Form **8879-EO**

Department of the Treasury
Internal Revenue Service

# IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2011, or fiscal year beginning ____________, and ending ____________

▶ **Do not send to the IRS. Keep for your records.**

▶ **See instructions.**

OMB No. 1545-1878

**2011**

Name of exempt organization: CELL PHONES FOR SOLDIERS INC

**Employer identification number**: 20-1343425

Name and title of officer: ROBERT BERGQUIST, PRESIDENT

## Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a,** or **5a,** below, and the amount on that line for the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b,** or **5b,** whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

| | | | | |
|---|---|---|---|---|
| 1a | Form 990 check here ▶ [X] | b **Total revenue,** if any (Form 990, Part VIII, column (A), line 12) | 1b | 1,987,752 |
| 2a | Form 990-EZ check here ▶ [ ] | b **Total revenue,** if any (Form 990-EZ, line 9) | 2b | |
| 3a | Form 1120-POL check here ▶ [ ] | b **Total tax** (Form 1120-POL, line 22) | 3b | |
| 4a | Form 990-PF check here ▶ [ ] | b **Tax based on investment income** (Form 990-PF, Part VI, line 5) | 4b | |
| 5a | Form 8868 check here ▶ [ ] | b **Balance Due** (Form 8868, Part I, line 3c or Part II, line 8c) | 5b | |

## Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2011 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** the reason for any delay in processing the return or refund, and **(c)** the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

**Officer's PIN: check one box only**

[X] I authorize THOMAS A LAWLER CPA PC (ERO firm name) to enter my PIN 43425 (Enter five numbers, but do not enter all zeros) as my signature on the organization's tax year 2011 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

[ ] As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2011 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ Robert M Bergquist Date ▶ 05-15-2012

## Part III Certification and Authentication

**ERO's EFIN/PIN.** Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN. 040653 22150 (do not enter all zeros)

I certify that the above numeric entry is my PIN, which is my signature on the 2011 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163,** Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ Thomas A Lawler Date ▶ 11-08-2012

**ERO Must Retain This Form - See Instructions**

**Do Not Submit This Form To the IRS Unless Requested To Do So**

Form **990**

Department of the Treasury
Internal Revenue Service

# Return of Organization Exempt From Income Tax

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

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

OMB No. 1545-0047

**2011**

**Open to Public Inspection**

**A For the 2011 calendar year, or tax year beginning , 2011, and ending , 20**

| B Check if applicable: | C | D Employer identification no. |
|---|---|---|
| ☐ Address change | Name of organization: CELL PHONES FOR SOLDIERS INC | 20-1343425 |
| ☐ Name change | Doing Business As: ROBERT BERGQUIST | E Telephone number: (781)659-7789 |
| ☐ Initial return | Number and street (or P.O. box if mail is not delivered to street address): 243 WINTER STREET; Room/suite: | |
| ☐ Terminated | City or town, state or country, and ZIP + 4: NORWELL, MA 02061 | G Gross receipts $ 1,987,752 |
| ☐ Amended return | | |
| ☐ Application pending | F Name and address of principal officer: GAIL E BERGQUIST, 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)

H(c) Group exemption number ▶

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

J Website: ▶ WWW.CELLPHONESFORSOLDIERS.COM

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ L Year of formation: 2004 M State of legal domicile: MA

## Part I Summary

**Activities & Governance**

1 Briefly describe the organization's mission or most significant activities: AID ACTIVE DUTY SERVICE MEN AND WOMEN

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

| | | | |
|---|---|---|---|
| 3 | Number of voting members of the governing body (Part VI, line 1a) | 3 | 6 |
| 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 4 |
| 5 | Total number of individuals employed in calendar year 2011 (Part V, line 2a) | 5 | 3 |
| 6 | Total number of volunteers (estimate if necessary) | 6 | 18,000 |
| 7a | Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0 |
| b | Net unrelated business taxable income from Form 990-T, line 34 | 7b | 0 |

| | | | Prior Year | Current Year |
|---|---|---|---|---|
| Revenue | 8 | Contributions and grants (Part VIII, line 1h) | 1,838,199 | 1,983,558 |
| | 9 | Program service revenue (Part VIII, line 2g) | | 0 |
| | 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 13,216 | 4,194 |
| | 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | | 0 |
| | 12 | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 1,851,415 | 1,987,752 |
| Expenses | 13 | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | | 0 |
| | 14 | Benefits paid to or for members (Part IX, column (A), line 4) | | 0 |
| | 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 187,704 | 158,134 |
| | 16a | Professional fundraising fees (Part IX, column (A), line 11e) | | 0 |
| | b | Total fundraising expenses (Part IX, column (D), line 25) ▶ 163,482 | | |
| | 17 | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 1,825,354 | 2,432,212 |
| | 18 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 2,013,058 | 2,590,346 |
| | 19 | Revenue less expenses. Subtract line 18 from line 12 | (161,643) | (602,594) |
| | | | **Beginning of Current Year** | **End of Year** |
| Net Assets or Fund Balances | 20 | Total assets (Part X, line 16) | 3,033,680 | 2,435,237 |
| | 21 | Total liabilities (Part X, line 26) | 2,045 | 6,196 |
| | 22 | Net assets or fund balances. Subtract line 21 from line 20 | 3,031,635 | 2,429,041 |

