



AME-SADA 2017 ANNUAL REPORT

AFRICAN METHODIST EPISCOPAL CHURCH
SERVICE AND DEVELOPMENT AGENCY, INC.

Helping People Help Themselves

The African Methodist Episcopal Church Service and Development Agency (AME-SADA), Inc., is a non-profit (501-c-3) organization dedicated to improving the quality of life in Africa and the Caribbean. AME-SADA grew out of the collective efforts of five unique and pioneering individuals: Bishop John H. Adams, Bishop Fredrick C. James, Ms. Wilburn Boddie, Reverend Lonnie Johnson and Dr. Joseph C. McKinney. We give special recognition to Bishop Donald G. K. Ming for his unbroken support and dedication to the vision of our Founders in the early years of the development of the organization.

Since its founding more than three decades ago, AME-SADA has demonstrated the implementation of its mission of *"helping people help themselves"* by providing essential assistance to those in need through health, micro-enterprise, agriculture, alternative energy and education programs as well as emergency humanitarian aid in Africa and the Caribbean. AME-SADA is looking to expand its programs and regions of operation as resources allow.

AME-SADA's financial support comes from the AME Church, government and international agencies, foreign institutions, non-profit organizations, foundations and thousands of persons committed to our vision of a better world. AME-SADA is headquartered in Washington, DC.

MESSAGE FROM THE CHAIRMAN OF THE BOARD AND EXECUTIVE DIRECTOR

This past year AME-SADA has endeavored to stabilize its financial resources in light of the continued challenges that its mission demands. As we celebrate the completion of 39 years of service, the organization has engaged its field and headquarters staff in a series of strategic reflections to address its needs and objectives. As a result, while maintaining focus on our core sectors of Education, Health and Micro-Credit we added agriculture and alternative energy to our project portfolio and endeavor to have a more integrated program implementation approach to insure a more effective and efficient use of our human, material and financial resources. In the Health Sector, we endeavor to respond to the growing needs of the population we serve in Haiti. While emphasizing child and maternal health services, AME-SADA is now a full service provider for patients seeking treatment for HIV/AIDS. As we continue the implementation of our current USAID-funded health sub-contracts, we are seeking additional funds for these programs to insure their expansion and strengthening. This expansion will include the development of the Bercy Transition Center for At-risk Pregnant Women. This center will complement the newly completed Délice Sarah F. Davis Délice outpatient Clinic built with the generous donation of funds from the Connectional Women's Missionary Society under the leadership of Dr. Shirley Cason-Reed. AME-SADA is also actively seeking funds to open a cervical cancer prevention program in the Caribbean and West Africa. In Education, in Haiti, we are now emphasizing school health thereby allowing us to reach a new target group consisting of young people who are more than five years old. In Haiti by June 2018 AME-SADA will implement a new Grant from the W. K. Kellogg Foundation will bring the link between nutrition and farm production the Arcahaie area of operations. This endeavor will be a gateway to eventual agricultural processing and more expansive income generation for the populations we serve. In Ghana, the AME-SADA West Africa Regional Office is now operational and focused on identifying funds for the development of programs for child and maternal health, youth training and employment and agriculture. While seeking new and more diverse sources of funding for its programs, AME-SADA is now developing closer ties with partners working in the same sectors in order to increase our outreach, especially on the Continent of Africa. In South Africa, AME-SADA has completed its USAID/ASHA grants to support the development of the infrastructure of the Wilberforce Community College (WCC) campus. The search for additional support for the campus' existing and developing academic programs and community outreach is broadening while we prepare for the next phase, based on upcoming directives from the WCC Board and leadership.

AME-SADA is very grateful to USAID, the W. K. Kellogg Foundation, the AME Church, other non-government organizations and the many individuals and churches who continue to support our activities and show great confidence in our programs. In the coming year, AME-SADA anticipates diversifying its funding sources and geographical outreach as it initiates operations in new countries in Africa and the Caribbean. After thirty-nine years of operation, as we look to the future, we are grateful to the many organizations and individuals who have supported us and believe in our entrenched commitment of improving the quality of life for all people. We appreciate the dedication of our staff who devote themselves, under difficult conditions, to the underserved populations we support. The ever-increasing need for our assistance continues to challenge us, but we remain steadfast to our mission of "Helping People Help Themselves". We thank you and ask again for your continued support.

