TRANSITIONS

When an organization experiences significant growth, transitions are inevitable. The BOMA Project continues to build capacity to achieve our goal of helping one million women and children overcome extreme poverty by 2022. In just the past six months, we have welcomed many new team members, forged new partnerships with other NGOs, enrolled 2,000 program participants and are gearing up to launch thousands more. We are also experiencing another transition: after leading The BOMA Project for the past 12 years, the BOMA Board of Directors approved a sabbatical for me that started this summer. During this time, I have been able to spend more time with family and take a break from a life on the road. However, my commitment to our mission remains as strong as ever and I continue to help guide BOMA forward as we scale our impact across the drylands of Africa.

During my sabbatical, we have been very fortunate to have John Stephens, a BOMA board member, step in as Interim Executive Director. After a distinguished career in the international development space, including twelve years at Mercy Corps supporting staff and programs in the field and most recently as Senior Director of Program & Partnerships at The Vibrant Village Foundation, John has the depth of experience and the passion for humanitarian work to guide BOMA during this time.

I look forward to celebrating the many achievements on our horizon, and thank you all for your continued support.

With gratitude,

Kathleen Colson, Founder and CEO

OUR REACH & IMPACT SINCE 2009

| 19,482 | 97,410 | 116,892 | 1,000,000 | 6,494 | 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 |
A NOTE FROM THE INTERIM EXECUTIVE DIRECTOR

I joined The BOMA Project in early 2017 as a Board member, having been impressed with BOMA’s track record and commitment to data-driven program implementation. A visit to the field confirmed my impressions. Seeing the transformation and empowerment of the most impoverished women was nothing short of breathtaking. BOMA changed what I thought was possible in terms of poverty alleviation, and I am proud to be taking a more hands-on role in this extraordinary organization. I am in the extremely fortunate position of joining a team that has a proven track record of success and the passionate commitment of every staff member, from our Field Officers and BOMA Village Mentors to our team in Kenya to our staff in the States.

Thank you for your continued support as we enter this next stage of our development.

With thanks,

John Stephens, Interim Executive Director

SCALING OUR MODEL
1 MILLION WOMEN & CHILDREN BY 2022

DRYLANDS OF AFRICA
40% of continent

Direct implementation
Direct implementation and partnership with Government of Kenya
Replication through partnership
Projected partner implementation over next five years

STRONG GROWTH IN Q2

2010 new women enrolled
626 new savings groups formed
IN THE “BUILDING RESILIENCE” to Recurrent Crisis Policy and Program Guide, USAID defines “resilience” as: “the ability of people, households, communities, countries, and systems to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth.”

The BOMA Project is committed to building long-lasting resilience among one of the world’s most vulnerable populations. Where we work, in the drylands of Africa, recurrent cycles of drought and famine have created chronic dependence on humanitarian aid.

BOMA’s Rural Entrepreneur Access Project, (REAP) is a proven program that:

▷ helps women and families forge their own pathway out of extreme poverty.
▷ empowers women to achieve more agency over their own lives.
▷ works to change the way social protection systems care for the most vulnerable members of society.
▷ builds long-lasting self-sufficiency to reduce the need for and dependence on humanitarian aid.

The Road to Self-Reliance

We measure our success by stories like Natikara’s, a BOMA Project participant in Maralal in Samburu County, whose husband abandoned her 3 years ago, leaving her the burden of raising 6 children.

“I have noticed a big change in my life since BOMA Project enrolled me. I do not go to my neighbours to borrow money. I would recommend more women to be enrolled in BOMA Project so that they can experience the same change I have gone through. The community has needed something like BOMA.”

We also mark success by the growth of our organization and the adoption of our program and strategy by our partners as we move to significantly scale our impact in the next four years. Read on for the highlights from this very busy quarter.
Livestock Market Systems

The Livestock Market Systems project is funded by USAID under Feed the Future. It’s led by ACDI/VOCA with BOMA, Mercy Corps and Smart Regional Consultants (SRC) as partners. This consortium is working to strengthen market systems to help residents in the five poorest counties in Northern Kenya—Marsabit, Turkana, Wajir, Isiolo and Garissa—achieve more durable and long-lasting resilience and self-reliance.

