

Form **990**

**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)

OMB No 1545-0047

**2003**

Open to Public Inspection

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 2003 calendar year, or tax year beginning and ending**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return  
 Amended return  
 Application pending

Please use IRS label or print or type See Specific Instructions

**C Name of organization**  
**OPEN SOURCE APPLICATIONS FOUNDATION**

Number and street (or P O box if mail is not delivered to street address) Room/suite  
**543 HOWARD STREET, 5TH FLOOR**

City or town, state or country, and ZIP + 4  
**SAN FRANCISCO, CA 94105**

**D Employer identification number**  
**94-3401217**

**E Telephone number**  
**(415) 946-3040**

**F Accounting method**  Cash  Accrual  
 Other (specify) ▶

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

**H and 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 ▶

**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

**I** Group Exemption Number ▶

**G Website:** ▶ **WWW.OSAFFOUNDATION.ORG**

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

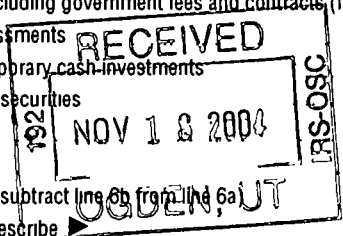
**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

**L** Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **13,088,929.**

**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**

Revenue	<b>1</b> Contributions, gifts, grants, and similar amounts received				
	<b>a</b> Direct public support	<b>1a</b>	<b>9,814,990.</b>		
	<b>b</b> Indirect public support	<b>1b</b>			
	<b>c</b> Government contributions (grants)	<b>1c</b>			
	<b>d</b> Total (add lines 1a through 1c) (cash \$ <b>5,243,469.</b> noncash \$ <b>4,571,521.</b> )	<b>1d</b>			<b>9,814,990.</b>
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>			
	<b>3</b> Membership dues and assessments	<b>3</b>			
	<b>4</b> Interest on savings and temporary cash investments	<b>4</b>			
	<b>5</b> Dividends and interest from securities	<b>5</b>			<b>45,120.</b>
	<b>6 a</b> Gross rents	<b>6a</b>			
	<b>b</b> Less rental expenses	<b>6b</b>			
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>			
<b>7</b> Other investment income (describe ▶)	<b>7</b>				
Revenue	<b>8 a</b> Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
		<b>3,223,791.</b>	<b>8a</b>	<b>5,028.</b>	
		<b>3,240,546.</b>	<b>8b</b>	<b>4,618.</b>	
		<b>&lt;16,755.&gt;</b>	<b>8c</b>	<b>410.</b>	
<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8d</b>	<b>STMT 1</b>	<b>STMT 2</b>	<b>&lt;16,345.&gt;</b>	
Revenue	<b>9</b> Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>				
	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	<b>9a</b>			
	<b>b</b> Less direct expenses other than fundraising expenses	<b>9b</b>			
<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>				
Revenue	<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>			
		<b>b</b> Less cost of goods sold	<b>10b</b>		
		<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>		
<b>11</b> Other revenue (from Part VII, line 103)	<b>11</b>				
<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>			<b>9,843,765.</b>	
Expenses	<b>13</b> Program services (from line 44, column (B))	<b>13</b>			<b>1,745,087.</b>
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>			<b>438,187.</b>
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>			<b>13,137.</b>
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>			
	<b>17</b> Total expenses (add lines 16 and 44, column (A))	<b>17</b>			<b>2,196,411.</b>
Net Assets	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>			<b>7,647,354.</b>
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>			<b>&lt;1,109,212.&gt;</b>
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>	<b>SEE STATEMENT 3</b>		<b>&lt;13,344.&gt;</b>
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>			<b>6,524,798.</b>



SCANNED 0604

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

Form 990 (2003)

