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Donor Impact Protocol | Procedure

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I. Procedure Overview

Purpose of Procedure

Water.org reports to donors with accuracy and transparency. This protocol articulates how to report impact to donors for:

- Unrestricted funding
- Undesignated funding
- Flexible, philanthropic pooled funds thematic purposes or geographies
- Lightly restricted funds
- Highly restricted funds
- Graduated partners
- Systems impact

These guidelines ensure consistency in how Water.org forecasts and reports to donors the impact of their philanthropic support. It sets forth definitions for each type of fund, tools for estimating impact when impact is not directly attributed to a donor, and recommended messaging for each type of funding category, ensuring that reporting and messaging accurately communicates whether the donor is solely responsible for the impact vs contributed.

This document should be read and reviewed in conjunction with the [Revenue Classification Matrix](#).

II. Procedure

The following table summarizes the impact reporting protocol. The amounts and costs per person are meant to incentivize unrestricted, undesignated, and flexible funding donations over restricted donations. To estimate these figures, we take into consideration the country and regional average costs per person and the organization's strategy for future growth and development.

Although some countries, regions, or interventions may have a cost per person less than the amount specified in the table, the more conservative figures will enable Water.org to cover costs associated with:

- Innovating new models
- Identifying and onboarding new partners
- Funding Business Development, Global Impact Operations, and Insights teams
- Essential expenses, such as administration and overhead
- Organizational growth and capacity building

When choosing what to include in restricted grant proposals, Global Impact is encouraged to prioritize pilots, new interventions, pipeline development, or interventions with higher costs per person.

Table 1: Donor Impact Protocol Summary

	Unrestricted and/or Undesignated	Pooled Funds	Restricted
Minimum gift amount accepted	\$0 (UNR) / \$5000 (UND)	\$5,000	\$150,000
Minimum amount required for reporting ¹	\$25,000	\$25,000	\$150,000
How is the cost per person calculated?	Uses our global cost per person of \$5 . Should always be lowest CPP messaged to incentivize unrestricted funds.	Use cost per person based on country or region impact. Cannot be less than \$7 ² per person in any country or region.	Based on total grant expenditures divided by impact from the specific interventions funded. The CPP should be greater than \$7 in proposals. Prioritize pilots and new partnerships to drive higher CPP.
How do I calculate impact (people reached, # of loans, capital mobilized)?	Donation amount gifted to Water.org divided by global cost per person \$5	Grant amount disbursed to Water.org divided by country/regional/fund cost per person	Use impact from interventions funded directly by the donor
How do I report impact (people reached, # of loans, capital mobilized) from	Automatically included in the above	Included in CPP calculation. CPP should not be messaged below \$7 per person to prevent unrealistic or too low cost per person	Message graduated impact separately from active partners.

graduated partners?	and to incentivize unrestricted gifts.	<ul style="list-style-type: none"> - Emphasize that the donor <i>contributed</i> to the total impact and is not solely responsible. - Report the total impact of the graduated partners during the restricted time frame. DO NOT try to allocate a specific portion of impact to the donor.
Can the impact be attributed solely to the donor?	No, they <i>contribute</i> along with other donors	Mostly yes, some exceptions

1. Unrestricted Funding

Gifts are considered unrestricted when the donor agreement or associated communication (i.e., memo line in the check) does not contain language:

- Stipulating that the gift must be used for a specific partner, intervention, programmatic theme (i.e., Water + Climate), or geography (country/region)
- Stipulating that the funds be expended by a particular date
- Regarding the right of return

Unrestricted funds are not designated for any particular purpose and can be allocated as needed at Water.org's discretion. These types of funds are highly desirable. Unrestricted donations can range from very small to millions of USD.

1.1 Reporting Impact

Unrestricted donations to Water.org are not tracked. As a result, we do not know when, where, or how the donor's funds were specifically directed. As a result, we can only *estimate* impact at a global level.