In Isiolo and Marsabit, BOMA is providing REAP directly to 2,220 women. In Turkana, Garissa and Wajir, BOMA is providing technical assistance to Mercy Corps to implement REAP for 3,240 participants. Key activities in the five counties over the quarter include:

- Community entries and targeting in Isiolo county.
- Mentoring of participants in Marsabit county, and providing technical assistance to Mercy Corps in Garissa, Turkana and Wajir.
- Trainings for Mercy Corps on how to link REAP to other issues like health, nutrition, and numeracy.
- Disbursing 130 seed capital grants to help women form businesses, and issuing mobile phones with a registered SIM card and M-Pesa to facilitate financial transactions.

For a complete account of BOMA LMS activities, click here.

Training exercise in community mapping for new Mercy Corps Village Mentors who will be working in Garissa and Wajir counties.

Gender and Female Empowerment

One of the objectives of the LMS program is to promote women’s empowerment and gender equity in conjunction with improving their economic status.

“A woman's economic position directly affects her ability to acquire necessary improvements in education, health and housing for her family.”

Winnie Osulah, Gender, Youth and Inclusion Director, Livestock Market Systems Activity

Gender-Based Violence (GBV) prevention and gender sensitivity will be incorporated into training for BOMA/LMS staff, and BOMA will continue to track the effects of gender empowerment within our program.
Government of Kenya PROFIT Pilot

The women enrolled in BOMA’s pilot program with the Government of Kenya’s PROFIT (Programme for Rural Outreach of Financial Innovations and Technologies) continue to show strong progress. The program will test how our model can be embedded into the Government of Kenya’s social protection systems. BOMA is conducting midline surveys of this cohort, and completed the following activities:

> In April, qualified participants received the 2nd conditional cash transfer, the Progress Grant, to start the formation of savings groups.
> Progress grants were distributed to 95% of participants.
> 5% of participants failed to achieve the business value required for continued support due to various reasons including health, migration or death, high credit balance or challenges within business group dynamics.
> At the end of the quarter, the project includes a total of 1,537 active participants (down from 1,600 at launch).

BOMA is currently reviewing midline surveys of the PROFIT cohort. Initial findings include:

> PROFIT cohort businesses saw 33% growth this quarter, and livestock businesses experienced up to 38% growth, particularly if they were near market centers.
> 100% of participants in the PROFIT cohort now report that they never send a child to bed without an evening meal.
> Nearly all households have all primary school-age girls enrolled in school.

### May 2017 PROFIT Cohort

<table>
<thead>
<tr>
<th></th>
<th>APRIL 2018</th>
<th>MAY 2018</th>
<th>JUNE 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOTAL 1-PERSON 3-PERSON</td>
<td>TOTAL 1-PERSON 3-PERSON</td>
<td>TOTAL 1-PERSON 3-PERSON</td>
</tr>
<tr>
<td>Average Business Value (KES)</td>
<td>43,000 48,795 48,811 48,785</td>
<td>44,000 48,191 48,140 48,219</td>
<td>45,000 48,713 48,862 48,634</td>
</tr>
<tr>
<td>Mentor BG monthly visits completed</td>
<td>100% 99% 100% 98%</td>
<td>100% 99% 100% 98%</td>
<td>100% 100% 100% 100%</td>
</tr>
<tr>
<td>Mentor SG monthly visits completed</td>
<td>100% 41% 65% 36%</td>
<td>100% 91% 94% 91%</td>
<td>100% 100% 100% 100%</td>
</tr>
<tr>
<td>Percentage of participants attending SG meetings</td>
<td>85% 35% 49% 32%</td>
<td>85% 79% 81% 78%</td>
<td>85% 90% 85% 92%</td>
</tr>
<tr>
<td>% of participants contributing to SGs</td>
<td>93% 43% 72% 37%</td>
<td>93% 78% 83% 76%</td>
<td>93% 88% 85% 90%</td>
</tr>
<tr>
<td>Average contribution per participant (Based on ALL participants)</td>
<td>500 289 595 232</td>
<td>500 421 427 419</td>
<td>500 487 466 500</td>
</tr>
</tbody>
</table>

