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## Return of Organization Exempt From Income Tax

2009

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

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

Open to Public Inspection

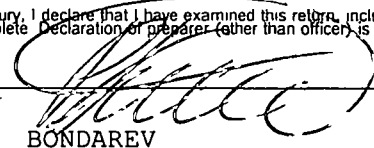
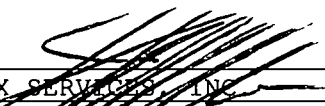
For the 2009 calendar year, or tax year beginning Jun 1, 2009, and ending May 31, 2010

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See specific instructions	<b>C</b> Name of organization CIS DEVELOPMENT FOUNDATION, INC.		<b>D</b> Employer identification number 22-3304404
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 77 MILLTOWN ROAD C8		<b>E</b> Telephone number (732) 432-7037
		City, town or country State ZIP code + 4 EAST BRUNSWICK NJ 08816		<b>G</b> Gross receipts \$ 54,443,006.
<b>F</b> Name and address of principal officer ALEXANDER BONDARE 8 STALLION DRIVE MANALAPAN NJ 07726		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list (see instructions)		
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( 3 ) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
<b>J</b> Website: <a href="http://www.cisdf.com">http://www.cisdf.com</a>				
<b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other <input type="checkbox"/>				
<b>L</b> Year of formation 1994 <b>M</b> State of legal domicile NJ				

## Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities <u>See below</u>			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets			
	3	Number of voting members of the governing body (Part VI, line 1a)	6	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	6	
	5	Total number of employees (Part V, line 2a)	2	
	6	Total number of volunteers (estimate if necessary)	0	
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	0.	
	b	Net unrelated business taxable income from Form 990-T, line 34		
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	49,045,294.	54,442,686.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	31.	320.
	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)	49,045,325.	54,443,006.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	47,480,967.	54,203,694.
	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)	116,255.	128,874.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 231,261.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,111,710.	993,760.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	48,708,932.	55,326,328.
19	Revenue less expenses. Subtract line 18 from line 12	336,393.	-883,322.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year	End of Year
	21	Total liabilities (Part X, line 26)	6,799,467.	5,899,242.
	22	Net assets or fund balances. Subtract line 21 from line 20	90,939.	74,036.

## Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.		
	Signature of officer  Rose BONDAREV type or print name and title	Date	2/3/11
Paid Preparer's Use Only	Preparer's signature  Firm's name (or yours if self-employed), address, and ZIP + 4 PROTAX SERVICES, INC. 40 RECTOR STREET SUITE 1502 NEW YORK NY 10006	Date	Check if self-employed <input type="checkbox"/> Preparer's identifying number (see instructions) EIN ▶ (212) 587-0960

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

BAA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

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**Part III** Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

See below

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.

4a (Code ) (Expenses \$ 55,326,328. including grants of \$ 0.) (Revenue \$ 0.)

The foundation provides charitable aid to citizens and organizations of the C.I.S. The goal is to aid in the development of the C.I.S. by providing them with equipment, household items, clothing, etc. as well as provide C.I.S.'s enterprises with industrial

4b (Code ) (Expenses \$ 0. including grants of \$ 0.) (Revenue \$ 0.)

equipment and technologies. The organization distributes donations to schools, hospitals and the poor people of the C.I.S.

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 ▶ 55,326,328.

**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	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	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		X
4 <b>Section 501(c)(3) organizations</b> Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		X
5 <b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III		
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		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		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		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		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		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	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 statement for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
12A Was the organization included in consolidated, independent audited financial statement for the tax year? If 'Yes,' completing Schedule D, Parts XI, XII, and XIII is optional	Yes	No
12 A	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		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		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		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		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		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		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		X
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>21</b> 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? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		X
<b>22</b> 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? <i>If 'Yes,' complete Schedule I, Parts I and III</i>		X
<b>23</b> 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? <i>If 'Yes,' complete Schedule J</i>		X
<b>24a</b> 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, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>24d</b> Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		X
<b>25b</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? <i>If 'Yes,' complete Schedule L, Part I</i>		X
<b>26</b> 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? <i>If 'Yes,' complete Schedule L, Part II</i>		X
<b>27</b> 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? <i>If 'Yes,' complete Schedule L, Part III</i>		X
<b>28</b> 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)		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
<b>28b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
<b>28c</b> 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? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>	X	
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
<b>35</b> Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
<b>37</b> 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? <i>If 'Yes,' complete Schedule R, Part VI</i>		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	X	

