



Khachkar Studios 7-Steps Annual Payments per Church and Comparisons

Over the 5 years Pilot Program, a single pilot has the potential to receive up to \$650,000.

Note: "First to finish" EMPOW Award payments may require the completion of Step #6: Financial Audit Transparency.

Based on 7 U.S. Armenian parishes (4% of 164): median annual church-related income of \$257,345 and median annual church-related income per member of \$765.

	Financial Transparency Steps						Step #1 and Step #2
	Annual EMPOW Awards	Step #7	Step #6	Step #5	Step #4	Step #3	
	<u>First 3 to Complete Steps #4 to #7*</u>	<u>Monthly Financial Transparency</u>	<u>Financial Audit Transparency</u>	<u>Historical and Projected Financial Transparency</u>	<u>Outreach Plan and Publish Numbers Weekly</u>	<u>Sunday Invites Weekly</u>	
Payment	\$40,000	\$20,000	\$20,000	\$20,000	\$10,000	\$10,000	\$10,000
Cumulative Payments	\$130,000	\$90,000	\$70,000	\$50,000	\$30,000	\$20,000	\$10,000
Weeks of Church-Related Median Income	26	18	14	10	6	4	2
Number of New Members Assuming Church-Related Median Income per Member	170	118	92	65	39	26	13
Endowment Equivalent	\$3,250,000	\$2,250,000	\$1,750,000	\$1,250,000	\$750,000	\$500,000	\$250,000
Number of Hours of Work	260	180	140	100	60	40	20

Notes:

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|--|---------|---|-------|
| 1. Median weekly church-related income: | \$4,949 | 3. Endowment annual net distribution %: | 4% |
| 2. Median annual church-related income per member: | \$765 | 4. Value per hour of work: | \$500 |

*\$10,000 per EMPOW.

Khachkar Studios 3 Financial Transparency Steps - Additional Details

3 best performing pilots can receive \$130,000 annually and \$650,000 over 5 years for completing the 7-Steps, including \$90,000 for the 3 Financial Transparency Steps

<u>Step</u>	<u>Pilot Criteria</u>	<u>Annual Payments</u>
Step 5: Historical and Projected (5 Years) Financial Transparency	Annual, timely, and best practice disclosure and announcement on Pilot website and social media of the historical 5 years and projected 5 years Financial Overview, slides, and audio-video clips with significant community education.	\$20,000
Step 6: Financial Audit Transparency	Annual, timely, and best practice disclosure and announcement on Pilot website and social media of independently audited financial statements, Financial Overview, slides, and audio-video clips with significant community education.	Additional \$20,000
Step 7: Monthly Financial Transparency and Accountability	Annual, timely, and best practice disclosure and announcement on Pilot website and social media of monthly Church-Related Income, Non-Church-Related Income, Total Income, and Total Spending.	Additional \$20,000
Steps #5 - #7: Total		\$60,000

Annual EMPOW Awards		Award Amount
1	One of the first 3 pilots to finish Step #5	\$10,000
2	One of the first 3 pilots to finish Step #6	\$10,000
3	One of the first 3 pilots to finish Step #7	\$10,000
Potential Annual Payment for Completing Financial Transparency Steps		\$90,000
		Equivalent to a \$2,250,000 endowment (4% distribution)