

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

Department of the Treasury Internal Revenue Service

A For the 2005 calendar year, or tax year beginning, 2005, and ending

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

C Name of organization: Volunteers for Peace, Inc. Number and street (or P.O. box if mail is not delivered to street addr): 1034 Tiffany Road. City, town or country: Belmont. State: VT. ZIP code + 4: 05730

D Employer Identification Number: 03-0282748. E Telephone number: (802) 259-2759. F Accounting method: [X] Cash [] Accrual [] Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations. H (a) Is this a group return for affiliates? [] Yes [X] No. H (b) If 'Yes,' enter number of affiliates. H (c) Are all affiliates included? [] Yes [] No. H (d) Is this a separate return filed by an organization covered by a group ruling? [] Yes [X] No. I Group Exemption Number. M Check [] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

G Web site: N/A

J Organization type (check only): [X] 501(c) 3 (insert no.) [] 4947(a)(1) or [] 527

K Check here [] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12. 249,608.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with 21 rows and 3 columns: Description, Amount, and Total. Rows include Contributions, Program service revenue, Membership dues, Interest on savings, Dividends, Gross rents, Other investment income, Special events, Gross sales of inventory, Other revenue, Total revenue, Program services, Management and general, Fundraising, Payments to affiliates, Total expenses, Excess or (deficit) for the year, Net assets or fund balances at beginning of year, Other changes in net assets or fund balances, Net assets or fund balances at end of year.

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> . . .	22			
23	Specific assistance to individuals (att sch) . . .	23			
24	Benefits paid to or for members (att sch) . . .	24			
25	Compensation of officers, directors, etc	25	34,352.	24,047.	10,305.
26	Other salaries and wages	26	58,804.	41,163.	17,641.
27	Pension plan contributions	27	3,528.	2,470.	1,058.
28	Other employee benefits	28	1,053.	1,053.	0.
29	Payroll taxes	29	6,832.	4,783.	2,049.
30	Professional fundraising fees	30			
31	Accounting fees	31	2,327.	0.	2,327.
32	Legal fees	32			
33	Supplies	33			
34	Telephone	34	4,879.	3,659.	1,220.
35	Postage and shipping	35	9,154.	6,865.	2,289.
36	Occupancy	36	13,200.	8,800.	4,400.
37	Equipment rental and maintenance . . .	37			
38	Printing and publications	38	7,086.	7,086.	0.
39	Travel	39	11,207.	11,207.	0.
40	Conferences, conventions, and meetings . . .	40			
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule) . .	42	1,877.	469.	1,408.
43	Other expenses not covered above (itemize):				
a	Bank Fees _____	43a	6,410.	6,410.	0.
b	Insurance _____	43b	5,506.	2,973.	2,533.
c	Office Expense _____	43c	7,504.	5,628.	1,876.
d	Consulting _____	43d	185.	0.	185.
e	Refunds _____	43e	25,880.	25,880.	0.
f	Program Expense _____	43f	35,961.	35,961.	0.
g	Registration fees and Misc Exp _____	43g	14,240.	10,680.	3,560.
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	249,985.	199,134.	50,851.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____.

Part III Statement of Program Service Accomplishments

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>Educational and Cultural Services</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a <u>In 2005, VFP placed 679 volunteers in 888 programs abroad and received 410 foreign volunteers in our 68 domestic programs. In all programs, volunteers engaged in educational and charitable work to improve the living conditions of local communities.</u> (Grants and allocations \$ <u>0.</u>) If this amount includes foreign grants, check here . ▶ <input type="checkbox"/>	198,958.
b _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here . ▶ <input type="checkbox"/>	
c _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here . ▶ <input type="checkbox"/>	
d _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here . ▶ <input type="checkbox"/>	
e Other program services (Grants and allocations \$ _____) If this amount includes foreign grants, check here . ▶ <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	198,958.