**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 Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	cash \$ _____ noncash \$ _____				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	123,462.	102,078.	20,433.	951.
26	Other salaries and wages	1,087,890.	899,506.	180,010.	8,374.
27	Pension plan contributions	77,581.	60,140.	16,881.	560.
28	Other employee benefits	49,658.	41,059.	8,217.	382.
29	Payroll taxes	87,518.	72,362.	14,482.	674.
30	Professional fundraising fees				
31	Accounting fees	5,240.		5,240.	
32	Legal fees	24,565.		24,565.	
33	Supplies				
34	Telephone	16,033.	13,257.	2,653.	123.
35	Postage and shipping				
36	Occupancy	110,101.	91,035.	18,218.	848.
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel	14,036.	11,510.	2,304.	222.
40	Conferences, conventions, and meetings				
41	Interest	28,959.	23,944.	4,792.	223.
42	Depreciation, depletion, etc (attach schedule)	10,521.	8,699.	1,741.	81.
43	Other expenses not covered above (itemize)				
a	_____				
b	_____				
c	_____				
d	_____				
e	SEE STATEMENT 4	560,847.	421,497.	138,651.	699.
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	2,196,411.	1,745,087.	438,187.	13,137.

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 \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_;  
 (iii) the amount allocated to Management and general \$ \_\_\_\_\_, and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? <b>SEE STATEMENT 5</b>		Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
a	SEE STATEMENT 6	
	(Grants and allocations \$ _____)	1,745,087.
b	_____	
	(Grants and allocations \$ _____)	
c	_____	
	(Grants and allocations \$ _____)	
d	_____	
	(Grants and allocations \$ _____)	
e	Other program services (attach schedule)	(Grants and allocations \$ _____)
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	1,745,087.

**Part IV Balance Sheets**

		(A) Beginning of year	(B) End of year
<i>Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.</i>			
<b>Assets</b>	45 Cash - non-interest-bearing		45 317,159.
	46 Savings and temporary cash investments		46
	47 a Accounts receivable	47a	
	b Less: allowance for doubtful accounts	47b	47c
	48 a Pledges receivable	48a 53,683.	
	b Less: allowance for doubtful accounts	48b	48c 53,683.
	49 Grants receivable		49 2,250,000.
	50 Receivables from officers, directors, trustees, and key employees		50
	51 a Other notes and loans receivable	51a 29,362.	
	b Less: allowance for doubtful accounts	51b	51c 29,362.
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges		53
	54 Investments - securities STMT 7 STMT 8 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		0. 54 2,610,195.
	55 a Investments - land, buildings, and equipment basis	55a	
	b Less: accumulated depreciation	55b	55c
56 Investments - other SEE STATEMENT 9		0. 56 1,503,393.	
57 a Land, buildings, and equipment basis	57a 68,467.		
b Less: accumulated depreciation Smt. B	57b 13,860.	38,521. 57c 54,607.	
58 Other assets (describe <input type="checkbox"/> )		24,025. 58	
59 <b>Total assets (add lines 45 through 58) (must equal line 74)</b>		62,546. 59 6,818,399.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses		21,758. 60 78,857.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		1,150,000. 63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe <input type="checkbox"/> DUE TO RELATED PARTY )		65 214,744.
66 <b>Total liabilities (add lines 60 through 65)</b>		1,171,758. 66 293,601.	
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	<1,109,212.>	67 3,848,715.
	68 Temporarily restricted		68 2,676,083.
	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 <b>Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19; column (B) must equal line 21)</b>	<1,109,212.>	73 6,524,798.
	74 <b>Total liabilities and net assets / fund balances (add lines 66 and 73)</b>		62,546. 74 6,818,399.

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.

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return**

a	Total revenue, gains, and other support per audited financial statements	a	9,960,123.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$ <13,342.>		
(2)	Donated services and use of facilities \$ 129,700.		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify) \$		
	Add amounts on lines (1) through (4)	b	116,358.
c	Line a minus line b	c	9,843,765.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) \$		
	Add amounts on lines (1) and (2)	d	0.
e	Total revenue per line 12, Form 990 (line c plus line d)	e	9,843,765.

