CHICAGO POLICE MEMORIAL FOUNDATION

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

CHICAGO POLICE MEMORIAL FOUNDATION

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O'NEILL & GASPARDO, LLC
Consultants and Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of
CHICAGO POLICE MEMORIAL FOUNDATION
Chicago, Illinois

Opinion

We have audited the accompanying financial statements of **CHICAGO POLICE MEMORIAL FOUNDATION** (the "Organization"), which comprise the statements of assets, liabilities, and net assets – cash basis as of December 31, 2024 and 2023, and the related statements of support, revenue, and expenses – cash basis, and functional expenses – cash basis for the years then ended, and the related notes to the financial statements. The Organization's cash basis is described in Note 2 of the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of the Organization as of December 31, 2024 and 2023, and its support, revenue and expenses for the year then ended in accordance with the cash basis of accounting as described in Note 2.

Basis for Opinion

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

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting as described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, as listed in the table of contents 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 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.

O'NEILL & GASPARDO, LLC
Mokena, Illinois
June 3, 2025

CHICAGO POLICE MEMORIAL FOUNDATION

STATEMENTS OF ASSETS AND NET ASSETS - CASH BASIS
December 31, 2024 and 2023

ASSETS

	2024	2023
Current assets:		
Cash and cash equivalents	$ 5,284,181	$ 2,397,945
Investments, undesignated	8,729,425	8,434,467
Investments, designated for education assistance	7,580,959	7,281,992
Accrued interest	40,506	39,913
Total current assets	21,635,071	18,154,317
Fixed assets:		
Memorial Park	4,213,261	4,213,261
Vehicles	283,992	5,000
Right-of-use assets	-	12,333
Less: accumulated depreciation	(1,595,941)	(1,469,162)
Net fixed assets	2,901,312	2,761,432
Noncurrent assets:		
Restricted cash - deferred compensation plan	182,500	182,500
Total noncurrent assets	182,500	182,500
Total assets	$ 24,718,883	$ 21,098,249

LIABILITIES AND NET ASSETS

Current liabilities:		
Lease liability - right-of-use asset - current	$ -	$ 10,514
Total current liabilities	-	10,514
Long term liabilities:		
Lease liability - right-of-use asset - noncurrent	-	1,627
Total long term liabilities	-	1,627
Total liabilities	-	12,141
Net assets:		
Net assets without donor restrictions:		
General	16,251,072	13,393,486
Board designated - education assistance investments	8,285,311	7,510,122
Board designated - deferred compensation plan	182,500	182,500
Total net assets without donor restrictions	24,718,883	21,086,108
Total net assets	24,718,883	21,086,108
Total liabilities and net assets	$ 24,718,883	$ 21,098,249

CHICAGO POLICE MEMORIAL FOUNDATION

STATEMENT OF SUPPORT, REVENUE, AND EXPENSES - CASH BASIS
Year Ended December 31, 2024

	Without Donor Restrictions
Receipts:	
Contributions	$ 2,922,421
In-kind contributions	151,912
Government grants	711,473
Investment income (loss)	1,710,209
Merchandise sales	282,832
Less: cost of goods sold	(212,335)
Net merchandise sales	70,497
Special events	2,019,636
Less: cost of direct benefits to donors	(527,588)
Net special events	1,492,048
Total receipts	7,058,560
Disbursements:	
Programs:	
Assistance to police officers and families	2,022,250
Gold Star Memorial Park maintenance	343,799
Total programs	2,366,049
Supporting services:	
Management and general	254,143
Fundraising	805,593
Total supporting services	1,059,736
Total disbursements	3,425,785
Change in net assets	3,632,775
Net assets, beginning	21,086,108
Net assets, ending	$ 24,718,883

