



Building
Assets to Better Lives

wmionline.org

2014 ANNUAL REPORT



Message from the President

Having just returned from my annual field visit to WMI loan hubs throughout East Africa, I am happy to report that each year WMI's East Africa staff of rural women becomes more experienced and skilled at the myriad tasks required to manage a successful, community-based loan and savings program.

Our commitment to building human capacity is paying off -- hub leaders are now adept at program operations. They are also becoming more confident in troubleshooting operational issues, identifying areas for improvements, and brainstorming ideas for expanding and enhancing program services. The loan hub leadership is vested in the program's success. And, significantly, so are the rural communities where we operate. Time and again, local government council members and civic organization representatives turned out to greet us and thank WMI for bringing the loan program to their communities. They convey their good wishes and pledge their cooperation to the WMI board and all WMI donors around the world. Working through women-run community based organizations has allowed WMI to build a solid platform of support across all local sectors.

Borrowers' businesses continue to provide a reliable source of income that directly results in improved nutrition, health options and educational opportunities for the entire family. As greater numbers of women start businesses in contiguous geographic areas, they expand the informal support network for all self-employed rural women. The ladies talk to each other and learn from each other, adopting successful techniques or strategies that they see their neighbors using. "Tell a woman" is perhaps the most ancient information highway.

The sharing of information is not just related to business skills and strategies -- it spreads to other sectors such as government programs, school openings and new transportation options. Running businesses has led the women to become more attuned to the importance of up-to-date information and how it can impact their lives. This may seem obvious, but consider that in most villages there is no daily newspaper or television and radio news can be erratic. You have to be proactive to acquire current information and the women are becoming adept at doing so.

During our annual field visits, we spend a lot of time sharing day-to-day activities with the women and during those hours we learn so much about how the loan program impacts their lives. On a sunny Wednesday morning, I was helping one of our newest accounting staff members, Agnes Wododa, (who joined the loan program five years ago) with some spreadsheet formulas. Her son, Jonathan, came into the office to work on his new lap top, which Agnes had just purchased as he is going to start University in the fall. Her elder son entered University last year and she had also purchased a lap top for him. There are two other children still in school. Agnes' husband is paralyzed and she is able to care for him at home. She is the sole support of her family. In chatting while we worked, Agnes told us none of the improvements in her family's situation would have been possible without WMI. She explained that not just her family, but many other families with WMI-financed businesses were now sending their children for higher education.

Our experience with WMI has taught us that narrative data is often underestimated, but is in fact quite illuminating when operating a local program that is embedded in a community so that you can witness changes over a period of years. It is slow, committed development that is measurable in demonstrable attitude changes in important sectors like number of children attaining computer literacy or pursuing University degrees. One of the lasting legacies of the WMI loan program will be the advanced educational opportunities that village children are able to pursue because of the income from their moms' businesses. Your support is making this change possible. Thank you.

Robyn Nietert

Program Highlights

Fostering Management Skills

Olive Wolimbwa, WMI's Local Director, and her team of 20 women (also borrowers) provide leadership and supervision for all of the loan hubs and are breaking new ground in developing strict fiscal protocols.

They are bringing a high level of control and oversight to rural loan program systems operations. This year they prepared an end-of-year profit/loss statement and balance sheet for headquarter loan hub operations. This gave the ladies enormous insight into program operating efficiency and provided a valuable planning tool for future growth. It also sparked discussions of how to improve operations, cut costs, consolidate functions and generally provide the most effective and efficient rural loan program possible.

In 2014, over 50 hub administrators and local coordinators from our programs throughout East Africa travelled to Buyobo to attend a series of week-long training sessions in how to operate the loan program, train new borrowers, and improve record keeping. The women were also able to share experiences and knowledge with their sister hubs. The highlight was observing the newly minted teachers go back to their villages and train their latest borrowers. The training, in addition to meeting our goal of creating a program that is self-sufficient and self-sustaining, will significantly reduce WMI travel costs as Buyobo trainers won't need to travel in the future to the far flung hubs.

95% Success Rate for WMI Businesses

WMI's first loan cycle began in January 2008 with just 20 village women in Buyobo, Uganda. Additional borrowers were added each quarter until, by the end of 2008, a total of 120 women had received loans and training. The first borrowers graduated from the program in 2010. All were given an opportunity to transition to independent banking with PostBank Uganda (PBU). In 2014 we decided to go back and see what had happened to the borrowers from 2008 and their businesses.



Of the 108 original borrowers who were still resident in the village and able to work (12 had passed away, moved, returned to school or were critically ill), a total of 102 were still operating their businesses - a 95% success rate! The U.S. Small Business Administration reports that only about half of new businesses survive five years or more. Only about a third survives more than 10 years. The ladies in Buyobo have far surpassed the five year business survival rate. They are entering their seventh year of business operations and, at their current rate, are poised to exceed the ten year business survival rate by almost 200%! We believe this impressive success rate is due in large measure to WMI's unique village-level approach to microfinance.

