TABLE OF CONTENTS

President’s Message ............................................. 3
Introduction.......................................................... 4
Vision................................................................. 5
Philosophy ........................................................... 5
Fundraising ......................................................... 6
Education and Outreach ..................................... 7
Our Work ............................................................ 8
Staff, Volunteers and Advisors ............................. 9
Our Founder ....................................................... 10
Financial Statement ............................................. 11
PRESIDENT’S MESSAGE

The close of 2010 marked my first full year as President of ClearWater Initiative and I am so proud of what we have done in this time of foundation building.

We have distinguished ourselves as one of very few international water-focused NGOs that conducts projects with our own staff. This enables us to exercise quality control, makes us more accountable for our work and leads to more cost-effective projects. We work extensively with the communities in which we operate. Together with the villagers, we develop long-term strategies to meet local needs. We help build local leadership and engender a sense of responsibility.

We have additionally established a full-time presence in both Uganda and the United States and have expanded our education and outreach initiative. But for all this growth, we still hold the core belief of my son and ClearWater founder, Benjamin Sklaver: that by providing water and, ultimately, health, we also bring opportunity and hope to those far less fortunate than we are.

What has ClearWater achieved with your help, and why should you continue to support us?

We are compassionate. Ben started ClearWater believing that compassion for those overwhelmed by circumstances beyond their control was neither hard nor expensive. He believed that if you just applied yourself, even in dire situations, you could bring about positive change – little by little – and in the process empower others.

We are efficient. Our total administration costs in 2010 were under $20,000. This is due to the tireless volunteer work of our Board, CEO and countless other volunteers who forego salaries for their work on behalf of ClearWater. In 2010, our total salary covered the expense of our U.S. program manager, Stacy Johnson, who gives generously of her time and talent coordinating all our efforts.

We are thorough and creative. We do not leave communities after we complete projects. We return to monitor projects and follow up with training as needed. Not only does this increase the likelihood of a long-lasting project, it informs and strengthens our own community training program. We do not have all the answers to remote villagers’ water needs. We suggest ideas and ultimately tailor our program to the needs of a particular village.

We are proud of the organization we continue to build with your invaluable help, and we thank you for your generosity and belief in our ability to make a difference.

Laura Sklaver
INTRODUCTION

ClearWater Initiative is a U.S.-based 501(c)3 nongovernmental organization that executes clean water projects and educates the public about the importance of clean water.

ClearWater Initiative promotes simple, sustainable solutions for the provision of clean water in northern Uganda. ClearWater strives to achieve this mission through technical excellence, responsible use of donor funds, collaboration with local communities and compassion for the needs of individuals overwhelmed by circumstances beyond their control. ClearWater Initiative funds both established and innovative clean water solutions, such as borehole repairs, protected springs and well drilling, with an emphasis on community involvement and relevant training. This cost-effective approach provides the same clean water at a fraction of the cost of building new wells.

ClearWater Initiative was founded in 2007 by Benjamin Sklaver, an American soldier deployed to the Horn of Africa where he worked with refugees and internally displaced civilians returning to their homes after 20 years of civil war. Ben was disturbed by the lack of clean water in remote communities and was determined to help. He founded ClearWater to address this basic human need and in the process brought hope to villagers who praised his work. Tragically, he has not witnessed the organization grow. Ben was killed in October of 2009 while serving in the U.S. Army in Afghanistan. We have been his eyes, ears and heart as we pursue his mission now.

ClearWater is largely run by volunteers in the United States who provide invaluable guidance on strategy, fundraising, communications and outreach. After a great deal of change in 2009, the organization found solid footing in 2010 with numerous projects and the addition of two staff members in Uganda as well as several major fundraisers and vastly increased education and outreach efforts in the U.S.
VISION

ClearWater’s vision is to provide access to clean drinking water to 50,000 people in remote areas of northern Uganda by 2013. We strive to reduce the prevalence of waterborne disease in children and other vulnerable populations and seek to be a leading innovator in the water and sanitation sector by implementing new methods and ensuring the long-term sustainability of our projects.

PHILOSOPHY

ClearWater Initiative operates on the principle of simplicity. We use locally procured materials to ensure that repair parts are available. We rely on Ugandan engineers and labor from local communities to provide employment and skills training, empowering the community to take ownership of each water source. Our projects are guided by the counsel of local experts and are approved by relevant local water officials, and our project costs are transparent and posted on our website. Building sustainable water projects is not a simple task, which is why we seek innovative methods to train locals and develop funding techniques for the local communities to cover maintenance costs.

