



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form 990

OMB No 1545 0047

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)

2011

Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

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

A For the 2011 calendar year, or tax year beginning , 2011, and ending

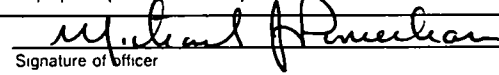
B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending		C Coffee Quality Institute (formerly Specialty Coffee Institute) 330 Golden Shore #50 Long Beach, CA 90802-4247		D Employer Identification Number 33-0702576
				E Telephone number (562) 624-4190
				G Gross receipts \$ 1,233,608.
		F Name and address of principal officer Same As C Above		H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☒ No If 'No,' attach a list (see instructions)
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () (insert no) ☐ 4947(a)(1) or ☐ 527		J Website: www.coffeeinstitute.org		
K Form of organization ☐ Corporation ☒ Trust ☐ Association ☐ Other		L Year of Formation 1996		M State of legal domicile CA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Charitable, educational and scientific. COI works internationally to improve coffee quality and the lives of the people who produce it.</u>		
	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)	14
	4	Number of independent voting members of the governing body (Part VI, line 1b)	14
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	4
	6	Total number of volunteers (estimate if necessary)	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 1,013,470. Current Year: 716,758.
	9	Program service revenue (Part VIII, line 2g)	227,967. 239,234.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	83,303. 277,616.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,324,740. 1,233,608.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	
	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)	287,104. 323,083.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	
	16b	Total fundraising expenses (Part IX, column (D), line 25) <u>20,625.</u>	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,045,338. 898,007.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	1,332,442. 1,221,090.
19	Revenue less expenses Subtract line 18 from line 12	-7,702. 12,518.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year: 215,536. End of Year: 381,146.
	21	Total liabilities (Part X, line 26)	161,206. 314,298.
	22	Net assets or fund balances Subtract line 21 from line 20	54,330. 66,848.

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		11-05-12 Date	
	Michael J. Pomerleau, CPA Type or print name and title		Director of Finance	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed PTIN
	Michael J. Pomerleau, CPA	Michael J. Pomerleau, CPA	11-05-12	P00335994
	Firm's name <u>Michael J. Pomerleau, CPA</u>	Firm's EIN <u>87-0748313</u>		Phone no <u>(949) 233-6615</u>
	Firm's address <u>P.O. Box 8626</u>			
	<u>Newport Beach, CA 92658-8626</u>			

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

☒ Yes ☐ No

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

TEEA0113L 08/18/11

Form 990 (2011)

617 15

SCANNED DEC 6 2012

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

Charitable, educational and scientific: CQI works internationally to improve coffee
quality and the lives of the people who produce it.

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 organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 737,514. including grants of \$) (Revenue \$ 958,692.)

To educate, train, and certify coffee industry personnel; coordinate research;
develop, test, and certify products and services for the coffee industry.

4b (Code: ☐) (Expenses \$ including grants of \$) (Revenue \$)**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 737,514.

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 (see instructions)?	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 Section 501(c)(3) organizations Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which 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 temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	X	
b 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		X
c 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		X
d 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	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X	X	
f 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 (ASC 740)? If 'Yes,' complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		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, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV		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, Parts II and IV		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, Parts III and IV		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 (see instructions)		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
20a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

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? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		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? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		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? <i>If 'Yes,' complete Schedule J</i>		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, 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
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
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? <i>If 'Yes,' complete Schedule L, Part I</i>		X
25b 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
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? <i>If 'Yes,' complete Schedule L, Part II</i>	X	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III</i>		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)		
28a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
28b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>		X
30 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
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
32 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
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? <i>If 'Yes,' complete Schedule R, Part I</i>		X
34 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	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. 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
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? <i>If 'Yes,' complete Schedule R, Part VI</i>		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	X	

BAA

Form 990 (2011)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	17	
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X
2 a	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.	4	
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		X
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3 b	If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.		
4 a	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)? If 'Yes,' enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		X
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
6 a	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
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7 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?		X
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year.		
7 e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7 h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
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?		
9	Sponsoring organizations maintaining donor advised funds.		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10 a	Initiation fees and capital contributions included on Part VIII, line 12.		
10 b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter:		
11 a	Gross income from members or shareholders.		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13 a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
13 b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		
13 c	Enter the amount of reserves on hand.		
14 a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14 b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O.		

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.

Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1 a Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	14	
1 b Enter the number of voting members included in line 1a, above, who are independent.	14	
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 governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7 a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?	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 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. See Schedule O.	9	X

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

	Yes	No
10 a Did the organization have local chapters, branches, or affiliates?	10a	X
b If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11 a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O.		
12 a Did the organization have a written conflict of interest policy? If 'No,' go to line 13.	12a	X
b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done. See Schedule O.	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did 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. See Schedule O.	15a	X
b Other officers of key employees of the organization. See Schedule O.	15b	X
If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16 a 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,' did the organization follow 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. CA
- 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 during the tax year. See Schedule O.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization.
- Michael J Pomerleau 330 Golden Shore, Ste 50 Long Beach CA 90802-4247 (562) 624-4190

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**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

- 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, if any. 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 neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Ted R. Lingle Exec Director	40	X						110,000.	0.	0.
(2) David M. Roche Tech Director	40	X						88,000.	0.	0.
(3) Colman E. Cuff Chairman	2	X						0.	0.	0.
(4) Herbert De Sola Guatemala	2	X						0.	0.	0.
(5) David Boyd Secretary	2	X						0.	0.	0.
(6) Bridget Carrington Trustee	1	X						0.	0.	0.
(7) Eduardo Esteve Trustee	1	X						0.	0.	0.
(8) Craig Holt Trustee	1	X						0.	0.	0.
(9) Felipe Isaza Trustee	1	X						0.	0.	0.
(10) Arnoldo Leiva Trustee	1	X						0.	0.	0.
(11) Bruce Mullins Trustee	1	X						0.	0.	0.
(12) Juan Esteban Orduz Trustee	1	X						0.	0.	0.
(13) Ellen Jordan Reidy Trustee	1	X						0.	0.	0.
(14) Ric Rhinehart Trustee	1	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) Ellen M. Rogers Trustee	1	X						0.	0.	0.
(16) Philip Schluter Trustee	1	X						0.	0.	0.
(17) _____										
(18) _____										
(19) _____										
(20) _____										
(21) _____										
(22) _____										
(23) _____										
(24) _____										
(25) _____										
1 b Sub-total								198,000.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								198,000.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 1**

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

	Yes	No
3		X
4		X
5		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

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If 'Yes,' complete Schedule J for such person

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. Report compensation for the calendar year ending with or within the organization's tax year

(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	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e 706,697.				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f 10,061.				
	g Noncash contributions included in lns 1a-1f \$					
	h Total. Add lines 1a-1f		716,758.			
PROGRAM SERVICE REVENUE	2 a <u>Non-USAID Programs</u>	Business Code 611600	239,234.	239,234.		
	b _____					
	c _____					
	d _____					
	e _____					
	f All other program service revenue					
	g Total. Add lines 2a-2f		239,234.			
	OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)				
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
6 a Gross rents		(i) Real (ii) Personal				
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 123,770.				
b Less direct expenses		b				
c Net income or (loss) from fundraising events			123,770.			123,770.
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 <u>Royalty Revenues</u>	424000	151,146.			151,146.	
b <u>Training Income</u>	611600	2,700.	2,700.			
c _____						
d All other revenue						
e Total. Add lines 11a-11d		153,846.				
12 Total revenue. See instructions		1,233,608.	241,934.	0.	274,916.	

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)

Check if Schedule O contains a response to any question in this Part IX ☐

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 United States. See Part IV, line 21.				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	198,000.	49,500.	148,500.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	88,667.	73,676.	14,991.	
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	15,595.	4,466.	11,129.	
10 Payroll taxes	20,821.	7,062.	13,759.	
11 Fees for services (non-employees)				
a Management				
b Legal	9,630.		9,630.	
c Accounting	59,177.	23,422.	35,755.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees				
g Other	303,895.	202,902.	90,293.	10,700.
12 Advertising and promotion	286.		286.	
13 Office expenses	999.	21.	978.	
14 Information technology				
15 Royalties				
16 Occupancy	30,067.		30,067.	
17 Travel	326,325.	272,706.	53,619.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	417.		417.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,661.		3,661.	
23 Insurance	9,422.	2,288.	7,134.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>Supplies</u>	51,774.	49,626.	1,930.	218.
b <u>Activity Expenses</u>	26,392.	16,456.	465.	9,471.
c <u>Bad Debts Expense</u>	25,867.		25,867.	
d <u>Other Costs</u>	17,456.	17,292.	164.	
e All other expenses	32,639.	18,097.	14,306.	236.
25 Total functional expenses. Add lines 1 through 24e	1,221,090.	737,514.	462,951.	20,625.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash – non-interest-bearing	65,900.	1	84,689.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net	65,753.	3	15,120.
	4 Accounts receivable, net	47,669.	4	238,258.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	444.	5	894.
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	3,830.	8	3,830.
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 28,599.		
	b Less accumulated depreciation	10b 19,886.	10c	8,713.
	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	21,776.	15	29,642.
16 Total assets. Add lines 1 through 15 (must equal line 34)	215,536.	16	381,146.	
LIABILITIES	17 Accounts payable and accrued expenses	98,588.	17	106,856.
	18 Grants payable		18	
	19 Deferred revenue	26,500.	19	139,250.
	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	28,333.	22	60,407.
	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 (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	7,785.	25	7,785.
	26 Total liabilities. Add lines 17 through 25	161,206.	26	314,298.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets	54,330.	27	66,848.
	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	54,330.	33	66,848.
	34 Total liabilities and net assets/fund balances	215,536.	34	381,146.

