

Armenian Regional Institution Financial Summary

Table of Contents

Tab #	Title	Page
1.	Khachkar Studios Pilot Math: 2024	2
2.	Armenian Regional Institution Endowment Fund Donor Summary: 2024	3
3.	Khachkar Studios KPIs: 5 Western States 2024	4
4.	U.S. Armenian Regional Institution: Donors 2024	5
5.	Khachkar Studios "Faithful" Methodology	6
6.	Khachkar Studios SROI Summary: U.S.	7
7.	The 3% "Faithful" U.S. Armenian Christian Ecosystem 12 Body Parts Currently Underperforming with Extraordinary Potential: 2025	8
8.	U.S. Armenian Regional Institution and Endowment Fund	9
9.	8 Select Biblical Wisdoms for World-Class Benchmarking and Management Excellence	10

Khachkar Studios Pilot Math: 2024

	Small Pilot Funding	Large Pilot Funding
5-Year Program	\$300,000	\$400,000
Annual	\$60,000	\$80,000
Armenian Regional Institution (ARI) General Contributions 2023 (as 2024 number is aberrant)	\$196,057	\$196,057
Pilot % of General Contributions	31%	41%
Endowment Yield - 2024	1.7%	1.7%
ARI Endowment Fund Equivalent	\$3,537,583	\$4,716,777
Donor Funding Ranking	4th Largest	3rd Largest
KS 8 Activities Hourly Rate	\$222	\$295
ARI 2024 Management Revenue (excluding Endowment Fund, Cathedral and Parish Dues)	\$832,283	\$832,283
# ARI Senior Non-Clergy Level Staff	4	4
ARI Senior Non-Clergy Level Staff Estimated Annual Hours	3,000	3,000
ARI Senior Non-Clergy Level Staff Hourly Rate	\$69	\$69
Hourly Rate: KS 8 Activities % of ARI Senior Non-Clergy Level Staff	319%	426%

Notes:

ARI: Armenian Regional Institution

Armenian Regional Institution Endowment Fund Donor Summary: 2024

One donor contributed 64% of total contributions and 4 donors or 2% of the 170 donors contributed 90% of total contributions.

<u>Group #</u>	<u>Group</u>	<u># in Group</u>			<u>Contributions</u>		
		<u>#</u>	<u>% of Total</u>	<u>Cumulative %</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cumulative %</u>
1	\$30+ million	1	1%	1%	\$33,090,051	64%	64%
2	\$20 to <\$30 million	0	0%	1%	\$0	0%	64%
3	\$10 to <\$20 million	0	0%	1%	\$0	0%	64%
4	\$5 to <\$10 million	1	1%	1%	\$8,713,395	17%	80%
5	\$1 to <\$5 million	2	1%	2%	\$5,072,225	10%	90%
6	\$500k to <\$1 million	2	1%	4%	\$1,478,209	3%	93%
7	\$100k to <\$500k	13	8%	11%	\$1,702,465	3%	96%
8	\$50k to <\$100k	14	8%	19%	\$883,186	2%	98%
9	<\$50,000	137	81%	100%	\$1,036,891	2%	100%
Total		170	100%		\$51,976,422	100%	

Khachkar Studios KPIs: 5 Western States 2024

#	KPI	Metric	Goal	Increase
KPI #1	All Armenian Churches in 5 Western States ("Faithful")	5,710	12,331	6,621
KPI #1	5 Western States All Armenian Churches "Faithful" % of US Community Estimate	1.0%	2.1%	1.1pps
	Number of Armenians in 5 Western States (Community Estimate)	595,808	595,808	
KPI #1	5 Western States All Armenian Churches "Faithful" % of U.S. Census Population	2.1%	4.5%	2.4pps
	Number of Armenians in 5 Western States (U.S. Census)	274,223	274,223	
KPI #1	Armenian Regional Institution Non-holiday Badarak faithful ("Faithful")	2,497	5,393	2,896
	Armenian Regional Institution Total Churches in Model	29	29	
	Armenian Regional Institution Churches Surveyed in 2024	17	17	
	Armenian Regional Institution 29 Church Capacity (stationary pew seats)	4,647	4,647	

Notes:

1) 5 Western States are Arizona, California, Colorado, Nevada and Washington.