## 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**

ROBERT BERGQUIST Robert M Bergquist 11/8/12
Signature of officer Date

ROBERT BERGQUIST, PRESIDENT
Type or print name and title

**Paid Preparer Use Only**

| Print/Type preparer's name | Preparer's signature | Date | Check ☐ if self-employed | PTIN |
|---|---|---|---|---|
| Thomas A Lawler | Thomas A Lawler | 11-08-2012 | | P01381986 |

Firm's name ▶ THOMAS A LAWLER CPA PC — Firm's EIN ▶

Firm's address ▶ 1 ALBION STREET, Wakefield MA 01880 — Phone no. 781-246-0964

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☒ No

**For Paperwork Reduction Act Notice, see the separate instructions.** EEA Form **990** (2011)

**Part III** **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission:

AID ACTIVE DUTY SERVICE MEN AND WOMEN

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 $ 2,216,530 including grants of $ ) (Revenue $ )

ORGANIZATION RAISES FUNDS TO PROVIDE FUNDS TO PURSUE ITS MISSION AS STATED IN ITS BYLAWS OF PROVIDING AID TO SERVICE MEN AND WOMEN.

THIS IS ACHIEVED BY DONATIONS FROM THE PUBLIC OF MONEY AND CELL PHONES WHICH ARE SOLD IN A RECYCLING PROGRAM.

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** ▶ 2,216,530

## Part IV Checklist of Required Schedules

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A | 1 | X | |
| 2 | Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)? | 2 | X | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I | 3 | | X |
| 4 | **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II | 4 | | 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 | 5 | | |
| 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 | 6 | | X |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II | 7 | | X |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III | 8 | | X |
| 9 | Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV | 9 | | X |
| 10 | Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V | 10 | | 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 | 11a | 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 | 11b | | 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 | 11c | | 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 | 11d | | X |
| e | Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X | 11e | | 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 | 11f | | 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 | 12a | 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 | 12b | | X |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | 13 | | X |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | 14a | | X |
| b | Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investmetnt, and program service activities outisde the United States, or aggregate foreign investments valued at $100,000 or more? If "Yes,' complete Schedule F, Parts I and IV | 14b | | X |
| 15 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV | 15 | | X |
| 16 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV | 16 | | X |
| 17 | Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) | 17 | | X |
| 18 | Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II | 18 | | X |
| 19 | Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III | 19 | | X |
| 20a | Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H | 20a | | X |
| b | If "Yes" to line 20a, did the organization attach its audited financial statements to this return? | 20b | | |

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

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

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

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

| | | | | | Yes | No |
|---|---|---|---|---|---|---|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a | 3 | | | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b | 0 | | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | | 1c | X | |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a | 3 | | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? | | | 2b | X | |
| | **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions) | | | | | |
| 3a | Did the organization have unrelated business gross income of $1,000 or more during the year? | | | 3a | | X |
| b | If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O | | | 3b | | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | | 4a | | X |
| b | If "Yes," enter the name of the foreign country: ▶ | | | | | |
| | See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | | | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | | 5a | | X |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | | 5b | | X |
| c | If "Yes," to line 5a or 5b, did the organization file Form 8886-T? | | | 5c | | |
| 6a | Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible? | | | 6a | | X |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | | 6b | | |
| 7 | **Organizations that may receive deductible contributions under section 170(c).** | | | | | |
| a | Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor? | | | 7a | | X |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | | 7b | | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | | 7c | | X |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | | | |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | | 7e | | X |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | | 7f | | X |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | | | 7g | | X |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | | | 7h | | X |
| 8 | **Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | | 8 | | |
| 9 | **Sponsoring organizations maintaining donor advised funds.** | | | | | |
| a | Did the organization make any taxable distributions under section 4966? | | | 9a | | |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | | | 9b | | |
| 10 | **Section 501(c)(7) organizations.** Enter: | | | | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | | | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | | | |
| 11 | **Section 501(c)(12) organizations.** Enter: | | | | | |
| a | Gross income from members or shareholders | 11a | | | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b | | | | |
| 12a | **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041? | | | 12a | | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | | | | |
| 13 | **Section 501(c)(29) qualified nonprofit health insurance issuers.** | | | | | |
| a | Is the organization licensed to issue qualified health plans in more than one state? | | | 13a | | |
| | **Note.** See the instructions for additional information the organization must report on Schedule O. | | | | | |
| 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 | 13b | | | | |
| c | Enter the amount of reserves on hand | 13c | | | | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | | | 14a | | X |
| b | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O | | | 14b | | |

**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 . . . . . [X]

## Section A. Governing Body and Management

| | | | Yes | No |
|---|---|---|---|---|
| 1a | Enter the number of voting members of the governing body at the end of the tax year . . . 1a 6 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. | | | |
| b | Enter the number of voting members included in line 1a, above, who are independent . . . 1b 4 | | | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | 2 | X | |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? | 3 | | X |
| 4 | Did the organization make any significant changes to its 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 |
| 7a | 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 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, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | 9 | | X |

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

| | | | Yes | No |
|---|---|---|---|---|
| 10a | 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 | | |
| 11a | 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. | | | |
| 12a | 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 was done | 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 | 15a | X | |
| b | Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions.) | 15b | X | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | 16a | | X |
| b | If "Yes," 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 take 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 ▶ MA

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

[ ] Own website [X] Another's website [X] 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.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ ROBERT BERGQUIST (781)659-7789 243 WINTER STREET NORWELL, MA 02061

