

Annual Report 2001

We envision
the day
when
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world
can take
a safe
drink of
water.











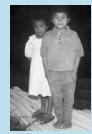




















We envision the day when everyone in the world can take a safe drink of water.

It is easy to take for granted ready access to a safe supply of drinking water. Yet, more than one billion people lack this most basic commodity. Creating accessible, safe water supplies in developing countries liberates people to live healthier, fuller, more productive lives.

The Mission of WaterPartners International:

Inspire people to act

- Donors to provide consistent financial resources with a sense of solidarity for those in need of safe water
- Staff and volunteers to seek innovative and efficient solutions to meeting the global water supply needs of today and tomorrow
- People in need of safe water to take the lead in meeting their own needs

Together, these people form the WaterPartnership that will allow us to realize our vision.

Develop high-quality, sustainable water projects

We use our expertise to foster high-quality, sustainable, community-level water supply projects. We promote innovative solutions that enable communities to take a leading role in solving their own water supply problems.

Enable donors to invest wisely

We exist to create a global awareness of the water supply crisis and to help people respond. We carefully invest donors' funds in only the highest-quality projects through locally based water development organizations. We hold ourselves accountable to donors and to people who benefit from the projects they support.

WaterPartners International is a charitable institution under Section 501(c)(3) of the Internal Revenue Code.

Financial support comes from foundations, corporations, the religious community, other private organizations and thousands of individuals.

WaterPartners has its global headquarters in Columbia, Missouri, and satellite offices in Washington, D.C.; Atlanta, Georgia; Raleigh, North Carolina; and Seattle, Washington.

A copy of WaterPartners' registration information and the financial information filed with the Internal Revenue Service may be obtained by submitting a request to WaterPartners International, P.O. Box 654, Columbia, Missouri 65205



Message from Executive Director Gary White

t is easy to feel overwhelmed in our daily lives. We bite off more than we can chew. We jam 25 hours of activities into our 24-hour days. I know about this trend because I, too, have fallen victim to it.

How can we think about the world's problems when we can scarcely manage our own daily tasks?

During the last-minute rush to get our kids to soccer it is hard to find the mental energy to dwell on someone else's trek to a contaminated water hole to collect her children's drinking water.

While we are deliberating on the endless list of features for a new appliance, who has the time to figure out how to change the life of a woman who walks two hours to wash her clothes on a rock in a river?

While these may be difficult contrasts to accept, they are real. I know that we all care about others and I know we do not want to simply shrug our

shoulders in frustration and move on. I was not able to do so. This is why many others and I have worked to build and sustain WaterPartners. We wanted to change the world and we wanted to give others the opportunity to do so as well.

So many of our supporters have come to understand that it does not require a

big sacrifice to have a big impact. Investing a little time to tell a friend about WaterPartners or writing a check for a water project changes lives and saves lives. WaterPartners is here to help you channel your natural instincts to help.

In 2001 we again helped record numbers of people channel those natural instincts. We



doubled our revenue for the calendar year compared to 2000! We supported more communities than ever in achieving safe water.

We laid the groundwork for our first expansion to a new region of the world by selecting partner organizations in India, Bangladesh and the Philippines.

We did all of this while continuing to dedicate more than 75 percent of our expenditures to program support. I feel our 100 percent project success rate and our 100 percent revenue growth rate show that we excel at blending our international program efforts with solid business and marketing practices.

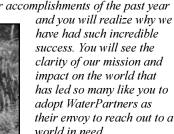
In 2002 we will expand our international efforts. We recently established a \$300,000 matching fund to support projects through our new partners in Asia. If WaterPartners is successful in raising \$150,000 for Asia, it will be matched by our friends at the ClearWater Project.

Read through our accomplishments of the past year

have had such incredible success. You will see the clarity of our mission and impact on the world that has led so many like you to adopt WaterPartners as their envoy to reach out to a world in need.

