



QUARTER 3 – FY2009
REPORT TO THE BOARD OF DIRECTORS

October 2009

- **Highlights**
- **Financial Report**
- **Business Plan Milestones/ Metrics (Monitoring)**
- **Example of a Program Report (One for each major program)**
- **Member Services Report**
- **Finance, Operations, Development and IT Report**
- **Publication Tracking**
- **Staff Travel updates**

Highlights

Institutional:

During this quarter, SEEP hired a Director of Member Services. The new Director holds M.S. degrees in International Education and Development and in Latin America and Caribbean Studies from Florida International University, and B.A. degrees in International Studies and in Government from George Mason University. She has been active in the Greater Miami Chamber of Commerce, a Board member of the City of Miami Community Relations, United Way Miami Dade and the Commission on the Status of Women, and has been an event organizer for National Latino AIDS Awareness.

Learning Initiatives:

All the Youth Workforce Development PLP learning products were released, and the Senior Program Manager presented at the Making Cents Youth Enterprise Conference on the Youth Workforce Development PLP.

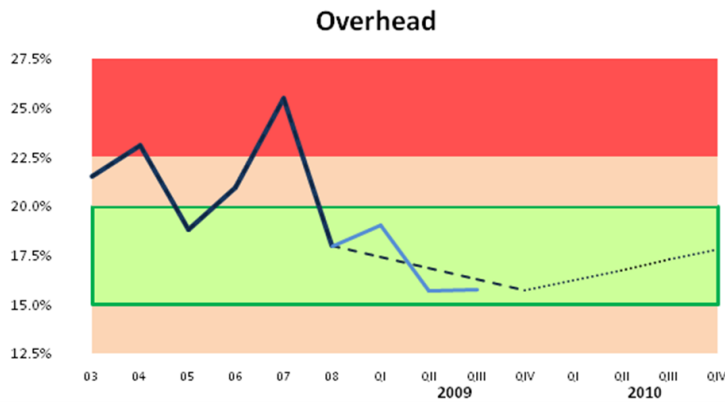
Working Groups:

All working groups are now migrated to the new SharePoint platform and are beginning to use it for product development and on-line events.

Financial Report

Operational Efficiency

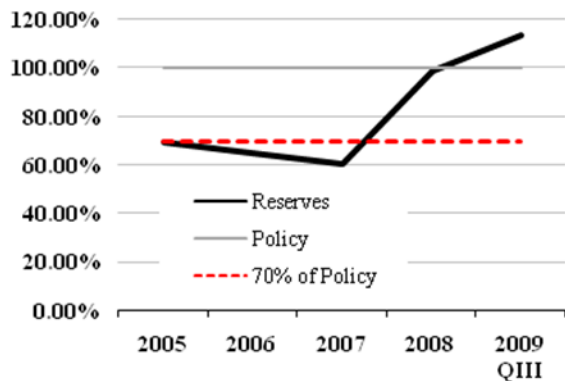
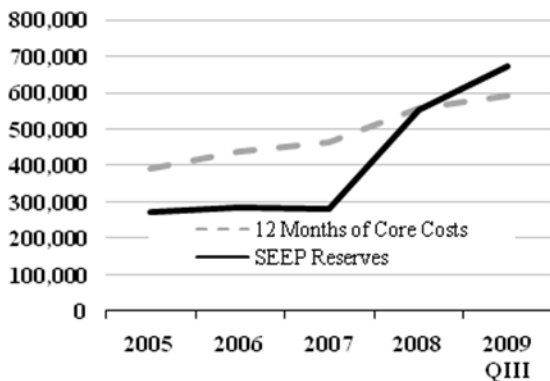
The overhead rate through September 30, 2009 was 15.73%. This is slightly above the overhead rate at the close of the second quarter (15.68%), and the rate remains within the targeted range of 15% to 20% of direct costs. Movement of the rate is consistent with the level of program expenditures while administrative expenses have leveled off and should remain steady through the end of the fiscal year.