With warm regards,

McKinley Young

Bishop McKinley Young

CHAIRMAN OF THE BOARD OF DIRECTORS

Robert Nicolas

Robert Nicolas

EXECUTIVE DIRECTOR

INTRODUCTION. Fund raising and addressing pressing administrative and project-related activities continue to occupy a substantial amount of the Executive Director's (ED) time. Project-related travel and meetings in the past year have increased significantly. They required focusing on the completion of the Délice Clinic Construction activities (dedicated in October 2017). In addition, to Haiti, the ED also traveled to, Ghana, South Africa, Dominican Republic, Miami, New York City, Buffalo, Los Angeles, Louisville, South Africa, Columbus, Nashville, Atlanta, Birmingham, Boston and multiple meetings in the Washington, DC metro area to review AME-SADA programs, follow leads for new projects and discuss the possibilities of new partnerships and attend international development meetings. As in previous years, a considerable amount of time was devoted to the development of strategic alliances (SUNY, George Mason University, and Andrew Young Foundation) and the search for new project funding and proposal submissions. AME-SADA submitted numerous proposals to various USAID offices, bilateral donors, along with private organizations and corporate donors in the United States, Ghana, Caribbean and Southern Africa. These proposals continued to emphasize our interests and expertise in the health (focus on child and maternal health, including HIV/AIDS), education and training sectors while seeking funds for new sectors such as agriculture and alternative (solar) energy. The new administration in the US has systematically been cutting international aid budgets. AME-SADA's sub-contract in Haiti has seen a 30% reduction, since June 2017. This situation is compounded by an official inflation rate between 14%-15% (depending on sources) and a refusal by the funding sources (USAID and main contractor) to increase a project budget, which was originally done more than 6 years ago. This leaves the local staff with salaries below the level paid by the GOH. The result is staff reductions, furloughs and rotations to keep operations at reasonable level and refrain from closing facilities.

SOUTH AFRICA. AME-SADA continues to seek new sources of project funds for South Africa and some of the nearby countries of Zimbabwe, Zambia and Lesotho. The search for funds continues in order to develop these project ideas and concepts.

SOLAR PROJECTS. Explorations are continuing for the possibility of solar farms on AME Church-owned lands in South Africa, Zambia, Liberia, Ghana (non-AMEC land in Ghana) and Guyana. These possibilities would all include a component of training for youth in solar energy technology and will require substantial sums from private investors. They will be income producing from the sale of solar generated electricity to local utilities.

GHANA. Bethel AME Church in Accra provides office space for AME-SADA. The office is fully functioning. A formal dedication of this new office will have to be scheduled in coordination with the AME-SADA Chair and the Presiding Bishop of the 14th Episcopal District. Upon completion of the renovations in late June 2017, Presiding Elder Reverend Collier C. Coleman, led the Bethel AME Church Congregation in blessing the office on July 30, 2017, prior to its being occupied. The contract for the AME-SADA Country Representative (CR), Mr. Awusi Mahama Natoma is spending most of his time preparing proposals and developing alliances with local NGO's. All of the proposals submitted to-date have been completed with local partners. They focused on community health and agricultural development in the regions of Accra, Ashanti, Northern and Volta. All of these proposals submitted so far have gone to European, Canadian and Australian sources.



Blessing of the new office by the Bethel Congregation.

POLITICAL SITUATION IN HAITI. The new government of President Jovenel Moise took office in early 2017. The political situation in Haiti has improved considerably with the completion of the recent presidential, legislative and municipal elections. However, the economic situation is still unstable and marked by excessive inflation and unemployment. The resulting cost of living increases are manifested in multiple strikes, street demonstrations and demands for increased wages. Some of the AME-SADA employees are also demanding higher wages which the organization cannot afford to pay unless and until its main contract (USAID) allows for such an increase.

