Of the 250 million children worldwide who cannot read or write, two-fifths reside in India. We believe that every child can learn if given the right support. We create high-quality, low-cost learning opportunities to transform academic achievements, self-confidence and life trajectories.

INNOVATION
We redefine learning by moving beyond traditional models of how, where and when learning occurs.

COLLABORATION
We engage with community stakeholders, government and industry to maximize impact.

ACCOUNTABILITY
We deliver evidence-based programs that have been rigorously scrutinized by internal and external evaluators.

ADAPTABILITY
We offer versatile, easy-to-use solutions that educators can apply to their communities.

This annual report covers the activities of Pratham USA during the period of January 1, 2016 to December 31, 2016. However, Pratham’s program statistics reflect data from the 2016-2017 Indian school year.
OUR IMPACT IN 2016-2017

5.7M INSPIRED TO LEARN

1.1M children enrolled in Pratham literacy and learning programs

4.6M children reached through government partnerships

560,000 children assessed through the ASER survey

200,000 teachers trained in Pratham methods

24,000 young adults equipped with relevant job skills

4,300 girls given a second chance to complete their education

WHERE WE WORK

24 CITIES
20 STATES
3 UNION TERRITORIES
A MESSAGE FROM OUR CHAIRMAN

Dear Friends of Pratham,

When I think of the current education crisis in India, I’m reminded of the old slogan “A mind is a terrible thing to waste.”

Every year, 26 million Indian children enter first grade. Half of them will reach fifth grade unable to read or write. Similarly, 13 million young people enter the country’s workforce annually. However, only 2% of India’s workers have received any formal skills training. These numbers represent a tragic human toll—generations trapped in an unending cycle of illiteracy and poverty. Fortunately, this need not be the case.

Far over two decades, Pratham has improved the quality of education for children in India’s urban slums and rural villages. Years of innovation, combined with constant assessment through randomized control trials, have yielded a viable solution for rapidly improving children’s basic literacy and numeracy. This approach forms the basis of our focused learning intervention, Read India, which has made a positive impact on millions of children, improving their prospects for a better life.

We’re also optimistic about incorporating technology, both to sustain the impact achieved through our literacy programs as well as to inspire children to become learners on their own. We are thrilled to have received significant commitments from the Sarva Mangal Family Trust and Google.org supporting our work in this area.

In 2016, our literacy and learning programs benefited 5.7 million children while our rapidly growing vocational training program helped 24,000 youth and sponsored its 1,000th entrepreneur. Meanwhile, our girls’ program continued to exceed expectations, with 84% passing their Board exams.

Here at home, an impressive $16.5 million (net of expenses) was raised for our work in India. Supporters ran 5Ks, read books and attended galas to garner support for Pratham. And for the seventh straight year, Charity Navigator granted Pratham USA a four-star rating in recognition of our ongoing commitment to financial excellence.

I would like to express my heartfelt thanks to all the supporters who made this possible and to our Pratham USA Board, chapter leadership, staff, and volunteers for their contributions to our cause. In addition, I want to commend Drs. Rukmini Banerji and Madhav Chavan and the entire Pratham leadership team for their vision, passion and commitment. Together, we have accomplished much and built a foundation to help many more children and youth in the years to come.

India’s problem may be daunting, but it is within our power to be the change we want to see in the world. Through education, we can transform a child’s and a nation’s future.

Thank you for your support.

Sincerely,

DEEPAK RAJ
Chairman, Pratham USA
Pratham is founded on the firm belief that every child has the right to a quality education. Since the 1990s, we have developed numerous low-cost techniques to address gaps in India’s education system and engage children in meaningful learning in the poorest and most remote areas of the country.

Our revolutionary literacy program, Read India, groups children ages 6-10 by ability rather than grade level and combines academic instruction with fun, hands-on activities—a break from India’s rote learning tradition. This approach ensures that each child grasps the fundamentals before moving on.

Today, Read India operates as a focused intervention that employs a low-cost learning camp model, which can be delivered directly by Pratham as well as scaled in partnerships with state and local governments. Independent evaluation of the camps shows that after only six to eight weeks of instruction, 80% of children show improved competencies in reading and math.

IMPACT OF PRATHAM LEARNING CAMPS ON CHILDREN’S READING LEVELS

Through a range of programs, including early childhood education, remedial learning, community libraries and science workshops, Pratham gives children a solid educational foundation and an equal opportunity to succeed.
An estimated 4 million Indian girls are out of school. Of those who do attend primary school, 80% drop out before reaching eighth grade. Specifically girls from rural areas face greater cultural and economic barriers to education.