BAA

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
ASSETS	45	Cash — non-interest-bearing	5,704.	45	375.
	46	Savings and temporary cash investments	92,870.	46	102,636.
	47 a	Accounts receivable	47 a		
	b	Less: allowance for doubtful accounts	47 b	47 c	
	48 a	Pledges receivable	48 a		
	b	Less: allowance for doubtful accounts	48 b	48 c	
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51 a	Other notes & loans receivable (attach sch)	51 a		
	b	Less: allowance for doubtful accounts	51 b	51 c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges		53	
	54	Investments — securities (attach schedule)		54	
	55 a	Investments — land, buildings, & equipment: basis	55 a		
b	Less: accumulated depreciation (attach schedule)	55 b	55 c		
56	Investments — other (attach schedule)		56		
57 a	Land, buildings, and equipment: basis	57 a	16,993.		
b	Less: accumulated depreciation (attach schedule)	57 b	9,259.		
58	Other assets (describe ▶ _____)		788.	58	7,734.
59	Total assets (must equal line 74). Add lines 45 through 58	99,362.	59	110,745.	
LIABILITIES	60	Accounts payable and accrued expenses		60	728.
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a	Tax-exempt bond liabilities (attach schedule)		64 a	
	b	Mortgages and other notes payable (attach schedule)		64 b	
	65	Other liabilities (describe ▶ _____)		65	
66	Total liabilities. Add lines 60 through 65	0.	66	728.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted		67	
	68	Temporarily restricted		68	
	69	Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 70 through 74.				
	70	Capital stock, trust principal, or current funds		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
	72	Retained earnings, endowment, accumulated income, or other funds	99,362.	72	110,017.
73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	99,362.	73	110,017.	
74	Total liabilities and net assets/fund balances. Add lines 66 and 73	99,362.	74	110,745.	

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

		N/A
a	Total revenue, gains, and other support per audited financial statements	a
b	Amounts included on line a but not on Part I, line 12:	
	1 Net unrealized gains on investments	b1
	2 Donated services and use of facilities	b2
	3 Recoveries of prior year grants	b3
	4 Other (specify): _____	b4
	Add lines b1 through b4	b
c	Subtract line b from line a	c
d	Amounts included on Part I, line 12, but not on line a :	
	1 Investment expenses not included on Part I, line 6b.	d1
	2 Other (specify): _____	d2
	Add lines d1 and d2	d
e	Total revenue (Part I, line 12). Add lines c and d	e

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

		N/A
a	Total expenses and losses per audited financial statements.	a
b	Amounts included on line a but not on Part I, line 17:	
	1 Donated services and use of facilities	b1
	2 Prior year adjustments reported on Part I, line 20	b2
	3 Losses reported on Part I, line 20	b3
	4 Other (specify): _____	b4
	Add lines b1 through b4	b
c	Subtract line b from line a	c
d	Amounts included on Part I, line 17, but not on line a :	
	1 Investment expenses not included on Part I, line 6b.	d1
	2 Other (specify): _____	d2
	Add lines d1 and d2	d
e	Total expenses (Part I, line 17). Add lines c and d	e

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
Peter Coldwell 1034 Tiffany RD Belmont VT 05730	President/Director 40	30,504.	3,848.	0.
Jennifer Brewer PO Box 404 New Harbor ME 04554	Secretary 1	0.	0.	0.
Megan Brook 911 Dorset ST #33 Burlington VT 05403	Treasurer 1	0.	0.	0.

