

PEACE CORPS COMMEMORATIVE FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

PEACE CORPS COMMEMORATIVE FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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EDLER ZAIN LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Peace Corps Commemorative Foundation
Washington, DC

Opinion

We have audited the accompanying financial statements of Peace Corps Commemorative Foundation (The Foundation) (a nonprofit organization), which comprise the statements of financial positions as of December 31, 2024 and 2023, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Peace Corps Commemorative Foundation as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Edler Zain, LLC

May 2, 2025

PEACE CORPS COMMEMORATIVE FOUNDATION

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Assets		
Cash and cash equivalents	\$ 1,867,080	\$ 590,995
Accounts Receivables		
Contributions	430,999	28,391
Trade	22,953	35,990
Unconditional promises of pledges -		
Net of discount	532,958	82,867
Construction-in-progress	<u>1,261,908</u>	<u>1,163,639</u>
Total Assets	<u><u>4,115,898</u></u>	<u><u>1,901,882</u></u>
 Liabilities and Net Assets		
Accounts payable	\$ 7,573	\$ 78,197
Net Assets - without donor restrictions	<u>4,108,325</u>	<u>1,823,685</u>
Total Liabilities and Net Assets	<u><u>\$ 4,115,898</u></u>	<u><u>\$ 1,901,882</u></u>

PEACE CORPS COMMEMORATIVE FOUNDATION

STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
	Without Donor Restrictions	Without Donor Restrictions
Support, Revenue and Other Income		
Contributions	\$ 2,657,218	\$ 1,002,837
Donated goods and services	86,214	13,000
Investment income - net (including donated stock loss)	2,275	4,469
Total Support, Revenue and Other Income	2,745,707	1,020,306
Expenses:		
Program Services	-	-
Supporting Services - Management and general	144,070	28,289
Fundraising expenses	316,997	276,590
Total Expenses	461,067	304,879
Change in Net Assets	2,284,640	715,427
Net Assets Without Donor Restrictions beginning of year	1,823,685	1,108,258
Net Assets Without Donor Restrictions end of year	\$ 4,108,325	\$ 1,823,685

PEACE CORPS COMMEMORATIVE FOUNDATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flow from Operating Activities		
Change in net assets	\$ 2,284,640	\$ 715,427
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Increase (decrease):		
Accounts receivable - contributions	(402,608)	-
Accounts receivable - trade	13,037	(64,281)
Unconditional promises of pledges	(450,091)	(57,867)
Increase in accounts payable	<u>(70,624)</u>	<u>9,916</u>
Net cash provided by operating activities	1,374,354	603,195
Cash Flows from Financial Activities		
Purchase - increase of construction costs	<u>(98,269)</u>	<u>(358,282)</u>
Net increase in cash and cash equivalents	<u>1,276,085</u>	<u>244,913</u>
Cash and Cash Equivalents - beginning of year	<u>590,995</u>	<u>346,082</u>
Cash and Cash Equivalents - end of year	\$ <u><u>1,867,080</u></u>	\$ <u><u>590,995</u></u>
Supplemental Cash Flows Disclosure		
Cash paid for income taxes	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

**PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

1. Organization

On January 24, 2014, President Obama signed Public Law 113-78 (The Act), authorizing the Peace Corps Foundation, DBA Peace Corps Commemorative Foundation (The Foundation), to establish a Commemorative Work on federal land in the District of Columbia, and its environs. The Foundation's mission, as authorized by the Act, is to commemorate the historic significance of the creation of the Peace Corps and the American ideals on which it was founded, and to be solely responsible for acceptance of contributions for, and payment of the expenses of, the establishment of this Commemorative Work.

The Foundation asked Congress to pursue sponsors of the Act to pursue reauthorizing legislation granting a seven-year extension of the January 2021 deadline (for breaking ground), mandated by the Commemorative Works Act. January 2028 is the new deadline. The reauthorization bill was enacted by unanimous consent in both the House and Senate in December 2020. As of December 31, 2020, final enactment into law required only the President's signature (obtained January 5, 2021).

The meanings and messages of the Commemorative Work are about America's outstretched hand reaching compassionately around the world to enhance mutual understanding and promote peace and justice.

Many monuments in Washington, DC, commemorate historic figures and Americans who served in the military. Yet virtually absent is a memorial honoring a different manifestation of the nation's historic ideals and experience: promoting peace, prosperity and social justice through direct outreach and human-to-human interaction. This Commemorative Work will enrich and tell America's story more fully.

