



Splash
Partnership
Opportunity

CHINA 2016-2020

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EXECUTIVE SUMMARY

Splash's goal is clear and audacious: providing safe water for every single orphanage in China. This project is 75% complete. The work that remains is specific and compelling. There is now a unique opportunity to close a gap in project funding while making a big impact in a way that truly lasts.

The scope is profound:

- 1,300 orphanages
- 1,250 cities
- 31 provinces
- 150,000 children

The partnerships are strong:

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

The solution is durable:

- Funding will help to ensure safe water for all 1,300 orphanages until 2020
- Funding will help to complete our goal of handing over the network of safe water operations to local ownership so as to ensure safe water flows far beyond 2020

The finish line is in sight:

- 8 years of in-country development has been established
- 75% of total funding has already been raised
- 75% of total work has already been completed
- By 2017, Splash can complete this project and report success publicly

We are seeking support to not only help us get to the finish line, but to ensure the safe water ecosystem built by Splash is strong enough to last for years to come. In this proposal we explain our role, your role, and the collective gains this partnership could make for China's most vulnerable children. Thank you for your consideration.

Together we can ensure safe water for every orphan in China for \$2.25 USD per child per year.



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 150,000 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 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 place where paying customers of restaurants and hotels can get clean water, it is hard to imagine that children living in neighboring orphanages cannot. But this is the reality in China. Orphanages need clean water. Not through an expensive new method or external model, but through known commercial solutions that exist in their own country.

What is needed is the support to leverage what's already accessible to some and make it available to all. The solution exists. We simply need to expand its benefit to those who need it most: children. And we must do so 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. Today, we have reached 75% of that goal, serving 100,000 children in 970 orphanages with safe drinking water in their baby bottles, sippy cups and big-kid 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.

But we still have work to do. Another 330 orphanages are in need of water filtration systems, and the filter systems Splash installed between 2008 and 2012 need to be upgraded with additional spare parts. These upgrades, which include 5 years of maintenance, additional parts and supplies, will ensure the 100,000 children being served today continue to have safe drinking water for years to come.

Splash's ambition is to complete all remaining installations, including the multi-year resupply of spare parts, by 2017, ultimately benefiting 1,300 orphanages and 150,000 children in China.

