Letter from the CEO

Four years ago we set an audacious goal of lifting 100,000 women and children out of extreme poverty in remote northern Kenya by the end of 2018. In March, (drumroll please...) we surpassed that milestone nine months ahead of the deadline! We did this through sheer determination, grit and a commitment to mission by our outstanding field staff, support teams and donors who share our sense of urgency as climate change accelerates the drought cycles and resulting famines in the Horn of Africa.

Today we want to do what many tell us is impossible—reach one million women and children by 2022 in order to help these families avert a crisis of survival. We need to do more, work harder and be smarter as we set a new path for our organization.

The solution, in part, is a commitment to data-driven results and a high-quality replication of our poverty graduation approach. We are working with the Government of Kenya (GOK) and international donors to embed this solution in GOK social protection systems, and partnering with humanitarian organizations to replicate BOMA’s model at scale.

What we are doing works. We’re holistically addressing the inter-related causes of extreme poverty and helping families forge a path to self-reliance. Our solution is supported by a recent USAID report: for every $1 spent on building resilience, we save $3 in relief costs.* That’s an important value proposition as we work to break the costly and short-term solutions of food aid and post-disaster humanitarian assistance. The urgency is real. But so is the solution. We know we can get there with your support.

With gratitude,

Kathleen Colson, Founder and CEO

OUR REACH & IMPACT SINCE 2009

17,604  88,020  105,624  1,000,000  5,868  1,030
# of women enrolled  # of dependent children impacted  Women and children to date  Women and children by 2022  # of businesses launched  # of savings groups established

Starting 2018 off with a bang

WITH THE LAUNCH OF OUR PROGRAM in two new counties, we are now implementing BOMA’s unique poverty graduation solution, known as the Rural Entrepreneur Access Project (REAP), in six counties in northern Kenya: Turkana, Marsabit, Samburu, Isiolo, Wajir and Garissa. This quarter, we onboarded many new team members, coordinated launches for our direct implementation areas and with our government and NGO partners, and continue to move forward with plans to scale into a new country (Karamoja, Uganda).

Kenya Livestock Market Systems (KLMS)

WE ARE MOVING QUICKLY to meet program benchmarks for our partnership with ACDI/VOCA with funding from USAID. BOMA will be enrolling 2,220 total new participants through direct implementation in Isiolo and Marsabit counties:

- Identified 18 locations in Isiolo County to enroll 1,620 new participants.
- Recruited and trained staff for Isiolo including 10 BOMA Village Mentors; Field Officer; Driver; BOMA KLMS Program Manager; Livelihoods Officer; and M&E Officer.
- Participated in multiple workshops including Theory of Change, Adaptive Learning, M & E Target Setting and Compliance training with ACDI/VOCA staff.
- Conducted participant targeting in Marsabit; 300 women from 8 locations underwent business skills training and received their initial cash transfer in March.

In Turkana, Garissa and Wajir Counties, BOMA is providing Technical Assistance to Mercy Corps in the implementation of REAP that will reach 3,240 participants.
Gates Cohort

The cohort of 750 women enrolled in May 2016 through funding from the Bill & Melinda Gates Foundation’s Women and Girls at the Center of Development Grand Challenge, continues to show strong progress as it nears the completion date of the two-year intervention:

- 85% of project participants meet the business value graduation criteria.
- 88% of participants have multiple income sources.
- 73% of households with all girls in school (up from 66.5% at baseline).

BOMA STUDY:
Evidence of Impact on Women's Empowerment in Northern Kenya

Additionally, we recently released a study based on the Gates cohort that assesses the question of whether increased economic power leads to corresponding increases in household decision-making power, changes in education opportunities for girls, better household food security and healthcare access. Highlights include:

- With increased income, savings, and access to credit from BOMA savings groups, participants reported feeling more empowered to make household financial decisions.
- While men are still primary decisionmakers on larger financial decisions, women are making more decisions on school and medical expenses, smaller family purchases, and even sometimes purchase and sale of livestock.

“Before, the husband would decide. 
Today, she has some money in her hand, 
now she's the one to decide.”

