



Splash Funding Proposal


Splash

2018

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EXECUTIVE SUMMARY

Splash is pleased to share our progress with EARTH Water to help us keep clean water flowing at every single government orphanage in China, not just today, but every day. In 2017, Splash reached our bold goal of 100% coverage, benefiting over 191,000 children, staff, and elderly adults.

Your support helped us to close the gap at the final few orphanages left to complete. Specifically, because of your support 380 kids, adults, and staff at Qiaocheng District Social Welfare Institute Child Center, Woyang County SCW Center, and Quanjiao County SCW Institute now have clean water! In addition, through your partnership with LOHAS, an additional 15 orphanages have clean water, benefitting over 800 kids, elderly adults, and staff.

Your continued investment will help Splash ensure the long-term sustainability of each project site and our overall efforts. We greatly appreciate your support of this epic project that has been over 10 years in the making.

The scope is grand:

- 1,103 orphanages
- 1,100 cities
- 32 provinces
- 90,000 children

The partnerships are strong:

- Ministry of Civil Affairs (MOCA)
- 32 Provincial Civil Affairs Bureaus (PCABs)
- China Charity Federation (CCF)
- China Association of Social Work (CASW)

Solutions are being sustained:

- In 2016, we began implementing our strategy for a strategic exit, working with Lotus Consulting to assess sustainability pathways.
- In 2017, we launched a customized WeChat app with an interface that would allow users to verify their account and filter information, receive automated reminders of upcoming maintenance, and view instructional guides, while also requesting spare parts and expert support via the WeChat app.
- Our local staff have been trained on the app and Salesforce to support the long-term service and maintenance of all water systems deployed.
- In 2018, we will be working with MOCA to celebrate the 100% achievement and come up with a plan for long-term government support.

The funding provided by EARTH Water has brought Splash to the final mile of our ultimate goal. Your funding in 2018 and 2019 will ensure the continued servicing, maintenance, and management of the water filter systems installed at every orphanage in China will remain functional, as they transition to local oversight. From January to March 2018, we have also engaged in the following activities:

Advocacy

- Held multiple with meetings the China Charity Federation (CCF) to discuss their financial support for system maintenance in perpetuity
- Scheduled a meeting between Splash and the Ministry of Civil Affairs in the second quarter of 2018 to discuss ongoing operations
- Continued local donor engagement and resource mobilization to support operations and maintenance

Sustainability

- Conducted a survey and complete analysis of 1,000 orphanage sites across China to assess sustainability and continuing functionality
- Development and initial implementation of a maintenance plan, which will be conducted over the next three months
- Continued marketing of the WeChat App in every phone call, every QQ, every WeChat talk we host, and every visit for maintenance

We greatly appreciate the support that EARTH Water has provided us to help us reach to every single government orphanage in China and ensure clean water for decades to come for over 190,000 of China's most vulnerable people. Your support has been pivotal in getting us to 100% coverage and ensuring a sustainable business model for the future!



1. WHY

WHY

The global water crisis affects everyone. More than anyone, it impacts kids.*

Life trajectories are forever impacted by unclean water, whether delivered through a baby bottle, a school drinking fountain, an orphanage kitchen, or a pediatric clinic. Ironically and tragically, millions of girls and boys live within this dichotomy: They cannot secure safe water yet are standing proximate to clean water solutions—technology used by global food chains and five-star hotels in the same communities.

There are over 90,000 children living in orphanages in China.** Life is not easy for these kids. They lack choices about most things in their lives, including the water they consume. Unfortunately, the only water they have access to is often dirty and contaminated with harmful bacteria. For a child who spends the majority of his or her childhood (up to 18 years) in an orphanage, the long-term impact of waterborne illness is substantial. Waterborne afflictions can cause a downward health spiral: when a child's immune system is weakened due to bacteria, viruses, or parasites, each illness takes longer to heal than the one before. Safe water is thus a critical factor in ensuring that kids stay healthy and that their bodies are able to absorb the nutrients needed for growth and development. Without clean water, other health and wellness interventions stand little chance in making an impact.

In a country where paying customers at restaurants and hotels can get clean, safe water anytime and anywhere, it is hard to imagine that kids in nearby orphanages cannot. However, this is the reality. Clean water is needed – but not through some expensive new method or external model. Known commercial solutions to the water crisis already exist throughout China. What is needed is the support to leverage the solution that is already accessible to some in order to make it available to all - especially the most vulnerable. The answer to the problem already exists. We simply need to expand its benefit to those who need it most, children, in a timely, cost effective and quality-assured way.