BAA

Form 990 (2011)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,233,608.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,221,090.
3	Revenue less expenses Subtract line 2 from line 1	3	12,518.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	54,330.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	66,848.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII ☐

		Yes	No
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?		X
b	Were the organization's financial statements audited by an independent accountant?	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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O		X
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 separate basis, consolidated 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?	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	X	

BAA

Form 990 (2011)

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

2011

Open to Public Inspection

Name of the organization **Coffee Quality Institute**
(formerly Specialty Coffee Institute) Employer identification number **33-0702576**

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 ☐ 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 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?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		

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 column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)						
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.						
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).						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4.						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						
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.						
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 ▶ ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)).	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14.	15	%
16a 33-1/3% support test – 2011. 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 stop here. The organization qualifies as a publicly supported organization. ▶ ☐		
b 33-1/3% support test – 2010. 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 – 2011. 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 – 2010. 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. ▶ ☐		

BAA

Schedule A (Form 990 or 990-EZ) 2011

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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)	508,298.	418,726.	1,087,993.	1,883,803.	1,229,578.	5,128,398.
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.	141,899.	158,016.	106,061.	98,060.	277,616.	781,652.
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						0.
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						0.
6 Total. Add lines 1 through 5.	650,197.	576,742.	1,194,054.	1,981,863.	1,507,194.	5,910,050.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons.	0.	0.	0.	0.	0.	0.
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.	0.	0.	0.	0.	0.	0.
c Add lines 7a and 7b.	0.	0.	0.	0.	0.	0.
8 Public support. (Subtract line 7c from line 6.)						5,910,050.

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6.	650,197.	576,742.	1,194,054.	1,981,863.	1,507,194.	5,910,050.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.		110.				110.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						0.
c Add lines 10a and 10b.	0.	110.	0.	0.	0.	110.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						0.
12 Other income. Do not include gain or loss from the sale of capital assets. (Explain in Part IV.)						0.
13 Total support. (Add lines 9, 10c, 11, and 12.)	650,197.	576,852.	1,194,054.	1,981,863.	1,507,194.	5,910,160.
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 2011 (line 8, column (f) divided by line 13, column (f)).	15	100.00 %
16 Public support percentage from 2010 Schedule A, Part III, line 15.	16	100.00 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f)).	17	0.00 %
18 Investment income percentage from 2010 Schedule A, Part III, line 17.	18	0.00 %

- 19a **33-1/3% support tests – 2011.** 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 – 2010.** 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. ▶ ☐

Part IV

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. Also complete this part for any 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, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545 0047

2011**Open to Public
Inspection**

Employer identification number

Coffee Quality Institute
(formerly Specialty Coffee Institute)

33-0702576

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? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can 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? ☐ Yes ☐ 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)

☐ Preservation of land for public use (e g , recreation or education)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ 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 Tax 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, and not on a historic structure listed in the National Register	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 easements 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 section 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.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958), 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 (ASC 958) 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 the 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:

	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 the organization answered 'Yes' to Form 990, Part IV, line 10.

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

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Temporarily restricted endowment ▶ _____ %
 The percentages in lines 2a, 2b, and 2c should equal 100%

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(ii), 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 Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(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				
e Other	28,599.		19,886.	8,713.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				8,713.

BAA

Schedule D (Form 990) 2011

Part VII Investments – Other Securities. See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12.)		

Part VIII Investments – Program Related. See Form 990, Part X, line 13. N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.)		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Vendor Deposits	7,442.
(2) Volunteer Advances	22,200.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.)	29,642.

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Accrued Vacation	7,785.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.)	7,785.

2 FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1,233,608.
2	Total expenses (Form 990, Part IX, column (A), line 25)	1,221,090.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	12,518.
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	12,518.

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	1,507,194.
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	273,586.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	273,586.
3	Subtract line 2e from line 1	3	1,233,608.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment 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	1,233,608.

