Letter from the CEO

In recent weeks, BOMA announced two groundbreaking agreements that represent the achievement of a goal that reaches far beyond our founding vision. On October 19, after two years of negotiations, BOMA co-founders Kathleen Colson and Kura Omar signed a contract with the Government of Kenya (GOK) and the Treasury Ministry’s Programme for Rural Outreach of Financial Innovations and Technologies (PROFIT). As a pilot for the long-term goal of embedding BOMA’s graduation program into GOK’s social protection systems, BOMA will enroll 1,600 women in its holistic poverty graduation model. Almost simultaneously, BOMA announced an agreement with Mercy Corps (see page 2) to replicate BOMA’s model in five countries across the drylands of Africa.

These milestone agreements mean that BOMA has transitioned from making an impact—giving tens of thousands of women the ability to earn an income, build up savings and support their families—to solving a problem that affects millions of women and children in the drylands of Africa (40 percent of the continent). By embedding our program in the social-protection system of the Kenyan government—and scaling it across the drylands with partner organizations—we will reach millions of women with a life-changing program of hope. Our work has never been more important.

In gratitude,

Kathleen Colson, Founder and CEO

Click to read more about BOMA’s agreements with the Government of Kenya and Mercy Corps.

<table>
<thead>
<tr>
<th>Our Reach &amp; Impact Since January 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>11,502 # of women enrolled</td>
</tr>
<tr>
<td>57,510 # of dependent children impacted</td>
</tr>
<tr>
<td>69,012 women and children to date</td>
</tr>
<tr>
<td>100,000 women and children by 2018</td>
</tr>
<tr>
<td>3,658 # of businesses launched</td>
</tr>
<tr>
<td>672 # of savings groups established</td>
</tr>
</tbody>
</table>
TAKING OUR PROGRAM TO SCALE:
BOMA Partners with Mercy Corps

The BOMA Project has signed a partnership agreement with Mercy Corps, a leading global organization powered by the belief that a better world is possible, and whose mission is to alleviate suffering, poverty and oppression by helping people to build secure, productive and just communities. BOMA and Mercy Corps will work together to replicate BOMA’s innovative poverty graduation model in five countries across the drylands of Africa. The partnership will kick off with a pilot enrollment of 240 ultra-poor women in the Turkana and Wajir counties of Northern Kenya. The pilot will provide the women—120 in each county—with training, mentoring and seed capital to launch small, sustainable businesses in their rural villages. BOMA and Mercy Corps are exploring additional pilots in other counties in Northern Kenya and rural districts in Somalia, Uganda, Ethiopia and Tanzania.

BOMA Enrolls 1,185 Women During Third Quarter

- **July 18-23, 2016** | BOMA enrolled 240 women in five village clusters across the North Horr region—Galas, Kalacha, Maikona, Sagante and Badasa—as part of a prestigious “Force for Change” grant from Salesforce.org, the philanthropic arm of Salesforce. In partnership with Vera Solutions, the pilot program will help BOMA to test and refine its innovative use of digital technology and cloud-based solutions for cost-effective field data collection, program monitoring and impact analysis. Our goal is to establish a new standard of digital data collection for poverty graduation programs in remote and resource-poor locations around the world.

- **July 24 to August 5** | BOMA conducted targeting exercises to identify 945 ultra-poor women eligible for BOMA’s innovative poverty graduation program
in 23 village clusters. After targeting, BOMA Village Mentors formed business groups of three qualified women and helped them write a business plan, called a Jump Grant Application.

**September 10-20** | The 945 women received financial skills training and seed capital of $200 to launch their new BOMA businesses.

*Six months after enrollment, following a satisfactory progress report by their Field Officer, these new BOMA participants will attend savings training and self-assemble into larger BOMA savings associations. During BOMA’s two-year poverty graduation program, Mentors meet monthly with each BOMA business and savings group to answer questions, provide hands-on instruction, and deliver training modules (financial literacy, life skills).*

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**Mobile Banking**

**July 18-22** | Michelle Hassan from Bankable Frontier Associates (BFA) visited BOMA in the field to conduct an assessment of BOMA’s mobile banking pilot. Michelle met with BOMA staff in the Nanyuki and Marsabit offices and then visited four savings groups in Loglogo and Korr, where she interviewed 51 BOMA participants about their experience with using mobile phones to conduct financial transactions and access group bank accounts. BFA is a global strategy consulting firm that focuses on broad, sustainable access to financial services, and its recommendations will help BOMA to design future mobile banking programs.