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Form 990 (2009)

**Part V** Statements Regarding Other IRS Filings and Tax Compliance

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

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Form 990 (2009)

**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
<b>1a</b> Enter the number of voting members of the governing body		
<b>1b</b> Enter the number of voting members that are independent		
<b>2</b> 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?	X	
<b>3</b> 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?		X
<b>4</b> Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
<b>5</b> Did the organization become aware during the year of a material diversion of the organization's assets?		X
<b>6</b> Does the organization have members or stockholders?		X
<b>7a</b> Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
<b>7b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body?	X	
<b>b</b> Each committee with authority to act on behalf of the governing body?		X
<b>9</b> Is there any officer, director or 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		X

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

	Yes	No
<b>10a</b> Does the organization have local chapters, branches, or affiliates?		X
<b>b</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?		
<b>11</b> Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>11A</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990		
<b>12a</b> Does the organization have a written conflict of interest policy? If 'No,' go to line 13		X
<b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
<b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done		
<b>13</b> Does the organization have a written whistleblower policy?		X
<b>14</b> Does the organization have a written document retention and destruction policy?		X
<b>15</b> 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?		
<b>a</b> The organization's CEO, Executive Director, or top management official		X
<b>b</b> Other officers of key employees of the organization		X
If 'Yes' to line 15a or 15b, describe the process in Schedule O (See instructions)		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>b</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?		

**Section C. Disclosures**

**17** List the states with which a copy of this Form 990 is required to be filed ▶ New Jersey

**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  
 ▶ Ilya Bykov    40 Rector Street, Suite 1502, New York    NY    10006    (212) 587-0960

**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 employees.'
- 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 all of the organization's **current** key employees See instructions for definition of 'key employees '

- 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

[illegible]

<b>Part VII</b>	<b>Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees</b> <i>(cont.)</i>
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[illegible]

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 ▶

	Yes	No
3 Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If 'Yes,' complete Schedule J for such individual</i>	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? <i>If 'Yes' complete Schedule J for such individual</i>	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If 'Yes,' complete Schedule J for such person</i>	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

[illegible]

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 ▶

**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
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	<b>1 a</b> Federated campaigns	<b>1 a</b>				
	<b>b</b> Membership dues	<b>1 b</b>				
	<b>c</b> Fundraising events	<b>1 c</b>				
	<b>d</b> Related organizations	<b>1 d</b>				
	<b>e</b> Government grants (contributions)	<b>1 e</b>				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1 f</b> 54,442,686.				
	<b>g</b> Noncash contribns included in lns 1a-1f	\$ 53,121,039.				
<b>h Total.</b> Add lines 1a-1f			54,442,686.			
<b>PROGRAM SERVICE REVENUE</b>	<b>Business Code</b>					
	<b>2 a</b> _____					
	<b>b</b> _____					
	<b>c</b> _____					
	<b>d</b> _____					
	<b>e</b> _____					
	<b>f</b> All other program service revenue					
<b>g Total.</b> Add lines 2a-2f						
<b>OTHER REVENUE</b>	<b>3</b> Investment income (including dividends, interest and other similar amounts)		320.	320.	0.	0.
	<b>4</b> Income from investment of tax-exempt bond proceeds					
	<b>5</b> Royalties					
	<b>6 a</b> Gross Rents					
	<b>b</b> Less rental expenses					
	<b>c</b> Rental income or (loss)					
	<b>d</b> Net rental income or (loss)					
	<b>7 a</b> Gross amount from sales of assets other than inventory					
	<b>b</b> Less cost or other basis and sales expenses					
	<b>c</b> Gain or (loss)					
	<b>d</b> Net gain or (loss)					
	<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18					
	<b>b</b> Less direct expenses					
	<b>c</b> Net income or (loss) from fundraising events					
	<b>9 a</b> Gross income from gaming activities See Part IV, line 19					
	<b>b</b> Less direct expenses					
	<b>c</b> Net income or (loss) from gaming activities					
<b>10 a</b> Gross sales of inventory, less returns and allowances						
<b>b</b> Less cost of goods sold						
<b>c</b> Net income or (loss) from sales of inventory						
<b>Miscellaneous Revenue</b>		<b>Business Code</b>				
<b>11 a</b> _____						
<b>b</b> _____						
<b>c</b> _____						
<b>d</b> All other revenue						
<b>e Total.</b> Add lines 11a-11d						
<b>12 Total revenue.</b> See instructions			54,443,006.	320.	0.	0.