CHICAGO POLICE MEMORIAL FOUNDATION

STATEMENT OF SUPPORT, REVENUE, AND EXPENSES - CASH BASIS
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Receipts:			
Contributions	$ 2,544,210	$ 60,000	$ 2,604,210
In-kind contributions	143,774	-	143,774
Government grants	71,835	-	71,835
Investment income (loss)	1,786,850	-	1,786,850
Merchandise sales	330,127	-	330,127
Less: cost of goods sold	(231,042)	-	(231,042)
Net merchandise sales	99,085	-	99,085
Special events	1,934,981	-	1,934,981
Less: cost of direct benefits to donors	(439,271)	-	(439,271)
Net special events	1,495,710	-	1,495,710
Net assets released from restrictions:			
Purpose restriction	286,081	(286,081)	-
Total receipts	6,427,545	(226,081)	6,201,464
Disbursements:			
Programs:			
Assistance to police officers and families	2,172,325	-	2,172,325
Gold Star Memorial Park maintenance	368,447	-	368,447
Total programs	2,540,772	-	2,540,772
Supporting services:			
Management and general	248,880	-	248,880
Fundraising	741,244	-	741,244
Total supporting services	990,124	-	990,124
Total disbursements	3,530,896	-	3,530,896
Change in net assets	2,896,649	(226,081)	2,670,568
Net assets, beginning	18,189,459	226,081	18,415,540
Net assets, ending	$ 21,086,108	$ -	$ 21,086,108

CHICAGO POLICE MEMORIAL FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
Year Ended December 31, 2024

	Assistance to Police Officers and Families	Gold Star Memorial Park	Total Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 109,813	$ 91,615	$ 201,428	$ 138,623	$ 470,913	$ 810,964
Assistance to police officers and families	1,051,768	4,989	1,056,757	-	-	1,056,757
Suicide prevention	132,358	-	132,358	-	-	132,358
Donations to Chicago Police Department:						
Bullet proof vests	463,795	-	463,795	-	-	463,795
Police vehicle	60,376	-	60,376	-	-	60,376
Gold Star Memorial Park maintenance	-	117,091	117,091	-	-	117,091
Insurance	4,313	3,598	7,911	5,444	18,494	31,849
Cell phone	1,353	1,129	2,482	1,708	5,802	9,992
Postage and delivery	6,245	5,210	11,455	7,884	26,783	46,122
Office space and administrative services	-	-	-	61,047	-	61,047
Merchandise cost of good sold	-	-	-	-	212,335	212,335
Special events	-	-	-	-	734,936	734,936
Advertising - billboard campaign	153,000	-	153,000	-	-	153,000
Advertising	1,612	1,345	2,957	2,036	6,914	11,907
Office supplies and miscellaneous	16,169	13,490	29,659	20,411	69,339	119,409
Professional services fees	-	-	-	16,990	-	16,990
Depreciation	21,448	105,332	126,780	-	-	126,780
Total disbursements	$ 2,022,250	$ 343,799	$ 2,366,049	$ 254,143	$ 1,545,516	$ 4,165,708

Expenses reported on the Statement of Support, Revenue, and Expenses - Cash Basis	
Merchandise cost of goods sold	$ 212,335
Cost of direct benefits to donors	527,588
Program services	2,366,049
Supporting services	1,059,736
Total expenses	$ 4,165,708

CHICAGO POLICE MEMORIAL FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
Year Ended December 31, 2023

	Assistance to Police Officers and Families	Gold Star Memorial Park	Total Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 87,178	$ 86,641	$ 173,819	$ 145,565	$ 470,993	$ 790,377
Assistance to police officers and families	964,477	-	964,477	-	-	964,477
Suicide prevention	286,081	-	286,081	-	-	286,081
Donations to Chicago Police Department:						
Bullet proof vests	424,211	-	424,211	-	-	424,211
Security barriers	230,556	-	230,556	-	-	230,556
Gold Star Memorial Park maintenance	-	172,601	172,601	-	-	172,601
Insurance	4,029	4,004	8,033	6,728	21,769	36,530
Cell phone	903	898	1,801	1,508	4,880	8,189
Postage and delivery	3,026	3,007	6,033	5,052	16,346	27,431
Office space and administrative services	-	-	-	57,068	-	57,068
Merchandise cost of good sold	-	-	-	-	231,042	231,042
Special events	-	-	-	-	611,616	611,616
Advertising - billboard campaign	161,700	-	161,700	-	-	161,700
Advertising	2,514	2,499	5,013	4,198	13,583	22,794
Office supplies and miscellaneous	7,650	7,602	15,252	12,772	41,328	69,352
Professional services fees	-	-	-	15,989	-	15,989
Depreciation	-	91,195	91,195	-	-	91,195
Total disbursements	$ 2,172,325	$ 368,447	$ 2,540,772	$ 248,880	$ 1,411,557	$ 4,201,209

