

2014 | Annual Report



MILLENNIUM WATER
ALLIANCE

The value of water is learned early in life when children share the burden of securing water each day for their homes. In the village of Los Ovitos in the municipality of San Antonio de Cortés, Honduras, this child carries a jug to get water from an unprotected spring – but now the community no longer relies on this spring, thanks to a new gravity-fed water system built in partnership with Lazos de Agua. Photo by Enri Maldonado of CARE Guatemala, who was visiting this Water For People site in Honduras as part of MWA's five-country program to help members share knowledge and best practices.

Millennium Water Alliance Fiscal Year 2014 Annual Report

The Millennium Water Alliance is the 501(c)(3) consortium of leading charities helping to bring safe drinking water, sanitation, and hygiene education to the world's poorest people in Africa, Asia, and Latin America. MWA works with governments, corporations, foundations, individuals, and other NGOs to advance best practices, share knowledge, build collaborations, and advocate for greater commitment to this global goal. MWA's members at time of printing (post-FY 2014) include **Aguayuda, CARE, Catholic Relief Services, Food for the Hungry, Global Water, HELVETAS Swiss Intercooperation, IRC – International Water and Sanitation Center, Lifewater International, Living Water International, Pure Water for the World, WaterAid in America, Water4, Water For People, Water Missions International, Water.org, and World Vision.**



Fiscal Year 2014 Board of Directors

Malcolm Morris , Chairman	Peter Lochery , CARE; Vice-Chairman
Edward Breslin , Water For People	Rich Thorsten , Water.org
Cheryl Jereczek , World Vision	Vanessa Tobin , Catholic Relief Services
Zack Aspegren , Living Water International	Sarina Prabasi , WaterAid in America
Ryan Smedes , Food for the Hungry	Dennis Warner , Board Member Emeritus
Karen Dickman , Secretary	Mark Winter , Treasurer

MWA appreciates the generous support of the Wallace Genetic Foundation for its ongoing work in advocacy and communications to the general public.



Fiscal Year 2014 MWA Staff

Rafael de Jesus Callejas , Executive Director
John D. Sparks , Director of Advocacy & Communications
Susan M. Dundon , Director of Program Development
Peter N. Gichuru , Senior Accountant
Daniel Smith , Program Officer
Anna Pollock , Program Officer
Sarah Sparker , Program Officer
Cynthia Nyaoro , Accountant
Allan Elvir , Program Assistant
Melkamu Jaleta , MWA-Ethiopia Program Coordinator
Yisehak Leta , MWA-Ethiopia Finance Officer
Doris Kaberia , MWA-Kenya Program Director
Violet Moenga , MWA-Kenya Program Grants Manager

MWA greatly values the partnership in our field programs we enjoy with Akvo, Acacia Water, and Aqua for All.

akvo.org
See it happen



Highlights for MWA in FY 2014

The Millennium Water Alliance accelerated its budget growth, increased its full-time staff and field program reach, and added three respected organizations as new members in Fiscal Year 2014 (October 2013 – September 2014). This paralleled the growth in US government funding for water, sanitation, and hygiene programming in the developing world, and greater international recognition for sustainable global WASH commitments.

Some highlights of the period include:

