



## Banking on Education

Investing in schools, changing communities

*“I want my students to aim high. I work very hard so they will learn to work hard. I want my children to succeed.”*

Nassaka Maria Kasujja, who expanded her school in Kampala, Uganda with a Banking on Education loan.

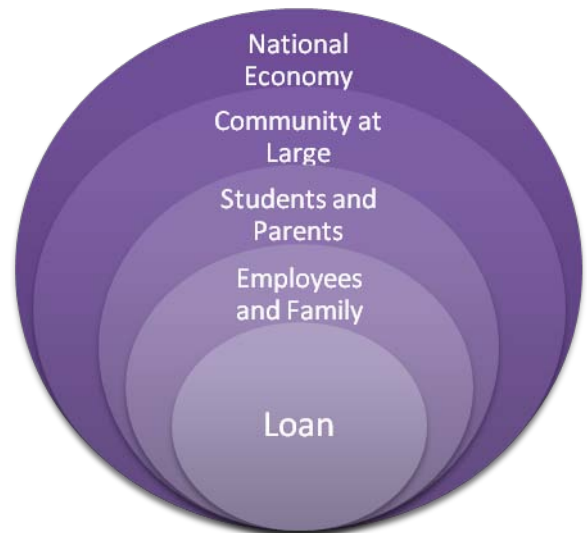
### Education Breaks the Cycle of Poverty

Education is one of the most powerful weapons in the development toolkit for alleviating poverty, spurring economic growth and social change. Unfortunately, too many children in the world today grow up without this right. Opportunity International’s *Banking on Education* program is investing in improving access to education. By leveraging the power of microfinance, schools are able to expand outreach and parents are able to afford a quality education for their children, providing a sustainable solution that will leave a generational legacy.

In developing countries, access to education is limited. Governments are not able to keep up with population trends and poorer communities disproportionately lack schools. In Africa, only 56 percent of children receive a primary education, and only 27 percent of children attend secondary school. Education is key to empowering communities, improving health, increasing income and promoting environmental conservation. It has been argued that education is one of the best investments that a country can make in its people.

Education reduces crime, infant mortality, and incidence of HIV/AIDS. It addresses the problem of “brain drain,” where promising students must go elsewhere to receive an education and cannot find an adequate job in their home country. It provides jobs for communities, and it offers stability for families.

Ensuring that each child has an opportunity to receive a quality education lays the foundation for growth and transformation. Education for all is central to economic and social development. The ripple effect of education empowerment extends beyond far beyond loans.



### Education Entrepreneurs

In poor communities around the world, passionate social entrepreneurs are meeting a need right in their own towns. They are launching schools for the neighborhood children – providing access to those who otherwise would have seen the distance and cost of school as an insurmountable barrier. Recognizing their potential, Opportunity International invests in these entrepreneurs through our Banking on Education program, currently at work in the **Dominican Republic, Ghana, India, Malawi and Uganda.**

Motivated by Jesus Christ's call to love and serve the poor, Opportunity International provides loans to private schools that have the propensity to become viable enterprises in poor neighborhoods. Opportunity supports these educational ventures with loans ranging from \$500 to \$25,000 for one to five year terms, based on the school's specific need. To help school proprietors succeed, we provide more than just business capital.



“Love for children is deep in my heart,” says Rosemary Namande of Uganda, affectionately known as Mama Rosemary. “God blessed me with the ability to care for hundreds of them.” Forty years ago, she opened a small school for infants. **Today, thanks to determination and Opportunity International loans, five permanent buildings house her elementary school and orphanage.** Here Rosemary educates and cares for 900 children—many with discounted or free tuition. Through an innovative approach to financing new infrastructure, Rosemary’s loans have grown from \$204 to over \$7,000. She uses part of the loans to purchase fabric and sew uniforms, which she sells to augment tuition income. Her continued expansion allows her to employ 53 people and enhances economic activity in her community.

## Investing in Education

In addition to providing loan capital to expand schools in underserved neighborhoods, each pilot program is further testing and learning the value of offering families various specially designed products.

**School Fee Loans** Primarily piloted in **Uganda**, the School Fee loan product is designed to assist families by providing access to additional resources to pay their children’s school fees. In our experience, Opportunity clients believe that education is a top priority, but don’t always have the lump-sum of cash on hand when school fees are due. With a small loan, we enable them to pay out these fees over a period of time more compatible with their cash flow. Clients receive one School Fee loan at any given time, and loans range from \$22 to \$214, payable in four month terms. To date, over 5,000 loans have been issued.

**School Savings Accounts for Children** Specialized, interest-bearing school savings accounts are being developed in **Malawi** to encourage families to save money for their children’s education. Capital is accumulated and over time and used for the family’s education needs. These accounts will also guarantee a child’s assets in the event of the loss of that child’s guardians, and the product helps increase the economic literacy of both parent and child through financial discipline.

**Scholarship Program** In **India**, Opportunity has launched a scholarship program focused towards young women to promoting gender equity in classrooms. These scholarships are based on need and academic performance, with the purpose of providing an opportunity for students to attend upper-secondary school as well as community college. The scholarships help cover tuition and school fees for two years.

**Capacity Building Training** Building a functional school system means providing additional training to enhance school proprietors' and administrators' business planning, financial literacy, accounting, record

keeping and other business skills. This training equips them with the necessary skills to best manage their schools as well as to meet our strict reporting and financial tracking obligations. Each country's program provides some training. In **Ghana**, the IDP Rising Schools Program has partnered with Opportunity to test a model of intensive, mandatory training ranging from financial management to curriculum development to food safety. To date, 73 schools have completed or are in the midst of the rigorous 16 session training.

## Current Program Snapshot

### GHANA

Developing schools with active loans: 107. Average loan \$3,086

Emerging schools with active loans: 28. Average loan \$13,628

### MALAWI

Developing schools with active loans: 5. Average loan \$511.

Emerging schools with active loans: 26. Average loan \$9,459.



### UGANDA

Emerging schools with active loans: 54. Average loan \$11,973.

School fee loans: over 4,000

### DOMINICAN REPUBLIC

Developing schools with active loans: 120. Average loan \$557.

### INDIA

School fee loans: 5,320 loans

Scholarships: \$33,000 disbursed to students, of whom 75% are girls.

## Join Us

Opportunity's Banking on Education vision is ambitious. Opportunity intends to distribute school loans, student loans, and scholarships to increase education access in underserved communities. We need your help to make this program a success. To date over 360 school loans and 5,000 student loans have been disbursed, touching more than 90,000 children. We have raised \$4.6 million toward our \$10 million total goal. **On average, every \$10,000 given can support one additional school, touching roughly 635 lives of students, parents and families, the teachers and their families, the community at large and beyond.**

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Opportunity has extensive experience in implementing and tracking progress on projects. Over the past 39 years we have developed a robust reporting and monitoring system which gathers and analyzes standardized data in critical performance areas at each of our institutions across the globe. We commit to providing you with written reports every six months to inform you of the impact of your investment. The reports will outline activities and progress against the goals and a summary of the performance metrics, as well as notify you about how we are addressing any challenges we are facing. Opportunity International is committed to using your donation in the most effective way possible. Your gift will support Opportunity's overall Banking on Education program and will be used to provide financial services to the poor. You are part of a consortium of donors providing funding to expand education opportunities.