



# Quarterly Report: Q4

OCTOBER TO DECEMBER 2015



## Turning on the Light

This year, I read a profound comment from BRAC founder, Sir Fazle Hasan Abed. BRAC is one of the most accomplished poverty reduction organizations through its implementation of large-scale economic and social programs around the world.

“Poverty is not just poverty of money or income,” he said. “We also see a poverty of self-esteem, hope, opportunity and freedom. People trapped in a cycle of destitution often don’t realize their lives can be changed for the better through their own activities. Once they understand that, it’s like a light gets turned on.” BOMA’s poverty graduation model, the Rural Entrepreneur Access Project (REAP), is built around this belief: That by building women’s financial skills and assets, we also build self-confidence and hope – and that hope helps women to climb out of extreme poverty and change their own lives. It’s summed up in this testimonial from BOMA business owner Josephine Kuraki: “I used to think about who I could ask for something. But now I come running to myself.”

This has been a remarkable year for BOMA – a year in which our work has been validated by some of the most well-respected players in the global poverty graduation field, including Yale economist Dean Karlan’s new organization, ImpactMatters (see page 7). We’re excited about these accolades and partnerships, but it’s the women who inspire our work – women working every day in the drylands of Africa to turn on the light of hope for themselves and for their families.



KATHLEEN COLSON, *Founder and CEO*

## OUR REACH & IMPACT SINCE JANUARY 2009

9,432  
# of women enrolled

47,005  
# of dependent children impacted

56,437 .....→ 100,000  
women and children to date

2,968  
# of businesses launched

534  
# of savings groups established



# Program Milestones

**Two-Year Exit Survey:** From October 9-24, three teams of enumerators set out to conduct exit surveys with 903 women who entered BOMA's two-year poverty graduation program in September 2013. The teams visited 20 villages, spending 1-2 days in each location and also visiting participants in their businesses or homes. Each team consisted of four enumerators and one supervisor.

Because the survey was conducted at the end of a long dry season, many women couldn't be located; they had traveled to distant locations to support family members who were in search of grazing pasture. Only 722 women (80%) were interviewed during the initial survey, so two teams returned to the field from October 28 to November 14. At completion, 807 women (90%) were interviewed. For exit survey highlights, see pages 4 and 5.



BOMA business owners attend a savings training session in the village of Galas on October 15, 2015.

SURVEYED:

807

women who exited the two-year program in October 2015

Before conducting the survey, enumerators participated in a weeklong training that included an in-depth review of the questionnaire, instruction on data collection using laptops with Android apps, practice in pairs, role-playing in groups, and a practical test to ensure that the intent of the questions was understood. This important investment in training of survey enumerators helps us to consistently meet our standards of high-quality data.

LAUNCHED:

82

BOMA savings groups in October 2015

## **Savings Training and Launching New Savings**

**Groups:** In October 2015, 1,050 women who enrolled in the program in March 2015 received savings training and a second conditional cash transfer of \$50 to grow their new BOMA business. The training covered such topics as how to form and

manage a savings group, how to assess credit-worthiness, best practice for loans, collateral, and other forms of savings. The savings training was conducted from October 11 to 18 across 26 village clusters.

At that time, the women self-assembled into 82 new BOMA savings groups, which will meet monthly with an assigned BOMA mentor for the remaining 18 months of

the program. At the monthly meetings, women will receive additional financial literacy training, make deposits and withdraw loans, which are often used for school fees and family medical expenses.

**Getting Ready for March 2016:** In December 2015, Mentors began the targeting process for March 2016, when BOMA will enroll 1,125 of the most vulnerable women in its two-year poverty graduation program. This round of targeting included increased participation by BOMA Locational Committees (BLCs), comprised in each village cluster of local elders, faith leaders and REAP graduates. Input from the BLCs helps to ensure the targeting process is unbiased and that it accurately identifies qualified participants.