Unrestricted Reserves

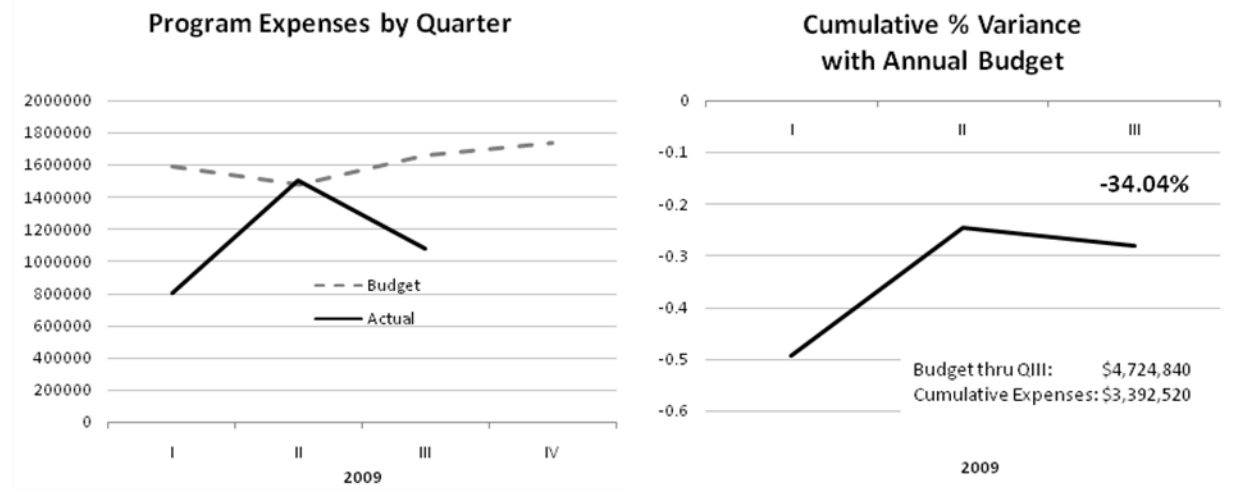
SEEP unrestricted reserve funds continue to exceed the reserve policy benchmark and increased to a projected end of year amount of \$671,060 based on current budget to actual figures. The current projected reserve amount is 113.66% of one-year of SEEP core costs, as currently defined.

New Policy: Reserves = 12 months of core expenses



Program Expense Variance

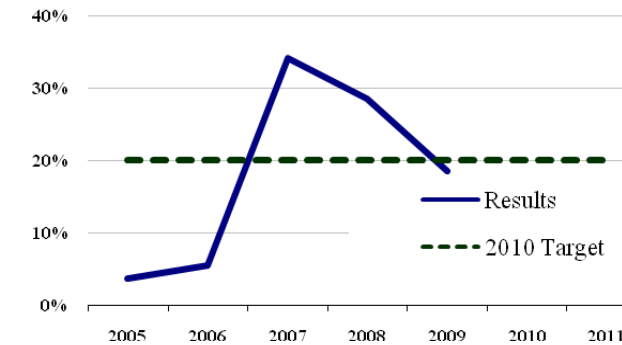
Program expenses continue to lag behind program spending projected in the 2009 budget. The lower than expected spending is due mainly to a slow start in spending by Program A in the first and second quarters and lower than budgeted expenditures in Program B. Both programs have projected increased spending in the fourth quarter and for the 2010 fiscal year to make up for the slow spending in 2009.



Earned Revenue / Core Cost Metric

The current rate of 18.5% of cost coverage brings SEEP slightly below the 20% benchmark rate. The drop is due to lower than projected revenues collected in the first nine months of the year in Member Dues, Annual Conference revenues and lower interest rates being paid out on short-term money-market investments. Additional member dues and the registration fees from the annual conference are expected to bring the percentage up slightly by the end of the fiscal year. Continued low interest rates will limit the amount of interest revenue to be realized through the end of the year.