Estimated global impact can be forecasted and reported to donors based on our [global cost per person of \\$5](#). Staff can use the [Donor Impact Estimator tool](#) (see the "UNR UND – forecast" tab) to estimate the impact of unrestricted donations, including people reached, number of loans, and capital mobilized. The cost per person takes into account direct and collaborative interventions, including impact reported by graduated partners. This tab also contains examples of organizational metrics that can be shared with the donor.

1.2 Impact time period implications

Because we do not track unrestricted gifts, we can only ESTIMATE when the funds have been spent and the associated impact that has occurred. Staff can use the [Donor Impact Estimator tool](#) time period guidance on the Unrestricted – Forecast tab to determine the minimum amount of time for the organization to expend funds to result in impact.

Double reporting is when the same impact is reported to more than one donor and implies that they alone are responsible for that impact. It is an organizational hazard and should be avoided.

Staff should also check with the Senior Finance Lead, Program Operations on the Finance Team to confirm whether enough time has passed to have fully spent unrestricted funds. Note that fundraisers have discretion when to prompt unrestricted donors for additional donations, regardless of the amount of time that has passed.

When UNR donations are less than \$ \$1.4 million, the time period is not relevant as Water.org's unrestricted expenditures are approximately \$1.4 million per month.³

1.3 Donor reporting implications

As long as Water.org is reporting global efforts at large, there are no implications for double reporting the same impact to more than one donor to consider with unrestricted donations. This is because the unrestricted donor is contributing to Water.org's efforts as a whole and we are not attributing specific impact to them.

1.4 Messaging

Our messaging matters in how we communicate impact to unrestricted donors. They are supporting the organization as a whole and *contributing* to the impact that Water.org is making at large.

Marketing has created messaging to be used for the general Water.org donation, see page 3 of our [global cost per person of \\$5](#).

Do's - It's very important that we use language that highlights that the donor *contributed* to the impact and is not solely responsible for it.

Examples:

- With a gift of \$5 million, you can **help** change the lives of 1 million people with access to safe water or sanitation.
- Between January 1, XXXX - December 31, XXXX, Blank Foundation's support for Water.org **helped** reach X,000 people with lasting household water and sanitation solutions in countries **including** Mexico, India, Indonesia, and Bangladesh.
- With your donation of \$2 million, you **helped** Water.org reach 400,000 people and supported exciting innovations **like** our early climate change efforts.
- Your donation enables Water.org to work with sector and government partners to create system changes that catalyze more water and sanitation financing **such as** x, y, z.
- Your support has **helped** fund critical Water.org efforts **such as** our financial institution team which innovates faster, more cost-effective models to improve WSS access.
- Your support has **aided** in the development of Water.org's infrastructure strategy, enabling us to provide technical assistance to water utilities to professionalize their operations and better serve customers.

Do not use language implying unrestricted gifts are solely responsible for specific impact by geography, partners, or interventions⁴. Examples of what to avoid:

- Your donation of \$100,000 will help reach 20,000 people in Brazil with access to safe water.
 - We cannot say this because we are unable to account that their funding directly supported our programs in Brazil.
- With your gift of \$2 million, you enabled 88,000 loans through the Bangladesh WaterCredit program.
 - We cannot say this because we are unable to account that their funding directly supported our Bangladesh WaterCredit programs.

- This runs the risk of double reporting the same impact to more than one donor if the programming in Bangladesh was funded by a restricted grant.
- Thanks to your donation, we worked with the government of India and our India partner organizations to include water and sanitation lending as a priority lending sector.
 - We cannot say this because it's too specific and has already been attributed to a donor who funded these efforts with a restricted grant. This would result in double reporting.

Donors of unrestricted gifts to Water.org may ask for stories or images of people who benefit from Water.org's work. Stories and photos from the Marketing department may be shared with the donor. Messaging alongside the stories and photos should not indicate that the donor's gift directly impacted that individual/family. Instead, the messaging should reflect that the donation helps individuals/families *like* those featured.

