Form **990**

Department of the Treasury
Internal Revenue Service

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)

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning and ending

B Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Terminated [ ] Amended return [ ] Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: FRIENDS OF KANG YUN FOUNDATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite: 806 E STREET, SE

City or town, state or country, and ZIP + 4: WASHINGTON, DC 20003

D Employer identification number: 51-0579003

E Telephone number: 202-290-2706

G Gross receipts $ 694,606.

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) Are all affiliates included? [ ] Yes [ ] No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

F Name and address of principal officer: CHRISTOPHER HSU
SAME AS C ABOVE

I Tax-exempt status: [X] 501(c) (3) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ KANGYUNFRIENDS.ORG

K Form of organization [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation 2005 M State of legal domicile DC

Part I Summary

Activities & Governance

1	Briefly describe the organization's mission or most significant activities. ENCOURAGING, PROMOTING, SUPPORTING, IMPROVING AND FOSTERING EDUCATIONAL DEVELOPMENT,		
2	Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets		
3	Number of voting members of the governing body (Part VI, line 1a)	3	4
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	4
5	Total number of employees (Part V, line 2a)	5	1
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

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		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	704,362.	694,058.
9	Program service revenue (Part VIII, line 2g)		
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	426.	548.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	704,788.	694,606.
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	514,940.	681,432.
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	66,854.	67,336.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 12,462.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	6,116.	6,243.
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	587,910.	755,011.
19	Revenue less expenses. Subtract line 18 from line 12	116,878.	<60,405.>

	Net Assets or Fund Balances	Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	132,397.	71,993.
21	Total liabilities (Part X, line 26)		
22	Net assets or fund balances. Subtract line 21 from line 20	132,397.	71,993.

Part II Signature Block

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

Sign Here

▶ Signature of officer — Date: May 10, 2010

▶ CHRISTOPHER HSU, SECRETARY
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ — Date: 5-6-2010 — Check if self-employed ▶ [ ] — Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ TATE AND TRYON
805 15TH STREET, NW SUITE 900
WASHINGTON, DC 20005

EIN ▶

Phone no ▶ (202)293-2200

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

SCANNED JUN 24 2010

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

5

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION
TO ACHIEVE LONG-TERM IMPROVEMENT IN THE LIVES OF THE POOREST FAMILIES IN DEVELOPING COUNTRIES THROUGH COMPREHENSIVE PRIMARY EDUCATION.
CORE BELIEFS:
1. FULL AND UNIVERSAL PRIMARY EDUCATION IS ESSENTIAL TO THE PROGRESS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported
SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code:) (Expenses $ 632,332. including grants of $ 632,332.) (Revenue $)
GRANTS TO KANG YUN FOUNDATION (HONG KONG), WHICH USES THE FUNDS TO WORK WITH LOCAL ORGANIZATIONS PROVIDING EDUCATIONAL ASSISTANCE, SUCH AS REBUILDING PRIMARY SCHOOLS IN RURAL YUNNAN PROVINCE. SINCE 2001, KANG YUN FOUNDATION HAS REBUILT FIFTEEN PRIMARY SCHOOLS IN RURAL PINGBIAN COUNTY, YUNNAN, AND JIANHE COUNTY, GUIZHOU.

FUNDS WERE PROVIDED ($138,544) TO RECONSTRUCT A PRIMARY SCHOOL IN XINMIN VILLAGE, JIANHE COUNTY, GUIZHOU PROVINCE, CHINA, WHICH IS LOCATED IN A REMOTE AREA WHERE THE AVERAGE ANNUAL INCOME IS LESS THAN $146. GRANT FUNDED CONSTRUCTION OF A NEW TEACHING BUILDING, A SCHOOL FENCE, A LAVATORY, AND REFURBISHMENT OF THE TEACHERS' DORMITORY. WHEN COMPLETE, THE NEW PRIMARY SCHOOL WILL SERVE AN ESTIMATED 600 CHILDREN.

4b (Code:) (Expenses $ 49,100. including grants of $ 49,100.) (Revenue $)
TWO GRANTS TO PARTNERS IN HEALTH (A PUBLICLY SUPPORTED 501C3 IN BOSTON, MASSACHUSETTS) FOR CONSTRUCTION OF DOMOND SCHOOL, ECOLE BON SAVEUR. FRIENDS OF KANG YUN FOUNDATION ORIGINALLY GRANTED PARTNERS IN HEALTH CONSTRUCTION FUNDS FOR AN ELEMENTARY SCHOOL IN DOMOND VILLAGE IN FEBRUARY 2008. DOMOND VILLAGE IS LOCATED BETWEEN CANGE AND MIREBALAIS IN HAITI'S CENTRAL PLATEAU REGION.