- » MWA's 13 members in FY 2013 were joined by HELVETAS Swiss Intercooperation (headquartered in Geneva) and Aguayuda (Maryland) in November 2013 and by Water4 (Oklahoma) in September 2014, bringing the total **MWA membership to 16**.
- » MWA's budget grew by **more than \$3.5 million** with expenses paralleling revenues, with a slight increase in assets by year's end; two new full-time staff positions in program management and accounting were added in the Washington, DC headquarters.
- » A study outlining the impact of **members working in consortium in Ethiopia** was released in December 2013, comparing processes over 10 years.
- » A major national poll released in November 2013 by the Kaiser Family Foundation reinforced WASH advocacy efforts by showing that 93% of Americans across demographic and political lines supported US leadership in helping poor nations develop access to safe drinking water.
- » MWA's **Lazos de Agua, the five-country program** funded by Coca-Cola Latin America, The FEMSA Foundation, and six MWA members, began the *Lazos de Agua Quarterly*, with on-the-ground reports written by the country staff of MWA partners, showing in their own words how progress is made in some of the most remote areas of Mexico, Guatemala, Honduras, Nicaragua, and Colombia.
- » In the contentious FY 14 Omnibus spending bill, Congress gave **WASH a 21% increase** - its biggest one-time increase yet in funding the Sen. Paul Simon Water for the Poor Act programs so far – requiring at least \$365 million to be allocated by USAID in FY 2014.
- » MWA chaired the **2014 WASH Advocacy Day on Capitol Hill**, working with its coalition allies to bring the largest group of WASH advocates ever to meet with members of Congress and their staffs.
- » USAID released its **water implementation field guide**, under the five-year Water & Development Strategy the agency released earlier in 2013.
- » MWA announced the creation of the **Millennium Water Alliance Kenya Trust**, to improve MWA capacity to respond to opportunities for expanded work in Kenya.
- » Following several months of reviewing diverse input from allies and donors, the MWA Board of Directors approved a **10-year Strategic Plan** for the organization. The strategy emphasizes our need to accelerate sustainability of our consortium work, developing more standards for monitoring, evaluation, and learning, and a heightened priority for advocacy and communications in support of our partners in the field and other civil society groups to showcase stronger evidence of the multiple impacts of WASH.



MWA Consortia Programs

Kenya

Kenya Arid Lands Disaster Risk Reduction – Water, Sanitation, and Hygiene (KALDRR-WASH) Program

Program Duration: December 2012 to December 2014

Budget: \$9.83 million (\$4 million from United States Agency for International Development, \$4 million from USAID Office of Foreign Disaster Assistance, and \$1.83 million from Aqua for All and matching funds from MWA members)

Counties of Operation: Garissa, Isiolo, Marsabit, Moyale, Turkana, and Wajir

Program Partners: Food for the Hungry, CARE Kenya, Catholic Relief Services, World Vision, Aqua for All, IRC, and Acacia Water

Targeted Beneficiaries: 160,000

WASH Beneficiaries Reached in FY2014: 105,526

Donors:



Country maps vary in scale;
all maps by Rainer Lesniewski/
Shutterstock.com and Chad Brobst

Ethiopia

Multiple Use Water Improvements in Seven Rural Woredas

Program Duration: April 2013 to February 2015

Budget: \$1.5 million (\$1.155 million from The Coca Cola Africa Foundation via the Global Environment and Technology Foundation, \$298,560 from CNHF, and \$60,476 from community/government funds)

Program Partners: WaterAid Ethiopia, Catholic Relief Services, World Vision Ethiopia

Total Beneficiaries: 79,616



Latin America

Lazos de Agua (Water Links) Program

Program Duration: January 2013 to December 2015

Budget: \$12.3 million (\$6 million from Coca-Cola Latin America & The FEMSA Foundation, \$6.3 in matching funds from MWA & partners)

Operating in: Mexico, Guatemala, Nicaragua, Honduras, Colombia

Program Partners: Living Water International, World Vision Mexico, CARE Guatemala, Water for People – Honduras, WaterAid in America, Aguayuda

Total Program Targeted Beneficiaries: 100,000

WASH Beneficiaries Reached in FY2014: 23,892 access to water; 3,486 access to improved sanitation; 37,814 reached with hygiene promotion

Millennium Water Alliance – Ethiopia Program (MWA-EP)

Program Duration: July 2011 to June 2015

Budget: \$12.4 million (\$6 million from The Conrad N. Hilton Foundation (CNHF), \$6.4 million in matching funds from partners)

Regions of Operation: Amhara, Benishangul-Gumuz, Oromia, SNNPR

Program Partners: CARE Ethiopia, WaterAid Ethiopia, Living Water International, Catholic Relief Services, World Vision Ethiopia

Total Beneficiaries: More than 400,000

WASH Beneficiaries Reached in FY2014: 200,000



Donors:



Donors:



MWA Members and Funders Work in the World's Poorest Communities

Impoverished communities

have poor access to water (and whatever water is nearby is usually unsafe for drinking) and no safe system for handling human waste. Urban poverty and rural poverty often require different tactics, but in WASH, they all come back to how to design and finance systems that provide equitable access for all who need it. Better governance, transparent management, and training are absolutely critical if systems are to last. MWA's members are committed to achieving true sustainability – a tall order, since we also are committed to working in many areas that are the hardest to reach. Geographical remoteness from urban centers often makes the work difficult and expensive, and the rural poor, who are often dispersed over huge distances, can be too easily forgotten. In rugged mountains, rainforests, and across vast arid plains, the 16 members of MWA work with governments and communities to help increase access, every year over thousands and thousands of miles, to millions of people.