**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				
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	54,203,694.	54,203,694.		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	117,500.	58,750.	29,375.	29,375.
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	11,374.	6,824.	2,275.	2,275.
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Prof fundraising svcs. See Part IV, ln 17				
f Investment management fees				
g Other	25,303.	25,303.	0.	0.
12 Advertising and promotion				
13 Office expenses	10,396.	6,238.	2,079.	2,079.
14 Information technology				
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	1,888.	1,888.	0.	0.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,479.	3,887.	1,296.	1,296.
23 Insurance				
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 Automobile Expense	13,346.	8,008.	2,669.	2,669.
b				
c Insurance	30,450.	18,270.	6,090.	6,090.
d Outside Services	15,485.	0.	15,485.	0.
e Repairs: Other	347.	90.	0.	257.
f All other expenses	890,066.	700,039.	2,807.	187,220.
25 Total functional expenses. Add lines 1 through 24f	55,326,328.	55,032,991.	62,076.	231,261.
26 Joint costs. Check here <input type="checkbox"/> 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
<b>ASSETS</b>	1 Cash – non-interest-bearing	957.	1	192,224.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	0.	4	0.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	9,473.	5	0.
	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	6,774,192.	8	5,691,537.
	9 Prepaid expenses and deferred charges	338.	9	2,611.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 85,612.		
	b Less accumulated depreciation	10b 74,031.	10c	11,581.
	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	1,289.	15	1,289.
16 <b>Total assets</b> Add lines 1 through 15 (must equal line 34)	6,799,467.	16	5,899,242.	
<b>LIABILITIES</b>	17 Accounts payable and accrued expenses	90,939.	17	74,036.
	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 <b>Total liabilities.</b> Add lines 17 through 25	90,939.	26	74,036.
<b>NET ASSETS OR FUND BALANCES</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29 and lines 33 and 34.</b>			
	27 Unrestricted net assets	-65,664.	27	133,669.
	28 Temporarily restricted net assets	6,774,192.	28	5,691,537.
	29 Permanently restricted net assets		29	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, and equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 <b>Total net assets or fund balances</b>	6,708,528.	33	5,825,206.
	34 <b>Total liabilities and net assets/fund balances</b>	6,799,467.	34	5,899,242.

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Form 990 (2009)

**Part XI Financial Statements and Reporting**

1 Accounting method used to prepare the Form 990 ☐ 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?

b Were the organization's financial statements audited by an independent accountant?

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?

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?

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

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

BAA

Form 990 (2009)



**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
<b>1</b> Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants'.)						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.						
<b>3</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.						
<b>4 Total.</b> Add lines 1-through 3.						
<b>5</b> 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).						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
<b>7</b> Amounts from line 4.						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on.						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets. (Explain in Part IV.)						
<b>11 Total support.</b> Add lines 7 through 10.						
<b>12</b> Gross receipts from related activities, etc. (see instructions)					<b>12</b>	
<b>13 First five years.</b> 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. ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	<b>14</b>	%
<b>15</b> Public support percentage from 2008 Schedule A, Part II, line 14	<b>15</b>	%
<b>16a 33-1/3 support test – 2009.</b> If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
<b>b 33-1/3 support test – 2008.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
<b>17a 10%-facts-and-circumstances test – 2009.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
<b>b 10%-facts-and-circumstances test – 2008.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ▶ <input type="checkbox"/>		

**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 yr 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 "unusual grants.")	34,127,908.	23,933,615.	39,307,162.	49,045,294.	54,442,686.	200,856,665.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a 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 <b>Total.</b> Add lines 1 through 5	34,127,908.	23,933,615.	39,307,162.	49,045,294.	54,442,686.	200,856,665.
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 <b>Public support</b> (Subtract line 7c from line 6.)						200,856,665.