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## Profile of a BOMA participant

For the first time in her 54 years, Mekona Galgallo Arbare enjoys her life. Mekona is one of 903 participants who exited BOMA's program in October 2015. For the past two years, she and her business partners have run a small duka selling staple goods such as tea, soap, flour and sugar – goods she never used to be able to afford. “When I used to beg for credit, no one respected me,” says Mekona. “Now, I am empowered.” With three children to support, and no other source of income save a few goats, she used to struggle paying school fees and feeding her family. “Before I was in BOMA, I would go to bed hungry with my kids, sometimes for two to three days,” she says. She no longer worries where her next meal will come from, and her children are no longer sent home from school for lack of fees. Her youngest daughter, Gano, even dreams of becoming a teacher.



Mekona Galgallo Arbare and her youngest daughter Gano, who has dreams of becoming a teacher.



# Key Performance Indicators

## OCTOBER 2015 EXIT SURVEY: HIGHLIGHTS

AVERAGE BUSINESS VALUE:  
**119%**  
of original seed capital grant\*

**107%**  
average increase in participant livestock ownership\*

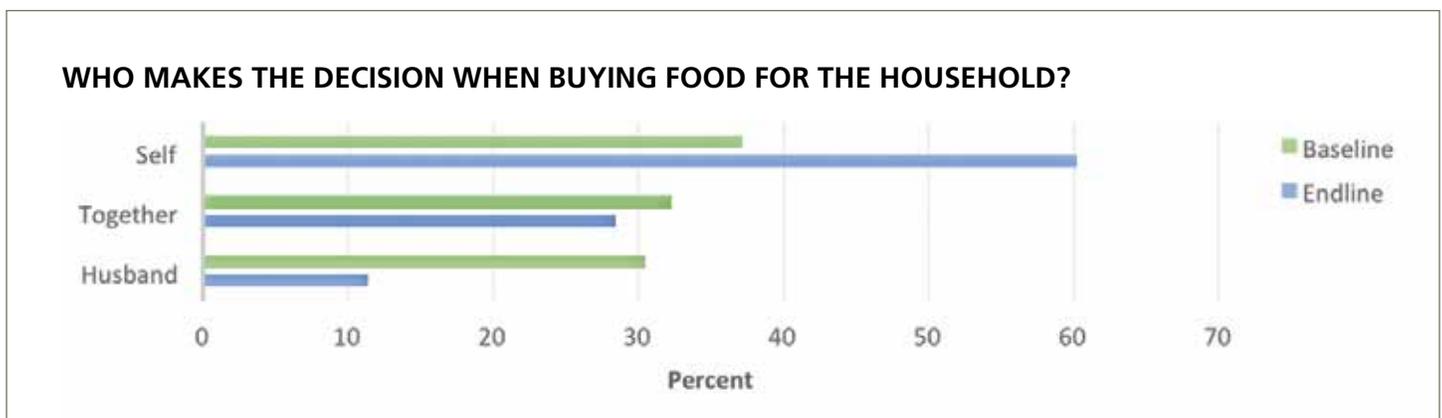
**98%**  
of businesses are still in operation at two years\*\*

**Graduation Rates:** BOMA uses nine criteria in five categories to determine if a woman has graduated from extreme poverty upon exiting the two-year program. To graduate, a participant must pass at least one criteria in four out of five categories. This includes one criteria within each of two compulsory categories—Sustainable Livelihoods and Shock Preparedness—and one criteria from two of three remaining categories: Food Security, Durable Assets and Human Capital Investment. At exit in October 2015, 93% of participants surveyed had graduated. The table below shows the passing rate for each graduation category.