Pouring the Concrete Footers for Community Water Tank: ►

Nearly 10,500 people in Kinna, Isiolo County, will have access to safe drinking water from this project begun in FY 2014 by MWA member Food for the Hungry. The two-year MWA-Kenya Arid Lands Disaster Risk Reduction WASH program, funded by USAID and MWA members, operated in six counties through four MWA members and other international and local partners.

▼ What Communities Often Use as Primary Water Sources in Arid Lands:

This was the principal source of drinking water for a community in Marsabit County, Kenya, prior to water project work under the MWA-KALDRR program.

Photo: Daniel Smith





▲ **Finishing the Job:**

Workers in a Lazos de Agua - Water For People project in Honduras discuss operation of a new system for the community. *Photo: Enri Maldonado*



◀ **Partnership Built on Local Ownership:**

In Moyale, Kenya, a borehole that had not been functioning for three years was rehabilitated by MWA member CARE. Community members contributed their resources to repair almost six kilometers of pipes from the borehole site to the village. This shows a sense of ownership, and the village has committed to sustain the system in the future.

Using Wind to Pump Water: ▶

In the Colombian indigenous Wayúu community, Pichiraure, a windmill had been broken for at least three years, and the nearby cement water storage tank was falling apart. The community built a primitive manual pump on the well, and as part of Lazos de Agua, MWA member Aguayuda repaired the windmill. A new, large flexible water storage tank with a capacity of 30,000 liters provides a secure water storage option. From the tank, the water flows by gravity to a community water station where people can easily fill their water containers. *Photo: Franklin Ojeda*



▲ **Simple But Effective:**

In San Miguel Soyaltepec, Oaxaca, Mexico, MWA member World Vision built this composting latrine, which not only provides a sanitary and dignified place for defecation, but has a direct and powerful impact on environmental quality. *Photo: Daniel Smith*



Coalition Advances **Water for the World Act,** Broadens **International Advocacy**

In summer 2013, MWA played a leading role in helping Congressional sponsors revise **The Sen. Paul Simon Water for the World Act** (HR 2901) to prepare for introduction in the U.S. House of Representatives. With the bill's introduction August 1, the WASH coalition worked hard to build a strong bipartisan roster of cosponsors in the House.

The bill was supported by more than 80 US NGOs and church groups (WASH and non-WASH), and by the end of FY 2014, nearly 100 House cosponsors had joined, from both parties, including most of the Subcommittee chairs of the important House Foreign Affairs Committee. Pushing for Congressional support, the coalition held its largest-ever Capitol Hill **WASH Advocacy Day**, March 13, 2014, chaired that year by MWA. Twenty NGOs and corporations were involved in the planning and execution, and were joined by other organizations (including a total of nine MWA members) in sending **163 advocates** to participate in **122 meetings** with House and Senate offices during the day-long event. As a direct result of Advocacy Day, more than 30 House members joined as cosponsors in the following four weeks.

Action on the bill seemed imminent in summer 2014, and chief sponsors Rep. Earl Blumenauer (D-OR) and Rep. Ted Poe (R-TX) worked tirelessly to achieve broad agreement to schedule HR 2901 for a vote in the House Foreign Affairs Committee. The crises of the Ebola epidemic in West Africa and the refugees from the Syrian civil war diverted attention for some time, and with the end of the 113th Congress in sight, the window for action narrowed rapidly in autumn 2014. Yet, with strong support from Members and staff in both House and Senate, HR 2901 was on the

road to being one of the very few authorizing bills to reach a floor vote in the 113th Congress, which had become notorious for its inability to complete legislation on most issues.

Highest US Spending on WASH Yet

Despite its slowness on the authorizing bill, Congress continued to show support for WASH by approving a 21 percent *increase* in FY 2014 for Water for the Poor funding at USAID, from \$315 million in FY 2013 to **\$365 million in FY 2014**, the highest level so far.

