

# Faith Comes By Hearing®

## 2019 Statement of ROI

---

THE RETURN ON INVESTMENT CREATED BY **FORMING AUDIO BIBLE LISTENING GROUPS IN COUNTRY A**, A PROGRAM OF **FAITH COMES BY HEARING**,  
FOR THE FISCAL YEAR ENDING MARCH 31, 2020

Prepared by:

CALVIN EDWARDS  
& COMPANY

*Maximizing the Good of Giving*



for:

**ROI Ministry**

780 Old Roswell Place

Suite 100

Roswell, GA 30076

in collaboration with:

**Faith Comes By Hearing**

2421 Aztec Road NE

Albuquerque, NM 87107

July 2020



# Faith Comes By Hearing®

## 2019 Statement of ROI

---

THE RETURN ON INVESTMENT CREATED BY **FORMING AUDIO BIBLE LISTENING  
GROUPS IN COUNTRY A**, A PROGRAM OF **FAITH COMES BY HEARING**,  
FOR THE FISCAL YEAR ENDING MARCH 31, 2020

for:

**ROI Ministry**

780 Old Roswell Place

Suite 100

Roswell, GA 30076

in collaboration with:

**Faith Comes By Hearing**

2421 Aztec Road NE

Albuquerque, NM 87107

July 2020

**NOTICE**

*Version 1.01, July 2020. Copyright © 2020 ROI Ministry (ROIM) and Calvin Edwards & Company (CEC), a philanthropic advisory firm. For additional information, contact CEC at 770.395.9425 or [info@calvinedwards.com](mailto:info@calvinedwards.com). To learn more about ROIM and its “Top 10” ministry list, contact ROIM at 678.264.7587 or [timothycbarker@gmail.com](mailto:timothycbarker@gmail.com). This 2019 Statement of ROI was prepared using information and materials provided by Faith Comes by Hearing (FCBH), discussions with FCBH personnel, and other sources. It may be distributed to support the program it describes but may not be used for any commercial purpose.*

# Faith Comes By Hearing®

## Introduction

ROI Ministry (ROIM) seeks to find, support, and promote ministries that have high levels of impact per dollar invested. These organizations proclaim the gospel, bring people to faith, or help the poor and needy in the name of Christ—and do so in very effective ways, thus ensuring a high return on investment (ROI) for kingdom giving.

Each year, since 2011, ROIM has identified and published its list of “Top 10” ministries that operated programs in the prior year that reaped significant outcomes with the finances entrusted to them. For 2019, the list includes **Faith Comes By Hearing** and its program, **Forming Audio Bible Listening Groups in Country A**.<sup>1</sup>

Calvin Edwards & Company (CEC), a philanthropic advisory firm in Atlanta, GA, has extensive experience calculating ROI, and performing similar analyses, for many organizations worldwide. ROIM has engaged CEC to conduct a professional, third-party review and ROI calculation of each “Top 10” ministry program since 2014. CEC was not engaged to identify the ministry programs or verify that their ROI exceeds others’.

In addition to considering kingdom “return,” ROIM has adopted 18 standards that “Top 10” ministries should meet. These are presented in Appendix A. How Faith Comes By Hearing and its program align with these standards is indicated on the following pages with color-coded symbols. The Confidence Rating that appears on page 5 is an estimate of CEC’s confidence that the ROI calculation is reasonably accurate. It is based on (i) findings when the organization’s claims pertaining to compliance with standards were examined, and (ii) analysis of the quality of the data and explanations provided to perform the calculation.

Faith Comes By Hearing completed the application process for its program, Forming Audio Bible Listening Groups in Country A, and it was selected by ROIM from a pool of applicants. This *2019 Statement of ROI*, created by CEC, constitutes an independent verification that the program efficiently and effectively used funds in FY 2019 to reach the lost with the gospel.

---

<sup>1</sup> A restricted-access country.



# Faith Comes By Hearing

**LEGAL NAME**

Hosanna, dba Faith Comes By Hearing (FCBH)

**ADDRESS**

2421 Aztec Road, N.E.  
Albuquerque, NM 87107

**TELEPHONE**

800.545.6552

**WEBSITE**

www.faithcomesbyhearing.com

**EMAIL**

info@fcbhmail.org

**MISSION**

"To record and provide the Word of God in every translated language."

**GEOGRAPHIC FOCUS**

Worldwide

**STRATEGY**

To record and provide the Word of God in every translated language, FCBH works with partners to produce and distribute word-for-word recordings of the Bible, prioritizing those language groups burdened by poverty and illiteracy.