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

Check 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): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (1) ANGIE KENWORTHY<br>DIRECTOR | 5.00 | X | | | | | | 0 | 0 | 0 |
| (2) DONALD G BENNETT<br>DIRECTOR | 5.00 | X | | | | | | 0 | 0 | 0 |
| (3) GAIL E BERGQUIST<br>CLERK | 30.00 | X | | X | X | | | 52,500 | 0 | 0 |
| (4) LOUIS PUOPOLO<br>DIRECTOR | 5.00 | X | | | | | | 0 | 0 | 0 |
| (5) QUENTIN L CARMICHAEL<br>DIRECTOR | 5.00 | X | | | | | | 0 | 0 | 0 |
| (6) ROBERT BERGQUIST<br>PRESIDENT | 30.00 | X | | X | X | X | | 75,000 | 0 | 0 |
| (7) | | | | | | | | | | |
| (8) | | | | | | | | | | |
| (9) | | | | | | | | | | |
| (10) | | | | | | | | | | |
| (11) | | | | | | | | | | |
| (12) | | | | | | | | | | |
| (13) | | | | | | | | | | |
| (14) | | | | | | | | | | |

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

| (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 director/trustee): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (15) | | | | | | | | | | |
| (16) | | | | | | | | | | |
| (17) | | | | | | | | | | |
| (18) | | | | | | | | | | |
| (19) | | | | | | | | | | |
| (20) | | | | | | | | | | |
| (21) | | | | | | | | | | |
| (22) | | | | | | | | | | |
| (23) | | | | | | | | | | |
| (24) | | | | | | | | | | |
| (25) | | | | | | | | | | |
| 1b Sub-total ▶ | | | | | | | | | | |
| c Total from continuation sheets to Part VII, Section A ▶ | | | | | | | | | | |
| d Total (add lines 1b and 1c) ▶ | | | | | | | | 127,500 | 0 | 0 |

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

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

## Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. 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 of compensation from the organization ▶

## Part VIII Statement of Revenue

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 |
|---|---|---|---|---|---|---|---|
| Contributions, Gifts, Grants and Other Similar Amounts | 1a | Federated campaigns | 1a | | | | |
| | b | Membership dues | 1b | | | | |
| | c | Fundraising events | 1c | | | | |
| | d | Related organizations | 1d | | | | |
| | e | Government grants (contributions) | 1e | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f 1,983,558 | | | | |
| | g | Noncash contributions included in lines 1a-1f: $ 1,346,502 | | | | | |
| | h | **Total.** Add lines 1a-1f | ▶ | 1,983,558 | | | |
| Program Service Revenue | | | Business Code | | | | |
| | 2a | | | | | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f | All other program service revenue | | | | | |
| | g | **Total.** Add lines 2a-2f | ▶ | | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) | ▶ | 4,194 | | | 4,194 |
| | 4 | Income from investment of tax-exempt bond proceeds | ▶ | | | | |
| | 5 | Royalties | ▶ | | | | |
| | | | (i) Real / (ii) Personal | | | | |
| | 6a | Gross rents | | | | | |
| | b | Less: rental expenses | | | | | |
| | c | Rental income or (loss) | | | | | |
| | d | Net rental income or (loss) | ▶ | | | | |
| | | | (i) Securities / (ii) Other | | | | |
| | 7a | Gross amount from sales of assets other than inventory | | | | | |
| | b | Less: cost or other basis and sales expenses | | | | | |
| | c | Gain or (loss) | | | | | |
| | d | Net gain or (loss) | ▶ | | | | |
| | 8a | Gross income from fundraising events (not including $ ______ of contributions reported on line 1c). See Part IV, line 18 | a | | | | |
| | b | Less: direct expenses | b | | | | |
| | c | Net income or (loss) from fundraising events | ▶ | | | | |
| | 9a | Gross income from gaming activities. See Part IV, line 19 | a | | | | |
| | b | Less: direct expenses | b | | | | |
| | c | Net income or (loss) from gaming activities | ▶ | | | | |
| | 10a | 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 | | | | |
| | 11a | | | | | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | All other revenue | | | | | |
| | e | **Total.** Add lines 11a-11d | ▶ | | | | |
| | 12 | **Total revenue.** See instructions | ▶ | 1,987,752 | 0 | 0 | 4,194 |

