



# Pathways to Prosperity

BRAC USA 2017  
Annual Report



# Letter from the President and CEO



When you invest in people, through social programs or businesses, the evidence is clear. It gives us hope and indication that widespread prosperity and advancement are possible.

## Creating systemic change

After driving for hours along a bumpy road in Uganda, I met seventy-year-old Maria Nakate, who was eager to show me a tin can. She waited, standing outside her small house made of grass and clay, with the can in her hand. On it was a picture of a tomato plant and a magenta stripe displaying the BRAC Seed logo down the side.

In Uganda, only 20 percent of farmers purchase commercial seeds – the other 80 percent develop their own, often ineffective, varieties. This year, BRAC began expanding its seed enterprise to provide high-quality, low-cost products to thousands of Ugandan farmers, most of whom are women. Coupled with training, this business will help people like Maria increase their crop yield and income (page 8).

Businesses like the seed enterprise, that complement BRAC's development efforts, are essential to disrupting systemic poverty – especially in places like Uganda, Bangladesh, Liberia, and Pakistan. These social enterprises also help build financial sustainability by offering diverse funding avenues for programs that economically elevate families and communities.

## It also means every donation goes further.

This top-down and bottom-up approach spans all of our work, including BRAC's Ultra-Poor Graduation Initiative (page 4) that helps the most destitute people. By working with governments and local non-profits, we advise partners in countries like Kenya, Lesotho, and the Philippines how to target their most vulnerable citizens and provide them with the long-term boost they need. Studies show that 95 percent of BRAC's Graduation program participants continue to increase their income for years after they complete the program.

Every day, we improve the health, education, livelihoods, and more for millions of families in 11 countries. Even as climate change, displacement, political strife, and conflict bring complex challenges, we hear from people like Maria that the services they receive from BRAC have enabled them to dramatically improve their lives.

In 2017, BRAC stepped up to provide short- and long-term support to more than 500,000 Rohingya refugees who fled unimaginable violence from Myanmar into Bangladesh. Our 45 years of experience worldwide prepared us to become one of the largest, most effective organizations responding on the ground.

Thank you for joining us and being part of this effort,

Donella

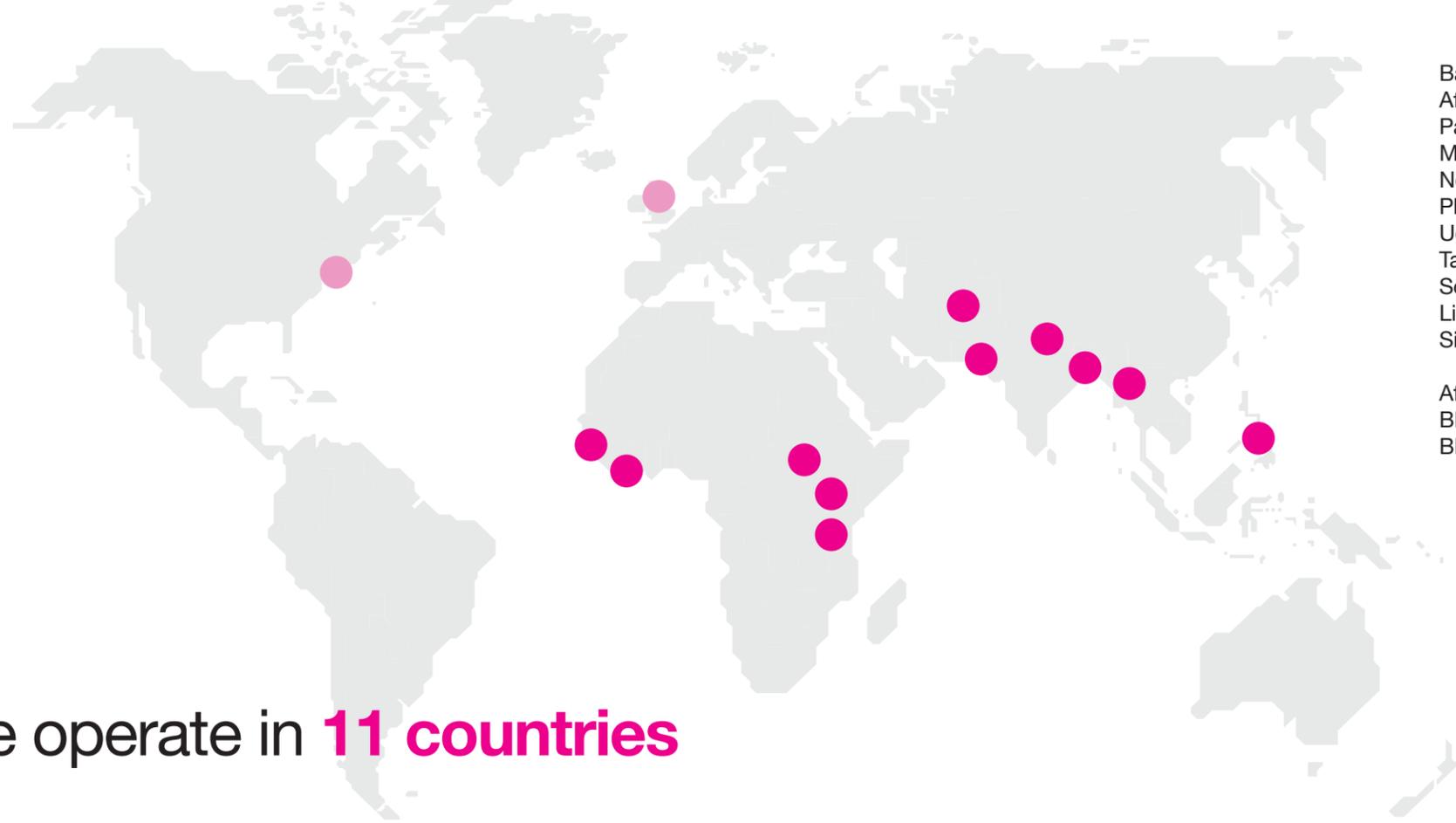
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Our Impact