**STATEMENT OF FAITH**

1 Yes, consistent with historic Christian creeds

**LAUSANNE COVENANT**

2 Yes, subscribes to the Covenant

**LEADERSHIP FAITH COMMITMENT**

3 Leadership manifests a personal commitment to Jesus and is actively involved in a church.

**NUMBER OF PAID STAFF**

148

**BOARD**

4 Thirteen members

**INDEPENDENCE**

5 The president serves on the board, and three other members are either ministry employees or family members of a ministry employee.

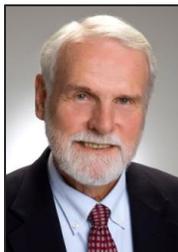
**BOARD DONORS**

All board members have contributed within the past 12 months.

**MEETING FREQUENCY**

Every six weeks

**SENIOR EXECUTIVE**



Gerald Jackson, FCBH's founder and president, and his wife Anet, were serving as missionaries when they founded FCBH. Under Mr. Jackson's

leadership, FCBH pioneered audio scripture production and engagement. He has a bachelor of science degree in agronomy from California State Polytechnic Univ.

**AUDITED FINANCIAL STATEMENTS**

7 Yes, by Ricci & Company, LLC

**TRANSPARENCY**

8 10 Yes, monthly financial statements are available to the board and the public upon request.

**ACCOUNTING CONTROLS**

10 Yes, internal accounting controls have been implemented.

**RESPONSIVENESS**

11 Acceptable; responded to questions with no significant delay or gaps.

**501(C)(3)**

August 1973

**DONATION DEDUCTIBILITY**

Yes, the U.S. and Hong Kong

**LATEST FORM 990 FILING**

2018

**FOUNDED**

1972

**LEGAL RELATIONSHIP TO OTHER ENTITIES**

None

**PRODUCTS/PROGRAM SERVICES**

✓ **AUDIO BIBLE RECORDINGS**—translated scriptures are recorded using a variety of technologies to ensure high quality.

✓ **DIGITAL BIBLE PLATFORM**—the world's largest collection of Bible text, audio, and video is made available through websites, radio, podcasts, and other means.

✓ **LISTENING GROUPS**—dedicated Audio Bible playback devices are freely provided to groups that agree to meet, listen, and discuss the Bible on a regular basis.



A group in an isolated mountain village in Country A who listen to the Audio Bible in their heart language every night

✓ **GOSPEL FILMS**—FCBH combines Audio Bibles of various languages with LUMO visuals to create high-quality gospel films in minority languages.

**STATEMENT OF FINANCIAL POSITION, 03/31/20**

Assets	\$54,723,925
Liabilities	\$2,337,443
Net assets	\$52,386,482
Portion restricted	\$11,332,183

Source: Unaudited financial statement. A Statement of Financial Position is the balance sheet of a nonprofit organization.

**STATEMENT OF ACTIVITIES, 4/1/19 – 03/31/2020**

Revenue	\$30,142,549
Expenses	\$20,452,009
Net income	\$9,690,540

Source: Unaudited financial statement. A Statement of Activities is the income statement or profit & loss statement of a nonprofit organization. FCBH is having its 2019 financials audited, however, this Statement was prepared prior to completion of the audit.

**MINISTRY UNIQUENESS**

FCBH creates audio and video recordings of Scripture in indigenous languages and makes these recordings freely and widely available, together with playback devices.

## Forming Audio Bible Listening Groups in Country A<sup>2</sup>

### PROGRAM PURPOSE

To enable the people of Country A to be disciplined in their native languages.

### PROGRAM STRATEGY

To enable the people of Country A to be disciplined in their native languages, FCBH partners with a network of church leaders to launch Audio Bible listening groups, using Audio Bible devices (“Proclaimers”) for evangelism and discipleship.

### PROGRAM DESCRIPTION

With its partners, FCBH trains, equips, and empowers local Christian leaders to establish listening groups in their areas. FCBH provides dramatized audio recordings of the New Testament in the heart languages of the people, on playback devices, and educates leaders on facilitating listening groups. A program coordinator generally trains



*Villagers with an Audio Bible, glad that those who cannot read are now able to hear, understand, and apply God’s Word to their lives*

40-200 pastors and Christian workers at a time, in a central location. These then return to their homes and places of ministry to launch Audio Bible listening groups. Many of these groups also take the initiative to launch additional groups, for an

ongoing multiplication effect. Some household or family-sized listening groups have two to 12 people. Others, in churches, villages, schools, and prisons, may have up to 100 people. Most Audio Bibles are used by several groups. An average of 90 people hear the Bible from each device, over its lifetime.

