



CEMPROC

Center for Mediation, Peace, and Resolution
of Conflict - International, Inc.



2004 Annual Report

Greetings

Dear Friends,

The year 2004 has been an exciting period for CEMPROC as we have grown from a relatively small project to an international nonprofit organization based in the United States and Ecuador which serves hundreds and involves many board members, volunteers, myself, and our staff in Ecuador in a dynamic and growing partnership to reduce destructive conflict in the Western Hemisphere.

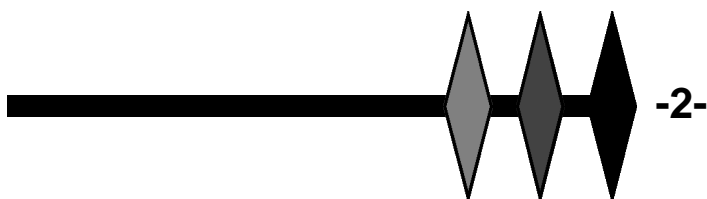
Through the basic conflict resolution training course we developed during 2004, hundreds of adult leaders and children have been trained in effective and peaceful conflict resolution methods. A pilot research project has already been tested to illuminate the attitudes and knowledge base of populations in marginalized areas of developing countries with respect to conflict and its resolution. As we develop this project, it will continue to shed light on conflict dynamics in these misunderstood areas while also allowing CEMPROC to better tailor its programs to meet the needs of the population it seeks to serve.

In particular, I want to point out the collaborative nature of CEMPROC's guiding philosophy. Everyone benefits when like-minded people work together to achieve important goals, and CEMPROC recognizes the hard work of many volunteers, collaborators, board members, and staff as well as the invaluable support from our generous donors. As we look back on the successful year that was 2004, let us continue to carry this collaborative spirit into 2005.

Best wishes,

Jeff Pugh

Founder and Executive Director, CEMPROC - International



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Programs

Regular Core Programs

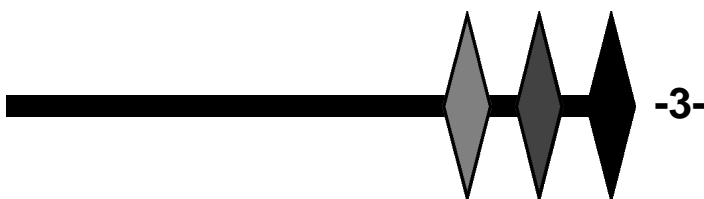

- 20-hour basic conflict resolution training course for community leaders
- 5-session Conflict Resolution for Children course, based on the curriculum developed by Dr. Pamela Lane, adapted and translated by CEMPROC and pilot tested in Quito and in Ibarra in conjunction with the Peace Corps and the City Government of Ibarra
- Pastors for Peace course which brings practical training from a biblical perspective to spiritual leaders in poor, rural, or marginalized areas
- Survey research project to gauge attitudes and knowledge in developing areas with respect to personal, community, and national conflict, resolution tools and techniques, and the chief sources of conflict in these communities—pilot survey was administered to approximately 100 participants.

Program Highlights from 2004

- Series of conflict resolution courses for daycare staff in low-income neighborhoods in Quito
- Pilot children's programs in low-income neighborhoods of Quito and Ibarra; Ibarra program carried out jointly with the Peace Corps and PC volunteer Katie Windle, supported by the Municipal Government of Ibarra, and received very favorable TV and print media coverage
- Pilot survey research project to gauge attitudes and perceptions toward conflict and peace; see preliminary results at www.cemproc.org/research.
- Capacity building seminar to develop potential CEMPROC trainers in Ecuador, taught content and form of the basic CEMPROC training course
- International training course for community leaders from around the world (U.S., Africa, Asia, Latin America); held at SIFAT-International campus in Alabama
- Series of short conflict resolution lessons in the U.S. for civic clubs, Sunday School classes, church groups, and other groups
- Week-long Pastors for Peace pilot course for religious leaders from all over Ecuador as part of the regular SIFAT—Ecuador training practicum in Quito
- Pastors for Peace course, trained church leaders from rural areas near Santo Domingo and Esfuerzas, Ecuador. This course was carried out over two weekends in collaboration with the Center for Integrated Family Services, from which a therapist taught a module on dealing with the past trauma and pain that often forms a barrier to peacemaking. It was cotaught by Jeff Pugh, Martha de Camas, and former participant Marco Tomala.