**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 | 127,500 | | 127,500 | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | 22,000 | | 22,000 | |
| 7 Other salaries and wages | | | | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | | | | |
| 9 Other employee benefits | | | | |
| 10 Payroll taxes | 8,634 | | 8,634 | |
| 11 Fees for services (non-employees): | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | | | | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other | | | | |
| 12 Advertising and promotion | 9,433 | | | 9,433 |
| 13 Office expenses | 62,974 | | 31,533 | 31,441 |
| 14 Information technology | 1,244 | | | 1,244 |
| 15 Royalties | | | | |
| 16 Occupancy | 9,000 | | 9,000 | |
| 17 Travel | 22,303 | | | 22,303 |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | | | | |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 2,018 | | 2,018 | |
| 23 Insurance | | | | |
| 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 OUTSIDE SERVICES | 103,061 | | 4,000 | 99,061 |
| b FILING FEES | 2,653 | | 2,653 | |
| c CALLING CARDS | 2,216,530 | 2,216,530 | | |
| d TELEPHONE | 2,996 | | 2,996 | |
| e All other expenses | | | | |
| 25 **Total functional expenses.** Add lines 1 through 24e | 2,590,346 | 2,216,530 | 210,334 | 163,482 |
| 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 | | 1,899,847 | 1 | 1,036,828 |
| | 2 | Savings and temporary cash investments | | | 2 | 563,032 |
| | 3 | Pledges and grants receivable, net | | | 3 | |
| | 4 | Accounts receivable, net | | 145,449 | 4 | 260,782 |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | | 5 | 5,350 |
| | 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 | | 984,190 | 7 | 556,079 |
| | 8 | Inventories for sale or use | | | 8 | |
| | 9 | Prepaid expenses and deferred charges | | | 9 | 10,989 |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 9,411 | | | |
| | b | Less: accumulated depreciation | 10b 7,234 | 4,194 | 10c | 2,177 |
| | 11 | Investments - publicly traded securities | | | 11 | |
| | 12 | Investments - other securities. See Part IV, line 11 | | | 12 | |
| | 13 | Investments - program-related. See Part IV, line 11 | | | 13 | |
| | 14 | Intangible assets | | | 14 | |
| | 15 | Other assets. See Part IV, line 11 | | | 15 | |
| | 16 | **Total assets.** Add lines 1 through 15 (must equal line 34) | | 3,033,680 | 16 | 2,435,237 |
| Liabilities | 17 | Accounts payable and accrued expenses | | 2,045 | 17 | 6,196 |
| | 18 | Grants payable | | | 18 | |
| | 19 | Deferred revenue | | | 19 | |
| | 20 | Tax-exempt bond liabilities | | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | | 21 | |
| | 22 | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | | 24 | |
| | 25 | Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | | | 25 | |
| | 26 | **Total liabilities.** Add lines 17 through 25 | | 2,045 | 26 | 6,196 |
| Net Assets or Fund Balances | | **Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.** | | | | |
| | 27 | Unrestricted net assets | | 3,031,635 | 27 | 2,429,041 |
| | 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 | | 3,031,635 | 33 | 2,429,041 |
| | 34 | Total liabilities and net assets/fund balances | | 3,033,680 | 34 | 2,435,237 |

**Part XI** **Reconciliation of Net Assets**

Check 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 | 1,987,752 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 2,590,346 |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | (602,594) |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 3,031,635 |
| 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 | 2,429,041 |

**Part XII** **Financial Statements and Reporting**

Check 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? | 2a | | X |
| b | Were the organization's financial statements audited by an independent accountant? | 2b | X | |
| c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? | 2c | | X |
| | If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | | | |
| d | If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a 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? | 3a | | X |
| b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits | 3b | | |

**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 | Employer identification number |
|---|---|
| CELL PHONES FOR SOLDIERS INC | 20-1343425 |

## 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 to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

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

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

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

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

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

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

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

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I 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 ln 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 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 . . . ▶ ☐

**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 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.") | 1,085,843 | 2,770,461 | 2,067,289 | 1,838,199 | 1,983,558 | 9,745,350 |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or bus. under sec 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 **Total.** Add lines 1 through 5 | 1,085,843 | 2,770,461 | 2,067,289 | 1,838,199 | 1,983,558 | 9,745,350 |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | 462,930 | | 76,800 | 75,000 | 175,000 | 789,730 |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | 462,930 | | 76,800 | 75,000 | 175,000 | 789,730 |
| 8 **Public support** (Subtract line 7c from line 6.) | | | | | | 8,955,620 |

## Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
|---|---|---|---|---|---|---|
| 9 Amounts from line 6 | 1,085,843 | 2,770,461 | 2,067,289 | 1,838,199 | 1,983,558 | 9,745,350 |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 16,545 | 25,452 | 26,691 | 13,216 | 4,194 | 86,098 |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | 16,545 | 25,452 | 26,691 | 13,216 | 4,194 | 86,098 |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 13 **Total support.** (Add lines 9, 10c, 11, and 12.) | 1,102,388 | 2,795,913 | 2,093,980 | 1,851,415 | 1,987,752 | 9,831,448 |

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 | 91.09 | % |
| 16 Public support percentage from 2010 Schedule A, Part III, line 15 | 16 | 91.30 | % |

## Section D. Computation of Investment Income Percentage

| | | | |
|---|---|---|---|
| 17 Investment income percentage for **2011** (line 10c, column (f) divided by line 13, column (f)) | 17 | 0.88 | % |
| 18 Investment income percentage from **2010** Schedule A, Part III, line 17 | 18 | 1.12 | % |

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 ▶ ☐

**Schedule B**
**(Form 990, 990-EZ, or 990-PF)**
Department of the Treasury
Internal Revenue Service

# Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

OMB No. 1545-0047

**2011**

| **Name of the organization** | **Employer identification number** |
|---|---|
| CELL PHONES FOR SOLDIERS INC | 20-1343425 |

**Organization type** (check one):

| **Filers of:** | **Section:** |
|---|---|
| Form 990 or 990-EZ | ☒ 501(c)( 3 ) (enter number) organization |
| | ☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation |
| | ☐ 527 political organization |
| Form 990-PF | ☐ 501(c)(3) exempt private foundation |
| | ☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation |
| | ☐ 501(c)(3) taxable private foundation |

Check if your organization is covered by the **General Rule** or a **Special Rule.**
**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ $ ____________

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF),

| Name of organization | Employer identification number |
|---|---|
| CELL PHONES FOR SOLDIERS INC | 20-1343425 |

**Part I** **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

| (a) No. | (b) Name, address, and ZIP + 4 | (c) Total contributions | (d) Type of contribution |
|---|---|---|---|
| 1 | SANTA RITA PUBLIX SUPERMARKET<br>PALM BAY INTERNATIONAL<br>48 HARBOR PARK DRIVE<br>PORT WASHINGTON, NY 11050 | $ 65,000 | Person [X]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| 2 | CONDE NAST<br>4 TIMES SQUARE<br>NEW YORK, NY 10036 | $ 10,000 | Person [X]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| 3 | GENERAL MOTORS<br>300 RENAISSANCE CENTER<br>DETROIT, MI 48265 | $ 100,000 | Person [X]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |

**SCHEDULE D (Form 990)**

Department of the Treasury
Internal Revenue Service

# Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 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**

Name of the organization: CELL PHONES FOR SOLDIERS INC

Employer identification number: 20-1343425

## 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)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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.