# We reach 120 million people

We operate in **11 countries**



- Bangladesh
- Afghanistan
- Pakistan
- Myanmar
- Nepal
- Philippines
- Uganda
- Tanzania
- South Sudan
- Liberia
- Sierra Leone

Affiliates:  
BRAC USA  
BRAC UK

### Poverty relief

More than **1.7 million** households have graduated from ultra-poverty, affecting **6.8 million** people



Based on recent studies, **95 percent** stay on a positive economic trajectory years after the program ends



Go to [page 4](#) to read about Haimanti's story of improving her life

Source: Eliminating Extreme Poverty Report

### Education

More than **1 million** children are enrolled in BRAC schools



Students outperform their government counterparts and **99 percent** of primary school students pass national exams



Go to [page 5](#) to read about how Fatimah's daughter is learning.

Source: Literacy Status of BRAC Primary School Completers

### Financial inclusion

Nearly **7 million** microfinance clients now have access to financial services



Clients accessed **\$2.3 billion** in capital to finance their small businesses



Go to [page 7](#) to read about Anulipi's business.

Source: Microfinance Fact Sheet June 19th, 2016

# Haimanti first came to her local BRAC office after she was enrolled to be part of its ultra-poor program.



**She hardly said a word. She and her husband barely made enough money to live. To make matters worse, he didn't listen to her advice or respect her opinion.** The only way she knew how to make money was by cutting grass in an area notoriously dangerous for women.

In order to escape this complex cycle of poverty, Haimanti needed a mix of economic and social support so she can earn a living and gain the life skills and self-confidence she needs to thrive.

Haimanti was selected by BRAC to receive a cow and several goats. She learned how to earn and save money, to send her children to school, to improve her health and much more. She explains she has newfound confidence, skills, and best of all, respect from her family.

BRAC's Ultra Poor Graduation Initiative advises and trains governments, nonprofits, and UN entities how to use this tested approach to effectively uplift the poorest, most marginalized people. Studies show BRAC's work significantly improves the income and well-being of participants, putting them on a positive economic trajectory that continues for years after they complete the program.

**Organizations and governments worldwide are beginning to adopt Graduation to help achieve the United Nations' Sustainable Development Goal 1: End poverty, in all its forms, everywhere.**

In Lesotho, BRAC works with the government to reach communities affected by HIV and climate change. In Kenya, BRAC is training two nonprofits to test livelihood programs with wraparound services for ultra-poor communities living in drought-affected regions. In the Philippines, we designed government-led programs to support chronically food-insecure households that live on less than 85 cents per day. These pilots are developed to refine the model so it can be run by the government and scaled nationally.

**In order to eradicate poverty, we need a coordinated effort and commitment to ensure no one is left behind.**

Read more at [bracultrapoorgraduation.com](http://bracultrapoorgraduation.com)



**5**  
countries work with BRAC to run graduation programs

**95%**  
of participants stay on a positive economic trajectory after the program ends

**1.7M**  
households 'graduated' out of ultra poverty

Parveen Akter has been a program organizer for nine years. She said that her work is satisfying because she has helped people diversify their income, improve their self-esteem, and address their issues.