**LEGEND:** **BG:** Business Group **SG:** Savings Group
BOMA Randomized Controlled Trial Update

IN PARTNERSHIP WITH THE UNIVERSITY OF CALIFORNIA DAVIS and the International Livestock Research Institute, BOMA is conducting a study to explore the effects of poverty graduation on its own and the combined impacts of poverty graduation and Index Based Livestock Insurance to see if the two programs together create sustained outcomes on income, food security, and savings and prevent participants from backsliding during drought. Within this project, BOMA will provide a 24-month REAP program to 2,100 ultra-poor women across seven districts in Samburu North.

This quarter:

- BOMA launched the first cohort with 513 participants who are now under mentorship and forming savings groups.
- Takaful Staff Insurance Company of Kenya, which is providing the insurance product to BOMA participants, visited all 7 mentor areas in the study to create more awareness of the livestock insurance product.
- All launched participants are enrolled in income generating activities. An update on business values will be provided in the next quarter.
- Further waves of business launches will roll out over the next two years.

IN THE FIELD

BOMA hosted several visits from funders and partners this quarter including:

- A delegation from USAID including the ACDI/VOCA Chief Operations Officer who visited with BOMA participants and savings groups.
- Wendy Chamberlin, Associate Program Officer at the Bill & Melinda Gates Foundation, and Samburu Wa-Shiko, Senior Advisor at the Bill & Melinda Gates Foundation, visited four field locations. The 750 women enrolled as part of BOMA's Gates Foundation "Putting Women and Girls at the Center of Development" grant completed their two-year program in April.

Findings from a BOMA's Gates Foundation cohort study will be published shortly.

“Before we used to beg, now people are borrowing from us.” BOMA Gates cohort graduate

BUILDING CAPACITY

This quarter BOMA welcomed 15 new team members, including mentors, a livehoods officer and a driver as we staff up our USAID/LMS Isiolo operation. Julieta Lekerpse, a BOMA Village Mentor, notes, “I have seen the good that BOMA has done for women here. I wanted to be part of it.”
Challenges

**EVERY QUARTER,** Village Mentors and Field Staff encounter multiple challenges in the remote areas where we operate, and their dedication and commitment is truly inspiring, in the face of these obstacles:

**Water—too much and not enough:** Drought brings one type of crisis as water bore holes dry up, crops wither, riverbeds turn to dust and livestock die. However, when the rains finally come, they bring their own dangers. Flooding makes roads impassable and swollen rivers destroy grazing land and cause deaths.

**Security concerns:** Northern Kenya can be a dangerous place. Bandits roam many areas, and recently, at the Merille livestock market where many BOMA women come to trade, a bomb went off killing 1 person. As an organization, we take our commitment to the safety and security of our team very seriously, and have measures in place to support field staff should they find themselves in a dangerous situation.

**Financial literacy:** Most of our participants have limited literacy and numeracy skills, making record keeping and basic business functions extremely difficult. BOMA field staff work with them to become more adept at record-keeping, and also stress the importance of education for the next generation. Additionally, we are exploring a partnership with My Oral Village, an organization that works to make financial inclusion possible for innumerate and semi-numerate people.

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**“POVERTY is SEXIST”**

...SAYS MELINDA GATES, OF THE BILL & MELINDA GATES FOUNDATION.

“There are more women than men in vulnerable circumstances worldwide, yet women are often the ones who make crucial decisions for their households, like managing a budget and deciding who goes to school.” Studies have shown that investing in women and girls is the way to break the generational cycle of poverty and disenfranchisement. Our multi-pronged approach includes:

- Girl-child education campaigns that aim to achieve 100% school attendance by primary school-aged girls.
- Assessing the effect of increased income on women’s household empowerment and decision-making as part of our funding from the Bill & Melinda Gates Foundation. The study can be READ HERE.
Kathleen Colson, and Jaya Tiwari, Director of Strategic Partnership, and John Stephens, Interim Executive Director, attended SKOLL World Forum in Oxford, England in April, where Kathleen presented on the panel “Can Scaling an Idea Lead to Systems Change?”

