

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)

Department of the Treasury
Internal Revenue Service

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

A For the 2006 calendar year, or tax year beginning **OCT 1, 2006** and ending **SEP 30, 2007**

<p>B Check if applicable:</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Final return</p> <p><input checked="" type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p>Please use IRS label or print or type. See Specific Instructions.</p>	<p>C Name of organization CENTRAL ASIA INSTITUTE</p> <p>Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 7209</p> <p>City or town, state or country, and ZIP + 4 BOZEMAN, MT 59771</p>	<p>D Employer identification number 51-0376237</p> <p>E Telephone number 406-585-7841</p> <p>F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶</p>
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

Hand I are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates ▶ **N/A**

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Website: ▶ **IKAT.ORG**

J Organization type (check only one) 501(c) (**3**) (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

I Group Exemption Number ▶ **N/A**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **3,796,072.**

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

	<p>1 Contributions, gifts, grants, and similar amounts received:</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:5%;">a Contributions to donor advised funds</td> <td style="width:5%;">1a</td> <td style="width:60%;"></td> <td style="width:5%;"></td> <td style="width:25%;"></td> </tr> <tr> <td>b Direct public support (not included on line 1a)</td> <td>1b</td> <td>3,660,538.</td> <td></td> <td></td> </tr> <tr> <td>c Indirect public support (not included on line 1a)</td> <td>1c</td> <td></td> <td></td> <td></td> </tr> <tr> <td>d Government contributions (grants) (not included on line 1a)</td> <td>1d</td> <td></td> <td></td> <td></td> </tr> <tr> <td>e Total (add lines 1a through 1d) (cash \$ 3,660,538. noncash \$)</td> <td>1e</td> <td></td> <td></td> <td>3,660,538.</td> </tr> </table>	a Contributions to donor advised funds	1a				b Direct public support (not included on line 1a)	1b	3,660,538.			c Indirect public support (not included on line 1a)	1c				d Government contributions (grants) (not included on line 1a)	1d				e Total (add lines 1a through 1d) (cash \$ 3,660,538. noncash \$)	1e			3,660,538.			
a Contributions to donor advised funds	1a																												
b Direct public support (not included on line 1a)	1b	3,660,538.																											
c Indirect public support (not included on line 1a)	1c																												
d Government contributions (grants) (not included on line 1a)	1d																												
e Total (add lines 1a through 1d) (cash \$ 3,660,538. noncash \$)	1e			3,660,538.																									
	2 Program service revenue including government fees and contracts (from Part VII, line 93)		2																										
	3 Membership dues and assessments		3																										
	4 Interest on savings and temporary cash investments		4	135,534.																									
	5 Dividends and interest from securities		5																										
Revenue	6 a Gross rents	6a																											
	b Less: rental expenses	6b																											
	c Net rental income or (loss). Subtract line 6b from line 6a	6c																											
	7 Other investment income (describe)	7																											
	8 a Gross amount from sales of assets other than inventory	8a	(A) Securities	(B) Other																									
	b Less: cost or other basis and sales expenses	8b																											
	c Gain or (loss) (attach schedule)	8c																											
	d Net gain or (loss). Combine line 8c, columns (A) and (B)	8d																											
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>																												
	a Gross revenue (not including \$ of contributions reported on line 1b)	9a																											
b Less: direct expenses other than fundraising expenses	9b																												
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c																												
10 a Gross sales of inventory, less returns and allowances	10a																												
b Less: cost of goods sold	10b																												
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c																												
11 Other revenue (from Part VII, line 103)	11																												
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			3,796,072.																									
Expenses	13 Program services (from line 44, column (B))	13		1,356,579.																									
	14 Management and general (from line 44, column (C))	14		306,613.																									
	15 Fundraising (from line 44, column (D))	15		930,724.																									
	16 Payments to affiliates (attach schedule)	16																											
	17 Total expenses. Add lines 16 and 44, column (A)	17			2,593,916.																								
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18		1,202,156.																									
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		1,048,772.																									
	20 Other changes in net assets or fund balances (attach explanation)	20		0.																									
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21			2,250,928.																								