Participant 1, Men’s Focus Group Discussion, Kalacha

Please read more about this important study HERE: A Qualitative Assessment of the Effect of a Gender-Focused Poverty Graduation Model on Household Decision Making, Household Conflict, and Child Labor.
Government of Kenya Pilot

BOMA’S COHORT OF 1600 WOMEN enrolled in May 2017 in Samburu County, funded through the Government of Kenya’s Programme for Rural Outreach of Financial Innovations and Technologies (PROFIT), are showing strong business performance despite many challenges including the most recent drought, unfavorable market prices and increased competition.

▷ 1600 women under mentorship.
▷ More than 95% of groups qualify for the conditional progress grant transfer.

One Woman’s Story

Franca Lelenguya (right) lives on a secluded hill in Samburu, Kenya with her husband Francis. They made spears in their one-bedroom house and sold them in the local market, earning 5,000 Ksh (50 USD) in a good month, barely enough to feed their four children. In 2017, Franca was selected to join BOMA’s PROFIT pilot. She used her seed capital to start a grocery shop and expand her spear business. Within two months, Franca and her family started to experience positive changes. Her small grocery shop is thriving and she has hired a local person to help make spears, contributing to job creation. With the increased income, Franca built a larger home for her family and plans to start a poultry farm and diversify her income to continue improving her family’s resilience. “For the first time in our lives, feeding our children two meals a day and sending them to school are no longer unattainable goals,” says Franca.

Randomized Control Trial Launched

AFTER FINALIZING A 5-YEAR AGREEMENT with the International Livestock Research Institute (ILRI) and the USAID Feed the Future Innovation Lab for Assets and Markets at the University of California Davis in Q4 2017, we have now launched our randomized controlled trial in Samburu North to evaluate the individual and combined impacts of BOMA’s graduation model and index-based livestock insurance that protects participants livestock assets.

Q1 RCT Progress:
▷ Baseline survey completed.
▷ 195 targeting activities using Participatory Rural Appraisal conducted to generate participant pool.
▷ Community Ranking completed using BOMA’s Participant Targeting Tool (PTT).
Performance Insights, our proprietary cloud-based digital platform, allows us to track in real time the progress of our specific project groups. The latest enhancement allows us to produce “scorecards” that give a quick look at our portfolio at a glance, which will become more and more crucial as we grow from a handful of cohorts to more than a dozen by the end of the year.

<table>
<thead>
<tr>
<th>COHORT</th>
<th>START</th>
<th>END</th>
<th>AS OF</th>
<th>DATA COMPLETENESS</th>
<th>FOOD SECURITY</th>
<th>BUSINESS VALUE</th>
<th>SAVINGS</th>
<th>INCOME SOURCES</th>
<th>GIRL ENROLLMENT</th>
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<tr>
<td>Cohort 1</td>
<td>April 1, 2016</td>
<td>April 30, 2018</td>
<td>March 2018</td>
<td>90%</td>
<td>97%</td>
<td>96%</td>
<td>84%</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>February 2018</td>
<td>100%</td>
<td>100%</td>
<td>88%</td>
<td>88%</td>
<td>75%</td>
<td>75%</td>
</tr>
<tr>
<td>Cohort 2</td>
<td>Nov 1, 2016</td>
<td>Nov 30, 2018</td>
<td>March 2018</td>
<td>99%</td>
<td>100%</td>
<td>92%</td>
<td>81%</td>
<td>75%</td>
<td>68%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>February 2018</td>
<td>94%</td>
<td>100%</td>
<td>95%</td>
<td>74%</td>
<td>67%</td>
<td>67%</td>
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<tr>
<td>Cohort 3</td>
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<td>90%</td>
<td>49%</td>
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<tr>
<td></td>
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<td></td>
<td>February 2018</td>
<td>97%</td>
<td>100%</td>
<td>93%</td>
<td>51%</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Cohort 4</td>
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<td>March 2018</td>
<td>February 2018</td>
<td>99%</td>
<td>100%</td>
<td>93%</td>
<td>80%</td>
<td>40%</td>
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<td></td>
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<td>100%</td>
<td>100%</td>
<td>88%</td>
<td>40%</td>
<td>100%</td>
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</tr>
</tbody>
</table>

Why Women

THE BOMA PROJECT’S POVERTY GRADUATION PROGRAM is gender-focused. Why? Women—and children—disproportionately bear the burden of the cascading effects of extreme poverty and climate change. And data consistently shows that women reinvest up to 90% of their income back into their families and communities. CLICK TO READ

“When women and girls are empowered to reach their full potential, everyone benefits.”