“Our thanks go to those who are supporting ClearWater Initiative, more importantly those entrusted to do the work in the right way like this.”

Joel Okubo, Eyame Village Chairman
**FUNDRAISING**

The majority of our donations come from individual donors. ClearWater received funding from over 1,000 donors in 2010, including foundations and matching gift programs. Private funding provides flexibility for us to target or fund underserved areas with innovative techniques.

In 2010, we held several successful fundraising events, including our first annual major fundraiser. Each event raised significant funds and increased awareness of the organization. Following are some highlights from 2010:

- In April, 65 golfers took up their clubs at the Schulzie Golf Invitational, the proceeds of which went directly to ClearWater. This year’s invitational raised over $3,000.

- Also in April, the band We the Kings teamed up with New Haven’s Toad’s Place to present a concert, with all the ticket proceeds going to ClearWater. The band’s loyal fans and ClearWater’s young supporters raised more than $11,000.

- In October, over 20 dedicated ClearWater supporters raised over $33,000 from friends, family and co-workers and ran the Army Ten-Miler in Washington, DC. The race weekend included several ClearWater community gatherings as well as a concert by the band (and fellow Tufts alumni) Guster the night before the race.

- Our second annual holiday card program, enabling individuals to “gift” clean water to friends and family and receive a ClearWater card to send to the recipient, raised $2,300.

- Students at Glastonbury High School raised over $1,700 through their A Drop in the Bucket fundraiser, and other schools and youth groups held fundraisers and donated small change to provide contributions totaling over $7,000. Their efforts are continuing and are an inspiration to us.

**COMBINED FEDERAL CAMPAIGN**

In 2010, ClearWater became a designated charity for the Combined Federal Campaign, a program that facilitates charitable contributions from federal employees. Numerous federal employees throughout the US and abroad have begun to direct their individual charitable giving towards ClearWater’s programs, totaling over $8,000.

“Rather than be deterred because of the enormity of the [water] crisis, we decided to do something.”

Dr. Tom Neagle
Assistant Principal, Glastonbury High School, on fundraising for ClearWater
EDUCATION AND OUTREACH

Over the course of 2010, we strengthened our partnerships with schools and organizations in the U.S. as well as abroad. We are pleased to be reaching such a broad range of students. These efforts forward our vision and teach the next generation about the benefits of clean water and the difficulties in living without access to potable supplies.

Through our programs, students also learn the positive impact they can achieve by being socially aware and proactive, responsible citizens. We encourage students to value respect, compassion and empathy. We are proud that students are hearing and understanding our message.

ClearWater’s Education and Outreach Director, Beth Segaloff, led multiple events and workshops with students of all ages, along with education events led by other ClearWater board members throughout the year.

- In January, Beth led a talk with Foote School first- and second-graders about the difference between our communities and villages in Uganda and why clean water is valuable to us all. The students then created posters demonstrating the many uses and benefits of clean water, and talked about the value of giving back to the world.

- In April, Beth participated in an assembly at The Eagle Hill School in conjunction with the school’s Earth Day celebration. Approximately 250 students gathered to discuss the uses and benefits of clean water and to imagine life without clean water. The students shared their experiences, observations and reflections, and participated in a larger discussion about how individuals can make a difference in the world.

- In October, Beth met with the Glastonbury High School senior class to accept their donation of funds raised by their Drop in the Bucket campaign, and spoke about ClearWater and the importance of giving back to communities.

- In November, Board President Laura Sklaver and CEO David Abraham led a discussion on ClearWater’s choice of technology and the conditions in which the organization works at the Yale School of Engineering and Applied Science.

- Also in November and further afield, David Abraham spoke at Tokyo University’s Graduate School of Public Policy on clean water issues in developing countries.

“ClearWater’s patient, deliberate approach while working with communities is a model that all of us working in foreign aid strive for, but it often gets lost among competing priorities. The organization’s focus and emphasis on community active involvement is at the heart of its effectiveness.”

Michael Mangano, ACTED, Northern Uganda Manager
OUR WORK

Our Uganda Country Director, Ojara Emmanuel (“Sunday”), made great strides this year. Sunday established a permanent office, an accounting system and legal presence in Uganda. Sunday subsequently developed a community training methodology, including a 30-page training manual, and hired training staff to assist in his work. We have since delivered training sessions to numerous villages and organizations. We are proud of our locally run operations, a rarity in the world of NGO projects with high overhead costs.

We have completed four projects this year in Lira district with our new staff and local partners, enabling approximately 1,000 people to gain access to clean water. We additionally assessed locations for 2011 projects. Although these numbers are modest, our training methods are thorough and were the focus of our 2010 efforts.