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	107,875.	53,938.	16,181.	37,756.
25b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
25c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	106,526.	43,353.	37,667.	25,506.
27 Pension plan contributions not included on lines 25a, b, and c	21,343.	14,019.	6,305.	1,019.
28 Employee benefits not included on lines 25a - 27	26,354.	14,685.	11,669.	
29 Payroll taxes	15,350.	9,034.	3,947.	2,369.
30 Professional fundraising fees				
31 Accounting fees				
32 Legal fees				
33 Supplies	8,812.	278.	8,534.	
34 Telephone				
35 Postage and shipping	40,990.	408.	39,474.	1,108.
36 Occupancy	32,236.	906.	31,330.	
37 Equipment rental and maintenance				
38 Printing and publications	455,059.	81,658.	7,131.	366,270.
39 Travel	214,518.	114,596.	4,260.	95,662.
40 Conferences, conventions, and meetings	108.		108.	
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)	12,787.		12,787.	
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 1	1,551,958.	1,023,704.	127,220.	401,034.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	2,593,916.	1,356,579.	306,613.	930,724.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A; (ii) the amount allocated to Program services \$ N/A; (iii) the amount allocated to Management and general \$ N/A; and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 4	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a SEE STATEMENT 2	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	791,474.
b SEE STATEMENT 3	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	92,409.
c DOMESTIC OUTREACH AND EDUCATION, LECTURES AND GUEST APPEARANCES ACROSS THE UNITED STATES TELLING CAI'S STORY AND THE PLIGHT OF CHILDREN IN PAKISTAN AND AFGHANISTAN.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	287,222.
d OTHER OVERSEAS PROJECT EXPENSES FOR EARTHQUAKE DISASTER RELIEF-MATERIAL AND SUPPLIES SUPPORT FOR EARTHQUAKE RELIEF SCHOOLS AND BUILDING OF 2 ADDITIONAL SCHOOLS; PUBLIC HEALTH AND WATER PROJECTS, AND SUPPORT FOR WOMEN'S CENTERS.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	185,474.
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	1,356,579.

Form 990 (2006)

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	88,097.	45	308,715.
	46 Savings and temporary cash investments	714,806.	46	1,659,761.
	47 a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b		47c
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50 a Receivables from current and former officers, directors, trustees, and key employees			50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)			50b
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges	5,120.	53	
	54 a Investments - publicly-traded securities STMT 5 ► <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	221,892.	54a	258,031.
	b Investments - other securities	► <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
	55 a Investments - land, buildings, and equipment: basis	55a		
b Less: accumulated depreciation	55b		55c	
56 Investments - other	SEE STATEMENT 6	4,564.	56	4,564.
57 a Land, buildings, and equipment: basis	57a 368,826.			
b Less: accumulated depreciation STMT 7	57b 65,733.	315,880.	57c	303,093.
58 Other assets, including program-related investments (describe ► EMPLOYEE ADVANCES)		<869.>	58	0.
59 Total assets (must equal line 74). Add lines 45 through 58		1,349,490.	59	2,534,164.
Liabilities	60 Accounts payable and accrued expenses	32,945.	60	29,493.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable	246,770.	64b	237,131.
	65 Other liabilities (describe ► PAYROLL LIABILITIES)	21,003.	65	16,612.
66 Total liabilities. Add lines 60 through 65		300,718.	66	283,236.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	977,903.	67	1,612,361.
	68 Temporarily restricted	70,869.	68	638,567.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		1,048,772.	73	2,250,928.
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		1,349,490.	74	2,534,164.

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	N/A
b	Amounts included on line a but not on Part I, line 12:		
1	Net unrealized gains on investments	b1	
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify):	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	
d	Amounts included on Part I, line 12, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify):	d2	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12). Add lines c and d	e	

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements	a	N/A
b	Amounts included on line a but not on Part I, line 17:		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify):	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	
d	Amounts included on Part I, line 17, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify):	d2	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17). Add lines c and d	e	

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
GREG MORTENSON P.O. BOX 7209 BOZEMAN, MT 59771	EXECUTIVE DIRECTOR 40.00	107,875.	0.	0.
JULIA BERGMAN 108 BAYVIEW CIRCLE SAN FRANCISCO, CA 94124	BOARD CHAIRPERSON 0.00	0.	0.	0.
ABDUL JABBAR 221 CRESTA VISTA DR SAN FRANCISCO, CA 94127	DIRECTOR 0.00	0.	0.	0.
KAREN MCCOWN 250 GREER RD WOODSIDE, CA 94062	DIRECTOR 0.00	0.	0.	0.