All of us want to help make the world a better place, but none of us can do it alone. By supporting

WaterPartners, you are responding to the most While we can't get your kids to their soccer game on needed by so many to survive, and to shape a better



insidious threat to human health and prosperity. time, we can help you reach out to the world and help others in need. We will turn your financial support into safe water — the essential element

While we are deliberating on the endless list of features for a new appliance, who has the time to figure out how to change the life of a woman who walks two hours to wash her clothes on a rock in a river?



Women and children going to do laundry

at a river near San Antonio, Honduras.

Since 1990, WaterPartners has supported projects in 52 communities, benefiting 20,612 people in Latin America. During 2001, WaterPartners supported water projects in eight communities in Honduras and three communities in Juatemala.

Funding for Water Projects Tops \$500,000

n May 2001, WaterPartners International reached a significant milestone. With a check to support a water project in Gualcea, Honduras, WaterPartners surpassed \$500,000 in total funding for clean water and sanitation systems in developing countries.

This achievement was possible because WaterPartners' total revenue increased an average of 50 percent each year since 1994. In 2001, WaterPartners' revenue reached nearly \$500,000 — almost double the revenue raised in calendar year 2000.

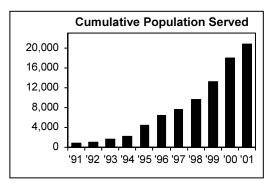
During 2001, WaterPartners supported water projects in eight communities in Honduras and three communities in Guatemala.

While in the U.S. \$500,000 spent on

public water services in a typical community goes unnoticed by consumers, in developing countries \$500,000 carefully invested in WaterPartners' projects has yielded impressive returns. At the end of 2001, WaterPartners has supported projects in 52 communities, benefiting 20,612 people in Latin America.

WaterPartners' rapid growth was made possible by the continued support of loyal donors. Beginning with 100 people brought together to learn more about the global water supply crisis, the

WaterPartners community has grown to include thousands of people who are inspired enough to provide generous financial resources and to carry the message of our work to others.



2001 Progress Reports and Funding Updates for Selected Communities

Honduras

El Tablón. Funded by the 2001 Kansas City North and the 2001 Washington, D.C. Water for Life events. Now complete, El Tablón's water system consists of a concrete-



Sebastiana Alberto Mejia poses in front of her garden.

capped mountain spring and a water transmission main leading to a 1,000-gallon storage tank. Water distribution piping delivers water to individual household taps. Each household has an outdoor washbasin, drainage for the used water and a latrine.

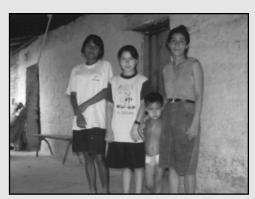
The community members have completed educational seminars about the administration, maintenance and protection of the water system as well as sanitation and health education training. The water source has been tested to make sure there are no bacteriological or chemical contaminants and to

ensure that it will provide sufficient water flow for the community in the rainy and dry seasons, now and when the community grows. The people of El Tablón provided labor and local materials to complete the construction of the project and will continue to operate and maintain the water system under the authority of their committee.

Honduras Progress Reports continued

Cacahual, Gualcinse, Guacual, El Aguila, Cholunquez and Las Crucitas. Partially funded in 2001 by the ClearWater Project, NetAid and Water for Life events. These six communities are involved in one project that will provide a shared water source. The communities have nearly completed the water storage and distribution tank, and are digging ditches for the water pipeline from the spring.

Gualcea. Funded in 2000 by the ClearWater Project. Residents used to get their water from Rio Mocal, which is contaminated with sediment and



Cholunquez resident Anselma Andredes, far right, says, "Having a water project will change our lives. We can have a garden, we will be able to be clean."

sewage from another city. The community has been disappointed in the past — another organization promised to fund the project, but was not able to. The people of Gualcea have provided labor and local materials to complete the construction of the spring cap, the water transmission line, water distribution pipelines and household water connections. The water storage tank is approximately 30 percent complete and the domestic latrines are 40 percent complete.

