

- **NW Works, Inc.**

Replace two heat exchanging units at NW Works facility to provide a safe and healthy work and learning environment.

- **Pleasant View, Inc.**

A 20% matching funds for a Virginia DRPT transportation grant and for renovations needed to reopen a 6-person group home in Harrisonburg

- **Reclaimed Hope Initiative**

Provide scholarships for attendees with intellectual disabilities at an individualized, therapeutic summer camp similar to their peers.

- **Richmond Residential Services, Inc.**

Purchase furniture in a facility that provides residential programs to clients with intellectual disabilities

- **Saint Patrick Catholic School**

Purchase hardware (large screen display/ tablets and related accessories), teaching software, and furniture to educate students with Intellectual Disabilities.

- **Sensory + Theatre = Endless Possibilities, Inc. (STEP VA)**

Purchase furniture, sensory equipment, and supplies to furnish multiple spaces at the STEP VA Studio, where we serve people with intellectual disabilities, as well as their families, in classes involving the creative arts.

- **Shenandoah County SEARCH, Inc.**

Replace the HVAC unit in the front half of the SEARCH Thrift Store. Revenues from the store's sales operate our group home.

- **Southside Behavioral Health**

Purchase living room and dining room furniture for two group homes that serve individuals with intellectual disabilities.

- **Special Olympics Virginia**

Providing scholarships for the 2023 Fall Championships, allowing more than 350 athletes with intellectual disabilities to take part in this statewide event.

- **Special Persons Mailing Service**

Facility renovations to install ADA upgrades and repairs to improve occupant safety.

- **Specialty Adapted Resource Clubs (SPARC)**

Purchase equipment to support our day programs which operate in five locations over the course of the year.

- **St. John's Community Services**

Purchase medical equipment, including two floor lifts to support the physical transfer of day center visitors and one changing table.

- **Still Meadows Enrichment Center & Camp Inc.**
Repair ADA-compliant accessible treehouse for program activities.

- **The Arc of Central Virginia**

Purchase exercise and mobility assistance equipment for use by persons with developmental disabilities.

- **Tree of Life Ministries**

Purchase equipment and supplies needed for our coffee shop, SimplyBe Coffee; an enterprise to provide workplace skills training and secure and supportive employment for adults with disabilities.

- **View of Heaven Farm**

Increase bakery capacity by creating a second team of neurodiverse employees and add a 2,500-plant nursery section to our greenhouse for our neurodiverse farmworkers to work year-round.

- **Virginia Down Syndrome Association**

Provide \$500 Community Engagement and Education Scholarships to 40 individuals of all ages with Down syndrome in Central Virginia.

Home Loans

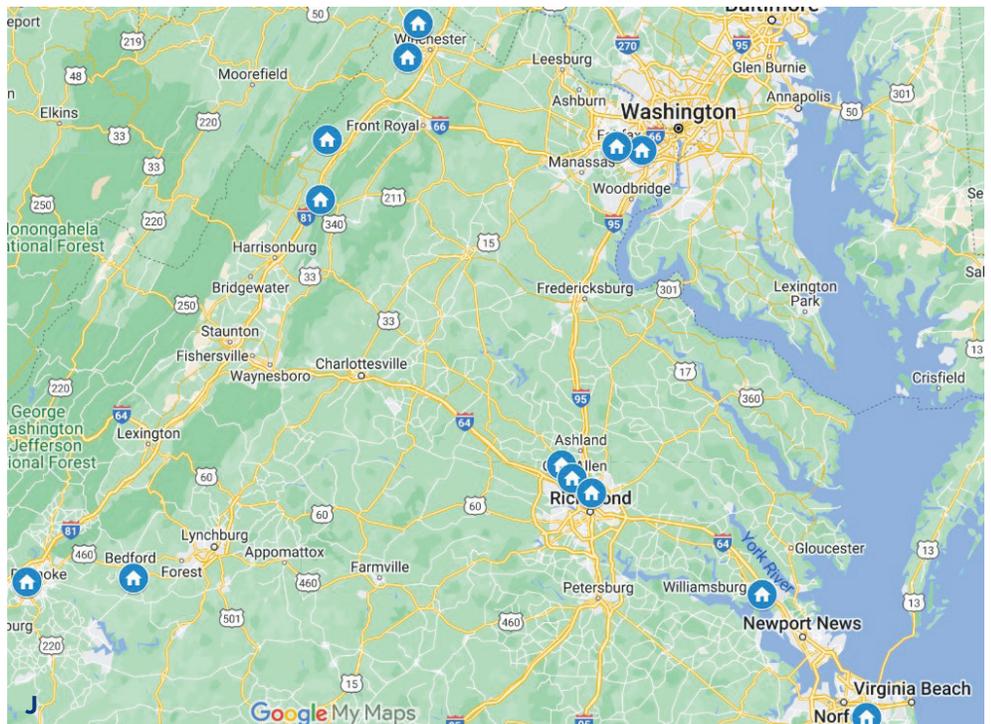
Since 1994, KOVAR has been and continues to be the sole provider within the Commonwealth of Virginia for interest-free loans to non-profit organizations in the purchase of group homes. Although these loans are interest-free, they are subject to the same lending requirements imposed by banks and commercial lenders. In the 30 year history of home loans, KOVAR has never experienced a default. Monthly payments are returned to the Home Loan Fund to generate future loans. Through this process, we have turned \$2 million in donations into \$6 million in loans to 56 group homes.