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		X
82b	N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
85c	Dues, assessments, and similar amounts from members		
85d	Section 162(e) lobbying and political expenditures		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12		
86b	Gross receipts, included on line 12, for public use of club facilities		
87a	501(c)(12) organizations. Enter: a Gross income from members or shareholders		
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0.		
89b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
89d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
89e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90 a	List the states with which a copy of this return is filed	NONE	
90b	Number of employees employed in the pay period that includes March 12, 2006	4	
91 a	The books are in care of	JENNIFER SIPES Telephone no. 406-585-7841	
	Located at	MONTANA, BOZEMAN, MT ZIP + 4 59715	
91b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		

Part VI Other Information (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No
 If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies ...					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments ...			14	135,534.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a S _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		135,534.	0.
105 Total (add line 104, columns (B), (D), and (E))					135,534.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13). N/A

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

				Yes	No
(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer		
a					
b					
c					
Totals					

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

				Yes	No
(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer		
a					
b					
c					
Totals					

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

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.

Please Sign Here: *Jennifer Sipes* Signature of officer, Date: *2/5/09*
 Type or print name and title: *Jennifer Sipes, Operations Director*

Paid Preparer's Use Only: Preparer's signature: *Stefeni S. Freese, CPA*, Date: *2/3/09*, Check if self-employed: , Preparer's SSN or PTIN (See Gen. Inst. X):
 Firm's name (or yours if self-employed), address, and ZIP + 4: **ANDERSON ZURMUEHLEN & CO. PC**
1007 EAST MAIN, SUITE 300
BOZEMAN, MT 59715
 EIN: _____, Phone no.: **(406) 556-6160**

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2006

Name of the organization CENTRAL ASIA INSTITUTE	Employer identification number 51 0376237
-----------------------------------------------------------	-----------------------------------------------------

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
JENNIFER SIPES 811 FOSTER CREEK ROAD, BELGRADE, MT	OPERATIONS DIRECTOR 50.00	52,333.	16,013.	
Total number of other employees paid over \$50,000 ▶	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e	Transfer of any part of its income or assets?	2e	X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	X
b	Did the organization make any taxable distributions under section 4966?	4b	N/A
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c	N/A
d	Enter the total number of donor advised funds owned at the end of the tax year	N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year	0.	

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					▶

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	1,541,711.	867,148.	908,658.	432,506.	3,750,023.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose				43,708.	43,708.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	75,383.	131,440.	11,286.	2,803.	220,912.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	1,617,094.	998,588.	919,944.	479,017.	4,014,643.
24 Line 23 minus line 17	1,617,094.	998,588.	919,944.	435,309.	3,970,935.
25 Enter 1% of line 23	16,171.	9,986.	9,199.	4,790.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 79,419.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 205,581.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 3,970,935.
d Add: Amounts from column (e) for lines: 18 <u>220,912.</u> 19 _____ 22 _____ 26b <u>205,581.</u>					26d 426,493.
e Public support (line 26c minus line 26d total)					26e 3,544,442.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 89.2596%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A (2005) _____ (2004) _____ (2003) _____ (2002) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A (2005) _____ (2004) _____ (2003) _____ (2002) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶	27f N/A				
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

Part V Private School Questionnaire (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			

32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			

34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)

N/A

(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is -	The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h .)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h .)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2006

Name of organization

CENTRAL ASIA INSTITUTE

Employer identification number

51-0376237

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 organizations 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 Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests 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 Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate 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: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