Engagement with diverse peoples and communities, in the spirit of mutual respect and trust, is fundamental to the Peace Corps' mission. Thus, this Commemorative Work will be an inspiring homage to the better angels of our nature, those attributes of the American ethos that motivated creation of the Peace Corps and that Peace Corps volunteer service embodies.

A world map without national boundaries connotes shared humanity, and the aspiration to transcend barriers among peoples to gain mutual understanding and to promote peace. Three granite benches, each with an outstretched hand, embrace the ellipse that is part of the Commemorative Work. The hands express giving and receiving, teaching and learning from others, thereby symbolizing positive attributes of the American ethos inherent in the Peace Corps service.

At the November 18, 2021, meeting of the U.S. Commission of Fine Arts, the seven CFA Commissioners voted unanimously to approve the design concept for the Commemorative Work.

PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

1. Organization - continued

The CFA strongly expressed its support for the enhanced Commemorative design. Particularly encouraging was that this was the first time that four commissioners, appointed earlier this year, had seen this unique Commemorative Work. The final design was approved on October 17, 2024.

Roger K. Lewis served as President of the Peace Corps Commemorative Foundation from 2008 until his untimely death in October 2024. A distinguished architect, planner, and expert commentator in the media on the Nation's Capital. Roger provided inspired leadership for the Foundation. After he passed away, the Board of Directors elected Tony Barclay, who had served alongside Roger as Vice President, to succeed him as President.

2. Summary of Significant Accounting Policies

This summary of significant policies of The Foundation is presented to assist in the understanding of these financial statements. The financial statements and notes are representations of management, who are responsible for their integrity and objectivity. These accounting policies have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The financial statements of The Foundation have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (US GAAP). Consequently, revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which they are incurred.

Basis of Presentation – net assets

The financial statements of The Foundation have been prepared pursuant to FASB ASC 958, *Financial Statements of Not-for-Profit Organizations*. Under these provisions, net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). The ASU amends the current reporting model for not-for-profit organizations and requires certain additional disclosures.

This new standard is intended to improve the financial reporting for not-for-profit entities. It will be effective for fiscal years beginning on or after December 15, 2017.

PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

2. Summary of Significant Accounting Policies – continued

Basis of Presentation – net assets (continued)

ASU will reduce the current classes of net assets into two classes. The two classes are Net Assets without Donor Restrictions, and Net Assets with Donor Restrictions. These changes must be reported on the Statement of Financial Position and the Statement of Activities.

ASU also requires various enhanced disclosures on the following topics:

- Board designations
- Liquidity
- Functional classification of expenses
- Investment expenses
- Donor restrictions
- Underwater endowments.

Without Donor Restrictions – net assets that are not subject to donor-imposed restrictions and may be used for any purpose in performing the primary objectives of the Organization. The Organization's policy is to designate donor contributions without restriction to the areas where the contributions are most needed.

With Donor Restrictions – net assets, which include resources that have been limited by donor-imposed stipulations that either expire with the passage of time and/or can be fulfilled and removed by the actions of the Members of the Board, pursuant to those stipulations. The donor restrictions on donations PCCF received said that the funds could only be used for fundraising services.

Cash and Cash Equivalents

The Foundation considers all money market funds, unrestricted demand deposits, and highly liquid investments with an original maturity of three months or less, to be cash and cash equivalents.

Contribution Receivables

Contributions and grants receivable consist of unconditional promises to give what is expected to be collected in future years. These receivables are reviewed for collectability and allowances are established when needed. Grants are classified as exchange transactions to the extent that allowable expenditures have been incurred during the year.

Promises to Give

Unconditional promises to give cash are reported at fair value at the date the promise is received. Contributions that are expected to be collected within one year are recorded at their net realizable value. Contributions that are expected to be collected in future years are recorded at the present value of the amount to be collected using an imputed interest rate applicable to the year in which the contribution is received.

PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

2. Summary of Significant Accounting Policies - continued

Promises to Give (continued)

Amortization of the discount is included in contribution revenue when the pledges are paid. Conditional contributions are not included as support until such time as the conditions are substantially met. Management estimates that all contributions are fully collectible. Therefore, no allowance for doubtful accounts has been recognized as of December 31, 2024 and 2023.