CARIS FOUNDATION/USAID/HAITI. Under a USAID-funded subcontract, AME-SADA was awarded a \$600,000.00 subcontract to address child and maternal health issues. Functionally, these funds cover the operations of the Clinics of Pont-Matheux, Délice I, Délice II, Fond Baptiste Source Mattelas and Bellanger. These health centers serve a population of about 150,000 people in mostly rural communities and provide primary health care to women of reproductive age and children from birth to five years old. These services include pre and post-natal services, vaccination, treatment for HIV/AIDS, TB, STD's, Orphans and vulnerable children. The overall reduction in US government funding for this project has severely reduced SADA's ability to reach the numbers of needy citizens that have received services the past.

W. K. KELLOG FOUNDATION (WKKF)/HAITI. After a two-year study design phase and subsequent extensive discussions with representatives of the Foundation, AME-SADA received a two-year grant for US\$1,000,000,000.00 in May 2018. Its objective is the increase of families' nutritional awareness, agricultural productivity and food security in Haiti by providing training on the link between food and health, assisting smallholder farmers and strengthening connection between smallholder farmers and Sustainable



Land Erosion Haiti

Village and Learning Community Partners. This funding will assist in the funding of the CRAH (indirectly by freeing other funds) and Leger clinics outreach activities. The main centers of activity for this project will be the clinics of Leger, Délice I & II, Fond Baptiste and Pont Matheux. The project will focus on goat herding, production of pigeon peas and moringa while improving farming techniques, land reclamation, erosion control

and overall agricultural productivity. It will eventually add post-harvest conservation and processing with immediate income generators as add-ons such as bee-keeping, biogas and castor oil production. This new grant will provide services to 2500 rural families, 7500 elementary school-age children and 2000 farmers in nutrition and agricultural improvement programs for two years.

DELICE I CLINIC. All construction work on the Délice clinic was completed in September 2017 and the solar installation was operational by February 2018, making the clinic fully electrified and with its own water and sewer system. Operations moved from the old clinic to the new Bishop Sarah Frances Davis Connectional Women's Missionary Society Outpatient Health Clinic in November 2017. The staff used their existing furniture and equipment. Funds for additional equipment and furnishing are still being sought. Completion of this clinic allows for an eventual expansion of services, such as vaginal deliveries and a dental and eye clinic in the Délice area. A substantial increase in the number of patients is expected. Assistance with staffing was requested from the GOH's MSPP and was also included in the most recent proposal submitted to WKKF. In addition, this facility will also be able to house visiting teams of specialists (nurse midwives, dentists, ophthalmologists, etc.) who will be recruited to assist on a periodic basis. Associations, medical schools, AME church members and others. Preliminary contacts have been made with various groups of private physicians,

Pictures of Completed Délice Clinic without solar panels in 2017 and within 2018





PURCHASE OF TOYOTA LAND CRUIZER. Thanks to the assistance of the AME-SADA Treasurer, this automobile was purchased and fully paid for in July 2017. Unfortunately, due to the morass of the authorization process in Haiti to allow AME-SADA to import the car, duty-free (a savings of about US\$35,000.00) it was not shipped to Haiti until April 2018. Due to continuous administrative (duty-free permit) hold ups, the car has been awaiting clearance at customs for the last 7 weeks. This automobile is crucial to the AME-SADA Haiti operations for the following reasons: 1) significant reduction in the use of costly rented cars; 2) carries 14 persons and thus allows for the weekly transport of staff



to the field and back home on Monday and Friday respectively; 3) can carry two fitted gurneys to transport patients and treating medical staff in case of emergency. The ED, CR and other staffers have had multiple

meetings with the appropriate authorities and a reply on the paper work is expected shortly. This process has been going on for more than 8 months.

