



Saúde Criança Recontar Report to ARCH Foundation

Date: 30 July 2009

Contact information: bebhinn@recontar.org.br, morgana@recontar.org.br

This document is the first bi-annual report by Saúde Criança Recontar (Recontar) to the ARCH Foundation, as required by the 3-year funding contract. It covers the period **1st January to 30th June 2009**.

This document is structured in the following four sections:

A. Overall performance and main findings	2
B. Detailed progress against project and organisational targets (ARCH templates)	5
C. Overview of 6 current families	8
D. Financial Report for the period to June 2009.	10

A. Overall performance and main findings

Recontar has had an extremely successful start to its operations: it is achieving all of its project and organisational objectives, as set in the social business plan approved for funding by the ARCH Board. Financially, it is well within budget and raised 85% of the required 2009 matched Brazilian funding in the first six months of operation.

In this period of setting up and launching Recontar as a nongovernmental organization and starting direct work with the families since March, we have the following eight initial findings with regard to the service, local support and to the national Renascer/Saúde Criança network organisation.

Service findings:

1. There is a clear need for the service to meet our annual targets of 10 (2009), 30 (2010) and 50 (2011) families. A preliminary list of 15 families was drawn up by social workers, focused on only two units: malnutrition and HIV/AIDS. In June 2009, for the first time, one of the hospital's pediatricians made a direct referral of a patient to Recontar's social worker, demonstrating the need in other units and the increasing awareness of the programme within the hospital. The level of need among the families recruited is very high and multidimensional (health, housing, income, education and citizenship). Some activities however such as providing free medicines have proved unnecessary as local government in the four municipalities where we work, provide the children's medicines free of charge. Budget items for direct family support are therefore lower than planned, as budgets were set based on Renascer's expenditures in Rio de Janeiro.

Next steps: The total number of families linked to the children's hospital who are in need of the service is however still unclear. We are currently developing a research protocol with hospital staff to have a clearer idea of re-admission rates and day-clinic non-attendance patterns, as this information does not currently exist within the hospital. This is important to help us understand the service's longer-term potential for growth, identify families who are most in need and evaluate the impact of the programme at the hospital level.

2. Setting-up of the service required a staggered implementation. Originally, we budgeted to provide all five of the areas of support from the beginning (health, education, housing, income and citizenship). However, the time necessary in recruiting and training staff, engaging families in the programme, visiting their homes and developing family action plans

consumed the first four months of February, March, April and May. In June, we initiated the income generation and housing projects. This staggered approach has resulted in lower direct costs for families from March to end June.

Next steps: This finding will be taken into consideration when supporting other organizations to replicate the programme in other areas in the South of Brazil in 2011.

3. Recruiting and engaging families in the programme was more time-consuming than originally understood. Given that the programme is totally new to the hospital and the area, families were more hesitant to fully engage in the programme initially than they are in Rio de Janeiro, where the programme is well established. This required Recontar's social worker and hospital social workers to go directly to the families in the hospitals a number of times to present the programme and invite them to attend an introductory morning. This resulted in some cases of providing food donations and travel vouchers in the hospital, rather than at the monthly morning programmes.

Next steps: We are developing a clear document (due by end August) on criteria for entry, participation requirements and sanctions for non-participation to share amongst families, staff and volunteers. As the organization becomes more well-known within the hospital, we are confident that recruiting and engaging families will also become easier.

4. An initial lack of enthusiasm among family members for the programme was overcome by the introduction of a handicraft income generation project. Initially, participation in the monthly meetings was lacking in consistency and enthusiasm. Few family members rang to let us know they would not be attending and our social worker felt she was 'chasing' some families to engage them. We feel this is in part because of the serious challenges facing the families in both their financial and psychological ability to participate in any programmes. Our clients are those who often do not attend hospital consultations or fail to properly administer medication and in other ways control their children's illnesses. We did see a marked improvement with the introduction of an income generation project in June, with mothers (and some fathers) participating in workshops to make fun, Recontar-logoed key-rings.

Next steps: We are confident that continuing the income generation project, as well as communicating the document on participation requirements and sanctions and a strong but compassionate posture of our direct staff will enable us to overcome to an even greater extent this initial lack of enthusiasm and consistent participation. In our replication in other areas, we will suggest a simple handicraft/income generation component from the very beginning to help engage families before launching into interviews, home visits and family action plans with new families.

Local support findings.

5. There is strong local support for the initiative. Efforts to recruit and engage a Deliberative and Fiscal Board (as required by Brazilian law), raise local funds, recruit and retain volunteers, recruit repeat individual donors, get a steady flow of donations and build a Recontar community in Florianopolis have been successful to date.