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

1	Total expenses and losses per audited financial statements	1	1,494,676.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25.		
a	Donated services and use of facilities	2a	273,586.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	273,586.
3	Subtract line 2e from line 1	3	1,221,090.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment 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	1,221,090.

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.

Part XIV Supplemental Information *(continued)*

Area for supplemental information with horizontal dashed lines.

Department of the Treasury
Internal Revenue Service

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization **Coffee Quality Institute**
(formerly Specialty Coffee Institute)

Employer identification number
33-0702576

Part I Fundraising Activities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☐ Mail solicitations
b ☐ Internet and email solicitations
c ☐ Phone solicitations
d ☐ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☐ Special fundraising events

- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☐ Yes ☒ No

- b** If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total						0

- 3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

Part III Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b.
List events with gross receipts greater than \$5,000.

REVENUE		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Luncheon (event type)	(event type)	(total number)	(add column (a) through column (c))
REVENUE	1 Gross receipts	123,770.			123,770.
	2 Less: Charitable contributions				
	3 Gross income (line 1 minus line 2)	123,770.			123,770.
DIRECT EXPENSES	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses				
	10 Direct expense summary Add lines 4 through 9 in column (d)				
	11 Net income summary Combine line 3, column (d), and line 10				123,770.

Part III Gaming. Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

REVENUE		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
		1 Gross revenue			
DIRECT EXPENSES	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	
7 Direct expense summary Add lines 2 through 5 in column (d)					
8 Net gaming income summary Combine lines 1, column (d) and line 7					

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If 'No,' explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If 'Yes,' explain: _____

11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in:

a The organization's facility

13a %

b An outside facility

13b %

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

15a Does the organization have a contact with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If 'Yes,' enter the amount of gaming revenue received by the organization ▶ \$_____ and the amount of gaming revenue retained by the third party ▶ \$_____

c If 'Yes,' enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$_____

Description of services provided ▶ _____

☐ Director/officer

☐ Employee

☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$_____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

► **Complete if the organization answered**
'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
► **Attach to Form 990 or Form 990-EZ. ► See separate instructions.**

OMB No 1545 0047

2011

**Open to Public
Inspection**

Name of the organization **Coffee Quality Institute**
(formerly Specialty Coffee Institute)

Employer identification number
33-0702576

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958

► \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

► \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1) Ellen Jordan Reidy/AmFoTek	X		60,000.	60,407.		X	X		X	
(2) Trustee Loan										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
Total				► \$ 60,407.						

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Specialty Coffee Assoc of					X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

Supplemental Information

Organization subleases office space and purchases training materials from a related-party organization, the Specialty Coffee Association of America (SCAA).

The Executive Director of the SCAA, Ric Rhinehart, is a Trustee of the organization.

For further details, refer to audited financial statement related-party disclosure.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

Coffee Quality Institute (formerly Specialty Coffee Institute)

Employer identification number

33-0702576

Part I Identification of Disregarded Entities (Complete if the organization answered 'Yes' to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) ----- ----- ----- -----					
(2) ----- ----- ----- -----					
(3) ----- ----- ----- -----					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) Specialty Coffee Association of America 330 Golden Shore, Suite 500 Long Beach, CA 90802	Membership Organization				N/A		X
(2) ----- ----- ----- -----							
(3) ----- ----- ----- -----							
(4) ----- ----- ----- -----							

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												

(2) -----												

(3) -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) -----							

(2) -----							

(3) -----							

Part V Transactions With Related Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34, 35, 35a, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**1** During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?**a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity**b** Gift, grant, or capital contribution to related organization(s)**c** Gift, grant, or capital contribution from related organization(s)**d** Loans or loan guarantees to or for related organization(s)**e** Loans or loan guarantees by related organization(s)**f** Sale of assets to related organization(s)**g** Purchase of assets from related organization(s)**h** Exchange of assets with related organization(s)**i** Lease of facilities, equipment, or other assets to related organization(s)**j** Lease of facilities, equipment, or other assets from related organization(s)**k** Performance of services or membership or fundraising solicitations for related organization(s)**l** Performance of services or membership or fundraising solicitations by related organization(s)**m** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)**n** Sharing of paid employees with related organization(s)**o** Reimbursement paid to related organization(s) for expenses**p** Reimbursement paid by related organization(s) for expenses**q** Other transfer of cash or property to related organization(s)**r** Other transfer of cash or property from related organization(s)**2** If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization		(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VII **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unre- lated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													

(2) -----													

(3) -----													

(4) -----													

(5) -----													

(6) -----													

(7) -----													

(8) -----													

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R
(see instructions).