**“My child is learning,”** said Fatimah Yuma (22) of Machimbo, Tanzania. **“It’s different from before.”** When Fatimah’s daughter, Tricia, comes home from her BRAC Play Lab, a local early childhood center, she eagerly tells her mom everything she has learned.

**Every parent like Fatimah, no matter where they live, wants to raise a child who is equipped for success in her life and career.**

Our education and skills development programs guide children from cradle through career. With early childhood development, pre-primary, primary, and secondary schools, scholarships, higher education and skills development programs, BRAC is preparing youth for fulfilling futures.

This year, BRAC expanded an early childhood program to provide high quality, low-cost play-based learning for children, like Tricia, ages three to five, in Bangladesh, Tanzania, and Uganda. BRAC will rigorously evaluate the model to assess how it improves a child’s language, playfulness, social-emotional learning, pre-literacy, and pre-numeracy. The research could have significant results as governments worldwide look to adapt effective early childhood education models in their schools.

To address growing youth unemployment in South Asia and sub-Saharan Africa, BRAC’s Empowerment and Livelihood for Adolescents (ELA) program couples skills training and health services for teenage girls. In the past year, BRAC reached 60,000 adolescent girls in 2,000 clubs across Uganda, Liberia, Sierra Leone, South Sudan, and Tanzania. In Liberia, research found that communities with ELA clubs saw a



more than 75 percent reduction in teen pregnancy, and girls in the program were 20 percent more likely to have their own income. This model was adapted from BRAC’s Adolescent Development Program in Bangladesh, which currently runs 9,000 clubs with similar models.

We are also preparing students for higher education with a scholarship program that enrolls low-income students in top-tier high schools in Uganda and links them to universities. In addition, we provide scholarships for students at BRAC University, which was recently recognized as the top private university in Bangladesh.

Fatimah says that her dream is for Tricia to become a lawyer so she can help women and children in Tanzania.

**Together we can ensure that every child and young person has access to the education and training they need to build the futures they want.**

**500K**  
youth reached with skills  
development and livelihood  
programs

**95%**  
participants who secure jobs  
after program completion

**11%**  
students with disabilities

Delivering life-saving services door-to-door



“One day I came across a malnourished child in a field,” said Nansubuga, a community health worker in Uganda. “I used my knowledge to treat her and soon the child’s cheeks were full, her hair was growing. The parents were so happy.”

**Nansubuga was trained by BRAC on how to provide basic maternal and neonatal care for mothers and children in her community.** She earns a modest income from selling health services and products, like deworming tablets to fight disease and nutrient-rich porridge for malnourished children.

Worldwide, BRAC has trained more than 100,000 health workers, who together reach millions of people in seven countries each year.

In Uganda, about 4,000 health workers, like Nansubuga, use smart phones, which, coupled with solar chargers, enable them to track patients digitally and respond more effectively to pressing health needs. Nansubuga can diagnose and treat a child suffering from malaria, pneumonia, or diarrhea, and make sure that a pregnant woman maintains a healthy blood pressure. This technology also enables BRAC to better equip health workers to address the unique needs of their community members.

**Recent research shows that BRAC’s last-mile health workers reduced child and infant deaths by more than a quarter.**

BRAC wants to expand this program to equip and train more health workers in Sierra Leone and Uganda. In Bangladesh, we are beginning to transition the health program to a financially sustainable model with services that are provided on a sliding scale for patients.

**100K**  
active health workers

**100M**  
people reached

**27%**  
reduction in child mortality

An innovative approach to financial inclusion

Anulipi Ray owns and co-runs a jewelry store with her husband, Mukul Ray. She has been a microfinance client with BRAC for 11 years. Anulipi recently opened a special savings account using bKash, BRAC's mobile money platform, that dramatically improved her life.

**"I had not used bKash before, but BRAC taught me how to use it by hand,"** Anulipi said. "It was complicated initially, but I have come around to fully understanding it."

Anulipi admits that bKash has made her life more convenient. It saves her time and money: she no longer has to pay for transportation to the bank and can keep her shop open longer. She also has the confidence to help others learn to use bKash on their phones. Anulipi is one of 28.6 million clients using bKash to manage her savings, make payments, transfer money, buy phone data, and more.

**Recognized as one of the world's fastest-growing financial services, this year bKash earned a spot on Fortune's list of companies changing the world.**

In Bangladesh, about 70 percent of the population live in rural areas of the country, with limited access to financial services. Only about one in six people use the formal banking system, but a whopping two-thirds have access to mobile phones. BRAC has made significant investments to close the financial inclusion gap with bKash – whose agents are within walking distance of every person in Bangladesh. bKash agents operate like human ATMs – they take deposits, enable customers to withdraw and transfer money, and buy airtime all through mobile phones.