We live alongside the communities in which we invest. Our staff helps them develop long-term plans to meet their water needs, rather than our dictating where and what type of water project we will build. This method takes substantially longer as we must learn about the communities, and they about us, but with a region littered with ineffective water projects, such community involvement is necessary to ensure our projects are sustainable. In areas with little effective government to provide services, it is incumbent on us to ensure the villagers can work together and understand the importance of maintaining of water sources.

“For many of us, water simply flows from a faucet, and we think little about it beyond this point of contact. We have lost a sense of respect for the wild river, for the complex workings of a wetland, for the intricate web of life that water supports.”

Sandra Postel, Director Global Water Policy Project
"As I start looking around me, looking at things in ways that I can become helpful, starting at the first thing, water. Something as simple as water."

Jay-Z

STAFF, VOLUNTEERS AND ADVISORS

While ClearWater is largely operated and advised by volunteers, to manage the growing demand for the organization’s programs, in 2010 the organization hired a full-time Country Director in Uganda and a part-time Program Manager in the U.S. The following individuals have donated exceptional amounts of time, passion and skills to the organization in the past year:

Laura Sklaver, President and Legal Counsel
Gary Sklaver, Secretary
David Abraham, Chief Executive Officer
Alyssa Sperber, Director and Marketing Advisor
Jake Herrle, Director and Creative Advisor (Outgoing)
Elaina Loizou, Director and New Media Outreach Advisor (Outgoing)
Beth Segaloff, Director and Education Advisor
Stacy Johnson, Program Manager
Brett Freedman, D.C. representative and incoming board member
Geoffrey Otobi, Kapala representative

In addition, we are pleased to introduce our staff and advisors in Uganda:
Ojara Emanuuel Sunday, Country Director
Juliet Aneno, Senior Trainer
Felix Oneka, Trainer
Drew Contreras, Management and IT Advisor
Godfrey Otobi, Strategic Relations

Our multitudes of volunteers remain the organization’s backbone. We are additionally indebted to the numerous volunteers who contributed to all aspects of ClearWater’s operations, including:

Brett Freedman, ClearWater’s representative in DC and incoming board member; Jana Sharp; Miki Brown, administration; Cassel Kroll, social marketing; Chris Guthrie, webmaster; Ian Moise, technical advisor; John Dance, media production and Applause Printing.

A special thanks goes to Sandi Harari who generously donates her skills to make our annual report, newsletters and logo convey the professional image of ClearWater, as well as Father Joseph Okumu who has graciously provided us office space and support in Gulu.

The organization is also extremely thankful to those who offered technical skills, advised on political developments in Uganda or engaged in fundraising efforts. All the people listed below (and many others) made it possible to keep our costs low and our success rate high.

April Davies, Daniel Fahey, Dan and Laurie Saft Ginsburg, Maureen Wafer and S. Waqar Hasib, Lacey Haussamen, Elizabeth Peterson, April Rinne, Julie Truelove, Annie, Sam and Wendi Sklaver, Sarah Bramley and Cathy Wise. And to those who helped with our first large northeast fundraiser in New Haven: Toad’s Place, KC101, We The Kings S-Curve Records, DKC, Voted Most Random, Modern Hearts Break Faster and Yorkside Restaurant.

In addition, we are indebted to those who helped us on the ground in Uganda offering assistance in numerous capacities. Listed below are just a few:

Charles Abilu, Bina Contreras, Dave Eckerson, John Hatchard, Patric Katuramu, Robert Kizito, Gerald Komakech, Michael Mangano, Dismas Nkunda, Darius Radcliffe and the constant generosity of Becca Schwartz.
OUR FOUNDER

On October 2, 2009, Ben Sklaver was killed in a suicide attack while serving in Afghanistan. Ben was working in a civil affairs unit, building and sustaining local leadership and building basic infrastructure such as water points and schools – similar to the work he had done in Uganda. He was eternally optimistic and believed that his work would show Afghans they could create positive change and counter the influence of insurgents. Simply, he was bringing hope to a region sorely lacking it. It was an extension of his life mission and the work we do at ClearWater. Over the previous two and a half years, his efforts had helped provide clean water to several thousand Ugandans and laid down the vision that we follow.

Before his deployment to Afghanistan, Ben had been hired by the Federal Emergency Management Agency to conduct disaster planning for the New York tri-state area. Previously, Ben served with the International Emergency and Refugee Health Branch of the Center for Disease Control in Atlanta. He had also announced his engagement to Beth Segaloff, and the couple was planning a June 2010 wedding.