Picture of the Toyota Land Cruiser purchased by AME-SADA (above)



ADDITIONAL CONSTRUCTION PLANS. Planning is continuing for the next construction project, the Bercy Clinic, which will serve as a transition and treatment center for at risk pregnancies that can eventually be converted into a women's hospital. The detailed plans were completed in 2016 with WKKF funding. A strategy is being finalized to insure the substantial funding, which will be needed to complete the entire project. A smaller project is also being studied to replace the Leger clinic in a region called KaPoule. Young volunteers from the 11th Episcopal District, under the leadership of Reverend John F. White II, helped to plant part of a "living fence" to help delineate the Bercy property line. A group of youth from the Third Episcopal District completed this living fence in April 2018. In addition, some assistance is planned by Supervisor Penny White for the construction of a well on the property. A smaller project is also being studied to replace the Leger clinic in a region called KaPoule. Young

volunteers from the 11th Episcopal District, under the leadership of Reverend John F. White II, helped to plant part of a "living fence" to help delineate the Bercy property line. In addition, some assistance is planned by Supervisor Penny White for the construction of a well on the property. (11th Episcopal District Volunteer planting trees in Bercy, Haiti pictured above)

16TH DISTRICT. AME-SADA has been working very closely with the Presiding Bishop of the 16th Episcopal District, not only on issues related to Hurricane Mathew but also finding areas of collaboration for economic development.

The ED is also exploring sources of funding to respond to the needs of AME University in Monrovia, along with Bishop Messiah's request for assistance in the Democratic Republic of the Congo.

AME-SADA SUNDAY- May 20, 2017. It brought about US\$40,000.00 in contributions. These funds continue to be an important source of unrestricted funds for the organizations and allows it to meet emergency needs other unexpected expenditures and gaps in project funding.

TRADITIONAL BIRTH ATTENDANT TRAINING (picture below). In August 2017, AME-SADA benefitted from the training provided by Dr. Vanessa Iweka-Nicolas, a Nurse Midwife trainer from Los Angeles, California who volunteered her time to train 60 AME-SADA medical personnel as trainers during a 5-day workshop entitled “Helping Mothers and Babies at Birth.” The AME-SADA staff learned to use a specially designed “birthing” doll, to train Traditional Birth Attendants (TBA’s) on the use of technologically appropriate tools in the birthing process. This 5-day workshop was held at the AME-SADA Pont-Matheux clinic and the 60 participants received a certificate and all of the audio-visual and printed materials they needed to conduct the training for the 484 AME-SADA TBA’s.



FINANCIAL STATEMENT: The audited financial provided below is in “DRAFT” form due to the AME-SADA Board meeting, which had to approve it. This meeting did not take place until after the preparation of this report.

F. S. TAYLOR & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS & MANAGEMENT CONSULTANTS

1420 N Street, N.W., Suite 100 / Washington, D.C. 20005 / 202/898-0008 Fax 202/898-0208

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
African Methodist Episcopal Church
Service and Development Agency, Inc.

We have audited the accompanying financial statements of the African Methodist Episcopal Church Service and Development Agency, Inc. ("AME-SADA"), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the African Methodist Episcopal Church Service and Development Agency, Inc. as of December 31, 2017, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the African Methodist Episcopal Service and Development Agency Inc's 2016 combine financial statements, and our report dated June 13, 2017, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental statements on pages 14 through 18 are presented for purposes of additional analysis of the financial statements rather than to present the financial position, results of operations, and cash flows of the individual entities, and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combine financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