Financial products like bKash illustrate how true innovation, grounded in strong social purpose and executed with a business acumen, can dramatically improve people's lives.

**28.6M**  
bKash clients

**\$303M**  
in assets

**176K**  
bKash agents



Improving agriculture and industry

Betty, in Nakasake Uganda, has a warm smile and is soft-spoken. Her youngest daughter, Jasper, is fourteen months old and shares her mother's shy grin. Every few weeks, Betty brings Jasper to nutrition courses hosted in her community.



**620K**  
farmers  
trained and  
equipped  
worldwid

**4x**  
increase  
in income  
for maize  
farmers in  
Tanzania

**30%**  
annual  
increase in  
income for  
livestock  
farmers

During the sessions, Betty learns about which nutrients Jasper needs, like Vitamin D to prevent stunting, and she regularly weighs the child to monitor her growth. Betty also receives nutrient-rich sweet potatoes and porridge that she feeds to Jasper and her other young daughter.

Betty says Jasper is the first of her children not to have orange hair, which is a sign of malnutrition.

Several miles away, Maria runs a farm that produces pineapple, jackfruit, bananas, carrots, tomatoes, corn, cabbage, mangoes, bananas, and the nutrient-rich orange-fleshed sweet potatoes that Betty feeds her children.

Maria took out a small loan from BRAC that, coupled with training and high quality seeds, has helped her grow a prosperous farm and business. Her first loan was about \$80; now, she is paying back a loan for \$330. With the profits from her farm, she sent her children to school, expanded her business, and built a concrete house.

BRAC provides loans, inputs like seed and fertilizer, and training to farmers to help them improve their yields. It also provides access to markets to sell their goods at a higher price – with the dual goal of improving food security and nutrition while also fostering economic growth.

It's working. Many farmers have seen their monthly income grow five fold. And for children like Jasper, they're getting a stronger, healthier start in life. It is a testament to how effective a holistic programs can be to uplifting families and communities.

## About us

The mission of BRAC and BRAC USA is to empower people and communities in situations of poverty, illiteracy, disease and social injustice. Our interventions aim to achieve large-scale, positive changes through economic and social programs that enable everyone to realize their potential.

### About BRAC

BRAC is a global leader in developing and implementing cost-effective, evidence-based programs to assist the most marginalized people in extremely poor, conflict-prone, and post-disaster settings. These include initiatives in education, healthcare, microfinance, women and girls' empowerment, agriculture, human and legal rights, and more. BRAC employs more than 100,000 people in 11 countries, with a total global expenditure of more than \$1 billion. More than 75 percent of its budget in Bangladesh is self-financed through its social enterprises. Learn more at [brac.net](http://brac.net).

### About BRAC USA

Based in New York, BRAC USA is the North American affiliate of BRAC. BRAC USA provides comprehensive support to BRAC around the world by raising awareness about its work to empower the poor in 11 countries and mobilizing resources to support programs. BRAC USA works closely with its international counterparts to design and implement cost-effective and evidence-based poverty innovations worldwide.

BRAC USA is an independent 501(c)(3) organization. Learn more at [bracusa.org](http://bracusa.org).