Ben received his bachelor’s degree from Tufts University and master’s degree from The Fletcher School, also at Tufts. He took a particular interest in assisting refugees and the poor in Africa. During his studies at the Fletcher School, he volunteered for the Army ROTC and following completion of his degree, he was commissioned to serve in Uganda. In July of 2010, Ben’s efforts were recognized by Kitgum High School, who chose to name a newly built cafeteria in his memory, with the assistance of the U.S. government. Such deep community roots are an inspiration for us to continue his work.
## Financial Statement

### Revenues and Support

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and Other Fundraising</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions, Net of $1,078 Commission</td>
<td>$94,616.00</td>
<td>$202,738.00</td>
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<tr>
<td>Special Events, Net of Expense of $5,126 for 2010</td>
<td>41,365</td>
<td>-</td>
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<tr>
<td>Other Income</td>
<td>2,838</td>
<td>192</td>
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<tr>
<td><strong>Total Revenues and Support</strong></td>
<td><strong>138,819</strong></td>
<td><strong>202,930</strong></td>
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### Expenses

#### Program/Overseas Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and Project-Related Costs</td>
<td>30,432</td>
<td>7,934</td>
</tr>
<tr>
<td>Communications</td>
<td>155</td>
<td></td>
</tr>
<tr>
<td>Bank Charges</td>
<td>108</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>1,200</td>
<td>-</td>
</tr>
<tr>
<td>Rent</td>
<td>2,598</td>
<td></td>
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<tr>
<td><strong>Total Overseas Program Expenses</strong></td>
<td><strong>34,493</strong></td>
<td><strong>7,934</strong></td>
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</table>

#### U.S. Management, General and Education Program Expenses*

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Expense</td>
<td>2,372</td>
<td>133</td>
</tr>
<tr>
<td>Advertising</td>
<td>113</td>
<td>-</td>
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<td>Website Maintenance</td>
<td>189</td>
<td>931</td>
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<tr>
<td>Rent</td>
<td>2,493</td>
<td>-</td>
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<tr>
<td>Bank Charges</td>
<td>296</td>
<td>248</td>
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<tr>
<td>Depreciation</td>
<td>268</td>
<td></td>
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<tr>
<td>Dues, Subscriptions and Domestic Communications</td>
<td>502</td>
<td>352</td>
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<tr>
<td>Licenses and Registrations</td>
<td>1,276</td>
<td>-</td>
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<tr>
<td>Consulting and Personnel Fees</td>
<td>7,302</td>
<td></td>
</tr>
<tr>
<td>Education and Fundraising-Related Travel Expenses**</td>
<td>348</td>
<td></td>
</tr>
<tr>
<td>Professional Fees (Audit, etc.)</td>
<td>3,500</td>
<td>2,500</td>
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<tr>
<td><strong>Total Management and General Expenses</strong></td>
<td><strong>18,659</strong></td>
<td><strong>4,164</strong></td>
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</table>

#### Fundraising, Communications and Office Supply Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotional - Photography</td>
<td>910</td>
<td></td>
</tr>
<tr>
<td>Stationary and Printing</td>
<td>3,304</td>
<td>1,339</td>
</tr>
<tr>
<td><strong>Total Fundraising Expenses</strong></td>
<td><strong>4,214</strong></td>
<td><strong>1,339</strong></td>
</tr>
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</table>

**Total Expenses**                         | **57,366** | **13,437**

### Changes in Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Changes in Net Assets</strong></td>
<td><strong>81,453</strong></td>
<td><strong>189,493</strong></td>
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</tbody>
</table>

### Net Assets - January 1

<table>
<thead>
<tr>
<th>Description</th>
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<th>2009</th>
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</thead>
<tbody>
<tr>
<td><strong>Net Assets - January 1</strong></td>
<td><strong>192,660</strong></td>
<td><strong>3,167</strong></td>
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</table>

### Net Assets - December 31

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets - December 31</strong></td>
<td><strong>$274,113.00</strong></td>
<td><strong>$192,660.00</strong></td>
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* ClearWater’s financial statements do not capture the entire costs to run the organization. All staff costs for financial management, fundraising, oversight and management of Ugandan operations as well as strategic planning are not included in the above statement. These costs are borne entirely in-kind by the trustees and the chief executive officer through the generous time they provide, allowing ClearWater to keep administration costs to a minimum.

**This figure does not include in-kind donations of fuel, education supplies and time provided by the generosity of our education coordinator, Beth Segaloff.