1a 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 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 |
|---|---|---|
| c Beginning balance | 1c | |
| d Additions during the year | 1d | |
| e Distributions during the year | 1e | |
| f Ending balance | 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:

| | | Yes | No |
|---|---|---|---|
| (i) unrelated organizations | 3a(i) | | |
| (ii) related organizations | 3a(ii) | | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 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 | 9,411 | | 7,234 | 2,177 |
| e Other | | | | |
| **Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶ | | | | 2,177 |

**Part VII** **Investments - Other Securities.** See Form 990, Part X, line 12.

| (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, col. (B) line 12.) ▶ | | |

**Part VIII** **Investments - Program Related.** See Form 990, Part X, line 13.

| (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, col. (B) line 13.) ▶ | | |

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

| (a) Description | (b) Book value |
|---|---|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| **Total.** (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶ | |

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

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

**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 | 1,987,752 |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 2,590,346 |
| 3 | Excess or (deficit) for the year. Subtract line 2 from line 1 | 3 | (602,594) |
| 4 | Net unrealized gains (losses) on investments | 4 | |
| 5 | Donated services and use of facilities | 5 | |
| 6 | Investment expenses | 6 | |
| 7 | Prior period adjustments | 7 | |
| 8 | Other (Describe in Part XIV.) | 8 | |
| 9 | Total adjustments (net). Add lines 4 through 8 | 9 | |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | 10 | (602,594) |

## 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 | 1,987,752 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | | |
| a | Net unrealized gains on investments | 2a | | | |
| b | Donated services and use of facilities | 2b | | | |
| c | Recoveries of prior year grants | 2c | | | |
| d | Other (Describe in Part XIV.) | 2d | | | |
| e | Add lines **2a** through **2d** | | | 2e | |
| 3 | Subtract line **2e** from line **1** | | | 3 | 1,987,752 |
| 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 | 1,987,752 |

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

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total expenses and losses per audited financial statements | | | 1 | 2,590,346 |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | | | |
| a | Donated services and use of facilities | 2a | | | |
| b | Prior year adjustments | 2b | | | |
| c | Other losses | 2c | | | |
| d | Other (Describe in Part XIV.) | 2d | | | |
| e | Add lines **2a** through **2d** | | | 2e | |
| 3 | Subtract line **2e** from line **1** | | | 3 | 2,590,346 |
| 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 | 2,590,346 |

## 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.

**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: CELL PHONES FOR SOLDIERS INC

Employer identification number: 20-1343425

## 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? To | From | (c) Original principal amount | (d) Balance due | (e) In default? Yes | No | (f) Approved by board or committee? Yes | No | (g) Written agreement? Yes | No |
|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) | ROBERT BERGQUIST | | X | 5,350 | 5,350 | | X | | X | | X |
| (2) | ACCIDENTLY TRANSFERRED | | | | | | | | | | |
| (3) | | | | | | | | | | | |
| (4) | | | | | | | | | | | |
| (5) | | | | | | | | | | | |
| (6) | | | | | | | | | | | |
| (7) | | | | | | | | | | | |
| (8) | | | | | | | | | | | |
| (9) | | | | | | | | | | | |
| (10) | | | | | | | | | | | |
| Total | . . . ▶ $ | | | | 5,350 | | | | | | |

## 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) | | | | | | |
| (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).

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

# Noncash Contributions

▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization: CELL PHONES FOR SOLDIERS INC

Employer identification number: 20-1343425

## Part I Types of Property

| | | (a) Check if applicable | (b) Number of contributions or items contributed | (c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g | (d) Method of determining noncash contribution amounts |
|---|---|---|---|---|---|
| 1 | Art-Works of art | | | | |
| 2 | Art-Historical treasures | | | | |
| 3 | Art-Fractional interests | | | | |
| 4 | Books and publications | | | | |
| 5 | Clothing and household goods | | | | |
| 6 | Cars and other vehicles | | | | |
| 7 | Boats and planes | | | | |
| 8 | Intellectual property | | | | |
| 9 | Securities-Publicly traded | | | | |
| 10 | Securities-Closely held stock | | | | |
| 11 | Securities-Partnership, LLC, or trust interests | | | | |
| 12 | Securities-Miscellaneous | | | | |
| 13 | Qualified conservation contribution - Historic structures | | | | |
| 14 | Qualified conservation contribution - Other | | | | |
| 15 | Real estate-Residential | | | | |
| 16 | Real estate-Commercial | | | | |
| 17 | Real estate-Other | | | | |
| 18 | Collectibles | | | | |
| 19 | Food inventory | | | | |
| 20 | Drugs and medical supplies | | | | |
| 21 | Taxidermy | | | | |
| 22 | Historical artifacts | | | | |
| 23 | Scientific specimens | | | | |
| 24 | Archeological artifacts | | | | |
| 25 | Other ▶(CELL PHONE ) | X | 1,400,000 | 1,346,502 | SALE TO RECYCLER |
| 26 | Other ▶( ) | | | | |
| 27 | Other ▶( ) | | | | |
| 28 | Other ▶( ) | | | | |

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

| | | | Yes | No |
|---|---|---|---|---|
| 30a | During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | 30a | | X |
| b | If "Yes," describe the arrangement in Part II. | | | |
| 31 | Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | 31 | | X |
| 32a | Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | 32a | X | |
| b | If "Yes," describe in Part II. | | | |
| 33 | If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II. | | | |

**Part II** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of Items received, or a combination of both. Also complete this part for any additional information.