Next steps: As we move forward, we will increasingly build on the current engaged participation to create a strong sense of ownership among the Board. With the hiring of a CEO in 2010, the executive ownership will also be strongly local.

6. It is significantly easier to raise in-kind donations, such as food and hygiene products than monetary, and especially ongoing monetary donations. Recontar's small office fills quickly with in-kind donations, which we in turn provide to the families. The heart of this programme however is to engage the families in long-term transformation of their situation, which requires Recontar to invest in a small group of professional staff, the recruitment and management of many volunteers and operational overheads. This requires monetary donations and ideally ongoing donations to be able to provide approximately two years of support to each family. Of the eleven monthly donors we have recruited in Brazil, five are foreigners (or Brazilian/foreign couple).

Next steps: On an ongoing basis, we will engage local supporters, volunteers and the families on the importance of investing in the families' long-term transformation of their situation, rather than focusing exclusively on providing immediate charity hand-outs. We will do this through our events and through our communication materials.

Renascer findings:

7. Some of Renascer's core systems could not be used off-the-shelf by Recontar. Given that Renascer was in a process of reviewing its effectiveness indicators, we have been working in partnership with Renascer in developing a better list of indicators. We are using Renascer's database, which is a great first step, but over the next year, this database will be updated and made available to Recontar. Also, Renascer's lack of a flexible and easy-to-use financial and accounting process and internal policies resulted in Recontar investing considerable time in securing the donation of a financial system and setting up and developing these systems and policies. This obviously was more time-consuming than using off-the-shelf packages and policies from Renascer, but also engaged the staff and Board to enhance a sense of ownership of the same.

Next steps: The full list of indicators and the baseline for six families will be presented to the ARCH Board at the September Board meeting. In addition, changes to how our financial system will report to ARCH on a bi-annual basis will also be presented for discussion.

8. The process of developing a unified national organization will take longer than to end 2009. Recontar has been involved in co-facilitating national discussions to create a one-brand national organization from some or all of the existing 25 organizations in the Saúde Criança network. However, a meeting in early June uncovered several organizational barriers to this process, which will take longer than end 2009 to resolve. This will not affect Recontar's direct work until we enter into the replication phase in 2011.

Next steps: Recontar will continue to co-facilitate this process until end August and will formally join the Saúde Criança network in December 2010. (Organizations must exist for at least one year before they are admitted).

We are committed to sharing our findings and challenges in a transparent way with the ARCH Board and all local and international supporters. If you have any questions on these findings or the report as a whole, please contact Bebhinn on bebhinn@recontar.org.br.

B. Detailed progress against project and organisational targets (ARCH templates)

Fundraising and Local Community Development

1. Summary til end June 2009:

*85% of annual target of R\$35.000:
R\$26,801 in cash + R\$3056 in-kind = R\$29857*

Target for July to December

R\$ 15.000,00

Activities programmed:

- Soup evening - August
- Luau (Evening at the beach) - October
- Market stall – weekly from June
- Own products – from June
- Recruit more family sponsors

2009 objective: create local Recontar community

- 270 names on monthly newsletter database
- 18 attended volunteer meeting and 11 active with volunteer contracts and work plan, currently developing work plan with 4 new volunteers.
- 3 events organised:
 - February: @1000 for launch event of Damien Rice and Seu Jorge, 50 for pre-show launch –raised R\$16,000
 - March: 30 for glorious guided walk and picnic – raised R\$900
 - May: 150 for Wine Evening – raised R\$1750
- Recontar included in other events:
 - @50 at birthday party which raised @ R\$500 in donated goods,
 - @50 at alternative arts' event with profit on drinks going to Recontar,
 - Donations of 20 long-life milks at PMI presentation,
 - Creative Children awareness-raising event with 15 children and families;
 - Hygiene goods donated by @85, R\$500
 - School food donation: R\$250
- 11 ongoing godparents of families recruited, 10 paying R\$100 per month and 1 paying R\$50 per month.
- R\$500 per month for 11 months from Federation of Accountants (1 of 3 chosen for all of Brazil)

Recontar project and Organizational targets

Overall

- Overall on-target/above target for organisational and project.
- Immediate challenges: building Board ownership, recruiting CEO, securing donation of land for headquarters, implementing marketing plan, developing clear baseline and evaluation strategy.

• Organisation

On target. (see attached) Also achieved: developed 1st draft marketing plan; donation of financial system.