Part VI Other Information (continued)

		Yes	No
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82 a		X
b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82 b		
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?	83 a	X	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83 b	X	
84 a Did the organization solicit any contributions or gifts that were not tax deductible?	84 a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84 b		
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85 a		
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85 b		
If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c Dues, assessments, and similar amounts from members	85 c		
d Section 162(e) lobbying and political expenditures	85 d		
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices.	85 e		
f Taxable amount of lobbying and political expenditures (line 85d less 85e).	85 f		
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85 g		
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85 h		
86 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86 a		
b Gross receipts, included on line 12, for public use of club facilities	86 b		
87 501(c)(12) organizations. Enter: a Gross income from members or shareholders.	87 a		
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87 b		
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88		X
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ <u>0</u> ; section 4912 ▶ <u>0</u> ; section 4955 ▶ <u>0</u> .			
b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction.	89 b		X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ <u>0</u> .			
d Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ _____			
90 a List the states with which a copy of this return is filed ▶ <u>Vermont</u>			
b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90 b		2
91 a The books are in care of ▶ <u>Peter Coldwell Director</u> Telephone number ▶ <u>(802) 259-2759</u> Located at ▶ <u>1034 Toffany Road, Belmont, VT</u> ZIP + 4 ▶ <u>05730</u>			
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91 b		
If 'Yes,' enter the name of the foreign country . ▶ _____			
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Statements			
c At any time during the calendar year, did the organization maintain an office outside of the United States?	91 c		
If 'Yes,' enter the name of the foreign country . ▶ _____			
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 – Check here ▶ <input type="checkbox"/>			
and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92 _____			

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Placement Fees					202,642.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					43,960.
95 Interest on savings & temporary cash invmnts.					2,306.
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					248,908.
105 Total (add line 104, columns (B), (D), and (E))					248,908.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	Fees for placement of participants in workcamps
94	Annual membership fees provide additional revenue to offset expenses for newsletters and other communication
95	Earnings of savings reduces burden for management expenses

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets	N/A
	%				
	%				
	%				
	%				

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- a** Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b** Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____

Type or print name and title. _____

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed

Firm's name (or yours if self-employed), address, and ZIP + 4: MINDFUL BOOKKEEPING & TAX SERVICES
64 MAIN ST, SUITE 26
MONTPELIER VT 05602

Preparer's SSN or PTIN (See General Instruction W) _____
EIN _____
Phone no. _____

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under
Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information — (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

2005

Department of the Treasury
Internal Revenue Service

Name of the organization

Volunteers for Peace, Inc.

Employer identification number

03-0282748

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				

Total number of other employees paid over \$50,000 ▶	None			

Part II – A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See instructions. List each one (whether individuals or firms). If there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of others receiving over \$50,000 for professional services ▶	None	

Part II – B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of other contractors receiving over \$50,000 for other services ▶	None	

Part III Statements About Activities (See instructions.)

Yes No

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities \$ 0 . (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)

Table with 2 columns: Yes, No. Row 1: Yes (1), No (X)

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)

Table with 2 columns: Yes, No. Row 2: Yes, No (shaded)

a Sale, exchange, or leasing of property?

Table with 2 columns: Yes, No. Row 2a: Yes (2a), No (X)

b Lending of money or other extension of credit?

Table with 2 columns: Yes, No. Row 2b: Yes (2b), No (X)

c Furnishing of goods, services, or facilities?

Table with 2 columns: Yes, No. Row 2c: Yes (2c), No (X)

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

Table with 2 columns: Yes, No. Row 2d: Yes (2d), No (X)

e Transfer of any part of its income or assets?

Table with 2 columns: Yes, No. Row 2e: Yes (2e), No (X)

3 a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.)

Table with 2 columns: Yes, No. Row 3a: Yes (3a), No (X)

b Do you have a section 403(b) annuity plan for your employees?

Table with 2 columns: Yes, No. Row 3b: Yes (3b), No (X)

c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?

Table with 2 columns: Yes, No. Row 3c: Yes (3c), No (X)

4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

Table with 2 columns: Yes, No. Row 4a: Yes (4a), No (X)

b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

Table with 2 columns: Yes, No. Row 4b: Yes (4b), No (X)

Part IV Reason for Non-Private Foundation Status (See instructions.)

The organization is not a private foundation because it is: (Please check only ONE applicable box.)