Area for supplemental information with horizontal dashed lines.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization Coffee Quality Institute
(formerly Specialty Coffee Institute)

Employer identification number
33-0702576

Form 990, Part VI, Line 9 - Officer, Director, Trustee, Key Employee Mailing Address

David Roche, P.O. Box 1977, White Salmon, WA 98672

Form 990, Part VI, Line 11b - Form 990 Review Process

Prepared and reviewed by external Director of Finance and reviewed by Executive
Director.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

Trustees and key personnel are required to complete an annual disclosure statement.

Form 990, Part VI, Line 15a - Compensation Review & Approval Process for CEO, Exec. Dir., or Top Mgtment

Compensation reviewed and approved by Board of Trustees.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

Compensation reviewed and approved by Board of Trustees.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Disclosure of governing documents, policies, financial statements, and tax returns
are available upon request and most are made available on organization's website:
www.coffeeinstitute.org.

11/06/12

06 19AM

Form 990, Part IV - Trustee Listing

Colman E. Cuff; Chairman
Starbucks Coffee Trading Company (SCTC)
Rue du Grand-Chene 1-3
1003 Lausanne
Switzerland
t: 0041-21-321-2524

Herbert De Sola; Vice Chairman
Unex Guatemala S.A.
13 Calle 8-44 Zona 10
Edyma Plaza, 5th Floor
Office #502
Guatemala City, Guatemala
t: 011-502-2366-2546

David Boyd; Secretary
Boyd Coffee Company
19730 N.E. Sandy Blvd.
Portland, OR 97230
t: 503-666-4545

Bridget Carrington
C. Dorman Ltd
17 Milimani Road
P.O. Box 30147, 00100
Nairobi, Kenya
t: 254-20-272-0660

Eduardo A. Esteve
Agroindustrias Unidas de Mexico S.A. de C.V.
Bosques de Alisos 45A - 2nd Floor
Bosques de las Lomas
05120 Mexico, D.F.
t: 011-52-(55)-5257-6502/06

Craig Holt
Atlas Coffee Importers, LLC
1402 NW 85th Street
Seattle, WA 98117-4236
t: (206) 652-4880

Felipe Isaza
Coffee Resources, Inc.
4051 Ensenada Avenue
Miami, FL 33133
t: (305) 448-1383

Arnoldo Leiva
The Coffee Source Inc.
P.O. Box 3997-1000
San Jose, Costa Rica
t: 506-2256-2122

Bruce Mullins
Coffee Bean International
9120 NE Alderwood Road
Portland, OR 97222
t: (503) 790-0247

11/06/12

06 19AM

Form 990-EZ, Part IV - Trustee Listing (Continued)

Juan Esteban Orduz
Colombian Coffee Federation, Inc.
140 East 57th Street
New York, NY 10022
t: 212-421-8300

Ellen Jordan Reidy
America's Food Technologies, Inc.
7700 W. 185th Street
Tinley Park, IL 60477
t: 708-532-1222

Ric Rhinehart
Specialty Coffee Association of America
330 Golden Shore, Suite 50
Long Beach, CA 90802
t: (562) 624-4100

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2011

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
REPORT AND FINANCIAL STATEMENTS
DECEMBER 31, 2011

TABLE OF CONTENTS

Independent Auditors' Report	1-2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6-12
Supplemental Information:	
Schedule of Expenditures of Federal Awards	14
Notes to Schedule of Expenditures of Federal Awards	15



PORTER & ASSOCIATES

A PROFESSIONAL ACCOUNTANCY CORPORATION

Independent Auditors' Report

September 24, 2012

To the Board of Trustees of the
Coffee Quality Institute

We have audited the accompanying statement of financial position of Coffee Quality Institute (a Non-Profit Charitable Foundation) as of December 31, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Coffee Quality Institute'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Coffee Quality Institute as of December 31, 2011, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2012 on our consideration of Coffee Quality Institute's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Porter & Associates".

