


**GiveDirectly**

**July 2013**

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# Message for today's conversation

 Detail to follow

1. We have \$0.2M in uncommitted funds for transfers and have room for (conservatively) and additional \$10.6M in FY2014
2. We are adapting our financial reporting systems to track costs with greater granularity
3. We anticipate a FY2014 budget for outreach, international expansion and technology investments in the \$0.5M-\$1.0M range for which we are fundraising separately.
4. We are migrating online payments to Stripe with a target go-live of 19 July, enabling us to capture more donor data (e.g. learned through GiveWell)
5. Our top evaluation priorities for FY2014 include impacts of transfers on local economies and decision-making supports

# 1. We have room for an additional \$10.6M of funding in FY2014

We moved quickly to launch large campaigns with FY13 raise, leaving few uncommitted funds

Cumulative through June 30, 2013

	Transfers	Fixed investments <sup>4</sup>	Total
Revenue	5.6M	0.3M	5.9M
Incurred expenses	1.4M	44K	1.5M
Committed funds <sup>1</sup>	4.0M	95K	4.1M
Kenya	2.7M		
[New Country] <sup>2</sup>	1.2M		
Domestic		95K	
Uncommitted funds	0.2M	0.1M	0.4M

1 Includes committed transfers and costs to deliver; payroll obligations for current and planned staff; fixes costs e.g., office space

2 Includes planned FD hire

3 New FD may split time between [New Country], Kenya and other geographies depending on fundraising

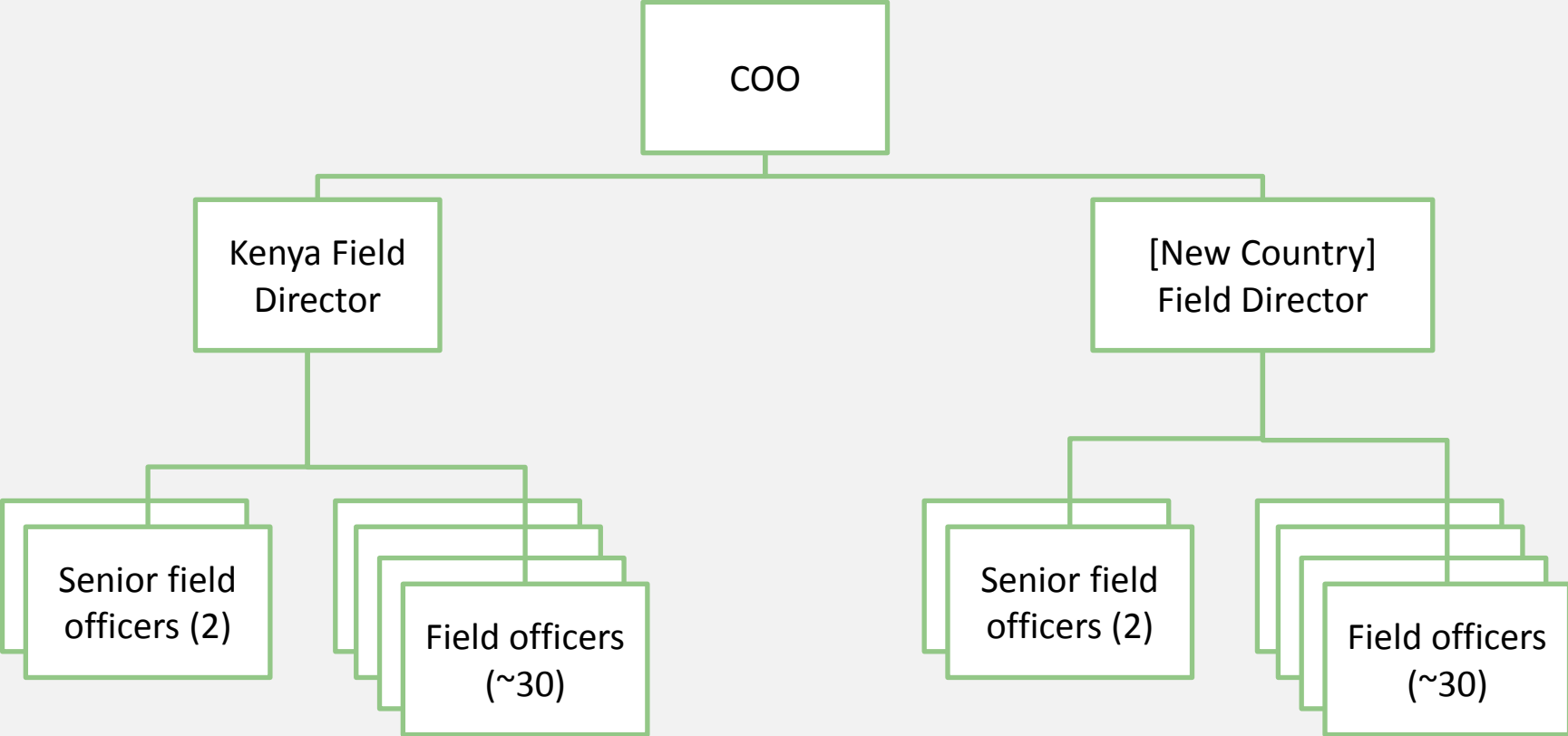
4 Includes outreach costs, technology investments e.g., website and accounting improvements