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

a	Total expenses and losses per audited financial statements	a	2,302,086.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$ 129,700.		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify) \$		
	Add amounts on lines (1) through (4)	b	129,700.
c	Line a minus line b	c	2,172,386.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify): STMT 10 \$ 24,025.		
	Add amounts on lines (1) and (2)	d	24,025.
e	Total expenses per line 17, Form 990 (line c plus line d)	e	2,196,411.

**Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)**

(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	(E) Expense account and other allowances
MITCHELL KAPOR C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	PRESIDENT 35	0.	0.	0.
IRA FUCHS C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	DIRECTOR 0	0.	0.	0.
PAMELA SAMUELSON C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	DIRECTOR .5	0.	0.	0.
TIM O'REILLY C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	DIRECTOR .5	0.	0.	0.
JOHN LILLY C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	DIRECTOR .5	0.	0.	0.
MITCHELL BAKER C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	DIRECTOR 32	123,462.	12,642.	0.
ESTHER SUN C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	SECRETARY 8	0.	0.	0.
AMY MCDEVITT C/O OPEN SOURCE APPLICATIONS FOUNDATI SAN FRANCISCO, CA 94105	TREASURER 8	0.	0.	0.
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75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule  Yes  No

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions. 81a 0.		
b	Did the organization file Form 1120-POL for this year?		X
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?		X
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) 82b N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	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? N/A		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A		
	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		
c	Dues, assessments, and similar amounts from members 85c N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A		
h	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? N/A		
86	501(c)(7) organizations. Enter. a Initiation fees and capital contributions included on line 12 86a N/A		
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A		
87	501(c)(12) organizations. Enter. a Gross income from members or shareholders 87a N/A		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A		
88	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
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.		
b	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
c	Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter. Amount of tax on line 89c, above, reimbursed by the organization		0.
90 a	List the states with which a copy of this return is filed CALIFORNIA		
b	Number of employees employed in the pay period that includes March 12, 2003 90b 16		
91	The books are in care of OPEN SOURCE APPLICATION FOUNDATION Telephone no (415) 946-3040		
	Located at 543 HOWARD STREET, 5TH FLOOR, SAN FRANCISCO, CA ZIP + 4 94105		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> 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 page 33 of 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					
96 Dividends and interest from securities			14	45,120.	
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			18	<16,345.>	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		28,775.	0.
105 Total (add line 104, columns (B), (D), and (E))					28,775.

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

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 34 of 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 page 34 of 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 page 34 of 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).

I have prepared this return including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. All information of which preparer has any knowledge.

Date: 10/31/04  
 Type or print name and title: President  
 Date: OCT 11 2004  
 Check if self-  
 Preparer's SSN or PTIN

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under Section 501(c)(3)**

OMB No 1545-0047

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

**2003**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information-(See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization <b>OPEN SOURCE APPLICATIONS FOUNDATION</b>	Employer identification number <b>94 3401217</b>
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**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 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
MORGAN SAGEN ----- 543 HOWARD, 5TH FL, SAN FRANCISCO, CA	SOFTWARE ARCH 45	139,628.	14,774.	
KATHRYN PARLANTE ----- 543 HOWARD, 5TH FL, SAN FRANCISCO, CA	SOFTWARE ARCH 45	124,625.	13,724.	
CHIH-CHAO LAM ----- 543 HOWARD, 5TH FL, SAN FRANCISCO, CA	PROJECT MANAG 40	123,596.	13,652.	
JURGEN BOTZ ----- 543 HOWARD, 5TH FL, SAN FRANCISCO, CA	INFO MANAGER 40	103,289.	12,231.	
MICHAEL TOY ----- 543 HOWARD, 5TH FL, SAN FRANCISCO, CA	DEV MANAGER 40	89,904.	6,909.	
Total number of other employees paid over \$50,000 ▶	5			

