



Mission Renewal International, Inc.

BUSINESS PLAN

August 2020-July 2021 Fiscal Year

Mission Renewal International, Inc.

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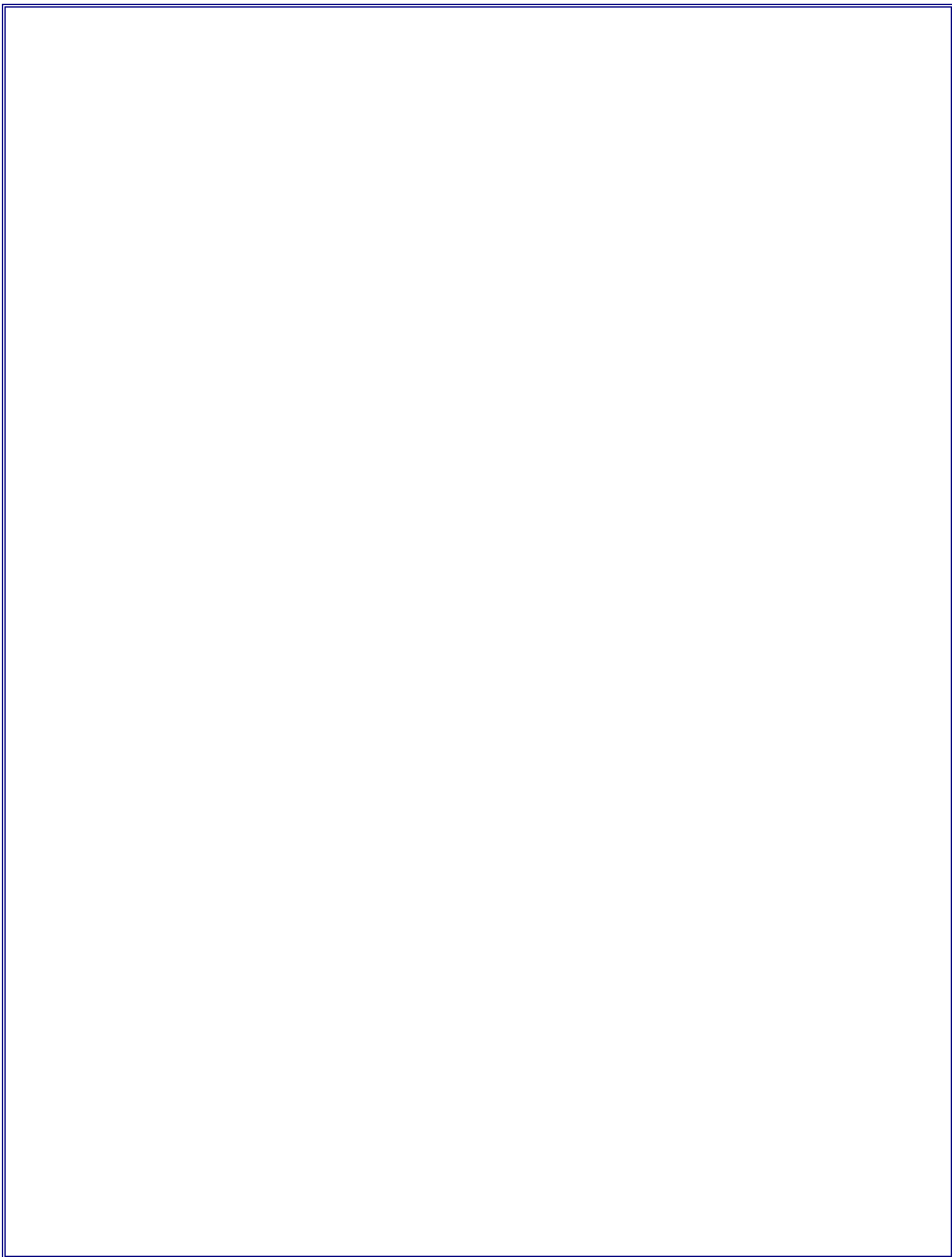


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1. Executive Summary

Mission Renewal International, Inc., (MRI) is a 501(c)(3) nonprofit organization established to transform lives in developing countries through **advancements in education, healthcare, child welfare, and family infrastructure**. Working with our partner organizations, MRI endeavors to break the cycle of extreme poverty and make a global impact one individual and family at a time.

MRI is unique in its approach **partnering with smaller, primarily indigenous nonprofits** who have proven track records of making positive impacts in these key areas and that need increased support to further their accomplishments. Local nonprofits receive only 0.4% of all international humanitarian aid.¹ Yet these organizations can be the most effective at addressing local issues, particularly in child welfare and family infrastructure. “A deeper understanding of the organizational dynamics of local, indigenous, community-based groups directly serving vulnerable families in the developing world is key to unleashing their potential.”² They have vital expertise about these dynamics and how the poor cope day-to-day.

MRI works to restore and/or establish financial strength in these partner organizations through grants and technical assistance providing the **means for future sustainability and growth to maximize their impact**.

Institutionalized corruption is perhaps the greatest contributor to poverty in many developing countries. “Corruption has a disproportionate impact on the poor and most vulnerable, increasing costs and reducing access to services, including health, education and justice.” (World Bank³)

MRI exercises **strict anti-corruption procedures** in screening and auditing partner organizations and providing complete transparency to donors.

MRI also organizes large, in-country conferences to **educate, inspire, and challenge current and future leaders** of developing nations, equipping them to solve their country’s problems. Among other things, these events stress the need to end corruption and bribery and instill the need for integrity, honesty, and good character as a means for making changes in society.

MRI has a **global focus**, with a long-term goal of working in nearly every developing country worldwide. Initially, efforts are focused in Central and South America where our executive team has an established network of trusted individuals within the region.

Our co-founders, Gerson Ruiz (MRI President) and Amy Schmitz Ruiz (MRI Secretary) have spent collectively **over forty years working in healthcare and education, and with street children, families, and individuals living in poverty and distress**. They have witnessed firsthand the needs in Central America, the Caribbean, Africa and parts of Melanesia. A complete list and description of MRI’s Officers and Board Members is found in this plan in Section 7.

After two years in operation, MRI’s Board of Directors has established policies and procedures for a well-run organization. In 2020, we extended our first grants to three organizations impacting hundreds of people in Honduras. In 2021, we look at doubling the number of partner organizations and providing technical assistance through a network of volunteers. The first educational event was scheduled to take place in Tegucigalpa, Honduras in August 2020; however, due to the Covid-19 pandemic was postponed until travel and large events are free to resume.