Infrastructure Development

Continuing its goal of supporting the hubs through proper infrastructure, WMI received funding from the Cordes Foundation and the Towards Sustainability Foundation for the construction of a 500-seat meeting pavilion for Buyobo, greatly expanding our capacity to train borrowers. The Buyobo hub now serves over 1,200 borrowers; over 200 receive training at each quarterly loan issuance, a far cry from when we trained 20 borrowers under a tree! The pavilion will be constructed in early 2015.

Armored Mobile Banking Van

WMI continues to work with its partner, PBU, to bring new and improved financial services to women in rural areas. Expansion of mobile banking services via armored vans is perhaps one of the most beneficial services a bank can provide to remote communities.

When the PBU staff sets up mobile banking services at WMI's headquarters every other week lines extend around the corner of the building. Village women need reliable, basic financial services to meet the needs of their families and WMI is committed to continuing to work to make such access available to rural communities in East Africa. Post Bank will begin offering such services to several other hubs, reducing travel to the local branch bank – a trip of as much as four hours by bus.



2014 Program Accomplishments

Loan Hub Activity

- This year WMI continued its impressive growth, adding over 1,400 new borrowers (5,600 in total) and issued 5,000 loans totaling \$850,000, at an average of \$150 per loan. To date WMI has issued 16,000 loans totaling \$2.5 million.
- The revolving loan fund stands at \$800,000, providing quarterly loans to our borrowers for a period of two years, at which time the borrower graduates and the funds are available to a new borrower.
- WMI assisted 800 women in their transition to independent banking in Uganda, providing them support and working with PBU to ensure a smooth graduation to the formal economy. The WMI loan program has graduated 1,880 borrowers to date.
- Ten hubs have now reached “sustainability” and no longer require WMI’s financial support. Their loan funds have been fully funded to support 16 borrower groups and the hubs generate sufficient income to cover operating expenses. Two hubs have received additional grants to support sub-hub growth. Buyobo is now supporting 11 sub-hubs and a total of 1,060 borrowers. Atiak has added one sub-hub with two additional borrower groups.
- Expansion-wise, WMI added one new village hub to bring us to 14 hubs. Our special project with the Buseesa Community Development Centre (BCDC) in Kibaale District, Uganda has reached full-fledged loan hub status with its launch of WMI’s Transition to Independence Program with PostBank Uganda. In addition, our rural Tanzania program began working in the Bugar village near its Tloma hub.



Training

- WMI continues to work with hub staff on a host of management skills, including bookkeeping, budgeting and accounting.
- An Adult Literacy Group meets twice each week in the WMI building.
- The “Girls Group” for P-7 students continues to hold programs designed to empower and educate young teenage girls on healthy behaviors and responsible life skills, as well as entrepreneurship skills. In 2014, the girls began a turkey raising business.
- WMI Resource Fellow Melissa LaReau agreed to spend a second year in Buyobo. The Fellows have provided critical support in documenting procedures, problem solving, supervising interns, training, and supporting the Girl’s Group.

Interns

- WMI sponsored 20 volunteers in the US, Uganda, and Kenya this year, including 9 summer interns in Buyobo from Walt Whitman High School in Bethesda, MD.
- Four college interns spent the summer in Buyobo, Uganda and Shikokho, Kenya working in the WMI loan program offices. In addition to general office work, computer training, and budget development, the interns continued survey work, developed videos, pictures and stories of the borrowers, and updated the blog.
- A very talented group of 6 college interns worked in Bethesda to compile and analyze survey data. They restructured WMI’s presentation of loan program impact information and developed Loan Impact Fact Books that consolidate information into country-wide reports, analyzing regional trends. The WMI website was reorganized in conjunction with the project.
- The Whitman Interns completed their project refurbishing six dilapidated classrooms at the Buyobo Primary School.



Major Funding Support

In 2014, WMI raised close to a quarter of a million dollars for village women of East Africa through many generous grants and donations. Special recognition goes to the following:

Foundations and Corporations

Boeing Corporation
Cordes Foundation
Expedia
General Electric
International Monetary Fund Civic Program
Paypal Giving Fund
Reso Foundation
Toward Sustainability Foundation

Program Partners

Judy Lane and the Alailelai Massai Sustainability Organization (Alailelai, Bugar, Tloma, Tanzania)
Hannah Kahl and Local Women/ Global Mission (Atiak, Uganda)
John and Joyce Wanda and Arlington Academy of Hope (Bududa and Buputo, Uganda)
Childcare Development Organization (Gulu, Uganda)
Mpambara-Cox Foundation (Kabale, Uganda)
Barbara Wybar and the Bududa Vocational Centre (Konokoya, Uganda)
Elissa Eva (Ntumburi and Ngarandare, Kenya)
Sally Kelly and Chevy Chase Presbyterian Church (Shikokho, Kenya)