Sanitation and Water for All

MWA was active in the coalition pushing for US government support for **Sanitation and Water for All (SWA)**. The US NGO group – primarily MWA, WaterAid, Plan USA, InterAction, and WASH Advocates –worked with USAID and the State Department for a clear US commitment to be made at the biennial High-Level Meeting of country ministers in Washington, April 2014. Some of our recommendations were incorporated in the final commitment, and we have a good relationship with USAID for further SWA engagement.

In November, Executive Director Rafael Callejas and Board Member Emeritus Dennis Warner attended the SWA Steering Committee and Partnership meetings in Geneva, Switzerland. MWA will work with Ethiopia and Kenya in particular in pushing for sustained national government commitment to SWA goals and reporting, and to arm our secretariats and partners with materials and support to engage more fully with other in-country civil society organizations.

J. RONALD MARTIN, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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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, 2014, 2013 and 2012, and the related statements of activities, and cash flows for each of the years in the three-year period ended September 30, 2014, 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.

Auditor's 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, 2014, 2013, and 2012, and the changes in its net assets and its cash flows for each of the years in the three-year period ended September 30, 2014, 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 June 3, 2015, 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.

June 3, 2015

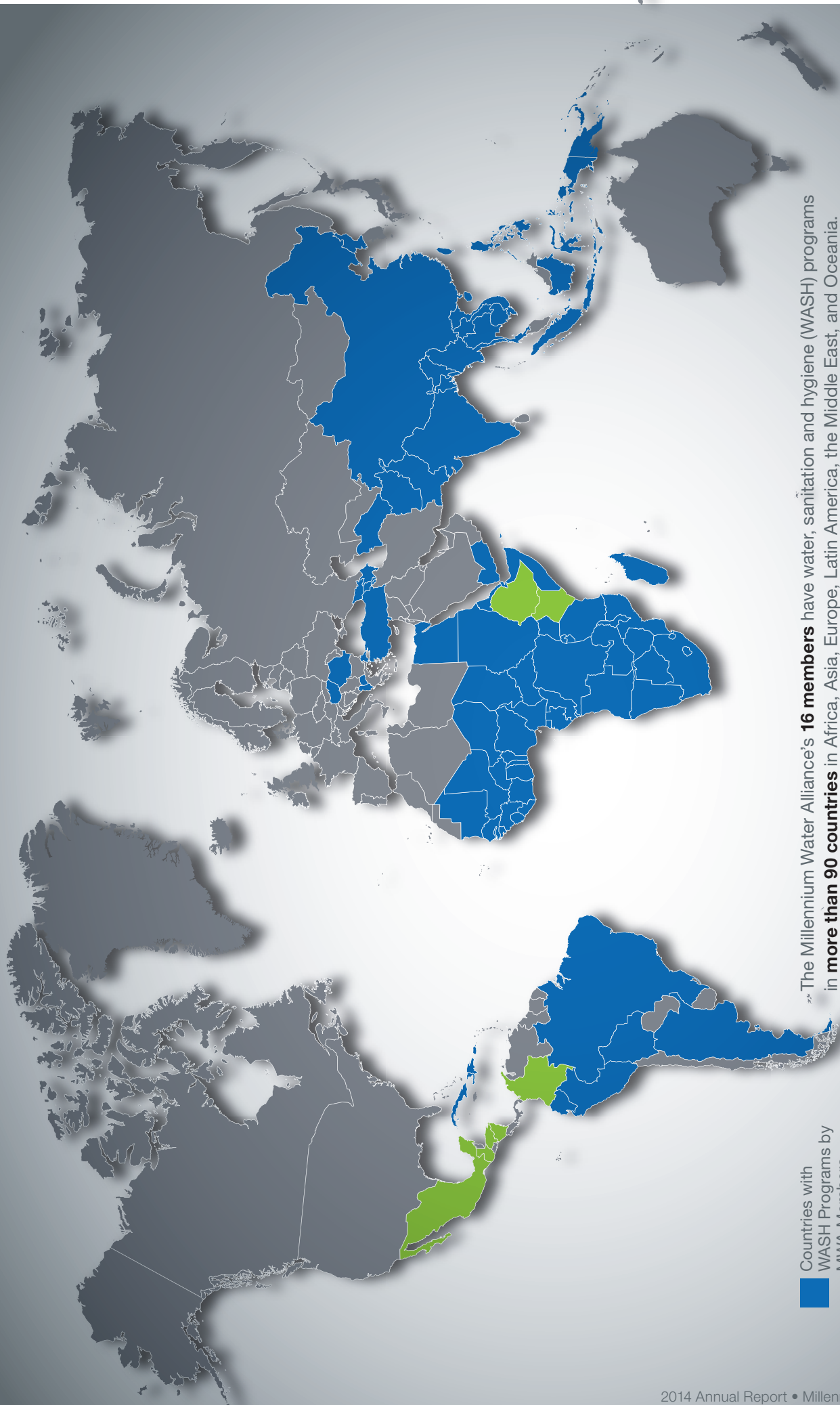
J. Ronald Martin, P.A.