¹ “Global humanitarian assistance report 2018”, Development Initiatives, 2018, <http://devinit.org/post/global-humanitarian-assistance-report-2018/#>

² “What’s missing from the DIY aid debate? Overlooking the Capacity of Local NGOs”, How Matters, Nov. 8, 2010, <http://www.how-matters.org/2010/11/08/missing-from-diy-aid-debate/>

³ “Combating Corruption”, The World Bank, Oct. 4, 2018, <http://www.worldbank.org/en/topic/governance/brief/anti-corruption>

Financial Plan

Figure 1-1 shows a summary of MRI's financial plan including actuals from the 2018-2019 and 2019-2020 Fiscal Years. Note that Fiscal Year 1 was effectively only a two-month period due to not receiving 501(c)(3) status until June 2019.

The anticipated Revenue growth across this period is based on the Board's best estimate and is considered a reasonable growth rate. That is, it is not considered a "stretch goal". More details of the financial plan are found Section 8.

	FY1 (Actual)	FY2(Actual)	FY3	FY4	FY5
	8/2018- 7/2019	8/2019- 7/2020	8/2020- 7/2021	8/2021- 7/2022	8/2022- 7/2023
Revenue					
Private Donations	\$8,780.00	\$21,270.00	\$30,000.00	\$35,000.00	\$40,000.00
Corporate Donations	\$107.45	\$11.84	\$100.00	\$300.00	\$500.00
Government Donations	\$0.00	\$0.00	\$0.00	\$7,500.00	\$15,000.00
Donated Goods & Services	NA	\$7,807.64	\$10,000.00	\$12,000.00	\$15,000.00
Total Revenue/Donations:	\$8,887.45	\$29,089.48	\$40,100.00	\$54,800.00	\$70,500.00
Expenses					
Program Expenses Total	\$0.00	\$15,005.36	\$24,080.00	\$34,240.00	\$44,400.00
Administration Expenses Total	\$2434.23	\$9,125.28	\$14,214.00	\$17,992.00	\$22,770.00
Fundraising Expenses	\$0.00	\$343.63	\$1,204.00	\$1,712.00	\$2,220.00
Total Expenses:	\$2,434.23	\$24,474.27	\$39,498.00	\$53,944.00	\$69,390.00
Total Reserves	\$6,453.22	\$4,615.21	\$602.00	\$856.00	\$1,110.00
Cumulative Reserves	\$6,453.22	\$11,068.43	\$11,670.43	\$12,526.43	\$13,636.43

*For purpose of year-to-year comparison, FY1 should be considered as having only 2 months due to timing of incorporation and 501c3 declaration.

Figure 1-1. MRI Three-Year Projected Financial Plan Anticipates Reasonable Growth

Near-Term Milestones

Our near-term milestones are shown in Figure 1-1-2.

Date	Milestone
Aug-Oct 2020	Review Grant Applications & Complete Vetting
November 2020	Distribute Fall Grants
Dec 2020-Feb 2021	Receive Grant Applications
Mar 2021-Apr 2021	Review Grant Applications & Complete Vetting
May 2021	Distribute Spring Grants
May 2021	Resume Planning & Fundraising for Educational Event (The Greatness of Honduras)

Figure 1-1-2. MRI's Near-Term Milestones

2. Mission Renewal International Overview

Who is Mission Renewal International?

Mission Renewal International, Inc., aids local nonprofit organizations in developing countries working in the areas of education, healthcare, child welfare, and family infrastructure. Working together, we endeavor to break the cycle of extreme poverty and make a global impact one individual and family at a time.

Our partner organizations are those with proven track records of impact but which are compromised financially. Through grants and technical assistance, we aim to restore and/or gain financial strength in these partner organizations and provide them the means for future sustainability and growth, helping them maximize their impact in their communities.

As cited in Section 1. Executive Summary, local nonprofits receive only 0.4% of all international humanitarian aid. Yet these organizations can be the most effective at addressing local issues, particularly in child welfare and family infrastructure. They have a deeper understanding of the countries' dynamics, how the poor cope day-to-day, and how to best bring them out of the downward poverty cycle.

Since the 1960s, trillions of dollars have been granted for the eradication of hunger and extreme poverty in developing countries. The World Bank's statistics show extreme poverty in low income countries as a percent of population has been steadily decreasing since 1993. However, these same statistics show an increase of over 135 million people living in extreme poverty in these countries since 1983 - an estimated 300 million people worldwide in 2015.⁴

Instead of reducing the level of poverty, many of these countries have multiplied their poor. There is a shared disease among them—*institutionalized corruption*. United Nations' Secretary-General António Guterres reported in Dec., 2018 that \$3.6 trillion a year are paid or stolen in worldwide bribery and corruption.⁵ Yet, the UN estimated in 2015 it would take only \$267 billion per year to end global poverty.⁶ That is less than a tenth of the cost of corruption.

Mission Renewal International is dedicated to overcoming institutionalized corruption by enforcing stringent vetting measures on our partner organizations and providing complete transparency to donors.

⁴ "Poverty and Equity Data Portal for Low Income Countries, The World Bank, accessed Mar. 23, 2019, <http://povertydata.worldbank.org/poverty/category/LIC>

⁵ "The costs of corruption: values, economic development under assault, trillions lost, says Guterres", UN News, Dec. 9, 2018, <https://news.un.org/en/story/2018/12/1027971>

⁶ Joseph D'Urso, "How much would it cost to end hunger?", World Economic Forum, July 16, 2015, <https://www.weforum.org/agenda/2015/07/how-much-would-it-cost-to-end-hunger/>

Our Mission

Transforming lives through advancements in education, healthcare, child welfare, and family infrastructure.

Our Vision

Breaking the cycle of extreme poverty in developing countries.