U.S. Armenian Regional Institution: Donors 2024

Number of U.S. Armenians Attending Holiday Badarak in Region	5,341
---	--------------

Number of Families Donating 90% of the Funds to the Regional Institution Endowment Fund	4
--	----------

% of Families Responsible for 90% of the Donations to the Regional Institution Endowment Fund	0.1%
--	-------------

Khachkar Studios "Faithful" Methodology

Our Multi-variant and micro-demographic analyses: JI-Analytics in 2024 conducted 243 on-site field research visits at 106 Armenian churches in 25 states, with photographic evidence classifying 22,786 holiday Badarak faithful and 12,894 non-holiday Badarak faithful, which supported our multi-variant and micro-demographic analyses on ages, genders, states, NHBF, HBF, and specific or grouped churches.

Church and attendance data are for 25 U.S. states, which account for 95% of the total Armenian population in the country.

	Total	East	West
1. Total Number of Armenian Churches in the U.S.	164	92	72
2. Number of Armenian Churches Surveyed in the U.S.	106	66	40
3. Number of Armenian Churches Surveyed % of Total	65%	72%	56%
4. Number of "Faithful" Attending Non-Holiday Badarak	12,894	7,185	5,710
5. U.S. Armenian Population (unofficial number)	1,000,000	381,874	618,126
6. "Faithful" % of U.S. Armenian Population (unofficial number)	1.3%	1.9%	0.9%
7. U.S. Census Armenian Population	460,254	175,759	284,495
8. "Faithful" % of U.S. Census Armenian Population	2.8%	4.1%	2.0%
9. Total Stationary Pew Seats Capacity	31,153	17,049	14,104
10. "Faithful" % of Total Stationary Pew Seats Capacity	41.4%	42.1%	40.5%

Khachkar Studios SROI Summary: U.S.

Khachkar Studios SROI for the U.S. is 7.0x and 6.1x for the average "Good News" Pilot.

	<u>Current</u> 164 U.S. Armenian Churches	<u>5-Year Goal</u> 164 U.S. Armenian Churches	<u>Total</u> 2024-2029	<u>East</u>	<u>West</u>	<u>Per Person</u>	<u>Total Social</u> <u>Return</u>
Pilot Payment KPI #1			\$20,150,071	\$11,227,215	\$8,922,857	\$1,348 ⁽¹⁾ Pilot payment per "Faithful"	
Non-Holiday Badarak "Faithful" - KPI #1	12,894	27,847	14,953	8,331	6,621		\$299,057,419
Daily Bible Readers - KPI #5	1,000	41,423	40,423	22,523	17,900		\$404,228,600
Total KPI #1 and KPI #5	13,894	69,270	55,376	30,854	24,521		\$703,286,019
Total Cost				\$55,717,989	\$44,282,011	\$1,806	\$100,000,000
SROI							7.0x

Social Value of a New
"Faithful"

\$20,000

Social Value of a New
Daily Bible Reader

\$10,000

Notes:

1) Khachkar Studios will pay \$500 for each additional "Faithful" to every Pilot Church, with payments calculated on a cumulative basis each year. This results in a total of \$1,348 per new "Faithful" over the five-year pilot period.

The 3% “Faithful” U.S. Armenian Christian Ecosystem 12 Body Parts Currently Underperforming with Extraordinary Potential: 2025

The 3% "Faithful" U.S. Armenian Christian Ecosystem bottom decile -- next to last place -- performance permeates 11 of the 12 Ecosystem Body Parts with deeply rooted barriers to change. In stark contrast, a systemic misconception held by many Armenian Americans is that they have among the highest non-holiday church attendance rate as high as 35% and have best-in-class performance on all 12 Ecosystem Body Parts. Over the past decade the number of “Faithful” has declined and the annual percentage increase in the number of Armenian in the U.S census is now a fraction of overall U.S population growth and was from 1980 to 2010 a multiple.