Listening through the New Testament requires 20 to 30 minutes a week for 40 weeks. Some groups meet twice a week and finish in 20 weeks. A group that establishes a regular meeting schedule and has a consistent membership may develop into a house church. Such church plants are usually led by the original group leader and may be assisted by another local church. In 2015 FCBH began a new partnership with an organization<sup>3</sup> which has been working in Country A since the 1990s and currently operates in 30 locations. This partnership allowed for a great increase in the number of listening groups.

### RATIONALE FOR THE STRATEGY

FCBH’s partner organization provides access to an extensive network of church leaders capable of launching

Audio Bible listening groups. These groups address deep spiritual hunger and help counter false doctrines. They provide the opportunity for all who hear to openly share what they learn, which builds unity and better discipleship. This contrasts with the typical pattern in this culture, where group members tend to defer to one leader.

### CURRENT STATUS

FCBH and its partner ministry worked in nine provinces in 2019. Together, they are evaluating where to work in the future.

### PROGRAM IMPACT

FCBH has been implementing Audio Bible listening groups in Country A since 2004. In that time, through its partners, FCBH has helped establish more than 26,400 Bible listening groups in the country. FCBH receives reports on the number of people trained, the locations, and the number of churches planted. It also hears testimonies of people becoming Christians, growing in faith, and of becoming active church members.

### OUTPUTS

- 14 Through its partnership, the program generated the following outputs in FY 2019:
- ✓ 31 trainings
  - ✓ 2,266 leaders trained
  - ✓ 6,420 Audio Bible listening “programs” launched; each device provided to a trained Christian worker is counted as a “program”
  - ✓ 7,016 Bible listening groups established

### PRIMARY OUTCOME

- 15 The return generated by this program is expressed in terms of the number of people in Country A disciplined by participating in Audio Bible listening groups. This enables participants to hear the Word of God in their own language, discuss it, and apply it to their lives. The ROI calculation on the following page refers to this outcome.

### SECONDARY OUTCOME

- 15 Also, the program generates the following outcome:
- ✓ **CHURCHES PLANTED.** Many listening groups that meet weekly or twice a week to listen through the New Testament develop into churches.

The metric associated with this outcome is reported below the ROI calculation on the following page.

### EXPENSE TRACKING

- 16 Costs associated with program outputs are tracked.

### DONOR REPORTING FREQUENCY

- 17 Every three to six months

### DONOR ACCESS

- 18 Yes

<sup>2</sup> The name of the country is not disclosed due to security concerns.

<sup>3</sup> The name of the organization is not disclosed due to security concerns.

## Return on Investment Calculation

### OUTCOME ACHIEVED

In FY 2019, FCBH’s program, Forming Audio Bible Listening Groups in Country A, resulted in 577,800 people disciplined. A person disciplined is defined as a person who participates in an Audio Bible listening group, and thus hears the gospel in their own language and discusses what they have heard with the group, in order to live according to what the Bible teaches.

<b>Outcome: People Disciplined</b>
<b>577,800</b>

### DATA COLLECTION METHOD

Outcome numbers are provided by FCBH’s partner ministry in Country A. It collects testimonies and gathers statistics from each worker entrusted with an Audio Bible device. Some Bible listening group leaders recorded exact numbers of people in attendance; others reported averages. Nearly all Audio Bible devices (“programs”) are used with multiple listening groups. The average number of people disciplined through each “program” is 90. Thus FCBH’s 6,420 “programs” established in FY 2019 resulted in 577,800 people disciplined.

### COST OF ACHIEVING THE OUTCOME

The cost to achieve this outcome was \$734,251. FCBH’s total expenses in FY 2019 for their global ministries were \$17,823,501. According to FCBH, the direct expenses for this program, Forming Audio Bible Listening Groups, were \$639,625. That includes the cost of building and shipping the Audio Bible devices, costs incurred by the partner organization for distribution and training, and related costs at headquarters. Thus, this program accounted for 3.6% of FCBH’s program expenses. Added to this figure of \$639,625 is 3.6% of FCBH’s organizational fundraising costs (\$1,102,648; 3.6% = \$39,695) and 3.6% of its management and general costs (\$1,525,860; 3.6% = \$54,931), to calculate the total cost of \$734,251.

<b>Program Cost</b>
<b>\$734,251</b>

### COST PER OUTCOME

Therefore, the cost per outcome is:

$$\text{\$734,251 program cost} \div \text{577,800 persons disciplined} =$$

Calvin Edwards & Company calculated FCBH’s cost per outcome for prior years: 2018, \$1.30; 2017, \$1.29; 2016, \$1.96; and 2015, \$1.82.

