

Khachkar Studios: SROI Select Analyses

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SROI: U.S. Armenian Churches vs. U.S. Orthodox Parishes

Total U.S. Armenian Church has a median SROI of 3.7x, which is 39% of the median SROI of U.S. Orthodox churches at 9.4x.

(Median numbers, except for # of Churches in Sample)

	U.S. Orthodox	East U.S. Armenian	West U.S. Armenian	Total U.S. Armenian
"Faithful"	137	72	83	80
Social Value	\$2,740,000	\$1,430,000	\$1,657,785	\$1,598,892
Total Spending	\$297,174	\$444,970	\$393,497	\$423,867
Total Spending per "Faithful"	\$2,133	\$5,557	\$4,322	\$5,437
SROI	9.4x	3.6x	4.6x	3.7x
# of Churches in Sample	25	16	18	34

Notes:

- 1) Social Return on Investment (SROI): Social Value divided by Total Spending.
- 2) Social Value for 2025 is the number of "Faithful" times \$20,000. 2026 will include Daily Bible Readers. 2027 to 2029 will include additional KPIs, including Sunday school metrics.
- 3) **Top quartile SROIs** are 13.0x for U.S. Orthodox, **4.3x for East U.S. Armenian**, **8.0x for West U.S. Armenian**, and 5.5x for Total U.S. Armenian.

Khachkar Studios U.S. Armenian Churches Current SROIs and SROI Goals

Benchmark U.S. Orthodox Parishes Median SROI for 2024 was 9.4x. ⁽¹⁾
Our SROI goal for the U.S. Armenian churches is 7.0x, which is 75% of the Benchmark.

Percentile	U.S. Armenian Churches: Current - 2024 ⁽²⁾			U.S. Orthodox ⁽¹⁾	U.S. Armenian % of U.S. Orthodox		U.S. Armenian Churches: Illustrative Performance Gap to SROI Goal				
	SROI	# of "Faithful"	"Faithful" % of Pew Capacity		Current Armenian SROI	Armenian SROI Goal	SROI Goal	# of "Faithful" Goal	Performance Gap # of "Faithful"	% Increase in "Faithful"	"Faithful" % of Pew Capacity
Top Decile	10.8x	139	73%	16.0x	67%	56%	9.0x	139	0	0%	73%
Top Quartile	5.5x	112	61%	13.0x	42%	61%	8.0x	162	50	45%	88%
Median	3.7x	80	43%	9.4x	39%	75%	7.0x	152	72	90%	82%
Bottom Quartile	2.4x	42	23%	7.6x	31%	79%	6.0x	106	64	153%	57%
Bottom Decile	1.6x	15	12%	4.0x	40%	125%	5.0x	45	30	209%	37%

Notes:

- 1) Based on a sample of 25 U.S. Orthodox parishes.
- 2) Based on a sample of 34 U.S. Armenian churches, across Eastern and Western states.
- 3) Social Return on Investment (SROI): Social Value divided by Total Spending. Social Value for 2025 is the number of "Faithful" times \$20,000. 2026 will include Daily Bible Readers. 2027 to 2029 will include additional KPIs, including Sunday school metrics.
- 4) Top quartile SROIs are 13.0x for U.S. Orthodox, 4.3x for East U.S. Armenian, 8.0x for West U.S. Armenian, and 5.5x for Total U.S. Armenian.

Incremental SROI Matrix with U.S. Orthodox and U.S. Armenian Parishes SROIs

Social Return on Investment (SROI): Social Value divided by Total Spending

Social Value per "Faithful":