2. Restricted Funding Types

Water.org also receives funding that is considered restricted based on language in the donor agreement or other accompanying communications such as the memo line in a check. Any gift that has one or more of the following criteria in the donor agreement or accompanying communication is considered restricted:

- Language stipulating how the gift must be utilized (purpose of gift).⁵ This includes the following:
 - Restricting the gift's usage to specific partners or interventions
 - Restricting the gift's usage to specific programmatic types (example infrastructure) or themes (example Water + Climate).
 - Restricting the gift's usage to specific sets of people, specific countries, or geographic regions.
- Language in the signed agreement that stipulates the funds must be spent over a specific period of time (time limit for the gift to be encumbered or expended) and/or grant or project periods also indicating that the funds must be fully expended by a certain date. This does *not* include expected impact timelines or timelines indicating when gift tranches will be made to Water.org.
- The agreement includes reference to the right of return of the gift.

Given that the restrictions on how the funds may be used can range from relaxed to quite stringent, Water.org has developed five categories for the restricted funds:

- Undesignated funds
- Thematic pooled philanthropic funds
- Geographic philanthropic pooled funds
- Lightly restricted funds
- Highly restricted funds

3. Restricted: Undesignated Funding

Occasionally Water.org will receive gifts that the donor has NOT designated for any particular partner, program, theme or purpose, similar to unrestricted gifts. However, the grant agreement may contain language indicating that the funds must be spent by a particular date or include language regarding the right of return. These funds are technically considered restricted, but are undesignated and can still be used at Water.org's discretion.

Each undesignated grant is assigned a unique grant code to enable tracking of expenditures for that grant.

At the end of March and end of September each year, the Finance team will review the total amount of undesignated grant funds received in the last six months both at an aggregated level and disaggregated by specific grants. Journal entries will then be passed by the Accounting team to expense off these undesignated grants, charging personnel expenses previously allocated to unrestricted revenue to the undesignated grants. This supports Water.org's overall mission and ensures that that we are able to report to the donor when and how their funds were spent.

Minimum gift size accepted: It is recommended that the minimum gift size accepted by at least \$5000 given the additional administrative work required to track the funds.

Minimum gift size for reporting: It is recommended that undesignated gifts be at least \$25,000 if the donor requires reporting.

3.1 Reporting Impact

Undesignated funds function essentially the same as unrestricted funds, supporting functions that enable Water.org general mission. As a result, the impact from the funds is estimated the same way impact from unrestricted funds is estimated. The impact from undesignated funds can be forecasted and reported to donors based on our [global cost per person of \\$5](#). Staff can use the [Donor Impact Estimator tool](#) (see the "UNR/UND – forecast" tab) to estimate the impact of these donations, including people reached, number of loans, capital mobilized.

3.2 Impact time period implications

Because the undesignated funds are tracked at the grant level, we *can* determine when the funds are fully expended. Check with the Senior Finance Lead, Program Operations to confirm whether the funds have been fully expended. It is important to keep in mind that Water.org updates journal entries every six months, and some undesignated funds may not be fully expended until the journal entries are updated. In cases where the funds must be expended in less than six months, the Strategic Development team should notify the Finance team so that they can initiate the updated journal entries in a timely manner.

3.3 Double reporting implications

As long as Water.org is reporting global efforts at large, there are no implications for double reporting to consider because the donor is contributing to Water.org's efforts as a whole and we are not attributing specific impact to them.

3.4 Messaging

The same guidance set forth for communicating completely unrestricted gifts' impact should be followed for communicating restricted but undesignated gifts' impact.

4. Flexible: Thematic Pooled Philanthropic Funds

Thematic pooled philanthropic funding is funding from a donor that can be used at Water.org's discretion in support of designated themes. Examples of themes include the Water and Climate Philanthropic Fund or Water.org's emerging Water and Women Philanthropic Fund. The management of the fund, and the specific activities supported by the fund, is left to the discretion of the fund managers and may vary on a case by case basis. Thematic pooled funding is tracked at the fund level and not the grant/gift level.

Minimum gift size accepted: It is recommended that the gift be at least \$5,000 given the additional administrative work associated with restrictions.