- 5 [] A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
6 [] A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
7 [] A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
8 [] A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
9 [] A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
10 [] An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
11 a [] An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
11 b [] A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
12 [X] An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions - subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
13 [] An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: [] Type 1 [] Type 2 [] Type 3

Provide the following information about the supported organizations. (See instructions.)

Table with 2 columns: (a) Name(s) of supported organization(s), (b) Line number from above

14 [] An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received	39,451.	38,029.	42,995.	97,540.	218,015.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc, purpose	171,544.	158,632.	192,252.	135,735.	658,163.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	609.	1,065.	2,159.	3,278.	7,111.
19 Net income from unrelated business activities not included in line 18.					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22.	211,604.	197,726.	237,406.	236,553.	883,289.
24 Line 23 minus line 17.	40,060.	39,094.	45,154.	100,818.	225,126.
25 Enter 1% of line 23.	2,116.	1,977.	2,374.	2,366.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶ 26 a					
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts. ▶ 26 b					
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26 c					
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26 b _____ ▶ 26 d					
e Public support (line 26c minus line 26d total) ▶ 26 e					
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)). ▶ 26 f %					
27 Organizations described on line 12:					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 218,015. 17 658,163. 20 _____ 21 _____ ▶ 27 c					876,178.
d Add: Line 27a total and line 27b total ▶ 27 d					
e Public support (line 27c total minus line 27d total). ▶ 27 e					876,178.
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ 27 f 883,289.					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)). ▶ 27 g 99.19 %					
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)). ▶ 27 h 0.81 %					
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See instructions.)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following:		
	a Records indicating the racial composition of the student body, faculty, and administrative staff?		
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
	d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
	a Students' rights or privileges?		
	b Admissions policies?		
	c Employment of faculty or administrative staff?		
	d Scholarships or other financial assistance?		
	e Educational policies?		
	f Use of facilities?		
	g Athletic programs?		
	h Other extracurricular activities? If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
	b Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	0 .
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	0 .
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	0 .
41	Lobbying nontaxable amount. Enter the amount from the following table —		
	If the amount on line 40 is — The lobbying nontaxable amount is —		
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000	41	0 .
	Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	0 .
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	0 .
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	0 .
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.			

4 -Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes.
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (add lines **c** through **h**.)

Yes	No	Amount

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2005

Name of organization

Volunteers for Peace, Inc.

Employer identification number

03-0282748

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(3) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule – see instructions.)

General Rule –

- For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules –

- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test under Regulations sections 1.509(a)-3/1.170A-9(e) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2005)

**Depreciation and Amortization
(Including Information on Listed Property)**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

Volunteers for Peace, Inc.

Identifying number

03-0282748

Business or activity to which this form relates

Form 990 / Form 990EZ

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	\$105,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$420,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2004 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2006. Add lines 9 and 10, less line 12. ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special allowance for certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property (other than listed property) placed in service during the tax year (see instrs)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2005.	17	1,315.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ <input type="checkbox"/>		

Section B – Assets Placed in Service During 2005 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		4,698.	5.0 yrs	MQ	200DB	562.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C – Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	1,877.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

Table with 9 main columns (a-i) and 28 rows. Row 24a asks for evidence of business use. Rows 25-27 are for depreciation calculations. Rows 28-29 are for totals.

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with 6 main columns (a-f) and 6 rows (30-36). Rows 30-33 track miles driven. Rows 34-36 ask about personal use and availability.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

Table with 2 main columns (Yes/No) and 5 rows (37-41). Rows 37-41 ask about written policies and information retention.

Part VI Amortization

Table with 6 main columns (a-f) and 4 rows (42-44). Rows 42-44 track amortization of costs for 2005 and before.

Supporting Statement of:

Form 990 p 1/Line 20

Description	Amount
Correct the following errors from previous tax preparer:	
1. Accumulated depreciation calculation	2,248.
2. Non interest bearing cash	200.
Adjustment for disposed assets	8,897.
Total	<u>11,345.</u>