2006 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 2

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Asset No.	Description	Date Acquired	Method	Life	Conv	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
	MANAGEMENT AND GENERAL														
1	PAGEMAKER/PHOTO	03/17/97	SL	3.00			844.				844.	844.		0.	844.
5	WEBSITE DEVELOPMENT	06/01/00	SL	5.00			1,950.				1,950.	1,658.		0.	1,658.
9	DESK/AMEX	01/07/99	SL	10.00			760.				760.	532.		76.	608.
13	COMPUTER PRINTER	02/27/97	SL	5.00			899.				899.	899.		0.	899.
14	MONITOR	02/27/97	SL	5.00			818.				818.	818.		0.	818.
15	MAC COMPUTER	03/07/97	SL	5.00			4,986.				4,986.	4,986.		0.	4,986.
16	1/2 JEEP	05/10/97	SL	5.00			4,475.				4,475.	4,475.		0.	4,475.
17	LAPTOP	05/12/97	SL	5.00			943.				943.	943.		0.	943.
18	PROJECTOR-DISSOLVE UNIT	02/04/99	SL	12.00			500.				500.	290.		42.	332.
19	LAPTOP	02/11/99	SL	5.00			3,126.				3,126.	2,656.		0.	2,656.
20	SLIDE PROJECTOR	02/11/99	SL	12.00			2,987.				2,987.	1,722.		249.	1,971.
21	COMPUTER/OFFICE	03/10/99	SL	5.00			2,360.				2,360.	2,006.		0.	2,006.
22	SLIDE SCANNER	03/10/99	SL	12.00			4,601.				4,601.	2,618.		383.	3,001.
23	SATELLITE DIGITAL PHONE	03/18/99	SL	10.00			3,989.				3,989.	2,693.		399.	3,092.
24	DELL COMPUTER/EMN PROJ	03/30/99	SL	5.00			1,986.				1,986.	1,688.		0.	1,688.
25	80/20 LENS	04/30/99	SL	12.00			805.				805.	447.		67.	514.
26	CANNON COPIER	06/14/99	SL	6.00			3,100.				3,100.	2,713.		0.	2,713.

2006 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 2

990

Asset No.	Description	Date Acquired	Method	Life	C o n v	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
27	CAMERA EQUIPMENT	08/27/99	SL	12.00		HY16	1,104.				1,104.	583.		92.	675.
28	CAMERA	03/01/00	SL	10.00		HY16	585.				585.	344.		59.	403.
29	COMPUTER	09/28/00	SL	5.00		HY16	2,179.				2,179.	1,853.		0.	1,853.
30	COMPUTER MONITOR	06/15/01	SL	5.00		HY16	1,027.				1,027.	889.		0.	889.
31	DELL COMPUTER-LEASE	10/01/01	SL	5.00		HY16	1,882.				1,882.	1,598.		0.	1,598.
32	CAMERA/MONITOR	10/01/01	SL	5.00		HY16	2,236.				2,236.	1,900.		0.	1,900.
33	PRINTER	01/04/02	SL	5.00		HY16	1,100.				1,100.	880.		55.	935.
34	CANON G2 CAMERA	03/13/02	SL	5.00		HY16	780.				780.	598.		65.	663.
35	OM HARDRIVE AND COMPUTER	02/25/03	SL	5.00		HY16	2,380.				2,380.	1,428.		476.	1,904.
36	CFO COMPUTER	07/28/03	SL	5.00		HY16	1,000.				1,000.	600.		200.	800.
37	PROGRAM DIRECTOR LAPTOP	09/21/03	SL	5.00		HY16	855.				855.	513.		171.	684.
38	QDS IMAGING SYSTEMS	09/29/03	SL	5.00		HY16	7,593.				7,593.	4,557.		1,519.	6,076.
39	PHONE SYSTEM	10/01/04	SL	7.00		HY16	1,133.				1,133.	324.		162.	486.
40	COMPUTER	12/21/04	SL	5.00		HY16	1,300.				1,300.	455.		260.	715.
41	COMPUTER SERVER	06/01/05	SL	5.00		HY16	3,000.				3,000.	800.		600.	1,400.
52	OFFICE CONDO	04/30/06	SL	39.00		MM17	300,000.				300,000.	3,526.		7,692.	11,218.
63	UPDATED PHONE SYSTEM	03/30/06	SL	7.00		HY16	1,543.				1,543.	110.		220.	330.
	* 990 PAGE 2 TOTAL MANAGEMENT AND GENERAL						368,826.				368,826.	52,946.		12,787.	65,733.