Expenses reported on the Statement of Support, Revenue, and Expenses - Cash Basis

Merchandise cost of goods sold	$ 231,042
Cost of direct benefits to donors	439,271
Program services	2,540,772
Supporting services	990,124
Total expenses	$ 4,201,209

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1. NATURE OF ACTIVITIES

The **CHICAGO POLICE MEMORIAL FOUNDATION** (the "Organization") is an Illinois not-for-profit corporation dedicated to providing benefits, educational assistance and suicide prevention programs to the families of Chicago police officers who have sacrificed their lives or have been catastrophically injured in the line of duty. As a tribute to these officers, the Organization has built a permanent memorial east of Soldier Field (named Gold Star Memorial Park) on land donated by the Chicago Park District. The Organization also makes donations to the Chicago Police Department for purchases of safety equipment for police officers (i.e., bullet proof vests). Funding is derived primarily from contributions. The Organization is based in Chicago, Illinois.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Organization uses the cash basis for recording receipts and disbursements for both book and income tax purposes. This is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, revenue and the related assets are recorded when received rather than when earned, and expenses are recognized when paid rather than when the obligations are incurred. The exceptions to this policy are that investments are carried at fair market value, accrued interest earned from investments is recorded, right-of-use assets and liabilities are recorded, and fixed assets are capitalized and depreciated over their useful lives.

B. Basis of Presentation

Financial statement presentation follows the recommendations of the Accounting Standards Update (ASU) No. 2016-14, *Financial Statements of Not-for-Profits.* Under ASU No. 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions, if applicable.

C. Cash and Cash Equivalents

The Organization considers all highly liquid short term investment instruments purchased with a maturity of three months or less at acquisition date to be cash equivalents.

D. Investments

Investments are carried at the quoted market value of the securities. Realized gains and losses are based on specific identification of the security sold.

E. Fixed Assets

The Organization follows the practice of capitalizing, at cost, all disbursements for fixed assets with a useful life of more than one year. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Depreciation expenses were $126,780 and $91,195 for the years ended December 31, 2024 and 2023, respectively.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – Continued

Useful lives for each asset category are as follows:

ASSET CATEGORY	LIFE
Memorial Park	40 Years
Vehicles	5 Years

F. Contributions
All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the Statement of Support, Revenue, and Expenses as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

G. Functional Allocation of Expenses
The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions. Those expenses include general and administrative expenses necessary to support the Organization's mission. Wherever possible, expenses are charged directly to the program or supporting service that is generating the expense. Certain expenses are allocated to programs and supporting services using varying methods which estimate actual usage. Examples include insurance, cell phone, postage and delivery, advertising, and office expenses which are allocated based on total salary and wages for each function.

H. Leases
In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), which superseded existing guidance for accounting for leases under Topic 840, Leases. The FASB subsequently issued additional ASUs, which amended and clarified Topic 842. The most significant change in the new leasing guidance is the requirement to recognize right-of-use (ROU) assets and lease liabilities for operating leases on the balance sheet. The new standard was required to be adopted by nonpublic companies for fiscal years beginning after December 15, 2021, so the Organization adopted this new standard effective January 1, 2022.

The Organization adopted the following accounting policies:

- Leasing arrangements with terms of less than one year will not be recognized as (ROU) assets and lease liabilities.
- Lease and non-lease components of contracts will be recorded separately.
- Lease liabilities will be determined using the implicit rate included in the lease when it is readily determinable.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – Continued

- Amortization of right-of-use assets is recognized over the lease term, using the straight-line method.
- The lease term used to value right-of-use assets includes options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the options.

I. Advertising
The Organization charges advertising directly to operations as incurred. Advertising expenses were $164,907 and $184,493 for the years ended December 31, 2024 and 2023, respectively.

J. Income Tax Status
The Organization is exempt from federal income taxes under Internal Revenue Code 501(c)(3) and therefore, no provision for federal income taxes has been made on the accompanying financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the years ended December 31, 2024 and 2023.

The Organization records interest and penalties associated with taxes in management and general expenses. There were no interest or penalties during the years ended December 31, 2024 and 2023.