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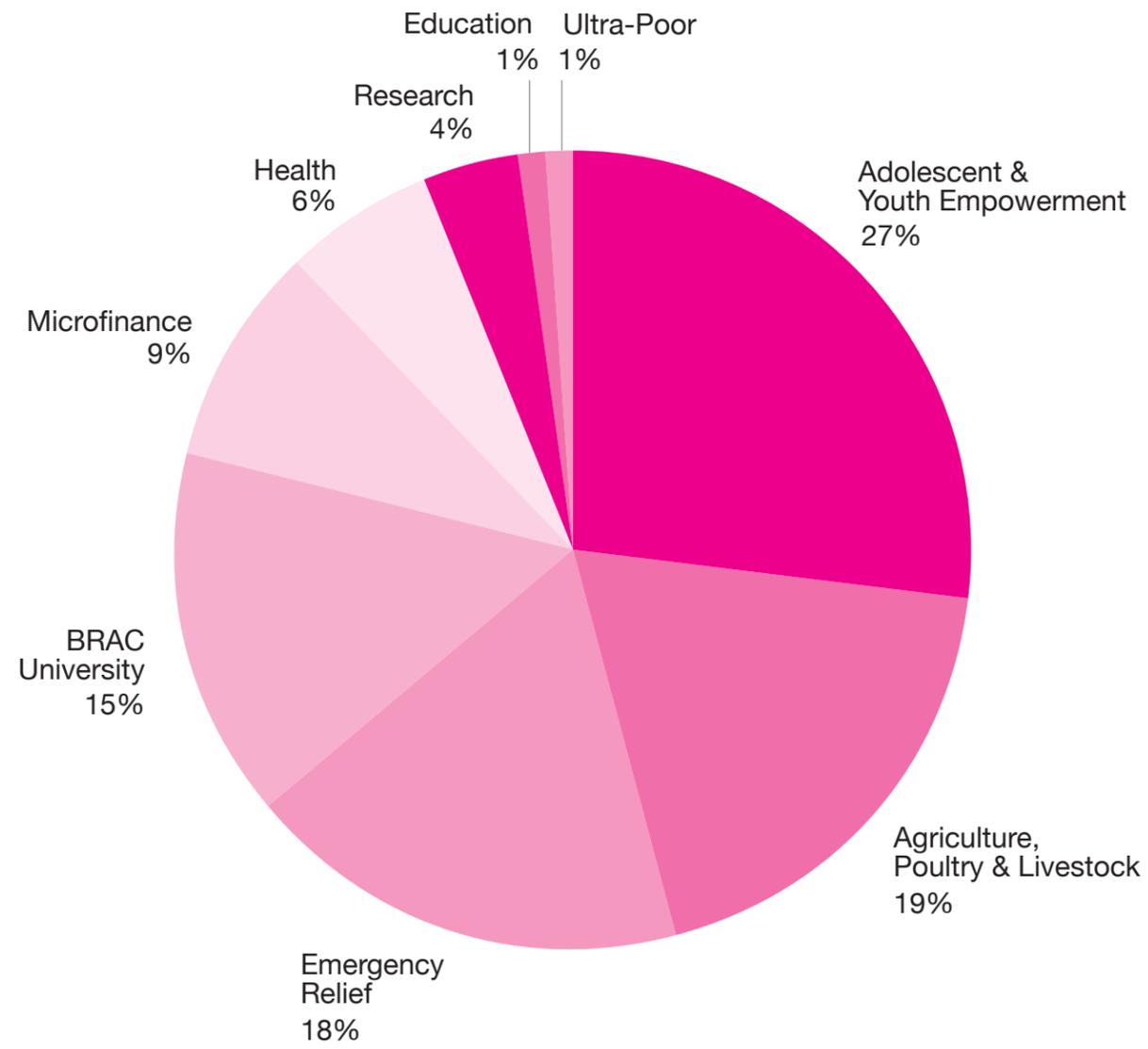
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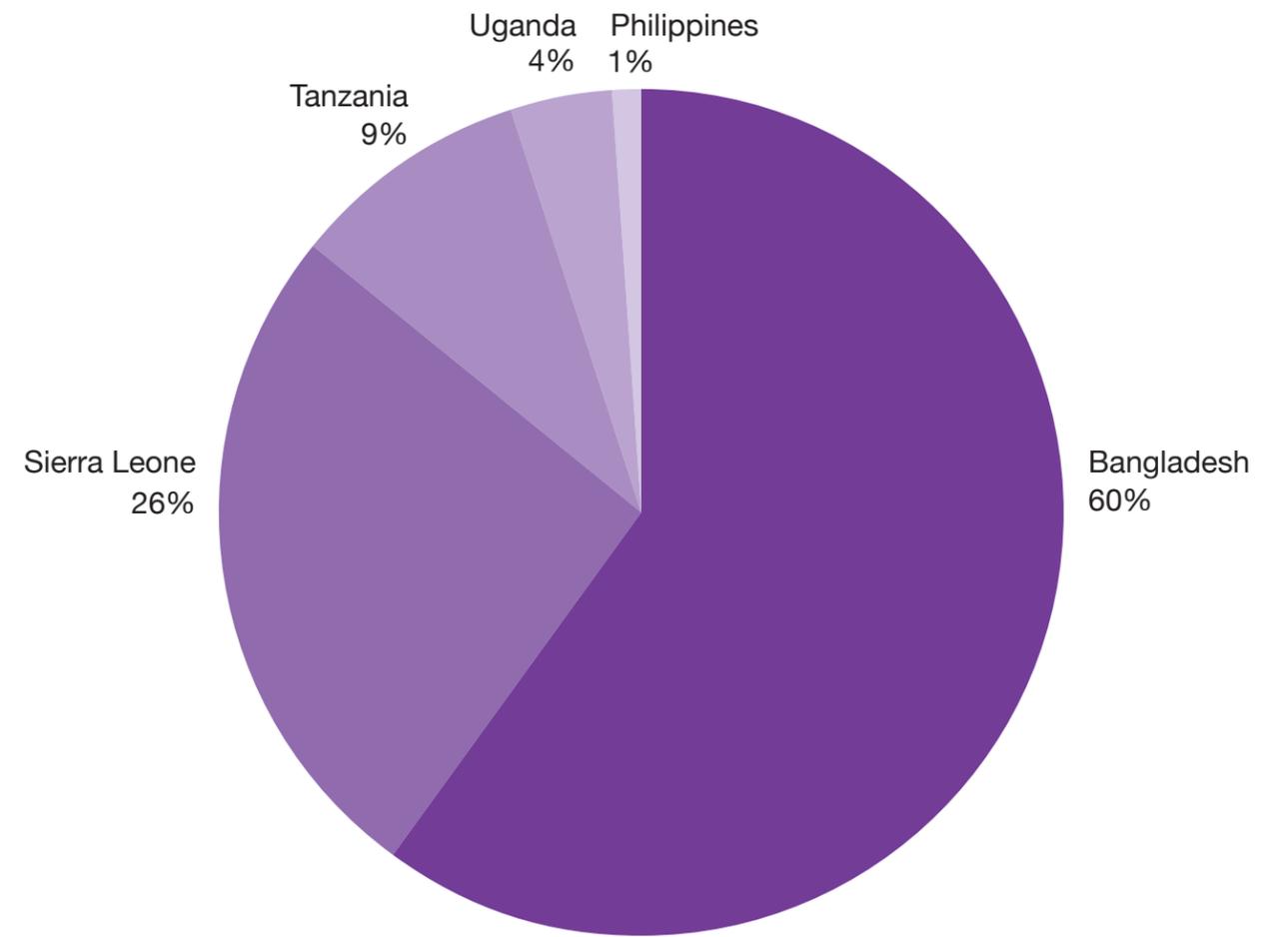
Elaine Wolfensohn