**Part II 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
JOHN ANDERSON ----- 543 HOWARD ST., 5TH FLOOR, SAN FRANCISCO, CA 94105	SOFTWARE ARCHITECT	164,975.
ROBIN DUNN ----- 543 HOWARD ST., 5TH FLOOR, SAN FRANCISCO, CA 94105	SOFTWARE DESIGN	100,000.
KAPOR ENTERPRISES, INC ----- 543 HOWARD ST., 5TH FLOOR, SAN FRANCISCO, CA 94105	ACCOUNTING, HR, OFFICE MANAGEMENT	59,760.
----- ----- -----		
Total number of others receiving over \$50,000 for professional services ▶	0	

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

	Yes	No
<b>1</b> 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
<b>2</b> 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.) <b>SEE STATEMENT 11</b>		
a Sale, exchange, or leasing of property?	X	
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?	X	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? <b>SEE PART V, FORM 990</b>	X	
e Transfer of any part of its income or assets?		X
<b>3 a</b> Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments )		X
b Do you have a section 403(b) annuity plan for your employees?		X
<b>4</b> Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

**Part IV Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions )

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 supports organizations described in (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3) )

Provide the following information about the supported organizations (See page 5 of the instructions )

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14  An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	13,975.	6,460.			20,435.
<b>16</b> Membership fees received					
<b>17</b> 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					
<b>18</b> 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	356.	241.			597.
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
<b>23</b> Total of lines 15 through 22	14,331.	6,701.	0.	0.	21,032.
<b>24</b> Line 23 minus line 17	14,331.	6,701.			21,032.
<b>25</b> Enter 1% of line 23	143.	67.			
<b>26</b> Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 421.
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 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 0.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 21,032.
d Add. Amounts from column (e) for lines 18 _____ 597. 19 _____ 22 _____ 26b _____					26d 597.
e Public support (line 26c minus line 26d total)					26e 20,435.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 97.1615%
<b>27</b> 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	(2002)	(2001)	(2000)	(1999)	
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 11, 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	(2002)	(2001)	(2000)	(1999)	
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 1999 through 2002, 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

**Part V Private School Questionnaire** (See page 7 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 )		
<hr/> <hr/> <hr/>			
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? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)	32d	
<hr/> <hr/>			
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? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)	33h	
<hr/> <hr/>			
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? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
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 9 of the instructions)  
 (To be completed ONLY by an eligible organization that filed Form 5768)

N/A

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

<b>Limits on Lobbying Expenditures</b>		(a) Affiliated group totals	(b) To be completed for ALL electing organizations												
(The term "expenditures" means amounts paid or incurred )		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 -														
	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"><b>If the amount on line 40 is -</b></td> <td style="width: 50%;"><b>The lobbying nontaxable amount is -</b></td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	<b>If the amount on line 40 is -</b>	<b>The lobbying nontaxable amount is -</b>	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	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	41	
<b>If the amount on line 40 is -</b>	<b>The lobbying nontaxable amount is -</b>														
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														
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 11 of the instructions )

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(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 12 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

**Part VII** Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions)

**51** Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

**a** Transfers from the reporting organization to a noncharitable exempt organization of

- (i) Cash
- (ii) Other assets
- b** Other transactions
  - (i) Sales or exchanges of assets with a noncharitable exempt organization
  - (ii) Purchases of assets from a noncharitable exempt organization
  - (iii) Rental of facilities, equipment, or other assets
  - (iv) Reimbursement arrangements
  - (v) Loans or loan guarantees
  - (vi) Performance of services or membership or fundraising solicitations

**c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees

**d** If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
<b>51a(i)</b>		X
<b>a(ii)</b>		X
<b>b(i)</b>		X
<b>b(ii)</b>		X
<b>b(iii)</b>		X
<b>b(iv)</b>		X
<b>b(v)</b>		X
<b>b(vi)</b>		X
<b>c</b>		X