CURRENT YEAR GRANTS COVERED:
COST OVERRUNS OWING TO THE HURRICANE SEASON ($14,000),
CONSTRUCTION OF LATRINES ($4,000),
CONSTRUCTION OF COURTYARD AND PLAYGROUND ($15,000),
LANDSCAPING ($2,000),

4c (Code.) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 681,432.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		X
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	Is the organization's answer to any of the following questions "Yes"? *If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11		X
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*			
	• Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	• Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12		X
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — 12A: Yes [ ] No [X]			
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b	X	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15	X	
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		X

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No", go to line 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties, (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O.	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S. Information Returns. Enter -0- if not applicable	1a	0		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	1		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b		
4a	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)?		4a		X
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 Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

Form **990** (2009)

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Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions*

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body	1a 4			
b	Enter the number of voting members that are independent	1b 4			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		4		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		5		X
6	Does the organization have members or stockholders?		6		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?		8a	X	
b	Each committee with authority to act on behalf of the governing body?		8b		X
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11		X
11A	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13		X
14	Does the organization have a written document retention and destruction policy?	14		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a		X
b	Other officers or key employees of the organization	15b		X
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions.)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ NONE

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

THE ORGANIZATION - 202-290-2706
806 E STREET, SE, WASHINGTON, DC 20003

Part VII **Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees, officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
THOMAS HSU PRESIDENT	1.00							0.	0.	0.
BRIAN D. STARER, ESQ, VICE PRES & TREASURER	1.00							0.	0.	0.
CHRISTOPHER HSU EXEC. DIR. & SECRETARY	25.00							62,308.	0.	0.
LI-LI CH'EN DIRECTOR	1.00							0.	0.	0.

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Total ▶								62,308.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 0

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. NONE

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 0

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 694,058.				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f ▶		694,058.			
Program Service Revenue		Business Code				
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f ▶					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		548.			548.
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
		(i) Real / (ii) Personal				
	6 a Gross Rents					
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss) ▶					
	7 a Gross amount from sales of assets other than inventory	(i) Securities / (ii) Other				
	b Less: cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss) ▶					
	8 a Gross income from fundraising events (not including $ ______ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events ▶					
	9 a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities ▶					
	10 a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory ▶					
	Miscellaneous Revenue	Business Code				
	11 a					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d ▶					
	12 **Total revenue.** See instructions ▶		694,606.	0.	0.	548.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21	49,100.	49,100.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	632,332.	632,332.		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	62,308.		49,846.	12,462.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	5,028.		5,028.	
11 Fees for services (non-employees)				
a Management				
b Legal	840.		840.	
c Accounting	715.		715.	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other	169.		169.	
12 Advertising and promotion				
13 Office expenses	77.		77.	
14 Information technology	228.		228.	
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	417.		417.	
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a PAYROLL SERVICE FEES	1,741.		1,741.	
b PROMOTIONAL EXPENSE	1,688.		1,688.	
c BANK CHARGES	268.		268.	
d FEES TO DC GOVERNMENT	75.		75.	
e TAXES & LICENSES	25.		25.	
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	755,011.	681,432.	61,117.	12,462.
26 Joint costs Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	132,397.	1	71,993.
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment: cost or other basis Complete Part VI of Schedule D 10a			
	b	Less: accumulated depreciation 10b		10c	
	11	Investments - publicly traded securities		11	
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	132,397.	16	71,993.
Liabilities	17	Accounts payable and accrued expenses		17	
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities. Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	0.	26	0.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	132,397.	27	71,993.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	132,397.	33	71,993.
	34	Total liabilities and net assets/fund balances	132,397.	34	71,993.

