



FY17 Q2 Update

October 21, 2016

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 1. Bring clean water, sanitation, and hygiene education to 116,225 people through existing infrastructure and regular monitoring, including at least 14,310 through new infrastructure and rehabilitation projects.
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 3. Establish and implement an FY17-FY20 strategy that positions TWT to scale its impact. Modifications to FY17 objectives anticipated following Q2 strategy development.
 4. Improve operational efficiency and capability through increasing staff technical capacity, standardizing work processes, and greater utilization of cloud-based systems.
 5. Seek funding from new sources to increase revenue by 35% from FY16 and provide a more diverse portfolio to support greater expansion in FY18.
- Organizational priorities for next quarter

Headlines

- **On track:** No significant deviation from approved budget in revenue or expenses, nor in program/fundraising activities.
- **Good on cash:** Grants came in and cash position is strong.
- **New pilots ready to go:** preparation is over, we have three promising sustainability pilots and the staff to implement them starting now; we also have one school pilot with a proposal submitted to fund it.
- **Proposals to new donors out the door:** \$230 K in proposals submitted to three institutions.
- **Outreach to hit next gear:** For individuals, still have ~\$160 K to raise to fund FY17 budget. For institutions, need to build our visibility and credibility.

FY17 Objectives

1. Bring clean water, sanitation, and hygiene education to 116,225 people through existing infrastructure and regular monitoring, including at least 14,310 through new infrastructure and rehabilitation projects.
2. Pilot novel approaches to increase capacity of local communities to operate and maintain infrastructure for future generations, as well as explore how WASH can be a platform for broader impact.
3. Establish and implement an FY17-FY20 strategy that positions TWT to scale its impact. Modifications to FY17 objectives anticipated following Q2 strategy development.
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1. Bring clean water, sanitation, and hygiene education to 116,225 people through existing infrastructure and regular monitoring, including at least 14,310 through new infrastructure and rehabilitation projects.

Annual targets

Type	New infrastructure			Existing infrastructure		
	Water points	Rehabs	Latrines	Rehabs	Water points	Latrines
Number	14	-	-	74*	228	20
People served	2,310	-	-	11,100*	93,114	9,701

Quarterly update

Program outputs (as of Sep 30, 2016)				
	FY17 Target	YTD Target	YTD Actual	Next Q Target
New water points	14	8	8	6
Rehabs	74*	14	14	60
Water quality tests	341	165	152	65

Implementation is on track, with minor adjustments to project plans. New projects beyond this plan will depend on incremental grant funding. Impact metrics will be added as targets in the future.

*NOTE: Reduced from 80 to 74 as finalized sustainability pilots.

2. Pilot novel approaches to increase capacity of local communities to operate and maintain infrastructure for future generations, as well as explore how WASH can be a platform for broader impact.

- ✓ Q1: Develop relationships with peer organizations and researchers to inform development of new program concepts
- ✓ Q1: Conduct field research to inform program design decisions
- ✓ Q2: Develop 3-4 program concepts and begin staff training:
 - ✓ 2-3 focused on sustainability
 - ✓ 1-2 focused on increasing impact
- ❑ Q3: Begin implementation.
- ❑ Q4: Continue implementation in accordance with project plans, and develop partnerships to scale up promising approaches and/or refine program concepts for further testing

Completed program design for three village sustainability pilots and one school program. Implementation set for sustainability pilots, and pending funding decision for school.

3. Establish and implement an FY17-FY20 strategy that positions TWT to scale its impact. Modifications to FY17 objectives anticipated following Q2 strategy development.

- ✓ Q1: Conduct meetings with SMEs across NGO, government, research, and funder spaces
- ✓ Q1: Get staff input on possible strategic directions
- Q2: Board strategy discussions, get SME feedback on strategy memo, finalize strategy, and update FY17 operational objectives as necessary
 - ❑ Strategy summary completed, but longer strategy memo still needs a final round of board review and an update of FY17 objectives as necessary
- ❑ Q3: Communicate strategy internally and externally, and begin implementation
- ❑ Q4: Continue implementation in accordance with project plans

Emerging clarity on strategy and implications for internal priorities, need to finalize it and communicate it with staff to build clarity and alignment.