* Of deaths from water-borne illness globally, over 90% are of children and youth. Diarrhea (the direct consequence of water-borne illness) is the second greatest cause of childhood death. Among kids, girls are especially highly impacted by unclean water.

** Over the last decade, during major orphanage renovation projects throughout the country, the Chinese government pulled the majority of orphans out of institutional care and directed them into foster care situations. This model is fast coming to an end as older orphanages are now in better conditions and new orphanages have been built across China. We expect the number of orphans living in these institutions to increase significantly over the coming 5 years.



2. HOW



Top: manufacturing facility in Suzhou, China for multinational food service purification production. This production line is for McDonald's restaurants
Bottom: we work directly with the manufacturer to secure the same systems for use in orphanages like this one, in Guangxi Province

HOW

Splash conducts its work for a fraction of the cost of typical safe water approaches. Municipal capital projects are extensive, expensive and time-consuming. Well digging is more expensive, and doesn't typically fit urban environments. Through point-of-use filtration, Splash keeps our overall costs low and product quality high.

Splash leverages what already works for restaurants and hotels — their technology, supply chains, and standards — to get the same clean, safe water flowing in orphanages that is already found in multinational chains such as Starbucks, McDonald's, and the like. What is more, Splash achieves this in effective collaboration with both existing manufacturers and the Chinese government.

In 2008, Splash set the audacious goal of providing clean water to every single orphanage in China. We have now reached 100% of that goal. Today, 91,732 children at 1,103 orphanages in China have safe drinking water in their baby bottles, sippy cups and glasses. All of their food is washed with clean water and all orphanage staff have access to bottle-quality water at any time of day.

Splash anticipates exiting from direct services in China by 2020, leaving a functional, financially independent service model that continues to ensure clean water flows for years to come. We've already taken several steps to prepare for this effort. In 2016, we secured a contract agreement with China Charity Federation (CCF) to allow Splash China to directly accept in-country funding. In addition, we modified our procurement agreement with Antunes Suzhou (the local manufacturer of our water filtration system and spare parts) to provide direct distribution of and discounts on parts in collaboration with CCF.

In 2018, we will make a big push for the Chinese government to support the local funding and maintenance of every clean water system installed by Splash in perpetuity by 2020. This will involve a series of meetings between Splash leadership and MOCA. In addition, we will continue to provide service and maintenance across the 1,103 existing project sites, including spare parts. Finally, we will be conducting a survey across a sub-set of project sites to understand service and maintenance challenges. The findings from the survey will help inform our sustainability strategy.

Other efforts to provide quality care and services within orphanages will have relatively low impact if basic human needs — such as access to clean drinking water — are not first secured.



3. HOW MUCH



Top: orphanage in Sichuan Province
Bottom: orphanage in Hunan Province

HOW MUCH

By funding Splash at this critical stage of our China program, you will help ensure the long-term impact of our decade-long effort. Splash requests an investment of \$50,000 from EARTH Water to sustain our activities in 2018. This funding level will help us keep clean water flowing at 300 sites benefitting approximately 30,000 kids while supporting our overall efforts. Please find our annual China program budget below.

	2018 BUDGET
PERSONNEL	\$42,000
NEW WASH INTERVENTIONS	—
SERVICE & MAINTENANCE	\$70,000
TRAVEL & MEETINGS	\$2,000
OTHER DIRECT COSTS	\$11,000
GLOBAL PROGRAM MANAGEMENT	\$69,472
TOTAL EXPENSES	\$194,472

Budget Narrative

Personnel: Labor costs related to installing new water systems and managing Splash’s operations in China.

New WASH Interventions: filtration equipment, plumbing, and materials to implement new projects. With 100% coverage reached, we do not anticipate any new WASH interventions in 2018.

Service & Maintenance: Water filtration systems require regular maintenance and replacement of key parts. This line item includes five years of spare parts per project site, contract labor and travel costs to maintain water filtration systems.

Travel & Meetings: Other domestic and international travel not related to project implementation.

Other Direct Costs: All other direct costs related to program implementation, such as office rent and equipment, in-country registration fees, regular audit, and communications technology.

