



MILLENNIUM WATER
ALLIANCE

FISCAL YEAR 2022 ANNUAL REPORT

October 2021 – September 2022

The Millennium Water Alliance is a permanent global alliance of leading humanitarian, research, and business organizations in water, sanitation, and hygiene that serves as a hub for collective impact, accelerates learning, and influences priorities and funding to scale sustained water security, sanitation, and hygiene services globally

MILLENNIUM WATER ALLIANCE MEMBERS IN 2022



Our member organizations collectively work in more than 100 countries around the world to bring safe drinking water, better sanitation, and hygiene practices to more than 50 million of the world's poorest people

Recovering from COVID, and New Beginnings

With the average global decrease in COVID-19 cases early in the year, Fiscal Year 2022 was a time of resumption and new beginnings for the 20 members of the Millennium Water Alliance. Illustrative of this was the Alliance’s own consortium programming in Kenya and Ethiopia, where a new program began and a continued program accelerated.

In October 2021 the MWA Board of Directors welcomed our newest member, the [Centre for Affordable Water and Sanitation Technology](#) (CAWST), a widely recognized leader in building capacity for water, sanitation, and hygiene practitioners in non-networked systems around the world. Headquartered in Calgary, Canada, CAWST helps water planners and communities in low- and middle-income countries take ownership by building capacity in local organizations and governments.

Throughout the year, the Millennium Water Alliance contributed to the scaling of water security, sanitation, and hygiene (WSSH) services by **convening** members and partners for collective impact, **accelerating** critical learning, and **influencing** sector policy, resource levels, and decision makers. For example, in May, MWA hosted a learning session aimed at staff of MWA member country offices on new approaches to **localization** in MWA and its members – defining goals, emphasizing the long-term benefit of more localized leadership and input into design and execution of field programs, and strengthening capacity of local partners we already have and hope to have in the future. Member country offices were very engaged in this discussion, and it paved the way to a “Part II” on localization for members early in 2023.

As it has since its inception, MWA played a pivotal and leading role in **U.S. advocacy for water security, sanitation, and hygiene (WSSH)**, directly meeting with many members of Congress and the Biden Administration to urge continued U.S. leadership in the global push for universal access to safe water and sanitation, everywhere. We contributed to the steady advocacy in the House and Senate to sustain funding for USAID WSSH programming and to resist calls for cuts despite many pressures to reduce aid. **Our work in FY 2022 was instrumental in persuading Congress to spare WSSH any cuts in FY 2023, with funding kept level at \$475 million, a great result for us.**



In **Kenya**, MWA began a new five-year program in the northern arid counties with major funding from the Swiss Corporation for Development and Cooperation (SDC), which had been a major funder of the previous MWA Kenya program, [Kenya RAPID](#) (Resilient Arid Lands Partnership for Integrated Development), 2016-2021. The new program, [Kenya Rapid+](#), quickly began to

build on the success of Kenya RAPID, which brought improved or first-time access to more than 650,000 people. RAPID+ has a total budget of USD **\$15,365,230** from November 2021 through October 2026, with SDC’s primary contribution joining match and investment funds from private sector actors, implementing partners, and participating county governments.

RAPID+ will provide first-time or improved access to water and rangeland services for more than 200,000 people in Garissa, Isiolo, Marsabit, Turkana, and Wajir counties. MWA members CARE, CRS, Food for the

Hungry, and World Vision work closely with local communities, the five county governments, and the Government of Kenya to build sustainable capacity to maintain community systems.

The [Sustainable WASH Program](#) in **Ethiopia**, funded primarily by the Conrad N. Hilton Foundation, reached its midpoint in early FY 22, and supports three woreda governments in the Amhara National Regional State to achieve their long-term plans for full WASH coverage. MWA will support district governments to 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, along with technical support partners **Evidence Action**, **Splash**, the **U.S. Centers for Disease Control and Prevention**, and the **Stanford University Woods Institute**.

Through its work in Ethiopia, **more than two million people** have gained improved or first-time access in rural areas since 2004. This work has focused on communities, schools and health care facilities and has been implemented through the collaborative work of MWA's members and partners. MWA and members have worked with the government to support technical development and local capacity building.

Millennium Water Alliance in Ethiopia: The Sustainable WASH Program

In Ethiopia, the Millennium Water Alliance Sustainable WASH Program (SWP) improved water security, sanitation, and hygiene (WASH) services for more than two million people in rural areas since 2004. MWA's current five-year program in Ethiopia is generously funded by a major grant from the Conrad N. Hilton Foundation (CNHF), 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.

From 2019 and through its target completion in 2024, SWP supports three woreda governments in Amhara National Regional State to achieve their long-term plans for full WASH coverage. MWA will support district governments to 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 the program, along with technical support partners **Evidence Action**, **Splash**, the **U.S. Centers for Disease Control and Prevention**, and the **Stanford University Woods Institute**.