Our Core Values

1. **Transparency**-Honesty and transparency are the cornerstones of MRI. In a world of corruption, people want to know their funds are being used in an honest way to achieve measurable results. We hold organizations accountable and provide transparency for donors.
2. **Partnership**-Great changes are accomplished through partnerships. The world's problems are too large for any one person, group, or government. Many small organizations making positive impacts lack resources to continue or expand. We bring together those with resources and those in need to transform lives.
3. **Family**-The family unit is the foundation of any society. If marriages are strong, the children will be strong; if the children are strong, there is hope for the next generations. We support organizations that work toward healthy marriages and help parents in raising their children.
4. **Quality of Life**-All people should be given the opportunity to receive quality healthcare. Many in poverty cannot afford basic medical services, medications, surgeries, etc. We partner with organizations that provide medical services to the poor to ensure their well-being.
5. **Knowledge**-Knowledge is a major force in combating poverty. Educating people about world problems caused by poverty helps change thinking and bring action. When the poor are given education and training, it broadens their world view and opens new possibilities. We bring light to the issues of extreme poverty through seminars, conferences and other educational opportunities. We support organizations providing education and job training in developing countries.
6. **Bringing Hope**-Hope brings perseverance to overcome tough times. Without hope, it is difficult to rise above hard circumstances—one feels defeated before even beginning. We seek to bring hope to the poorest of the poor by providing the resources they need letting them know they are not forgotten.
7. **Honoring the Creator of the Universe**- God created all people and loves all people. The rich and the poor, young and old, men and women are all God's creation. We are called to be His hands and feet, to show His love, and carry out His work in this world.

Our Services

Mission Renewal International provides **Grants** and **Technical Assistance** to partner organizations working in the areas of education, healthcare, child welfare, and family infrastructure in developing countries. We also organize and conduct large **Educational Events** to educate, inspire, and challenge current and future leaders within these developing nations to be positive change-leaders.

Grants

MRI supplies grants to nonprofit organizations that have been vetted and have applied for funds for projects that are in alignment with MRI's mission, vision, and values.

MRI follows a two-step process for determining whether funds will be dispersed to a given organization. The first step is to vet the requesting organization to ensure it is in line with MRI's organization qualification guidelines. The second step reviews specific requests for funding to decide whether to disperse funds for that organization's project. These steps are further described in the following paragraphs.

Any organization desiring funds from MRI must first be fully-vetted by MRI to ensure it:

1. Provides services for the most vulnerable people within a developing country in one or more of the areas of Education, Healthcare, Family Infrastructure and Child welfare;
2. Has been in operation for a minimum of three years and has a track record of success in the noted service area(s). (Exceptions to this are allowed by 2/3 majority vote of MRI's Board of Directors);
3. Has a workforce (including management) comprised of over 50% citizens of the country of operation;
4. Maintains accounting records that meet International Financial Reporting Standards (IFRS) and will provide such records to MRI upon request;
5. Is not part of or directly associated with any government entity of any country, any government official, or any family member of a government official;
6. Adheres to strict accountability for anti-corruption;
7. Is not listed on the Office of Foreign Assets Control (OFAC) List of Specially Designated Nationals and Blocked Persons nor is operating in a country for which the United States statutes, executive orders, or regulations prohibit transactions;
8. Agrees to be accountable to MRI's auditing and oversight procedures, and;
9. Has no conflict of interest with any Officer, Director, or Employee of MRI.

The Grant Application, and any supplementary materials required to be submitted with it, include sufficient information to carry out the funding decision process without further information from the requesting organization. Some of the data provided by vetted organizations includes but is not limited to:

- At least three years of financial records;
- A detailed list of Board Members, Officers, and Employees including years in position, salaries, and nationality;
- Proof of financial oversight;
- Proof of incorporation, non-profit status, and government filings.
- Details of past accomplishments;

- Details and expectations for the current project request.

All applicants provide a signed verification that all information provided in the most recent Grant Application or Re-Application is accurate and complete as of the time of submittal and that there are no known pending changes to this information.

The Board of Directors meets to determine the amount of funds available for dispersal within a given time and decide on specific grants to be issued. Our grants are dispersed with the full disclosure of MRI's responsibilities and those of the grantee and obligate the grantee to use the grant funds only for the purposes for which the grant was made. It provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges MRI's final authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.

Grant Recipients

In 2019-2020, the following organizations received grants:

1. Pan American Health Services
 - a. Date Approved: 03/20/2020
 - b. Amount: \$10,000
 - c. Brief Overview: Operating in Peña Blanca, Honduras for 60 years with a mission of "Breaking the cycle of poverty through nutrition and education." Key components of their work include: maintaining a residential nutritional rehabilitation center that cares for 15 to 25 children in 2nd and 3rd degree malnutrition; addressing food security by growing crops on 70 acres and by seeking innovative agricultural solutions that impact nutrition, economic well-being, and the environment; administering free to low cost basic and vocational education for about 200 students; and hosting medical and dental teams on their campus and to outlying villages with no health facilities.
 - d. Specific Project Funded: Tools for trade school and food for nutrition program
 - e. Number Benefited: 154 people for 2 months
2. Igelsia de Dios Pentecostes Arca de Noe
 - a. Date Approved: 04/29/2020
 - b. Amount: \$1,000
 - c. Brief Overview: Operating in Tegucigalpa, Honduras for 24 years with a mission of helping the most vulnerable people to have a hopeful future. Key components of their work include: construction projects such as houses, roofs, floors, churches, walls, etc.; rehabilitation of those struggling with drugs, alcoholism, and especially working to help gang members leave gangs and reintegrate into society; and feeding programs such as taking baskets with weekly provisions to the most economically needy in the different sectors of the country regardless of distance, color, religion, etc.
 - d. Specific Project Funded: Emergency food and medical assistance for Covid-19 Relief
 - e. Number Benefited: 50 families received a month of supplies
3. Fundacion Peniel Manos Extendidas
 - a. Date Approved: 04/29/2020
 - b. Amount: \$2,400

- c. Brief Overview: Operating for two years in Comayagüela, Honduras with the mission of making lasting changes in the lives of children with scarce resources through spiritual support, food, study materials, clothing, mentorship, and vocational training.
- d. Specific Project Funded: Emergency food and medical assistance for Covid-19 Relief
- e. Number Benefited: 60 families for a month of supplies plus 14 pastors received \$100 each.

Technical Assistance

In addition to having limited financial resources, many nonprofits in developing countries have restricted access to expert advice and assistance necessary to operate at their full potential. Technical Assistance (TA) provides targeted support to an organization with a development need or problem. MRI endeavors to connect our partner nonprofits with expert volunteers (or other nonprofits) that will assist with a vast array of needs, such as accounting and management practices, architectural and construction skills, medical and psychological knowledge, and more.

Technical Assistance may be delivered directly or indirectly. Direct TA, such as coaching or consulting services, personally applies MRI expertise to the organization's problem or area of need. This can be done on-site or remotely via telephone, e-mail, or via web services. Indirect TA uses MRI's resources to point the nonprofit organizations to an external or third-party source that can help, such as a manual, web-based resource, or staff member of another organization.