"Personal ly, I feel very grateful for this new knowledge and understanding to be able to act within our daily lives and in our organization. I thank you for your great willingness to help in our community. Thanks for Everything."



Board of Directors

Chuck Pugh (President), is an assistant vice president-level technical manager in the Enterprise Planning and Architecture department of Equifax and is a colonel in the United States Air National Guard. He served as the President of the Board of Jesse's House, an emergency shelter for girls, for three years, has filled a number of leadership positions in his church and a local Boy Scout troop, and has been active in supporting social change in Latin America.

Sam Bagwell (Treasurer), is a Legal Assistant in the law offices of Bagwell & Corso, and is a student in the University of Georgia School of Law. He is a licensed Georgia Real Estate salesperson, and he has also worked for the law offices of Boling, Rice, Martin, and McGruder in Cumming, GA. Sam is an Eagle Scout and a member of the Board of Directors for the Athens Area Attention Home.

Scott Hitch (Secretary), is an associate in the Environmental Practice Group of Epstein, Becker, & Green, PC, where he specializes in transactional and regulatory compliance matters and other areas of environmental law. He previously worked as an associate in Alston & Bird, LLP, and as a law clerk at the U.S. Department of Justice and the Georgia Environmental Policy Institute, among other positions. Scott is an Eagle Scout, he has served on the Board of Directors of Premier Academy, Inc., and he has been a volunteer for Rivers Alive and for the Truancy Intervention Project.

Fausto Sarmiento, is the Director of the Office of International Education at the University of Georgia, where he is a member of the graduate faculty in the School of Environment and Design, as an assistant professor of mountain environmental planning. A native of Quito, Ecuador, he has served as the Executive Director of the National Museum of Natural History in Quito, has published in numerous books and journals, and has served as a UNESCO and IUCN consultant and president of the Andean Mountains Association.

Kathy Bryson, is the International Health & Training Director for Servants in Faith and Technology (SIFAT), an international Christian nonprofit organization focusing on community training and development in the developing world. She has carried out community health programs and cross-cultural training all over the world, worked as a program director for Urban Ministry, Inc. and served as Bilingual Family Services Coordinator for Los Niños Head Start Program.

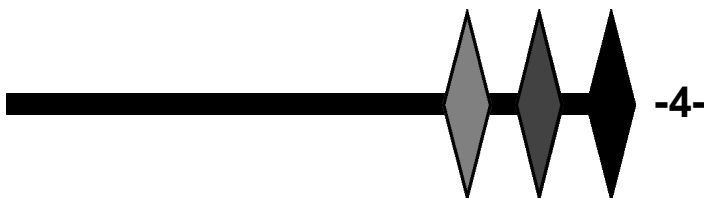
John Cromartie, is the Senior Minister of Cumming First United Methodist Church, a growing congregation with over two thousand members in Cumming, Georgia. Prior to being ordained, he practiced law before many courts, including arguments before the United States Supreme Court, and practiced both in the private sector in Gainesville and in the public sector as Executive Director of the statewide Georgia Legal Services Programs.

The CEMPROC Ecuador Consultative Board includes Jeff Pugh (President), Dr. Roberto Contreras (VP), Jack Rodriguez (Treasurer), Dr. Diana Palacios (Secretary), and Monica Albuja (at-large).