Through our Second Chance program, we empower female dropouts to complete their secondary school education and acquire the skills necessary to negotiate important life decisions. The program’s accessible, affordable education model provides girls and women the opportunity to return to the classroom and earn their diploma, improving their prospects for higher education and employment.

Our yearlong program includes a four-month foundation course followed by subject-specific tutoring within a network of learning centers. This approach offers students a supportive environment to study near their homes and around their daily household and work responsibilities. Sessions on life skills, nutrition, childcare and computer literacy are also offered.

Since Second Chance was introduced in 2011, it has achieved impressive results. More than 22,000 girls have been given an opportunity to obtain their diploma and shape the world according to their aspirations.

Studies show that educating females benefits the larger community as well. Not only do they lead healthier, more productive lives, they also contribute to strengthening society.

PREPARING HER FOR A FUTURE BEYOND SCHOOL

GRADUATION RATES BY STATE
2016-2017 SECOND CHANCE PROGRAM

GUJARAT 95%
MAHARASHTRA 96%
ANDHRA PRADESH 69%
TELANGANA 91%
CHHATTISGARH 80%
ODISHA 83%
BIHAR 91%
RAJASTHAN 89%
MADHYA PRADESH 90%

4,300 RE-ENGAGED through the Second Chance program
Laying the Foundation for a Promising Career

India is expected to have the largest workforce in the world by 2025. Yet studies show that only 2% of its current working age population has received any formal skills training. This lack of vocational education contributes to poor working conditions, low wages and worker exploitation.

India’s Working Age Population (Ages 15-64)

Since 2005, Pratham has been closing the skills gap by providing industry-specific training to underprivileged youth, helping them accumulate experience and transition to employment in new professions and localities.

More than 100 residential and nonresidential centers in 16 Indian states offer applicants ages 18-30 access to industry-driven curricula so they can acquire the competencies needed to fill entry-level positions. The ten courses offered, each roughly 2-3 months long, are accredited by the National Skill Development Corporation, the organization responsible for the coordination of all skill development efforts initiated by the Indian government.

Pratham’s success in this area can be traced to our broad geographic reach, which facilitates mobilization in rural communities, and our hands-on training model, which satisfies the requirements for employment. In addition, our post-placement tracking and social support network has resulted in greater job retention.

Advancing Entrepreneurship

Qualified students can receive assistance to launch a home-based business. Apart from capital, Pratham provides business counseling and mentorship to open and grow these micro-enterprises. Today, more than 1,000 individuals (primarily women) have benefited from this program and transitioned to self-employment.

Impact 2016-17

24,000 Empowered through vocational programs

Source: World Bank population projections
Despite having achieved 97% school enrollment, India is failing its children when it comes to education. Poor attendance, oversized classes and antiquated teaching methods have all contributed to a crisis in which roughly 50% of fifth graders don’t have second-grade level competencies.

For over a decade, Pratham has been at the forefront of capturing data on school enrollment and facilities and, more importantly, asking the critical question: are children learning? Since 2005, our Annual Status of Education Report (ASER)—the world’s largest household survey of children’s learning—has measured the basic literacy and numeracy skills of 600,000 children ages 5-16 in rural areas, where most of the nation’s poor reside.

The information collected through ASER is vital for increasing accountability, improving practice and helping policymakers make informed decisions. Furthermore, the survey has shifted the focus away from school enrollment and onto the quality of learning, allowing ordinary citizens to understand, communicate and improve the state of education in their communities.

In 2008, the ASER Centre began supporting groups outside India who want to carry out similar initiatives.

known as the Pal network, groups in fourteen countries working across three continents are now measuring the basic reading and numeracy competencies of children through citizen-led assessments.

560,000 ASSESSED through the ASER survey
Pratham’s programs have been rigorously evaluated by randomized control trials not just once but six times over ten years. This is extremely rare and has been instrumental in helping to develop an effective model for scale.

— John Floretta, Associate Director of Policy at Abdul Latif Jameel Poverty Action Lab (J-PAL)
TRANSFORMING LEARNING THROUGH TECHNOLOGY

Over the last two decades, Pratham has become adept at understanding what makes learning programs efficient and effective. Comprehensive assessment by researchers at J-PAL has demonstrated that our Read India camps dramatically improve children’s basic literacy and numeracy skills. But in spite of our significant progress, an estimated 100 million Indian children remain unable to read or do math at grade level. With this in mind, Pratham has been exploring how technology can augment our existing programs, help children sustain the progress they’ve made and enable students to become learners outside of school.

Two major grants have allowed us to experiment with the use of tablet technology as a means to overcome the lack of connectivity in large sections of rural India. In 2016-17, we provided tablets preloaded with Pratham content in the areas of science, math and English to 26,000 primary and middle school students. This allowed the children to access lessons on their own time, at their own pace while also becoming familiar with digital technology in general. We also developed localized content in 11 Indian languages. These educational videos, games and simulations are available for free to anyone in India and the rest of the world to access through open source platforms.