Group homes provide persons with ID safe, comfortable, and dignified places to live. These homes typically house 4 or 5 persons with ID and provide various levels of care. Loan amounts cannot exceed 75% of appraised value with a maximum of: up to \$150,000 for 10-year loans, \$150,000 - \$350,000 for 15-year loans, and up to \$500,000 for 20-year loans.

In FY24, we were delighted to issue two new home loans to **Shen-Paco Industries, Inc.** in New Market and **Marian Homes, Inc.** in Winchester.

There are 16 home loans in effect with 7 different organizations across the Commonwealth of Virginia:

- Franciscan Brethren of St. Phillip, Inc., Williamsburg
- Heart Havens, Inc. Richmond, Virginia Beach
- Housing Options, Inc., Richmond
- enCircle, Roanoke
- Marian Homes Inc., Fairfax Station, Winchester
- Shen-Paco Industries, Inc., New Market, Quicksburg
- Shenandoah Community Residences Inc., Winchester



Images

[A, B] Chris's Coffee & Custard food truck in Roanoke; providing jobs to clients with ID. Photos courtesy of LoveAble Services, Inc. [C] Map of non-profits receiving grants from KOVAR during FY24. [D] Employees at SimplyBe Coffee in Leesburg. Photo courtesy of Tree of Life Ministries. [E] Day Program participants using specialized electronic equipment to enhance communications and learning. Photo courtesy Specially Adapted Resource Clubs (SPARC). [F] Knights of Columbus volunteers construct an improved wheelchair ramp at the Franciscan Brethren of St Philip day support center in Williamsburg using materials purchased with a KOVAR grant. Photo courtesy of KofC St. Bede Council 6828. [G] The refurbished treehouse activity center at Camp Still Meadows in Linville, VA. Photo courtesy of Still Meadows Enrichment Center and Camp, Inc. [H] Employees preparing food items at Kindness Café + Play in Charlottesville, VA. Photo courtesy of Kindness Cville. [I] Grand Opening and Blessing of Marian Homes, Inc. group home in Winchester. Photo courtesy of Marian Homes, Inc. [J] Map of 16 home loans in effect with 7 different organizations across the Commonwealth of Virginia. [K] Shen-Paco Industries, Inc. new group home in New Market. Photo courtesy of Shen-Paco Industries, Inc.

Fundraising

Since 1971 KOVAR, through the efforts of 150-plus Knights of Columbus (KofC) councils across the Commonwealth of Virginia, has raised over \$19 million. In fiscal year 2024, over \$551,000 was raised. Individual councils conduct a variety of fundraising activities at their parish and local community level.

KOVAR also conducts an annual, direct mail campaign to the over 30,000 Virginia KofC members. Individual donations are received through various organizations such as GiveDirect, Combined Federal Campaign, and the United Way.