F. S. Taylor & Associates, P.C.

June 22, 2018

**THE AFRICAN METHODIST EPISCOPAL CHURCH
SERVICE AND DEVELOPMENT AGENCY, INC.
COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 190,626	\$ 288,337
Accounts receivable(Net of allowance of \$-0- for 2016 and 2015)	10,610	157,415
Prepaid expenses and other assets	471	223
Total current assets	<u>201,707</u>	<u>445,975</u>
Property and equipment:		
Land-Delices	43,328	43,328
Building-Delices Clinic	423,460	
Vehicles	92,003	49,951
Furniture and equipment	33,865	37,121
Total property and equipment	<u>592,656</u>	<u>130,400</u>
Less: Accumulated depreciation	<u>(39,446)</u>	<u>(25,174)</u>
Net property and equipment	<u>553,210</u>	<u>105,226</u>
Total assets	<u><u>\$ 754,917</u></u>	<u><u>\$ 551,201</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 93,009	\$ 144,721
Refundable advances		69,756
Line of credit	79,816	
Due to related parties (Note 7)	150,000	150,000
Total current liabilities/Total liabilities	<u>322,825</u>	<u>364,477</u>
Net assets:		
Unrestricted	432,092	186,724
Total net assets	<u>432,092</u>	<u>186,724</u>
Total liabilities and net assets	<u><u>\$ 754,917</u></u>	<u><u>\$ 551,201</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

**THE AFRICAN METHODIST EPISCOPAL CHURCH
SERVICE AND DEVELOPMENT AGENCY, INC.
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<u>UNRESTRICTED NET ASSETS</u>		
<u>Support and revenue</u>		
Grant revenue - federal	\$ 583,401	\$ 571,159
Grant revenue - other		283,162
Contributions - AME Church	606,336	584,819
Contributions - other	365,173	248,656
Clinics income	50,285	37,022
Interest income	36	344
In-kind donation	16,424	14,000
Translation gain/(loss)	5,645	12,975
Other	56,452	433
Donated equipment		13,326
Total support and revenue	<u>1,683,751</u>	<u>1,765,896</u>
<u>Expenses</u>		
Program services:		
Health System	633,789	506,985
Other Overseas Programs	231,507	541,497
Clinics	66,644	31,950
Kellogg	-	303,353
Total program services	<u>931,940</u>	<u>1,383,785</u>
Supporting services:		
Management and general	506,443	343,888
Total supporting services	<u>506,443</u>	<u>343,888</u>
Total expenses	<u>1,438,383</u>	<u>1,727,673</u>
Increase in unrestricted net assets	245,368	38,223
Net assets, beginning of year	<u>186,724</u>	<u>148,501</u>
Net assets, end of year	<u><u>\$ 432,092</u></u>	<u><u>\$ 186,724</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**THE AFRICAN METHODIST EPISCOPAL CHURCH
SERVICE AND DEVELOPMENT AGENCY, INC.
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in unrestricted net assets	\$ 245,368	\$ 38,223
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	14,272	12,231
(Increase) decrease in operating assets:		
Prepaid expenses and other assets	(248)	7,685
Accounts receivable	146,807	(7,330)
Increase (decrease) for changes in operating liabilities:		
Accounts payable and accrued expenses	(51,712)	1,315
Refundable advances		(253,392)
Net cash provided (used in) by operating activities	<u>354,487</u>	<u>(201,268)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in fixed assets	<u>(462,258)</u>	<u>(43,092)</u>
Net cash used in investing activities	(462,258)	(43,092)
CASH FLOWS FINANCING ACTIVITIES		
Proceeds from note-net	<u>10,059</u>	
Net cash used in (provided by) investing activities	10,059	-
Net increase (decrease) in cash	(97,712)	(244,360)
Cash and cash equivalents, beginning of year	<u>288,338</u>	<u>532,698</u>
Cash and cash equivalents, end of year	<u>\$ 190,626</u>	<u>\$ 288,338</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	<u>\$ 2,012</u>	<u>\$ 1,633</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AME-SADA BOARD OF DIRECTORS

Bishop McKinley Young, **Chairman**
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Ex-Officio

Dr. Shirley Cason Reid
Dr. George F. Flowers
Mr. Robert Nicolas, Executive Director

FOUNDERS OF AME-SADA

Bishop John H. Adams
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Dr. Joseph C. McKinney
Mrs. Wilburn Boddie
Reverend Lonnie John

CONTACT US

1134 11th Street NW
Washington, DC 20001
(202) 371-8722
Email: info@ame-sada.org
Website: www.ame-sada.org