We have installed capacity to move total of \$10.8M in FY14 by deploying two Field Directors

- We have uncommitted capacity to move \$10.6M under the management of two new Field Directors based full-time in the field
  - Each Field Director (FD) has capacity to move \$7M/year to new recipients
  - Kenya FD has 10 mo of uncommitted capacity in FY14, or \$5.8M
  - Newly recruited [New Country] FD will begin in mid-October and have capacity of \$5.0M (adjusted for 2 month apprenticeship)<sup>3</sup>
  - COO shifts from directly managing transfers in the field to oversight and quality control of entire operation

# 1. At full utilization our field operations will scale to ~70 staff

FY 2014 field operational org



## 2. We are adapting our financial reporting system to track our costs with more granularity

### Previous

- Track four categories of transfer-related expenses:
  1. Transfers
  2. Identification costs
  3. Transfer costs
  4. Verification costs
- Nearly all expenses were 1:1 with a specific campaign (i.e., few fixed or shared costs)
- Management time (COO) was split across all field activity and allocated to campaign that was primary focus of activity during each period (typically 1 or at most 2 campaigns)

### Go forward

- Track expenses with more granularity by breaking out two new categories – **all will continue to be incorporated in efficiency calculation**:
  1. Transfers
  2. Identification costs
  3. Transfer costs
  4. Verification costs
  5. Shared campaign costs
  6. Non-campaign ops costs
- Invest in fixed or shared costs necessary to develop core in-country capacity for scale up (“shared campaign costs”); allocate to campaigns based on clear, pre-determined rules
- Separately track management time (COO and FDs) that is spent on general ops rather than specific campaigns (“non-campaign ops costs”); allocate to campaigns

## 5. Our top evaluation priorities for FY2014 include impacts of transfers on local economies and decision-making supports

Research question	Current status	Assessed priority
Medium-run household impacts	<ul style="list-style-type: none"> <li>Rarieda RCT pre-analysis plan and complete tables received from IPA</li> <li>Preparing concise synthesis for distribution</li> </ul>	N/A
Gender differences		
Transfer size & lumpiness		
Within-village targeting	<ul style="list-style-type: none"> <li>Ongoing Kenyan transfers randomized at village level</li> <li>Additional outcome measurement unfunded</li> </ul>	High
Local economy impacts		
Behavioral supports, e.g. sounding board	<ul style="list-style-type: none"> <li>In conversation with funders &amp; researchers</li> </ul>	Medium
Long-run household impacts	<ul style="list-style-type: none"> <li>Piloting data collection by phone; positive early results on response rates &amp; data quality</li> </ul>	Medium