American Friends of Neve Shalom/Wahat al-Salam is a 501(c)(3) not-for-profit organization that works, every day, toward supporting a genuine and durable peace between Arabs and Jews, Palestinians and Israelis. We believe the best way to achieve such a peace is to develop support for and publicize the life-changing projects of Neve Shalom/Wahat al-Salam, a community of Jewish and Palestinian citizens of Israel who have chosen to live and work together as equals.

With 32 years of experience and a growing global community, the educational institutions of Neve Shalom/ Wahat al-Salam work continuously to create and sustain active, problem-solving dialogue on social, cultural, and political issues, dedicating its efforts to promoting trust, understanding, and respect well beyond its own borders.

Neve Shalom/Wahat al-Salam’s institutions -- the bilingual/binational/multicultural Primary School, the School for Peace, the Pluralistic Spiritual Community Center, the Nadi Youth Center and now the World Peace College -- work to serve the village and beyond, reaching thousands of Jewish and Palestinian youth and adults each year, and tens of thousands in total.

The Village has won many international awards and has been nominated three times for the Nobel Peace Prize.
Letter from the President

To our dear donors,

Thank you for your continued interest and support for our special village - truly an oasis of peace in the surrounding sea of fear and hatred. The Neve Shalom/Wahat al-Salam continues to grow and flourish in numbers as well as in educational outreach and impact. Primary School principal Carmella Ferber has begun the process of increasing the school’s size by adding one grade per year while also initiating creative music, library and arts curricula. At the other end of the age range, the World Peace College is about to open its Masters program in Conflict Resolution.

There have been recent elections at Neve Shalom/Wahat al-Salam that have brought in new leadership in their municipal and educational governance. This parallels the recent transition that took place at American Friends of Neve Shalom/Wahat al-Salam, where restructuring our small office made it possible to maximize the gifts and skills of our long-serving Operations Manager, Abir Elzowidi and allowed us to bring on board Scott Brockman, a dynamic Executive Director.

Between 2013 and 2015, AFNSWAS operated without an Executive Director. This absence of leadership resulted in a two-year reduction in income, but the wait was worth it! At the end of this fiscal year, we began the process that led us to our new Executive Director who in his short time with us, has already made a significant difference. Scott will be focused on outreach, education and connecting the dots between what the schools need and what we will be able to give.

You will have to wait until the 2015-2016 Annual Report to see how large that difference is, but we know you will be glad we waited.

I offer you my gratitude for your support during this year.

Judith Dubin, AFNSWAS President

Nadi Youth Center

A unique aspect of life at Neve Shalom/Wahat al-Salam is its Youth Club (the “Nadi”) dedicated to providing young people with tools to become leaders in peace-building. They acquire adult skills that help foster Palestinian-Jewish dialogue, encourage engagement in community activities, and foster a deeper sense of both personal and social responsibility. Organized by community members, it takes an entire village, parents and non-parents alike, to support the program. By focusing on what life is like for Jews and Palestinians outside the community, and addressing tough issues like what will happen when some young people go on to join the army, the Nadi prepares youth to use their experience to foster positive change in the wider world. Even in times of trouble, the Nadi is preparing youth for living as change agents outside the community. No other youth movement in the country prepares students for multicultural living, nor addresses the unique experience of NSWAS’s young people, one that celebrates both equality and diversity. The Nadi Youth Leadership Program is a crucial investment in the region’s future, providing human resources and growing the country’s future leaders.

AFNSWAS was able to provide a grant total of $2,474 to support the work of the Nadi in 2014-2015.
As the pioneer in bilingual and bicultural education, the Primary School (PS) is in its thirty-second year of a continuous feedback process of research, application, evaluation, reflection and the next cycle of research. The PS, with its unique pedagogy, has served as the model and inspiration for the newly-developed 'Hand-in-Hand' schools and the Hagar School in Beer Sheva, with other districts in the planning stages. Observation and study of the outcomes from this 'research-application-reflection-evaluation-research' process is available to and utilized by individuals, groups and schools as requested.

Approximately 200 children, half Jewish and half Palestinian, 90% from 12 towns and villages surrounding NSWAS, were part of the learning and teaching life of the school which, in addition to its full academic and linguistic curriculum, included:

- Student elections that followed the model of national elections (campaign platforms, ID cards, monitored balloting) that served as an opportunity to model school values, with candidates running in Jewish-Palestinian teams,
- A parent-teacher-children-community olive harvest,
- An evolving whole-school instrumental music program,
- A flourishing greenhouse program, and
- A rich environmental art program

All were pieces of the mosaic of the Primary School’s rich and unique life.