Earned Revenue / Core Costs

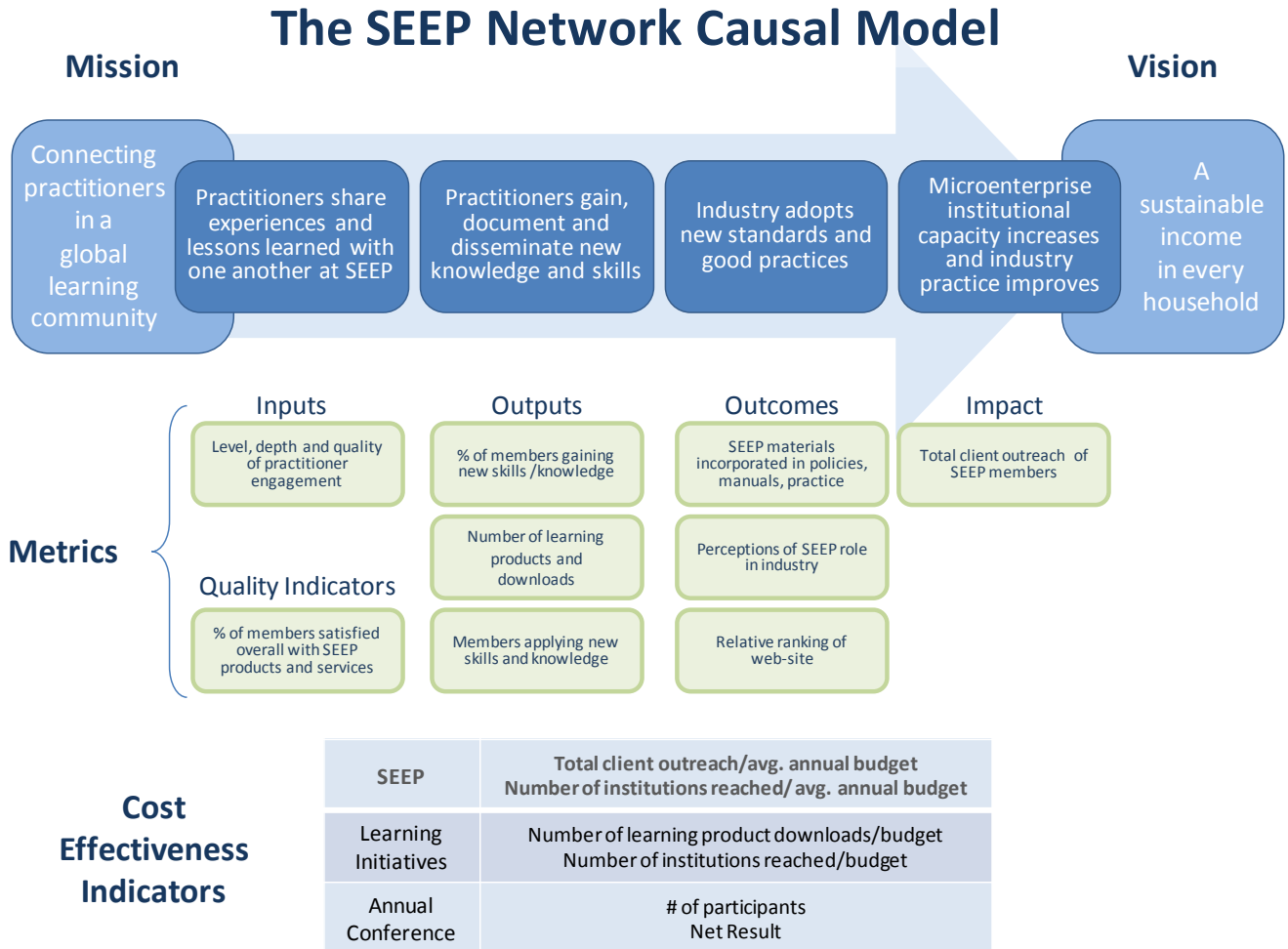


Business Plan Milestones

Strategic Alignment:	
Design an over-all strategy for demand-driven member-led learning initiatives, establish a baseline for number of groups, current participation, and define participation growth targets, by June 2009.	Completed
Meet or exceed participation growth targets for June 2011.	Tracking
Earned revenue: Cover 20% of core operating expenses by year end 2010, and design strategy for increased operational self-sustainability.	Must Raise Dues
Organizational Excellence:	
Achieve an average NCAT score of at least 3 for all areas (Mature network) by June 2011.	On Target
Elect at least one international board member by year-end 2010.	Surpassed Target
Appoint at least one board member by year-end 2009 with track record in growing operations of a for-profit company.	Pending
Direct Impact:	
Establish cost-effectiveness and impact metrics and targets for products and services generated by SEEP by June 2009.	Completed
Meet or exceed mutually agreed-upon cost-effectiveness and impact targets for June 2011.	Tracking
Report annually on cumulative member outreach (estimated borrowers/micro-entrepreneurs, share of female clients, share of clients at or below poverty line and outstanding loan portfolios).	On Target
Influence and Innovation:	
In 2009, hold a Global Network Summit that includes 70% of all existing networks.	Surpassed Target in 2008
Incorporate a total of 40 international in-country and/or regional microfinance networks as members of SEEP (baseline July 16, 2008: 10 current in-country and regional microfinance networks).	On Target

Notes to Business Plan Milestones

SEEP has developed the following causal model to describe its learning activities. Associated with each step in the model is a series of milestones:



Program Reports

Program Summary Report

Practitioner Learning Program (PLP's)