Form 990 (2009)

932011 02-04-10

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990: [X] Cash [ ] Accrual [ ] Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b		X
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c		
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both [ ] Separate basis [ ] Consolidated basis [ ] Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

Form **990** (2009)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization	Employer identification number
FRIENDS OF KANG YUN FOUNDATION	51-0579003

Part I **Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box)

1 [ ] A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
2 [ ] A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
3 [ ] A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
4 [ ] A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state. ______
5 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
6 [ ] A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
7 [X] An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
8 [ ] A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
9 [ ] 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 exempt 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).** (Complete Part III.)
10 [ ] An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
11 [ ] An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a [ ] Type I **b** [ ] Type II **c** [ ] Type III - Functionally integrated **d** [ ] Type III - Other

e [ ] By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box [ ]

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the US? Yes	(vi) No	(vii) Amount of support
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")			230,000.	704,362.	694,058.	1628420.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3			230,000.	704,362.	694,058.	1628420.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						1318852.
6 **Public support.** Subtract line 5 from line 4						309,568.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4			230,000.	704,362.	694,058.	1628420.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources			168.	426.	548.	1,142.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support.** Add lines 7 through 10						1629562.

12 Gross receipts from related activities, etc (see instructions) | 12 |

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ [X]

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) | 14 | %

15 Public support percentage from 2008 Schedule A, Part II, line 14 | 15 | %

16a **33 1/3% support test - 2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ [ ]

b **33 1/3% support test - 2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ [ ]

17a **10% -facts-and-circumstances test - 2009.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ [ ]

b **10% -facts-and-circumstances test - 2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ [ ]

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ [ ]

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f)) | 15 | %

16 Public support percentage from 2008 Schedule A, Part III, line 15 | 16 | %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2009** (line 10c, column (f) divided by line 13, column (f)) | 17 | %

18 Investment income percentage from **2008** Schedule A, Part III, line 17 | 18 | %

19a **33 1/3% support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Schedule F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
FRIENDS OF KANG YUN FOUNDATION

Employer identification number
51-0579003

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? [X] Yes [ ] No

2 **For grantmakers.** Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States

3 Activities per Region. (Use Schedule F-1 (Form 990) if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
EAST ASIA AND THE PACIFIC	0	0	GRANTS TO KANG YUN FOUNDATION, HONG KONG, CHINA.		632,332.
Totals ▶	0	0			632,332.

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 ▶ ☐

Use Schedule F-1 (Form 990) if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		EAST ASIA AND THE PACIFIC	CONSTRUCTION OF XINMIN PRIMARY SCHOOL. FUNDS WERE PROVIDED TO	118,500.		0.		
		EAST ASIA AND THE PACIFIC	SCHOLARSHIPS AT ZHEJIANG UNIVERSITY. SCHOLARSHIPS TO STUDENTS EMERGING	17,544.		0.		
		EAST ASIA AND THE PACIFIC	GENERAL OPERATING EXPENSES OF KANG YUN FOUNDATION. DEFRAYS INCIDENTAL FEE AND	2,500.		0.		
		EAST ASIA AND THE PACIFIC	CONSTRUCTION OF PINGBIAN HIGH SCHOOL LIBRARY, PINGBIAN COUNTY, YUNNAN,	450,000.		0.		
		EAST ASIA AND THE PACIFIC	TEACHING EXCELLENCE AWARDS PROGRAM, PINGBIAN COUNTY, CHINA.	36,468.		0.		
		EAST ASIA AND THE PACIFIC	TEACHERS PROJECTS WEBSITE. FUNDED THE CREATION OF A PILOT WEBSITE TO ENABLE	7,320.		0.		

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ 1

3 Enter total number of other organizations or entities ▶

SEE PART IV FOR COLUMN (D) DESCRIPTIONS

Part III Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16
Use Schedule F-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)

Part IV Supplemental Information

Complete this part to provide the information required in Part I, line 2, and any additional information.

SCHEDULE F, PART I, LINE 2: FRIENDS OF KANG YUN FOUNDATION IS IN DAY-TO-DAY COMMUNICATION WITH THE DIRECTOR OF KANG YUN FOUNDATION (HONG KONG), VIA EMAIL AND SKYPE. IN ADDITION, KANG YUN FOUNDATION HAS PROVIDED:

SIGNED GRANT ACKNOWLEDGMENT TO (I) USE ALL GRANT PROCEEDS EXCLUSIVELY FOR THE SPECIFIC PURPOSES FOR WHICH THEY ARE GIVEN; (II) REPORT TO THE FOUNDATION, REGULARLY AND IN A TIMELY FASHION, REGARDING THE USE OF GRANT PROCEEDS; AND (III) TO RETURN TO THE FOUNDATION ALL UNUSED OR IMPROPERLY USED GRANT FUNDS ADVANCED BY THE FOUNDATION. THE FOUNDATION WILL ONLY REMIT GRANT PROCEEDS TO GRANTEES THAT SIGN THIS ACKNOWLEDGMENT.