K. Estimates
The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The Organization's significant estimates discussed elsewhere in the notes include:

- Management estimated the value of federal government securities, municipal bonds and corporate bonds investments based on prices provided by their investment managers and their custodian bank.
- Management estimated the value of in-kind contributions based on information provided by the donors of the goods and services.
- Management estimated the net present value and future costs of educating the children of officers who have been slain or catastrophically injured in the line of duty based on current tuition costs and a net present value discount rate of 5%, which was provided by the Organization's investment managers.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – Continued

L. Revenue Recognition Polices
The Organization derives its revenue primarily from contributions, special events, and investment income. Revenue from contributions is recognized when received and is classified based on conditional or nonconditional requirements by the donor. Special events revenue is recognized when collected. Investment income consists of interest and dividend income, realized gains and losses, and unrealized gains and losses, which are calculated based on the fair market value of the investments.

Economic factors
The Organization generates revenue primarily from individuals and companies in the Chicagoland area. The Organization's financial health is therefore impacted by economic conditions in this area.

Variable consideration
The Organization does not typically issue refunds for special events but could issue refunds based on specific circumstances.

If the Organization receives a conditional contribution and does not meet the conditions, the contribution is returned based on the agreement. The Organization has a conditional agreement with a donor who contributed funds for the education assistance and suicide prevention program. All funds received from this donor in the years ended December 31, 2024 and 2023 were expended in the year received; therefore, there were no net assets with donor restrictions recorded at December 31, 2024 and 2023 related to contributions from this donor.

NOTE 3. FINANCIAL INSTRUMENT RISK

The Organization maintains checking, savings and money market accounts at a credit union. Accounts are insured by the National Credit Union Administration ("NCUA") up to $250,000. Deposits exceeded the NCUA limit by $2,474,278 and $690,269 at December 31, 2024 and 2023, respectively.

The Organization maintains one certificate of deposit and three money market accounts at a bank and two money market fund accounts with an investment company. The Federal Deposit Insurance Corporation ("FDIC") insures the total of the eligible accounts at a single institution up to $250,000. Deposits exceeded the FDIC limit by $2,522,585 and $1,430,946 at December 31, 2024 and 2023, respectively.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 4. FAIR VALUE MEASUREMENTS

VALUATION OF INVESTMENTS – FASB ASC 820, *Fair Value Measurements and Disclosures,* establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used since December 31, 2022.

Equity securities and other fixed income: Valued at the closing price as reported on the active market on which the individual securities are traded (Level 1 inputs).

U.S. Treasury notes: These investments are a group of asset-backed securities that are secured by the U.S. government. These investments are valued based upon quoted market prices (Level 1 inputs).

Federal bonds, municipal bonds and corporate bonds: These investments are a group of asset-backed securities that are secured by the mortgage securities, collateralized mortgage obligations and corporations. These investments are based on prices provided by their investment managers and their custodian bank. Both the investment managers and the custodian bank use a variety of pricing sources to determine market valuations (level 2 inputs).

NOTE 4. FAIR VALUE MEASUREMENTS – Continued

Methods to determine fair market value may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are recorded at market value and summarized as follows:

	2024		
	Cost	Fair Market Value	Unrealized Gain (Loss)
Level 1:			
Equity securities	$ 8,634,622	$ 9,822,758	$ 1,188,136
Other fixed income	3,473,851	3,369,902	(103,949)
U.S. Treasury notes	876,025	834,661	(41,364)
Total level 1	12,984,498	14,027,321	1,042,823
Level 2:			
Federal bonds	554,826	521,329	(33,497)
Corporate bonds	1,846,499	1,761,734	(84,765)
Total level 2	2,401,325	2,283,063	(118,262)
Total investments	$ 15,385,823	$ 16,310,384	$ 924,561

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 4. FAIR VALUE MEASUREMENTS – Continued

	2023		
	Cost	Fair Market Value	Unrealized Gain (Loss)
Level 1:			
Equity securities	$ 8,274,116	$ 8,760,868	$ 486,752
Other fixed income	3,473,851	3,345,042	(128,809)
U.S. Treasury notes	1,347,209	1,309,392	(37,817)
Total level 1	13,095,176	13,415,302	320,126
Level 2:			
Federal bonds	486,089	454,929	(31,160)
Corporate bonds	1,962,908	1,846,228	(116,680)
Total level 2	2,448,997	2,301,157	(147,840)
Total investments	$ 15,544,173	$ 15,716,459	$ 172,286

NOTE 5. DONATED LAND

The Chicago Park District donated the use of land for Gold Star Memorial Park. The Organization does not pay rent and has not recognized an asset or contribution for the use of this land. If the Organization no longer needed this land, it would be returned to the Chicago Park District.