Guatemala

Xepocol. Funded by the 2001 Triangle and Kansas City North *Water for Life* events. During the rainy season, the people of Xepocol (pronounced "shay-poe-call") collect rainwater from the roofs of their houses, from hand-dug wells, small rivulets and streams. The people of Xepocol have agreed to provide all local materials and all labor and they will pay for 50 percent of the cost of non-local materials through a revolving loan fund.

Xix. Funded by a 2001 Kiwanis grant and the 2001 Seattle *Water for Life* event. Xix, (pronounced "sheesh") was nearly destroyed during the civil war of the 1980s. In 1982 the people —including small children and pregnant women about to give birth — fled their community. Fifty-six people were killed.

After the people of Xix returned to the village they rebuilt their homes, school and

church, however, they are still lacking a functioning drinking water system and latrines.

The community has completely embraced this project. They will provide all the labor for the construction as well as a large financial contribution. Materials will soon be delivered. The training, water system construction and latrine construction are all projected to be complete by February 2003.



Cristina Hernandez and her 2-year old son, Silverio, collecting water at one of Xix's water holes.

- The second annual "Savor the Flavor" event in North Kansas City raised \$32,800 to fund projects in Guatemala and Honduras.
- The sixth annual Seattle Water for Life event co-hosted with Water for People, raised more than \$22,000 to fund a project in Xix, Guatemala.
- The ninth annual Triangle Water for Life reception and silent auction raised almost \$10,000 to fund a project in Xepocol, Guatemala.
- •The 12th annual Kansas City Water for Life dinner raised more than \$9,000 to fund a project in the community of Cholunquez, Honduras.
- The second annual Mid-Missouri Water for Life dinner raised \$8,500 to fund a project in El Portrero, Honduras.
- The fourth annual Washington, D.C. Water for Life dance and reception raised \$3,000 to benefit El Tablón, Honduras.

2001 Fundraising Reaches New High

Water for Life Events Continue to Grow in Number and Strength

Water for Life events around the country were the single largest source of donations. uring the 2001 calendar year,
WaterPartners raised almost
\$500,000 — nearly double the
revenue raised during calendar year 2000.
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the single largest source of donations.

WaterPartners was born out of a *Water for Life* event — although it was not called that at the time. In 1990, a group of 100 people got together in Kansas City, Mo., to learn more about the global water crisis and to help a community in Honduras in need of safe water. Nearly \$4,000 was raised to help make safe drinking water a reality for the people of El Limon, Honduras.

Linking donors and beneficiaries, *Water for Life* events provide an opportunity to bring news about the projects being supported by WaterPartners in other counties to people in the U.S.

In 2001, events were held in Columbia, Mo., Raleigh-Durham-Chapel Hill, N.C. and Washington, D.C. In both Kansas City, Mo. and Seattle, Wash., two *Water for Life* events were held in 2001.

Also in 2001, plans were made to host new *Water for Life* events in 2002 in the Detroit/ Ann Arbor area, Atlanta, San Diego, Kansas City Midtown and San Francisco.



Members of the Seattle Water for Life Committee.

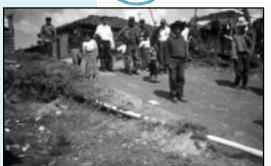
Seattle Water for Life Event Sets \$60,000 Record

A new Seattle *Water for Life* reception raised more than \$60,000 — enough to fund sustainable safe water projects in Jurtao, Honduras, and an additional community in need.

The excitement began when the *Water for Life* planning committee received a commitment from a group of anonymous donors for a \$25,000 challenge match. The donors promised if \$25,000 were raised at the event, they would match it. Not only was the goal met, it was surpassed!

Kiwanis Commits \$14,000 for Project in Guatemala

afe water soon will be flowing in Xix, Guatemala, thanks to a \$14,000 grant from Kiwanis International to WaterPartners. Announced in October, the donation will help 168 desperate families in Xix build a safe water system.