CELL PHONES ARE ROUTINELY DONATED BY DONORS. THESE ARE SHIPPED TO THE RECYCLER WHO INSPECTS THE PHONES AND DETERMINES THE APPROPRIATE PRICE TO BE PAID PER THE AGREEMENT WITH THE ORGANIZATION.

**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 | Employer identification number |
|---|---|
| CELL PHONES FOR SOLDIERS INC | 20-1343425 |

01. Officer, directors, etc. family relationship (Part VI, line 2)

ROBERT AND GAIL BERGQUIST ARE OFFICERS DIRECTORS AND FOUNDERS AND THEY ARE MARRIED.

02. Form 990 governing body review (Part VI, line 11)

COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY IS MONITORED BY PERIODIC REVIEWS BY THE BOARD OF DIRECTORS IN CONJUNCTION WITH ADVICE OF LEGAL COUNCIL AND OUTSIDE ACCOUNTANT.

03. Conflict of interest policy compliance (Part VI, line 12c)

FORM 990 IS PROVIDED TO THE BOARD OF DIRECTORS PRIOR TO FILING

04. CEO, executive director, top management comp (Part VI, line 15a)

THE NONPROFIT SHALL BY EXECUTIVE COMMITTEE ANNUALLY EVALUATE THE EXECUTIVE DIRECTOR ON HIS/HER PERFORMANCE, AND ASK FOR HIS/HER INPUT ON MATTERS OF PERFORMANCE AND COMPENSATION.

05. Other officer or key employee compensation (Part VI, line 15b

THE NONPROFIT SHALL BY EXECUTIVE COMMITTEE ANNUALLY EVALUATE OTHER KEY EMPLOYEES ON HIS/HER PERFORMANCE, AND ASK FOR HIS/HER INPUT ON MATTERS OF PERFORMANCE AND COMPENSATION.

06. Governing documents, etc, available to public (Part VI, line 19)

DOCUMENTS ARE MADE PUBLIC ON GUIDESTAR.COM AND UPON REQUEST

07. General explanation attachment

THE ORGANIZATION IS REQUIRED TO PROVIDE A COPY OF FORM 990 IN VIRTUALLY EVERY STATE

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

# Depreciation and Amortization
## (Including Information on Listed Property)

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

OMB No. 1545-0172
**2011**
Attachment Sequence No. **179**

| Name(s) shown on return | Business or activity to which this form relates | Identifying number |
|---|---|---|
| CELL PHONES FOR SOLDIERS INC | FORM 990 - 1 | 20-1343425 |

**Part I** **Election To Expense Certain Property Under Section 179**

**Note:** If you have any listed property, complete Part V before you complete Part I.

| | | | |
|---|---|---|---|
| 1 | Maximum amount (see instructions) | 1 | |
| 2 | Total cost of section 179 property placed in service (see instructions) | 2 | |
| 3 | Threshold cost of section 179 property before reduction in limitation (see instructions) | 3 | |
| 4 | Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 | Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions | 5 | |

| 6 | (a) Description of property | (b) Cost (business use only) | (c) Elected cost |
|---|---|---|---|
| | | | |
| | | | |

| | | | |
|---|---|---|---|
| 7 | Listed property. Enter the amount from line 29 | 7 | |
| 8 | Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 | Tentative deduction. Enter the **smaller** of line 5 or line 8 | 9 | |
| 10 | Carryover of disallowed deduction from line 13 of your 2010 Form 4562 | 10 | |
| 11 | Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11 | |
| 12 | Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | |
| 13 | Carryover of disallowed deduction to 2012. Add lines 9 and 10, less line 12 ▶ | 13 | |

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II** **Special Depreciation Allowance and Other Depreciation** (**Do not** include listed property.) (See instructions.)

| | | | |
|---|---|---|---|
| 14 | Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) | 14 | |
| 15 | Property subject to section 168(f)(1) election | 15 | |
| 16 | Other depreciation (including ACRS) | 16 | 1,048 |

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

**Section A**

| | | | |
|---|---|---|---|
| 17 | MACRS deductions for assets placed in service in tax years beginning before 2011 | 17 | |
| 18 | If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐ | | |

**Section B - Assets Placed in Service During 2011 Tax Year Using the General Depreciation System**

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

**Section C - Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System**

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

**Part IV** **Summary** (See instructions.)

| | | | |
|---|---|---|---|
| 21 | Listed property. Enter amount from line 28 | 21 | 970 |
| 22 | **Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions | 22 | 2,018 |
| 23 | For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