Capitalized Construction Costs

The Foundation capitalized all costs related to the landscape, architectural and engineering costs of The Foundation at the site of the Commemorative Work. Any costs that don't provide future benefit will be expensed in the year incurred.

Revenue Recognition

The Foundation adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Updated ("ASU") 2016-14 Codification Topic 606, *Revenue from Contracts with Customers*, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or a point in time, and expand disclosures about revenue.

Management performs the following steps to determine revenue recognition if contracts are within the scope of ASC 606.

- identify the contract with a customer
- identify the performance obligation in the contract
- determine the transaction price
- allocate the transaction price to the performance obligation(s) in the contract
- recognize the revenue when the performance obligation(s) are satisfied

At contract inception, management assesses the services promised within each contract, assesses whether each promised service is distinct and identifies the performance obligation. The Organization recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when this obligation is satisfied. Conditional promises to give with a measurable performance or other barrier, and a right of return or release are not recognized until the conditions on which they depend have been substantially met.

At contract inception, management assesses the services promised within each contract, assesses whether each promised service is distinct and identifies the performance obligation. The Organization recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when this obligation is satisfied.

PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

2. Summary of Significant Accounting Policies - continued

Donated Goods and Services

Volunteers contribute many hours supporting and promoting activities that support the mission of The Foundation. The value of these services has not been reflected in these financial statements because no objective basis is available to measure its value.

In accordance with FASB ASC 958-605, *Accounting for Contributions Received and Contributions Made*, contributions of donated services that create or enhance non-financial assets or require specialized skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Foundation recorded \$86,614 of donated services, which consisted of database management, and other specialized computer skills for the year ended December 31, 2024. Room rental with a value of \$10,000 was donated to The Foundation in 2023.

Income Taxes

The Foundation qualifies as a public charity under the Internal Revenue Code 170(b)(1) and has been determined by the Internal Revenue Service to be exempt from federal income taxes under IRS Code Section 501(c)(3). However, income from certain activities not directly related to tax-exempt purposes may be subject to taxation as unrelated business income. The Foundation had no unrelated business income in 2024 and 2023.

The Foundation adopted FASB ASC 740, *Accounting for Uncertainty in Income Taxes*, which clarifies accounting principles generally accepted in the United States of America for recognition, measurement, presentation and disclosure relating to uncertain tax positions.

The Foundation evaluates uncertain tax positions in accordance with existing generally accepted accounting principles and makes such accruals and disclosures as might be required. Management analyzed the tax positions taken as of December 31, 2024 and 2023, and concluded that there were no uncertain tax positions taken, or expected to be taken that would require recognition or disclosure in the financial statements.

Fair Value Measurements

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a transaction between willing parties, other than a forced liquidation. The fair value of The Foundation's cash and cash equivalents accounts, pledge receivables, and accounts payable have approximated their carrying amount due to the relatively short maturity of these items.

Functional Allocation of Expenses

The cost of providing program and supporting services for The Foundation have been summarized on a functional basis in footnote 6. Accordingly, certain costs have been allocated in the program and supporting services. Common costs are allocated pro rata based upon review by management.

**PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

2. Summary of Significant Accounting Policies – continued

Advertising Costs

The Foundation uses advertising to promote the Peace Corps Park to erect a commemorative work in Washington, DC that honors the American ideals that were fundamental in creating the Peace Corps.

Use of Estimates

The preparation of the financial statements in conformity with the United States generally accepted accounting principles require that management make estimates and assumptions that affect the reporting amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue, support, and expense during the 2024 accounting period. Actual results could differ those estimates.

Subsequent Events

Management has evaluated all subsequent events through May 2, 2025, the date the financial statements were available to be issued, and determined that there were no other material, events, or transactions to be recognized or unrecognized subsequent events that would require adjustments or disclosures.

3. Concentrations and Risk – credit and market risk

Credit risk: The Foundation maintains the majority of its cash in a bank that is insured by the Federal Deposit Insurance Corporation (FDIC). FDIC covers each depositor up to \$250,000 per insured bank. The uninsured cash balances were \$1,333,876 and \$316,436 for the years ended December 31, 2024 and 2023, respectively.

The Foundation also maintains a portion of its cash in a money market fund with a major brokerage firm/bank. Money market funds maintained at brokerage firms are not covered by the FDIC. However, The Foundation has not experienced losses in this account and management believes they are not exposed to significant credit risk.