Recognition

Individual donors. KOVAR receives over 900 individual donations throughout the year. We are blessed by the generosity shown by our donors. We thank everyone who donated, as every amount provides more assistance to the quality of life for Virginians with ID. We would like to highlight several donors who made extraordinary gifts this year:

Mary Morton Parsons Foundation
Our Lady of Good Counsel
Gabriel Homes Foundation
Neall Family Charitable Foundation
The Mulholland Foundation
KofC Virginia State Council
Edward Whitlock III
Holland Family Trust
Dale City Moose Lodge #2165
Dan & Catherine Hurley
Vance Stewart
Jean Cochran
Ann Peltier
Linda Jozwicki
William Keane
Hampton H. Hart III
Herbert Zimmerman
Michael O'Brien

William Page
Ann Murray
Al Obuchowski
Gerald Cossack
R.M Weiner
Christopher Inglese
Diane Brady
Gerald Stockli
Gregory Mueller
John Schichl
Dr. Michael Watts
Ladies of Virginia
Mark Jozwicki
Nancy & Michael Baudhuin
Rosson & Troilo Motor
Sam Dominick
Albert & Linda Leightley
David Ross

Vernon & Mary Conaway
Joseph Bullis
Kevin Razzano & Kimberly Lozeau
Jim McCabe
John & Ann-Marie Cochran
Brant Freeman
SPRED Partners of Virginia
Alvin W. James, Jr.
Kevin Parry
Alan McDonald
Brian Ripple
Brown Harris Inc
Carter Grandy Bernert Fund
Daniel Doyle
Edward Kearney
Christopher Crawford
John McAvoy

Martin Fisher
Fred Maulucci
John Hannon
John Willett
Mary Hilleary
Mesirow Financial
Michael Mancino
Michele Crecca
Paul Buras
Paul Casey
Rappahannock Electric Cooperative
Renaissance Charitable Foundation
Richard Hall
Rick Witty
James McLaughlin
Wiley Rein LLP
William Mahood



Virginia Councils. Council fundraising is the lifeblood of KOVAR's donations, representing over 80% of our annual collections. We would like to highlight the following Councils:

• Largest Donation

John C. Webb Council 12134, Fincastle

• Highest Per Capita Donation

John J. Cempre Council 6328, Culpeper

• Special Achievement

St. John Bosco Council 12846, Springfield

Richard F. Cayo Council 11557, Lexington

Fr. Justin Cunningham (UVA) Council 11324, Charlottesville

COUNCILS EXCEEDING THEIR FUNDRAISING CHALLENGE

• Diamond (>200% of goal)

Fr. Maurice du Castillon Council 14755, Washington

Sacred Heart - St Joseph Council 17457, Clifton Forge

St. Theresa's Council 11678, Virginia Beach

Fr. Jon O'Brien Council 16793, Haymarket

Fr. Vincent Capodanno Council 11958, Quantico

St. John Council 11806, McLean

Heart of the Valley Council 10760, Waynesboro

• Platinum (150-199% of goal)

Bernard J. Quinn Council 11710, Richmond

Msgr. Charles A. Kelly, Jr. Council 14129, Richmond

Monsignor Francis Byrne Council 5476, Richmond

Spanish Jesuit Martyrs of Virginia Council 14034, Quinton

Fr. Justin Cunningham (UVA) Council 11324, Charlottesville

Fr. James J. Scanlon Council 6936, Highland Springs

Msgr. Thomas P. Scannell Council 14523, Annandale

• Gold (100 -149% of goal)

