



Fiscal Year 2020 Annual Report

October 2019 – September 2020

*MWA convenes, accelerates, and influences
to scale sustained WASH services and resilience globally*

The Millennium Water Alliance is a permanent global alliance of leading humanitarian, research, and business organizations that convenes a trusted network and serves as a hub for collective impact, accelerates learning, and influences priorities and funding to scale sustained WASH services and resilience globally. The value proposition is delivered by the MWA global hub with active support and engagement by its members.

MWA MEMBERS IN FY 2020:



MWA members work in more than 90 countries around the world to bring safe drinking water, better sanitation, and hygiene practices to millions of the world's poorest people

The Year a Global Pandemic Changed Everything, And Reinforced the Need for Faster Progress on Safe Water, Sanitation, and Hygiene

Halfway through Fiscal Year 2020, a challenge came that many in the water, sanitation, and hygiene (WASH) sector had long warned about but did not know when or where it would come: A deadly viral pandemic that would take millions of lives, arrest many hard-won gains in global development and destabilize all nations politically and economically. Our institutions persevered, and despite the enormous difficulty imposed by addressing the pandemic's spread and effects, our work in the field continued.

In late 2019, the Millennium Water Alliance was making timely progress in supporting the scaling of WASH services globally by **convening** members and partners for collective impact, **accelerating** critical learning, and **influencing** sector policy, resource levels, and decision makers. In March 2020, as the COVID-19 pandemic accelerated everywhere in the world, we still did not know how massively it would affect our lives. We shared a sense of confidence and optimism when we gathered on March 12 for the MWA Board meeting in Washington DC and enjoyed a good meeting with the then-Deputy Administrator of USAID, talking about the future of their programs and ours. That following weekend in Washington DC, as elsewhere, normal business came to a halt. MWA staff and members began working remotely, canceling meetings, postponing initiatives, and learning how to adjust to an entirely new work environment. It was hard for everyone, and especially pressing on nonprofit organizations dedicated to one of the most crucial elements of improving public health in developing nations – WASH.

Challenging as it was, MWA continued to grow even with the enormous restrictions on business imposed by COVID-19. We added two new members, **Action Against Hunger**, a major global actor in multiple development sectors, and the **Safe Water Network**, an innovative NGO that embodies the call for collective action and sharing of new practices. As a permanent alliance of the world's premier WASH enterprises, MWA is uniquely positioned as a hub to amplify the voice of our members. We do this both in specific countries of service in funded programs such as in Ethiopia and Kenya, as well as globally. At the close of FY 2020, we had 17 members with expertise in more than 90 countries around the world.

MWA was a strong advocate to the US Government for including meaningful funding for international efforts to fight the pandemic. We advocated directly to USAID for prioritizing water, sanitation, and hygiene in its efforts to mitigate and prevent the of COVID-19, and while some USAID programming made the adjustment, the response was slow. In our view, while we all awaited the development of vaccines, the most immediate need was to help countries prevent the spread of the disease, especially through accelerated assistance in safe water, better sanitation, and urgent hygiene education where it was needed the most.

We all became accustomed to doing our work through teleconferences and other indirect means. Our programs in Ethiopia went through a planned adjustment from one grant term from our generous partner, The Conrad N Hilton Foundation, into a new program with them; our widely praised five-year program in Kenya came to its planned conclusion, and we began the process of building on that foundation with new programming for the following year.

In spite of repeated attempts by the Trump Administration to cut all foreign assistance by nearly a *third* in FY 2020, both parties in Congress rallied to the defense of USAID and continued funding,

including for WASH. We played a highly active role with other development organizations in defeating those destructive proposed cuts.

With the end of perhaps the most difficult year of our lives – certainly, the most difficult in the years of MWA’s existence – our alliance not only survived but grew. The pandemic is not yet over, but we are learning how to push our programming forward and create new partnerships to spur access to safe water and sanitation for millions of the world’s most vulnerable people.

Snapshots of Our Major Efforts in FY 2020:

Advocacy in the U.S. and Globally

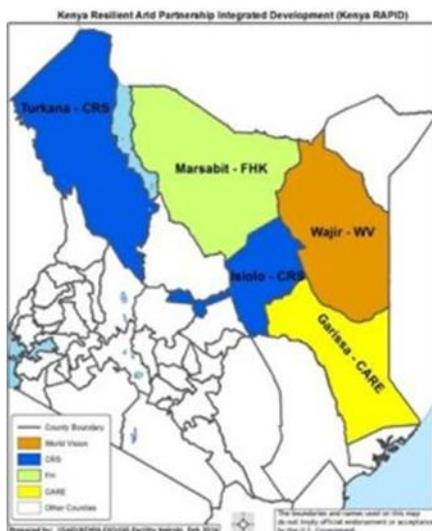
MWA has been a leader in WASH advocacy for 17 years, in the U.S. and international forums. From the landmark Sen. Paul Simon Water for the Poor Act passed by Congress in 2005, through successful efforts over a decade to increase U.S. government funding for the WASH sector and improve USAID policies and programs, MWA has led in coalition with NGOs, political leaders, and private citizens to make WASH a major priority in U.S. development strategy. Despite budget pressures (in part due to COVID-19), MWA played a leading role to maintain level funding of \$450 million for WASH at USAID in the coming year (FY 2021) and to advance passage of a \$12 billion emergency supplemental appropriations for USAID to deal COVID-19 in multiple programs.