Credit risk associated with the contribution receivable, and promises to give is considered to be limited because of the high historical collection rates and because a substantial portion of the amounts outstanding are from individual, foundations, and corporations supportive of The Foundation's mission.

Group concentrations: Approximately 98% and 71% of The Foundation's contributions came from individuals for the years ended December 31, 2024 and 2023, respectively.

PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

4. Unconditional Promises to Pay

The Foundation is required to recognize the present value of the entire series of payments if a pledge commitment is unconditional and legally enforceable. Present value of the current worth of the cash to be received in the future with one or more payments, which has been discounted at a market rate of interest.

Unconditional promises of pledges as of December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Pledges	\$ 850,000	\$ 112,000
Payments	<u>(300,000)</u>	<u>(29,133)</u>
	550,000	82,867
Less: discount to net present value at 5.07% of the estimated cash flow	<u>(17,042)</u>	<u>-</u>
Net unconditional promises to pay	\$ <u>532,958</u>	\$ <u>82,867</u>

The two pledges from December 31, 2023 were paid in 2024.

5. Liquidity and Availability of Financial Resources

The Foundation adopted a new liquidity disclosure statement that requires a not-for-profit entity to disclose relevant information about the liquidity of assets, including the restrictions on the use of the funds. The goal is to maintain enough liquid assets to meet its obligations and pay general operating expenditures.

The available financial assets to meet general expenditures as of December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,867,080	\$ 590,995
Receivable – trade	22,953	35,990
Receivable – contributions	430,999	28,391
Unconditional promises of pledges-current	<u>177,500</u>	<u>82,867</u>
Financial assets available to meet the general expenditures within one year	\$ <u>2,498,532</u>	\$ <u>738,243</u>

6. Functional Allocation of Expenses

**PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

The operating expenses of The Foundation are allocated among program and supporting services based on the time and expense spent for each of the functions.

These functions are defined as follows:

Program Services – the cost of producing programs to inform the general public of the role of the Peace Corps

Supporting Services - Management and general – the costs of operating the office and related expenses, including the processing of financial and accounting information.

Supporting Services - Development/fundraising – the costs associated with direct solicitation and campaigns for contributions for the Peace Corps Park.

The following is a list of expenses for supporting services:

<u>Management and general</u>	<u>2024</u>	<u>2023</u>
Advertising and promotion	\$ -	\$ 1,750
Bank fees	-	175
Consultant – information technology	30,590	-
Credit processing fees	9,390	4,472
Donated services:		
Advertising and promotion	18,129	-
Computer database development	41,599	-
Insurance	1,474	1,397
License and filing fees	339	-
Office expense	2,476	1,159
Printing	6,816	3,987
Professional fees	26,350	11,523
Software subscriptions	6,911	-
Website and neon database	-	3,826
Total Management and General	\$ <u>144,071</u>	\$ <u>28,289</u>
<u>Fundraising</u>		
Audio visual equipment	\$ -	\$ 7,250
Catering	-	6,340
Consultants :		
Communications	52,000	13,000
Fundraising	237,000	237,000
Donated services- communications	27,407	10,000
Subscriptions	-	10,000
Total Fundraising	<u>316,997</u>	<u>276,590</u>
Total Supporting Services	\$ <u>461,068</u>	\$ <u>304,879</u>

**PEACE CORPS COMMEMORATIVE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

7. Commitments and Contingencies

Fundraising Consultant

The Foundation entered into a contract for a professional fundraising consultant beginning on November 9, 2023, for two years, expiring on November 8, 2024. The monthly payment is \$19,750. The contract may be terminated by either party without cause upon a thirty day written notice to either party. The fundraising consultant expenses were \$237,000 for both of the years ended December 31, 2024 and 2023. The contract is extended to February 2025 at the same monthly fee.

The modified contract with a consultant has been renewed for the period March 2025 through December 2026, with a monthly fee of \$19,750. The Board of Directors will evaluate the fundraising results during the 2026 calendar year, and may increase the annual fee.

Construction Project Management

The Foundation signed a contract for \$20,000 in December 2024, with a real estate company in Washington, DC, to act as an advocate, advisor, and representative in the completion of the Peace Corps Park. The contract was not completed in December 2024. The owner of the real estate company was a member of the Board of Directors; however, he resigned from the Board in 2025.

Credit Card Processing

The Foundation entered into a monthly contract with a corporation to provide online card processing and access to their subscription for contributions.