Exposed PVC pipe from a failed water system in Xix.

WaterPartners and Kiwanis make natural partners. Kiwanis' purpose is to improve the quality of life for children and families worldwide, and WaterPartners International improves the lives of children and their families with sustainable water projects.

The Columbia, Mo., Kiwanis club learned about WaterPartners' purpose and projects when Executive Director Gary White, a Columbia resident, spoke at their meeting.

When Kiwanis International president Bo Shafer and his wife, Mary, heard about WaterPartners, she suggested that Kiwanis dedicate the proceeds from a silent auction to a water project.

Matching Fund Will Launch Work in Asia

fter working together to select partner organizations in Asia, ClearWater and WaterPartners also joined forces to maximize fundraising for these projects. Executive Director Sean

Ebnet announced his organization would match the funds raised by Water-Partners to support water projects in Bangladesh, India and the Philippines.

The matching commitments will double the funds raised by WaterPartners up to \$150,000.

Women collecting water at a public standpost in Barangay San Miguel, the Philippines.

through its partner organizations in Asia.

The alliance with ClearWater has been remarkably successful because they share the same philosophy as WaterPartners —

both are committed to working through locally-based partner organizations and their projects are based on community-centered practices.

The \$300,000 matching fund is a great boost to the new partner

organizations in Asia and also represents a great challenge for WaterPartners — a need to boost fund-raising efforts in order to take advantage of the full match.

The total of \$300,000 will enable WaterPartners to fund several projects



Women wait at a municipal tap in India. Water comes once only every two days.

- → In Bangladesh diarrheal diseases are a major health threat — killing more than 100,000 each year.
- → In India, poor access to safe water and latrines contributes to India's high under five mortality rate 98 per 1,000 live births.
- → In rural areas of the Philippines, uncontrolled deforestation has significantly reduced the volume of groundwater available for domestic purposes.

Community Building Helps Grow WaterPartners

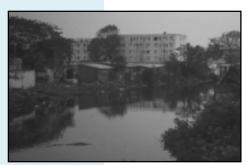
n the spirit of the WaterPartners tradition of reaching out to people at a personal level, a new drive to expand our domestic community of supporters was introduced in 2001. Supporters have been asked to host a gathering of people - friends, family or colleagues - who might be interested in our work.

At these gatherings, called "Community Building" events, guests are not asked for donations. The purpose is to provide more detail about WaterPartners than can be shared through a brochure or at a fundraising dinner.

The model for Community Building evolved as a result of supporters who often asked how they can do more to help with our work beyond their financial contributions.

As we bring new people into the community of those who thrive because they have safe water, Community Building asks us to also look inward and place a renewed emphasis on expanding our community at home.

Four Partners Selected in Asia



Slum residences along a polluted canal in Chennai, India.



A typical home in a rural area in the Philippines.



An instructor demonstrates with two glasses how dirty pond water can contaminate clean water.



WaterPartners' staff member Susan Davis talks to community members about a project in Bangladesh.

n 2001 WaterPartners International staff conducted a partner organization search in Asia. The search was funded by a \$75,000 grant from The ClearWater Project, a program of Jewel's Higher Ground for Humanity. WaterPartners evaluated organizations in the Philippines, India and Bangladesh.

Of the 108 originally asked to apply, only four partner organizations met WaterPartners' rigorous criteria for facilitating water and sanitation projects.

WaterPartners' evaluation process examines many aspects of partner organizations and projects, but the core of the evaluation and selection process is that beneficiary communities must be at the center of the project planning, and be invested as stakeholders. Secondly, projects must be structured to complement existing programs and coordinate with all political and social structures.

Field visits include interviews with the staff of potential partners and evaluations of community leaders and beneficiary households of both completed and in-progress water and sanitation projects.

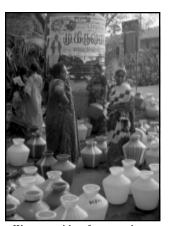
In the Philippines, the organization selected for partnership offers depth of experience in engineering and community involvement.