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6	34,127,908.	23,933,615.	39,307,162.	49,045,294.	54,442,686.	200,856,665.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources				31.	320.	351.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b				31.	320.	351.
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 <b>Total support.</b> (add lns 9, 10c, 11, and 12.)						200,857,016.
14 <b>First five years.</b> 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. ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	100.00 %
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	100.00 %

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	0.00 %
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	0.00 %

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 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. ▶ ☐

**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

[illegible]

**SCHEDULE D  
(Form 990)**Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Financial Statements**

- Complete if the organization answered 'Yes,' to Form 990,  
Part IV, lines 6, 7, 8, 9, 10, 11, or 12.  
► Attach to Form 990. ► See separate instructions

OMB No 1545 0047

**2009****Open to Public  
Inspection**

Employer identification number

CIS DEVELOPMENT FOUNDATION, INC.

22-3304404

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts** Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or for any other purpose conferring impermissible private benefit??		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements** Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easement it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition  
 b ☐ Scholarly research  
 c ☐ Preservation for future generations  
 d ☐ Loan or exchange programs  
 e ☐ Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements** Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table

- c Beginning balance  
 d Additions during the year  
 e Distributions during the year  
 f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV

**Part V Endowment Funds** Complete if organization answered 'Yes' to Form 990, Part IV, line 10.

1a Beginning of year balance

b Contributions

c Net Investment earnings, gains, and losses

d Grants or scholarships

e Other expenditures for facilities and programs

f Administrative expenses

g End of year balance

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a					
b					
c					
d					
e					
f					
g					

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ▶ \_\_\_\_\_ %

b Permanent endowment ▶ \_\_\_\_\_ %

c Term endowment ▶ \_\_\_\_\_ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

b If 'Yes' to 3a(i), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

**Part VI Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated Depreciation	(d) Book Value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		85,612.	74,031.	11,581.
e Other				

**Total.** Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c) ) ▶ 11,581.

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Schedule D (Form 990) 2009



**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	54,443,006.
2	Total expenses (Form 990, Part IX, column (A), line 25)	55,326,328.
3	Excess or (deficit) for the year Subtract line 2 from line 1	-883,322.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4 through 8	
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	-883,322.

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	54,443,006.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	54,443,006.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	54,443,006.

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements	1	55,326,328.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	55,326,328.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	55,326,328.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

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**Part XIV** Supplemental Information *(continued)*

Area with horizontal dashed lines for supplemental information.

**SCHEDULE M  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Noncash Contributions**

► **Complete if the organizations answered 'Yes'**  
on Form 990, Part IV, lines 29 or 30.  
► **Attach to Form 990.**

OMB No 1545 0047

**2009**

**Open To Public  
Inspection**

Name of the organization

CIS DEVELOPMENT FOUNDATION, INC.

Employer identification number

22-3304404

**Part I Types of Property**

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		53,121,039.	fair market
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution— Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► ( )				
26 Other ► ( )				
27 Other ► ( )				
28 Other ► ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If 'Yes,' describe the arrangement in Part II

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If 'Yes,' describe in Part II

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II

	Yes	No
30a		X
31		X
32a		X
33		

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

Schedule M (Form 990) 2009

**Part II** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

This image shows a full page of handwriting practice paper. It features 20 evenly spaced, horizontal dashed lines across the entire width of the page. The background is plain white, providing a clear guide for letter height and placement. There are no margins, text, or other markings present.

**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

CIS DEVELOPMENT FOUNDATION, INC.

Employer identification number

22-3304404

Pt III, Line 2 Management reviews and submits approval

Form **4562**Department of the Treasury  
Internal Revenue Service (99)**Depreciation and Amortization**  
**(Including Information on Listed Property)**

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

OMB No 1545 0172

**2009**Attachment  
Sequence No **67**

Name(s) shown on return

CIS DEVELOPMENT FOUNDATION, INC.

Identifying number

22-3304404

Business or activity to which this form relates

Form 990 / Form 990EZ

**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I

1	Maximum amount See the instructions for a higher limit for certain businesses	1	\$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	\$800,000.
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0- If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 12 ▶	13	

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	312.

