

**FRIENDS OF THE NATIONAL WORLD WAR II
MEMORIAL, INC.**

**DECEMBER 31, 2013
With Summarized Financial Information
For the Year Ended December 31, 2012**

**These financial statements
may be reproduced only
in their entirety.**

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

DECEMBER 31, 2013
With Summarized Financial Information
For the Year Ended December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Friends of the National World War II Memorial, Inc.
Washington, D.C.

Scope

We have audited the accompanying financial statements of Friends of the National World War II Memorial, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2013, and the related statements of activities 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 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 the 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the 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 Organization'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 financial statements.

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

To the Board of Directors
Friends of the National World War II Memorial, Inc.
Washington, D.C.
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of the National World War II Memorial, Inc. as of December 31, 2013, and the changes in its net assets and its 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 Friends of the National World War II Memorial, Inc.'s 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 7, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses at Schedule 1 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Ross, Langan & Mc Kendrick
L.L.P.

September 4, 2014

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2013

With Comparative Financial Information as of December 31, 2012

ASSETS

	December 31	
	2013	2012
CURRENT ASSETS		
Cash and cash equivalents	\$ 753,973	\$ 921,943
Prepaid expenses and other current assets	1,436	1,180
Contributions receivable, current, net	<u>272,401</u>	<u>266,984</u>
Total current assets	1,027,810	1,190,107
NONCURRENT ASSETS		
Contributions - net	228,366	240,500
Deposits	1,400	1,300
Property and equipment - net	<u>3,134</u>	<u>1,527</u>
TOTAL ASSETS	<u>\$ 1,260,710</u>	<u>\$ 1,433,434</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 10,144	\$ 5,267
Accrued salaries and benefits	<u>23,017</u>	<u>7,200</u>
TOTAL LIABILITIES	33,161	12,467
NET ASSETS		
Unrestricted	693,298	54,717
Temporarily restricted	<u>534,251</u>	<u>1,366,250</u>
TOTAL NET ASSETS	<u>1,227,549</u>	<u>1,420,967</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,260,710</u>	<u>\$ 1,433,434</u>

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2013

With Summarized Financial Information For the Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	2013	2012
REVENUE AND SUPPORT				
Contributions and donated securities	\$ 23,396	\$ 444,391	\$ 467,787	\$ 537,968
Investment income/(loss)	1,235	-	1,235	(29,787)
Net assets released from restrictions	<u>1,276,390</u>	<u>(1,276,390)</u>	<u>-</u>	<u>-</u>
Total support and revenue1,301,021	..(.....831,999)469,022508,181
EXPENSES				
Program services:				
Education	245,590	-	245,590	97,583
Commemorative events:				
Memorial Day ceremony	31,634	-	31,634	24,343
Pearl Harbor Day ceremony	29,641	-	29,641	17,900
V-E Day ceremony	32,134	-	32,134	15,587
V-J Day ceremony	16,779	-	16,779	9,276
Veterans Day ceremony	81,047	-	81,047	46,317
Summer concert series	10,180	-	10,180	-
Legacy lecture series	<u>38,516</u>	<u>-</u>	<u>38,516</u>	<u>17,345</u>
Total program services485,521-485,521228,351
Supporting services:				
Management and general	51,641	-	51,641	24,199
Fund-raising	<u>125,278</u>	<u>-</u>	<u>125,278</u>	<u>148,216</u>
Total supporting services	<u>176,919</u>	<u>-</u>	<u>176,919</u>	<u>172,415</u>
Total expenses	<u>662,440</u>	<u>-</u>	<u>662,440</u>	<u>400,766</u>
CHANGE IN NET ASSETS	638,581	(831,999)	(193,418)	107,415
NET ASSETS, BEGINNING OF YEAR	<u>54,717</u>	<u>1,366,250</u>	<u>1,420,967</u>	<u>1,313,552</u>
NET ASSETS, END OF YEAR	<u>\$ 693,298</u>	<u>\$ 534,251</u>	<u>\$ 1,227,549</u>	<u>\$ 1,420,967</u>