In 2020-2021, MRI has set a goal of extending Technical Assistance to our partner organizations in the following areas:

- Administration (bookkeeping, management, and usage of social media)
- Specialty Skills (medical, psychological, social work, and technology)
- Personal Care for Leaders (counseling and mentorship).

Educational Events

Knowledge is a core value of MRI and is a major force in combating poverty. As MRI works within a country, we seek to impart knowledge to current and future leaders on how to face the concerns of their country, and encourage, challenge, and inspire them to do so. We aim to instill the need for integrity, honesty, and good character as a means for making changes in society, targeting an end to corruption and bribery practices.

We do this via large, one-day "Greatness" events that showcase the "Greatness" of the country in which it takes place and push that country toward an even greater future. These events are held at strategic city centers to maximize accessibility and reach the largest audiences possible. The target audience is high school and college students, and religious, business, and political leaders of the countries.

Speakers are primarily from the country in which the event takes place to showcase nationals who are successfully living the principles and values of MRI. They are well-known and successful in their various fields of business, sports, politics, medicine, and science. We also include at least one international guest speaker to headline the event.

During the events we also highlight the nonprofits MRI supports -- drawing attention to the work being done to bring lasting changes in the country. The nonprofits are encouraged to have booths at the event center to advertise and solicit volunteers for their programs.

MRI was scheduled to host its first event, "The Greatness of Honduras", in August 2020 at the capital city of Tegucigalpa's national university stadium which accommodates 5,000 people; however, due to the Covid-19 pandemic the event has been postponed until late 2021 or 2022.

Our History

Mission Renewal International (MRI) began in June 2005 as Mision Reneuevo, a movement of medical students with the vision of one day serving as an army of doctors changing the lives of people around the world. Gerson Ruiz founded this movement gathering 17 students from four countries at their first meeting. Over the next two years it would grow to over 500 students from twelve countries. Many of these students are now medical doctors, engineers, and professionals in various fields making an influence in their countries of origin. Having maintained relationships with many of the original leaders of Mision Reneuevo, MRI has preserved a trusted base of individuals and organizations around the world seeking to change the lives of people and break the cycle of extreme poverty.

The re-birth of Mision Reneuevo as Mission Renewal International (MRI) began in June of 2009 when MRI's founder Gerson Ruiz was a medical student working on a medical brigade in the mountains of Central America. At the end of the brigade a woman came asking for a coffin for a little girl named Karen that had just died. They asked why she had not been brought to the brigade to which the woman replied that the girl had died of hunger. Gerson and the other medical personnel pulled together the resources to buy timber, and they built a coffin. The location was so remote that Gerson needed to carry the coffin up the mountain on his shoulders. He and one of the nurses had the opportunity to see the plight of Karen's family firsthand and get to know them personally. Upon his decent, he saw on the news that the president of that country was making a speech and seeking re-election. This troubled him having just seen what was happening to the citizens of that country—that one of their daughters had just died of hunger. This situation became a defining moment for him, pressing Gerson to consider ways that he could make a larger world impact beyond the scope of the medical field and influence the lives of those stuck in the throes of poverty.

Gerson put his career in medicine on hold to pursue training in International Relations and Diplomacy, earning his degree from Unitec in Tegucigalpa, Honduras and interning at the United Nations in Geneva, Switzerland.

He and his wife moved to the United States in fall 2017 and incorporated MRI as a Nonprofit Public Benefit Corporation in the state of California in August 2018.

Gerson and his wife Amy have spent collectively over forty years working in healthcare and education and with street children, families, and individuals living in poverty and distress, therefore, witnessing firsthand the needs in Central America, the Caribbean, Africa and parts of Melanesia.

It is MRI's conviction that providing education, healthcare, and child welfare and supporting strong families is the heart of breaking the cycle of extreme poverty. MRI has amassed a vast network of non-profits with whom we associate and wish to assist, and we are always looking for likeminded organizations to come alongside of in the joint effort of changing our world one individual and family at a time.

3. Market Analysis

Mission Renewal International operates in the International Humanitarian Aid market. The intent of international humanitarian aid is to support the people of economically underdeveloped countries, to develop their resources, and to create appropriate conditions for sustainable economic development for these countries to become self-sufficient. According to the International Monetary Fund's World Economic Outlook Database, 167 countries are currently "emerging and developing economies."⁷

Foreign aid can involve a transfer of financial resources or commodities (e.g., food or military equipment), or technical advice and training. The resources can take the form of grants or concessional credits (e.g., export credits). The most common type of foreign aid is official development assistance (ODA), which is assistance given to promote development and to combat poverty. The vast majority of ODA comes from the countries of the Organization for Economic Cooperation and Development (OECD), specifically the nearly two dozen countries that make up the OECD's Development Assistance Committee (DAC). The DAC includes western European countries, the United States, Canada, Japan, Australia, and New Zealand.⁸

The primary source of ODA—which for some countries represents only a small portion of their assistance—is bilateral grants from one country to another, though some of the aid is in the form of loans, and sometimes the aid is channeled through international organizations and nongovernmental organizations (NGOs). For example, the International Monetary Fund (IMF), the World Bank, and the United Nations Children's Fund (UNICEF) have provided significant amounts of aid to countries and to NGOs involved in assistance activities.

Market Statistics & Trends

Foreign aid traditionally comes from three sources: 1) Governments; 2) Large NGOs and Nonprofits; and 3) Small to Medium NGOs and Nonprofits

Humanitarian assistance reaches people in need via multiple channels and transaction chains. In 2016, 60% of all direct government funding went to multilateral agencies (primarily UN agencies). Non-governmental organizations (NGOs) received 20% of the total. A growing majority of the NGO funding (94%) went to international NGOs. But local and national NGOs received just 0.4% directly of all international humanitarian assistance in 2017.⁹

Even with billions of dollars being spent each year in foreign aid, the number of people living in extreme poverty continues to rise. There are a couple key factors inhibiting progress. One is the issue of institutionalized corruption. The second is that, often, the government and large organization programs that receive the majority of funds create dependence and victimization of the poor. Local, smaller nonprofits know the culture and community intimately and can address the problems in more effective ways.