REGULAR WRITTEN AND PHOTOGRAPHIC REPORTS OF PROGRESS ON ALL GRANT PROJECTS, INCLUDING STATUS OF FUNDS DOCUMENTS ON CAPITAL PROJECTS.

DETAILED WRITTEN AND PHOTOGRAPHIC TRAVEL REPORTS OF ITS SITE INVESTIGATIONS AND ONSITE MEETINGS AND ATTENDANCE OF OPENING CEREMONIES.

COPIES OF DOCUMENTATION OF AGREEMENTS WITH LOCAL EDUCATION AUTHORITIES (INCLUDING ITEMIZED BUDGET, ARCHITECTURAL RENDERINGS AND SCHEMATICS FOR LARGER PROJECTS, SUCH AS THE PBSHS LIBRARY.)

LIST OF TEACHING AWARD WINNERS, INCLUDING CLASS AND SCHOOL DETAILS; PHOTOS AND REPORT OF AWARD CEREMONY.

LIST OF SCHOLARSHIP STUDENTS AT ZHEJIANG UNIVERSITY, INCLUDING ACADEMIC MAJOR AND HOMETOWN.

Part IV Supplemental Information

Complete this part to provide the information required in Part I, line 2, and any additional information

ADDITIONAL MONTHLY WRITTEN SUMMARY OF ALL ITS OTHER ACTIVITIES.

DOCUMENT OUTLINING OPERATING METHODS AND GUIDELINES REGARDING PROJECT SITE SELECTION AND CONTROL OF FUNDS.

NOTE: KANG YUN FOUNDATION IS UNDER SEPARATE MANAGEMENT FROM FRIENDS OF KANG YUN FOUNDATION, AND THERE IS NO BOARD OVERLAP BETWEEN THE TWO ENTITIES.

PART II, COLUMN (D):

(D) PURPOSE OF GRANT: CONSTRUCTION OF XINMIN PRIMARY SCHOOL. FUNDS WERE PROVIDED TO RECONSTRUCT A PRIMARY SCHOOL IN XINMIN VILLAGE, JIANHE COUNTY, GUIZHOU PROVINCE, PEOPLES REPUBLIC OF CHINA.

(D) PURPOSE OF GRANT: SCHOLARSHIPS AT ZHEJIANG UNIVERSITY. SCHOLARSHIPS TO STUDENTS EMERGING FROM IMPOVERISHED, RURAL BACKGROUNDS.

(D) PURPOSE OF GRANT: GENERAL OPERATING EXPENSES OF KANG YUN FOUNDATION. DEFRAYS INCIDENTAL FEE AND CHARGES INCURRED BY THE FOUNDATION DURING THE COURSE OF ITS CHARITABLE WORK.

(D) PURPOSE OF GRANT: CONSTRUCTION OF PINGBIAN HIGH SCHOOL LIBRARY, PINGBIAN COUNTY, YUNNAN, CHINA. PINGBIAN COUNTY IS LOCATED IN AN IMPOVERISHED, RURAL, MOUNTAINOUS REGION, WITH AN AVERAGE ANNUAL PER CAPITA INCOME OF $190.

(D) PURPOSE OF GRANT: TEACHERS PROJECTS WEBSITE. FUNDED THE CREATION OF A PILOT WEBSITE TO ENABLE PINGBIAN TEACHERS TO POST SMALL PROJECTS IN

Part IV Supplemental Information

Complete this part to provide the information required in Part I, line 2, and any additional information

NEED OF CHARITABLE CONTRIBUTIONS.

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: FRIENDS OF KANG YUN FOUNDATION

Employer identification number 51-0579003

Part I **General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☒ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PARTNERS IN HEALTH 888 COMMONWEALTH AVE, 3RD FL. BOSTON, MA 02215	04-3567502	501(C)3	49,100.	0.			CONSTRUCTION OF DOMOND SCHOOL, ECOLE BON SAVEUR, LOCATED BETWEEN CANGE AND MIREBALAIS IN HAITI,

2 Enter total number of section 501(c)(3) and government organizations ▶ 1.

3 Enter total number of other organizations ▶

LHA **For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.**

SEE PART IV FOR COLUMN (H) DESCRIPTIONS

Schedule I (Form 990) 2009

932101 02-02-10

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information

PART II, LINE 1, COLUMN (H):