Minimum gift size for reporting: In order to receive reporting, gifts to thematic pooled funds should be greater than \$25,000. However, it is up to the Strategic Development team's discretion to accept smaller flexible fund gifts if they believe it is strategic to do so.

4.1 Reporting Impact

Because thematic pooled funds' spending is tracked at the fund level, it is not possible to link donor's funds with specific activities and impact. Impact reporting for each philanthropic thematic fund will be determined on a case by case basis. It is important that guidelines on how to report impact are determined early in the life of the philanthropic fund.

Examples of how to report impact include, but are not limited to:

- Estimating the number of people within the targeted demographic (e.g. girls and women, children) based on the total number of people reached and census data. For example, a gender themed fund may take into consideration the total number of people impacted by the fund and estimate the number of girls and women who benefited.
- Ongoing funds: Collectively reporting the total number of people impacted within a specific time period (e.g. every calendar year) to all fund donors, messaging that all donors *contributed to or helped* reach the total number of people impacted that year.
- Time-limited funds with a specific end date: At the close of a time-limited pooled fund, prorating the impact based on the size of each contributor's donation to the fund. This should only be done at the close of a fund after all funds have been spent.

4.2 Impact time period implications

Each thematic pooled fund's average monthly burn rate should be taken into consideration when communicating to donors whether their gift has likely been fully expended. Staff should check with the Sr. Finance Lead, Program Operations to determine the average monthly burn rate for thematic funds to identify the minimum period of time required to expend funds. However, it is left to the Strategic Development team's discretion if they wish to solicit additional donations before the initial grants are fully expended.

4.3 Double reporting

As long as impact from thematic funds is **ONLY** reported to donors to those funds, there is no risk of reporting the same impact to multiple donors.

4.4 Messaging

Reporting should always note that the donor is *contributing to* or *helping* the thematic fund's overall impact, including thematic fund management costs.

Do: When reporting on these indicators, it is important to include language highlighting how the donation **contributed** to or is **helping** impact, rather than being solely responsible for it. Examples:

- With a gift of \$5 million, **you and other donors to our Water and Climate Philanthropic Fund** can **help** pilot innovative water and sanitation solutions in the face of climate change.
 - “Other donors to the Water and Climate Fund” indicates that it is a collective effort.
 - “Helped” indicates that the donor is not solely responsible for the impact.
- Your donation of \$1 million **contributed to** water saving initiatives like our work in Indonesia...
 - “Contributed to” indicates that the donor is not solely responsible.
 - “Like our” indicates that the work in Indonesia is an example of the work funded.
- Your donation to Water.org's Water and Climate Fund will support critical activities **including** exploring ways that financing can address pressing climate issues.
 - “Including” indicates that these activities are examples of Water.org's work, but not necessarily the specific activities linked to the donation.
- Your donation to Water.org's Water and Women Philanthropic Fund has supported important work **such as** marketing studies to develop financial products targeting the needs of girls and women.
 - “Such as” indicates that the market study is an example of the work being funded.

Never use language that implies that the donor's funds are solely responsible for specific impact including geography, partners, or interventions. Examples:

- With your gift of \$2 million, 88,000 people in Jakarta have better water service.
 - We cannot say this because we are unable to account that their funding directly supported Water.org's intervention in Jakarta.
- Your donation has provided an estimated 1.4 million liters of water per year in the Ganga River basin.
 - We cannot say this because we cannot link their specific funds with this specific outcome.

If a philanthropic thematic fund has a close date, it may be possible to prorate impact to donors based on the size of their gift compared to the total fund size and taking into consideration the fund's total impact. This can only be done if the fund has a close date. Prorating impact will be decided on a fund-by-fund basis, and it's important to note that this is an estimate.

- A thematic fund worth \$25 million reached 1 million people. This is approximately \$25 per person reached. A donor donated \$1 million to the fund. At the close of the grant, it can be messaged:
 - Your \$1 million donation to Water.org's Water and Climate Fund helped empower an estimated 40,000 people with climate smart water and sanitation solutions.