Author and environmentalist Paul Hawken also noted in his last book Drawdown: 100 Solutions to Reverse Global Warming that the combination of educating girls and promoting family planning is the #1 solution for reversing the effects of climate change.

This quarter, BOMA moved our community-level Girl Child Campaign forward to promote the importance of educating children, especially girls. Marsabit Regional Manager Meshack Omarre and his team engaged stakeholders including parents, Ministry of Education Officers, Ward Administrators, teachers and chiefs in 14 locations. While challenges remain in overcoming logistical and cultural barriers, communities were receptive, and the latest update is encouraging: 186 girls, out of 487 who had been identified as not previously enrolled in school, are now attending primary school.
As we scale our program across East Africa, we must continually build the organization's capacity. That means not just finding and training the most talented, qualified and passionate people, but constantly updating our technology, software and communications solutions, maintaining our fleet of vehicles and expanding our community involvement and outreach. In a reflection of our commitment to local leadership, this quarter we welcomed many new team members:

- **Francis Ngikito Elim**  |  Graduation Adviser, Turkana
- **Gabriel “Chacha” Mogaya**  |  Finance Manager, Nanyuki
- **Mbithi Munyoki**  |  Data Analyst, Nanyuki
- **Abdi Ibrahim**  |  Graduation Advisor, Wajir
- **Sam Owilly**  |  KLMS Program Manager, Nanyuki
- **Musa Jillo Shande**  |  Livelihoods Officer, Isiolo
- **Aziza Isaack Godana**  |  Livelihoods Officer, Isiolo
- **Boru Hussein**  |  Monitoring & Evaluation Officer, Isiolo
- **Judy Van Wormer**  |  Office Manager, Manchester, Vermont

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### SPOTLIGHT ON FRIDAH GACHERI

**BOMA's New Livelihoods and Markets Technical Manager**

Based in our Nanyuki headquarters, Fridah’s role is vital as we expand livelihood options and market access for our participants. Fridah was born in the village of Meru, and now spends time between Nanyuki, Nairobi, and Bungoma in western Kenya with her husband of ten years and their three boys.

**What drew you to sustainable development?** Volunteering with refugees in Daadab made me realize that I could contribute to transformative change in people’s lives.

**What do you like to do when you are not working?** I love gardening, cooking and tending to livestock. I volunteer with the older women from the village where I was raised, and with children with Cerebral Palsy. I’m also learning to play the guitar!

**How do you see BOMA’s work impacting the way other organizations and governments look at development and humanitarian services?** BOMA’s three-pronged approach is unique—women’s empowerment, market-led solutions and financial inclusion. Together they are the heartbeat of BOMA’s resilience interventions. BOMA’s ability to work at the very bottom of the economic pyramid in very remote areas proves that no one is unreachable. BOMA’s exemplary commitment and proof that their model works is attracting a lot of interest.

**What is your goal while working for BOMA?** I will be very satisfied when BOMA businesses are integrated into and are able to influence both local and regional high value markets.
BOMA teams had a busy quarter hosting multiple field visits from partners and funders while also attending numerous government and key stakeholder meetings.

Field Visits

- BOMA hosted KLMS leadership from ACDI/VOCA in Marsabit. Over three days the team visited 13 groups in 8 locations, including on-going and exited Businesses and Savings Groups.

- The Government of Kenya PROFIT team visited BOMA participants, and attended a Progress Grant disbursement session and a Savings Group formation.

- A team from the USAID Partnership for Resilience and Economic Growth in Kenya (PREG) visited BOMA locations in Merille and Loglogo.

- Brett Mathews from My Oral Village, an organization that works to make financial inclusion possible for innumerate and semi-numerate people, visited several BOMA locations to explore a potential partnership. Financial literacy and numeracy is a challenge for many of our participants.

- Nina Hissen from the UK Department for International Development, Nairobi, visited the Marsabit field office and participants in Korr and Loglogo.