NOTE 6. LEASE COMMITMENTS AND RELATED CHANGE IN ACCOUNTING METHOD

As mentioned elsewhere in these notes, the Organization adopted the new lease standard in the year ended December 31, 2022. The Organization utilized an optional transition method in adopting the lease standard, which allowed the recognition of a cumulative effect adjustment to the opening balance of retained earnings on the date of adoption and the application of new disclosure requirements beginning in the period of adoption. The Organization also elected the practical expedients for leases that commenced before the effective date of January 1, 2022, which permitted the Organization to not reassess the Organization's conclusions in prior years about lease identification, lease classification (operating or capital/finance), and initial direct costs for existing and expired leases.

The following are descriptions of the leases for which right-of-use assets and lease liabilities were recognized under the new lease standard:

In January 2021, the Organization signed an operating lease agreement for a 2021 Jeep Grand Cherokee. This lease expired in January 2024 and had monthly payments of $171.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 6. LEASE COMMITMENTS AND RELATED CHANGE IN ACCOUNTING METHOD – Continued

In October 2021, the Organization signed an operating lease agreement for a 2021 Jeep Grand Cherokee. This lease expired in October 2024 and had monthly payments of $468.

In April 2022, the Organization signed an operating lease agreement for a 2022 Jeep Grand Cherokee. This lease was set to expire in April 2025 but was terminated early in April 2024 and had monthly payments of $543.

Total lease expenses were $7,491 and $14,114 for the years ended December 31, 2024 and 2023, respectively.

	2024	2023
Operating lease expense:		
Amortization of right-of-use assets	$ 7,439	$ 13,483
Interest on lease liabilities	52	631
Total lease expenses	$ 7,491	$ 14,114
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 7,491	$ 14,174
Weighted-average remaining lease term (years):		
Operating leases	-	1.1
Weighted-average discount rate:		
Operating leases	0.00%	3.41%

NOTE 7. IN-KIND CONTRIBUTIONS

In-kind contributions are recognized as contributions in accordance with ASC No. 958-605, *Not-for-Profit Entities Revenue Recognition Contributed Services.* Under ASC No. 958-605, the Organization records the fair market value for donated services and goods if they create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 7. IN-KIND CONTRIBUTIONS – Continued

Donated goods and services recognized on the Statement of Support, Revenue, and Expenses during 2024 and 2023 consisted of the following:

	2024	2023
Maintenance services at Gold Star Memorial Park	$ 57,617	$ 60,000
Office space and administrative services	61,047	57,068
Donated audio and visual equipment and services	33,248	26,706
Total	$ 151,912	$ 143,774

In addition, many individuals volunteer their time and talents in performing a variety of tasks that assist the Organization. No amounts have been reflected in the financial statements for these donated services because the criteria for recognition under ASC No. 958-605 were not met.

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

There were no net assets with donor restrictions at December 31, 2024 and 2023.

NOTE 9. BOARD DESIGNATED NET ASSETS – DEFERRED COMPENSATION PLAN

The Organization approved a deferred compensation plan during the fiscal year ended December 31, 2018. The plan allows specific participants, at their discretion, to defer a minimum of 1% up to a maximum of 75% of their annual compensation. This deferral will not earn any investment income, and participants are 100% vested when enrolled. This amount will not be paid until a participant's resignation, retirement, disability, or death. The deferred liability balance was $182,500 at December 31, 2024 and 2023, respectively, and is not reflected on these cash basis financial statements and will be expensed when paid. Payroll taxes were paid and expensed when awarded. See further discussion of education assistance elsewhere in these notes.