“Faithful” defined as those who regularly attend Armenian church on non-holidays. Percentages are of relevant U.S. Armenian group.

2% of major Armenian Philanthropist donations to Armenian religious activities (2001 to 2023). (2.)

2% religious content in Armenian theme major international films (1982-2023) (3.)

3% of articles have religious content in 18 Armenian English language news outlets (2024 sample) (4.)

5% of advertisements have religious content in 18 Armenian English language news outlets (2024 sample) (5.)

6% religious content in 321 Armenian Documentaries (1930-2024) (6.)

3% Armenians “Faithful” (1.) - KPI #1

Armenian churches in the U.S. ranked in the bottom decile – next to last place – among the 23 U.S. Orthodox Christian groups in regular weekly attendance % of adherents in both 2010 and 2020 and 10% of the average of U.S. Protestants and Catholics regular weekly attendance percentage.

10% of Armenians under the age of 18 attending accredited Armenian schools or Sunday/Saturday school. (7.) - KPI #2

0% reading the Bible daily (8.) - KPI #5

0% attending Bible study classes (9.)

0% church leadership managing with benchmarking, best practices and time management (10.)

0% of church role models non-work hours participating in church activities training and retention % (11.)

≤0% SROI as decrease in “Faithful” from 2010 to 2020 with an increase in spending (12.)

Notes: (a) “Faithful”: Non-Holiday Badarak Faithful, which is Khachkar Studios Key Performance Indicator #1, KPI #1. (b) Numbers are rounded to an integer. (c) SROI: Social Return on Investment. (d) For Ecosystem body parts 10 and 11, the analyzed materials are from 1957 to 2024. (e) See Khachkar Studios webpage “Analyses” for additional information. (f) The 3% Armenian American “Faithful” is 12,894 attendees at 164 Armenian churches in 25 states divided by the official U.S. census number of 460,254 Armenian Americans. Furthermore, it is very important to remember that the percentage of Armenian “Faithful” is only 1% if the credible and widely cited number of 1+ million Armenian Americans is the denominator



U.S. Armenian Regional Institution and Endowment Fund

Armenian Regional Institution (ARI)⁽¹⁾

Year	Total Revenue	Total Spending	Net Income	Total Assets	Total Debts	Net Worth	Endowment Fund Interest Paid	Notes Payable Endowment Fund	General Contributions (3) (4)	Endowment Fund Earnings Distribution (4)	General Contributions + EF Earnings Distribution	Total Revenue Less Grants from EF	Net Income less Cash Grants from EF
2024	\$3,193,648	\$2,256,025	\$937,623	\$23,543,330	\$18,410,427	\$5,132,904	\$0	\$5,950,000	-\$33,618	\$1,257,232	\$1,223,613	\$1,816,176	-\$319,609
2023	\$3,193,225	\$1,869,358	\$1,323,867	\$23,918,133	\$19,660,294	\$4,257,838	\$0	\$5,950,000	\$196,057	\$1,215,272	\$1,411,329	\$1,830,532	\$108,595
2022	\$2,862,928	\$1,750,833	\$1,112,095	\$4,735,886	\$1,978,489	\$2,757,398	\$12	\$1,000,000	\$96,697	\$1,303,818	\$1,400,515	\$1,559,110	-\$191,723
2021	\$3,257,742	\$1,584,861	\$1,672,881	\$5,230,370	\$2,527,611	\$2,702,759	\$2	\$1,000,000	\$264,546	\$1,058,148	\$1,322,694	\$1,998,532	\$614,733
2020	\$2,372,488	\$1,402,433	\$970,055	\$2,608,125	\$1,125,249	\$1,482,876	\$5,003	\$500,000	\$358,556	\$988,591	\$1,347,147	\$1,238,634	-\$18,536
2019	\$1,773,705	\$1,649,244	\$124,461	n.a.	n.a.	n.a.	\$25,000	n.a.	\$65,868	\$751,615	\$817,483	\$722,717	-\$627,153