\$20,000

Khachkar Studios Annual Funding	Incremental SROI						U.S. Orthodox Group: 25 Parishes		U.S. Armenia Group: 34 Parishes	
	5x		7x Median		9x		Quartiles	SROI	Quartiles	SROI
	New "Faithful"	Social Value	New "Faithful"	Social Value	New "Faithful"	Social Value				
\$25,000	6	\$125,000	9	\$175,000	11	\$225,000	Top Decile	16.0x	Top Decile	10.8x
\$50,000	13	\$250,000	18	\$350,000	23	\$450,000	Top Quartile	13.0x	Top Quartile	5.5x
\$60,000	15	\$300,000	21	\$420,000	27	\$540,000	Median	9.4x	Median	3.7x
\$70,000	18	\$350,000	25	\$490,000	32	\$630,000	Bottom Quartile	7.6x	Bottom Quartile	2.4x
\$80,000	20	\$400,000	28	\$560,000	36	\$720,000	Bottom Decile	4.0x	Bottom Decile	1.6x
\$90,000	23	\$450,000	32	\$630,000	41	\$810,000				
\$100,000	25	\$500,000	35	\$700,000	45	\$900,000				
Cost Per New "Faithful"	\$4,000		\$2,857		\$2,222					

Notes:

- 1) "Faithful": U.S. religious sector universally agreed upon definition is average non-holiday attendees.
- 2) Benchmark sources: Association of Statisticians of American Religious Bodies (ASARB), Census of Orthodox Christian Churches 2010 and 2020 (U.S. Religious Census), Orthodox Studies Institute, Hartford Institute for Religious Research, Pew Research Center, Gallup Research, University of Chicago Pope study of GPS cell phone data, United States Conference of Catholic Bishops, European Research Infrastructure Consortium, Center for Applied Research in the Apostolate at Georgetown University (CARA), Faith Communities Today (FACT), and the U.S. Census 2010 and 2020.

3 Near-Term Goals: Key Performance Indicator (KPI) #1 "Faithful", KPI #5 Daily Bible Readers, and SROI Comparison to Benchmarks

The 5-year goal for U.S. Armenian "Faithful" (KPI #1) is 6% of the U.S. Census Armenian population, an increase of 2x (2 times) the current 3%. The 5-year goal for U.S. Armenian Daily Bible Readers (KPI #2) is 3% of the U.S. Census Armenian population, an increase of 14x (14 times) the current 0.2%. The SROI goal for the U.S. is 7.0x.

Goal	<u>Current</u>	<u>U.S. Benchmarks</u>		<u>5-Year Goal (a)</u>	<u>5-Year Goal / Current</u>
	164 U.S. Armenian Churches	U.S. Orthodox	U.S. Catholic and U.S. Protestant Average	164 U.S. Armenian Churches	164 U.S. Armenian Churches
#1. Non-Holiday Badarak "Faithful" - KPI #1	3% 12,894	11% 49,786	29% 133,474	6% 27,876	2x
#2. Daily Bible Readers - KPI #5	0.2% 1,000	3% 13,808	- -	3% 13,808	14x
#3. Social Return on Investment (SROI)	≤ 0% (b)	-	-	7.0x	

"Faithful": Regular Sunday attendance, four times or more a month. The 5-year goal is set assuming the "Faithful" reaches the percentage of adherents found in the bottom quartile among the 23 Orthodox Christian groups in the U.S.

The 5-year goal for KPI #2 is set assuming that the percentage of daily Bible readers among U.S. Armenian Church members reaches the 3% benchmark of the U.S. Orthodox ecosystem.

(a) Comparative benchmark differences to Non-Holiday Badarak "Faithful" include but are not limited to proximity of churches, frequency of mass/Badarak, length of mass/Badarak, and percentage mass/Badarak in non-English.

(b) Unverifiable inputs indicate a significant decline in "Faithful" from 2010 to 2020, with a further negative impact from COVID.

Khachkar Studios 7.0x SROI Summary: U.S.

Khachkar Studios SROI for the U.S. for each KPI is 7.0x.

	<u>Current</u> 164 U.S. Armenian Churches	<u>5-Year Goal</u> 164 U.S. Armenian Churches	Total Increase 2024-2029	Total Cost per person increase	Total Social Return	Cost	SROI
Non-Holiday Badarak "Faithful" - KPI #1	12,894	27,876	14,982	\$2,837	\$297,500,000	\$42,500,000	7.0x
Daily Bible Readers - KPI #2	1,000	13,808	12,808	\$1,562	\$140,000,000	\$20,000,000	7.0x
Total KPI #1 and KPI #2	13,894	41,684	27,790	\$2,249	\$437,500,000	\$62,500,000	7.0x

Social Value of a New "Faithful" (Rounded)	\$20,000
Social Value of a New Daily Bible Reader (Rounded)	\$10,000

Illustrative Average "Good News" Pilot 7.0x SROI Model

The model shows an illustrative "Good News" pilot achieving a 7.0x SROI, which combines KPI #1 U.S. Armenian "Faithful" and KPI #2 U.S. Armenian Daily Bible Readers.