NAME OF ORGANIZATION OR GOVERNMENT: PARTNERS IN HEALTH

(H) PURPOSE OF GRANT OR ASSISTANCE: CONSTRUCTION OF DOMOND SCHOOL, ECOLE BON SAVEUR, LOCATED BETWEEN CANGE AND MIREBALAIS IN HAITI, SERVING SUTDENTS FROM SOME OF THE POOREST FAMILIES IN HAITI'S CENTRAL PLATEAU. CURRENT YEAR GRANTS COVER COST OVERRUNS OWING TO HURRICANE SEASON ($14,000), CONSTRUCTION OF LATRINES ($4,000), A COURYARD AND PLAYGROUND ($15,000) , LANDSCAPING ($2,000), PARTIAL FUNDING FOR RUNNING POWER LINES TO THE SCHOOL ($7,500), AND BASIC MATERIALS FOR TEACHERS AND STUDENTS,

Part IV **Supplemental Information**

SUCH AS BOOKS AND BACKPACKS ($6,600).

SCHEDULE O (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization	Employer identification number
FRIENDS OF KANG YUN FOUNDATION	51-0579003

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

EDUCATIONAL FACILITIES, AND EDUCATIONAL ACTIVITIES PRIMARILY IN THE PEOPLE'S REPUBLIC OF CHINA AND ELSEWHERE THROUGHOUT THE WORLD.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

OF ALL DEVELOPING NATIONS. A BASIC LEVEL OF EDUCATIONAL ATTAINMENT (LITERACY, NUMERACY) EXPANDS FUTURE OPPORTUNITY AND BROADENS TECHNICAL HORIZONS, ENABLING MODERNIZATION, AND THUS IS A KEY FACTOR DETERMINING THE STANDARD OF LIVING OF IMPOVERISHED HOUSEHOLDS.

2. WHERE SUBSTANDARD EDUCATIONAL STANDARDS EXIST, PROGRAMMED DONATIONS, IN COLLABORATION WITH LOCAL EDUCATIONAL AUTHORITIES, WILL LEAD TO SIGNIFICANT AND SUSTAINABLE IMPROVEMENT.

3. THE ELIMINATION OF UNEQUAL STANDARDS IN PRIMARY EDUCATION CONTRIBUTES TO A MORE STABLE AND HARMONIOUS SOCIETY, REGARDLESS OF POLITICAL CONSIDERATIONS.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

THE PROJECT IS SCHEDULED TO BE COMPLETED IN APRIL, 2010.

HELPED FUND ($17,544) AN ONGOING KANG YUN FOUNDATION PROGRAM PROVIDING ANNUAL SCHOLARSHIPS TO 40 UNDERGRADUATES AT ZHEJIANG UNIVERSITY, CHINA. ALL OF THESE STUDENTS HAVE EMERGED FROM IMPOVERISHED, RURAL BACKGROUNDS, AND ARE ONLY ABLE TO AFFORD TUITION, ROOM AND BOARD THROUGH A COMBINATION OF SCHOLARSHIPS, FAMILY SAVINGS, AND PART-TIME EMPLOYMENT.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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2009
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Name of the organization: FRIENDS OF KANG YUN FOUNDATION
Employer identification number: 51-0579003

$450,000 IN FUNDS WERE PROVIDED TO CONSTRUCT THE LIBRARY AT THE NEW PINGBIAN HIGH SCHOOL, PINGBIAN COUNTY, YUNNAN, CHINA. PINGBIAN COUNTY IS ALSO LOCATED IN AN IMPOVERISHED, RURAL, AND MOUNTAINOUS AREA, WITH AN AVERAGE ANNUAL PER CAPITA INCOME OF AROUND $190. THE PREVIOUS HIGH SCHOOL, WHICH THE NEW PINGBIAN SENIOR HIGH SCHOOL REPLACES, WAS THE ONLY HIGH SCHOOL IN THE COUNTY, BUT WAS ABLE TO ACCOMODATE ONLY ABOUT 1000 STUDENTS, OR 15% OF THE GRADUATING JUNIOR HIGH SCHOOL CLASS. THE NEW SCHOOL TRIPLES THE SIZE OF THE STUDENT BODY, GIVING MANY MORE STUDENTS THE OPPORTUNITY TO BENEFIT FROM HIGH SCHOOL EDUCATION AND ALSO LAYING OUT THE PATH TO UNIVERSITY OR VOCATIONAL COLLEGE. THE LIBRARY IS NOW VIRTUALLY COMPLETE AND WILL BE OPEN TO INCOMING STUDENTS AT THE BEGINNING OF THE NEXT ACADEMIC YEAR.