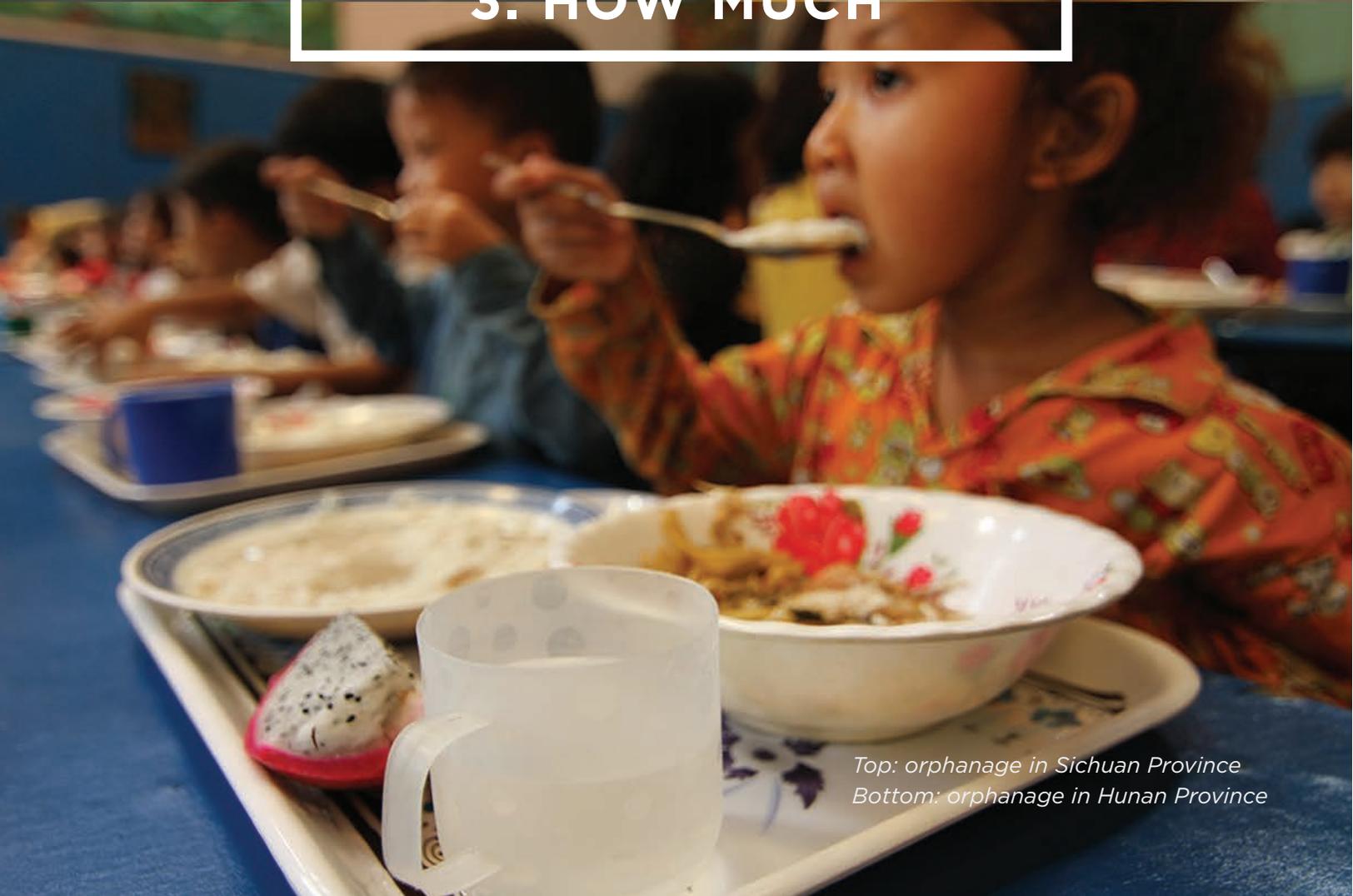
As we near 100% coverage in China, we are also focused on developing our sustainability strategy. To guarantee all orphanages will have reliable access to clean water for future generations of children, Splash's China operations ("Splash China") is developing a plan for attaining long-term financial independence. Built on third-party recommendations, Splash's sustainability plan transitions Splash China from an international philanthropic program to a self-sufficient, locally rooted entity that will sustain our impact long-term.

The Chinese government is demonstrating unprecedented commitment to improving the lives of marginalized children—calling upon Splash to solve one piece in this large and complex puzzle. Splash is working closely alongside the Chinese government to secure this highly valued solution.

Orphans in China need clean water now. Other efforts to provide quality care and services within orphanages will have relatively low impact if this basic human need—access to clean drinking water—is not secured first.



3. HOW MUCH



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

HOW MUCH

The total projected cost for Splash to reach 100% coverage of all orphanages in China and create a sustainability strategy for the future is \$1,748,000, of which we still need to raise \$1,132,000. The breakdown and description of all costs forecasted between 2016 and 2020 are provided below.

	2016	2017-2020	TOTAL	SECURED	NEED
WATER HARDWARE	\$189,000	—	\$189,000	\$48,000	\$141,000
SPARE PARTS	\$247,000	\$253,000	\$500,000	\$287,000	\$213,000
SERVICE & MAINTENANCE	\$12,000	\$88,000	\$100,000	\$13,000	\$87,000
MONITORING & EVALUATION	\$10,000	\$58,000	\$68,000	\$14,000	\$54,000
IN-COUNTRY PERSONNEL	\$102,000	\$426,000	\$528,000	\$120,000	\$408,000
DIRECT COSTS	\$38,000	\$83,000	\$121,000	\$43,000	\$78,000
INDIRECT COSTS	\$60,000	\$182,000	\$242,000	\$91,000	\$151,000
TOTAL	\$658,000	\$1,090,000	\$1,748,000	\$616,000	\$1,132,000