**Part III MACRS Depreciation (Do not include listed property) (See instructions)****Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	1,117.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

**Section B - Assets Placed in Service During 2009 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		3,908.	5.0 yrs	HY	200 DB	781.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

**Section C - Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System**

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

**Part IV Summary (See instructions)**

21	Listed property Enter amount from line 28	21	4,269.
22	Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instructions	22	6,479.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

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

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

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

<b>24a</b> Do you have evidence to support the business/investment use claimed?					<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<b>24b</b> If 'Yes,' is the evidence written?			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)								<b>25</b>			
<b>26</b> Property used more than 50% in a qualified business use											
TRANSPORTATION EQUIP	01/01/08	100.00	22,238.	22,238.	5.00	200 DB-HY	4,269.				
<b>27</b> Property used 50% or less in a qualified business use											
<b>28</b> Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								<b>28</b>	4,269.		
<b>29</b> Add amounts in column (i), line 26. Enter here and on line 7, page 1								<b>29</b>			

**Section B – Information on Use of Vehicles**

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

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
<b>30</b> Total business/investment miles driven during the year (do not include commuting miles)												
<b>31</b> Total commuting miles driven during the year												
<b>32</b> Total other personal (noncommuting) miles driven												
<b>33</b> Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>34</b> Was the vehicle available for personal use during off-duty hours?												
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person?												
<b>36</b> Is another vehicle available for personal use?												

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

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

<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.		
<b>39</b> Do you treat all use of vehicles by employees as personal use?		
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

**Note:** If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
<b>42</b> Amortization of costs that begins during your 2009 tax year (see instructions)						
<b>43</b> Amortization of costs that began before your 2009 tax year					<b>43</b>	0.
<b>44</b> Total. Add amounts in column (f). See the instructions for where to report.					<b>44</b>	0.

**FINANCIAL STATEMENTS  
OF  
C.I.S. DEVELOPMENT  
FOUNDATION, INC.  
MAY 31, 2010**

**C.I.S. DEVELOPMENT FOUNDATION, INC.**  
**TABLE OF CONTENTS**  
**MAY 31, 2010**

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Statement of Financial Position	2
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Statement of Cash Flows	5
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Suite B-107  
Clifton, New Jersey 07013  
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**Kotulak & Company, PC**

*Certified Public Accountants*  
Information Consultants

**Thomas M. Kotulak, CPA, Personal Financial Specialist**

**[www.kotulakcpa.com](http://www.kotulakcpa.com)**

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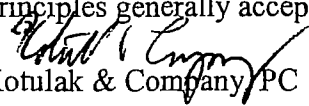
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
C.I.S. Development Foundation, Inc.  
77 Milltown Road, Suite 8C  
East Brunswick, NJ 08816

We have audited the accompanying statement of financial position of C.I.S. Development Foundation, Inc. (a nonprofit organization) as of May 31, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of C.I.S. Development Foundation, Inc. as of May 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

  
Kotulak & Company, PC

Clifton, NJ  
January 4, 2011

**CIS Development Foundation, Inc.**  
**Statement of Financial Position**  
**May 31, 2010**

	<b>Total Net Assets</b>	<b>Unrestricted Net Assets</b>	<b>Temporarily Restricted Net Assets</b>	<b>Permanently Restricted Net Assets</b>
<b><u>ASSETS</u></b>				
<b><u>CURRENT ASSETS</u></b>				
Cash & Cash Equivalents	\$ 192,224	\$ 192,224	\$ -	\$ -
Prepaid Insurance	2,611	2,611	-	-
<b><u>TOTAL CURRENT ASSETS</u></b>	<b><u>194,835</u></b>	<b><u>194,835</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>PROPERTY AND EQUIPMENT</u></b>				
Property and Equipment net of Accumulated Depreciation of \$115,663	11,581	11,581	-	-
Inventory of Donated Property	5,691,537	-	5,691,537	-
Security Deposits	1,289	1,289	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 5,899,242</u></b>	<b><u>\$ 207,705</u></b>	<b><u>\$ 5,691,537</u></b>	<b><u>\$ -</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
<b><u>CURRENT LIABILITIES</u></b>				
Accrued Expenses	\$ 59,893	\$ 59,893	\$ -	\$ -
Accounts Payable	12,168	12,168	-	-
Payroll Taxes Payable	1,975	1,975	-	-
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b><u>74,036</u></b>	<b><u>74,036</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>NET ASSETS</u></b>				
Unrestricted	133,669	133,669	-	-
Temporarily Restricted	5,691,537	-	5,691,537	-
Permanently Restricted	-	-	-	-
<b>Total Net Assets</b>	<b><u>5,825,206</u></b>	<b><u>133,669</u></b>	<b><u>5,691,537</u></b>	<b><u>-</u></b>
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<b><u>\$ 5,899,242</u></b>	<b><u>\$ 207,705</u></b>	<b><u>\$ 5,691,537</u></b>	<b><u>\$ -</u></b>