In FY 2022, the program concentrated on achievements addressing these four areas: **Partnership Development, WASH System Strengthening, Sector Support and National Level Engagement, and Local Capacity Building and Community Empowerment.** MWA has undertaken local capacity-building activities to ensure the sustainability of WASH services. Training was provided to government staff, partner experts, and community representatives, fostering the development of 15 WASH Committees (WASHCOs), seven Water Users Associations (WUAs), and two rural Utilities.

Millennium Water Alliance in Kenya: Resilient Arid Lands Partnership for Integrated Development Plus (RAPID+) Program

MWA Kenya has a five-year program (2021-2026) with a budget of \$15.4 million with primary funding from the **Swiss Agency for Development and Corporation (SDC).** RAPID+ aims to improve access to safe and sustainably managed water and rangelands in five Arid and Semi-Arid counties in Northern Kenya, contributing to resilient livelihoods in a peaceful environment. MWA facilitates the five county governments to achieve this goal through four implementing MWA members: **CRS, World Vision, Food for the Hungry, and CARE.** RAPID+ is also supported by MWA business member **Acacia Water** and **Virridy** (linked to MWA member The Mortenson Center in Global Engineering). The program aims to increase water access to 55.6% from 50.9% and reach 200,000 people with water for multiple uses and improved rangelands by 2026. In the delivery of RAPID+, MWA Kenya is employing various approaches including Program Implementation by Facilitation Approach systems development and peacebuilding initiatives to foster private sector engagement, social cohesion, and gender equity for sustainability. The following are MWA achievements as of the end of Fiscal Year 2022:



 20,329 people with increased access to water.	 3 County legislative Bills and 1 policy review.	 7 Water Resource Users Associations undertaking 3R and IWRM activities*.	 20 Water Management Committees trained.	 139 County agriculture, livestock and rangeland staff trained.	 4 peace initiatives i.e., Kenya /Uganda peace meeting.	 15 Rangeland Management Committees capacities strengthened.
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* 3R: Recycle, Retain, and Recharge IWRM: Integrated Water Resource Management

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Millennium Water Alliance
Houston, Texas

Opinion

We have audited the accompanying financial statements of Millennium Water Alliance (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022, 2021 and 2020, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2022, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Millennium Water Alliance and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Millennium Water Alliance's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Millennium Water Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Millennium Water Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 29, 2023, 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 29, 2023

J. Ronald Martin, P.A.

MILLENNIUM WATER ALLIANCE
STATEMENTS OF FINANCIAL POSITION

	September 30,		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
ASSETS			
Cash and equivalents, including refundable grant advances	\$ 3,320,997	\$ 2,385,649	\$ 1,110,342
Grants receivable	-	-	914,744
Employee receivable	1,334	-	-
Due from members	-	9,000	-
Prepaid expenses	6,188	5,885	4,928
Grant advances to subrecipients	<u>777,701</u>	<u>638,522</u>	<u>863,354</u>
	<u>\$ 4,106,220</u>	<u>\$ 3,039,056</u>	<u>\$ 2,893,368</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable	\$ 258,911	\$ 34,813	\$ 12,984
Due to grant subrecipients	1,391,912	1,130,509	972,847
Refundable grant advances	1,931,551	1,250,313	1,330,773
Accrued expenses	67,386	115,942	216,903
Accrued payroll benefits	-	1,678	8,552
Accrued payroll	21,647	51,704	54,367
Deferred membership dues	53,975	81,495	73,500
Advance payable	-	-	15,000
SBA EIDL payable	25,000	25,000	25,000
Paycheck Protection Program (PPP) Loan	<u>-</u>	<u>115,500</u>	<u>115,500</u>
	3,750,382	2,806,954	2,825,426
Net assets:			
Net assets without donor restrictions	<u>355,838</u>	<u>232,102</u>	<u>67,942</u>
	<u>\$ 4,106,220</u>	<u>\$ 3,039,056</u>	<u>\$ 2,893,368</u>

See notes to financial statements.



MILLENNIUM WATER
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MWA BOARD OF DIRECTORS FY 2022

Peter Lochery, Chair
Rod Beadle, Food for the Hungry
David Tsetse, Catholic Relief Services
Stephanie Ogden, CARE
Natalie Mantel, Living Water
Kelly Parsons, WaterAid America
Jordan Smoke, World Vision
Evan Thomas, Mortenson Center – University of Colorado Boulder
Elynn Walter, IRC WASH
Jonathan Wiles, Living Water International

MWA GLOBAL STAFF FY 2022

Keith Wright, Executive Director
Jason Lopez, Deputy Director
John Sparks, Director of Advocacy & Communications
Violet Moenga, Finance Director
Alan Elvir, Administrative Services

MWA ETHIOPIA – Tamene Chaka, Country Representative
MWA KENYA – Styvers Kathuni, Country Representative

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