HELPED FUND ($36,468) KANG YUN FOUNDATION'S TEACHING EXCELLENCE AWARDS PROGRAM, PINGBIAN COUNTY, CHINA, DESIGNED TO RECOGNIZE AND RETAIN EXCELLENT TEACHERS IN PINGBIAN COUNTY. AWARDS ARE BASED ON EXAM RESULTS OF INDIVIDUAL TEACHERS FORM PRIMARY, JUNIOR HIGH, AND SENIOR HIGH SCHOOLS.

HELPED FUND ($7,320) TEACHERS' PROJECTS WEBSITE, A PILOT PROGARM TO ENABLE PINGBIAN TEACHERS TO POST SMALL PROJECTS IN NEED OF CHARITABLE CONTRIBUTIONS. CLASSROOM ITEMS REQUESTED ARE MOSTLY EXTREMELY BASIC, SUCH AS PENS, PAPER, CARD, COMPASSES AND RULERS, AS WELL AS WINTER QUILTS AND MATTRESSES FOR BOARDING STUDENTS. SO FAR, OVER 150 PROJECTS HAVE BEEN COLLECTED.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

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Name of the organization	Employer identification number
FRIENDS OF KANG YUN FOUNDATION	51-0579003

HELPED DEFRAY ($2,500) GENERAL OPERATING EXPENSES OF KANG YUN FOUNDATION INCURRED DURING THE COURSE OF ITS CHARITABLE WORK, SUCH AS BANK FEES, SECRETARY AND AUDITOR FEE, AND OFFICE REGISTRATION FEES.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS
PARTIAL FUNDING OF POWER LINES TO THE SCHOOL ($7,500), AND BASIC MATERIALS FOR TEACHERS AND STUDENTS, SUCH AS BOOKS AND BACKPACKS ($6,600).

FOUR HUNDRED SUTDENTS ARE CURRENTLY ENROLLED AT THE COMPLETED ECOLE BON BERGER IN DOMOND, HAITI FOR THE 2009-2010 ACADEMIC YEAR. THESE STUDENTS ARE FROM SOME OF THE POOREST FAMILIES IN HAITI'S CENTRAL PLATEAU.

FORM 990, PART VI, SECTION A, LINE 2: THOMAS HSU AND CHRISTOPHER HSU ARE FATHER AND SON.

FORM 990, PART VI, SECTION A, LINE 8B: NO COMMITTEES.

FORM 990, PART VI, SECTION B, LINE 11: ELECTRONIC COPIES OF THE 990 ARE PROVIDED TO THE BOARD FOR ITS REVIEW PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: EXECUTIVE DIRECTOR MONITORS ALL TRANSACTIONS AND AGREEMENTS FOR ANY POTENTIAL, DIRECT OR INDIRECT FINANCIAL OR MATERIAL INTEREST HELD BY A DIRECTOR. MOREOVER, EACH DIRECTOR AND OFFICER OF THE FOUNDATION IS UNDER AN OBLIGATION TO DISCLOSE PROMPTLY ANY

SCHEDULE O (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990

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2009

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Name of the organization	Employer identification number
FRIENDS OF KANG YUN FOUNDATION	51-0579003

SUCH INTEREST. THE BOARD WILL THEN IMPLEMENT PROCEDURES, IN ACCORDANCE WITH THE CONFLICT OF INTEREST POLICY, TO DETERMINE WHETHER THE TRANSACTION IS IN THE BEST INTERESTS OF THE FOUNDATION, AND WHETHER THE FOUNDATION CAN OBTAIN A MORE ADVANTAGEOUS TRANSACTION THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST. THE DIRECTOR OR OFFICER WHO DISCLOSES THE INTEREST MAY MAKE A PRESENTATION TO THE BOARD, BUT MUST LEAVE THE MEETING DURING THE DISCUSSION OF, AND THE VOTE ON, THE TRANSACTION THAT GIVES RISE TO THE POTENTIAL CONFLICT OF INTEREST.

FORM 990, PART VI, SECTION C, LINE 19: COPIES OF GOVERNING DOCUMENTS, TAX RETURNS AND FINANCIAL STATEMENTS ARE KEPT ON SITE AT 806 E ST, S.E., WASHINGTON, DC, AND ARE AVAILABLE TO THE PUBLIC UPON REQUEST.