N/A

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

**52 a** Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

**b** If "Yes," complete the following schedule N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

<b>Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.</b>		
Type or print. File by the extended due date for filing the return. See instructions.	Name of Exempt Organization	Employer identification number
	OPEN SOURCE APPLICATIONS FOUNDATION	94-3401217
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	543 HOWARD STREET, 5TH FLOOR	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	SAN FRANCISCO, CA 94105	

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

- Form 990
- Form 990-EZ
- Form 990-T (sec 401(a) or 408(a) trust)
- Form 1041-A
- Form 5227
- Form 8870
- Form 990-BL
- Form 990-PF
- Form 990-T (trust other than above)
- Form 4720
- Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- 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 is for

- 4 I request an additional 3-month extension of time until NOVEMBER 15, 2004
- 5 For calendar year 2003, or other tax year beginning \_\_\_\_\_ and ending \_\_\_\_\_
- 6 If this tax year is for less than 12 months, check reason.  Initial return  Final return  Change in accounting period
- 7 State in detail why you need the extension

**ADDITIONAL TIME IS NEEDED TO GATHER THE INFORMATION NECESSARY TO PREPARE A COMPLETE AND ACCURATE RETURN.**

- 8a 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. \$ \_\_\_\_\_
- b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868. \$ \_\_\_\_\_
- c **Balance Due.** Subtract line 8b from line 8a. 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. \$ N/A

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature [Signature] Title CPA Date 8/9/04

**Notice to Applicant - To Be Completed by the IRS**

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other \_\_\_\_\_

**EXTENSION APPROVED**  
**AUG 2 2004**

Director \_\_\_\_\_ By: \_\_\_\_\_ Date \_\_\_\_\_

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension mailed to an address different than the one entered above

Type or print	Name
	HOOD & STRONG LLP, CPAS
	Number and street (include suite, room, or apt no.) Or a P.O. box number
	60 SPEAR STREET, SUITE 400
	City or town, province or state, and country (including postal or ZIP code)
	SAN FRANCISCO, CA 94105

# 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

• If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Note: 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)

**Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only**

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print	Name of Exempt Organization	Employer identification number
	OPEN SOURCE APPLICATION FOUNDATION	94-3401217
	Number, street, and room or suite no. If a P.O. box, see instructions. 543 HOWARD STREET, 5TH FLOOR	
City, town or post office, state, and ZIP code. For a foreign address, see instructions. SAN FRANCISCO, CA 94105		

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 |

• 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-month, for **990-T corporation**) extension of time until AUGUST 16, 2004 to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year 2003 or  
▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

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 \$ \_\_\_\_\_

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 \$ \_\_\_\_\_

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 \$ N/A

### Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ [Handwritten Signature] Title ▶ CPA Date ▶ 5/17/04  
LHA For Paperwork Reduction Act Notice, see instruction Form 8868 (12-2000)

FORM 990                      GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES                      STATEMENT      1

DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
SEE STATEMENT A	3,223,791.	3,240,546.	0.	<16,755.>
TO FORM 990, PART I, LINE 8	3,223,791.	3,240,546.	0.	<16,755.>

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
COMPUTER EQUIPMENT	08/15/01	01/01/03	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	950.	3,916.	0.	1,044.	<1,922.>

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
COMPUTER EQUIPMENT	07/19/01	10/03/03	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	4,078.	3,174.	0.	1,428.	2,332.
TO FM 990, PART I, LN 8	5,028.	7,090.	0.	2,472.	410.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 3

DESCRIPTION	AMOUNT
UNREALIZED LOSS ON INVESTMENTS	<13,342.>
PRIOR PERIOD ADJUSTMENT	<2.>
TOTAL TO FORM 990, PART I, LINE 20	<13,344.>

FORM 990 OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
REGULAR CONSULTANTS	314,488.	314,488.		
MATCHING CHARITY CONTRIBUTIONS	3,350.	2,770.	554.	26.
STAFF DEVELOPMENT AND TRAINING	1,398.	1,156.	231.	11.
OFFICE EXPENSE	37,849.	31,295.	6,263.	291.