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2013
 With Comparative Financial Information For the Year Ended December 31, 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$(.....193,418)	\$.....107,415
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	888	-
Donated securities	-	(247,824)
Realized and unrealized gains/(losses)	-	32,942
Change in assets and liabilities:		
(Increase)/decrease in prepaid expenses and other current assets	(256)	820
Decrease in contributions receivable	6,717	86,016
Increase in deposits, noncurrent	(100)	(1,300)
Increase in accounts payable	4,877	2,755
Increase in accrued salaries and benefits	<u>15,817</u>	<u>7,200</u>
Total adjustments	<u>27,943</u>	<u>(119,391)</u>
Net cash used in operating activities	..(.....165,475)	..(.....11,976)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of securities with donor-imposed restrictions	-	214,882
Purchase of property and equipment	<u>(2,495)</u>	<u>(550)</u>
Net cash provided by (used in) investing activities	<u>(2,495)</u>	<u>214,332</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(167,970)	202,356
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>921,943</u>	<u>719,587</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 753,973</u>	<u>\$ 921,943</u>

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

The Friends of the National World War II Memorial, Inc. (the Organization) was founded in 2007 as a nonprofit corporation. The Organization's purpose is to help make the National World War II Memorial (the Memorial) be all that it was intended to be - an open, welcoming gathering place in the center of the National Mall in Washington, D.C., to commemorate and celebrate the defining event of the 20th Century, and to honor all those Americans who served on the home front and battle front and all those who gave their lives in history's greatest and costliest war. The Organization promotes the Memorial through events and activities with the cooperation of the National Park Service (NPS). The Organization derives revenue primarily through contributions and donations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared using the accrual basis of accounting following the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), which is the sole source of authoritative generally accepted accounting principles in the United States (GAAP). Assets have been classified as unrestricted, temporarily restricted or permanently restricted in accordance with GAAP.

Income Taxes

The Organization received a determination letter from the Internal Revenue Service (IRS) that it has been granted an exemption from federal income taxes and that it qualifies as a publicly supported organization under Section 501(c)(3) and 170(b)(1)(A)(vi) of the Internal Revenue Code (IRC). The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the IRC. Management believes that the operations are consistent with the nature of their exemption granted by the IRS. There is no current liability for income taxes and no temporary differences resulting in deferred taxes as of December 31, 2013 or 2012.

The Organization is required to measure, recognize, present, and disclose in its financial statements uncertain income tax positions the Organization has taken in the tax years that remain subject to examination or expects to take on an income tax return. The Organization recognizes the tax benefits from uncertain income tax positions only if it is more likely than not that the tax position will be sustained on examination by tax authorities. Prior year income tax returns may be subject to audit in various tax jurisdictions, most of which define open tax years as three years from the later of the due date or the date the return was filed. The Organization recorded no liability for uncertain income tax positions for any open tax years.

Cash and Cash Equivalents

For purposes of the statement of financial position, the Organization considers all money market accounts to be cash equivalents.

Contributions Receivable

Unconditional promises to give are reported at their net present realizable value. Unconditional promises to give due in subsequent years are reported at their net present realizable value, using a discount rate of 4.0 percent. Promises to give are charged to write-off of uncollectible receivables expense as they are deemed uncollectible.

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions and Temporarily Restricted Net Assets

All contributions were received from the Organization's board members, from contributions solicited by board members, or from the public. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. All contributions are considered to be available for the general programs of the Organization unless restricted by the donor or designated by the board or management.

Donated Securities

The Organization receives donations of stocks and mutual funds into a brokerage account. It is the policy of the Organization to liquidate the assets as soon as administratively feasible. In 2012, however, a donation of securities was received that had restrictions placed on the use of the funds. At the donor's request, the Organization did not liquidate the assets until a plan was put into place to fulfill the restrictions. This resulted in realized loss in value of \$32,942 in the year ended December 31, 2012.

Property and Equipment

Property and equipment, which was comprised of computer equipment at December 31, 2013, is recorded at net realizable cost on the acquisition date or fair market value at the date of donation for donated assets. Additions greater than \$500 are capitalized, while replacements, repairs, and maintenance which do not improve or extend the lives of the assets are expensed as incurred. Depreciation is recorded on the straight-line method over the estimated useful lives of the assets of five years for computer equipment. Depreciation expense and accumulated depreciation totaled \$888 in the year ended December 31, 2013.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk

The Organization maintains cash and investments in federally insured banks and broker-managed accounts. At December 31, 2013, the Organization had \$317,081 in cash and cash equivalents in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits. The Securities Investor Protection Corporation (SIPC) protects against brokerage firm insolvency up to \$500,000 per customer including \$250,000 for claims for cash held in broker-managed accounts. At December 31, 2013, the Organization held \$206,600 in cash equivalents held in accounts insured by the SIPC. The Organization believes that its credit risk is not significant.