5. Flexible: Geographic Pooled Funds

Geographical pooled funds are gifts that are designated to support Water.org's work in a particular country or region. Water.org directs these funds to first cover personnel and overheads costs in the country/region. If the pooled funds exceed personnel and overhead costs, then they can be directed to specific projects in the region/country via an IFR process.

Minimum gift size accepted: It is recommended that the minimum gift size accepted be \$5000 [based on Marketing's recommendations](#).

Minimum gift size for reporting: Typically, donations restricted to the country/regional pooled funds should be greater than \$25,000 in order to receive reporting. However, it is up to the fundraising team's discretion if they believe it is strategic to accept smaller flexible fund gifts

5.1 Reporting Impact

It is not possible to link funds with specific activities and impact. Because Water.org does not know when, where, and how the donor's funds are used, we can only estimate impact at the country or regional level based on historical expenditures and impact numbers.

Estimated impact from donations to the country/regional pooled funds can be forecasted and reported to donors using the [Donor Impact Estimator tool](#) (see "Flexible Funding Forecast" tab). The tool uses the cost per person reached at the country and/or regional levels to estimate the impact of the donation.

As with thematic pooled funds, Water.org cannot link the country/regional gifts to specific results. Therefore Water.org will only report on country or regional level indicators, top level programmatic efforts, and universal impact stories from Marketing. See the [Donor Impact Estimator tool](#) for specific examples.

5.2 Impact time period implications

For amounts larger than \$56,000, it is important to take into consideration whether enough time has passed for Water.org to have likely spent the funds and for the funds to have resulted in people reached. Staff can use the [Donor Impact Estimator tool](#) time period guidance on the Flexible Forecast tab (see Row 10) to determine the minimum amount of time for the organization to expend funds to result in impact.

5.3 Double reporting

Because the country/regional funds are designated for countries or regions where activities and interventions may already be funded by restricted grants, it is important to avoid:

- Implying that the pooled philanthropic funds are solely responsible for funding the activity and impact reported.
- Reporting that country/regional funds were spent on activities that were 100% covered by restricted grants and attributed to another donor.

This avoids inadvertently attributing the same activities and impact to more than one donor and implying that they alone are responsible for that impact.

5.4 Messaging

Reporting should always note that the donor is *contributing to* or *helping* impact in the designated geography. Their donations are supporting Water.org's work at large in the country or region, including covering personnel, overhead, and administrative costs.

Do: When reporting on these indicators, it is important to include language highlighting how the donation **contributed** to or **helped** impact, rather than being solely responsible for it. Examples:

- With a gift of \$5 million, you can **help** change the lives of 714,285 people with access to safe water or sanitation in India.
- Your donation of \$1 million **helped** fund Water.org's efforts in Kenya, changing the lives of 67,340 people with access to safe water and improved sanitation.
 - "Helped" indicates that the donor is not solely responsible. Mention of Kenya reflects the donor's restriction to a particular country.

Do not use language that implies that the donor's funds are solely responsible for specific impact including geography, partners, or interventions. Examples:

- With your gift of \$2 million, you enabled 88,000 loans through Water.org's partner BURO in Bangladesh.
 - We cannot say this because we are unable to account that their funding directly supported Water.org's intervention with BURO.
- Your donation provided an estimated 1.4 million liters of water per year in the Ganga River basin.
 - We cannot say this because it's *too* geographically specific. We do not know if the donor's fund were used to support the intervention serving the Ganga River basin.

6. Lightly Restricted Funding

Lightly restricted funding is when a donor desires direct impact from their grant, but they leave it to Water.org's discretion to fund a particular partner or intervention. In many cases, Water.org has the ability and flexibility to change interventions or partners funded without permission or pre-approval from the donor. Water.org may combine their gift with other funding in order to cover partner or intervention costs.

Minimum gift size accepted: *It is recommended that gifts be at least \$150,000 if they are lightly restricted. This takes into consideration the time spent managing the gift.*

Minimum gift size for reporting: *It is recommended that gifts be greater than \$150,000 in order to receive reporting. However, it is up to the Strategic Development and Global Impact team's discretion to accept smaller flexible fund gifts if they believe it is strategic to do so.*

6.1 Reporting Impact

Because donors desire direct linkages between their gift and the program or activities funded and resulting impact, we can directly attribute the impact from their gift to the donor.