FORM 990	OTHER EXPENSES			STATEMENT 1
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROFESSIONAL FEES	76,804.	40,929.	18,398.	17,477.
FEES AND PERMITS	22,033.		22,033.	
INSURANCE	13,406.		13,406.	
FILM/VIDEO/ARCHIVE	33,656.	20,917.	1,123.	11,616.
MISCELLANEOUS	18,831.		18,831.	
GIFTS/DONATIONS	5,177.	2,037.	3,040.	100.
BUILDING COSTS	469,865.	469,865.		
WEBSITE & INTERNET	3,495.	370.	3,125.	
ADVERTISING/MEDIA	415,061.	55,456.	19,958.	339,647.
EQUIPMENT	10,810.	1,075.	8,032.	1,703.
MEALS	1,096.	18.	1,078.	
EVENT EXPENSE	30,782.	6,235.		24,547.
MEDICAL TREATMENT	2,000.	2,000.		
SCHOOL OPERATING EXPENSES	166,462.	166,462.		
PROJECT LEADER COSTS	45,924.	27,728.	18,196.	
SCHOLARSHIPS	10,950.	10,950.		
SCHOOL SUPPLIES & EQUIPMENT	27,708.	27,708.		
OTHER OVERSEAS PROJECT SUPPLIES & LABOR	197,898.	191,954.		5,944.
TOTAL TO FM 990, LN 43	1,551,958.	1,023,704.	127,220.	401,034.

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT 2

DESCRIPTION OF PROGRAM SERVICE ONE

SEE APPENDIX A FOR LIST OF SCHOOLS SERVED INCLUDING DATE SCHOOL WAS BUILT. EXPENSES INCLUDE \$434,765 FOR BUILDING MATERIALS,SUPPLIES, LABOR AND TRANSPORTATION, \$179,320 FOR SCHOOL OPERATING EXPENSES INCLUDING TEACHERS SALARIES & SUPPLIES, \$10,750 ON SCHOLARSHIPS, \$15,591 TRAVEL FOR PROJECT MANAGERS, \$5,865 FILM COSTS & \$145,183 SALARIES FOR PROJECT MANAGERS.

TO FORM 990, PART III, LINE A

GRANTS

EXPENSES

791,474.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 3

DESCRIPTION OF PROGRAM SERVICE TWO

PENNIES FOR PEACE DOMESTIC EDUCATION-160 SCHOOLS IN 45 STATES PARTICIPATE IN EDUCATING AMERICAN CHILDREN ABOUT THE WORLD BEYOND THEIR EXPERIENCE AND HOW THEY CAN MAKE A POSITIVE IMPACT ON A GLOBAL SCALE, ONE PENNY AT A TIME. TO DATE, CHILDREN HAVE RAISED \$147,663 FOR OVERSEAS SCHOOLS AND CAI HAS SPEND \$88,467 ON BUILDING MATERIALS, SCHOOL OPERATING EXP, SALARIES, SCHOLARSHIPS AND SUPPLIES FOR SCHOOLS. THERE IS \$59,196 RESTRICTED CASH ON HAND TO BE SPENT ON OVERSEAS EXPENSES.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE B		92,409.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 4
PART III

EXPLANATION

PRESERVATION OF THE CENTRAL ASIA MOUNTAIN REGION AND ITS PEOPLE THROUGH EDUCATION, HEALTHCARE AND ENVIRONMENTAL PROJECTS.

FORM 990 GOVERNMENT SECURITIES STATEMENT 5

DESCRIPTION	COST/FMV	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
MUTUAL FUNDS	FMV	258,031.		258,031.
TOTAL TO FORM 990, LINE 54A, COL B		258,031.		258,031.

FORM 990	OTHER INVESTMENTS	STATEMENT	6
DESCRIPTION	VALUATION METHOD	AMOUNT	
PRIMEVEST INVESTMENTS	MARKET VALUE	4,564.	
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		4,564.	

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	7
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
PAGEMAKER/PHOTO	844.	844.	0.
WEBSITE DEVELOPMENT	1,950.	1,658.	292.
DESK/AMEX	760.	608.	152.
COMPUTER PRINTER	899.	899.	0.
MONITOR	818.	818.	0.
MAC COMPUTER	4,986.	4,986.	0.
1/2 JEEP	4,475.	4,475.	0.
LAPTOP	943.	943.	0.
PROJECTOR-DISSOLVE UNIT	500.	332.	168.
LAPTOP	3,126.	2,656.	470.
SLIDE PROJECTOR	2,987.	1,971.	1,016.
COMPUTER/OFFICE	2,360.	2,006.	354.
SLIDE SCANNER	4,601.	3,001.	1,600.
SATELLITE DIGITAL PHONE	3,989.	3,092.	897.
DELL COMPUTER/EMN PROJ	1,986.	1,688.	298.
80/20 LENS	805.	514.	291.
CANNON COPIER	3,100.	2,713.	387.
CAMERA EQUIPMENT	1,104.	675.	429.
CAMERA	585.	403.	182.
COMPUTER	2,179.	1,853.	326.
COMPUTER MONITOR	1,027.	889.	138.
DELL COMPUTER-LEASE	1,882.	1,598.	284.
CAMERA/MONITOR	2,236.	1,900.	336.
PRINTER	1,100.	935.	165.
CANON G2 CAMERA	780.	663.	117.
OM HARDRIVE AND COMPUTER	2,380.	1,904.	476.
CFO COMPUTER	1,000.	800.	200.
PROGRAM DIRECTOR LAPTOP	855.	684.	171.
QDS IMAGING SYSTEMS	7,593.	6,076.	1,517.
PHONE SYSTEM	1,133.	486.	647.
COMPUTER	1,300.	715.	585.
COMPUTER SERVER	3,000.	1,400.	1,600.
OFFICE CONDO	300,000.	11,218.	288,782.
UPDATED PHONE SYSTEM	1,543.	330.	1,213.
TOTAL TO FORM 990, PART IV, LN 57	368,826.	65,733.	303,093.