⁷ "World Economic and Financial Surveys World Economic Outlook Database—WEO Groups and Aggregates Information", International Monetary Fund, Oct., 2018, <https://www.imf.org/external/pubs/ft/weo/2018/02/weodata/groups.htm>

⁸ Victoria Williams, "Foreign Aid", Encyclopedia Britannica, accessed Mar. 26, 2019, <https://www.britannica.com/topic/foreign-aid>

⁹ "Global humanitarian assistance report 2018", Development Initiatives, 2018, <http://devinit.org/post/global-humanitarian-assistance-report-2018/#>

John Lyon, President and CEO of World Hope International, makes the case well for giving more aid to smaller, in-country nonprofits:

Development efforts are most effective when organizations have deep roots in the countries where they work — this is a primary differentiator for small and medium-sized nonprofits. These organizations rely heavily on their local relationships to make a difference. This is important because complex cultural traditions contribute significantly to poverty around the world. Challenging these cultural norms requires deeply ingrained organizations that have relationships with built-in trust with local people. Entering a country without these relationships is much less effective and in fact is more likely to backfire.

For example, during the 2014 Ebola outbreak in West Africa, cultural traditions in how the local populations buried the dead were a contributing factor in how the disease was spread. Governments enacted laws aimed at stopping people from burying their dead, but these laws did not work because there was a high level of distrust in the government. Large foreign aid groups then sent outsiders into the region to train people on safe burial practices, but there was a high level of distrust toward strangers, and again, cultural behavior did not change. Local populations rejected the aid workers and the assistance they were trying to provide.

Trust was needed to change cultural traditions contributing to Ebola's spread, and that's where relationship-rich organizations were most effective during the Ebola crisis. These organizations are a part of local society, and became the cultural liaisons needed to end the outbreak. As on-the-ground experts, the staff of these smaller organizations had a deep understanding of the local issues perpetuating the spread of Ebola, namely the population's traditional beliefs in how they handle the dead. Once governments and large nonprofits funded small organizations that had the trust of local communities, these relationship-rich organizations were able to serve as cultural liaisons to Ebola-affected communities, mobilize education and prevention efforts, and change the way local people handled their dead, thereby curbing further spread of the disease, and eventually helping the country become Ebola-free.¹⁰

Mission Renewal International is unique in the market due to our focus on creating lasting change by supporting smaller, local nonprofits with proven track records of impact in their local communities - the sector currently receiving only 0.4% of all international humanitarian aid. We endeavor to have a larger percentage of international aid driven to the smaller, local nonprofits to achieve more effective community transformation combined with more effective financial oversight.

¹⁰ John Lyon, "Opinion: The US needs to invest foreign aid dollars in smaller NGOs", devex.com, Aug. 29, 2017, <https://www.devex.com/news/opinion-the-us-needs-to-invest-foreign-aid-dollars-in-smaller-ngos-90886>

4. Global Need Analysis

While MRI's initial grants were all distributed to organizations working in Honduras, Mission Renewal International's initial target countries include Honduras, Guatemala, El Salvador, and Bolivia. The following information and statistics express the need for our services in these developing countries.

Honduras

"Honduras is in the center of Central America and the center of all the Americas and is about the size of the state of Virginia with a population of 9.27 million as of 2017. According to the World Bank, Honduras is a low middle-income country that faces major challenges, with more than 60 percent of the population living in poverty in 2018, according to official data¹¹. In rural areas, approximately one out of 5 Hondurans lives in extreme poverty, or on less than US\$1.90 per day.



The country faces the highest level of economic inequality in Latin America. It has one of the highest rates of homicide in the world (43.6 murders per 100,000 inhabitants in 2017, according to the Observatory of Violence at the National Autonomous University of Honduras).¹¹

World Bank studies have highlighted the importance of improving the quality of education and diversifying sources of rural income in Honduras, given that most of the country's poor live in rural areas and depend on agriculture for their livelihoods.

The Borgen Project reports on the status of education in Honduras, stating:

"Almost 100,000 children drop out of school each year and are forced into the workplace to help their families make ends meet.

For the students who do stay in school, the experience is frustrating. The average time it takes a student to finish first through sixth grade is over 9 years. According to the Global Exchange, over 30 percent of students don't finish primary school without repeating grades.

The educational system in Honduras only covers about 87 percent of school-age children, while the remaining 13 percent have no access to education at all; leaving them unable to find the education they need to move forward in life. Because Honduras limits their access to free education to the sixth grade, poor families can't send their children to school beyond that. Only 30 percent of students even attend high school and many are unable to finish. The students who are able to continue their education do so without high quality educators. Nearly 40 percent of the teachers in Honduras only receive basic training, leaving them unable to get the maximum out of each child's potential."¹²

¹¹ "The World Bank in Honduras", The World Bank, April 4, 2019, <https://www.worldbank.org/en/country/honduras/overview>

¹² Taylor Schaefer, "Education in Honduras", The Borgen Project, Aug. 2, 2013, <https://borgenproject.org/education-in-honduras/>

The Borgen Project also reports on the status of healthcare stating, “Honduras has long suffered from frequent maternal and infant mortality, and an estimated 1.5 million people are unable to receive healthcare at all.” In addition, it is reported that, “In rural environments, healthcare is much harder to access despite efforts to improve these conditions. The Ministry of Health in Honduras provides care to almost 90 percent of the population, but these services are mainly available in developed cities making it hard for rural populations to receive good care...One of the major barriers to receiving good healthcare in Honduras is lack of access to physicians. The CDC reports that there are around 0.37 physicians per 1,000 people in Honduras.”¹³

Guatemala

Guatemala is home to 16.91 million people making it the most populous country in Central America. It is bordered by El Salvador, Honduras, Belize, and Mexico. Although Guatemala’s official language is Spanish, 40 percent of its inhabitants speak Indigenous languages.

The poverty rate in Guatemala is very high. According to the World Bank, 59.3 percent of the population lives below the poverty line and 23 percent live in extreme poverty.

The indigenous people in Guatemala are most affected by poverty, with 79 percent living in poverty and 40 percent in extreme poverty. Eight in ten indigenous children suffer from chronic malnutrition, a condition that weakens their immune system and does not allow their bodies to fully develop.