Honorary Advisory Board

Dr. Edward J. Larson
Pulitzer Prize-winning professor of Law and History at the University of Georgia

Dr. Salomon Cabezas
Bishop of the United Methodist Church of Ecuador, former Vice-Rector of the Central University



STRATEGIC PLAN

1 STAGE Preliminary Planning and Content Design, 2 months
 STAGE 1 COMPLETE

2 STAGE Organizational Building and Publicity, 1 year
 STAGE 2 COMPLETE

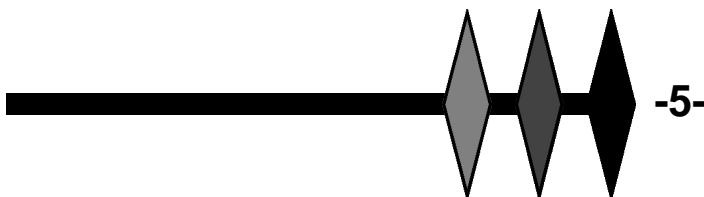
- Gain commitments from at least 3 board members to serve initial term
- Draw up articles of incorporation, mission statement, and bylaws
- Incorporate in Georgia and in Ecuador, and attain recognition as a *fundacion* and a 501c(3) nonprofit organization
- Secure grants/contributions sufficient to cover expenses, supplies, and training materials, as well as publicize volunteer/intern opportunities in Ecuador and U.S.
- Publicize organization's name and purpose through networking, mailings, visits, referrals, perhaps mass media
- Hire staff for CEMPROC—Ecuador

3 STAGE Implementing Program and Creating Sustainability, 2 years

- Develop conflict resolution courses targeted toward a variety of specialized audiences, including children, students, teachers, women in conflict-stricken border zones, church leaders, environmental activists, and others.
- Design a public education campaign to teach and raise awareness of the benefits of mediation and negotiation targeted toward community leaders and high school students. Evaluate ways to encourage mediation within the context of a culture of authority.
- Establish an in-depth summer training academy (perhaps 2-3 weeks) and invite students and/or current/potential political/business leaders. Offer certificate at end, preferably with some institutional backing.
- Create a fundraising development strategy (and development committee/coordinator), including a sustainable balance of individual and corporate contributions, earned income, grants, and fundraising events

4 STAGE Evaluation and Possible Geographic or Mission Expansion

Evaluate sensibility and consider plans for geographic expansion/ expansion of mission



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Form **990-EZ**

Short Form

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

OMB No. 1545-1150

2004

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► For organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year.

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

A For the 2004 calendar year, or tax year beginning _____, **2004, and ending** _____, **20**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization		D Employer identification number _____
		Number and street (or P.O. box, if mail is not delivered to street address) Room/suite		E Telephone number () _____
		City or town, state or country, and ZIP + 4		F Group Exemption Number . . . ► _____

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

G Accounting method: Cash Accrual
Other (specify) ► _____

I Website: ► _____

H Check if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Organization type (check only one)— 501(c) () ◀(insert no.) 4947(a)(1) or 527

K Check 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 received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$100,000 or more, file Form 990 instead of Form 990-EZ . . . ► \$

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 37 of the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received		1
	2 Program service revenue including government fees and contracts		2
	3 Membership dues and assessments		3
	4 Investment income		4
	5a Gross amount from sale of assets other than inventory	5a	5c
	b Less: cost or other basis and sales expenses	5b	
	c Gain or (loss) from sale of assets other than inventory (line 5a less line 5b) (attach schedule).		
	6 Special events and activities (attach schedule). If any amount is from gaming , check here <input type="checkbox"/>		6c
	a Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	
b Less: direct expenses other than fundraising expenses	6b		
c Net income or (loss) from special events and activities (line 6a less line 6b)			
7a Gross sales of inventory, less returns and allowances	7a	7c	
b Less: cost of goods sold	7b		
c Gross profit or (loss) from sales of inventory (line 7a less line 7b)			
8 Other revenue (describe ► _____)		8	
9 Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8)		9	
Expenses	10 Grants and similar amounts paid (attach schedule)		10
	11 Benefits paid to or for members		11
	12 Salaries, other compensation, and employee benefits		12
	13 Professional fees and other payments to independent contractors		13
	14 Occupancy, rent, utilities, and maintenance		14
	15 Printing, publications, postage, and shipping		15
	16 Other expenses (describe ► _____)		16
17 Total expenses (add lines 10 through 16)		17	
Net Assets	18 Excess or (deficit) for the year (line 9 less line 17)		18
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)		19
	20 Other changes in net assets or fund balances (attach explanation)		20
	21 Net assets or fund balances at end of year (combine lines 18 through 20)		21

Part II Balance Sheets—If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ.