Goal	Current per Pilot	5-Year Goal per Pilot				SROI
		<u>Increase per</u> <u>Individuals</u> <u>Year</u>	<u>Total</u>	<u>Social Value</u> <u>Increase</u>	<u>Cost to</u> <u>Khachkar Studios</u>	
#1. Non-Holiday Badarak "Faithful" - KPI #1	79	18	170	\$362,805	\$51,829	7.0x
#2. Daily Bible Readers - KPI #2	6	16	84	\$170,732	\$24,390	7.0x
Total				\$533,537	\$76,220	7.0x

KPI: Key Performance Indicator.

Social Return on Investment (SROI): Social Value divided by Total Spending.

"Faithful": Regular Sunday attendance, four times or more a month. The 5-year goal is set assuming the "Faithful" reaches the percentage of adherents found in the bottom quartile among the 23 Orthodox Christian groups in the U.S.

The 5-year goal for KPI #2 is set assuming that the percentage of daily Bible readers among U.S. Armenian Church members reaches the 3% benchmark of the U.S. Orthodox ecosystem.

	<u>Source of input</u>
Social Value of a New "Faithful" (Rounded)	\$20,000 Khachkar Studios
Social Value of a New Daily Bible Reader (Rounded)	\$10,000 Khachkar Studios

U.S. Armenian Christian Ecosystem Social Value Algebra: KPIs #1 to #5 -- 2025 to 2029

KPI Social Value is a function of an algebraic formula with 7 variables:

1. Funding; 2. Median Benchmark; 3. Current KPI; 4. Goal % of Median Benchmark; 5. Benchmark SROI; 6. SROI; 7. Field research

	<u>"Faithful"</u> KPI #1	<u>Daily Bible Readers</u> <u>(non-vocational)</u> KPI #2	<u>Sunday School</u> <u>Students</u> KPI #3	<u>"Faithful" Educated</u> <u>in the "Framework"</u> KPI #4	<u>Hours of Infinite</u> <u>SROI Training and</u> <u>Retention per</u> <u>"Leader"</u> KPI #5	<u>Total</u>
1. Funding	\$42,500,000	\$20,000,000	\$12,500,000	\$10,000,000	\$15,000,000	\$100,000,000
2. Median Benchmark	15%	4%	20%	5%	24	
3. Current	12,894	1,000	3,218	0	0	
3B Current % of Relevant Group	3%	0.2%	3%	0%	0%	
3C Current % of Median Benchmark	18%	5%	17%	0%	0%	
4 Goal % of Median Benchmark	39%	75%	50%	50%	75%	
4B Goal	27,876	13,808	9,205	322	6,963	
4C Goal % of Relevant Group	6%	3%	10.0%	2.5%	18	
Increase	14,982	12,808	5,987	322	6,963	
Cost per Unit Increase	\$2,837	\$1,562	\$2,088	\$31,021	\$2,154	
5. Benchmark SROI	9.4x	9.4x	9.4x	9.4x	9.4x	
5B %of Benchmark SROI	74%	74%	74%	74%	74%	
6. SROI	7.0x	7.0x	7.0x	7.0x	7.0x	7.0x
Social Value per Unit (Rounded)	\$20,000	\$10,000	\$15,000	\$200,000	\$15,000	
Total Social Value	\$297,500,000	\$140,000,000	\$87,500,000	\$70,000,000	\$105,000,000	\$700,000,000
7. Field Research						
KPI #1 and #2: U.S. Census - Armenians		460,254				
KPI #3: U.S. Armenians Under the age of 18		92,051				
KPI #4: Relevant group in # of "Faithful"		12,894				
KPI #5: Median number of hour training parish leadership per year		387		Leadership is x% of "Faithful"	3%	