**CIS Development Foundation, Inc.**  
**Statement of Activities**  
**For the Year Ended May 31, 2010**

	<b>Total Net Assets</b>	<b>Unrestricted Net Assets</b>	<b>Temporarily Restricted Net Assets</b>	<b>Permanently Restricted Net Assets</b>
<b><u>REVENUE AND SUPPORT</u></b>				
Non Cash Contributions	\$ 53,121,039	\$ -	\$ 53,121,039	\$ -
Cash Contributions	1,321,647	1,321,647	-	-
Interest	320	320	-	-
Net Assets Released From Restrictions	-	54,203,694	(54,203,694)	-
<b><u>TOTAL REVENUE AND SUPPORT</u></b>	<b>54,443,006</b>	<b>55,525,661</b>	<b>(1,082,655)</b>	<b>-</b>
<b><u>EXPENSES</u></b>				
Program Services	55,153,144	55,153,144	-	-
Management and General	89,285	89,285	-	-
Fund Raising	83,899	83,899	-	-
<b><u>TOTAL EXPENSES</u></b>	<b>55,326,328</b>	<b>55,326,328</b>	<b>-</b>	<b>-</b>
<b><u>CHANGE IN NET ASSETS</u></b>	<b>(883,322)</b>	<b>199,333</b>	<b>(1,082,655)</b>	<b>-</b>
<b><u>NET ASSETS AT BEGINNING OF YEAR</u></b>	<b>6,708,528</b>	<b>(65,664)</b>	<b>6,774,192</b>	<b>-</b>
<b><u>NET ASSETS AT END OF YEAR</u></b>	<b>\$ 5,825,206</b>	<b>\$ 133,669</b>	<b>\$ 5,691,537</b>	<b>\$ -</b>

**CIS Development Foundation, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended May 31, 2010**

	Program	Management and General	Fund Raising	Total
Assistance to Institutions	\$ 54,203,694	\$ -	\$ -	\$ 54,203,694
General fees for donated property admin	254,799 ✓	-	-	254,799
Shipping Fees	436,818 ✓	-	-	436,818 ✓
Depreciation	3,887 ✓	1,296 ✓	1,296 ✓	6,479 ✓
Outside Services	-	15,485 ✓	-	15,485 ✓
Officers' Salaries	58,750 ✓	29,375 ✓	29,375 ✓	117,500 ✓
Automobile Expense	8,008 ✓	2,669 ✓	2,669 ✓	13,346 ✓
Interest & Bank Charges	-	1,888 ✓	-	1,888 ✓
Professional Fees	-	25,303 ✓	-	25,303 ✓
Rent:				
Office	10,753 ✓	-	-	10,753 ✓
Warehouse	136,370 ✓	-	-	136,370 ✓
Repairs	257 ✓	-	-	257 ✓
Telephone	6,607 ✓	2,202 ✓	2,202 ✓	11,011 ✓
Business Development:				
Lodging	-	-	19,948 ✓	19,948 ✓
Meals	-	-	12,046 ✓	12,046 ✓
Air Fares	-	-	5,296 ✓	5,296 ✓
Office Expense	6,238 ✓	2,079 ✓	2,079 ✓	10,396 ✓
Payroll Taxes	6,824 ✓	2,275 ✓	2,275 ✓	11,374 ✓
Advertising & Promotion	54 ✓	18 ✓	18 ✓	90 ✓
Postage & Delivery	1,815 ✓	605 ✓	605 ✓	3,025 ✓
Insurance	18,270 ✓	6,090 ✓	6,090 ✓	30,450 ✓
Total Expenses	<u>\$ 55,153,144</u>	<u>\$ 89,285</u>	<u>\$ 83,899</u>	<u>\$ 55,326,328</u>