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

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

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

**24a** Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

| (a) Type of property (list vehicles first) | (b) Date placed in service | (c) Business/ investment use percentage | (d) Cost or other basis | (e) Basis for depreciation (business/investment use only) | (f) Recovery period | (g) Method/ Convention | (h) Depreciation deduction | (i) Elected section 179 cost |
|---|---|---|---|---|---|---|---|---|
| **25** Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) . . . . . . . . . . **25** | | | | | | | | |
| **26** Property used more than 50% in a qualified business use: | | | | | | | | |
| COMPUTER | 20080818 | 100 % | 2,085 | 2,085 | 3 | S/L-HY | 347 | |
| VIDEO CAMER | 20081115 | 100 % | 532 | 532 | 5 | S/L-HY | 106 | |
| COMPUTER EQ | 20100630 | 100 % | 1,551 | 1,551 | 3 | S/L-HY | 517 | |
| **27** Property used 50% or less in a qualified business use: | | | | | | | | |
| | | % | | | | S/L- | | |
| | | % | | | | S/L- | | |
| | | % | | | | S/L- | | |
| **28** Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . . . . . . . . . . **28** | | | | | | | 970 | |
| **29** Add amounts in column (i), line 26. Enter here and on line 7, page 1 . . . . . . . . . . **29** | | | | | | | | |

### Section B - Information on Use of Vehicles

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

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

### Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

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

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

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

## Part VI Amortization

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|---|---|---|---|---|---|
| **42** Amortization of costs that begins during your 2011 tax year (see instructions): | | | | | |
| | | | | | |
| | | | | | |
| **43** Amortization of costs that began before your 2011 tax year . . . . . . . . . . | | | | **43** | |
| **44 Total.** Add amounts in column (f). See the instructions for where to report . . . . . . . . . . | | | | **44** | |

Name(s) as shown on return: CELL PHONES FOR SOLDIERS INC

FEIN: 20-1343425

## PREPAID EXPENSES AND DEFERRED CHARGES

| Description | Amount |
|---|---|
| PREPAID SALARIES | $ 5,894 |
| PREPAID PAYROLL TAXES | 5,048 |
| PREPAID INCOME TAXES | 47 |
| Total: | $ 10,989 |

| Federal Supporting Statements | 2011 PG01 |
| --- | --- |
| Name(s) as shown on return | Employer Identification Number |
| CELL PHONES FOR SOLDIERS INC | 20-1343425 |

## SCHEDULE A ITEM 2

Statement #100

### Unformatted Statement

A. C. D.
ROBERT BERGQUIST AND GAIL BERQUIST ARE FOUNDERS OFFICERS
AND DIRECTORS OF THE ORGANIZATION.

THE ORGANIZATION PAID ROBERT BERGQUIST WAGES OF $75000.00. GAIL BERGQUIST WAS PAID WAGES OF $52499.97.

THE ORGANIZATION PAID ROBERT AND GAIL BERGQUIST $9,000 IN 2011 FOR RENTAL OF OFFICE SPACE IN THEIR HOME.

**Cell Phones for Soldiers, Inc.**

**Financial Statements**

**Year-Ended**

**December 31, 2011**

**Cell Phones for Soldiers, Inc.**
**Financial Statements**
**Year-Ended**
**December 31, 2011**

## Table of Contents

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**Voice (781) 246-0964 Fax (781) 246-1077**
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# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cell Phones for Soldiers, Inc.
Norwell, Massachusetts

We have audited the accompanying statement of financial position of Cell Phones for Soldiers, Inc. (a not-for-profit Massachusetts corporation) as of December 31, 2011 and the related statements of activities, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Cell Phones for Soldiers, Inc. as of December 31, 2011, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Thomas A. Lawler, CPA, PC

Thomas A. Lawler, C.P.A., P.C.

November 8, 2012

CELL PHONES FOR SOLDIERS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011

## ASSETS

| | |
|---|---|
| CURRENT ASSETS | |
| Cash | $ 1,599,860 |
| Accounts Receivable | 260,782 |
| Prepaid Expenses and Deferred Charges | 16,339 |
| Current Portion of Note Receivable | 556,079 |
| TOTAL CURRENT ASSETS | 2,433,060 |
| DEPRECIABLE ASSETS | |
| Total Depreciable Assets, at acquisition cost | 9,411 |
| Less: Accumulated Depreciation | (7,234) |
| NET DEPRECIABLE ASSETS | 2,177 |
| TOTAL ASSETS | $ 2,435,237 |

## LIABILITIES AND NET ASSETS

| | |
|---|---|
| CURRENT LIABILITIES | |
| Accounts Payable | $ 6,196 |
| TOTAL CURRENT LIABILITIES | 6,196 |
| NET UNRESTRICTED ASSETS | 2,429,041 |
| TOTAL LIABILITIES AND NET ASSETS | $ 2,435,237 |

The accompanying notes are an integral part of these financial statements.

CELL PHONES FOR SOLDIERS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED
DECEMBER 31, 2011

| | |
|---|---|
| REVENUES | |
| Donations | $ 1,983,558 |
| EXPENSES | |
| Program Services | 2,216,530 |
| Management and General | 210,334 |
| Fundraising | 163,482 |
| TOTAL EXPENSES | 2,590,346 |
| CHANGE IN NET UNRESTRICTED ASSETS BEFORE INTEREST INCOME | (606,788) |
| Interest income | 4,194 |
| CHANGE IN NET UNRESTRICTED ASSETS | (602,594) |
| NET UNRESTRICTED ASSETS, BEGINNING OF YEAR | 3,031,635 |
| NET UNRESTRICTED ASSETS, END OF YEAR | $ 2,429,041 |

The accompanying notes are an integral part of these financial statements.