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization CENTRAL ASIA INSTITUTE	Employer identification number 51-0376237
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 7209	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. BOZEMAN, MT 59771	

Check type of return to be filed (file a separate application for each return):

- | | | |
|----------------------------------------------|-------------------------------------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ **JENNIFER SIPES**
Telephone No. ▶ **406-585-7841** FAX No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a section 501(c) corporation required to file Form 990-T) extension of time until **MAY 15, 2008**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year _____ or

▶ tax year beginning **OCT 1, 2006**, and ending **SEP 30, 2007**.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Afghanistan Projects	Support Started	School Complete	Girl Students	Boy Students	Total Students
AL FATEH Girls School, Kabul	2002	Support Only	1400	0	1400
BAHARAK SCHOOL , Badakshan Province	2002	2005	180	150	330
BAROK SCHOOL Takhar Province	2003	Support Only	310	480	790
BOZOI GUMBAD , Wakhan Corridor	2006	EST 2007	21	45	66
DURKHANI SCHOOL Kabul	2001	Support Only	750	680	1430
FAISABAD GIRL's SCHOOL , Badakshan Province	2003	2006	700	0	700
FAISABAD GIRL's H. SCHOOL , Badakshan Province	2003	Support Only	1600	0	1600
FAISABAD MEDICAL COLLEGE , Badakshan Province	2004	Support Only	29	5	34
GOZKHON PRIMARY SCHOOL , Wakhan Corridor	2006	EST 2007	37	55	92
JANGALAK SCHOOL Panjar Valley	2002	Support Only	130	165	295
KALI-PANJ SCHOOL , Wakhan Corridor	2003	2005	80	150	230
KORKUT PRIMARY SCHOOL , Wakhan Corridor	2006	EST 2007	10	15	25
LALANDER SCHOOL , Char Asiab Valley	2003	2004	89	95	184
SARHAD SCHOOL Wakhan Corridor	2002	2005	140	90	230
WARGEANT SCHOOL Wakhan Corridor	2003	2005	45	92	137
BABU TENGI SCHOOL , Wakhan Corridor	2004	2006	200	150	350
PIKUI SCHOOL , Wakhan Corridor	2004	2005	45	70	115
POTOKH PRIMARY SCHOOL , Wakhan Corridor	2006	EST 2007	25	40	65
Total Afghanistan Students			5791	2282	8073