NOTE 10. BOARD DESIGNATED NET ASSETS – EDUCATION ASSISTANCE INVESTMENTS

The Organization has designated $8,285,311 and $7,510,122 at December 31, 2024 and 2023, respectively, for future education assistance for families of Chicago police officers who have sacrificed their lives or have been catastrophically injured in the line of duty.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 11. EDUCATION ASSISTANCE CHARTER

It is the mission and responsibility of the Organization to pay for the costs of educating the children of officers who have been slain or catastrophically injured in the line of duty. The Organization provided education assistance of $441,162 and $344,113 for the years ended December 31, 2024 and 2023, respectively. The Organization is currently responsible for the following children as of December 31, 2024:

Eligible for post graduate studies	5
Currently enrolled in college	12
Currently enrolled in high school	8
Currently enrolled in grammar school or pre-school	6
Total children	31

The Organization estimates the future costs to educate these children to be $9,136,753, with an estimated net present value of $7,165,578 using a discount rate of 5%, as of December 31, 2024. Estimated education costs are based upon current costs, are subject to inflation and other temporal risks, and have not been actuarially determined.

NOTE 12. EMPLOYEE RETIREMENT PLAN

The Organization sponsors a qualified 403(b) retirement plan covering all employees. The Organization matches 3% of each participants' compensation each year as required by the plan. The Organization's contributions to this plan were $17,641 and $17,575 for the years ended December 31, 2024 and 2023, respectively.

NOTE 13. RESTRICTED CASH

Related to the deferred compensation plan noted in Note 12, as of December 31, 2024, the Organization had $182,500 in restricted cash classified as a noncurrent asset on the statement of financial position. These funds were designated under a contractual agreement for the future retirement benefit of specific participants and are not available for current operations. The funds will be disbursed upon retirement of the participants, which is not expected to occur within the next fiscal year.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 14. LIQUIDITY

The Organization is substantially supported by contributions and fundraising events. The majority of contributions received are unrestricted and available for general expenditures, liabilities and other obligations. Cash in excess of daily requirements is invested in various short-term and long-term investments with maturities designated to meet obligations as they come due. The following financial assets are available to meet general expenditures within one year.

Cash and cash equivalents	$ 5,284,181	
Investments	16,310,384	
Accrued interest	40,506	
Total financial assets		$ 21,635,071
Less amounts not available to be used within one year:		
Board designated	(8,467,811)	
Financial assets not available to be used within one year		(8,467,811)
Financial assets available to meet general expenditures within one year		$ 13,167,260

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 15. RECONCILIATION OF GRANT EXPENDITURES TO FINANCIAL STATEMENTS

During the years ended December 31, 2024 and 2023, the Organization participated in several federal and state-funded grant programs administered through the Department of Justice and the State of Illinois. Total grant expenditures reported on the financial statements were $858,923 and $222,613 for the years ended December 31, 2024 and 2023, respectively, while grant revenues were $711,473 and $71,835. Due to the nature of functional expense categorization, grant-related expenditures are not separately identified in the financial statements. However, a reconciliation of total grant revenue and expenditures by grant is provided below.

For the year ended December 31, 2024

Grant Program	Grant Funds Received/Revenue	Grant Expenditures	Functional Expense Categories
Dept. of Justice (DOJ)	$ 468,165	$ 317,387	Donations to CPD for bullet proof vests
Illinois Dept. of Commerce and Economic Opportunity (DCEO)	109,276	284,135	Depreciation, cell phone, and office supplies and miscellaneous
Illinois Dept. of Human Services (IDHS)	134,032	257,401	Salary and benefits, suicide prevention, advertising, and office supplies and miscellaneous
	$ 711,473	$ 858,923	

For the year ended December 31, 2023

Grant Program	Grant Funds Received/Revenue	Grant Expenditures	Functional Expense Category
Dept. of Justice (DOJ)	$ 71,835	$ 222,613	Donations to CPD for bullet proof vests

NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 15. RECONCILIATION OF GRANT EXPENDITURES TO FINANCIAL STATEMENTS – Continued

The difference between expenditures and receipts represents amounts incurred during the year but not yet reimbursed as of December 31, 2024 or 2023.

The DCEO expenditure includes $278,992 in capital asset purchases (e.g., vehicles and a trailer). In accordance with the cash basis of accounting, these purchases are capitalized and depreciated over their useful lives. As a result, only the current year's depreciation of $21,448 is included in the accompanying statement of functional expenses. The remaining capitalized amount is reflected on the statement of financial position as net fixed assets.