The Millennium Water Alliance Sustainable WASH Program in Ethiopia

MWA’s five-year program in Ethiopia is generously funded by a major grant from the Conrad N. Hilton Foundation with matching funds from five implementing MWA members. Aimed at supporting Ethiopia’s nationwide achievement of safe, affordable, and sustainable water services delivery by 2030, the **Sustainable WASH Program of the Millennium Water Alliance** supports three woreda governments in Amhara National Regional State to achieve long-term plans for full WASH coverage. MWA helps district governments achieve improved service delivery levels by reaching 18% safely managed and 69% basic water supply service levels by 2024. MWA members **CARE, Catholic Relief Services, Food for the Hungry, IRC WASH, WaterAid, and World Vision** implement with technical support partners **Evidence Action, Splash, the U.S. Centers for Disease Control and Prevention, and the Stanford University Woods Institute.**



Kenya Resilient Arid Lands Partnership for Integrated Development (Kenya RAPID)



Kenya RAPID was a five-year development program bringing together public and private institutions to increase access to water and sanitation for people and water for livestock, and to rebuild a healthy rangeland-management ecosystem.

MWA focused on five northern counties - Garissa, Isiolo, Marsabit, Turkana and Wajir, which have extreme poverty rates, chronic food and water insecurity, and low access to basic services. Funded at US \$31 million by USAID, the Swiss Development Corporation, MWA implementers **Acacia Water, CARE, CRS, Food for the Hungry, World Vision**, and other partners, Kenya RAPID brought improved or first-time WASH access to 650,226 people

MWA BOARD MEMBERS FY 2020

Peter Lochery, Acting Chair
Rod Beadle, Food for the Hungry
Tony Castleman, Catholic Relief Services
Matt Hangen, Water 4
Stephanie Ogden, CARE
Kelly Parsons, WaterAid America
Jordan Smoke, World Vision
Christian Steiner, HELVETAS
Evan Thomas, Mortenson Center – University of Colorado Boulder
Elynn Walter, IRC WASH
Jonathan Wiles, Living Water International

MWA U.S. STAFF

Keith Wright, Executive Director
John Sparks, Director of Advocacy & Communications
Laura Brunson, Global Programs Director
Peter Gichuru, Finance Director
Anna Pollock, Programs Associate
Alan Elvir, Administrative Services

MWA ETHIOPIA – Tedla Mulatu, Country Director

MWA KENYA – Doris Kaberia, Country Director

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Millennium Water Alliance
Houston, Texas

Report on Financial Statements

We have audited the accompanying financial statements of Millennium Water Alliance, which comprise the statement of financial position as of September 30, 2020, 2019, and 2018, and the related statements of activities, and cash flows for each of the years in the three-year period ended September 30, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Millennium Water Alliance's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Millennium Water Alliance's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Millennium Water Alliance as of September 30, 2020, 2019, and 2018, and the changes in its net assets and its cash flows for each of the years in the three-year period ended September 30, 2020, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 31, 2021, on our consideration of Millennium Water Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Millennium Water Alliance's internal control over financial reporting and compliance.

August 31, 2021

J. Ronald Martin, P.A.

MILLENNIUM WATER ALLIANCE
STATEMENTS OF FINANCIAL POSITION

	September 30,		
	2020	2019	2018
ASSETS			
Cash and equivalents, including refundable grant advances	\$ 1,110,342	\$ 2,509,082	\$ 2,107,603
Grants receivable	914,744	866,530	699,392
Other receivables	-0-	3,150	17,828
Due from members	-0-	-0-	2,000
Prepaid expenses	4,928	16,906	16,693
Grant advances to subrecipients	863,354	843,290	489,803
Equipment	-0-	-0-	5,317
(Less) accumulated depreciation	-0-	-0-	(5,317)
	-0-	-0-	-0-
	<u>\$ 2,893,368</u>	<u>\$ 4,238,958</u>	<u>\$ 3,333,319</u>
 LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable	\$ 12,984	\$ 15,630	\$ 37,645
Due to grant subrecipients	972,847	1,768,756	1,287,365
Refundable grant advances	1,330,773	2,114,991	1,497,148
Accrued expenses	216,903	43,556	70,543
Accrued payroll benefits	8,552	6,818	12,464
Due to members	-0-	17,000	-0-
Accrued payroll	54,367	60,538	71,219
Deferred membership dues	73,500	-0-	-0-
Advance payable	15,000	-0-	-0-
SBA EIDL payable	25,000	-0-	-0-
Paycheck Protection Program (PPP) Loan	115,500	-0-	-0-
	2,825,426	4,027,289	2,976,384
 Net assets:			
Net assets without donor restrictions	67,942	211,669	356,935
	<u>\$ 2,893,368</u>	<u>\$ 4,238,958</u>	<u>\$ 3,333,319</u>