Pakistan Projects	Support Started	School Complete	Girl Students	Boy Students	Total Students
AL ABID SCHOOL, Rondu / Indus Valley	2002	2004	45	135	180
AL MUSTAFA SCHOOL, Astana / Skardu Valley	2003	2003	80	104	184
BABU ALAM ACADEMY, Skardu City	1997	1999	32	54	86
BALSARI GIRL SCHOOL, Neelam Valley	2006	EST 2007	150	0	150
BATANGI SCHOOL, Neelam Valley	2007	EST 2007	40	82	122
BHDEE SCHOOL, Neelam Valley	2007	EST 2007	55	63	118
BIAFOO GIRL SCHOOL, Hussinabadi Valley	2004	2005	82	45	127
CAMBRIDGE MODEL SCHOOL, Skardu city	2003	Support Only	0	35	35
CHUNDA SCHOOL, Indus Valley	2004	2007	276	4	280
UPPER GULAPOR GIRL SCHOOL, Shegar Valley	2006	EST 2007	89	0	89
LOWER GULAPOR SCHOOL, Shegar Valley	2006	EST 2008	45	138	183
GULTORI REFUGEE GIRLS SCHOOL, Bromolo Colony	1999	1999	230	0	230
GUNYAL GIRLS SCHOOL, Gultori Valley LOC war area	1999	2000	163	0	163
HALDE SCHOOL, Hushe Valley	1999	1999	53	142	195
HEMESIL SCHOOL, Basha Valley	2000	2005	40	78	118
HOERNI COMPUTER CENTER, Skardu	1997	2000	0	140	140
HUSHE SCHOOL, Hushe Valley	1997	1998	78	145	223
HUSHE SAP Girls School, Hushe Valley	1999	2003	65	0	65
HUSSEINABAD YOUTH (Student) HOSTEL - Islamabad	2004	2005	8	35	43
HYDERABAD SCHOOL, Shegar Valley	2002	2002	72	85	157
JAFARABAD SCHOOL, Shegar Valley	2000	2006	167	0	167
DOQ LUNA BOYS H. SCHOOL, Punjab - Jhelum Valley	2002	2002	0	620	620
DOQ LUNA BOYS ELEMENTARY SCHOOL, Punjab - Jhelum Valley	2002	2006	0	650	650
DOQ LUNA GIRLS ELEMENTARY SCHOOL, Punjab - Jhelum Valley	2002	2006	0	470	470
JINNAH SCHOOL+ LIBRARY PROJECT	1997	1997	314	485	799
KACHIGARI Afghan Refugee School, Peshawar	1999	Support Only	800	400	1200
KARMANG - PARI School LOC War zone school	1998	Support Only	33	58	91
KARRIMABAD BOYS HIGH SCHOOL	2000	Support Only	0	315	315
KARRIMABAD GIRL H. SCHOOL - Hunza Valley	2000	Support Only	211	0	211
KHANDAY MIDDLE SCHOOL, Hushe Valley	1999	2001	62	165	227
KHANE SCHOOL, Hushe Valley	1996	Support Only	27	35	62
KINDUS GIRLS SCHOOL, Hushe Valley (Upper Khanday)	1999	2001	81	0	81
KORPHE SCHOOL, Braldu Valley	1993	1996	37	75	112
KUARDU GIRLS SCHOOL - Kuardu Valley	1998	1998	158	0	158
KUARDU SCHOOL - Kuardu Valley	1998	1998	29	52	81
MEHDIABAD SCHOOL Karmang Valley	2000	2000	72	95	167
MIAN CHANNU SCHOOL, Multan Valley	2005	2006	95	135	230
NAR GIRLS SCHOOL, Gol Valley	2000	2000	67	0	67
NOORA SERI GIRLS HIGH SCHOOL, Neelam Valley	2007	EST 2007	125	0	125
NOWSERI GIRLS SCHOOL, Neelam Valley	2005	2006	89	0	89
OLDING - TOQ SCHOOL, Skardu - Toq Valley	1999	1999	108	157	265
PAKHORA SCHOOL, Braldu Valley	1997	1997	13	37	50
PAKRAT SCHOOL, Neelam Valley	2005	2006	40	75	115
PATIKA GIRL SCHOOL, Neelam Valley	2005	2006	335	0	335
RANGA SCHOOL, Indus Valley	1998	1998	38	65	103

Central Asia Institute #51-0376237

Appendix A

Form 990, Part III, Line a (Program Accomplishments)

Pakistan Projects	Support Started	School Complete	Girl Students	Boy Students	Total Students
REMINJI SCHOOL , Charpusan Valley	2003	2004	41	55	96
SKARDU GIRL HONOR SCHOOL	2004	Support Only	260	0	260
TISAR SCHOOL , Basha Valley	2000	2000	23	7	30
TORGHU BALLA SCHOOL , Indus Valley	1997	1999	168	0	168
TORMIK Sekinderabad School , Dassu Valley	2000	2001	27	42	69
ZCHARBAR School , Kuardu	2000	2000	31	85	116
ZESHAN SCHOOL , Rondu Valley	2004	2004	51	57	108
ZIL SCHOOL , Indus Kachura Valley	2004	2005	39	78	117
ZUUDKHAAN SCHOOL - Charpusan Valley	2002	2004	92	73	165
Total Pakistan Students			5191	5436	10627