- **Single donor:** If a donor is the only source of funding for an intervention or activity, 100% of the impact can be attributed directly to that donor.
- **Co-funding:** In cases where a donor is the sole funder, the total impact from the intervention during the time period funded by the donor can be directly attributed to the donor. In cases where more than one donor funds an intervention at the same time, impact can be proportionally attributed to the donors based on portion of expenditures each donor covered during the specified time frame. When interventions are co-funded, the intervention page in the WaterPortal should be updated to reflect the portion and period funded by each donor. The WaterPortal will then allocate impact to the donor based on the amount and time they funded. This ensures we do not report the same impact to multiple donors. Impact reported to a donor should be the result of expenditures covered by that donor.

In general, we should avoid moving interventions from restricted grant to restricted grant for the sole purpose of meeting donor targets. When a single intervention "grant hops" among multiple donors, an unintended "pooled fund" organically occurs. While we can calculate a donor's direct impact based on the time period covered, one might also strongly argue that impact would not have occurred if it had not been for other donors who previously funded the intervention.

6.2 Messaging

See Highly Restricted messaging guidelines below.

7. Highly Restricted Funding

Highly restricted funding is funding from a donor that must be spent according to deliverables (e.g., activities or impact targets) listed within a proposal, grant agreement and/or budget approved by a donor. These proposal deliverables and/or budgets are governed by formal grant agreements. Changes in how the funds are spent often require pre-approval by the donor. The budgets, proposals and grant agreements indicate specific activities, partners, or interventions on which the funds must be spent.

Minimum award amount accepted: It is recommended that the gift size for highly restricted grants be at least \$250,000. This takes into account the administrative costs associated with managing the grant, as well as the fact that the funds are so restricted in their use.

Minimum award amount for reporting: It is recommended that the minimum amount for restricted grants be \$250,000.

7.1 Reporting Impact

Because restricted funds can only be spent on specific activities and/or interventions agreed upon by the donor, we can directly link the donor's funds to the resulting impact. As a result, we can attribute the impact solely to the donor. In some cases, interventions may be co-funded by multiple donors, please see the Co-funding and double reporting section below for details on how to attribute impact to more than one donor who provided restricted funds.

When an intervention is moved from one donor to another, the reported impact should continue to be attributed to the first donor until the partner expends any funding from the initial donor. Example: Water.org sends Partner X an advance of \$100,000 to support the upcoming quarter. Impact from that quarter should be reported to the donor that funded the advance. The impact could be partially allocated to another donor if that new donor covers technical assistance or any new funding provided to the partner.

Forecasted impact is calculated in the Water.org proposal budget template which links the donor's restricted funds to specific activities and partners. The cost per person in proposals for restricted funds should never be messaged as less than country/regional cost per person estimated for geographic pooled funds unless it is deemed strategic to do so. This helps incentivize unrestricted and flexible gifts over restricted gifts. It also ensures that Water.org has a buffer if interventions do not reach the intended number of people. Once interventions are under way, the WaterPortal is used to capture impact from those interventions funded by the restricted funds and reported to the donor.

Please refer to the [Impact Guidelines](#) for further guidance on impact we regularly report to donors and what additional impact can be reported based on the donors' specific interest.

7.2 Co-funding and Double reporting

Without prior approval from all donors involved, Water.org should never imply that multiple donors are each solely responsible for the same activities and impact.

Sometimes funds from more than one source are combined to cover activities or a single intervention. The following protocol should be used to avoid attributing the same impact to multiple donors.

A single donor covers 100% of an intervention: You can attribute 100% of the impact from the intervention to that donor.