(See page 40 of the instructions.)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments		22
23 Land and buildings		23
24 Other assets (describe ► _____)		24
25 Total assets		25
26 Total liabilities (describe ► _____)		26
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)		27

Part III Statement of Program Service Accomplishments (See page 41 of the instructions.)

Expenses

(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)

What is the organization's primary exempt purpose? Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title. 28 (Grants \$) 28a 29 (Grants \$) 29a 30 (Grants \$) 30a 31 Other program services (attach schedule) (Grants \$) 31a 32 Total program service expenses (add lines 28a through 31a) 32

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See page 41 of the instructions.)

Table with 5 columns: (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 & deferred compensation, (E) Expense account and other allowances.

Part V Other Information (Note the attachment requirement in General Instruction V, page 14.)

Yes No

33 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity. 34 Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes. 35 If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T. a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements? b If "Yes," has it filed a tax return on Form 990-T for this year? 36 Was there a liquidation, dissolution, termination, or substantial contraction during the year? (If "Yes," attach a statement.) 37a Enter amount of political expenditures, direct or indirect, as described in the instructions. 37a b Did the organization file Form 1120-POL for this year? 38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return? b If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved. 38b 39 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 9 39a b Gross receipts, included on line 9, for public use of club facilities 39b 40a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911; section 4912; section 4955 b 501(c)(3) and (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 an explanation. c Amount of tax imposed on organization managers or disqualified persons during the year under 4912, 4955, and 4958 d Enter: Amount of tax on line 40c, above, reimbursed by the organization 41 List the states with which a copy of this return is filed. 42 The books are in care of Telephone no. Located at ZIP + 4 43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year 43

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 Preparer's SSN or PTIN (See Gen. Inst. W) Firm's name (or yours if self-employed), address, and ZIP + 4 EIN Phone no.

2004 Supporters

Thanks to the following generous individuals, organizations, and corporations for their financial, in-kind, or volunteer support during the 2004 fiscal year:

CEMPROC PATRONS:

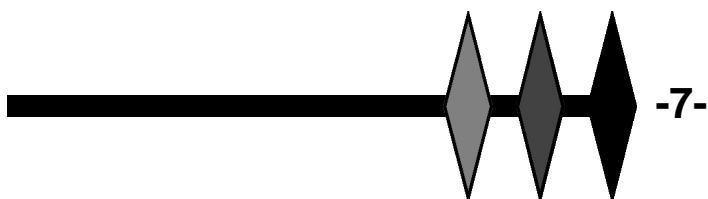
Albany First United Methodist Church
Cane Creek Farm
Carol White
Carolyn Hollis
Chuck & Lynn Pugh

Bob & Becky Hitch
Equifax, Inc.
Jeff Pugh
Jim Geist
Myrtle West

OTHER DONORS & VOLUNTEERS:

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Katherine Dozier
Paul Greear
Mary Jean & Rick Holden
Rachel Kassel
Olive & Owen Kellum
Terrell Mills
William & Carolyn Mills
Municipal Government of Ibarra
Millie Orr

Diana Palacios
Peace Corps
Jessica Pugh
Deana Shuman
SIFAT
Ann & Dwight Tallant
The Mediation & Training Collaborative (TMTC)
Marco Tomala
Janet VanderHoff
Grace Webb
Julia Weeks
Lawrence & Kathy Williams
Katie Windle



CEMPROC 2004 in Photographs





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