Both the **Youth and Workforce Development** PLP and the **Building Alliances to Serve HIV/AIDS Impacted Communities in Sub-Saharan Africa (BASICS)** PLP completed their learning products this quarter. The Youth and Workforce Development PLP published five learning products this quarter. The five learning products released were:

- Guidelines and Experiences for Including Youth in Market Assessments for Strong Youth Workforce Development Programs
- Monitoring and Evaluation for Youth Workforce Development Projects
- Scaling Up Market-Driven Youth Workforce Development Programs
- Market-Driven Youth Programs and the Bottom Line
- Staying Connected: Partnerships That Keep Youth Workforce Development Programs Market Driven

The BASICS PLP sub-grants ended this quarter; four learning products will be released in October 2009.

Implementing Grant Program (IGPs)

The **Enterprise Development IGP** continued working on three learning products, all in final draft and being copy-edited and reviewed in preparation for publication in October 2009.

- New ICT Solutions to Age-Old Problems: Case of the IGP India Project
- Getting to 'Good Enough' in Product Upgrading: SDCAsia and the Cardava Banana Value Chain
- Using the Value Chain Approach to Achieve Triple Bottom Line Outcomes

The **Financial Services IGP Learning Network** learning products are all in final or late-draft stage, or completed and awaiting publication in quarter four 2009:

- Learning from Pilots: The Case of ShoreBank International/AMPER in Pakistan (already published)
- Cost-effective Household Surveys: Key Lessons for Implementing a Household Livelihood Survey on a Budget (ShoreBank) (already published)
- Implementing a Household Livelihood Survey in a Post-Disaster Environment (ShoreBank) (already published)
- Linking Youth with Knowledge and Opportunities in Microfinance (LYKOM) Project, Morocco: A Youth Livelihoods Case Study (already published)
- Case Study: Bank-MFI partnerships (FINCA Mexico) (submitted to USAID for approval)
- Field workbook on value chain finance (WOCCU) (final draft)
- Overcoming Back-end Barriers: Bank Switching Solutions (Opportunity International) (submitted to USAID for approval)
- Expanding Outreach in Malawi: OIBM's Mobile Banking Program (OI) (submitted to USAID for approval)
- Developing a Cost-Benefit Analysis Tool: Experiences and Lessons from Malawi and Mozambique (OI) (submitted to USAID for approval)
- Blazing a Trail, Addressing Obstacles: Lessons from Save the Children and Fondation Zakoura's Youth Microfinance and Training Program (awaiting approval from organizations)
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All of the learning products will be completed and published in the next quarter, as well as the beginning of dissemination events (breakfast events, microLINKS Speaker's Corners) for the learning products

Member Services

	Clear and consistent membership policies	Communications and outreach strategy	Process for developing demand-driven products and services	Enhance AC workshop submission and selection process
Q III	Submitted to Board for Approval at Nov 6 meeting	Under development (1)	Under development (2)	Implemented (3)

Comments:

1. Member Services is creating a preliminary member survey to be presented at the 2009 Annual Conference. This survey will be used as the foundation to create the more comprehensive member survey in Quarter One 2010.
2. The process for developing demand-driven products and services is closely tied to the membership feedback initiative that Member Services will take on in 2010. In addition to improving services to members, the Member Services team will ask members about what is currently offered and how they would like to see SEEP improve.
3. For the first time in three years, SEEP has a complete program agenda for conference workshops three weeks prior to the event. Improving the AC workshop submission process has both positively impacted SEEPs ability to market the conference as well as put together the various production pieces (signage, agenda, etc.).

Current Members:

21 Associations

54 NGOs

Finance, Operations, Development and IT

Leverage Technology	Planning	Systems	Sustainability	Internal Capacity	Products & Services
Learning Initiative facilitators trained	Strategic planning and management system rolled out	Filing system completed	Identification and cultivation of donors for AC 2009 and program offsets	SEEP employee self-service SharePoint site launched	Annual Conference website built and maintained
Network partner users trained	Quarterly budget analysis & review conducted	Work planning system identified			Technical and operational support provided to Annual Conference
	Annual Planning process initiated	Travel procedures updated			On-line marketing campaign (SEO) developed
		HR BOD-approved policies disseminated			
		SuccessFactors compensation data processed			
		PVO Registration updated			
		BOD milestone dashboard report format finalized			

Comments:

Network partner users trained: NDS team has decided to extend the life of the NDX, and focus on creating new tools (MFT, map, etc.) in SharePoint rather than migrating users of workspaces with finite timelines.