NOTE 16. ADJUSTMENTS TO 2023 FINANCIAL STATEMENTS

The accompanying financial statements for the year ended December 31, 2023 have been adjusted to conform to the presentation of the accompanying financial statements for the year ended December 31, 2024. The following were the changes made:

	Amounts Reported on 2023 Financial Statements	Adjusted Amounts Reported on Accompanying 2023 Financial	Change
Restricted cash - deferred compensation plan	$ -	$ 182,500	$ 182,500
Cash and cash equivalents	2,580,445	2,397,945	(182,500)
Net assets without donor restrictions - Board designated - deferred compensation plan	-	182,500	182,500
Net assets without donor restrictons - General	13,575,986	13,393,486	(182,500)
	$ 16,156,431	$ 16,156,431	$ -

NOTE 17. SUBSEQUENT EVENTS

The Organization has evaluated events subsequent to December 31, 2024 for possible adjustment or disclosure to the accompanying financial statements. This evaluation was done through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

CHICAGO POLICE MEMORIAL FOUNDATION

SCHEDULE OF ASSETS AND NET ASSETS BY FUND - CASH BASIS
December 31, 2024

ASSETS

	Without Donor Restrictions			
	Operating Fund	Investments	Education Assistance Investments	Total
Current assets:				
Cash and cash equivalents	$ 3,739,927	$ 860,295	$ 683,959	$ 5,284,181
Investments	-	8,729,425	7,580,959	16,310,384
Accrued interest	-	20,113	20,393	40,506
Total current assets	3,739,927	9,609,833	8,285,311	21,635,071
Fixed assets:				
Memorial Park	4,213,261	-	-	4,213,261
Vehicles	283,992	-	-	283,992
Less: accumulated depreciation	(1,595,941)	-	-	(1,595,941)
Net fixed assets	2,901,312	-	-	2,901,312
Noncurrent assets:				
Restricted cash - deferred compensation plan	182,500	-	-	182,500
Total noncurrent assets	182,500	-	-	182,500
Total assets	$ 6,823,739	$ 9,609,833	$ 8,285,311	$ 24,718,883

NET ASSETS

Net assets:				
Net assets without donor restrictions:				
General	6,641,239	9,609,833	-	16,251,072
Board designated - education assistance investments	-	-	8,285,311	8,285,311
Board designated - deferred compensation plan	182,500	-	-	182,500
Total net assets without donor restrictions	6,823,739	9,609,833	8,285,311	24,718,883
Total liabilities and net assets	$ 6,823,739	$ 9,609,833	$ 8,285,311	$ 24,718,883

CHICAGO POLICE MEMORIAL FOUNDATION

SCHEDULE OF ASSETS AND NET ASSETS BY FUND - CASH BASIS
December 31, 2023

	Without Donor Restrictions			
	Operating Fund	Investments	Education Assistance Investments	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,924,404	$ 265,991	$ 207,550	$ 2,397,945
Investments	-	8,434,467	7,281,992	15,716,459
Accrued interest	-	19,333	20,580	39,913
Total current assets	1,924,404	8,719,791	7,510,122	18,154,317
Fixed assets:				
Memorial Park	4,213,261	-	-	4,213,261
Vehicles	5,000	-	-	5,000
Right-of-use assets	12,333	-	-	12,333
Less: accumulated depreciation	(1,469,162)	-	-	(1,469,162)
Net fixed assets	2,761,432	-	-	2,761,432
Noncurrent assets:				
Restricted cash - deferred compensation plan	182,500	-	-	182,500
Total noncurrent assets	182,500	-	-	182,500
Total assets	$ 4,868,336	$ 8,719,791	$ 7,510,122	$ 21,098,249
LIABILITIES AND NET ASSETS				
Current liabilities:				
Lease liability - right-of-use asset - current	$ 10,514	$ -	$ -	$ 10,514
Total current liabilities	10,514	-	-	10,514
Long term liabilities:				
Lease liability - right-of-use asset - noncurrent	1,627	-	-	1,627
Total long term liabilities	1,627	-	-	1,627
Total liabilities	12,141	-	-	12,141
Net assets:				
Net assets without donor restrictions:				
General	$ 4,673,695	$ 8,719,791	$ -	$ 13,393,486
Board designated - education assistance investments	-	-	7,510,122	7,510,122
Board designated - deferred compensation plan	182,500	-	-	182,500
Total net assets without donor restrictions	4,856,195	8,719,791	7,510,122	21,086,108
Total liabilities and net assets	$ 4,868,336	$ 8,719,791	$ 7,510,122	$ 21,098,249