# Outgoing Grants



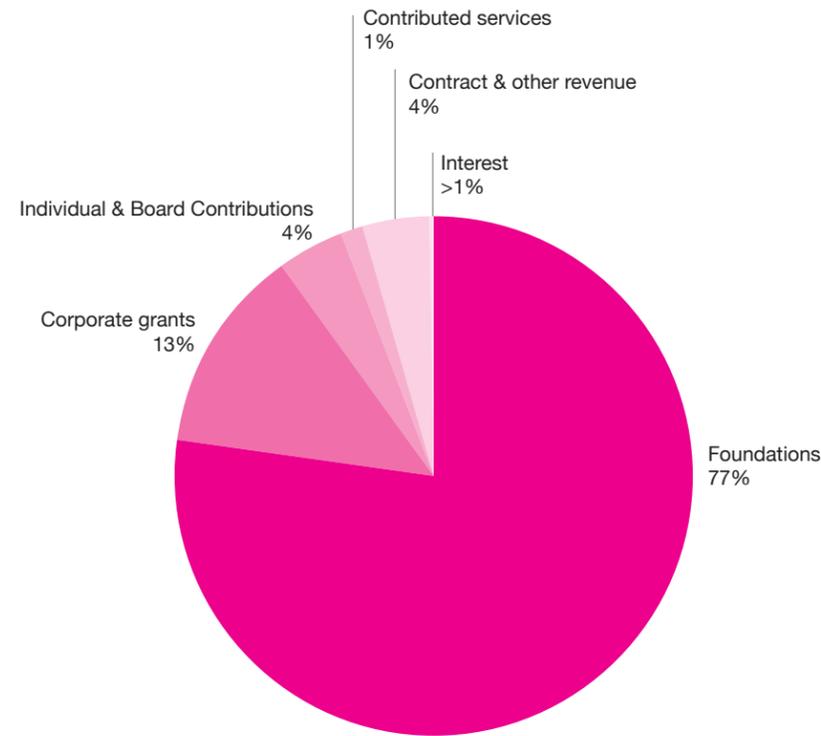
**Outgoing Grants By Program**



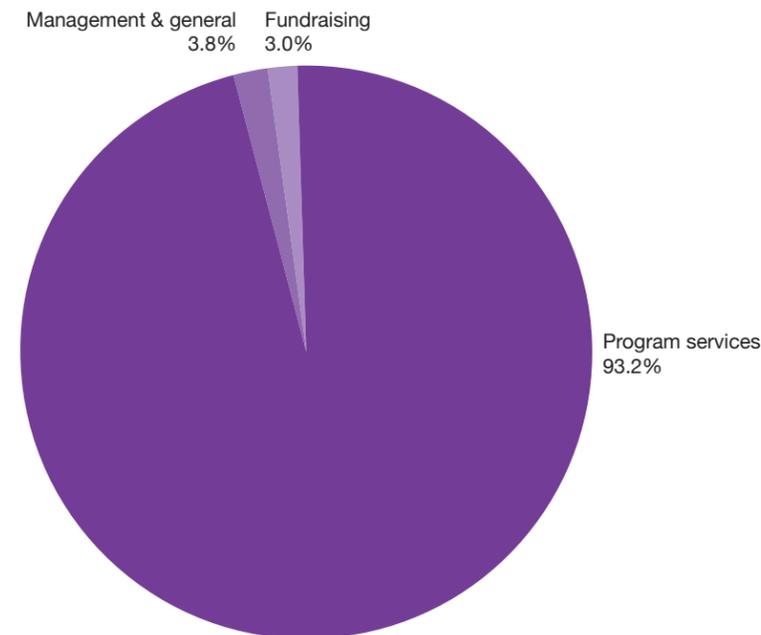
**Outgoing Grants By Country**

# Statement of Activities

Years Ended September 30th



**Revenues By Source FY2017 and FY2016**



**Expense Breakdown FY2017 and FY2016**

	2017	2016
<b>Revenue And Other Support</b>		
● Foundations	6,584,941	13,852,520
● Corporate grants	1,378,260	2,001,984
● Individual contributions	501,046	551,165
● Contract & other revenue	606,445	536,056
● Contributed services	49,270	326,825
● Interest income	17,117	11,148
<b>Total revenue and other support</b>	<b>\$9,137,079</b>	<b>\$17,279,698</b>

<b>Expenses*</b>		
● Program services: grants & contracts	5,107,320	16,703,626