**CIS Development Foundation, Inc.**  
**Statement of Cash Flows**  
**For the Year Ending May 31, 2010**

Cash flows from operating activities:

Excess (deficit) of support and revenue over expenses		\$ (883,322)
Adjustments to reconcile support and revenue over expenses to cash provided by operating activities:		
Depreciation	\$ 6,479	
(Increase) decrease in prepaid insurance	(2,273)	
(Increase) decrease in inventory of donated property	1,082,655	
Increase (decrease) in accrued expenses	(20,596)	
Increase (decrease) in accounts payable	1,962	
Increase (decrease) in payroll taxes payable	<u>1,731</u>	
Total adjustments		<u>1,069,958</u>
Net cash provided by (used in) operating activities		186,636

Cash flows provided by (used in) investing activities:

Purchase of equipment	<u>(4,842)</u>	
Net cash provided by (used in) investing activities		(4,842)

Cash flows provided by (used in) financing activities:

Payments received from (advanced to) officer	<u>9,473</u>	
Net cash provided by (used in) financing activities		<u>9,473</u>

Net increase (decrease) in cash	191,267
Cash - beginning of period	<u>957</u>
Cash - end of period	<u><u>\$ 192,224</u></u>

Supplemental disclosures of cash flow information:

Cash paid during the period for:

Interest	\$ 160
Income taxes	\$ -

**CIS DEVELOPMENT FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2010**

**Note 1 – Organization**

C.I.S. Development Foundation, Inc. (the “Organization”) was incorporated on December 21, 1994 under the laws of the State of New Jersey as a nonprofit organization. The Organization’s primary purpose is to provide charitable aid to citizens and organizations of the Commonwealth of Independent States (C.I.S.) and other former USSR republics. The mission of the Organization is to help in the development of the C.I.S.’s republics by providing them with computers, office equipment, appliances, household items, clothing, etc. The Organization is awarded property from various organizations and receives cash contributions from various individuals and entities.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Financial Statements**

The Organization maintains its accounting books of account on the accrual basis of accounting.

**Adoption of Accounting Standards**

In accordance with the Generally Accepted Accounting Policies, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets are the portions of net assets of a not-for-profit organization that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

Temporarily restricted net assets are the portions of the net assets of a not-for profit organization resulting from (a) contributions and other inflows of assets the use of which is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Organization or (b) reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations expired by the passage of time or fulfilled and removed by actions of the Organization pursuant to those stipulations.

Permanently restricted net assets are the parts of the net assets of a not-for-profit organization resulting from (a) contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by the passage of time nor can be

**CIS DEVELOPMENT FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2010**

fulfilled or otherwise removed by actions of the Organization, or (b) reclassifications from (or to) other classes of net assets as a consequence of donor imposed stipulations.

Restricted net assets are recorded as unrestricted net assets when those restrictions are satisfied in the same reporting period in which the contributions are received. This policy is followed consistently for all such contributions.

Functional Expenses

Generally Accepted Accounting Policies also requires segregation of expenses by functional classification. The Organization classifies expenses not directly related to the provision of program services as general & administrative expenses and fundraising expenses. The costs of providing the program and other activities have been summarized on a functional basis.

Income Taxes

Income taxes are not provided for in the financial statements since the Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3), and the Organization has been determined not to be a private foundation within the meaning of Internal Revenue Code Section 509(a).

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments available for current use with an initial maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment

The Organization records property and equipment at cost depreciated over their useful lives. Repairs that do not materially extend the lives of assets are expensed as incurred. Depreciation is recorded both on furniture & fixtures with a useful life of seven years and on equipment with a useful life of five years both utilizing the double-declining method. Depreciation is provided for software and hardware using the straight-line method with a useful life of three years. The tax method of depreciation is used which approximates GAAP. The Organization's capitalization policy is to capitalize expenditures equaling or greater than \$1,000.