In India, most water sources are contaminated by sewage and agricultural runoff. One partner organization there met WaterPartners' expectations for project implementation.

In the city of Dhaka in Bangladesh, the population of slum dwellers is expected to climb to 20 million by the year 2020. One of the two new partner organizations WaterPartners selected in Bangladesh was formed to address the health care needs of the slum dwellers of Dhaka.



A woman draws water from a handpump painted to indicate arsenic contamination.



Women waiting for water in an urban slum in Chennai, India.



A young girl waits during a meeting in Khanomunddi, Bangladesh.

Water Plus Sanitation Equals Improved Health



A latrine in Bangladesh. Leaking sewage is flowing towards a pond.



Two young girls take a look at a new latrine in Nicaragua.



A stall in a public latrine in Kalamanthi. India.

anitation is a dirty word in most societies, but experience shows that access to clean water alone leads only to minor health improvements. Often sanitation programs are tacked on to water projects as an afterthought, but the WaterPartners solution recognizes sanitation as a crucial issue in its own right. Water, sanitation and health education should form part of an integrated approach that leads to improved health and poverty alleviation.

Health education has proven to be the most effective way to insure long-term health benefits of a new safe drinking water system. Healthy behaviors are encouraged through health education classes, including regular use of latrines and hand-washing before preparing food.

WaterPartners' goal is to leave each community with the knowledge of what practices will lead to improved health and the ability to respond to their own basic health needs. During the construction of each water project, our partner organizations begin an intensive training and motivation program to teach the communities to manage their health and sanitation needs on a sustainable basis.

During WaterPartners' partner organization search in India, staff evaluated a water and sanitation project in an urban slum near Tiruchirapalli, India. There they saw a "child-friendly toilet" or CFT.

The CFT was a series of concrete squat toilets (with smaller, child-size holes). The toilets were open (there were no walls separating them), making it more fun for the children, who can talk to their friends while using the toilet instead of being in a small, dark enclosure. The CFTs had a long wall on one side, which was colorfully painted with animals. The innovation of a local woman, the CFTs were well-used and maintained by the community.



A sign painted on the wall of a latrine in Karruvattu Pettai, India, shows proper hygiene practices.



A close-up of a child-friendly toilet in an urban slum in India.



Maria Catalina Diaz, of Santa Rosita, Honduras. Her house has an indoor latrine and shower.



Latrines built at a school in Belen, Guatemala.

Donors

Major Donors

Businesses

Camp Dresser & McKee
Dorsey Real Estate, Inc.
EBARA Corporation
Gold Bank
KTTR Services
Liberty Hospital
Microsoft
Northwest Hydraulic Consultants
Pfizer, Inc.
State Street
Tim Presko Insurance Agency
Triad Construction Co, Inc.
West End Wine Bar

Foundations

The ClearWater Project
Fredy Rosenbaum Foundation
Greater K.C. Community Foundation
Jewish Foundation of Metropolitan
Chicago
Kiwanis International Foundation

Kiwanis International Foundation Triangle Community Foundation Vanguard Public Foundation

Organizations

Diocese of Kansas City - St Joseph Orange Water and Sewer Authority St. Bernadette Parish St. John Lutheran School

St. Joseph Society and Table

St. Patrick Nottingham Society

St. Thomas More Newman Center Catholic Church Tokyo Union Church Water for People

Individuals

Marjorie & Michael Alhadeff Peter Benson Plez & Nancy Bradley Arden Bricker Iim & Paula Burger Kevin & Mary Beth Callahan Dan & Terri Caplan Dan & Colleen Cashen Jamie & Sue Colbourne Ieffrey & Rebecca Cook Jan & Susan Creidenberg John & Elsie Crossman Vicki Davis Francis & Jeanmarie De Roos Clarence & Marie Delforge Francis & Ann DiGiano Iim & Laura Doherty David D'Souza & Linda Floyd Avis Durgan & Jeffrey Stephenson Dwight Elving Thomas & Michelle Franey Roger Giesecke & Mary Pigott William & Jean Glaze Dean & Gretchen Gregory Jeffrey & Paige Hansen Karen & David Harper Iim & Andrea Harrington Brian Hartnett Charles Helpingstine Peter Helsell