Most Guatemalan children must help provide for their families, making secondary education a luxury few can afford. Enrollment in primary school is very successful, nearly 100 percent, but more than two million Guatemalans from ages 15-24 do not meet the criteria to enter the workforce. Therefore, they remain on family farms, excluded from the economy by the farming elite, or they join the informal workforce and remain in poverty.¹⁴

It is estimated that there are between 1,500 and 5,000 street children in Guatemala City, Guatemala. Approximately 65 percent of these children are between the ages of 10 and 17 — and around 30 percent are girls. Street children are those for whom the street has become their real home — a situation in which there is no protection, supervision, or direction from responsible adults. Most of these children live and sleep on the street, with some taking refuge in parks or under stairs.¹⁵



¹³ Alexandra Eppenauer, “Six Facts About Healthcare in Honduras”, The Borgen Project, Aug. 12, 2018, <https://borgenproject.org/healthcare-in-honduras/>

¹⁴ Charlotte Preston, “8 Facts about Poverty in Guatemala and How to Get Involved”, The Borgen Project, Aug. 17, 2018, <https://borgenproject.org/facts-about-poverty-in-guatemala/>

¹⁵ Isabella Rölz, “Helping Save Street Children in Guatemala”, The Borgen Project, Feb. 14, 2016, <https://borgenproject.org/street-children-in-guatemala/>

El Salvador

El Salvador in Central America has 6.38 million people. It is the most violent country in the world. Much of the crime is attributable to rampant gang violence and drug trafficking. Thirty-six percent of rural Salvadorians living in poverty¹⁶.

Currently, the World Bank has two primary emphases on education and healthcare: (1) The Education Quality Improvement Project, expanding the adoption of the Inclusive Full Time School Model in 29 municipalities, and; (2) The Strengthening Public Health System Project, expanding the Integrated Health Care Services Model in the 82 poorest municipalities.



Bolivia

Bolivia is a country of just over 11 million people plagued with inequality and inadequate development, making it the poorest nation in South America. Poverty affects the majority of the population, with almost 40 percent of Bolivians living in extreme poverty. Despite the land's rich natural resources, Bolivia's lack of human development, which ranks 104th out of 174 countries and territories, hinders the state's economic, social and political progress.

The Borgen Project lists the four key factors of poverty: political instability, insufficient education, lack of clean water and sanitation, and low productivity in rural areas.

"Public school education ... is of extremely poor quality, particularly in rural areas where teachers are not likely to be properly trained. Unsurprisingly, private education is too expensive for most. Thus, a vicious cycle of poor families staying poor while wealthy families progress is very apparent; without a good education, it is almost impossible to escape poverty."

"In rural areas, many people are forced to drink contaminated water, as they are without clean, natural or portable water alternatives. This puts communities at significant risk for disease and illness. Diarrhea is one of the most common and serious consequences of drinking contaminated water and is responsible for over one-third of deaths of Bolivian children under five."¹⁷

Child welfare is a deep problem in the country. Bolivia's working age is the lowest in the world. At 10 years old, children can legally work for themselves, their families and for others. Bolivia's Child and Adolescent Code was passed in 2014. It lowered the legal working age to 10 in an effort to prevent the exploitation of many children already working in Bolivia. But with 850,000 child laborers in Bolivia and only 78 inspectors, it is difficult to enforce regulations. Many children work illegally starting at the age of five. Child marriage for girls below age 18 is at 19 percent.¹⁸



¹⁶ "10 Facts About Hunger in El Salvador", World Food Program, June 15, 2015, <https://www.wfp.org/stories/10-facts-about-hunger-el-salvador>

¹⁷ Catherine Fredette, "Four Reasons Why Bolivia is Poor", The Borgen Project, July 19, 2017, <https://borgenproject.org/reasons-why-bolivia-is-poor/>

¹⁸ Sam Bramlett, "Aid for Children Working in Bolivia", The Borgen Project, Jan. 31, 2018, <https://borgenproject.org/aid-for-children-working-in-bolivia/>

5. Marketing Plan

The Marketing Plan describes how MRI seeks to raise revenue. The foundation of our marketing is relational. Our founders have spent over 20 years in nonprofits and missions developing a donor base. These relations and donors provide the platform for initiating fundraising. In addition, Mr. Gerson Ruiz has developed extensive relations internationally with governments and corporations.

Mission Renewal International's Brand

MRI's brand emphasizes the unique aspects of the organization:

- Providing grants to organizations in developing countries working in the areas of education, healthcare, child welfare, and family infrastructure.
- Focusing on smaller, local nonprofits most in need of assistance.
- Delivering inspiring educational events for current and future leaders in developing countries.
- Exercising strict anti-corruption measures.

Promotions Strategy

Mission Renewal International promotes itself to individuals/families, corporations, and government entities interested in changing the world through elimination of extreme poverty. Our promotions strategy to reach these individuals includes direct mail, social media, in person meetings and presentations, and online communications.

Direct Mail

Mission Renewal International sends direct mail to donors previously involved in supporting the Ruiz family in their prior mission fields, those who have expressed interest in being contacted, and those referred to us directly. These letters provide general information on MRI and discuss upcoming events and needs, as well as donation and volunteer opportunities.

Social Media

Currently, Mission Renewal International posts on Facebook, Instagram, and LinkedIn. We are looking for assistance to expand and capitalize on the use of social media.

MRI participates in the Giving Tuesday campaign the last Tuesday of November where any donations made that day via Facebook are doubled for participating organizations.

In Person Meetings/Presentations

Mission Renewal International meets with individuals, business executives, leaders, and government representatives to explain the need and the organization, and directly solicit funds. Presentations are made in small settings to individuals and small groups, or in large event settings such as college campuses, churches, etc.

In the past year, MRI participated in an international event at San Diego State University and networked with the San Diego Diplomacy Counsel providing opportunities to expand our donor base and solicit volunteers.

A special event was held in 2020 where potential donors were invited to a Premiere Designs Jewelry Party and 25% of the proceeds from jewelry sales went to MRI.

On-line Communications

Mission Renewal International maintains a website and publishes a quarterly email newsletter distributed through Mail Chimp to tell partners about new events, accomplishments and more.

Solicitation of Embassies & International Organizations

Particularly, for the large educational events, MRI looks to have embassies within the country of the event and international organizations involved in donating to the events in exchange for premium seating, invitation to a special event with the guest speakers, and advertising during the event.

6. Operations Plan

Mission Renewal International currently operates under a volunteer Board of Directors and volunteer staff. As of August 2020, the volunteer staff includes a bookkeeper, web designer, translator, and administrator. In 2020-2021, MRI looks to expand its volunteer base to provide more technical assistance to partner organizations.

In addition, as we are a new organization, it is not feasible or necessary to hire full time staff in each country we operate. Individuals are hired as consultants/investigators as needed within the countries seeking grants to vet and keep accountable those organizations we support.