4. Improve operational efficiency and capability through increasing staff technical capacity, standardizing work processes, and greater utilization of cloud-based systems.

- ✓ Q1: Roll out new systems and policies/procedures for finance, human resources, and CRM.
- Q2: Roll out new visualizations for M&E data for internal program management and external communication.
- ✓ Q2: Complete analysis of staffing needs and begin implementation plan to add necessary capacity.
- Q2: Implement new project management and inventory management systems and procedures.
- Q3: Identify and implement performance management system and procedures.
- Q4: TBD

Very happy with new additions to team, bring excellent expertise and international NGO experience. Rolled out Impact metrics on website with charts, but aim to provide a more dynamic representation of quantitative data (benefits and costs) in Q3. Implemented Asana for project management, but utilization is not to standard. Working with team to improve for management of new pilots.

5. Seek funding from new sources to increase revenue by 35% from FY16 and provide a more diverse portfolio to support greater expansion in FY18.

Revenue by Quarter (cumulative)

	Budget	Secured to date	To secure	% to secure	Q2 Target	Actual YTD	Q3 Target
Forecast for total raised (even if not earned in FY17)	802,461	563,459	239,002	30%	591,104	563,459	737,715
Forecast for FY17 earned revenue	750,664	563,459	187,205	25%	571,680	563,459	698,868

NOTE: The revenue does not include Al Pace's \$30 K gift in early Q3.

Revenue asks by Quarter (cumulative)

Donor pipelines	Budget	# of asks	Win rate	Average size	Q2 Target	Q2 Actual	Q3 Target
Renewals (mostly individuals)	93,983	141	70%	952	44,754	14,500	89,508
New donors	120,000	12	25%	40,000	120,000	240,794	320,000
Upgrades (incremental to renewal)	45,000	12	25%	15,000	90,000	-	150,000
Total	258,983				254,754	255,294	559,508

Initial budget assumed even effort across fundraising streams, but focused on institutional asks (necessary to submit early in year to get a chance of earning this fiscal year). Doubled revenue ask goal for new donors. Impact will be mostly clear in Q3. Behind schedule with upgrades: renewals/upgrades major point of emphasis Oct-Dec. Also will be building inroads with new institutional prospects.

Q2 Financial review

Annual budget (as of June 30, 2016)				
	FY17 budget	FY16	Var (\$)	Var (%)
Revenue	750,664	558,045	192,619	35%
Expenses	750,664	643,956	106,708	17%
Surplus/(deficit)	-	(85,911)	85,911	-

FY17 Revenue at risk (as of Sep 30, 2016)		
Secured	Unsecured	% unsecured
563,459	187,205	25%

Actual/Budget YTD (as of Sep 30, 2016)				
	Actual	Budget	Var (\$)	Var (%)
Revenue	563,459	591,104	27,645	-5%
Expenses	272,306	370,771	98,465	-27%
Surplus/(deficit)	291,153	220,333	(70,820)	-32%

Cash position (as of Sep 30, 2016)					
April 2016 Cash Balance	Current cash balance	Variance	Variance (%)	Burn rate (next 3 months)	Months of cash on hand
76,006	281,387	205,381	270%	62,806	4.48

We are in a much stronger position than we anticipated due to much lower expenses than anticipated. This is due in part to conservative budgeting (to minimize the likelihood of cash flow problems), but also errors in the Uganda budget. Corrective action in progress. Our FY16 audit is near completion and that may change the accounting of some revenue (e.g., what is counted in FY16 vs. FY17 -- will not change our actual financial position.)

Q3 Preview: organizational focus areas

- Implementation. New sustainability pilots starting in October and school pilot starting (hopefully) in December. Team will be busy.
- Share our story and plans with existing and new people who can contribute now and could leverage a lot of support if they were ‘bought in.’
- Share our plans and pilots with institutional prospects and peer organizations to build visibility.
- Cultivate at least one potential new board member.
- Begin FY18 planning.