



# 2020 Statement of ROI

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THE RETURN ON INVESTMENT FROM **SERV 1 FEED 1**,  
A PROGRAM OF **SERV INTERNATIONAL**,  
FOR THE FISCAL YEAR ENDING DECEMBER 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:

**SERV International**  
3145 Marietta Highway  
Canton, GA 30114  
August 2021

**NOTICE**

*Version 1.0, August 2021. Copyright © 2021 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 2020 Statement of ROI was prepared using information and materials provided by SERV International (SERV), discussions with SERV personnel, and other sources. It may be distributed to support the program it describes but may not be used for any commercial purpose.*



## 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 2020, the list includes SERV International and its program, SERV 1 Feed 1.

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 SERV International 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.

SERV International completed the application process for its program, SERV 1 Feed 1, and it was selected by ROIM from a pool of applicants. This *2020 Statement of ROI*, created by CEC, constitutes an independent verification that the program efficiently and effectively used funds in 2020 to reach the lost with the gospel.

# SERV International

**LEGAL NAME**

SERV International (SERV)

**ADDRESS**

3145 Marietta Highway  
Canton, GA 30114

**TELEPHONE**

770.516.1108

**WEBSITE**

www.servone.org

**MISSION**

“SERV uses food as a platform to share the love of Christ.”

**GEOGRAPHIC FOCUS**

SERV works in remote villages in Kenya and South Sudan, the slums of Cambodia, and a country in Latin America.

**STRATEGY**

To share the love of Christ SERV provides food and water in remote villages and builds relationships. It also operates an orphanage and offers pastor training in Kenya.

**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**

SERV has 25 paid staff, 21 in Kenya and 4 in the U.S.

**BOARD**

**4** Fourteen members

**INDEPENDENCE**

**5** Eleven members are independent

**BOARD DONORS**

All have contributed within the past 12 months.

**MEETING FREQUENCY**

**6** Quarterly

**SENIOR EXECUTIVE**



Steve Kasha is SERV’s founder and CEO. In addition, he is the president of Interdom Inc., an international import/export company which is a corporate partner of

SERV. Mr. Kasha graduated from Kennesaw State University with a BS in political science.

**EMAIL**

skasha@servone.org

**AUDITED FINANCIAL STATEMENTS**

**7** Yes, by Murphy CPA Group

**TRANSPARENCY**

**8** **10** Yes, financial statements are provided by email to the board monthly and to the public upon request.

**ACCOUNTING CONTROLS**

**9** Yes, internal accounting controls have been implemented.

**RESPONSIVENESS**

**11** Fair, responded to questions with some delay.

**501 (c) (3)**

**12** May 2001

**DONATION DEDUCTIBILITY**

Yes, U.S.

**LATEST FORM 990 FILING**

2019

**FOUNDED**

**13** 2000

**LEGAL RELATIONSHIP TO OTHER ENTITIES**

None

**PROGRAMS**

**✓ SERV 1 FEED 1**—SERV delivers nutrient-rich, dehydrated meals to the poor. This also provides a context for sharing the gospel.

**✓ SAFE 2 SERV**—This initiative provides families with systems guaranteed to filter up to one million gallons of fresh, safe water. SERV also digs community wells.

**✓ HOUSE OF HOPE**—This 33-acre orphanage and school in the

northwest corner of Kenya is home to 67 children. SERV organizes U.S. sponsorships for each child.



Pastor delivering food on motorbike during Covid—to reach villages when borders & countries were closed.

**✓ PASTOR TRAINING**—Nine pastors from Kenyan villages are trained at House of Hope by the Kenyan SERV staff.

**STATEMENT OF FINANCIAL POSITION, 12/31/20**

Assets	\$628,336
Liabilities	\$97,790
Net assets	\$530,546

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

**STATEMENT OF ACTIVITIES, 1/1/20 – 12/31/20**

Revenue	\$1,644,334
Expenses	\$1,379,640
Net income	\$264,694

Source: Audited financial statement. A Statement of Activities is the income statement or profit & loss statement of a nonprofit organization.

**MINISTRY UNIQUENESS**

SERV oversees and controls all aspects of its feeding programs, however, it leverages partnerships within the communities it serves to execute distribution plans. These local partnerships are vital to the programs’ success and allows SERV to focus its strengths: food production and procurement, logistics, and data collection.



# SERV 1 Feed 1

## PROGRAM PURPOSE

To help people in poor, remote villages and urban slums come to know Jesus.

## PROGRAM STRATEGY

SERV 1 Feed 1 helps people in poor, remote villages and urban slums come to know Jesus by enabling SERV staff, pastors, and missionaries to build relationships with the poor through food distribution. People are brought together to receive food and church services.

## PROGRAM DESCRIPTION

SERV purchases fresh food at local markets and directly from farmers as crops are in season. Local pastors and missionaries sort, package, weigh, seal, and store the food. SERV distributes nutrient-rich, dehydrated meals to persons living in famine and drought. The dehydrated meals are made from food purchased locally or pre-produced meals that contain a blend of vegetables, soy protein, and vitamin mix.



Pastor delivering food when borders were closed due to the COVID-19 pandemic.

Distribution is done during a church service led by a

SERV pastor, staff person, or missionary; each person that attends (mostly women and children) receives one or two bags of food, each of which provides 50 meals.