**CELL PHONES FOR SOLDIERS, INC.**
**STATEMENT OF CASH FLOWS**
**YEAR ENDED**
**DECEMBER 31, 2011**

| | |
|---|---|
| CASH FLOWS USED BY OPERATING ACTIVITIES | |
| Change in net assets | $ (602,594) |
| Adjustments to reconcile change in net assets to net cash used by operations: | |
| Depreciation | 2,018 |
| (Increase) decrease to current asset accounts: | |
| Accounts Receivable | (115,333) |
| Prepaid Expenses and Deferred Charges | (16,339) |
| Current Portion of Note Receivable | 285,245 |
| Increase (decrease) to liability accounts: | |
| Accounts Payable | 4,152 |
| Adjustments to reconcile change in net assets to net cash provided by operations | 159,743 |
| NET CASH USED BY OPERATING ACTIVITIES | (442,851) |
| CASH GENERATED BY INVESTING ACTIVITIES | |
| Long-term Note Receivable Conversion into Current Portion | 142,864 |
| NET CASH USED IN INVESTING ACTIVITIES | 142,864 |
| NET DECREASE IN CASH | (299,987) |
| CASH, BEGINNING OF YEAR | 1,899,847 |
| CASH, END OF YEAR | $ 1,599,860 |
| SUPPLEMENTAL INFORMATION: | |
| Interest and Late Fees Paid | $ 0 |

The accompanying notes are an integral part of these financial statements.

**CELL PHONES FOR SOLDIERS, INC.**
**STATEMENT OF FUNCTIONAL EXPENSES**
**YEAR ENDED**
**DECEMBER 31, 2011**

| | Total | Program Services | Management and General | Fundraising |
|---|---|---|---|---|
| Prepaid Phone Cards | $ 2,216,530 | $ 2,216,530 | | |
| Officers' Salaries | 127,500 | | $ 127,500 | |
| Other Salaries | 22,000 | | 22,000 | |
| Rent | 9,000 | | 9,000 | |
| Postage | 31,441 | | | $ 31,441 |
| Payroll Taxes | 8,634 | | 8,634 | |
| Outside Services | 103,061 | | 4,000 | 99,061 |
| Office | 34,529 | | 34,529 | |
| Fundraising | 9,433 | | | 9,433 |
| Filing Fees | 2,653 | | 2,653 | |
| Depreciation | 2,018 | | 2,018 | |
| Auto, Travel, Meals | 22,303 | | | 22,303 |
| Internet | 1,244 | | | 1,244 |
| | $ 2,590,346 | $ 2,216,530 | $ 210,334 | $ 163,482 |

The accompanying notes are an integral part of these financial statements.

# Cell Phones for Soldiers, Inc.
# Notes to Financial Statements
# Year-Ended December 31, 2011

## Note # 1

### Nature of Activities and Summary of Significant Accounting Policies
### Nature of the Activities

Cell Phones for Soldiers, Inc. (the "Organization") was established to assist United States military personnel serving overseas in communicating with their families and friends. The Organization accepts donations and has implemented a cell phone recycling program to raise funds, which are then used to purchase phone systems and prepaid calling cards for military personnel. The Organization was incorporated in July 2004 in Massachusetts.

### Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting. Donation revenue is recognized as received and expenses are recognized as incurred.

There are no differences between amounts reported on these financial statements and the Form 990 filed with the Internal Revenue Service.

There were no temporarily or permanently restricted net assets or activities as of December 31, 2011.

### Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments available for current use, with an initial maturity of three months or less, to be cash equivalents.

### Accounts Receivable

When cell phones are donated they are sent to a recycler who converts them to cash and the amount agreed upon is recorded as a donation and an account receivable.

The organization agreed to convert an account receivable into a non-interest bearing note receivable. This note receivable was defaulted on in 2011 and is currently under renegotiation.

### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results would differ from those estimates.

# Cell Phones for Soldiers, Inc.
# Notes to Financial Statements
# Year-Ended December 31, 2011

### Contributions and Donated Services

Contributions are recognized as revenue upon receipt or when a donor declares an unconditional intention to contribute cash or some other asset to the Organization.

### Income Tax Status

The Organization receives donated services from a variety of volunteers assisting in the operation and administration of its program. No amounts have been recognized in the accompanying Statement of Activities for donations or services rendered.

The Organization is public charity under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

The Organization does file tax returns with the Internal Revenue Service. The amounts reported on these financial statements are the same as those reported to the Internal Revenue Service.

### Depreciable Assets

Equipment and Furniture are recorded at cost and are being depreciated over their estimated useful lives using the straight line method with the half-year convention. Assets are capitalized if their useful lives exceed one year.

### Subsequent Events

The Organization has adopted standards for accounting for and disclosures of events that occur after the balance sheet date, but before the financial statements are issued or are available to be issued. The Organization has evaluated subsequent events through November 8, 2012 which is the date that the financial statements were available for issuance.

## Note # 2

### Related Party Transactions

Robert and Gail Bergquist are founders, officers and directors of the Organization. The Organization paid Robert Bergquist $ 75,000 and Gail Bergquist $ 52,500 in 2011 for services rendered. The organization paid Robert and Gail Bergquist $ 9,000 for office and storage space in their home. This monthly rent was based on prevailing rents in the area. The Bergquists' children performed services for the organization and were paid in total $ 25,455.

## Cell Phones for Soldiers, Inc.
## Notes to Financial Statements
## Year-Ended December 31, 2011

### Note # 3

### Concentrations

As of December 31, 2011, the organization held cash at one savings bank in several accounts exceeding the FDIC insurance coverage by $ 1,346,092. Deposits in that bank in excess of the FDIC limit are insured by the Deposit Insurance Fund, together with funds from other Massachusetts Savings Banks.