2. Finances, fundraising and participation (end June)

- Budget: 29% - R\$ 46.265 (2009 target R\$159.715)
- Brazil fundraising: 85% - R\$26801 in cash + R\$3056 in-kind = R\$29857

3. Family selection and Hospital operations progress

- Level of need and selection
 - 8000 children admitted to hospital and 3,500 readmissions pre year
 - 15 families on eligible list – chosen by social workers. Focus on malnutrition and HIV/AIDS.
- 6 Active families by end June
- 0 families refused offer or dropped out (*target: 1*)
- Volunteers
 - 15 Recruited and signed vol forms (*target: 5 to recruit*); 11 active in June; 3 month positions; average 7.5 hours a week

4. Family interim and final impact

Baseline data will be reported to ARCH at September meeting as agreed in April 09.

- Cost per family (average of March, April, May, June) = R\$ 1655

5. Policy progress

- *Met with Belo Horizonte policy team and made contact for future inter-municipal visit*
- *Policy progress being led by Board, with efforts underway to meet with local vereador and with State governors on land donation for headquarters*

6. South Brazil expansion progress

- Recontar provided leadership for network meeting in April, May and June to enhance network governance. This process is likely to take at least until end 2010 to be resolved. South Brazil expansion does not depend on this being resolved, but would be helped by resolution.

7. Overall impact

- Full log frame to be presented at September meeting. Baseline 44% rehospitalisation rate.

Recontar Organisational targets end March 2009	Status
Launch Recontar with local Media	Done with Damien Rice and Brazilian musician Seu Jorge. 10 references in media.
Develop website and logo	Done. Creating the English website.
Recruit and engage full Board of Trustees	Done. 7 Board members, BR as President and Marisa Fantin as Vice-President. 1 meeting of Board of Trustees each 45 days. Had the first meeting with the Fiscal Council and further developed the financial, accounting and internal audit processes. 4 Board members have gone to Rio to get to know Renascer.
Confirm short-term space for service to operate	Contract with Rotary Club for use of space 2-4 mornings a week at cost of R\$33 per session
Collate research with hospital on rehospitalisation rates, distribution and determinants	According to Director's internal checks, only information that exists is that 3500 of 8000 are readmissions but social cause uncertain. Developing protocol for research and have support of HIV day hospital and nutrition ward, where research will begin. Given ethics committee and pace of hospital re. research, we estimate that this will take considerable time.
Recruit direct staff 4 - End February 2009 (sw; nut; psy; housing) 1 – End March (income)	3 hired, social worker, nutritionist and income generation. Psychologist volunteer working as part of team with possibility of being contracted in January 2010 if sufficient funds available. There is a need of staff member to lead the housing project from August onwards.
Train staff 4 – March initial 5 – April Rio visit	2 staff to Rio for week in February and again in May for group and individual training. Other staff members will go between July and December.
Recruit Volunteers	Done. 11 active volunteers in June, with contract and work plan (the target was to have two until December).
Train Volunteers	Volunteers had training on Recontar's methodology. All of them are very specialized in their area of work.
To buy headquarters	Due to lack of initial need to have a headquarters, it was decided to rent an office. The major strategy is to build a building in the Hospital land, but probably we will rent another, larger space beforehand.
Car donation	Not done as not deemed necessary yet.
Develop fundraising plan	Developed and approved by Board (local, national/self-generated, international). Three phase plan: plan 1 develop local individual support; phase 2 generate income and corporate sponsors and phase 3 build on other phases to include additional non-ARCH international funding. Plan being successfully implemented.
Set up legal support service	Bureaucratic difficulties in setting up partnership with university despite many meetings. Currently working with individual volunteers and trying to set up partnership with private legal firm.

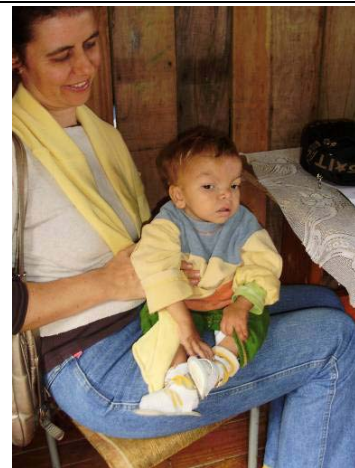
C. Overview of 6 current families

- We have recruited a multi-disciplinary team of social worker, nutritionist, psychologist (volunteer) and income generation professional (handicraft).
- We are now working directly with six families, focusing on children under 5, with severe malnutrition or HIV. We have had first meetings and a home visit with each family and have, together with the families, created their Family Action Plan (FAP).
- We are planning on complementing the Renascer model with natural therapies and homeopathic remedies as the Brazilian Board is eager to provide as comprehensive support as possible to the family and we have secured voluntary support to provide these therapies. Note: Homeopathy is provided on the national health system in Brazil, although lack of public investment severely restricts access.
- We have structured projects for: Oral Health, Child Recreation using Waldorf pedagogy, Housing Improvement, Income Generation through handcraft production; Psychological Assistance, Nutritional Advice.