The Primary School’s plan - to double its size by adding two first grade classes each year until there are two classes for each grade level – is well underway. This year’s second graders will be evaluated for proficiency, in Arabic and Hebrew, by the Ministry of Education. The fifth graders will be tested for Arabic, Hebrew, English and Math. We have every reason to expect that, as in the past, the results will indicate the comparative strength of the Primary School’s educational model.

AFNSWAS was able to provide a grant total of $141,290 to support the Primary School in 2014-2015.
The School for Peace

Since its founding in 1979, the School for Peace (SFP) has been central to Neve Shalom/Wahat al-Salam’s goal of spreading its message and having a sustained impact outside its borders. The SFP runs programs for youth, women, men, and professional groups. Most of the programs are long-term processes focused on raising awareness, helping people to examine their identities and take responsibility for their roles in the conflict. In recent years, the SFP has evolved to further its reach into Israeli and Palestinian societies, targeting groups of people who will have a strong impact in their communities. Since its establishment, more than 65,000 Jews and Palestinians have connected through the SFP programs.

In 2014-15, the School for Peace created another series of youth encounters for Israeli Palestinian and Jewish high school students, began the third session of their annual facilitator training course which includes facilitator-trainee observation of the youth encounter sessions through a one-way mirror, and initiated their Change Agents course for 30 Jewish and Palestinian architects and engineers, planned by the School for Peace with the Arab Center for Alternative Planning, expanded their University-based courses including their 25th year in partnership with Tel-Aviv University and their newest course at Azrieli College of Engineering, organized an international conference on the Israeli-Palestinian conflict and taught Jewish and Palestinian literature teachers in the SFP’s two-year course “Teachers Bringing Change - Two Peoples Write from Right to Left.

Continuing to serve as major catalyst, putting dialogue into action for participants of all ages, nationalities, and professions, the School for Peace is completing research on the impact of the on participants’ lives.

AFNSWAS was able to provide a grant total of $22,217 to support the work of the SFP in 2014-2015.

Humanitarian Aid Project

Last summer, many donors contributed to the Oasis of Peace for its Humanitarian Aid Project, helping the village to send much-needed medical aid supplies & equipment to the Al-Shifa Hospital in Gaza.

Neve Shalom/Wahat al-Salam member, Dr. Raid Haj Yehia is the contact and representative for this project, and he works with other doctors to provide medical consultations at the hospital. AFNSWAS was able to provide a grant total of $21,000 to support the work of the Humanitarian Aid Project in 2014-2015.

NSWAS Living & Learning Together with Equality, Respect and Acceptance
The World Peace College

The Neve Shalom/Wahat al-Salam World Peace College, in partnership with University of Massachusetts –Boston and its Graduate Program in Conflict Resolution, will welcome its first class in the fall of 2016. Students from around the world will join Israeli Palestinians and Jews for the two-year program leading to a Masters Degree in Conflict Resolution from UMass/Boston. Studying in the village of Neve Shalom/Wahat al-Salam gives the students the unique opportunity over time to understand what it means to engage the conflict and to manage it.

The curriculum is modeled on the one that has been offered for twenty years by UMass/Boston, adapted to the setting in Israel and in Neve Shalom/Wahat al-Salam (NSWAS). In particular, students will study the methods developed in NSWAS’s School for Peace workshops and in its Primary School (K-6). These two programs have pioneered in teaching Arabs and Jews at all ages in the skills of coexistence and dialog. The faculty for the World Peace College is drawn from experienced and credentialed Palestinians and Jews from the region and the UMass/Boston Conflict Resolution faculty. The two-year Masters Degree is offered primarily on Thursdays and Fridays in each semester, and occasionally on-line.

The youngest institution at Neve Shalom/Wahat al-Salam, the World Peace College is at the cutting edge of both the conflict and the research emerging from the village’s ‘living’ laboratories.

AFNSWAS was able to provide a grant total of $124,476 in 2014-2015 to support the initial stages of the World Peace College including preparations for the Fred Segal Friendship and World Peace College Library to serve its higher-education role.