TAXES, FEES LICENSES	35.		35.	
CORPORATE INSURANCE	11,885.		11,885.	
CONSULTANTS	104,553.	31,889.	72,664.	
MARKETING	15,010.		15,010.	
COMPUTER/NETWORK EXPENSE	28,175.	23,297.	4,662.	216.
MISCELLANEOUS	20,079.	16,602.	3,322.	155.
WRITE-OFF ORGANIZATION COSTS	24,025.		24,025.	
<b>TOTAL TO FM 990, LN 43</b>	<b>560,847.</b>	<b>421,497.</b>	<b>138,651.</b>	<b>699.</b>

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 5  
PART III

EXPLANATION

TO CONDUCT RESEARCH AND FURTHER THE DEVELOPMENT OF KNOWLEDGE INTO THE DESIGN OF APPLICATIONS SOFTWARE, WITH A FOCUS ON SOFTWARE FOR NON-TECHNICAL COMPUTER USERS TO USE IN THEIR ORDINARY WORK AND PERSONAL LIVES.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 6

DESCRIPTION OF PROGRAM SERVICE ONE

COMPLETED SIGNIFICANT DEVELOPMENT OF "CHANDLER", AN OPEN SOURCE PERSONAL INFORMATION MANAGER FOR E-MAIL, CALENDAR, CONTACTS AND GENERAL INFORMATION MANAGEMENT. PUBLISHED INFORMATION ABOUT OUR PRODUCT PLANS, WHICH WERE DISSEMINATED TO THE PUBLIC AND COMMENTS WERE SOLICITED AND REVIEWED VIA OSAF'S WEB SITE, PUBLIC MAILING LIST, COMMUNITY COLLABORATION SPACE AND WEBLOGS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		1,745,087.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 7

SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
CORPORATE BONDS		696,245.			696,245.
TO 990, LN 54 COL B		696,245.			696,245.

FORM 990 GOVERNMENT SECURITIES STATEMENT 8

DESCRIPTION	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
GOVERNMENT BONDS	1,013,950.		1,013,950.
MUNICIPAL BONDS		900,000.	900,000.
TOTAL TO FORM 990, LINE 54, COL B	1,013,950.	900,000.	1,913,950.

FORM 990 OTHER INVESTMENTS STATEMENT 9

DESCRIPTION	VALUATION METHOD	AMOUNT
MONEY MARKET FUNDS	MARKET VALUE	1,503,393.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		1,503,393.

FORM 990 OTHER EXPENSES INCLUDED ON FORM 990 STATEMENT 10

DESCRIPTION	AMOUNT
WRITE-OFF ORGANIZATION COSTS	24,025.
TOTAL TO FORM 990, PART IV-B	24,025.

SCHEDULE A

STATEMENT REGARDING ACTIVITIES WITH  
SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS,  
CREATORS, KEY EMPLOYEES, ETC.,  
PART III, LINE 2

STATEMENT 11

QUESTION 2A & C-KAPOR ENTERPRISES (KEI) PROVIDED ADMINISTRATIVE SUPPORT AND OFFICE MANAGEMENT TO OPEN SOURCE APPLICATIONS FOUNDATION (OSAF). MITCHELL KAPOR IS THE SOLE OWNER OF KAPOR ENTERPRISES, INC. AND CHAIRMAN OF THE BOARD OF OSAF. OSAF ALSO RENTS SPACE FROM KEI. IN 2003, \$59,760 WAS PAID FOR SERVICES AND \$151,291 WAS PAID FOR RENT. ALL AMOUNTS REIMBURSED ARE BASED UPON COST TO THE FOR-PROFIT COMPANY AND ALLOCATED BASED UPON ESTIMATES OF TIME OR USAGE. THESE TRANSACTIONS WERE REVIEWED IN ADVANCE BY THE BOARD OF DIRECTORS TO ENSURE THAT THE COSTS WERE FAIR AND REASONABLE AND DID NOT EXCEED MARKET RATES.