Individuals through Combined Giving

Combined Federal Campaign (under the auspices of Aid for Africa)
Global Giving
IMF Helping Hands Program
Network for Good
Walt Whitman High School (Bethesda, MD) summer interns
WMI 500
World Bank Community Connections Fund

We are extremely grateful for all donations, and especially thankful to those who have provided on-going support to WMI. WMI is managed by a volunteer group of professional women. Donors can rest assured that their financial contributions are not supporting large salaries for US staff.

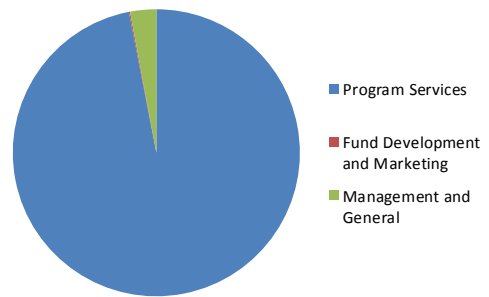
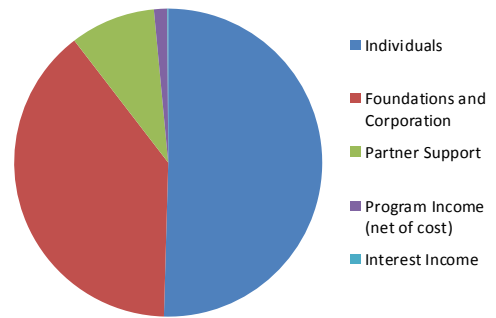
WAYS TO SUPPORT

Make a tax-deductible donation online at www.wmionline.com or send us your check payable to Women's Microfinance Initiative to PO Box 485, Cabin John, MD 20818.



Financial Report

	2014	2013
REVENUES		
Individuals	\$ 125,125	\$ 127,019
Foundations and Corporation	\$ 97,020	\$ 74,005
Partner Support	\$ 22,204	\$ 44,298
Program Income (net of cost)	\$ 3,451	\$ 1,198
Interest Income	\$ 234	\$ 360
TOTAL	\$ 248,034	\$ 246,880
EXPENSES		
Program Services	\$ 199,617	\$ 284,779
Fund Development and Marketing	\$ 264	\$ 2,199
Management and General	\$ 6,039	\$ 9,012
TOTAL	\$ 205,920	\$ 295,990
NET INCOME/LOSS	\$ 42,114	\$ (49,110)
ASSETS		
Cash	\$ 232,498	\$ 147,344
Prepaid Expense	\$ 2,000	\$ -
TOTAL ASSETS	\$ 234,498	\$ 147,344
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 45,040	\$ -
TOTAL CURRENT LIABILITIES	\$ 45,040	\$ -
NET ASSETS, UNRESTRICTED	\$ 189,458	\$ 147,344
TOTAL LIABILITIES AND NET ASSETS	\$ 234,498	\$ 147,344



Treasurer's Report

WMI continues to successfully raise funds for its operations and has significant sustained grant support. This year we were honored to receive the following grants: \$30,000 from the Cordes Foundation, \$25,000 from Toward Sustainability Foundation, \$20,000 from Boeing Corporation and \$5,000 from the Reso Foundation. Our newer programs in Kenya and Tanzania are supported on a significant cost sharing basis with our NGO partners. Individual contributions provide 51% of revenues, foundation and corporate support 40%, and partner support 9%.

Program Services include loan fund grants, infrastructure grants, training support, and some operational support. Of the \$199,617 granted, \$123,550 was allocated to hub loan funds, \$46,831 to Local Operations (training and oversight), and \$29,012 to meeting shelters and community buildings. In 2014 all hubs were trained to conduct all loan-fund training locally which will significantly reduce WMI's training costs in the future.

Administration/General Expense and Fundraising continue to run under 3% of expenses. Copies of the 2014 audit are available upon request.