- Emma Mistiaen, Nadia Salim from the World Bank and Wycliff Busaka from the Government of Kenya visited our field office in Marsabit, with participants in Merrille and attended a grant distribution and training in Loglogo.

Left, Brett Mathews from My Oral Village conducting a financial numeracy test in Nemeray.

World Bank team with new BOMA savings group members.

Long-time BOMA supporters Arthur and Jane Klonsky, both renowned Getty Images photographers, spent a week in Maralal with Regional Manager Samiti Leroya and Linkages Officer Bety Lesiamito, collecting photos and stories from BOMA participants.

“This trip was absolutely inspiring. To see first-hand the profound positive transformations in the lives of these women and their families was deeply moving. We have been believers in BOMA for years, but meeting these proud BOMA business owners really brought the power of this program home to us.”
Stakeholder Meetings

- Kathleen Colson and BOMA East Africa Regional Director Helen Dalton met with Catholic Relief Services in Uganda and with our partners in a USAID Feed the Future program, to discuss our partnership to launch a joint replication of BOMA’s model in Uganda.

- BOMA attended multiple meetings with other organizations to explore funding and partnership opportunities including: Save the Children Kenya and Somalia, World Bank, Swedish Embassy, and Helpage.

- BOMA, Mercy Corps and ACDI-VOCA presented the KLMS agenda to county cabinet members in Turkana in January.

- Kathleen Colson and Helen Dalton attended and presented at the World Bank Kenya Social and Economic Inclusion Project Workshop in Mombasa.


HOT OFF THE PRESS

This quarter, BOMA’s work was recognized in multiple media outlets, and we published several blogs, including one for International Women’s Day by BOMA Board Member Kathy Roome.

“Them Too”: What Does Women’s Empowerment Look Like in Sub-Saharan Africa? | Kathy Roome | March 1, 2018 | CLICK TO READ

Down to Business: Drought-hit Kenyan women trade their way out of poverty | Benson Rioba, Thomson Reuters Foundation | January, 2018 | CLICK TO READ

Closing gender gap helps planet and economy | Kristalina Georgieva and Ngozi Okonjo-Iweala | March 8, 2018 | CLICK TO READ

A Research Collaboration in Kenya Seeks Durable Empowerment for Women | Alex Russell, UC Davis Feed the Future Innovation Lab for Assets and Market Access | March 7, 2018 | CLICK TO READ

Impact Measurement on Salesforce – 7 nonprofits setting the bar for Salesforce-based M&E | Vera Solutions | February 27, 2018 | CLICK TO READ
FUNDING PARTNERS WHO PROVIDED GENEROUS SUPPORT to BOMA in Q1 2018 include Imago Dei Fund, Montpelier Family Foundation, Peery Family Foundation, Segal Family Foundation and Vibrant Village Foundation.

As of March 31, 2018, cash received and contracted grant commitments represent 87% of budgeted expenses of $3.9 million for the fiscal year ending September 30, 2018.

### 2018 FISCAL YEAR REVENUES & EXPENSES

**Revenues for the six months ended March 31, 2018**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>INDIVIDUALS</td>
<td>$336,043</td>
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<tr>
<td>FOUNDATIONS/ORGNS</td>
<td>$1,575,925</td>
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<tr>
<td>GOVERNMENTS</td>
<td>$520,858</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$2,432,825</strong></td>
</tr>
</tbody>
</table>

**Expenses for the six months ended March 31, 2018**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>% of Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>REAP PROGRAMS</td>
<td>$1,359,902</td>
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<tr>
<td>EDUCATION &amp; ADVOCACY</td>
<td>$131,254</td>
<td>8%</td>
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<tr>
<td><strong>Total Program Expenses</strong></td>
<td><strong>$1,491,156</strong></td>
<td><strong>89%</strong></td>
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<td>ADMINISTRATION</td>
<td>$84,799</td>
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<td>FUNDRAISING</td>
<td>$104,348</td>
<td>6%</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$1,680,303</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

EIN: 84-1671995
A *boma* is a livestock enclosure used by the pastoral peoples of East Africa. It symbolizes sanctuary and protection.