

Khachkar Studios: SROI Select Analyses

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Khachkar Studios U.S. Armenian Pilot Churches Current SROI and SROI Goal

Top Quartile Benchmark U.S. Orthodox Christian Church SROI for 2024 was 7.5x

	U.S. Armenian Pilots: Current - 2024				Performance Gap to 6.1x SROI Goal				
	<u>SROI</u>	<u># of "Faithful"</u>	<u>% of Pew Capacity</u>	<u>% of Members</u>	<u>Performance Gap # of "Faithful"</u>	<u># of "Faithful" Goal</u>	<u>% Increase in "Faithful"</u>	<u>% of Pew Capacity</u>	<u>% of Members</u>
Average of Pilots	3.6x	104	54%	36%	71	175	68%	92%	60%
Highest SROI Pilot	5.5x	75	60%	19%	8	83	10%	66%	21%
Lowest SROI Pilot	2.1x	176	56%	27%	338	514	192%	163%	80%

U.S. Armenian Regional Institution Group of Affiliated Churches: Correlations, SROI, "Faithful" and Spending

Correlation SROI and Spending Per Faithful	-0.92	Strong Negative Correlation
Correlation SROI and Faithful % of Members	0.55	Moderate Positive Correlation
Correlation Spending per "Faithful" to "Faithful" % of Members	-0.34	Weak Negative Correlation
Correlation Spending Per "Faithful" to Church-Related Income Per Member	n.a.	
Correlation Church-Related Income per Member to "Faithful" % of Members	n.a.	

2024 Budget Spending							Performance Gap (PG) to Target 6.1x SROI			Achieving Target 6.1x SROI					2024 Church-Related Income ⁽¹⁾				
Rank	Church Code	2024 "Faithful"	"Faithful" Social Value	Total Spending	Spending per "Faithful"	SROI "Faithful"	Performance Gap	Performance Gap %	Pew Capacity	"Faithful" % of Pew Capacity	Target "Faithful"	New "Faithful" (increase)	% Increase	Target % of Pew Capacity	2024 Members	"Faithful" % of Members	Total	Per Member	as a % of Spending
1	D	94	\$1,880,000	\$294,408	\$3,132	6.4x	Above Target	Above Target	140	67%	94	0	0%	67%	91	103%	n.a.	n.a.	n.a.
2	I	55	\$1,100,000	\$199,912	\$3,635	5.5x	0.6x	11%	147	37%	61	6	11%	41%	97	57%	n.a.	n.a.	n.a.
3	Q	110	\$2,200,000	\$498,000	\$4,527	4.4x	1.7x	38%	196	56%	152	42	38%	77%	420	26%	n.a.	n.a.	n.a.
4	G	127	\$2,540,000	\$589,200	\$4,639	4.3x	1.8x	42%	180	71%	180	53	42%	100%	416	31%	\$309,916	\$745	53%
5	R	29	\$580,000	\$139,235	\$4,801	4.2x	1.9x	46%	115	25%	42	13	46%	37%	42	69%	n.a.	n.a.	n.a.
6	F	87	\$1,740,000	\$427,940	\$4,919	4.1x	2.0x	50%	240	36%	131	44	50%	54%	256	34%	n.a.	n.a.	n.a.
7	L	96	\$1,920,000	\$513,386	\$5,348	3.7x	2.4x	63%	180	53%	157	61	63%	87%	250	38%	n.a.	n.a.	n.a.
8	C	121	\$2,420,000	\$668,650	\$5,526	3.6x	2.5x	69%	156	78%	204	83	69%	131%	240	50%	\$375,261	\$1,564	56%
9	H	17	\$340,000	\$95,000	\$5,588	3.6x	2.5x	70%	112	15%	29	12	70%	26%	55	31%	n.a.	n.a.	n.a.
10	O	32	\$640,000	\$202,300	\$6,322	3.2x	2.9x	93%	126	25%	62	30	93%	49%	107	30%	n.a.	n.a.	n.a.
11	E	83	\$1,660,000	\$537,700	\$6,478	3.1x	3.0x	98%	154	54%	164	81	98%	106%	252	33%	\$469,372	\$1,863	87%
12	S	66	\$1,320,000	\$462,000	\$7,000	2.9x	3.2x	114%	96	69%	141	75	114%	147%	102	65%	n.a.	n.a.	n.a.
13	N	64	\$1,280,000	\$588,800	\$9,200	2.2x	3.9x	181%	168	38%	180	116	181%	107%	439	15%	n.a.	n.a.	n.a.
14	K	11	\$220,000	\$104,167	\$9,470	2.1x	4.0x	189%	100	11%	32	21	189%	32%	75	15%	n.a.	n.a.	n.a.
15	A	77	\$1,540,000	\$749,350	\$9,732	2.1x	4.0x	197%	160	48%	229	152	197%	143%	161	48%	n.a.	n.a.	n.a.
16	P	11	\$220,000	\$137,000	\$12,455	1.6x	4.5x	280%	84	13%	42	31	280%	50%	22	50%	n.a.	n.a.	n.a.
Total		1,080	\$21,600,000	\$6,207,048	\$5,747	3.5x	2.6x	75%	2,354	46%	1,897	817	76%	81%	3,025	36%	\$1,154,549	\$1,272	64%