Porter & Associates
A Professional Accountancy Corporation
Irvine, California

**COFFEE QUALITY INSTITUTE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011**

ASSETS

CURRENT ASSETS:

Cash	\$ 84,689
Pledges, grants and program receivables, less allowance for doubtful accounts of \$28,184	253,378
Advances to volunteers	22,200
Other receivables	894
Publications and training supplies inventory	3,830
Deposits	<u>7,442</u>
Total current assets	372,433

**PROPERTY AND EQUIPMENT, net of accumulated depreciation
of \$19,886**

8,713

Total assets

\$ 381,146

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable and accrued expenses	\$ 114,641
Grant advances	117,750
Deferred sponsorship income	21,500
Note payable to trustee, including accrued interest	<u>60,407</u>
Total current liabilities	314,298

NET ASSETS:

Unrestricted	<u>66,848</u>
Total net assets	<u>66,848</u>
Total liabilities and net assets	<u><u>\$ 381,146</u></u>

See accompanying notes to financial statements

**COFFEE QUALITY INSTITUTE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2011**

UNRESTRICTED NET ASSETS

REVENUES AND SUPPORT:

Grants and other program revenues	\$ 1,106,547
Contributions, sponsorships and other support	<u>400,647</u>
Total revenues and support	<u>1,507,194</u>

EXPENSES:

Program services	
Program and project expenses	1,011,101
Supporting services	
Administrative and general expenses	463,185
Fundraising expenses	<u>20,390</u>
Total expenses	<u>1,494,676</u>

CHANGE IN NET ASSETS	12,518
----------------------	--------

NET ASSETS, beginning of year	<u>54,330</u>
-------------------------------	---------------

NET ASSETS, end of year	<u><u>\$ 66,848</u></u>
-------------------------	-------------------------

See accompanying notes to financial statements.

**COFFEE QUALITY INSTITUTE
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2011**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 12,518
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Bad debts expense	25,867
Depreciation	3,661
Changes in operating assets and liabilities:	
Decrease (increase) in:	
Pledges, grants and program receivables	(165,823)
Advances to volunteers	(16,900)
Other receivables	(450)
Deposits	9,034
Increase (decrease) in:	
Accounts payable and accrued expenses	8,268
Grant advances	117,750
Accrued compensation	(28,333)
Deferred sponsorship income	(5,000)
Accrued interest on note payable	407
Net cash used in operating activities	(39,001)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of equipment	(2,210)
Net cash used in investing activities	(2,210)

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from note payable - trustee	60,000
Net cash provided by financing activities	60,000

NET INCREASE IN CASH 18,789

CASH - beginning of year

65,900

CASH - end of year \$ 84,689

SUPPLEMENTAL CASH FLOW INFORMATION:

Cash paid during the year for	
Interest	\$ -
Income taxes	\$ -

See accompanying notes to financial statements.

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the organization and significant accounting policies applied in the preparation of the accompanying financial statements follows.

Organization and Presentation

Coffee Quality Institute (the Institute) was formed on April 20, 1996 as a nonprofit charitable trust foundation, and is headquartered in Long Beach, California. The purpose of the Institute is to educate, train and certify industry personnel; coordinate scientific research that leads to improvements in all aspects of coffee quality; and develop, evaluate, test, and certify products, equipment, and services that conform to established industry standards.

The Institute receives indirect grants from the US Agency for International Development via pass-through entities, and contributions and pledges from individuals, private foundations, and corporations located throughout the world.

Description of Activities

The Institute's significant activities include the following:

Coffee Corps

This program matches coffee experts, who volunteer their time, with producers seeking technical assistance.

Q Grading System and Licensed Q Grading Accreditation

The Q Grading System defines standards for quality, both cup and grade. The result is a grading certificate that offers potential buyers a tangible measure of the individual flavor profile for a specific lot of coffee.

The Licensed Q Grading Accreditation is the backbone of the Q Grading System. It is the first comprehensive professional accreditation for coffee cuppers and aims to recognize the deepest talent at work in the industry. Related revenues during the year ended December 31, 2011 included \$123,625 for Q Grader training royalties and \$27,521 in Q mark licensing revenues.

Women in Coffee Leadership Program

This program aims to develop the diverse skills and talents of women in the industry, creating a network of leaders committed to quality and sustainability.

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund-Raising Luncheon

The Institute incurred total fund-raising costs of \$20,390. Of this total, \$9,471 was incurred to a related party in connection for facilities and supplies with its annual luncheon event (see Note 6), \$10,700 was incurred to an outside party as commissions for obtaining luncheon sponsorship dollars, and \$219 was for other related costs. Revenues and contributions from the 2011 annual luncheon totaled \$122,000.

Foreign Source Revenues

The Institute frequently performs services for foreign governmental and industry entities. Revenues for these activities totaled \$187,992 for the year ended December 31, 2011. Additionally, the Institute received \$26,636 in foreign source Q mark licensing revenues.

Significant Accounting Policies

Accounting Basis

The financial statements are prepared on the accrual basis of accounting.

Basis of Presentation

The financial statements have been prepared in conformity with the accounting and reporting standards prescribed by the requirements of the Financial Accounting Standards Board (FASB). Accordingly, the net assets of the Institute are reported in each of the following three classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets.

Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted and are reported as part of the unrestricted class. The Institute had no restricted net assets at December 31, 2011.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the balance sheet and statement of cash flows, the Institute considered all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At December 31, 2011, the Institute had no cash equivalents.

The Institute maintains its cash in bank accounts that, at times, may exceed federally insured limits.

Contributions, Pledges and Grants

Contributions and pledges are recognized when a donor makes a promise to the Institute that is, in substance, unconditional. Contributions that are restricted by a donor are reported as increases in temporarily restricted net assets if the restriction expires in the same year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Institute has been awarded federal grants from the US Agency for International Development via various pass-through entities. The grants are considered to be exchange transactions. Revenues from reimbursement-type grants are recognized in the month the related reimbursable expenses are incurred. Revenues from fixed-price grants are recognized upon satisfaction of all significant contract terms and deliverables.

Grants, Programs and Pledges Receivable

Grants, programs and pledges receivable are reported at the donors' and grantors' outstanding balances less any allowance for doubtful accounts. The Institute does not accrue interest on overdue receivables.

The Institute uses the allowance method to determine uncollectible, unconditional pledges and grants receivable. The reserve is based on management's analysis of specific pledges and grants made. All pledges are expected to be received within one year.

Publications and Training Supplies Inventory

Inventory consists of educational publications and training supplies related to the specialty coffee industry. Inventory is stated at the lower of cost or market on a first-in, first-out (FIFO) basis.

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment consists of office equipment and is stated at cost (if purchased) and or at fair value (if contributed). The Institute capitalizes all acquisitions of property and equipment in excess of \$500. Maintenance, repairs and minor renewals are expensed as incurred. Depreciation for financial statement purposes is calculated using the straight-line method over the estimated useful lives of the assets.

Subsequent Events

The Institute has evaluated subsequent events through September 24, 2012, the date these financial statements were available to be issued.

NOTE 2 – CONCENTRATION OF CREDIT RISK

A total of \$854,055 (or approximately 57%) of the Institute's total revenues and support were derived from two grantors during 2011. A total of \$186,700 (or approximately 66%) of the Institute's receivables at December 31, 2011 were due from three grantors. A total of \$156,814 (or approximately 56%) of the Institute's receivables at December 31, 2011 were due from a single grantor.

NOTE 3 – INCOME TAX STATUS

The Institute has been granted tax exempt status from the Internal Revenue Service, pursuant to Internal Revenue Code Section 501(c)(3), and the State of California. Accordingly, no income tax provision has been provided for in the financial statements.

NOTE 4 – RECEIVABLES

The Institute's receivables at December 31, 2011 consist of the following:

	<u>Receivables, Gross</u>	<u>Allowance for Doubtful Accounts</u>	<u>Receivables, Net</u>
Grants and program receivables	\$ 261,442	\$ (23,184)	\$ 238,258
Pledges receivable	<u>20,120</u>	<u>(5,000)</u>	<u>15,120</u>
	<u>\$ 281,562</u>	<u>\$ (28,184)</u>	<u>\$ 253,378</u>

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 4 – RECEIVABLES (CONTINUED)

Included in project receivables is \$117,750 of deferred revenue for an allowable advance request for the Organization's Agricultural Growth Program-Value Chain Expansion project in Ethiopia. The related deferred revenue is included as a liability in the accompanying statement of financial position.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2011:

Office furnishings and equipment (useful life of 5 years)	\$ 17,469
Computer software (useful life of 3 years)	11,130
Less accumulated depreciation	<u>(19,886)</u>
	<u>\$ 8,713</u>

Depreciation expense for the year ended December 31, 2011 totaled \$3,661.

NOTE 6 – RELATED PARTY TRANSACTIONS

Note Payable to Trustee

In September 2011, the Institute received \$60,000 from one of its trustees on a 2% note payable which matures in March 2012. The note is repayable in three installments of \$20,000 each plus accrued interest. These installments were due in January 2012, February 2012, and March 2012, and repaid in full. The accrued interest portions were forgiven by the lender and recognized as contributions in 2012. In July 2012, a new note was drawn up to the same trustee on the same terms, with three installments of \$20,000 plus accrued interest due in October 2012, November 2012, and December 2012. The first installment of \$20,000 plus accrued interest is due in October 2012.