Strategic planning and management system rolled out: Activity on hold pending installation and customization of donor management and CRM software.

Filing system completed: scheduled to be completed in Quarter 4, 2009.

Travel procedures updated: Although staff and consultant travel procedures have been updated, revised consultant policies need to be communicated to all SEEP consultants; projected for Quarter 4, 2009.

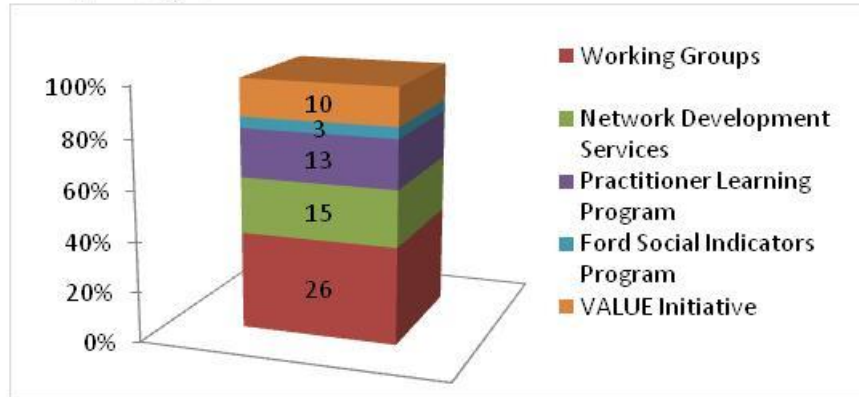
Work planning system identified: Activity on hold pending installation and customization of donor management and CRM software.

SuccessFactors compensation data processed: Awaiting further input from compensation consultant and decision on component(s) of staff compensation package; projected finalization in Quarter 4, 2009.

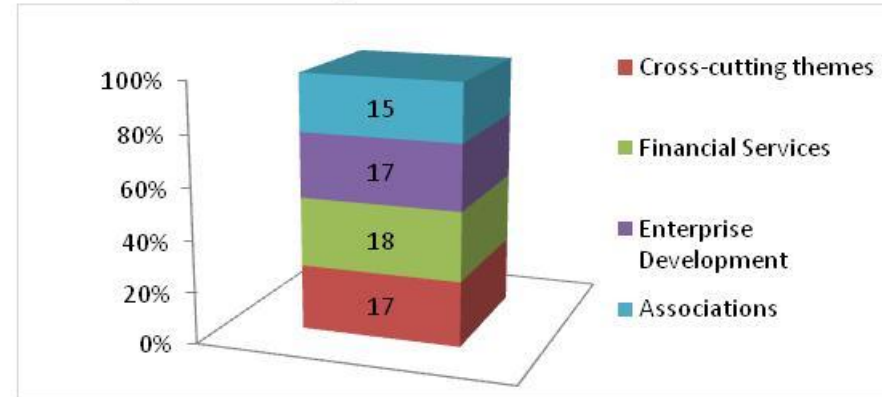
Publications in Progress

2009

By Program



By Community of Practice



FEATURED Publication in Progress

Investment Readiness and Microfinance Associations: Helping Members Access Finance

Authors: Deena Burjorjee

Program: Network Development Services

As associations grow and continue to refine and develop their member services, the topic of commercialization and accessing commercial capital is becoming an issue of increasing concern to their member base. This technical note examines the different elements of investment readiness and how associations can support this process through their products and services, illustrated by examples from the field.

Expected publication date: November 2009

Dissemination Activities (by CoP)

SEEP Framework Update: online conference about new financial reporting ratios on savings and capital adequacy (Working Groups);	MF Associations Success Standards: online discussion to solicit feedback to proposed criteria (Network Development Services);
USAID After Hours Seminar and 2-day Speaker's Corner on new Developments in Financial Reporting Standards (Working Groups);	Tackling M&E Challenges in Measuring Outcomes of Youth Workforce Development Projects: workshop at Making Cents Conference, featured new publications (PLP in Youth and Workforce Development);
Results Assessment in Value Chain Development: online conference to debut learning theme and concept note (Value Initiative);	Minimum Standards for Economic Recovery after Crisis: field testing and field consultations (Economic Recovery Standards);
Understanding and Accessing Social Investment: online conference to debut learning theme and concept note (Value Initiative);	

2009 Quarter 3 SEEP Staff Travel

Executive Director

Network Development

PLP Team

VALUE Team