- *Co-funding:* Multiple donors make restricted grants to share the cost of an intervention. Once the intervention begins, the intervention page in the WaterPortal should be updated to reflect the portion and period funded by each donor. The WaterPortal will then allocate impact to the donor based on the amount and time they funded. This ensures we do not report the same impact to multiple donors. Impact reported to a donor should be the result of expenditures covered by that donor.
 - *It is a risk when more than one donor funds the same intervention.* Every time a new donor is added to an intervention, it becomes more difficult to directly attribute impact to a specific donor. It is acceptable to have more than one donor fund a single intervention in order to cover intervention costs. However, we should avoid changing interventions from donor to donor in order merely to meet donor targets.
- *Restricted and unrestricted funds are combined:* In cases where the donor's restricted funds do not cover the full costs of an activity or intervention and the remaining costs are covered by Water.org, the intervention page can be updated to identify the specific time periods funded by the restricted funds. Impact during that time period can be directly attributed to the donor. Additionally, reports can note that the donor contributed to or helped reach the total impact resulting from the activities or intervention, but the donor is not solely responsible for the total impact.

7.4 Messaging

With both lightly and highly restricted funds, we can attribute specific activities and impact to the donors who provided the funds. Because we know when and how the funds were expended, we typically can provide greater reporting detail to the donor.

Do: Much of the time, we can report indicators and metrics specific to the interventions and activities the donor funded. Examples:

- With a gift of \$5 million, you will change the lives of 625,000 people with access to safe water or sanitation through our WaterCredit partners MAVIM in India and ASA in the Philippines.
- Your donation of \$1 million was used to pilot and scale WaterCredit programs in Kenya, changing the lives of 66,666 people with access to safe water and improved sanitation.
 - Language indicates that we know exactly how their funds were used and implies that they are solely responsible for the impact.
- Support from the ABC Foundation was used to develop training material for our local partner BURO. In turn, BURO educated 5,000 women on the importance of toilets.
 - This language reflects the specific activities funded by the donor.

Checklist for reporting impact from lightly and highly restricted funds.

- Make sure that we can directly tie the funds to activities that resulted in the impact that we are reporting to the donor. We are confident that that impact would not have resulted without the donor.

- Make sure the impact happened within the funding period.
- Make sure that that report does not double report the same impact to multiple donors who have not previously agreed to share the impact.

7.5 Graduated partners funded by restricted funds

Lightly and highly restricted funding can be used to fund activities for graduated partners. However, it is difficult to attribute graduated partner impact to restricted donors because that lending would have presumably occurred anyway because the partner has an active and pre-existing WSS portfolio.

If including impact from graduated partners in a donor proposal⁶, that impact is a separate indicator and should be messaged and tracked separately from impact that will be achieved through active partners. It should be noted that the donor will be contributing to Water.org's ongoing light-touch efforts to help our partners maintain their WSS portfolios.

Water.org does not collect detailed information from graduated partners and can only provide donors:

- the number and type of loans,
- number of people reached,
- and the amount of capital mobilized.

Additionally, Water.org does not conduct verification visits to ensure the loans were used for the right purpose. **Do not commit to providing loan details, household impact and/or verification data for graduated partners in proposals.**

If reporting impact from graduated partners as part of a lightly or highly restricted grant, **this impact should be reported as a separate indicator from impact resulting from active partners** funded by the same grant.

The graduated partner impact should always be messaged to the donor that they *contributed to it but are not solely responsible* for the graduated impact. This is because the partner already had a self-sustaining WSS portfolio supported by previous donors. When reporting impact, report the total graduated partner impact. Do not try to allocate a specific portion of the graduated partner's impact to the donor. This avoids double reporting and arbitrarily creating formulas to pro-rate impact that cannot be directly linked to a particular donor. Below is an example of how this can be messaged:

- Thanks to ABC Foundation's generous donation, 15,000 people in Bangladesh have improved access to water and/or sanitation through Water.org's active partnerships. Additionally, ABC's donation supported essential activities for our graduated partners helping them continue their water and sanitation lending. Your support contributed to an additional 2,000 people reached by our graduated partners and further strengthens years of impact.