Jaya Tiwari and Fridah Gacheri, Market Linkages Officer, attended SG2018, the SEEP Network’s conference hosted in Kigali, Rwanda May 22-24. The event is a knowledge-sharing opportunity for organizations who support savings groups worldwide. The conference also included a convening of Women and Girls at the Center of Development Global Grand Challenge award grantees by the Bill & Melinda Gates Foundation.

Helen Dalton, BOMA’s East Africa Regional Director, traveled to Uganda for meetings with Catholic Relief Services to finalize our Scope of Work for expanding REAP to Karamoja, Uganda.

BOMA’s senior staff convened at our headquarters in Manchester, Vermont in early June for strategy meetings, and a meeting with our Board of Directors.

Writing in the Stanford Social Innovation Review, Kevin Starr, Executive Director of the Mulago Foundation and the Rainer Arnhold Fellows Program had an insightful—and entertaining—take on the drive to constantly innovate in the humanitarian space. He confirms our belief that the way to achieve real impact is through replicating a proven model. CLICK TO READ

We are grateful to our partners at Vibrant Village for continuing to support our work and including us in their latest portfolio snapshot. CLICK TO READ

Delivering data-driven results is crucial to expanding our scope and validating the trust of our supporters. Read about the importance of data collection and interpretation here. CLICK TO READ

This Mother’s Day, we looked at the global cost of failing to provide adequate nutrition and health care to mothers and babies. CLICK TO READ

And this Father’s Day, our co-founder Kura Omar shared a thoughtful perspective on what it means to be a man working to empower women and his hopes for his own children. CLICK TO READ
Fundraising is one of the greatest challenges for any nonprofit organization. Partners who share our vision and place their trust in us enable us to move our work forward, and reinvigorate our belief in our mission. This month, the Peery Family Foundation, a Palo Alto-based foundation established in 1978 by Richard Peery, committed one million dollars in unrestricted funding to the BOMA Project over the next four years.

“BOMA has proven that their poverty graduation model works. Their commitment to replicating that model at scale will help lift millions of vulnerable people who are caught in the crushing trap of extreme poverty. We are grateful to be part of their story,” says Lindsey Padjen of the Peery Foundation.

Since 2014, Peery has steadily increased their funding commitment to BOMA. Peery's thoughtful, grantee-centric approach to investing in social change has allowed us to be innovative, adaptive and nimble as we refine and scale our model. We are grateful to them and to supporters like you.

2018 FISCAL YEAR REVENUES & EXPENSES

As of June 30, 2018 cash received and contracted grant commitments represent 92% of budgeted expenses of $3.9 million for the fiscal year ending September 30, 2018. Funding partners who provided generous support to BOMA in Q2 2018 include the Segal Family Foundation and an anonymous donor.

Revenues for the nine months ended June 30, 2018

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<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>INDIVIDUALS</td>
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<tr>
<td>FOUNDATIONS/ORGs</td>
<td>$1,679,027</td>
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<tr>
<td>GOVERNMENTS</td>
<td>$520,858</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$2,571,524</strong></td>
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</table>

Expenses for the nine months ended June 30, 2018 (% of total expenses)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>% of Total Expenses</th>
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</thead>
<tbody>
<tr>
<td>REAP PROGRAMS</td>
<td>$2,106,829</td>
<td>80%</td>
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<tr>
<td>EDUCATION &amp; ADVOCACY</td>
<td>$202,048</td>
<td>7%</td>
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<tr>
<td><strong>Total Program Expenses</strong></td>
<td><strong>$2,308,877</strong></td>
<td><strong>87%</strong></td>
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<td>ADMINISTRATION</td>
<td>$190,903</td>
<td>7%</td>
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<tr>
<td>FUNDRAISING</td>
<td>$148,611</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$2,648,391</strong></td>
<td><strong>100%</strong></td>
</tr>
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