**The BFA assessment** was sponsored by the Bill & Melinda Gates Foundation, which is currently funding 750 women who enrolled in BOMA’s two-year poverty graduation program in May 2016. The Gates cohort has a special focus on studying the changes in household decision-making and gender-influence outcomes—like increased food security and access to education for girls—that result from the women’s economic empowerment.
Monitoring & Evaluation

THE BIG PICTURE:
Children, Husbands and Community Members Discuss BOMA’s Impact

BOMA regularly conducts quantitative impact surveys of our program participants that prove our program’s transformative power. But in September we organized a series of focus group discussions that provided an even broader perspective, interviewing children, husbands, village elders and community leaders in several villages about how BOMA has made a difference that reaches far beyond the statistical indicators that we measure.

➢ “People are coming together, sharing problems and sharing ideas,” says an assistant village chief. “They have unity. And we see the children improving. They are clean; they are healthy; they are learning.”

➢ “Any [help] that reaches the women will always reach the children,” says the husband of a BOMA participant. “By knowing business, they have helped their children and also the fathers. It has also helped the neighbors, who no longer travel far to buy [basic goods]. BOMA has helped the entire manyatta.”

➢ “Before, women were waiting for their husbands to bring food to the table,” says a BOMA Mentor. “But now women know how to operate a business and how to save. And they are taking their children to school…and teaching them how to do business. There is a new life.”

➢ “BOMA has brought green [vegetables] into the village,” says a pastor. “Nutrition is changing. The mamas also provide school fees, uniforms, shoes, soap.”

➢ “Before, my mom didn’t have a business,” says the 14-year-old daughter of a BOMA participant. She attends school and helps her mother with the business bookkeeping. “I felt bad, because sometimes we didn’t have anything to eat. But now, we have no problems.” She wants to be a doctor when she grows up.
“Walking into the field with BOMA, I witnessed raw gratitude in the constant stream of women desperate to tell us the ways they’ve used their income to send daughters to school, give their children breakfast, and help neighbors with medical care. I can’t tell you how moving it is to see a group of BOMA women gathered under a thorn tree, nursing babies, discussing the ways in which they will use their savings. Or how heartening it is to see women haggling over the price of their goats with men who’ve come to market on a lorry.

BOMA women walk taller. They conduct business with dignity and ingenuity. Their children are clean and fed. Through training and grants, they are changing the fabric of their own lives and the future of their communities. These women want the transformational power of knowledge. They want to work. They are facing down the worst of the world’s challenges, and they want hope. They deserve it.”

Megan Mayhew Bergman
Author, “Almost Famous Women” and “Birds of a Lesser Paradise”
Field Visits

July | BOMA and Mercy Corps hosted mutual field visits. A team from Mercy Corps—including Lynn Renken (Country Director, Kenya), Sarah Castagnola (Enterprise Development Advisor, Uganda) and Nelson Owange (Program Manager, Turkana, Kenya)—visited with BOMA participants in Marsabit. Then BOMA deputy country director Kura Omar led a BOMA team to visit Mercy Corps field operations in Turkana, West Pokot and Wajir counties. BOMA will work with Mercy Corps to replicate our poverty graduation program across the drylands; see page 2.

August 2-5 | At the request of the Department for International Development (DFID–Kenya), BOMA hosted a high-level delegation including officials from DFID-Kenya (UK Aid), the Hunger Safety Net Programme (HSNP) and the National Drought Management Agency (NDMA). The purpose of the joint field visit was to kick-start a collaboration between BOMA, HSNP and NDMA to develop and implement a “cash+graduation” program in Northern Kenya.