For the year ended December 31, 2013, approximately 87 percent of total revenue was received or pledged from seven donors and approximately 89 percent of contributions receivable was pledged by eleven donors.

Reclassifications

Certain prior year amounts have been reclassified to conform with current year presentation.

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Summarized Financial Statements

The financial statements include certain prior year summarized comparative information in total but not by separate net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2012, from which the summarized information was derived.

Subsequent Events

The Organization has evaluated subsequent events through September 4, 2014, which is the date the financial statements were available to be issued.

NOTE 3 - RETIREMENT BENEFITS

In 2013, the Organization made a match to the Executive Director's personal retirement savings, a non-qualified plan, under the terms of an employment agreement. The total retirement expense recorded in the year ended December 31, 2013 is \$3,000.

NOTE 4 - NET ASSETS

Temporarily restricted net assets are restricted as follows as of December 31:

	<u>2013</u>	<u>2012</u>
Time restricted:		
2011-2015 campaign fund	\$ 471,242	\$ 951,383
Other pledges	<u>1,525</u>	<u>1,984</u>
Total time restricted472,767953,367
Purpose and time restricted -		
Institutional building fund	-	264,883
Legacy lecture series	61,484	100,000
Education program	<u>-</u>	<u>48,000</u>
Total purpose and time restricted	<u>61,484</u>	<u>412,883</u>
Total temporarily restricted net assets	<u>\$ 534,251</u>	<u>\$ 1,366,250</u>

Included in unrestricted net assets in the accompanying statement of financial position is \$629,848 in board designated net assets designated for the Institutional Building Fund. The board of directors established the fund on May 8, 2013 to commit to and invest in the Organization's future by supporting the Organization's infrastructure and to provide for its long-term sustainability. Funds can be used by board review and approval. No funds were used in the year ended December 31, 2013.

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - CONTRIBUTIONS RECEIVABLE

Promises to give as of December 31, 2013 are due as follows:

<u>Year ending December 31,</u>	
2014	\$ 277,401
2015	164,500
2016	50,000
2017	<u>25,000</u>
Total contributions receivable	516,901
Less: allowance for uncollectible amounts	(7,000)
Less: Discount to present value	<u>(9,134)</u>
Net contributions receivable	500,767
Less current portion	<u>(272,401)</u>
Net contributions receivable - noncurrent	<u>\$ 228,366</u>

NOTE 6 - PROGRAM DESCRIPTIONS

Education

In 2013, the Organization continued to provide educational programs and resources. To this end, the Organization collected and archived video interviews of World War II (WWII) veterans and other members of the greatest generation; provided teachers with curriculum materials; and established an annual public lecture series featuring prominent historians.

Throughout the year, the Organization continued the program *Capturing the Voices of World War II*, a multifaceted educational program using local high school students to interview WWII veterans visiting the Memorial. This initiative preserves the history of our country's WWII veterans and saves their intimate stories for future generations. The program encourages a greater understanding and awareness of the importance and the historic significance of WWII and also gives both the students who conduct the interviews and the veterans and their families an enhanced appreciation of the Memorial and what it means to our country and especially to WWII veterans.

The Organization launched a redesigned website featuring a brand-new searchable database of the *Capturing the Voices of World War II* video interviews. This new website feature also allows website visitors to leave messages after viewing the veterans' interviews. Archiving the videos and making them easily accessible to veterans, families, teachers, and students creates a precious time capsule that will serve as an invaluable resource to educate and engage millions of people now and in the years to come. The newly launched website also features downloadable curriculum materials that may be used in the classroom to teach about WWII history.

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - PROGRAM DESCRIPTIONS (continued)

Education (continued)

Additionally, the Organization presented formal teaching sessions at various schools, museums, and educational conferences throughout the year. These included: Wootton High School (Rockville, Maryland), the U.S. Marine Corps Museum (Quantico, Virginia), Prince George's County Public Schools in-service (Bowie, Maryland), the Middle States Council for Social Studies conference (Dover, Delaware), Close-Up Foundation (Washington, D.C.), Howard County Public Schools in-service (Ellicott City, Maryland), Fairfax County Public Schools in-service (Fairfax, Virginia), the Virginia Council for Social Studies conference (Roanoke, Virginia), and National Council for Social Studies (Saint Louis, Missouri).