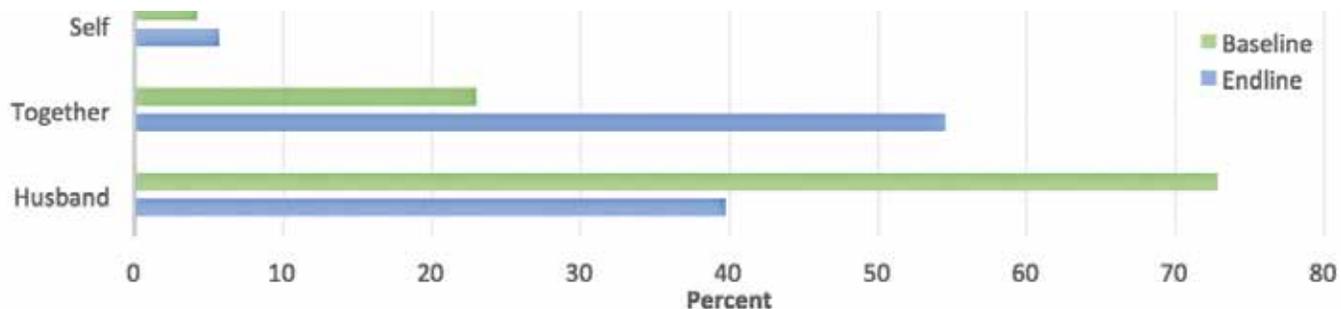
CATEGORY	GRADUATION RATE
<b>FOOD SECURITY</b>	100%
<b>DURABLE ASSETS</b>	92%
<b>SUSTAINABLE LIVELIHOODS</b>	97%
<b>SHOCK PREPAREDNESS</b>	98%
<b>HUMAN CAPITAL INVESTMENT</b>	78%
<b>OVERALL GRADUATION RATE</b>	93%

**Household Decision-Making:** The survey showed significant changes in household decision-making from entry to exit of the REAP program, suggesting a change in household dynamics. At exit, married BOMA business owners were more likely to make decisions about household food purchases by themselves, and were more likely to be involved in making decisions about buying livestock.

\* October 2015 survey  
\*\* May and October 2015 surveys



## WHO MAKES THE DECISION WHEN BUYING LIVESTOCK FOR THE HOUSEHOLD?



## Saving for the Future

98%

of women had savings at program exit in October, compared to 34% at program enrollment

**October 2015 Exit Report:** When participants joined REAP in 2013, only 262 (34%) had savings of any type, with an average savings of 716 KES per participant. Upon exiting REAP in October 2015, 98% reported having savings. Ninety-one percent of participants had savings with a BOMA savings group, 87% had savings with their BOMA business group and 38% had additional personal savings.

**May 2015 Exit Report:** At program enrollment in 2013, only 28% of participants reported having savings of any kind. At program exit, nearly 100% reported having savings, primarily through BOMA businesses and savings groups. The most common income source for participants was the BOMA business, followed by livestock. Income from dangerous sources for women—firewood and water collection in the remote Northern Kenya scrubland—decreased over the two years.

**Raising the Savings Target:** Throughout 2015, BOMA Mentors and field officers placed increased emphasis on making sure all participants contribute a minimum monthly amount to their savings groups. Beginning with the March 2016 cohort, the graduation target for Shock Preparedness (savings) will increase to 8,000 KSH (from 4,680 KSH) to ensure that participants can manage for up to three months without income in case of drought or other shock.

Below left: While most BOMA savings groups use traditional lockboxes, we are rolling out mobile banking through two new pilot programs launched in November 2015.

Below right: BOMA savings group members learn to use their new phones during the mobile-banking pilot launch in November.





# Fundraising and Finances

2015 Revenues and Expenses (figures are preliminary and subject to final review)

## Revenues through December 31, 2015: \$1,937,655\*

GOVERNMENT	\$704,764
INDIVIDUALS	\$214,426
FOUNDATIONS/ORGS	\$1,018,465

\*\$501,472 of revenues received in 2015 are restricted to fund program activities in 2016

## Expenses through December 31, 2015: \$1,394,119 (Percentage of total expenses)

REAP	\$895,870	64%
WOMEN AS CATALYSTS FOR CHANGE	\$202,696	15%
EDUCATION AND ADVOCACY	\$43,446	3%
<b>Total Program Expenses:</b>	<b>\$1,142,013</b>	<b>82%</b>
ADMINISTRATION	\$94,181	7%
FUNDRAISING	\$157,926	11%



BOMA business owners haul water home at sunset.