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Gary & Becky White

Anonymous Donors

Steve & Cindy Hileman

Sixth graders give the gift of water

For the past two years, Starr Klube's sixth-grade class at Sunrise Elementary in Redmond, Wash., gave something that will change lives — the gift of water.

Every year, parents face the challenge — what to buy for their child's teacher? Teachers also must find a way to use the gifts. A year ago Klube thought of a way to channel all that good will toward a good cause. "I found out about WaterPartners from a parent of one of my students, and thought that helping people get safe water would be a great lesson for my students," she said.

Seattle resident Marla Smith-Nilson, WaterPartners co-founder and director of international programs, talked to Klube's class about WaterPartners' projects. Then Klube organized the students and parents to donate to WaterPartners instead of buying her presents.

Donors

Sustaining Donors

Water Partners is honored to give special recognition to our Sustaining Donors, who pledged their continuing support in 2001.

Kathryn, John & Carol Abbott Demilt & Denise Aitken Terry Anderson Paul & Amber Angel Ralph & Sandra Angel William & Ellen Archer Celso & Mary Arredondo Donna Baird Shankha & Zarrine Banerji Anthony & Pamela Barulich Larry & Sheila Benninger Lois & George Beres Steven Berkowitz & Johanna Norman Harry & Sylvia Bingham Patricia Bishop Judy Bock & Glenn Brinley Ioe Bock & Sue Lyke Iim & Dorothy Bock Eleanor Braddock Wilfred & Esther Brandt Deanna Braun Sam Brooks Harold & Cherie Brown Mary Bryant & Carlos Corredor Brenan Buckley Mary Bulman-Griggs & Joe Griggs Joe & Nancy Burford Ann Burruss & Michael Waldon Walter & Mary Cason Chandler Design-Build Constance Chubb Mary Ann & Charles Coatney Doris Colberg Phillip Connor Asta Crowe Beth & Frank Cunningham Mike & Tracy Daly Kathleen Daniel Io Daniels Ruth DeHolton Betty Derks Steve & Annie Downs Joanne Earp Connie Eble Virginia Elder Daniel Elliott & Jeanne Stahl Carmen & Dan Enciso-Steinberg Geni Eng

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John Graf
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Harold & Margaret Hanson
Robert Healy
Bill Heatherman



"From Water Springs Life." An entry in a children's art contest held in Kansas City.

Paula Hemmer Edward & Elaine Herman Irva Hertz-Picciotto & Henri Picciotto Kristin Herzog Mike & Sandra Hiesberger John Hill Larry & Lana Hillier Anna & Gorm Hilting Richard & Barbara Holloway William Holman David & Karen Holstein Kathryn Hood David & Pamela Hood John Hurst & Julie Alexander Donald Jones & Annie Smith-Jones Richard Kamens & Bobette Eckland Iohn & Millicent Kang Erin & Marc Keys Robert & Mary Kolenda Joseph & Melissa Kouba Abhijit Kulkarni Fred & Martha Lamar Deborah & Clinton Langley C. L. Lassiter Peggy Layne Shelley & Arnold Leder Jerry & Judy Lee Brad & Suzanne Lessler