Pluralistic Spiritual Center

Operating since 2001, the Pluralistic Spiritual Center provides a framework for spiritual reflection on issues at the core of the Middle East conflict and the search for its resolution. Its programs focus on inter-religious and inter-cultural dialogue, and the advancement of peace. The Pluralistic Spiritual Center implements several programs such as “Massa-Massar,” which takes young Israeli Jews and Palestinians to symbolic places in Israel to reflect on their common heritage and initiate desire for dialogue and peace among them. Community events, external programs, speakers and special guests from across the region and around the world, including the Sulha Peace Project and the Forgiveness Project are part of the ongoing work of the Center.

This year, the Spiritual Center gave birth to the Peace Museum, which has already been home to workshops for Jewish and Palestinian artists, to two events and exhibits that are part of their planned series Honoring the Righteous, to a thirty-year retrospective on the founding of the Primary School and to a presentation recognizing the Armenian genocide, with much more planned for the coming year.

AFNSWAS was able to provide a grant total of $7,275 in 2014-2015 to support the work of the Spiritual Center and the Peace Museum.
Statement of Activities and Changes in Net Assets:

AMERICAN FRIENDS OF NEVE SHALOM/WAHAT AL-SALAM, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

<table>
<thead>
<tr>
<th>Year Ended August 31,</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UNRESTRICTED NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating revenues and other support:</td>
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<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$480,306</td>
<td>$472,427</td>
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<tr>
<td>Federal grants</td>
<td>-</td>
<td>11,508</td>
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<tr>
<td>Interest and dividends, net of investment fees</td>
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<td>4,287</td>
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<tr>
<td>Other operating revenue</td>
<td>45</td>
<td>402</td>
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<tr>
<td><strong>Total operating revenues and other support</strong></td>
<td>469,791</td>
<td>488,604</td>
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<tr>
<td>Operating expenses:</td>
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<td></td>
</tr>
<tr>
<td>Program services</td>
<td>426,621</td>
<td>442,188</td>
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<tr>
<td>Support</td>
<td>55,429</td>
<td>34,709</td>
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<tr>
<td>Fundraising</td>
<td>104,760</td>
<td>115,907</td>
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<td><strong>Total operating expenses</strong></td>
<td>586,810</td>
<td>592,804</td>
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<tr>
<td>Operating loss</td>
<td>(67,019)</td>
<td>(104,200)</td>
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<tr>
<td>Other:</td>
<td></td>
<td></td>
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<tr>
<td>Realized and unrealized gains (losses) on investments</td>
<td>(25,452)</td>
<td>28,472</td>
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<tr>
<td>Net assets released from restrictions</td>
<td>30,000</td>
<td>30,000</td>
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<tr>
<td><strong>Decrease in unrestricted net assets</strong></td>
<td>(92,471)</td>
<td>(45,728)</td>
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<td><strong>TEMPORARILY RESTRICTED NET ASSETS</strong></td>
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<tr>
<td>Investment income (expense) from donor restricted investments</td>
<td>(24,359)</td>
<td>79,234</td>
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<tr>
<td>Net assets released from restrictions</td>
<td>(30,000)</td>
<td>(30,000)</td>
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<tr>
<td><strong>Increase (decrease) in temporarily restricted net assets</strong></td>
<td>54,359</td>
<td>49,234</td>
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<tr>
<td><strong>Change in net assets</strong></td>
<td>(146,830)</td>
<td>3,506</td>
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<tr>
<td>Net assets at beginning of year</td>
<td>1,124,912</td>
<td>1,121,406</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$978,082</td>
<td>$1,124,912</td>
</tr>
</tbody>
</table>

Copies of the complete financial statements and/or Form 990 are available upon request and on our website
www.oasisofpeace.org.
Statement of Position:

AMERICAN FRIENDS OF NEVE SHALOM/WAHAT AL-SALAM, INC.
STATEMENTS OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>August 31, 2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$127,063</td>
<td>$268,497</td>
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<tr>
<td>Investments - other</td>
<td>75</td>
<td>74</td>
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<tr>
<td>Promises to give</td>
<td>50,000</td>
<td>2,500</td>
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<tr>
<td>Total current assets</td>
<td>177,138</td>
<td>272,071</td>
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<tr>
<td>BOARD DESIGNATED ASSETS</td>
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<td></td>
</tr>
<tr>
<td>Investments - board designated</td>
<td>331,042</td>
<td>345,976</td>
</tr>
<tr>
<td>DONOR RESTRICTED ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments held for endowment purposes</td>
<td>479,325</td>
<td>533,684</td>
</tr>
<tr>
<td>FURNITURE AND EQUIPMENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>-</td>
<td>2,012</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>-</td>
<td>(1,797)</td>
</tr>
<tr>
<td>OTHER ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security deposits</td>
<td>800</td>
<td>500</td>
</tr>
<tr>
<td>Total assets</td>
<td>$988,305</td>
<td>$1,152,446</td>
</tr>
</tbody>
</table>

LIABILITIES AND NET ASSETS

| CURRENT LIABILITIES | | |
| Grants payable | $ - | $20,283 |
| Accounts payable | - | 857 |
| Accrued payroll | 10,223 | 6,394 |
| Total current liabilities | 10,223 | 27,534 |

NET ASSETS

Unrestricted:
- Undesignated: 167,715 245,252
- Board designated: 331,042 345,976
- Temporarily restricted: 115,544 169,903
- Permanently restricted: 363,781 363,781

Total net assets: $978,082 $1,124,912

Total liabilities and net assets: $988,305 $1,152,446

Copies of the complete financial statements and/or Form 990 are available upon request and on our website www.oasisofpeace.org.
Honorary Advisory Council

Dr. Zbigniew Brzezinski
Sara Ehrman
David Hitchcock
Khali Juhshan
Hani Masri
Hon. Richard Murphy
Naomi Shihab Nye
Shibley Telhami
Elie Wiesel

AFNSWAS Financial Management

AFNSWAS a 501(c)(3) organization in good standing, fully compliant with provisions required under the Sarbanes-Oxley Act of 2002 and is independently audited, annually, by James Vanstrom & Company of Falconer, NY which has consistently reported satisfactory results. Internal controls are implemented through an internal Audit Committee. The Board of Directors exercises full discretion and control over all grants to Neve Shalom/Wahat al-Salam through a multi-stage process that begins when the Board and the AFNSWAS staff meet with NSWAS representatives. The Board decides, from a list of potential projects, what it should solicit funding for and then, after a careful consideration of the formal grant proposals submitted to AFNSWAS by NSWAS, determines which grants, and how much, will get funded. The Board, through on-site visits by individual directors and the AFNSWAS Executive Director, and through extensive reporting by NSWAS, ensures that the funds have been used as intended.

Board of Directors

Judy Dubin
President
Rev. Gordon Webster
Vice President
David Matz
Vice President
Ted First
Treasurer
Michael Fadil
Co-Treasurer
Deborah First
Secretary
Herb Adelman
Christina Brodie
Gordie Fellman
Richard Goodman
Vanessa Karam
J. Zel Lurie
Rima Mahmoud
Barbara Ridberg
Judith Tuller
Joan C. Waller
Susan Zaslavsky

AFNSWAS Behind the Curtain

Our work supporting Middle East peace begins here in the United States, where the staff of AFNSWAS has
* brought into fruition, in response to years of community, student and teacher requests, an “Oasis of Peace” World Peace College including location, faculty, and curriculum.
* responded to ongoing requests from across the United States, by providing workshops, conference presentations and talks to religious and secular organizations about the Oasis of Peace and its unique approach.
* developed dozens of innovative grant proposals in support of village programs ranging from language laboratory and greenhouse programming in the Primary School to Israeli-Palestinian leadership training for environmental professionals.
* communicated more effectively in print and electronic media, through targeted press releases and ‘eblasts’, describing the impact of individuals from the Oasis of Peace as well as the accomplishments of the better-known educational projects of the village.
* launched our long-awaited active Facebook presence
* began the redesign of our website, print and email newsletters and our various fundraising materials to make them more user-friendly.

To help our donors support Neve Shalom/Wahat al-Salam’s needs into the future, we are developing Planned Giving opportunities.

The American Friends of Neve Shalom/Wahat al-Salam is a not-for-profit organization with 501(c)(3) status under the Internal Revenue Service Code. We do not sell, trade, rent or otherwise disclose donor information.

Our donor privacy policy is available on our website or by mail.

American Friends of Neve Shalom/Wahat al-Salam
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www.facebook.com/americanfriendsofneveshalomwahatalsalam