**Open Source Applications Foundation  
2003 Stock Sales**

Stock	Shares	Trade Date	Share Price	Gross Proceeds	Comm/ Fees	Net Sale	GAAP Cost Basis	Realized Gain/Loss
RealNetworks	98,297							
	(25,000)	5/15/03	7.79	\$ 194,750.00	759.12	\$ 193,990.88	\$ 193,750.00	\$ 1,000.00
	(25,000)	5/15/03	7.89	\$ 197,250.00	759.24	\$ 196,490.76	\$ 193,750.00	\$ 3,500.00
	(25,000)	5/15/03	7.99	\$ 199,750.00	759.35	\$ 198,990.65	\$ 193,750.00	\$ 6,000.00
	(23,297)	5/15/03	8.09	\$ 188,472.73	712.74	\$ 187,759.99	\$ 180,551.75	\$ 7,920.98
	7,933							
	(6,230)	5/27/03	8.19	\$ 51,023.70	189.29	\$ 50,834.41	\$ 50,244.95	\$ 778.75
	(1,703)	5/27/03	8.09	\$ 13,777.27	51.74	\$ 13,725.53	\$ 13,734.70	\$ 42.58
	268,770							
	(25,000)	5/28/03	9.19	\$ 229,845.95	760.76	\$ 229,085.19	\$ 224,250.00	\$ 5,595.95
	(25,000)	5/28/03	9.12	\$ 227,988.00	760.67	\$ 227,227.33	\$ 224,250.00	\$ 3,738.00
	(25,000)	5/28/03	8.99	\$ 224,791.00	760.53	\$ 224,030.47	\$ 224,250.00	\$ 541.00
	(25,000)	5/28/03	8.89	\$ 222,250.00	760.41	\$ 221,489.59	\$ 224,250.00	\$ (2,000.00)
	(25,000)	5/28/03	8.80	\$ 219,994.20	760.30	\$ 219,233.90	\$ 224,250.00	\$ (4,255.80)
	(25,000)	5/28/03	8.79	\$ 219,750.00	760.29	\$ 218,989.71	\$ 224,250.00	\$ (4,500.00)
	(25,000)	5/28/03	8.75	\$ 218,869.35	760.25	\$ 218,109.10	\$ 224,250.00	\$ (5,380.65)
	(25,000)	5/28/03	8.71	\$ 217,726.50	760.19	\$ 216,966.31	\$ 224,250.00	\$ (6,523.50)
	(25,000)	5/28/03	8.63	\$ 215,841.20	760.11	\$ 215,081.09	\$ 224,250.00	\$ (8,408.80)
	(25,000)	5/28/03	8.62	\$ 215,500.00	760.09	\$ 214,739.91	\$ 224,250.00	\$ (8,750.00)
	(18,770)	5/28/03	8.62	\$ 161,797.40	570.68	\$ 161,226.72	\$ 168,366.90	\$ (6,569.50)
	475							
	(475)	5/29/03	9.29	\$ 4,412.75	14.46	\$ 4,398.29	\$ 3,897.38	\$ 515.38
	<u>0</u>							
						<u>\$3,212,369.83</u>	<u>\$3,240,545.67</u>	<u>\$(16,755.62)</u>