Judith Lessler Joshua Levin Laura Lombardo Derek & Ginger Long **Jacob Lowenster** Anne & Chris Lutes Virginia Maag Duncan Mac Rae, Jr. & Jane Sharp Melissa Malkin-Weber & Andreas Michael & Martha Martin Barbara & Stan Martinkosky Crescencia Maurer John Mc Bride & Sarah Marsh Richard Mc Cov Pat & John Mc Glumphy Erin Mc Graw Tim Mc Nair Jenny Mc Nulty Greg Mc Pherson Wayne & Margaret Meirath Rose Mills & Jeff Collins Shane & Diane Moore Charles & Rose Morse Pam Moss Yoshi Murata & Mary Ward Chris & Diane Murdock Sara & Craig Murray Jack Murray Huy Nguyen John & Janet O'Connor Brian O'Grady Michael & Mary O'Malley Ruth O'Neill Ram & Carrie Oren Debbie & Jerry Organ William & Theresa Orrick David & Lesley Oswald Gary Pace & Deanna Osmond Daniel Pater Sam Perry & Alisa Bieber August Piening



Partner staff in front of PVC storage for a project in Honduras.

DONORS

Sustaining Donors Cont.

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Catherine Harbour

Vince Hill & Amy Lovvorn

Honeybaked Ham

Ivv's Jazz

Jimmy's Deli



Children inside the hallway of the public latrine in Karruvattu Pettai, India.

Richard & Heidi Johnston

Julia's Empanadas

KC Masterpiece

Kirsten's Cafe

Krispy Kreme

Jake Laufer, Musician-at-Large

Heather Lipin Acupuncture

Eric McErlain & emac consulting

Meissen's Catering

Mexicali Blues

Milano

Miller High-Life

Mt. Harmony Booth

Lvnn Miller

Minsky's

Missouri Wine Growers

Jeff Moeller

Sandy Nelson

NKC Beverage

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Rumors

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Dave Sarr

Sigma Lambda Gamma Sorority

Jennifer & Dann Sklarew

Kate Stratten

Stroud's

Swing Dance with Tom & Debra

Talking Rain

Tasty Thai

The American Restaurant The Big Chill

The Improv

The Left Bank Traditional Expressions of Art

Mary Tribble

Las Tunas Restaurant

Washington Improv Theater

Charlene Wilson, Dance Instructor

Wrapworks

X and O

Revenue Nearly Doubles in One Year

uring the 2001 calendar year, WaterPartners raised almost \$500,000 — nearly double the revenue raised during calendar year 2000. During the past seven years, WaterPartners' annual revenue has grown on average more than 50 percent each year.

Our partnerships with the Clearwater Project and the NetAid Foundation were important to our growth in 2001. However, as always, the single largest source of support for WaterPartners was individual donors.

Most individual donors give through Water for Life events around the country. We greatly appreciate the support of donors who have been attending Water for Life events since 1990.

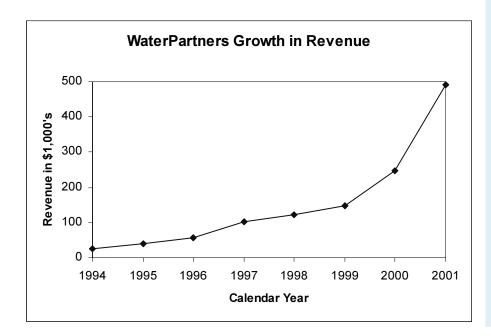
In 2001 WaterPartners' sources of support continued to diversify. We received donations online, from the Gift of Water program at Christmas, gifts in honor of weddings and birthdays and corporations matching the donations of individual contributors.



Executive Director Gary White presents a Water for Life banner to beneficiaries in Candelaria, Honduras.

During 2001, WaterPartners International received matching funds from corporations including Cisco, Microsoft, Compaq, Mobil and Glaxo Smith Kline.

An international organization in scope, WaterPartners is now becoming an even more nationally-supported nonprofit. Contributors in 25 states across the U.S. — from Florida to Vermont to Hawaii — made donations to WaterPartners through workplace giving programs such as the Combined Federal Campaign or state campaigns.



Percent of Expenditures to Program Support

WaterPartners has always been dedicated to careful stewardship of the resources that are entrusted to us. Our ultimate goal is to allocate 90 percent of our expenditures to program support and 10 percent for administration and fundraising. Because of economies of scale, to reach this goal we will need to have revenue of at least five million dollars each year.