Budget Narrative

- **Water Hardware:** This includes the water filtration system that Splash purchases directly from the manufacturer. Larger filter systems are used at orphanages serving 100 children or more and cost approximately \$2,730. Smaller filter systems are used at orphanages that serve fewer than 100 children and cost approximately \$575.
- **Spare Parts:** Water filtration systems require regular maintenance and replacement of key parts. Splash will fulfill all parts requirements on annual or 5-year replacement cycles, based on product recommendations from the manufacturers.
- **Service & Maintenance:** Splash provides an average of 2-4 hours of service per year to each orphanage, depending on a number of factors. Each site receives at least one annual visit from Splash China to ensure the system is operating properly. At installation, orphanage staff is trained on basic repairs and troubleshooting. Splash's 24/7 maintenance hotline manages emergency service calls. Splash International is developing a web-based application through WeChat, a widely used communication service in China, to automate personalized check-ins and provide access to video tutorials and service instructions.
- **Monitoring & Evaluation:** Labor and travel costs related to monitoring water filtration systems, including routine water testing.
- **In-Country Personnel:** Work is currently supported by two in-country staff as well as contracted labor for all installation and maintenance. In the next few years, Splash China will add two staff to support project sites, a Business Manager and an IT/Service Specialist.
- **Direct Costs:** All other direct costs related to program implementation, including travel, office rent, information technology, in-country registration fees, and regular audits.
- **Indirect Costs:** Indirect costs incurred by Splash in order to implement this project.



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.

The Chinese Government is leading efforts to improve the quality of life for orphans – to the tune of one billion dollars. Thus, this water treatment effort is a far reaching complement to the hard work already in motion on behalf of orphans throughout China, and is also a bold, standalone initiative.

This is not a project in a silo, but an arm of a multi-year, multi-agency, and multilateral effort. Splash works directly with:

- The national Ministry of Civil Affairs (MOCA)
- All 31 Provincial Civil Affairs Bureaus (PCAB)
- The China Charity Federation (CCF)
- The China Association of Social Work (CASW)

“The Chinese Government had huge developments in child welfare in the past years, but with friends like Splash International we can promote further development of China’s care for vulnerable children.”

Mr. Xu Jianzhong

**Deputy General Director
Department of Social Welfare
Ministry of Civil Affairs**



5. WHO



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

WHO

Splash cleans water for kids. Our principal focus is water, sanitation and hygiene for children in urban contexts.

Since its founding in 2007, Splash has been a quickly-scaling charity, much admired for its rigor, accountability, and sustainability. Our 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 6 countries, serving more than 320,000 children every day with safe water—on track to serve more than 1,000,000 by 2020. In each country, we work closely with government officials to make sure the work is in close alignment with their goals. Splash takes great pride in hiring only local staff to build toward the mission of true local ownership.

Splash places immense value on ensuring the transparency of our work and maintaining an effective platform for sharing such information with external stakeholders. [It is these transparency practices that captured the attention of *The Chronicle of Philanthropy* when it selected Eric Stowe for their “[2014 People to Watch](#)” list.] Thus far, Splash has developed [Proving It](#)^{*}, an online platform tracking every project where we work. To date, data collection on Proving It has focused on programmatic outputs. Splash also collects data within specific country programs that provides concrete evidence demonstrating progress towards our overall program goals.

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

Splash currently has 65 staff members in seven countries, including the global headquarters in Seattle, WA. The Program team has substantial expertise in international water filtration, hygiene, behavior change, monitoring and evaluation, project management, business modeling, and governmental advocacy. You can see more on our incredible, and incredibly diverse, staff [here](#).

* All Splash’s work, from inception to present, is displayed on Proving It. All projects within this proposal would be equally tracked and display results over multiple years.



6. YOU



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

YOU

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

After eight years of in-country development, Splash's partnerships with the Chinese government and local stakeholders are strong and stable. The time to act is now. We are asking you to help secure the safe water ecosystem Splash has built in China—ensuring it will last for generations to come. This vision includes and engages the most critical stakeholders for success:

- The Chinese Government, through its national focus on children
- The Alwaleed Bin Talal Foundation, through its commitment to health, education and 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, we will be closer to our goal of **providing clean water to every single orphanage in the world's most populous country.** The world will notice.

When the unprecedented impact of Splash receives the international spotlight, this partnership will be crystal clear: You helped complete the funding to secure clean water in every orphanage in China.