Commemorative Events

In cooperation with the NPS, the Organization has the lead responsibility in planning and staging major national commemorative events at the Memorial on Memorial Day, V-E Day, V-J Day, Veterans Day, and Pearl Harbor Day. The ceremonies are open to the public and include a formal presentation of wreaths at the freedom wall of stars to honor the more than 400,000 Americans who died in WWII. Each commemorative ceremony begins with a presentation of patriotic music by military bands, followed by the presentation of the colors by the Armed Forces Color Guard. The programs feature remarks by honored guests, a keynote speaker and ceremonial music performed by military bands. All ceremonies end with the playing of *Taps*.

Memorial Day Ceremony

The May 27 Memorial Day ceremony paid special recognition to all those who made the ultimate sacrifice during WWII. The Joint Chiefs of Staff's Director Command, Control, Communications and Computers (C4)/Cyber, Chief Information Officer Lieutenant General Mark S. Bowman, and the U.S. Department of Transportation's Deputy Maritime Administrator Paul N. Jaenichen Sr. gave remarks and presented wreaths at the freedom wall of stars with veterans from WWII. Country music artist Rockie Lynne performed during the event. Oscar award-winning narrator and WWII veteran Peter Thomas recited his poem, *Omaha Beach*, during the event. The Organization's board member Cathy Martine served as the mistress of ceremonies. The U.S. Air Force Band Brass Quintet performed during the ceremony and presented a pre-ceremony concert.

Pearl Harbor Remembrance Day Ceremony

The December 7 Pearl Harbor Day Remembrance ceremony was held to remember and honor all those who died in the attack on Pearl Harbor on December 7, 1941. The ceremony began with the tolling of a U.S. Navy bell marking the first moments of the attack on Pearl Harbor. Vice Admiral Michael H. Miller, the 61st Superintendent of the U.S. Naval Academy gave the keynote address. Pearl Harbor survivors and WWII veterans laid wreaths at the freedom wall of stars to pay tribute to the more than 400,000 Americans who lost their lives during the WWII, including the more than 2,400 who lost their lives on December 7, 1941. The Organization's board member Robert Peck served as the master of ceremonies. The U.S. Marine Band Brass Quintet performed throughout the event.

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - PROGRAM DESCRIPTIONS (continued)

Commemorative Events (continued)

V-E Day Ceremony

In remembrance of the 68th anniversary of the allied forces victory in Europe during WWII, the May 8 V-E Day ceremony paid special recognition to all WWII veterans and especially those who fought in the European theater during the war. Sergeant Major of the United States (U.S.) Army Raymond F. Chandler III and journalist Ms. Rita Cosby gave remarks and presented wreaths at the freedom wall of stars with veterans from WWII and holocaust survivors who were liberated from concentration camps at the end of the war. The U.S. Marine Band Brass Quintet performed during the ceremony and presented a pre-ceremony concert.

V-J Day Ceremony

In remembrance of the 68th anniversary of the allied forces victory in the Pacific and the end of WWII, the September 2 V-J Day ceremony celebrated the spirit of unity of the American people during this pivotal moment in our nation's history and gave recognition to all WWII veterans, especially those who fought in the Pacific theater during the war, as well as all those who served on the home front. Retired Army Major General John P. Herrling gave remarks and presented a wreath at the freedom wall of stars along with veterans from WWII. World-renowned tenor Anthony Kearns was the guest soloist for this special event. Jan Evans Houser, one of the founding board members of the Organization, served as the mistress of ceremonies. The U.S. Army Brass Quintet performed during the ceremony and presented a pre-ceremony concert.