Deborah Smith
Treasurer

WMI Program Leadership

US Leadership Team – Operations Committee

Robyn Nietert, President
Deborah Smith, Treasurer
June Kyakobye, Board Member
Kathryn Staudaher, Office Manager

Country Specific Operations Support for US Leadership Team

Sally Kelly – Western Kenya
Elissa Eva – Central Kenya
Judy Lane – Tanzania
Anita Mpambara-Cox – Southwest Uganda
Nick Smith - Southwest Uganda
Hope Okeny – Northern Uganda
Hannah Kahl – Northern Uganda
John and Joyce Wanda – Eastern Uganda
Barbara Wybar - Eastern Uganda

WMI Buyobo Leadership – East Africa Operations Management

Olive Wolimbwa, Program Director
Jackline Nagudi Namonye, Assistant Local Director and Head Trainer
Phoebe Irene Wetaka, Head Coordinator
Grace Mangala - Office Manager

Program Leadership Uganda

Evelyn Achieng - Karin Women's Group (Gulu)
Sylvia Akello - Blessed Women's Association (Atiak)
Betty Bigala - Bududa Women's Development Group (Konokoya village, Bududa)
Hope Kazahura - E. Lushaya Women's Group (Kabale)
Jennifer Khawoya - Matuwa Micro Finance Women Group (Buputo)
Winnie Kyakuha - Buseesa Community Development Centre (Buseesa village, Kibaale)
Jamilah Mashipwe - Mayi Agiri Women's Economic Development Group (Bududa)
Olive Wolimbwa - Buyobo Women's Association (Buyobo)

Program Leadership Kenya

Felistus Amgun - Jelnarmah Self Help Group (Keveye)
Carolyn Karambu - Wendo Self Help Group (Ntumburi)
Pamela Naitetoi Kilua - Naibala N. N. Women Group (Ngarendare)
Jennifer Musanga Miheso - Shikokho Chanuka Women's C.B.O (Shikokho)

Program Leadership Tanzania

Maria Johane Oloulu - Alaili Maasai Sustainability Organization (Alaili)
Josephine Emanuel Sillo - Tloma Community Organization, (Karatu)

WMI Fellow

Melissa LaReau

Interns

Uganda: Amanda Conkin, Morgan Nelson, and 9 high school summer interns. **Kenya:** Elizabeth Sidamon-Eristoff and Kaylee Lucas. **Bethesda, MD:** Karynne Campbell, Jenna Foster, Carolyn Freeman, Rianna Aylward, Dira Djaya and Michael Rosenberg.

Board of Directors and Officers

Robyn G. Nietert – President. For over 25 years, she was a member of the Washington, D.C. law firm of Brown, Nietert and Kaufman, which specialized in telecommunications law, with a focus on innovative wireless technologies.

Jane E. Erickson – First Vice President. She is an executive with a Washington, D.C. area global health care consulting firm.

Elizabeth Gordon – Vice President. She has been involved in the real estate finance/development business (predominantly multifamily, seniors, low and moderate income housing) since 1985 and currently works for Fannie Mae in Washington, D.C.

Deborah W. Smith – Treasurer. She spent her career in corporate and personal finance, and was a Certified Financial Planner and registered securities representative.

Teresa Ciccotelli - Secretary. She is a retired corporate attorney with over 20 years' experience in Fortune 100 companies, most recently with Saint-Gobain's US offices in PA.

Beatrix Van der Vossen – Recording Secretary. A native of the Netherlands, she is Assistant to the Office of the Executive Director of the Netherlands Constituency to the IMF.

June Kyakobye – Special Advisor for Buyobo Project. She has been at the Pan American Health Organization/World Health Organization (PAHO/WHO) in Washington, D.C since 2001.

Advisory Board

Lillian Hagen, attorney, SEC, Bethesda, MD

Brenda Hanson, general counsel, Microvest Capital Management, Bethesda, MD

Bonnie Holcomb, anthropologist, Bethesda, MD

Robert Israelite, credit specialist, CUNA Mutual Group, Chicago, IL

Denise Kalule, business manager, Kampala Uganda

Sally Kelly, architect, Chevy Chase, MD

Valerie McDonald, association fundraiser, Herndon, VA

Archie Mears, microfinance expert, West Linton, Scottish Borders, UK

Ainsley Morris, investment analyst, Washington, DC

Olive Namutebi, managing internal auditor, PostBank, Kampala, Uganda

Juliet Nyambisa, banker, K-Rep, Nairobi, Kenya

Harris Recht, attorney, Ridgewood, NJ

Thomas Richardson, IMF Representative, New Delhi, India

Katherine Staudaer, occupational therapist, Bethesda, MD

Montana Stevenson, international consultant, Abt Associates, Bethesda, MD

Al Tetrault, retired professor, University of Maryland, Vienna, VA

Beth Tomasello, attorney, The Women's Heart Health Foundation, Bethesda, MD

Christine Uzzell, information technology specialist, Bethesda, MD

Thierry van Bastelaer, economist, Abt Associates, Bethesda, MD

Carol Van Oudenaren, librarian, Bethesda, MD

Jackie Vouthouris, financial modeler, New York, NY

William Wilhelm, finance professor, University of Virginia, Charlottesville, VA

Mona Yacoubian, foreign affairs consultant, Bethesda, MD

For further information about Women's Microfinance Initiative contact us at:

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