In the meantime, we continue to meet or exceed the goal of 75 percent of expenditures for program services. In fiscal year 2001 we achieved 76 percent.

To put this in perspective, the Better Business Bureau Wise Giving Alliance recommends that this figure be at least 50 percent. The American Institute of Philanthropy recommends at least 60 percent.

Investing some of our funds in administration and fundraising has allowed us to have a phenomenal revenue growth rate.

From 1990 to 1996 we grew from \$4,000 in annual revenue to about \$50,000. We then began partially compensating staff and spending more on administration and fundraising. From 1996 to 2001, our revenue grew from \$50,000 to nearly \$500,000.

WaterPartners continues to grow, hiring new staff, working in new countries and responding to the opportunities opening before us. As the organization grows, we will continue to be good stewards of our donors' contributions.

INDEPENDENT AUDITOR'S REPORT

Board of Directors WATERPARTNERS INTERNATIONAL, INC.

We have audited the accompanying statements of assets, liabilities, and net assets-cash basis, of WaterPartners International (a non-profit organization) as of September 30, 2001, and the related statements of support, revenues, and expenses-cash basis and functional expenses-cash basis for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WaterPartners International as of September 30, 2001, and the results of its operations and cash flows for the year then ended, in conformity with generally accepted accounting principles.

Howe & Associates, PC Certified Public Accountants Columbia, Missouri January 30, 2001

Financial Statement Fiscal Year Ended September 30, 2001	
SUPPORT AND OTHER INCOME Direct Public Support Foundation Grants Consulting Income Interest Income Gain/(Loss) on Donated Investments Other Income	\$197,643 120,895 79,750 461 (59) 1,881
TOTAL SUPPORT AND OTHER INCOME	400,571
EXPENSES Program Services Management & General Fundraising	\$353,143 33,538 16,514
TOTAL EXPENSES	403,195
CHANGE IN NET ASSETS NET ASSETS, BEGINNING OF YEAR	(2,624) 10,180
NET ASSETS, END OF YEAR	\$ 7,556

This statement is not complete without the auditors' notes. The complete statement is available from WaterPartners.

OFFICERS, ADVISORY COMMITTEE, AND STAFF

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Director, Outcomes Research
Pharmacia Corporation
Shibuya-Ku, Japan

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George William Sherk, J.D. Attorney at Law Washington, D.C.

Marla Smith-Nilson, M.S., P.E. Director of International Programs and Co-Founder WaterPartners International Seattle, Washington

Darryl Swenson Retired Investment Advisor Seattle, Washington

Gary White, M.S., P.E. Executive Director and Co-Founder WaterPartners International Columbia, Missouri

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Chapel Hill, North Carolina

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Professor of Water Resources
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Chapel Hill, North Carolina

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Sciences and Engineering (joint
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University of North Carolina
Chapel Hill, North Carolina

Staff

Gary White
Executive Director

Marla Smith-Nilson Director of International Programs

David Sarr Financial Manager

Susan Davis
Director of Development

Erin Keys
Donor Services Coordinator

Martha Brendel Outreach Coordinator

Tracy Jackson Web Site Administrator WaterPartners International depends on contributions to carry out its essential work in the developing world and its educational mission in the United States. Gifts to WaterPartners support community water projects in developing countries.

Please remember WaterPartners in your will, matching gifts at work, and United Way campaigns.

Even if WaterPartners is not listed, many workplace giving campaigns allow you to write in our name.

To make a contribution or for more information about gift options, please contact:

Donor Services
WaterPartners International
P.O. Box 654
Columbia, MO 65205-0654
phone 573.447.2222
fax 573.447.2221
email info@water.org
Web site: www.water.org

WaterPartners International is a registered 501(c)(3) nonprofit organization. Gifts are tax deductible to the extent provided by the law.