“Big Bang funders share leads, due diligence and ideas, throwing their weight behind great organizations with big solutions.”

[bigbangphilanthropy.com](http://bigbangphilanthropy.com)

## NEW AND RENEWING FUNDING PARTNERS

**Big Bang Philanthropy Group:** Several Big Bang members have renewed or increased their partnership with BOMA for 2016, including Mulago Foundation, Peery Foundation and one of our longest-term partners, the Segal Family Foundation. Montpelier Foundation, a new Big Bang member and BOMA funding partner, is a UK-based organization that gives the world’s disadvantaged the skills and resources to improve their lives. Big Bang is a group of like-minded funders working to find and finance great organizations tackling the most pressing problems of the poor.

**Additional 2016 funding partners:** Other new and renewing funding partners include the Jester Foundation of New Zealand, Journey Charitable Foundation, Boeing and RA5, a family foundation that supports charitable programs designed to eradicate poverty and empower women and assist at-risk youth.



Dorothea Haus Ross Foundation



**Funding for child-focused study:** The Dorothea Haus Ross Foundation supports nonprofit organizations that seek to ensure basic needs and human rights including sustenance, education, healthcare and security to the most vulnerable children throughout the developing world and the United States. A grant to BOMA will support an evaluation that focuses specifically on how BOMA impacts the lives of children, and to share these findings with other organizations that work to lift women and their families out of poverty.

**Salesforce Challenge Grant:** BOMA is one of eight organizations worldwide to win the prestigious “Force for Change” challenge grant from Salesforce.org, the philanthropic arm of Salesforce, Inc. The grant will help BOMA enroll 240 ultra-poor women in its high-impact program and improve its digital data collection and analysis capacity. The grant will also support a partnership with Vera Solutions of South Africa to develop and field-test a cloud-based app that will increase the data management efficiency of poverty graduation programs in remote and resource-poor locations around the world.

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## Awards & Accolades

BOMA IS ONE  
OF ONLY

4

nonprofits  
worldwide to pass  
a rigorous “impact  
audit” conducted  
by ImpactMatters

**ImpactMatters:** BOMA is one of four nonprofits worldwide to pass a rigorous “impact audit” conducted by ImpactMatters, a new organization led by Yale economist Dean Karlan. Founded with the goal of helping donors identify nonprofits that offer the best return on charitable dollars, the audit assesses nonprofits in four key areas: cost-effectiveness, transparency, knowledge sharing, and “theory of change” (how well the organization accomplishes its mission). BOMA was selected after completing a comprehensive six-month audit with Karlan’s team, which examined BOMA’s program design, data collection and analysis, financial management, and overall effectiveness. Key findings report that BOMA:

- Improves the lives of ultra-poor women
- Delivers a high-quality program
- Is a learning organization
- Is a transparent organization
- Has clear paths for program expansion
- Has high capacity to absorb additional donor funds
- Additional donor dollars will advance BOMA’s mission of improving the lives of ultra-poor women in the arid lands of Africa



# Staffing & Development



Above: U.S. and BOMA leadership gathered at the Samburu Lodge in November; the retreat included games with a focus on teamwork and decision-making.

**Staff and Leadership Retreat:** BOMA staff gathered at the Samburu Wilderness Lodge November 13-17 for an annual retreat. Topics included 2016 milestones, scaling strategies and implications, communication, collaboration, decision-making, and a discussion of BOMA's new graduation criteria.

**Quarterly Meetings in Kenya:** The Kenya staff has instituted quarterly meetings to bring together our field operations and monitoring and evaluation teams from the Nanyuki and Marsabit offices to conduct training, improve communications, and continuously evaluate and improve our program. The November 18-20 meeting included a review of survey questionnaires, training on new Salesforce database features, and training on the use of Google calendars to send daily reminders about each Mentor's workplan in the field.

**Training manual update:** The REAP training manual for Mentors has been updated. It is now more user-friendly and contains more illustrations to improve the ability of BOMA participants, who are mostly illiterate, to better understand the business training modules and practices.