● Program services: program management	2,426,564	2,147,851
● Management & general	469,698	599,894
● Fundraising	459,829	399,478
<b>Total expenses</b>	<b>\$8,463,411</b>	<b>\$19,850,849</b>
<b>Surplus (deficit)**</b>	<b>\$673,668</b>	<b>(\$2,571,151)</b>

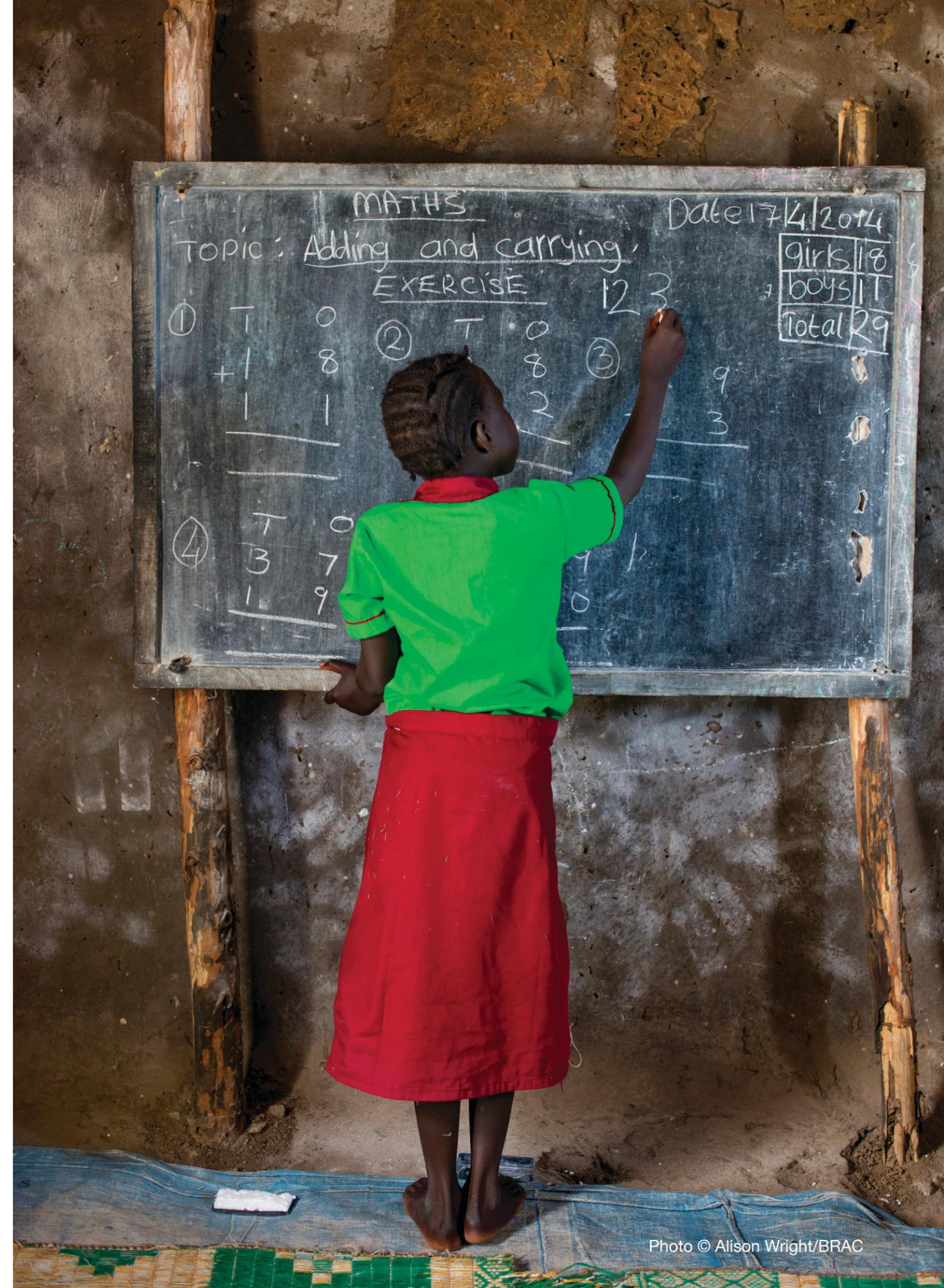
\*Although the aggregate total of management & general and fundraising expenses declined in 2017 relative to 2016, the percentage of these costs relative to total expenses increased due to a reduction in grants to BRAC entities. The reduction in grants correspondingly relates to the decline in revenues during the year as several major grants closed in early FY2018. We anticipate that the relative percentages in FY2018 will return to historical levels.