Notes:

1) Includes stewardship givings, donations, fundraisings, and sacraments.

Definitions:

Strong Positive Correlation: +0.76 to +1.00

Moderate Positive Correlation: +0.51 to +0.75

Weak Positive Correlation: +0.26 to +0.50

No or Negligible Correlation: -0.25 to +0.25

Weak Negative Correlation: -0.26 to -0.50

Moderate Negative Correlation: -0.51 to -0.75

Strong Negative Correlation: -0.76 to -1.00

SROI (Social Return on Investment) Pilot Peer Comparison: 2024

1. For additional insights into SROI (Social Return on Investment), see Khachkar Studios website Workstream #3 - Analyses: SROI Select Analyses and Briefing Packet #5. Khachkar Studios KPI #1 is the number of "Faithful", which is the average non-holiday Sunday attendance in 2024.

2. The highest SROI is 7.3x at Church H, the median SROI is 4.0x and the lowest SROI is Church D at 2.1x.

<u>Church Rank</u>	<u>Church Code</u>	<u>SROI</u>	<u># of "Faithful"</u> <u>(KPI #1)</u>	<u>Total Spending</u>	<u>Spending Per</u> <u>"Faithful"</u>	<u>Members</u>	<u>"Faithful" % of</u> <u>Members</u>
1	H	7.3x	123	\$336,806	\$2,738	203	61%
2	B	5.5x	75	\$271,487	\$3,620	400	19%
3	G	4.8x	127	\$524,911	\$4,133	416	31%
4	F	4.4x	88	\$396,254	\$4,503	351	25%
5	C	3.6x	121	\$668,982	\$5,529	240	50%
6	E	2.4x	83	\$678,797	\$8,178	249	33%
7	A	2.4x	56	\$464,569	\$8,296	88	64%
8	D	2.1x	176	\$1,684,339	\$9,570	644	27%
Average		4.1x	106	\$628,268	\$5,821	324	39%
Median		4.0x	105	\$494,740	\$5,016	300	32%
Highest		7.3x	176	\$1,684,339	\$9,570	644	64%
Lowest		2.1x	56	\$271,487	\$2,738	88	19%

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 #5) is 9% of the U.S. Census Armenian population, an increase of 41x (41 times) the current 0.2%. The SROI goal for the U.S. is 7.0x.

Goal	Current	U.S. Benchmarks		5-Year Goal (a)	5-Year Goal / Current
	164 U.S. Armenian Churches	Top Quartile 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% 27,847	2x
#2. Daily Bible Readers - KPI #5	0.2% 1,000	- -	9% 41,423	9% 41,423	41x
#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 #5 is set assuming that the percentage of daily Bible readers among U.S. Armenian Church members reaches the average percentage of daily Bible readers among Protestants and Catholics in the U.S.

(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. is 7.0x in total and is a minimum 6.1x for a "Good News" Pilot.