MEMBER AMERICAN INSTITUTE OF CPAS AND NORTH CAROLINA ASSOCIATION OF CPAS

Financials

September 30

	2014	2013	2012
ASSETS			
Cash and equivalents, including refundable grant advances	\$ 3,318,207	\$ 1,933,474	\$ 1,007,481
Grants receivable	859,156	962,402	197,020
Other receivables	8,763	20,602	15,045
Due from members	-0-	-0-	11,396
Prepaid expenses	14,239	13,072	8,009
Grant advances to subrecipients	592,896	581,290	274,618
Equipment	5,316	-0-	-0-
(Less) accumulated depreciation	(1,063)	-0-	-0-
	4,253	-0-	-0-
	\$ 4,797,514	\$ 3,510,840	\$ 1,513,569
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable	\$ 25,162	\$ 257,765	\$ 31,021
Due to grant subrecipients	1,663,075	1,017,385	378,894
Refundable grant advances	2,493,535	1,783,592	648,655
Accrued expenses	94,716	31,111	53,564
Accrued payroll benefits	8,272	17,523	14,935
Due to members	1,000	-0-	-0-
Accrued payroll	73,393	53,520	41,537
	\$ 4,359,153	\$ 3,160,896	\$ 1,168,606
Net assets:			
Unrestricted	438,361	349,944	344,963
	\$ 4,797,514	\$ 3,510,840	\$ 1,513,569
SUPPORT AND OTHER REVENUE			
Federal awards	\$ 3,900,406	\$ 1,858,695	\$ 1,178,502
Contributions:			
Individuals	500	-0-	95
Foundations	4,780,322	3,171,010	2,112,254
Non-profit organizations	-0-	-0-	2,205
Corporate	-0-	-0-	34,724
Member dues and assessments	87,000	85,000	139,086
Interest income	2,892	3,355	1,455
	\$ 8,771,120	\$ 5,118,060	\$ 3,468,321
EXPENSES			
Program services	\$ 8,043,966	\$ 4,539,114	\$ 2,919,157
Supporting services	637,541	572,827	561,863
Fundraising	1,196	1,138	477
	\$ 8,682,703	\$ 5,113,079	\$ 3,481,497
CHANGE IN NET ASSETS			
	88,417	4,981	(13,176)
NET ASSETS, BEGINNING OF YEAR			
	\$ 349,944	\$ 344,963	\$ 358,139
NET ASSETS, END OF YEAR			
	\$ 438,361	\$ 349,944	\$ 344,963



Countries with
WASH Programs by
MWA Members

MWA Consortium
Program Countries

The Millennium Water Alliance's **16 members** have water, sanitation and hygiene (WASH) programs in **more than 90 countries** in Africa, Asia, Europe, Latin America, the Middle East, and Oceania. Members run these programs independently or in partnership with local and international organizations. In seven of those countries, several members have joined to implement a major consortium program under MWA management: the **Millennium Water Alliance Ethiopia Program**, the **Millennium Water Alliance Kenya Arid Lands Disaster Risk Reduction WASH Program**, and in Mexico, Honduras, Guatemala, Nicaragua, and Colombia, the **Lazos de Agua WASH Program**.

For all members, MWA provides a forum for sharing knowledge and best practices, and advocates for sustainable WASH development and greater global commitment.



MILLENNIUM WATER ALLIANCE

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