CHICAGO POLICE MEMORIAL FOUNDATION

SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES BY FUND - CASH BASIS
Year Ended December 31, 2024

	Without Donor Restrictions			
	Operating Fund	Investments	Education Assistance Investments	Total
Receipts:				
Contributions	$ 2,922,421	$ -	$ -	$ 2,922,421
In-kind contributions	151,912	-	-	151,912
Government grants	711,473	-	-	711,473
Investment income (loss)	44,978	890,042	775,189	1,710,209
Merchandise sales	282,832	-	-	282,832
Less: cost of goods sold	(212,335)	-	-	(212,335)
Net merchandise sales	70,497	-	-	70,497
Special events	2,019,636	-	-	2,019,636
Less: cost of direct benefits to donors	(527,588)	-	-	(527,588)
Net special events	1,492,048	-	-	1,492,048
Total receipts	5,393,329	890,042	775,189	7,058,560
Disbursements:				
Program services:				
Assistance to police officers and families	2,022,250	-	-	2,022,250
Gold Star Memorial Park maintenance	343,799	-	-	343,799
Total program services	2,366,049	-	-	2,366,049
Supporting services:				
Management and general	254,143	-	-	254,143
Fundraising	805,593	-	-	805,593
Total supporting services	1,059,736	-	-	1,059,736
Total disbursements	3,425,785	-	-	3,425,785
Net income (loss)	1,967,544	890,042	775,189	3,632,775
Change in net assets	1,967,544	890,042	775,189	3,632,775
Net assets, beginning	4,856,195	8,719,791	7,510,122	21,086,108
Net assets, ending	$ 6,823,739	$ 9,609,833	$ 8,285,311	$24,718,883

CHICAGO POLICE MEMORIAL FOUNDATION

SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES BY FUND - CASH BASIS
Year Ended December 31, 2023

	Without Donor Restrictions			With Donor Restrictions	
	Operating Fund	Investments	Education Assistance Investments	Suicide Prevention	Total
Receipts:					
Contributions	$ 2,544,210	$ -	$ -	$ 60,000	$ 2,604,210
In-kind contributions	143,774	-	-	-	143,774
Government grants	71,835	-	-	-	71,835
Investment income (loss)	37,310	959,646	789,894	-	1,786,850
Merchandise sales	330,127	-	-	-	330,127
Less: cost of goods sold	(231,042)	-	-	-	(231,042)
Net merchandise sales	99,085	-	-	-	99,085
Special events	1,934,981	-	-	-	1,934,981
Less: cost of direct benefits to donors	(439,271)	-	-	-	(439,271)
Net special events	1,495,710	-	-	-	1,495,710
Total receipts	4,391,924	959,646	789,894	60,000	6,201,464
Disbursements:					
Program services:					
Assistance to police officers and families	1,886,244	-	-	286,081	2,172,325
Gold Star Memorial Park maintenance	368,447	-	-	-	368,447
Total program services	2,254,691	-	-	286,081	2,540,772
Supporting services:					
Management and general	248,880	-	-	-	248,880
Fundraising	741,244	-	-	-	741,244
Total supporting services	990,124	-	-	-	990,124
Total disbursements	3,244,815	-	-	286,081	3,530,896
Net income (loss)	1,147,109	959,646	789,894	(226,081)	2,670,568
Transfers	(480,000)	480,000	-	-	-
Change in net assets	667,109	1,439,646	789,894	(226,081)	2,670,568
Net assets, beginning	4,189,086	7,280,145	6,720,228	226,081	18,415,540
Net assets, ending	$ 4,856,195	$ 8,719,791	$ 7,510,122	$ -	$21,086,108

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors and Management of
CHICAGO POLICE MEMORIAL FOUNDATION
Chicago, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of **CHICAGO POLICE MEMORIAL FOUNDATION** (the "Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 3, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

O'NEILL & GASPARDO, LLC
Mokena, Illinois
June 3, 2025