Global Program Management: Support by the Program Sustainability Manager, Program Director, and other key staff to implement a sustainable transition plan.



4. HOW LONG



Top: orphanage in Inner Mongolia
Bottom: orphanage in Jiangxi Province

HOW LONG

A product is only as good as it is reliable—and only as reliable as its supply chain. A key ingredient in Splash’s model is to leverage supply chains built for larger multinational food service and hotel corporations. Risk is mitigated, costs are reduced, reach is increased, and sustainability is truly possible.

Splash takes great pride in ensuring truly sustainable solutions. In fact, it is core to everything we do. The world is littered with failed water projects undertaken by shortsighted actors and well-meaning philanthropists. Philanthropy at its best, though, must look through a multi-year lens designed to foster increased sustainability rather than an increase in donor plaques. Splash thus commits only to multi-year projects, meaning consistent performance, maintenance, supply chain security, oversight, and effective knowledge-transfer.

In China, **Splash is committed to ensuring every orphanage has safe water until 2020**; at which time the Chinese government can take over ownership of the complete safe water ecosystem we have built over the course of a decade.

To reach this goal will require a concerted effort in 2018, led by our Program Sustainability Manager in Seattle, in partnership with the Splash Leadership Team and Splash China, to define our Strategic Transition Plan. Activities will include:

- Purchasing spare parts required for the ongoing operation of water filters installed at all orphanages in China.
- Increasing the adoption and use of our customized WeChat customer service application (app) for improved communication between Splash and the orphanages we serve.
- Co-hosting an event with CCF and MOCA to celebrate reaching 100% coverage and present them with options for addressing future sustainability.
- Securing additional local Chinese donors to support operational costs of this transition.
- Assessing the potential to charge orphanage sites a servicing fee through the provincial MOCA offices.
- Identifying the future home and organizational structure for Splash China, whether it continues to be an INGO in China or it should become a local NGO or a program within CCF.



5. WHO



Top: orphanage in Guangdong Province
Bottom: orphanage in Anhui Province

WHO

Splash is a quickly-scaling charity, much admired for its rigor, accountability, and sustainability. Its leader, Eric Stowe, has swiftly risen to prominence in the eyes of philanthropists, government officials, and brokers of best practices in international development.

Splash presently works in 8 countries, serving more than 400,000 children every day with safe water—on track to serve more than 1 million children by 2022.

In each country, we work closely with government officials to make sure our work is in close alignment with their goals. As well, Splash takes great pride in hiring only local staff to build toward our mission of true local ownership.

While our global impact continues to grow, so does our reputation for excellence and innovation within the WASH sector. This year, Splash Founder and Executive Director, Eric Stowe, was awarded the 2017 International Water Prize by the University of Oklahoma.

Splash continues to attract and retain partnerships with leading organizations, such as the Conrad N. Hilton Foundation, BRAC, USAID, Rotary International, and CARE International, as well as with key government agencies, like the Ministry of Education in Kolkata, India and the Addis Ababa Education Bureau in Ethiopia. Together with our partners—and with support from donors like you—we are continuing to expand our operations in order to reach more vulnerable children than ever before.

Splash manages finances in accordance with Generally Accepted Accounting Principles (GAAP) and is audited, annually, according to that standard. The Director of Finance, with the Finance Committee of the Board of Directors, has established policies and procedures to ensure that Splash maintains a strong system of internal controls and fiscal integrity. These policies and procedures are reviewed, as necessary, to insure they are working as designed.

Splash has a talented team of 50 staff across five countries. They bring extensive expertise in water filtration, behavior change, monitoring and evaluation, project management, business modeling, fundraising, operations, and finance. You can see more on our incredible, and incredibly diverse, staff [here](#).



6. YOU



Top: orphanage in Hunan Province
Bottom: orphanage in Hebei Province

YOU

You want to have impact – **true impact.**

This vision includes and engages the most critical stakeholders for success:

- The Chinese Government, through its national focus on children
- Alwaleed Philanthropies LOHAS and EARTH Water through their co-funding to ensure clean water for children
- Splash International, through its value chain, leadership, and execution
- Orphanage directors, through their cooperation and gratitude
- Orphans with no control over the water they are provided, but whose lives will be transformed by this gift

At the completion of this project in China, with support from EARTH Water, we will have **provided sustainable clean water systems to every single orphanage in the world's most populous country.** The world will notice.