**CIS DEVELOPMENT FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2010**

Revenue Recognition

The Organization recognizes contribution income for non-cash contributions (donated property) in the period they are awarded. The Organization also fully expenses the shipment of donated property on the day the shipment leaves a U.S. port en route to a recipient organization.

Inventory of Donated Property

The Organization values donated property according to appraisals made available by donors at the time of their donation. Management reviews the donated property for impairment when received and during storage for any damaged or obsolescent items. The major classes of donated property as of May 31, 2010 include: clothing, household items, cleaning supplies, personal care, and medical supplies. The donated property has donor imposed restrictions. See Note 5.

Shipping, Administrative, and Handling Fees

Shipping, administrative, and handling fees are classified as program services expenditures when incurred. The Organization incurs these expenses as it receives, stores in rented warehouse, and ships to recipient organizations its awarded donated property.

Note 3 – Property and Equipment

Property and equipment at May 31, 2010 consisted of the following:

Furniture & Fixtures	\$ 16,611
Equipment	46,763
Transportation Equipment	22,238
Organization Costs	330
Software/hardware	<u>41,302</u>
Total Gross Assets	\$127,244
Less: Accumulated Depreciation	<u>115,663</u>
Total Net Assets	\$ 11,581

Note 4 – Commitments

The Organization rents space at a warehouse on a month-to-month basis with the monthly rent amount calculated as a percentage of monthly inventory pallet volume. The monthly rent varies according to the change in the monthly volume.

The Organization leases office space at 77 Milltown Road, East Brunswick, NJ. The current lease agreement is for a one-year term ending July 31, 2010 with a monthly lease payment of \$901. Subsequent to May 31, 2010, the Organization re-entered into the lease agreement for a one-year term ending July 31, 2011 with the same monthly lease payment.

**CIS DEVELOPMENT FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2010**

**Note 5 – Temporarily Restricted Net Assets**

The Organization has entered into agreements with its various donors in which temporary restrictions are imposed by those various donors on the non-cash contributions consisting of donated property. The Organization's donated property has donor imposed temporary restrictions as follows: (1) the donated goods will be used solely for the care of the ill, needy or youth and the use of the goods must be related to the purpose of the Organization; (2) the Organization must not promote religious faith as one of its explicit goals and must not have the nomination or election of candidates to political office as an explicit purpose; (3) the goods cannot be transferred in exchange for money, property, or other services and goods cannot be used for fundraisers, raffles or auctions, sold in retail stores or flea markets; (4) and the Organization agrees to provide upon request complete substantiation of its distribution of all product donations and agrees to maintain adequate books and records of these donations.

The Organization recognizes the release of the donor-imposed restrictions on the date when the donated property is shipped from a U.S. port en route to a recipient organization.

If the Organization uses the donated goods for purposes other than intended by the donor, the Organization is subject to removal from the program and is subject to be required to return all such donated goods to the donors.

Also, the Organization receives cash donations from various individual and entity donors, in which temporary restrictions are imposed. These donors may restrict their donations to be used to pay for shipping costs for shipments to only certain regions of the world. These funds were fully expensed and; therefore, these temporary restrictions were released within the same period from when the donations were received by the Organization.

Temporarily restricted net assets as of May 31, 2010 are available for the following purposes:

Awarding of donated property to recipients	\$5,691,537
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As of May 31, 2010, net assets were released from donor-imposed restrictions by incurring expenses satisfying the purposes or time restrictions specified by donors as follows:

Shipment of donated goods to recipients	\$54,203,694
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**Note 6 – Concentrations**

The Organization does receive approximately 98% of its revenue and support as non-cash contributions in the form of donated property to be disbursed according to the donor restrictions.

**CIS DEVELOPMENT FOUNDATION, INC.**  
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The Organization does have a concentration in the volume of donated property it receives from its various donors. The Organizations top three contributors donated the following approximations of all the non-cash contributions received:

Top Contributor	41%
Second Top Contributor	30%
Third Top Contributor	12%

The Organization predominantly ships its donated property to the countries of Russia and the Baltic region. The Organization also has a concentration in the volume of donated property it ships to its various recipient organizations as part of its program activities. The Organizations top three recipients received the following approximations of all non-cash contributions donated:

Top Recipient	8%
Second Top Recipient	7%
Third Top Recipient	7%