August 10 | BOMA hosted a field visit with British MP James Wharton, the newly appointed Parliamentary Under-Secretary of State at DFID-UK. It was Wharton’s first visit to Africa since being named to his new role by Prime Minister Theresa May. “I’m here to witness some of the most innovative ideas in poverty reduction in Africa,” said Wharton.

From 2013-2016, BOMA implemented a $1.9 million accountable grant from DFID that has reached 20,953 women and children. The high-level visit was a clear demonstration of DFID-Kenya’s confidence in BOMA’s model and impact, and a positive sign for continued DFID funding through its Arid Lands Support program.

August 10-13 | BOMA CEO Kathleen Colson, Deputy Country Director Kura Omar, and Director of Strategic Partnerships Jaya Tiwari attended the Segal Family Foundation annual meeting in Uganda. The BOMA team met with current and potential donors, and Colson participated in a panel on scaling social impact...
programs through government adoption, moderated by James Nardella of the Skoll Foundation. The annual meeting brought together SFF partners from across Africa and around the world to network and share ideas. Keynote speakers included international women’s and children’s rights activist Graça Machel and political activist and musician Emmanuel Jal.

**August 29 to September 2** | A team from International Center for Social Franchising (ICSF) visited BOMA in Nanyuki and Marsabit. The field visit was the official kick-off of our exciting new partnership with ICSF, a highly regarded consulting firm. ICSF is helping BOMA to standardize its poverty graduation model as we prepare to replicate REAP across the drylands of Africa, in partnership with other organizations and government agencies. The ICSF team—U.S. director Greg Coussa, consultant Raili Marks and U.S. manager Cho Kim—then led a weeklong workshop for senior staff at our U.S. office in Vermont.

“Last year we made the long journey to the distant lands where BOMA operates. In our pre-trip desk analysis we had focused on businesses, grants, impact and scalability. On the ground we saw women, hope, success and inspiration. If only the wider world could see the difference BOMA is making in a place that many have forgotten even exists.”

Mark Cubit (Planet Wheeler Foundation)
Travel & Events

**September 13-16** | Kathleen Colson met with current and potential funders attending the SOCAP (Social Capital Markets) annual meeting in San Francisco. SOCAP is an annual gathering of thought leaders, entrepreneurs, investors, and new entrants to the fields of social enterprise and impact investing.

**September 21** | Kathleen Colson attended the SEEP Network annual meeting in Washington, DC and participated in a panel on graduation programs for the ultra-poor.

**September 23** | BOMA hosted a local fundraiser, donor appreciation and 10th anniversary celebration at the Manchester Community Library in Vermont. The reception featured presentations by Kathleen Colson and Anne Hastings, global advocate for Uplift.

**September 28** | Kathleen Colson was a featured speaker at a panel discussion, “Quiet Crisis: The Intersection of Gender, Climate Change and Extreme Poverty in the Drylands of Africa”—hosted by the Foreign Policy Association during its 16th annual World Leadership Forum in New York City. The luncheon speaker was Ban Ki-moon in one of his last public appearances as Secretary-General of the United Nations.
Keneth Ndua Mitambo joins BOMA as a technical program advisor in the Nanyuki office. Keneth has 16 years of experience in the leadership, financial management, administration and development of social-impact programs that help vulnerable populations (women, children) to develop livelihoods, including positions with GHEM Consultancies, Church Army Africa, and Food For the Hungry Kenya. He most recently consulted for STAMP to develop a fuel-efficient wood-burning stove that boils and sanitizes water, reducing child mortality due to water-borne diseases. He has a master’s degree in community care with a focus on HIV and AIDS from the University of Wales Trinity Saint David and is pursuing an MBA in Global Business Sustainability and Social Entrepreneurship through Tanzaga University College.

Celestine Heibor joins the BOMA team as our second female Field Officer. Celestine has both a certificate and degree in Community Development from St. Paul’s University, and she has previously worked with the Red Cross Society, Radio Jangwani 106.3, and Kargi and Chalbi Primary Schools. Celestine will be based in BOMA’s field office in Marsabit.