Functional Roles

The Organization needs to perform many functions to execute Mission Renewal International's business model, including the following:

Executive Functions

- General management of the organization;
- Meeting with key partners including donors, nonprofit executives, and government officials in the countries in which we operate;
- Hiring consultants and hiring and training staff, and;
- Maintaining the vision of the organization.

Administrative Functions

- General and Administrative functions, such as correspondence and bookkeeping, and;
- Tactical functions, such as marketing and legal filings.

Service Functions

- Vetting nonprofits seeking funds;
- Reviewing grant applications and administrating grant funds;
- Auditing of organizations receiving grants;
- Providing technical assistance, and;
- Planning, organizing, and operating educational events.

Special Functions

- Fundraising and speaking engagements.

Milestones

Mission Renewal International expects to achieve the following milestones in the 2020-2021 fiscal year:

Date	Milestone
Aug-Oct 2020	Review Grant Applications & Complete Vetting
November 2020	Distribute Fall Grants (3-4 organizations)
Dec 2020-Feb 2021	Receive Grant Applications
Mar 2021-Apr 2021	Review Grant Applications & Complete Vetting
May 2021	Distribute Spring Grants (3-4 organizations)
May 2021	Resume Planning & Fundraising for Educational Event (The Greatness of Honduras)

This represents MRI's goal to double the number of organizations receiving grants in the coming year. In 2019-2020, MRI assisted 3 organizations, but anticipates 6 or more organizations receiving grants in the coming year.

7. Management Team

The MRI officers and directors are described in the paragraphs below. No officers or directors receive compensation for their work with MRI.

Gerson Ruiz, President, CEO, and Director

Prior to founding MRI, Mr. Ruiz had over seventeen years working for and with nonprofits organizations. Prior to his current position, he worked seven years for World Gospel Outreach, managing their Children's Homes and then their Mentorship and Training of over 250 religious and community leaders in Honduras. He also worked as a translator and leading medical brigades with Professionals to the World and Global Health Outreach. In addition, Mr. Ruiz has worked as a surgical assistant and pharmacist.

As a businessman, Mr. Ruiz started and operated his own business, Corporacion Ruiz, which imported and distributed dairy products in Honduras. Currently, Corporacion Ruiz has been reinventing itself as a manufacturer of activated carbon used in the production of water filter systems. In addition, he currently works as a management and marketing/sales consultant helping US and European based corporations expand into Central and South America.

Mr. Ruiz has his bachelor's degree in science and completed five years of medical school studying at Universidad Nacional Autónoma de Honduras (UNAH) and at Escuela Latinoamericana de Ciencias Médicas (ELAM) Cuba. He later earned an advanced degree (Licenciado) in International Relations and Diplomacy from Unitec in Tegucigalpa, Honduras, having completed his internship at the United Nations in Geneva, Switzerland as part of the Honduran Diplomatic Mission.

Robert (Bob) Gaudi, Treasurer, CFO, and Director

Mr. Gaudi has over 44 years of experience in financial and personnel management and leadership positions. He began his professional work experience as a US Naval officer and naval aviator during which he served in numerous positions including six years as comptroller for a Naval Air Station, and then for a large Pacific Fleet logistics staff. Following his 27-year naval career, Mr. Gaudi worked for a not-for-profit corporation of over 900 employees directing human resources. After retiring from that position, he then served six years as a civilian employee of the US Navy working as a program manager and business manager for a large US Navy base. Mr. Gaudi earned his BA in Geography (Urban Planning) from Southern Illinois University and later attended the US Naval Postgraduate School earning his M.A. in Financial Management.

Amy Schmitz Ruiz, Secretary and Director

With over 20 yrs experience in missions, Ms. Ruiz has worked in nonprofits on four continents, especially in education and children's programs, helping people in developing countries rise above their circumstances. She also spent 9 yrs working as a teacher in the USA and Honduras.

She graduated with a B.A. in English and minor in Religion from Azusa Pacific University and a M.A. in Theology with an emphasis in missions from Bethel Seminary San Diego.

Iris Geist, Director

Ms. Geist was born in Germany and moved to the United States in 1999 to work as a software engineer. She has worked in the San Diego area in high-technology companies for the last 20 years. Ms. Geist has volunteered at the Torrey Pines Docent Society since 2001, including a term as Secretary of the Board. She also served on the Board of Friends of Albert Einstein Academies. She has served in many children's ministries and is passionate about helping people succeed.

Greg Hoffmann, Director

Rev. Hoffmann has over 30 yrs experience in operations and management of nonprofits. He is currently Associate Pastor at Peñasquitos Lutheran Church, San Diego, CA, where he has served since 1987. Prior to entering seminary, he served as Youth Director at Hope Evangelical Lutheran Church in San Mateo. He holds a B.A. in Music Education from Pacific Lutheran

University, a M.A. of Divinity from Fuller Seminary and a M.A. of Theology from Luther Northwestern Seminary.

- **Note: MRI is beginning the 2020-2021 fiscal year with one opening on the board of directors and anticipates filling this position before the end of 2020.**



8. Financial Plan

The Board has approved a three-year budget for the organization based on the past two years of actual data, shown in Figure 8-1. Explanations of some of the budget items are provided following the figure. It should be noted that, for most intents and purposes, FY1 was only a two-month year due to not receiving 501(c)(3) status until June 2019.