**Open Source Applications Foundation**  
**Fixed Asset Listing-Computers**  
As of 12/31/03

Asset #	Asset Description (quantity)	Acquired	Purchase Price	Asset Life	Depreciation 12/31/2003	Accumulated Depreciation	
110	Dell Latitude C600 laptop	7/24/2001	\$3,540.86	5	\$708.00	\$1,711.00	
94/95	Dell Dimension 8100 (+ Monitor)	7/19/2001	\$3,286.49	5	\$657.00	\$1,588.00	
82	Apple iBook	8/1/2001	\$0.00	5	\$0.00	\$0.00	
128	LCD Projector	12/24/2001	\$3,263.64	5	\$653.00	\$1,306.00	
91	Dell Desktop	3/22/2002	\$2,765.78	5	\$553.00	\$968.00	
87	Apple Power Mac	6/21/2002	\$3,526.82	5	\$705.00	\$1,058.00	
125/88	Dell latitude c640+ Monitor	10/23/2002	\$2,407.00	5	\$481.00	\$561.00	
	Dell 3250 desktop computer	10/24/2002	\$4,717.60	5	\$944.00	\$1,101.00	
	Rackspace Server	11/19/2002	\$1,652.78	5	\$331.00	\$359.00	
90	Dell inspiron 8200	11/26/2002	\$1,492.56	5	\$299.00	\$324.00	
114	Apple power mac g4	11/26/2002	\$1,909.60	5	\$382.00	\$414.00	
93	Dell precision 340	11/26/2002	\$2,582.49	5	\$516.00	\$559.00	
126	Apple PowerBook	12/13/2002	\$2,390.11	5	\$478.00	\$478.00	
113	Monitor and Accessones	12/31/2002	\$508.21	5	\$102.00	\$102.00	
	ABS Computer	1/5/2003	\$1,648.00	5	\$302.00	\$302.00	
86	LaserJet Printer	2/14/2003	\$1,948.50	5	\$325.00	\$325.00	
89	Apple cinema 20" Flat Panel Displ	3/13/2003	\$1,449.42	5	\$217.00	\$217.00	
84	Dell 19" Multimedia CD monitor	3/13/2003	\$712.00	5	\$107.00	\$107.00	
	Dell Laptop	4/17/2003	\$2,946.56 A	5	\$393.00	\$393.00	
	2 Dell Precision 360 Mini Towers	6/22/2003	\$2,223.46	5	\$222.00	\$222.00	
371	Dell Inspiron 8500 Laptop	7/12/2003	\$1,913.00	5	\$159.00	\$159.00	
375	20" Flat Panel Display	7/29/2003	\$963.48 A	5	\$80.00	\$80.00	
369	Dell Inspiron 8500 Laptop	9/3/2003	\$2,066.90	5	\$138.00	\$138.00	
	Dell Inspiron 600m Laptop	9/15/2003	\$2,546.48 A	5	\$127.00	\$127.00	
	Apple PowerMac G4	10/1/2003	\$2,792.80 A	5	\$140.00	\$140.00	
	Apple PowerMac G4	11/20/2003	\$2,941.44 A	5	\$49.00	\$49.00	
					<b>\$58,195.98 WP4001</b>	<b>\$9,068.00</b>	<b>\$12,788.00</b>

**Open Source Applications Foundation**  
**Fixed Asset Listing-Furniture**  
As of 12/31/03

Asset #	Asset Description (quantity)	Acquired	Purchase Price	Asset Life	Depreciation 12/31/2003	Accumulated Depreciation
	Various Furniti	05/11/02	\$2,070.00	7	\$296.00	\$444.00
152	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
153	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
154	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
155	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
156	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
157	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
158	Mirra Chair	08/28/03	\$588.37 A	7	\$28.00	\$28.00
159	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
160	Mirra Chair	08/28/03	\$588.37	7	\$28.00	\$28.00
385	Mirra Chair	12/15/03	\$592.34	7	\$0.00	\$0.00
386	Mirra Chair	12/15/03	\$592.34	7	\$0.00	\$0.00
387	Mirra Chair	12/15/03	\$592.34	7	\$0.00	\$0.00
<b>Total Furniture</b>			<b>\$9,142.35 WP4001</b>		<b>\$548.00</b>	<b>\$696.00</b>

# Open Source Applications Foundation

## Fixed Asset Listing - Software

As or 12/31/03

Asset Description	Acquired	Purchase Price	Life	Depreciation 12/31/2003	Accum. Depreciation
Software	6/30/2003	1128.48	1-3	376.16	376.16
Disposed Laptop				529.00	
<b>Total - All Assets</b>		<u>69,466.81</u>		<u>10,521.16</u>	<u>13,860.16</u>