In Kenya, SERV provides food in eight villages. SERV provides food to two orphanages near these villages (Royal Kids Academy and The Jewels of Obaga) and one outside Nairobi (Good Samaritan Children's Home). SERV has provided food in the slums of Phnom Penh and Battambang in Cambodia. Distribution sites are chosen where people are in desperate need, there is little access to food, and there are no churches or pastors. Food deliveries are made monthly to the selected locations.

## RATIONALE FOR THE STRATEGY

SERV uses food delivery to provide an opportunity to share the gospel. This allows the people it serves to see the love of God in action as the gospel is shared, which reflects evangelism modeled in the Bible. SERV partners with and works alongside local people, believing that the relationships will provide more effective solutions for food insecurity and avenues for evangelism.

## CURRENT STATUS

The program is growing. In 2019, SERV provided 2.8 million meals. In 2020, SERV aimed to raise over \$300,000 for the SERV 1 Feed 1 program, which would have resulted in four million meals being provided to people in need. At the end of 2020, SERV more than doubled its goal of meals delivered with 8.5 million meals. This result was created despite the COVID-19 pandemic

that created unique challenges due to closed borders and restricted access to communities in need. SERV resorted to covert operations to transport food from Nairobi to bordering countries.

## PROGRAM IMPACT

Since 2007, SERV has distributed more than 28.5 million meals to people in Africa, Asia, North America, and Latin America. This has resulted in widespread improvements in health and a reduction of deaths. It has also created strong bonds between churches and their communities and expansion of church activities and outreach.

## OUTPUTS

14 The program generated the following outputs in FY 2020. 8.5 million meals were distributed in four regions:

- ✓ Africa: 7,775,000
- ✓ Latin America: 335,000
- ✓ Asia: 44,000
- ✓ USA: 346,000

The program also provided:

- ✓ 3,707 medical check-ups by health wellness officers and their teams

## PRIMARY OUTCOME

15 The outcome generated by this program is expressed in terms of **meals provided to malnourished people**. The ROI calculation on the following page refers to this outcome.

## SECONDARY OUTCOMES

15 Also, the program generates the following secondary outcomes:

- ✓ **Decisions for Christ.** These are indicated to, and counted by, local Christian workers.
- ✓ **Children Attend School.** Many poor children spend so much time helping their families acquire food that they are unable to attend school. The provision of food by SERV makes this outcome possible.

The metrics associated with these outcomes are reported below the ROI calculation on the following page.

## EXPENSE TRACKING

16 SERV tracks costs associated with outputs and outcomes.

## DONOR REPORTING FREQUENCY

17 Monthly

## DONOR ACCESS

18 Yes

## Return on Investment Calculation

### OUTCOME ACHIEVED

In 2020, SERV's program, SERV 1 Feed 1, resulted in about 8,500,000 meals provided to malnourished people. A meal is defined as one eight-ounce serving of nutrient-rich, dehydrated food.

Outcome
8,500,000 meals provided

### DATA COLLECTION METHOD

SERV tracks the number of meals provided by using staff or local partner organizations to give accurate reports for food distribution operations. All distribution reports are sent to SERV U.S. headquarters where staff analyze and compile them to ensure accurate record keeping. SERV also carefully tracks the number of meals produced to confirm the distribution numbers.

### COST OF ACHIEVING THE OUTCOME

The cost to achieve this outcome was \$696,960. SERV International's total expenses in FY 2020 for its global ministries were \$1,379,640. According to SERV, the direct expenses for this program, SERV 1 Feed 1, were \$374,259. SERV 1 Feed 1 represents 50.5% of the organization's program expenses; the balance is for its water provision, orphanage, and pastor training programs. Added to this figure of \$374,259 is 50.5% of FCBH's organizational fundraising costs (\$6,147 X 50.5% = \$3,105) and its management and general costs (\$632,643 X 50.5% = \$319,596), to calculate the total cost of \$696,960.

Program Cost
\$696,960

### COST PER OUTCOME

Therefore, the cost per outcome is:

$$\text{\$696,960 program cost} \div \text{8,500,000 meals provided} =$$

CEC calculated SERV's cost per outcome for prior years: 2019, \$0.11; 2018, \$0.05; 2017, \$0.09; 2016, \$0.07; 2015, \$0.13; 2014, \$0.08.

Cost Per Outcome
\$0.08 per meal provided

### RETURN ON INVESTMENT

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

$$\text{\$1,000 investment} \div \text{\$0.08 cost per meal provided} =$$

Return on \$1,000 Investment
12,500 meals provided

### SECONDARY OUTCOMES

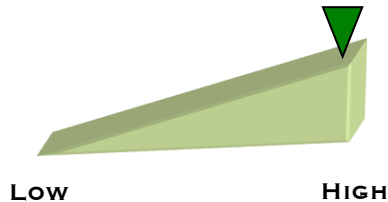
In addition, the program had the following secondary outcomes:

**6,420 decisions for Christ**

**Children attend school<sup>1</sup>**

### CONFIDENCE RATING

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



<sup>1</sup> SERV was unable to track this outcome in 2020 due to restricted travel during the COVID-19 pandemic.

## 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.