◀ David Leparporori Ltapwa (left, top) has been promoted from Village Mentor to Field Officer. He joined BOMA in 2012 after working for the Kenya Red Cross, CARE International, and the International Livestock Research Institute (ILRE). Sensa Ogom (left, bottom), a recent graduate in political science from the University of Nairobi, has also been hired as a new Field Officer. While in university, Sensa worked as a research assistant for the International Livestock Research Institute.



## Building Capacity

**BOMA has retained SmarterGood**, founded by social entrepreneur and Ashoka fellow Jane Leu, to build fundraising capacity and assist with grant-writing and reporting. Leu has 20-plus years of experience in building successful start-up ventures, including Smarter Good, Upwardly Global, Ashoka U, craigslist nonprofit venture forum, RefugeeWorks, and Harvard's Hauser Center for Nonprofit Organizations.

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## Travel & Visitors

**DFID Consultant Visits BOMA:** Martin Whiteside, a UK Department for International Development consultant from Landell Mills, visited BOMA November 9-10 to review BOMA's monitoring and evaluation system and provide recommendations for improvement. The assessment concluded that BOMA's quantitative data collection and analysis is excellent, and BOMA's use of digital technology for data collection is the best among DFID grantees for the Arid Land Support Program. Martin's key recommendation was that BOMA increase the collection and use of qualitative data to provide more information about participant experiences.



Megan Mayhew Bergman blogged about BOMA in the *Wall Street Journal*.

**BOMA Hosts Award-Winning Author:** Megan Mayhew Bergman visited BOMA in the field in November and published an essay about her journey in the *Wall Street Journal's* "Expat" blog (November 22). Bergman is the author of the books *Birds of a Lesser Paradise* and *Almost Famous Women* and a 2016 fellow at the American Library in Paris.

*"These women constitute last-mile poverty, people living on less than 33 cents a day," she writes. "To see them is to witness another century...But the gratitude of the women who are proud to earn their own money and work toward savings and self-reliance instead of food aid is inspiring. We listen to their proud stories of sending children to school on their own money, of turning not to their husbands or aid but to their own savings to feed their children before bed."* [READ THE BLOG](#)

Left to right: Abhijit Banarjee (MIT), BOMA founder Kathleen Colson, Richard Montgomery (UK Department for International Development) and Martin Greeley (Institute of Development Studies, University of Sussex) at the “Tackling Extreme Poverty” panel, hosted by BRAC and the London School of Economics.



**BOMA at London School of Economics:** BOMA founder Kathleen Colson was invited to speak at a December 9 conference in London, “Tackling Extreme Poverty.” Hosted by BRAC and the International Growth Center at the London School of Economics, the goal of the event was to evaluate the short- and long-term effectiveness of the graduation approach. Speakers included the world’s foremost experts in poverty graduation, NGO leaders, government ministries, and economists from the Abdul Jameel Latif Poverty Action Lab (J-PAL) at MIT and the Consultative Group to Assist the Poor (CGAP).

**Colson also won a Cordes Fellowship** to attend Opportunity Collaboration, held October 11-16 in Ixtapa, Mexico. The annual event brings together a global network of leaders dedicated to building sustainable solutions to poverty.

**USAID Resilience Event:** BOMA field operations director Kura Omar attended a Horn of Africa “Resilience Learning Event” hosted by USAID in Nairobi in October. Participants explored ongoing resilience programs in other countries, common challenges, and factors that contribute to resilience-building.

**Reshaping Mobile Banking:** In September, BOMA country director Jim Anderson attended MasterCard’s Cards and Payments East Africa 2015 in Nairobi. The conference brings together industry leaders and visionary trailblazers who are reshaping the payments and mobile banking landscape.

**CGAP Global Summit in DC:** Steve Kelly (CFO) and Jaya Tiwari (Director of Strategic Partnerships) attended the invitation-only Graduation Leadership Summit and Global Learning Event, hosted by CGAP and the World Bank in Washington, DC. The two-day December event brought together representatives from governments, NGOs and funding organizations around the world to discuss poverty graduation models and best practices.