



FY17 Q3 Update

February 15, 2017

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Headlines

Finance: No material changes to financial condition to report. \$187 K in cash (2.7 months runway)

Fundraising

- Q3 fundraising efforts resulted in exceeding goals. Next year, end-of-year outreach will be done earlier and will require less time. May have missed some additional funds due to late mailing.
- Two institutional proposals came through; the former in Q3 and the latter in early Q4 (total \$230 K.)
- Q4 focus will be on a few remaining individual asks, 1-2 institutional proposals, and cultivation for renewals and additional proposals in FY18. The goal is to reach \$1 M this fiscal year.

Program

- Mid-term evaluation of Sustainability pilots set for April. Initial results from Village Savings and Loan Association pilot program are very promising with significant increase in group saving for maintenance and repairs.
- New school program started: construction to be mostly completed in Q4 with teacher training beginning in Q4 as well.
- Program design discussions for health facility intervention underway with partner organization. Proposal to be submitted in Q4.

HR

- Ben Andrew joined board. Several staff joined in Uganda in key positions.
- Hiring behind schedule due to competitive hiring environment. Building a pipeline (internal and external) is a key need to be able to scale in the future.
- Working to improve program management so we can ensure reliable execution as we scale..

Q3 Financial review

Strong end-of-year fundraising has resulted in TWT in good financial condition. Budgeting errors will result in under-spending our Uganda budget. The result will be an operating surplus this fiscal year (exact amount TBD.)

Please note that several grants (worth \$250 K) were secured during Q3, however, official notice was provided in Jan-Feb. These grants are not included in the revenue figures here. The figures are in line with our accounting practices.

Actual revenue raised as of 14 Feb 2017 is \$943 K.

Actual/Budget YTD (as of 31 Dec 2016)				
	Actual	Budget	Var (\$)	Var (%)
Revenue	682,235	742,715	(60,480)	-8%
Expenses				
US	247,450	249,694	(2,243)	-1%
Uganda	259,019	289,143	(30,125)	-10%
Total	506,469	538,837	(32,368)	-6%
Surplus/(deficit)	175,766	203,878	(28,112)	-14%

Cash position (as of Feb 14, 2017)				
2017 Feb	2016 April	Var (\$)	Var (%)	-Months of runway
187,517	76,006	111,511	147%	2.7

FY17 Revenue at risk		
Secured	Total Revenue	% Unsecured
682,235	807,461	16%

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..
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.

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 31 Dec 2016)				
	FY17 Target	YTD Target	YTD Actual	FY17 Forecast
New water points	14	14	14	14
Water points rehabilitated	14	14	14	14
Sustainability pilot villages trained	60	60	57	60
Water quality tests	341	165	152	334

Implementation is generally on track, however, planning mistakes have resulted in 1-2 month delays for several sustainability pilot communities, resulting in a missed Q3 targets for sustainability pilot training.

*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

Village training and coaching support visits have been in progress for several months. Interim report to be completed in April. The Mutunda school project activities are starting this month. Health center program is in development with proposal Q4.

3. Establish and implement an FY17-FY20 strategy that positions TWT to scale its impact.

- ✓ 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

Draft strategy memo is ready for board review with a goal of finalizing and communicating externally in Q4.

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: Setup QuickBooks to support grant management

Employees (as of 31 Dec 2016)	
Headcount	24
YTD Gains	9*
YTD Attrition	5

*Includes formalization of 3 guards as employees.

Q3 Arrivals (includes Jan-Feb as well)

- Ben Andrew- Board.
- Martin Epua – Finance & Ops Manager
- Fred Ogwal – School WASH Officer
- Olive Kamusiime – Community Development Officer (CDO)
- Abu Evaline – CDO

Departures

- Florence Samanya – Finance & Ops Manager
 - Musa Sentongo – Office Coordinator
- 3 Community Development Officer hiring offers were unsuccessful.*

Items marked in yellow have progressed, but are being deferred until FY18 for completion. We have added several strong staff members this quarter. However, we notably struggled to recruit for our Community Development Officer position. I can speak to our understanding of the source of this issue and what we're doing to avoid similar problems in the future.

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)

	FY17 Forecast	Secured to date*	To secure	% to secure	Q3 Target	Q3 Actual	Q4 Target	Q4 Forecast
Revenue raised	802,461	823,547	-	0%	737,715	823,547	802,461	1,000,000

*This calculation includes \$130 K from one institution, which will technically be recognized in Q4 for accounting reasons. It does not include \$100 K pledged from a second institution in February or two \$10 K gifts in Jan. **Total revenue as of 14 Feb is \$943 K.**

Revenue asks by Quarter (cumulative)

Donor pipelines	Budget	Annual Targets			Revenue ask by Quarter (cumulative)			
		# of asks	Win rate	Average size	Q3 Target	Q3 Actual	Q4 Target	Q4 Forecast
Renewals (mostly)	93,983	141	70%	952	89,508	243,834	134,261	250,834
New donors	120,000	12	25%	40,000	320,000	248,960	480,000	450,000
Upgrades (increr)	45,000	12	25%	15,000	150,000	28,000	180,000	88,000
Total	258,983				559,508	520,794	794,261	788,834

We exceeded our FY17 fundraising goal & now aim for \$1 M annual revenue. We will submit 1-2 institutional grants between \$75-\$200 K in Q4. Beyond this outreach, I'm cultivating relationships with potential research partners to pursue joint funding for a scaleup (and evaluation) of our programs (target grant size: \$300-700 K)- anticipated start in Jan 2018.

Q4 Preview: organizational focus areas

- **Implementation quality**
 - Sustainability pilots: Continued biweekly support visits.
 - School program: construction activities and initial teacher training.
- **Planning**
 - Finalize and communicate strategic plan externally
 - Finalize FY18 plan and communicate externally.
- **Finance**
 - Finalize FY18 budget and setup systems for grant management
- **Stewardship and Cultivation**
 - Follow up with current major donors/stakeholders.
 - Identify and engage 2-3 prospective foundations/corporations.
- **Proposals**
 - 1-2 significant (>\$50-\$300 K) institutional proposals out the door.