Using continuous data analysis to determine what content is relevant and engaging, our goal is to develop a viable student-focused model which can accompany more traditional teacher-centric approaches with the intention of scaling the methodologies across India’s rural school system.

IN 2017-18, THE PROGRAM WILL EXPAND TO INCLUDE

<table>
<thead>
<tr>
<th>Children</th>
<th>Tablets</th>
<th>Villages</th>
</tr>
</thead>
<tbody>
<tr>
<td>350,000</td>
<td>18,000</td>
<td>7,000</td>
</tr>
</tbody>
</table>

COLLABORATORS

Sarva Marge Family Trust

[Logos of Pratham's partners: Google.org, EkStep, IndiGo Towers, Vodafone Foundation]
Like many girls in Kadi—known as “cotton city”—Reetu Thakor dropped out of school at a young age to work in a mill. Thanks to Pratham’s Second Chance program, Reetu was able to return to school and earn her diploma, opening a world of opportunities and a means of escaping a life of hard labor. She and her grandmother can’t help but rejoice.

“We SHOULD NEVER GIVE UP. PERSISTENCE PAYS OFF.”
— Reetu Thakor, graduate of Pratham’s Second Chance program

Sunil Kumar was born in the tiny village of Khap on the India-Nepal border. His parents were landless laborers, with no resources to raise him and his siblings. Seeking a chance at a better life, Sunil ran away from home to Mumbai, the city where dreams could become a reality.

Instead, he found something much closer to a nightmare—the hopeful migrant was put to work alongside hundreds of other poor children in an embroidery sweatshop. Forced to work up to 20 hours a day in cramped, dimly lit rooms, their only payment was food to keep them alive.

In 2006, when Pratham facilitated large-scale state rescue operations, Sunil was one of the fortunate ones to be freed. He was then enrolled in Pratham’s Gyanshala program, which provides education and other support to those rescued from child labor.

After their basic foundational skills are established, the children attend a nearby government school while continuing to live with fellow Gyanshala students. They are also exposed to music and sports. It was here that Sunil began to excel at kabaddi, a sport in which players must cross to the other team’s half, touch an opponent and escape back to their own side—all on a single breath.

Today, Sunil is a confident, capable young man. He is among the 35% of students to have passed the grade 12 exam, scoring in the 65th percentile. He has also won many medals representing Bihar on the kabaddi court, where, as in life, he has been to the other side and made it back safely. He can now exhale.
Pratham USA was ranked in the top 3% of all American charities in 2016. This rating, awarded by independent nonprofit evaluator Charity Navigator, reflects our commitment to being good stewards of the public trust. It is also a testament to the values of the volunteers who guide our 14 chapters and tirelessly promote our organization. Their determination and effort are essential to our success and growth, both in India and here in the US.

What motivates everyone at Pratham USA is our shared belief that a quality education can move people out of poverty. This conviction informs our work year after year and keeps us focused on our mission of “every child in school and learning well.”

United For India’s Children

When I saw what Pratham was doing, I realized that this was something that was affordable and could be rapidly executed, scaled, and replicated in any part of India and beyond. I agreed not only to commit some money but also to start Pratham USA.

— Vijay Goradia, Founder and Chairman Emeritus of Pratham USA
PRATHAM USA
STATEMENT OF ACTIVITIES
For the year ending December 31, 2016

CHANGES IN UNRESTRICTED NET ASSETS
Revenues and Other Support
Contributions 2,739,704
Foundation grants 6,030,466
Special events 4,990,603
Less: direct benefit to donors (831,577)
Other income 124
Total revenues and other support $12,929,320

NET ASSETS RELEASED FROM RESTRICTION
Expiration of time restrictions 3,594,835

TOTAL UNRESTRICTED REVENUES AND OTHER SUPPORT 16,524,155

Expenditures
Program support expenses 15,006,248
General and administrative expenses 483,564
Fundraising expenses 1,308,961
Total expenditures 16,798,773

INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS (274,618)

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS
Contributions 520,455
Foundation grants 7,005,369
Special events 61,618
Net assets released from restriction (3,594,835)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS 3,992,607