	<u>Current</u> 164 U.S. Armenian Churches	<u>5-Year Goal</u> 164 U.S. Armenian Churches	<u>Total Increase</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.

Illustrative Average "Good News" Pilot 6.1x SROI Model

The model shows an illustrative "Good News" pilot achieving a minimum 6.1x total SROI, which combines KPI #1 U.S. Armenian "Faithful" and KPI #5 U.S. Armenian Daily Bible Readers.

Goal	Current	5-Year Goal				SROI
		Increase per Year	Total	Increased Giving to Church or Social Value	Cost to Khachkar Studios	
#1. Non-Holiday Badarak "Faithful" - KPI #1	79	18	170	\$364,704	n.a.	n.a.
#2. Daily Bible Readers - KPI #5	3	6	35	\$64,624	n.a.	n.a.
Total				\$429,329	\$70,000	6.1x

KPI: Key Performance Indicator.

SROI: Social Return on Investment. Increased Giving to Church or Social Value divided by cost.

"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 #5 is set assuming that the percentage of daily Bible readers among U.S. Armenian Church members reaches the average percentage of daily Bible readers among Protestants and Catholics in the U.S.

	Source of input
Social Value of a New "Faithful"	\$20,000 Khachkar Studios
Social Value of a New Daily Bible Reader	\$10,000 Khachkar Studios
Cost per Faithful Increase	\$70,000 Pilot Menu
Current U.S. Armenian Daily Bible Readers as a % of U.S. Census Armenian population	0.2% Khachkar Studios
5-Year Goal U.S. Armenian Daily Bible Readers as a % of U.S. Census Armenian population	9% Khachkar Studios

U.S. Armenian Churches Peer Comparison: 2024 Metrics Ranked

SROI			"Faithful" - Regular Weekly Church Attendees			Social Value		
#	Church	Metric	#	Church	Metric	#	Church	Metric
1	Church H	7.3x	1	Church D	176	1	Church D	\$3,520,000
2	Church B	5.5x	2	Church G	127	2	Church G	\$2,540,000
3	Church G	4.8x	3	Church H	123	3	Church H	\$2,460,000
4	Church F	4.4x	4	Church C	121	4	Church C	\$2,420,000
5	Church C	3.6x	5	Church F	88	5	Church F	\$1,760,000
6	Church E	2.4x	6	Church E	83	6	Church E	\$1,660,000
7	Church A	2.4x	7	Church B	75	7	Church B	\$1,500,000
8	Church D	2.1x	8	Church A	56	8	Church A	\$1,120,000

Total Spending			Members			"Faithful" % of Members		
#	Church	Metric	#	Church	Metric	#	Church	Metric
1	Church D	\$1,684,339	1	Church D	644	1	Church A	64%
2	Church E	\$678,797	2	Church G	416	2	Church H	61%
3	Church C	\$668,982	3	Church B	400	3	Church C	50%
4	Church G	\$524,911	4	Church F	351	4	Church E	33%
5	Church A	\$464,569	5	Church E	249	5	Church G	31%
6	Church F	\$396,254	6	Church C	240	6	Church D	27%
7	Church H	\$336,806	7	Church H	203	7	Church F	25%
8	Church B	\$271,487	8	Church A	88	8	Church B	19%

Total Income			Church Related Income			Church Related Income % of Total Income		
#	Church	Metric	#	Church	Metric	#	Church	Metric
1	Church F	\$2,168,377	1	Church D	\$1,233,183	1	Church H	99%
2	Church D	\$1,710,576	2	Church E	\$469,372	2	Church B	77%
3	Church A	\$1,301,276	3	Church C	\$375,261	3	Church D	72%
4	Church C	\$998,590	4	Church G	\$309,916	4	Church E	68%
5	Church E	\$693,670	5	Church H	\$308,961	5	Church G	57%
6	Church G	\$542,365	6	Church F	\$266,663	6	Church C	38%
7	Church B	\$332,499	7	Church B	\$257,345	7	Church A	16%
8	Church H	\$313,353	8	Church A	\$210,168	8	Church F	12%