Specialty Coffee Association of America

The Institute subleases its facility on a month-to-month basis from the Specialty Coffee Association of America (SCAA), a related party. Rent expense incurred to SCAA for the year ended December 31, 2011 was \$26,400. In addition to rent expense, the Institute also incurred a total of \$20,324 for training supplies, \$9,471 for fund-raising luncheon costs, respectively, to SCAA during 2011. The Organization also received expense credits totaling \$11,498 that primarily relate to costs shared by SCAA for a significant grant proposal that could potentially benefit both parties. Payables due to SCAA for these costs (less expense credits) totaled \$46,422 at December 31, 2011.

SCAA promotes nationwide public interest regarding coffee and coffee beverages and endorses the Institute.

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 6 – RELATED PARTY TRANSACTIONS (CONTINUED)

Accrued Compensation

Effective July 1, 2008, the Institute decreased the salary of its Executive Director by \$5,667 per month, with this amount being recognized as a current liability for accrued compensation. Accrued compensation due to the Executive Director totaled \$28,333 at December 31, 2010, and was repaid in full as of May 31, 2011.

NOTE 7 – GRANT MATCHING

The Institute receives donated services from a variety of unpaid volunteers that assist the Institute with its scientific, training, and educational efforts. These volunteer services are highly technical and specialized, and thus management believes such services meet the criteria for recognition in the Statement of Activities under accounting and reporting standards prescribed by the requirements of the FASB. Under its alliance matching principles, the Institute applies the estimated fair value of these volunteer services and donated supplies towards its cost-sharing responsibilities in its Federal awards for its Coffee Corps Program. For the year ended December 31, 2011, the estimated fair value of its donated services and supplies that were applied towards its cost-sharing responsibilities in its Federal awards amounted to approximately \$274,000. Other donated services and supplies amounted to approximately \$16,600. Such amounts are included as support and project expenses in the accompanying Statement of Activities. The Institute estimates the fair value of volunteer services provided by technical experts and technical assistants to be \$100 per hour and \$50 per hour, respectively.

NOTE 8 – EMPLOYEE BENEFIT PLAN

The Institute offers a salary reduction simplified employee pension (SEP) plan for its eligible employees. The SEP plan requires that the employee have completed one year of employment with the Institute to be eligible for a contribution. The Institute may contribute up to 7.5% of an employee's salary. Contributions to this plan, if any, are determined prior to the close of each fiscal year at the discretion of the Board of Trustees. For 2011, there were no contributions authorized by the Board of Trustees.

NOTE 9 – FAIR VALUE MEASUREMENTS

The Institute's financial instruments consist of receivables. The recorded values of these assets approximate their fair values because of their short-term nature.

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 9 – FAIR VALUE MEASUREMENTS (CONTINUED)

The Institute's financial assets and liabilities are valued using pursuant to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

Fair values of financial assets measured on a recurring basis at December 31, 2011 are as follows:

	<u>Using Level 2 Inputs</u>	<u>Total Fair Value</u>
Note payable to trustee	\$ 60,407	\$ 60,407

The recorded carrying value for the note payable approximates its fair value due to the short maturity of the instrument.

SUPPLEMENTAL INFORMATION

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2011

<u>Federal Grantor/ Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Identification Number</u>	<u>Federal Expenditures</u>
<u>U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT</u>			
USAID Foreign Assistance for Programs Overseas:			
Passed through ACDI/VOCA:			
Coffee Alliances for the Expansion of Specialty Coffees (CAFES)	98.001	514-A-00-08-00300-00-CQI	\$ 40
PRODEL Ecuador	98 001	518-A-00-08-00002-00/02	\$ 54,341 (a)
Agricultural Growth Program - Value Chain Expansion (AGP-VCE)	98.001	663-TO-11-00003	\$ 94,196
Strengthening the Coffee Value Chain in Peru (SCVC)	98.001	527-A-11-00001	\$ 98,665 (b)
Passed through ARD:			
Livelihoods and Enterprises for Agricultural Development (LEAD)	98.001	EDH-I-09-05-00006-00	\$ 58,496
Passed through Chemonics:			
East Africa Competitiveness and Trade Expansion Program (COMPETE)	98.001	EEM-I-05-07-00008-00-CQI	\$ 479,360 (c)
Total Expenditures of Pass-Through Awards			<u>\$ 785,098</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 785,098</u>

(a) Includes noncash assistance in the form of volunteer matching effort totaling \$20,000

(b) Includes noncash assistance in the form of volunteer matching effort totaling \$53,500

(c) Includes noncash assistance in the form of volunteer matching effort totaling \$200,661

COFFEE QUALITY INSTITUTE
(A Non-Profit Charitable Foundation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2011

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Coffee Quality Institute under a program of the federal government for the year ended December 31, 2011. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Coffee Quality Institute, it is not intended and does not present the financial position, changes in net assets or cash flows of the Coffee Quality Institute.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.