	FY1 (Actual) 8/2018- 7/2019		FY2 (Actual) 8/2019- 7/2020		FY3 8/2020- 7/2021		FY4 8/2021- 7/2022		FY5 8/2022- 7/2023	
Revenue										
Private Donations	\$8,780.00		\$21,270.00		\$30,000.00		\$35,000		\$40,000	
Corporate Donations	\$107.45		\$11.84		\$100.00		\$300.00		\$500.00	
Government Donations	\$0.00		\$0.00		\$0.00		\$7,500.00		\$15,000.00	
Donated Goods & Services	NA		\$7,807.64		\$10,000.00		\$12,000.00		\$15,000.00	
Total Revenue/Donations:	\$8,887.45		\$29,089.64		\$40,100.00		\$54,800.00		\$70,500.00	
Expenses		% of Rev		% of Rev		% of Rev		% of Rev		% of Rev
Program Expenses										
Total	\$0.00	0%	\$15,005.36	52%	\$24,080.00	60%	\$34,240.00	62%	\$44,400.00	63%
Grants to Partner Organizations	\$0.00	0%	\$13,400.00	46%	\$21,000.00	52%	\$24,000.00	44%	\$32,650.00	46%
Technical Assistance	\$0.00	0%	\$0.00	0%	\$1,080.00	3%	\$1,240.00	2%	\$1,750.00	3%
Educational Events	\$0.00	0%	\$1,605.36	6%	\$2,000.00	5%	\$9,000.00	16%	\$10,000.00	14%
Administration Expenses Total	\$2,434.23	27%	\$9,125.28	31%	\$14,214.00	35%	\$17,992.00	33%	\$22,770.00	32%
Wages & Professional Fees	\$1,711.49	19%	\$6,939.99	24%	\$9,200.00	23%	\$11,000.00	20%	\$15,000.00	21%
In Country Representation	\$0.00	0%	\$0.00	0%	\$1,500.00	4%	\$1,700.00	3%	\$1,900.00	3%
Travel	\$0.00	0%	\$48.14	0.2%	\$500.00	1%	\$1,000.00	2%	\$2,000.00	3%
Office Admin/Supplies	\$660.55	7%	\$2,019.09	7%	\$2,814.00	7%	\$4,000.00	7%	\$3,470.00	5%
Banking Fees	\$62.25	1%	\$118.06	0.4%	\$200.00	0.5%	\$292.00	0.5%	\$400.00	0.6%
Fundraising Expenses	\$0.00	0.0%	\$343.63	1.2%	\$1,204.00	3.0%	\$1,712.00	3.0%	\$2,220.00	3.0%
Total Expenses:	\$2,434.23	27%	\$24,474.27	84%	\$39,498.00	98%	\$53,944.00	98%	\$69,390.00	98%
Total Reserves	\$6,453.22		\$4,615.21		\$602.00		\$856.00		\$1,110.00	
Cumulative Reserves	\$6,453.22		\$11,068.43		\$11,670.43		\$12,526.43		\$13,636.43	

Figure 8-1. Detailed Five-Year Budget

Factors for Interpreting the Budget:

1. In FY1 there were only 2 months where MRI was certified as a 501.c.3.
2. In FY2 the COVID Pandemic postponed plans for a 2020 educational event & limited fundraising.
3. FY2 Wages & Professional Fees included \$6,500 in donated Accounting and Web Services. Office Admin/Supplies included \$1,307.64 in donated computers/equipment.
4. FY3, FY4 & FY 5 Program Expenses are based on 80% of the revenue from Private, Corporate and Government Donations but excluding Donated Goods & Services.
5. Administrative Expenses include 14% of the revenue from Private, Corporate and Government Donations plus the addition of value from the Donated Goods & Services.
6. Fundraising Expenses are based on 4% of the revenue from Private, Corporate and Government Donations but excluding Donated Goods & Services.

Revenue

MRI's first fiscal year (2018-2019) produced much lower than expected revenue due to only having two months of actual fundraising efforts. We were waiting on federal approval of 501(c)(3) status which was received in June 2019.

The 2019-2020 fiscal year produced \$29,089.48 in total contributions. Personal Donations totaled \$21,270.00 and came from the following sources:

- \$4,200.00 –PayPal
- \$13,565.00—Personal Checks
- \$2,260.00 –Facebook Charitable Fund
- \$1,245.00 –Thrivent Choice

Corporate Donations totaled \$11.84 from Amazon Smile.

Donated Services and Goods Donations totaled \$7,807.64 and came from the following sources:

- \$6,000.00 –Web Services (150 hours at \$40/hr)
- \$500.00 –Accounting Services (20 hours at \$25/hr)
- \$417.20 –Little Green Light Annual Subscription
- \$415.44 –New Laptop Computer
- \$400.00 –Two Refurbished Laptop Computers
- \$75.00 –2 TB External Hard Drive

For the 2020-2021 fiscal year, Mission Renewal International is seeking donations totaling \$40,100 an increase of 38%. MRI is working to increase private donations by almost \$9,000. We will promote higher usage of Amazon Smile to increase Corporate Donations. Once we can reschedule the educational event in Honduras, we will continue to seek funding from government entities such as embassies and other international organizations to sponsor the event. Donated Goods and Services will continue to be a key component for keeping costs down. We will continue to receive bookkeeping services, web services, videography, and Technical Assistance through volunteers.

Program Expenses

In FY1 we did not have program expenses because we were focused on writing applications, policies, and procedures as we waited for 501(c)(3) status.

Our first grant applications were received in August 2019 and grants totaling \$13,400 were extended in 2020.

The following organizations were approved for grants:

- Pan American Health Services (\$10,000)
- Iglesia de Dios Pentecostes Arca de Noe (\$1,000)
- Fundacion Peniel Manos Extendidas (\$2,400)

MRI spent \$1,605 toward the educational event that was scheduled to take place in August 2020. This was used in the following manner:

1. Our president Gerson Ruiz travelled to Honduras in February 2020 and met with speakers and some potential donors for the Great of Honduras Symposium.
2. Hiring of the event planning company Estrategia to help organize the event. Estrategia was paid \$1,150 as a down payment for services.

In March, all travel and large events were shut down due to the Covid-19 pandemic. Estrategia agreed that the down payment would be carried over to whenever the event was again able to proceed. At this time, Honduras is not expected to open for events until at least late 2021.

Administrative Expenses

Mission Renewal International works to maximize the revenue available for Programs by keeping administration costs to a minimum. Currently, all management, staff, officers, and directors are volunteers and receive no compensation. Professional fees for lawyers, accountants, etc., are included in the Administrative Expenses Budget. As revenues increase, we anticipate providing wages for certain management and staff as needed. The Board of Directors has set a cap on Administrative Expenses of 15% of cash donations from Private, Corporate & Government Donations excluding Donated Goods and Services.

For example, in 2019-2020 Donated Goods and Services had a value of \$7,807.64 and revenue from Private and Corporate Cash Donations came to \$21,281.84. The Goods and Services donations were placed under Administrative Expenses. Once the \$7,807.65 is subtracted from the total Administrative costs of \$9,125.28, the amount of cash revenue that was used toward Administrative Expenses came to \$1,317.64 or 6% of cash donations.

In FY1 administrative expenses were 27% exceeding the 15% cap due to startup costs and initial government filings; however, this was anticipated and evened out over the two years of operation. Over the combined FY1 and FY2, Administrative Expenses accounted for 12% of revenue from Private and Corporate Donations (excluding Donated Goods and Services).