MENTORS GATHER FOR ANNUAL WORKSHOP

July 25-29 | BOMA held its annual five-day BOMA Mentors Workshop in Archer’s Post. BOMA’s 26 full-time Village Mentors gathered from across Northern Kenya for five days of workshops, learning and sharing ideas. Topics included identifying business opportunities for BOMA participants, effective mentorship, conflict management, effective training methods and techniques, ensuring high-quality data collection, financial linkages, and continued training on digital tablets and BOMA’s uniquely designed digital data collection, management and visualization platform that provides real time monitoring of the program and documentation of impacts.
Monica Sena Kundu joins BOMA as an IT officer in the Nanyuki headquarters. Monica graduated from Egerton University with a B.S. in Computer Science. Prior to joining BOMA, she worked as a project manager and technical support lead for Impax Business Solutions. She has also worked for Techbiz Limited as a technical support lead, and as lead technical consultant for the SAP HANA and distributor management systems. Monica has extensive experience in the deployment, training and support of computer systems.

Allyson Souza graduated from Yale University in May 2016 with a B.A. in Psychology. At Yale, Allie served as captain of the varsity softball team, co-founder and vice president of Yale’s chapter of Special Olympics Unified Sports, and a member of the CT Beta chapter of Pi Beta Phi. She is a two-time NFCA All-America Scholar-Athlete. Prior to joining BOMA as Yale’s 2016 Donald L. Dell Fellow, Allie worked with GE Capital and Yale University Finance.

Katharine Eger joins BOMA’s Monitoring and Evaluation team as the newest Princeton in Africa Fellow. Katharine graduated in 2016 from Claremont McKenna College with a B.A. in Economics. As an undergraduate, she gained first-hand experience in social entrepreneurship and microfinance development through internships in Rwanda and Tanzania. She also worked in Washington, DC, exploring and promoting the role of tertiary education within the context of developing countries—an experience that later inspired her senior thesis analyzing education reform in sub-Saharan Africa.

Leadership

Nancy Stroupe was elected to the BOMA board of directors at its Vermont meeting on September 24. Stroupe is a senior officer of planning and evaluation at the John Templeton Foundation and has a decade of experience in conducting public health programming, evaluation, and research activities with indigenous and underserved populations. Previous positions include Associate Program Director for Research, Evaluation, and Analysis at the University of Arizona College of Public Health, and Research Fellow at the Centers for Disease Control and Prevention. Nancy has earned three advanced degrees, including a PhD in Epidemiology and a Master of Public Health from the University of Arizona, and a Master of Arts in Anthropology from the University of Wyoming. In 2015, she spent five months in Kenya as BOMA’s interim manager of monitoring and evaluation.
Fundraising and Finances

KEY PARTNERSHIPS

New funding partners who have supported BOMA with generous grants in 2016 include Planet Wheeler, Imago Dei Fund, Bohemian Foundation, Small Foundation and the Uplift and Erol foundations.

2016 REVENUES AND EXPENSES

As of September 30, 2016 cash on hand, grant disbursements and contracted grant commitments represent 90% of the year’s total budgeted expenses of $2.9 million. FY2016 budget includes $897,000 that was restricted to fund anticipated Government of Kenya PROFIT pilot implementation expenses throughout 2016. This pilot and its associated expenses will now be initiated late in 2016.

Revenues through September 30, 2016

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>$232,931</td>
</tr>
<tr>
<td>Individuals</td>
<td>$89,296</td>
</tr>
<tr>
<td>Foundations/ORGs</td>
<td>$667,443</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$989,670</strong></td>
</tr>
</tbody>
</table>

Expenses through September 30, 2016

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>(Percentage of total expenses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programs</td>
<td>$1,050,677</td>
<td>75%</td>
</tr>
<tr>
<td>Education and Advocacy</td>
<td>$ 95,883</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Total Program Expenses</strong></td>
<td><strong>$1,146,560</strong></td>
<td>82%</td>
</tr>
<tr>
<td>Administration</td>
<td>$110,316</td>
<td>8%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$147,170</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$1,404,046</strong></td>
<td></td>
</tr>
</tbody>
</table>

(figures are preliminary and subject to final review)