Family 1

Situation: child of 1 year, severe malnourishment and development delays, strong history of repeat hospitalisations, Aarskog syndrome, parental psychological issues, 5 more children in the family, precarious living conditions with no place to wash in house other than sink, family dislocated from home town to be near hospital resulting in unemployment of father and children dislocated from school.

Actions taken: paid freight for them to move back to home town, father already employed in apple harvest, child in special-support creche, team visited house and set up meetings for family with local support services, FAP designed, provided with food, blanket, hygiene products, mother involved in income generation workshops.



Family 2

Situation: child of 2 years with HIV, child doesn't eat well and mostly nourished by bottles of milk with coffee, both parents with HIV and pneumonia, mother not taking care of herself, father in denial about illness, renting basement with high level of damp, one room with outdoor bathroom, no work in household, older son sleeping on couch, 2 other children with other father, one of whom, a 14 year old reported to be involved in drug trafficking.

Actions taken: provided food, nappies, hygiene products and mattress, looking at options to build own home on family land and identified, mother started HIV treatment, mother very involved in income generation activities, FAP designed.



Family 3

Situation: 1 year old child with HIV, three siblings, mother deceased, teenage father in prison, 3 youngest children being adopted by aunt and uncle, housing in need of reform, aunt has 2 other teenage children.

Actions taken: provided food, hygiene products and blanket, provided lawyer for initial conversation to put house in children's name and facilitate the legal adoption, supported HIV testing of older siblings, looking at possibility of building barber salon on family land.



Family 4

Situation: 2 children with HIV, parents with HIV and 2 more children in the family. Mother's health in very precarious situation, living in a wood house in extremely bad conditions.

Actions taken: Provided food, hygiene products and 2 blankets. FAP designed, house visited by architect and engineer in order to build a new house, mother is involved in the income generation project.



Family 5

Situation: 2 children with HIV, parents with HIV and one more child in the family. Father was a professional fisher, but had to quit the job in order to stay at home to take care of the child, because the mother is illiterate and appears unable to medicate the child properly.

Actions taken: Provided food, hygiene products, blanket, FAP designed, mother participating in the income generation project.



Family 6

Situation: 3 year old child with chronic kidney disease, which leads to chronic malnourishment. There are 2 more children in the family. The 2 older children were recently taken out of the family due to violence charges. Family lives in a one bedroom house, behind the house of the father's family; there is only one double bed for the entire family.

Actions taken: Provided food, blanket and hygiene products. FAP designed. Mother involved with the income generation project, which revealed that she has a problem with her eyesight and needs glasses. Saúde Criança Recontar is scheduling an appointment with an optician for the mother.

D. Financial Report for the period to June 2009

Recontar is in a strong position financially: by end June 2009, we had raised 85% of our annual local fundraising target and spent just under 30% of the 2009 annual budget.

Income:

Table 1: Actual Brazilian income vs. 2009 forecast			
		Comparison Total Plan	
INCOME	Actual income (Jan-June)	Total planned 2009	% of 2009 plan realized
Products Selling	R\$ 284	R\$ 4.500	6,31%
People	R\$ 4.368	R\$ 10.101	43,25%
Events	R\$ 19.365	R\$ 20.500	94,46%
Organizations	R\$ 2.780	R\$ 5.000	55,68%
In-kind	R\$ 3.056	-	-
Total Incomes	R\$ 29.857	R\$ 35.000	85,31%

Local fundraising has been successful in creating a strong sense of local participation and ownership from the beginning and in building awareness about Recontar. Just over 50% of locally secured resources in the period January to June 2009 was raised at the launch event in early February, when Damien Rice and Seu Jorge (a well-known Brazilian musician) played a benefit concert for Recontar. Although this was extremely important in terms of generating excitement about Recontar, raising awareness and giving local credibility to the organization from the beginning, it will of course not be repeated in subsequent years and Recontar is actively seeking other opportunities for raising funds with events, corporate sponsors and self-generated income. A full three year fundraising plan was developed, led by Morgana Krieger, and approved by the Recontar Board. This plan is being successfully implemented to date and is available in Portuguese by request from morgana@recontar.org.br.