Veterans Day Ceremony

The November 11 Veterans Day ceremony paid tribute to the more than 16 million men and women who served with the U.S. armed forces during WWII. The ceremony featured remarks by Maryland Governor Martin O'Malley who's father, Thomas Martin O'Malley, served as a bombardier in the U.S. Army Air Forces in the Pacific theater during WWII. Also, as part of the event, U.S. Postal Service Postmaster General Patrick Donahoe unveiled and dedicated the WWII medal of honor forever stamps which honors the 464 recipients of the award for their heroic actions during WWII. Two of the nine surviving WWII medal of honor recipients were in attendance. The Organization's board member Kenneth J. Terry served as the master of ceremonies. The U.S. Air Force Band Brass Quintet performed during the ceremony and presented a pre-ceremony concert.

2013 Summer Concert Series

The Organization's Summer Concert Series at the Memorial is a program that is free and open to the public and offers performances by U.S. military bands presenting a variety of music from WWII songs to show tunes to patriotic music. Ten concerts were presented from May to September 2013 and included concerts by the U.S. Army Band, U.S. Marine Corps Drum and Bugle Corps, U.S. Navy Commodores Jazz Band, U.S. Health and Human Services Band, the U.S. Navy Cruisers Rock Ensemble, and U.S. Army Jazz Ensemble.

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - PROGRAM DESCRIPTIONS (continued)

Legacy Lecture Series

The Organization hosts an annual public lectures series that features preeminent historians and others speaking on the lasting significance and impact of WWII on America and the world.

The Organization held the inaugural *National World War II Memorial Legacy Lecture* at the National Defense University's Lincoln Hall Auditorium. During a lecture titled *History, Memory, and the Legacy of World War II*, Rick Atkinson, a Pulitzer Prize-winning journalist and author of numerous books on WWII, spoke on the lasting significance and impact of the war on America and the world.

NOTE 7 - LEASE COMMITMENTS

In 2013, the Organization entered into a lease for office space and associated parking. The year-long lease expires December 31, 2014 and provides for monthly payments of \$900 and a proportionate share of operating costs. The lease required a security deposit of \$900. The future minimum payments due in 2014 under this lease are \$10,800. This lease replaced an existing lease for a different space in the same building. Total rent expense under these leases for the years ended December 31, 2013 and 2012 was \$9,900 and \$9,613, respectively, and is included in rent and utilities in the accompanying schedule of functional expenses.

NOTE 8 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

FRIENDS OF THE NATIONAL WORLD WAR II MEMORIAL, INC.

SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

With Summarized Financial Information For the Year Ended December 31, 2012

	PROGRAM SERVICES				
	Education	Commemorative Events	Summer Concert Series	Legacy Lecture	Total Program Services
Accounting fees	\$ 15,266	\$ 15,497	\$ 444	\$ 254	\$ 31,461
Bad debt	-	-	-	-	-
Depreciation	-	-	-	-	-
Employee benefits and taxes	8,603	13,690	248	282	22,823
Insurance	1,065	1,080	31	18	2,194
Meetings and conferences	585	54	-	5,615	6,254
Other expenses	26,852	27,928	2,780	85	57,645
Professional services	57,335	16,836	3,358	30,399	107,928
Rent and utilities	5,141	5,014	143	82	10,380
Salaries	102,425	103,973	2,979	1,702	211,079
Telecommunication	22,784	6,890	197	79	29,950
Travel	5,534	273	-	-	5,807
TOTAL	<u>\$ 245,590</u>	<u>\$ 191,235</u>	<u>\$ 10,180</u>	<u>\$ 38,516</u>	<u>\$ 485,521</u>

See independent auditor's report.

<u>SUPPORTING SERVICES</u>				
<u>Management and General</u>	<u>Fund- Raising</u>	<u>Total Supporting Services</u>	<u>2013 Total Expenses</u>	<u>2012 Total Expenses</u>
\$ 2,256	\$ 2,256	\$ 4,512	\$ 35,973	\$ 24,773
3,000	-	3,000	3,000	8,000
888	-	888	888	-
1,989	1,990	3,979	26,802	10,825
157	157	314	2,508	1,451
12,803	-	12,803	19,057	12,772
1,560	1,337	2,897	60,542	30,959
11,670	102,673	114,343	222,271	163,065
827	727	1,554	11,934	10,494
15,135	15,135	30,270	241,349	125,350
1,003	1,003	2,006	31,956	8,783
353	-	353	6,160	4,294
<u>\$ 51,641</u>	<u>\$ 125,278</u>	<u>\$ 176,919</u>	<u>\$ 662,440</u>	<u>\$ 400,766</u>