Endowment Fund (EF)⁽²⁾

Year	Total Revenue	Total Spending	Net Income	Total Assets	Total Debts	Net Worth	Notes & Loans Receivable	Contributions Paid to ARI & Churches	Contributions Received	Cash Grants to ARI	Total Assets Less Notes & Loans	Notes & Loans % of Total Assets
2024	\$2,820,837	\$2,849,296	-\$28,459	\$74,126,012	\$2,676,487	\$71,449,525	\$8,550,000	\$2,665,461	\$185,234	\$1,377,472	\$65,576,012	12%
2023	\$9,548,241	\$2,908,359	\$6,639,882	\$69,281,381	\$2,646,435	\$66,634,946	\$5,950,000	\$2,641,325	\$239,420	\$1,362,693	\$63,331,381	9%
2022	-\$8,914,179	\$2,932,171	-\$11,846,350	\$62,523,635	\$2,528,571	\$59,995,064	\$5,950,000	\$2,528,571	\$1,914,402	\$1,303,818	\$56,573,635	10%
2021	\$10,721,385	\$2,876,458	\$7,844,927	\$74,278,534	\$2,437,120	\$71,841,414	\$3,950,000	\$2,433,090	\$1,149,650	\$1,259,210	\$70,328,534	5%
2020	\$10,858,375	\$2,562,075	\$8,296,300	\$66,188,317	\$2,191,830	\$63,996,487	\$3,611,891	\$2,191,830	\$2,580,248	\$1,133,854	\$62,576,426	5%
2019	\$10,198,256	\$2,395,918	\$7,802,338	\$57,750,626	\$2,050,439	\$55,700,187	\$666,931	\$2,050,439	\$58,943	\$1,050,988	\$57,083,695	1%

Notes:

- 1) Source is the Armenian Regional Institution Financial Reports.
- 2) Source is Armenian Regional Institution Endowment Fund 990 tax forms.
- 3) 2024 General Contributions reported but considered preliminary pending additional research.
- 4) The line item Endowment Fund Earnings Distribution (EFED) was omitted from the Income Statement in the 2022 Financial Report, which instead reported General Contributions (GC) of \$1,400,515. This reporting error was preliminarily corrected. The reported figure appears to have represented the combined total of EFED and GC. To adjust, we used the Cash Grants from the Endowment Fund to ARI, as reported on the EF Form 990 (\$1,303,818), as the value for EFED, and calculated GC as the residual difference between the two amounts (numbers highlighted in yellow).



8 Select Biblical Wisdoms for World-Class Benchmarking and Management Excellence

1. **The Faithful and The Unfaithful Steward:** “Much will be required of the person entrusted with much, and still more will be demanded of the person entrusted with more.” (Luke 12:48).
2. **Parable of the Talents:** “To those who use well what they are given, even more will be given, and they will have an abundance. But from those who do nothing, even what little they have will be taken away.” (Matthew 25:29).
3. **Plumb line:** We must be willing to be measured, as the Lord desired to measure Israel: “Behold, I am setting a plumb line in the midst of my people Israel.” (Amos 7:8).
4. **Measurements:** “You shall do no wrong in judgment, in measures of length or weight or quantity. You shall have just balances, just weights...” (Leviticus 19:35-36).
5. **Trustworthy:** We must be trustworthy for “it is required of stewards that they be found trustworthy.” (1 Corinthians 4:1-2).
6. **All must be open:** As Jesus said: “There is nothing hid, except to be made manifest; nor is anything secret, except to come to light.” (Mark 4:22).
7. **Wisdom:** “Resplendent and unfading is Wisdom, and she is readily perceived by those who love her and found by those who seek her.” (Wisdom 6:12).
8. **Tithing:** “Blessed be Abram by God Most High, Possessor of heaven and earth; and blessed be God Most High, who has delivered your enemies into your hand!” And Abram gave him a tenth of everything.” (Genesis. 14:19–20).