INCREASE (DECREASE) IN NET ASSETS 3,717,989

NET ASSETS, BEGINNING OF YEAR 7,338,449

NET ASSETS, END OF YEAR $11,056,438

PRATHAM USA
REVENUE BREAKDOWN

45%
INDIVIDUAL CONTRIBUTIONS AND CHARTER FUNDRAISING EVENTS

55%
GRANTS FROM FOUNDATIONS AND CORPORATE CONTRIBUTIONS

$15,006,248

ALLOCATION OF U.S. FUNDS TO PROGRAMS IN INDIA

LITERACY AND LEARNING 35%
VOCATIONAL 20%
CARRY FORWARD INTO FY 2017 14%
OTHER* 13%
ASER 12%
SECOND CHANCE 6%

*Digital Initiatives and Child Rescue

SOURCE OF FUNDING $32.7M

PRATHAM INDIA
FINANCIALS
Unaudited from April 1, 2016 - March 31, 2017

INCOME STATEMENT

Revenue Breakdown

LITERACY AND LEARNING 35%
VOCATIONAL 20%
ASER CENTER 12%
SECOND CHANCE 6%
OTHER PROGRAMS AND ADMINISTRATION 8%
DIGITAL INITIATIVES 5%
CAPITAL EXPENDITURES 4%

ALLOCATION OF FUNDING $30.2M

SOURCES OF FUNDING

OPENING BALANCE 6.6%
INDIA CORPORATIONS 26.2%
USA CORPORATIONS 18.6%
USA FOUNDATIONS AND CORPORATIONS 14.4%
USA INDIVIDUALS AND FAMILY FOUNDATIONS 17.4%
INDIA INDIVIDUALS AND OTHER INTERNATIONAL (NON USA) 2.8%
INTERNATIONAL (NON USA) 1.8%

PRATHAM REVENUE GROWTH
Global for FY 2013-2016

FINANCIALS 25
We value all our donors. However, due to space constraints, only those who contribute $2,500 and above are listed in the physical education to end poverty and inequality. Their generosity and commitment are deeply appreciated.

**CORPORATIONS & FOUNDATIONS**

- **$50,000 - $99,999**
  - Wrigley Company Foundation
  - Artha Capital
  - UBS Optimus Foundation
  - Google.org
  - The Uttarayan Fund

- **$250,000 - $999,999**
  - Gilbane Building Corporation
  - GE Capital Solutions
  - Goldman Sachs

- **$500,000 & ABOVE**
  - Mitchell & Johnson
  - The Sage Foundation

- **INDIVIDUALS & FAMILY FOUNDATIONS**
  - Ravi & Neelu Singh
  - Gita Iyer & Vijay Vishwanath
  - Anuradha & Ranjay Gulati
  - Neeta & Mahesh Desai
  - Rumki & Shivaji Dasgupta

- **DONORS**
  - Bhumika Chauhan
  - Pratima Abichandani
  - Deborah Weisser & Ben Gomes
  - Shiva Piplani & Shailendra Verma
  - Shyamla Menon
  - Raj Kanodia

A HEARTFELT THANK YOU TO OUR DONORS

Pratham's success is made possible by visionaries who believe in the promise of education to end poverty and inequality. Their generosity and commitment are deeply humbling. We offer them our sincerest gratitude for enabling us to make a positive impact on so many lives.

We value all our donors; however, due to space constraints, only those who contribute $2,500 and above are listed in the physical report. For a more detailed list, please visit SUPPORTERS.PRATHAMUSA.ORG.
PRATHAM’S APPROACH TO EDUCATION EMPHASIZES LEARNING RATHER THAN TEACHING. THIS IS AN IMPORTANT DISTINCTION BECAUSE IT PUTS THE CHILD, NOT THE TEACHER, AT THE CENTER OF THE LEARNING PROCESS.

— Professor Srikant Datar, Harvard University
Pratham opens the door to learning for the most disadvantaged members of Indian society. Your support is integral to our work, from primary education to vocational training.

A gift today helps children and youth escape a lifetime of poverty and offers them a chance at a better future.

**HOW TO DONATE**

Online: donate.prathamusa.org
By phone: 1-866-PRATHAM
Mail a check payable to “Pratham USA” to any of our addresses below.
For wire transfers or to donate stocks, contact: giving@prathamusa.org

**OTHER WAYS TO GIVE**

Gifts of securities
Gifts of property
Planned giving and bequests

**GET INVOLVED**

Join a chapter
Start a campaign
Visit a Pratham site
Join our young professionals group
Volunteer or intern with us
Participate in our Readathon
Sponsor an event

**REGISTERED OFFICE**

9703 Richmond Avenue
Suite 102
Houston, TX 77042

**EAST COAST OFFICE**

55 Exchange Place
Suite 402
New York, NY 10005

**WEST COAST OFFICE**

Chugh, LLP
15925 Carmenita Road
Cerritos, CA 90703

Pratham USA has 501(c)(3) nonprofit tax exempt status. All donations are tax-deductible to the full extent allowable by law. Our federal tax ID number is 76-0620808.

Photo on page 21 by Arvind Eyunni

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