Expenditure

Table 2 provides a breakdown of actual vs. budgeted expenditure for the period January to end June 2009.

Recontar has spent only 29% of its 2009 budget by end June 2009. Given that this is the first year of operations in Florianopolis, with the budget based on the actual expenditures on the fully operational service in Rio de Janeiro actual expenditures, we are confident that this is an ideal situation to be in at this stage. Recontar is expending in a conservative manner as needs arise, rather than trying to 'spend a budget'. Also it is important to remember that we have been providing support to a small number of families for only four months. Now that Recontar is set up and our organizational as well as direct family support has been piloted and well structured, we are confident that our spending should increase significantly in the second half of 2009, particularly on direct family support.

Table 2: Actual expenditure vs. budget January to June 2009			
Expenditures	Actual expenditure (Jan-June)	Total Planned 2009	% of 2009 plan spent
Set-up costs	- R\$ 11.432	R\$ 25.715	44%
Direct Support			
Direct support staff	-R\$ 9.083	R\$ 29.200	31%
Direct costs and related administrative expenses	- R\$ 1.910	R\$ 34.200	7%
Total Direct Support	-R\$10.993	R\$63.400	18%
Organizational			
HR	-R\$ 12.002	R\$ 25.100	48%
Administrative & Fundraising expenses	-R\$ 11.838	R\$ 45.500	26%
Total organizational costs	- R\$ 23.840	R\$ 70.600	34%
Total Cost	- R\$ 46.265	R\$ 159.715,00	29%

The three main messages on Recontar's actual vs. budgeted expenditures are:

1. **Set-up costs are under 50% because little office furniture bought to date:** Over 50% of set up costs are as yet unspent, principally because of a line item for furniture for headquarters. Given that we have rented a small office and secured donations of some furniture items and given that the purchase/construction of a headquarters has been put on hold, much of this line item has not yet been spent. We plan to spend it when we get a larger office/headquarters later in the year or in 2010.
2. **Direct support expenditures are lower due to in-kind donations, lag on spending on families and lower direct costs:** Costs with direct assistance for families is significantly under budget, at 18% of the annual budget for the following four reasons:
 - a. We began to support 3 families in March, 2 in April and 1 in May and there has been a lag in providing anything more than immediate food, travel support as we needed to get to know the families and build their family action plans. These plans are now all in place and the second half of 2009 should see a sharp increase in expenditure on direct support for families.
 - b. We received significant in-kind donations of food, hygiene products etc. for families, which resulted in extremely low expenditure on monthly food baskets, nappies and hygiene kits for the families. We are currently looking into a way of communicating this information clearly, while maintaining absolute clarity about actual monetary expenditures.
 - c. Costs budgeted for medicines, fortified milk and food, using Renascer actual expenditures were not incurred, as the 6 families in the programme receive medication from the local government. We will revise 2010 and 2011 budgets with this input and a clearer understanding of the families' health/nutrition needs.

- d. The housing project incurred no expenditure by end June 2009, as the project was in the process of being structured and the housing conditions of the families were in the process of being assessed. As the project started at end June, the full amount budgeted should be spent by end 2010.
3. **Administrative costs are lower largely because a lot of initial expenditure on travel has been met by Renascer:** Administrative costs are lower than budgeted because we have secured a great deal of free travel from Renascer for staff and Board training and learning visits. Renascer also supplied a computer

Finance Management Changes

On June 24th we had our first meeting with the Fiscal Board, with the objective of analyzing the expenditures and income of Saúde Criança Recontar from January to April 2009. The finances of this period were approved by the Board and we received helpful feedback on the way we are organizing and presenting our finances. The feedback from the Fiscal Board was used to reorganize the income and expenditure account names and is being used for all expenditures and incomes from May 2009. We propose to use this revised structure when submitting revised 2010 and 2011 budgets to the ARCH Foundation.

In a general manner, the major account names are:

Income

- Events
- Products
- People
- Organizations (government, nationals and internationals)
- In Kind

Expenditures

- Direct Support
 - Administrative expenses related to direct support (e.g. transport for home visit)
 - Costs with Direct Assistance
 - HR costs for direct support staff
- Organizational
 - Administrative expenses
 - Fundraising costs
 - HR costs for organizational activities

If ARCH or any of the ARCH supporters require any further information on Recontar's finances, please contact Morgana at morgana@recontar.org.br.