St. Bridget of Ireland Council 16938, Berryville

St. Bede Council 6828, Williamsburg

Father Julius J. Cilinski Council 10947, Clifton

Virginia Highlands Council 10979, Abingdon

St. Kateri Tekakwitha Council 17189, Yorktown

Kempsville Council 10515, Virginia Beach

Norfolk Council 367, Norfolk

Fr. Robert E. O'Kane Council 6538, Martinsville

Gerald F. Shaw Council 17335, Smithfield

St. Paul's Council 418, Portsmouth

Nuestra Señora de Guadalupe Council 10723, Falls Church

St. Philip the Apostle Council 17056, Falls Church

Msgr. Thomas E. O'Connell Council 6589, Richmond

Fr. Robert B. Kealey Council 3548, Norfolk

Richard F. Cayo Council 11557, Lexington

John Carrell Jenkins Council 7771, Front Royal

St. Elizabeth Ann Seton Council 8183, Woodbridge

Deacon Edward L. Christianson Council 3572, Winchester

John C. Webb Council 12134, Fincastle

Holy Martyrs of Vietnam Council 9655, Arlington

Blessed Trinity Council 11741, South Boston

Holy Cross Council 595, Forest

John Paul I Council 7165, Dale City

St. Mary of Sorrows Council 8600, Fairfax Station

Glenmary Council 7853, Norton

St. Rita of Cascia Council 15244, Alexandria

St. Francis Council 11136, Purcellville

Way Ahead

Affordable housing for Virginians with ID is a concern for the Board. Home prices, especially in urban areas across the Commonwealth, have risen to unprecedented levels; beyond the point where a \$250,000 no-interest loan from KOVAR will only cover approximately 50% of the purchase price.

Several years ago, KOVAR set a goal to increase the Home Loan Fund to \$5 million but had not developed a plan to achieve growing the fund by more than \$3M. This year, the Board began focused discussions to examine fundraising options. A decision to move forward will be made at the beginning of the next fiscal year.

Financial Statements

Overview

KOVAR’s Board of Directors continue their focus providing quality and timely financial transactions and data. As provided below, KOVAR received an unqualified opinion from our external auditors. The full report is available by request at <https://kovarva.org/contact-us-2/> or info@kovarva.org. In addition, our last three IRS Form 990s are posted on our website.

Stewardship

Donors can be assured that KOVAR is appropriately led and managed. KOVAR has been recognized with their highest ratings by three leading non-profit ‘watchdogs’ in recognition for active and responsible stewardship. In FY24, over 92% of donations received were used in our two programs.

Management’s Responsibility for Financial Reporting

The Board is responsible for the integrity and objectivity of the financial information presented in this annual report. The financial statements that appear in this document have been selected from the audited consolidated financial statements to give summary financial information about KOVAR. The selected financial information was prepared by KOVAR in accordance with generally accepted accounting principles (“GAAP”). The KOVAR Board of Directors believe the financial information contained in the audited consolidated financial statements fairly represents KOVAR’s financial position, results of operations and cash flows. KOVAR’s internal controls are designed to reasonably ensure that its assets are safeguarded from unauthorized use or disposition and that transactions are authorized, executed and recorded properly.

Revenues

Contributions:	\$551,600
Grant income:	\$71,000
Interest Income from Cash equivalents:	\$61,923
Interest Income on Notes receivables:	\$38,429
Other:	\$1,672
Total Income:	\$724,684

Expenses

Program services:	\$741,959
Fundraising:	\$34,302
Administrative:	\$24,275
Total Expenses:	\$800,536

Assets and Liabilities

Beginning Net Assets:	\$2,710,570
Ending Net Assets:	\$2,634,718
Total Liabilities:	\$129,152
Total Assets:	\$2,839,722

3.0%
ADMINISTRATIVE

4.3%
FUNDRAISING

92.7%
PROGRAMS



Leadership

The Board of Directors is comprised of 15 volunteers, representing various geographic regions of the Commonwealth of Virginia. Directors are elected and serve a three-year term, with five directors elected each year. Directors must be a Virginia Knights of Columbus member in good standing and do not receive any compensation for their service. The Board meets a minimum of six times a year on the second Saturday of even-numbered months.

President	Edward S. Whitlock III, FDD, PGK	Central	Secretary	G. Michael Carducci	Northwest
Vice President - Audit	Rick Witty, FDD, PGK	Central	Member	John H. Cochran, FDD, PGK*	Tidewater
Vice President – Finance	Vance F. Stewart III, DD, PGK	Northwest	Member	J. Charles Curran, FDD, PGK*	Northern
Vice President – Fundraising	Francis B. Holland, FDD, PGK	Tidewater	Member	Daniel T. Doyle, DD, PGK	Tidewater
Vice President – Grants	Matthew C. Wheeler	Southwest	Member	Jay H. Hoffmeier, PGK	Northern
Vice President – Home Loans	Michael J. Szablak, FDD, PGK	Central	Member	Timothy G. Minnich	Southwest
Vice President – Strategic Planning	Timothy G. Shea	Northern	Member	Kevin P. Parry, FDD, PGK	Southwest
Treasurer	Brian Ripple, PSD, FDD, PGK	Southwest			

*Past KOVAR President

Thank You For Your Continued Support!