7.6 Converting Restricted Funds to Unrestricted Funds

When grant deliverables for restricted grants are met, remaining funds should be converted to unrestricted (in the majority of cases) if the donor allows. When this occurs, reporting to the donor should adhere to the protocol set forth for unrestricted donations, if the donor requires reporting for converted funds.

7.7 Backdating Impact

In some cases, Water.org might utilize UNR funds to provide "bridgefunding" for interventions that have yet to secure pooled funding or restricted grants. These interventions that receive bridgefunding are typically considered strategic to continuing Water.org work in the country or sector. If agreed upon with donors, a restricted grant may "reinburse" Water.org for the already spent UNR funds that provided bridgefunding for the intervention. Impact may then be backdated and attributed to the donor based on the timeframe of the bridgefunding. This must be agreed upon in writing with the donor, and it is essential

that the donor impact allocation be set up correctly in the WaterPortal, as the impact dates may vary from the grant award dates.

8. Systems Impact

When restricted donors support system level interventions, the impact from the policy and practices changes can be attributed to the donor.

Systems change impact is captured via Outcome Harvesting and the above protocol should be followed when reporting attribution/contribution by donors based on the type of funding. Whenever possible, the potential reach of the outcome should be quantified using Sector Engagement's [System Change Worksheet](#). Quantified impact (people reached, capital mobilized) should be messaged and reported separately from our direct (level 1) and collaborative (level 2) impact numbers.

III. Procedure Oversight

Governance

The **Insights Department** is the owner of this procedure and is responsible for reviewing, implementing, amending, and making recommendations for updates or changes to these procedures in alignment with the business needs of Water.org.

IV. Additional Resources

Contact for Support

Heather Arney, Global Director of Insights Harney@water.org

V. Appendices

Appendix A | Examples of impact statistics that can be reported to donors

Potential key indicators. The table contains examples of indicators. Depending on the nature of the interventions, not all indicators can be reported to donors.

Water.org does not typically collect detailed loans reports for the following intervention types:

- Collaborative impact (L2) interventions such as work with apex institutions or service provider associations
- Graduated partners
- Technical assistance platform (TAP) financial institutions

For these interventions, Water.org can only provide donors the number and type of loans, number of people reached, and the amount of capital mobilized. **Do not commit to providing loan details, household impact and/or verification data for collaborative and/or graduated partners or Technical Assistance Platform partners in proposals.**

Indicator	Unrestricted	Flexible	Restricted
Number of people reached	Use WaterPortal global level stats	Use WaterPortal country or regional stats	Use WaterPortal grant dashboard
Number of children reached	Check with Insights	# of people reached in country/region times % of population 0-14	# of people reached via interventions times % of population 0-14
Amount of capital mobilized	Use WaterPortal global level stats	Use WaterPortal country or regional stats	Use WaterPortal grant dashboard
Number of loans	Use WaterPortal global level stats	Use WaterPortal country or regional stats	Use WaterPortal grant dashboard
Average loan amount	Use WaterPortal global level stats	Use WaterPortal country or regional stats	Use WaterPortal grant dashboard
Product type breakdown	Use global level stats	Use WaterPortal country or regional stats	Use WaterPortal grant dashboard
Volumetric benefit measurement	Use global level stats	Use country or regional stats	Use WaterPortal grant dashboard
Repayment rate*	Use global level stat	Use WaterPortal country or regional stats	Use WaterPortal grant dashboard
% of women borrowers*	Use global level stat	Use WaterPortal country or regional stats	Use WaterPortal grant dashboard
% of loans used for correct purpose and functioning*	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donor
Client satisfaction with loan experience*	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donor
Client satisfaction with improvement*	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donor
Changes in time*	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donorchange control

Changes in income*	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donor
Perceived changes in health*	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donor
Perceived changes in safety*	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donor
Women's empowerment*, **	Statistics from mWater global dashboard	Statistics from mWater regional or country dashboard	Statistics from mWater dashboards, filtered by donor
Research funded by the grant*	Report on research at large		Yes
Systems achievements*	At large	Unique to country/region, make sure the system achievement was not attributed to other specific donors	Funded by the grant

*Not available for all interventions

** Specific indicators in development