\*\*The deficit reported in the FY2016 Statement of Activities reflect outgoing grants made and expenses incurred in the fiscal year related to revenue recognized in the prior year, in accordance with accrual based accounting standards.

# Statement of Financial Position

As of September 30th

	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Cash and cash equivalents	15,951,963	15,659,167
Contributions receivable	4,918,767	7,955,502
Accounts receivable	174,652	255,564
Prepaid expenses and other current assets	61,646	16,371
Property and equipment, net	134,242	36,596
Security deposits	71,599	34,093
<b>Total Assets</b>	<b>\$21,312,869</b>	<b>\$23,997,293</b>
<b>Liabilities</b>		
Accounts payable and accrued expenses	552,694	508,195
Deferred income	90,228	47,262
Refundable Advance	4,526,038	-
Grants payable	7,704,436	15,754,716
Deferred rent	181,023	102,338
<b>Total Liabilities</b>	<b>13,054,418</b>	<b>16,412,511</b>
<b>Net Assets</b>		
Board designated reserve	1,500,000	1,500,000
Unrestricted	3,950,373	4,114,781
Temporarily restricted	2,808,077	1,970,001
<b>Total net assets</b>	<b>8,258,450</b>	<b>7,584,782</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$21,312,869</b>	<b>\$23,997,293</b>



## Supporters

**Partners  
(\$50,000+)**

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 Bill & Melinda Gates Foundation  
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Mayer Brown LLP  
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 Rod Dubitsky

This list reflects donations made during fiscal year 2017 (October 1, 2016 - September 30, 2017).

# Get Involved



## Donate

# Your gift can make a difference.

Visit: [BRACusa.org/donate](https://BRACusa.org/donate)

Email: [info@bracusa.org](mailto:info@bracusa.org)

Call: +1 (212) 808-5615

Mail: BRAC USA, 110 William Street  
18th Floor, New York, NY 10038



## Future Gifts

# Create pathways to prosperity for people in need through a bequest.

Contact the finance team at +1 (212) 808-5615 for information about including BRAC USA in your estate planning.



## Activate

# Join the conversation! Engage your networks to make a difference in someone's life.

[facebook.com/BRACworld](https://facebook.com/BRACworld)

[twitter.com/BRACworld](https://twitter.com/BRACworld)

[youtube.com/user/BRACworld](https://youtube.com/user/BRACworld)

[instagram.com/BRACworld](https://instagram.com/BRACworld)



## Advocate

# You can create opportunities for people around the world.

Supporters have run races for BRAC, donated their birthday money, and hosted events to change lives and inspire their community. Find out more about our programs and get ideas for your own fundraiser at [BRACusa.org](https://BRACusa.org).



BRAC USA scores 100 out of 100 in accountability and transparency ratings from Charity Navigator, an independent charity watchdog. This marks the sixth consecutive four-star rating.

BRAC was ranked #1 NGO in the world for 2017 by NGO Advisor. This is the third time in four years BRAC received the #1 ranking.