<b>Cost Per Outcome</b>
<b>\$1.27</b> per person disciplined

### RETURN ON INVESTMENT

The return on investment of a \$1,000 investment by a donor would be:

$$\text{\$1,000 investment} \div \text{\$1.27}^4 \text{ cost per person disciplined} =$$

### SECONDARY OUTCOME

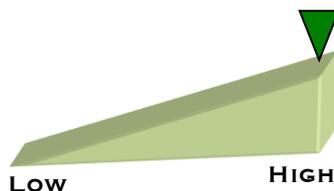
In addition, the program produced the following secondary outcome:

**4,282<sup>+</sup>** churches planted

<b>Return on \$1000 investment</b>
<b>787</b> people disciplined

### CONFIDENCE RATING

CEC’s estimated confidence that the ROI calculation is reasonably accurate is:



<sup>4</sup> The exact number used for this calculation was 1.2708.



## APPENDIX A

# ROI Ministry Standards

ROI Ministry has established 18 standards—13 for the organization and 5 for the program on which “return on investment” is calculated—that it expects its “Top 10” ministries to meet. These standards are strongly recommended, though ROIM recognizes that circumstances may exist where variations are warranted. The organization’s compliance to these standards is shown on pages 2 and 3, by numbered, colored symbols.

### STANDARDS FOR THE ORGANIZATION

#### CHRISTIAN

1. The organization has a statement of faith consistent with historic Christian creeds.
2. The organization subscribes to The Lausanne Covenant of 1974.
3. The organization’s leadership manifests a personal commitment to Jesus Christ and is actively involved in a local church congregation.

#### GOVERNANCE

4. The organization has an active board of directors with at least five members.
5. The board has no more than two non-independent members, and it has at least four independent members for every one non-independent member. An independent member is one who is not an employee or contractor, has no familial relation to any employee, and has no familial relation to another board member.
6. The board meets at least two times per year and at least one of those meetings is in-person.

#### FINANCIAL

7. The organization prepares financial statements according to GAAP and complies with FASB standards.
8. Financial statements are provided to the board on a regular schedule.
9. The organization has implemented internal accounting controls to prevent and detect fraud and financial misstatements, including:
  - a. Opening mail and receiving checks, preparation of bank deposits, and recording accounting entries are separated duties performed by different persons or by two persons who monitor each other’s work.
  - b. Reporting any variations from GAAP reporting requirements within financial statements.
  - c. Having financial statements prepared by an accountant without undue influence from management.

#### TRANSPARENCY

10. The organization makes its financial statements or Form 990 available to the public.
11. The organization responds appropriately to external requests for information.

#### LEGAL

12. The organization has 501(c)(3) tax-exempt status with the IRS.
13. The organization has existed in its current form for at least three years.

### STANDARDS FOR THE PROGRAM

#### PROGRAM EFFECTIVENESS

14. Outputs for the program are measured and reported to its donors.
15. At least one primary outcome for the program is identified, and possibly some secondary outcomes, and efforts are made to measure or estimate these.
16. Costs associated with program outputs and outcomes are tracked.

#### REPORTING & ACCESS

17. The organization reports to its donors on the program’s progress and performance at least semi-annually.
18. The organization provides donors access to the program’s operations.

*ROI Ministry used the professional services of Calvin Edwards & Company to develop these standards. Ver. 1.4, May 2020.*



## APPENDIX B

# Principles for Calculating Return on Investment

There is not a well-established, standard method to calculate ROI for nonprofit organizations. When doing so, many issues arise, largely related to calculating the cost of generating outcomes. Calvin Edwards & Company used the principles below in the calculation presented.

1. ROI is calculated on a discrete program of a ministry. In some cases, a program may involve the whole ministry—this is a “single-program ministry.”
2. The metric for the “return” is the primary outcome of the program.
3. A program may also have secondary outcomes or outputs.
4. The secondary outcomes or outputs are also reported numerically, if available. However, the program cost is not split among outcomes; that is, multiple ROI statistics are not calculated.
5. Program costs include all direct and indirect program costs, including non-cash costs such as depreciation of equipment used for the program, amortization of product development costs, etc.
6. Also, all appropriate overhead is included in the program cost:
  - a. Program overhead—sometimes a ministry tracks overhead attributable to a program; if so, it is included
  - b. Ministry overhead—a proportion of the ministry’s overhead that matches program costs as a proportion of total expenses (for a single-program ministry this is 100%)
7. In some rare cases, all overhead is pre-funded by the board or one or more specific donors. In this case, others’ investments do not fund overhead, and it is excluded from the program cost (see point 9 below).
8. All financial numbers are derived from the ministry’s financial statements; if estimates are used, those estimates are based on financial statements.
9. There may be times when the principles stated here cannot or should not be applied; in these cases, the *Statement of ROI* states the variation, reason, and alternate calculation employed.