

**Return of Organization Exempt From Income Tax**

**2008**

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

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 2008 calendar year, or tax year beginning** 04/01, 2008, and ending 03/31, 2009

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

**C Name of organization** IN-Q-TEL, INC.  
 Doing Business As  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
 PO BOX 749  
 City or town, state or country, and ZIP + 4  
 ARLINGTON, VA 22216

**D Employer identification number**  
52-2149962

**E Telephone number**  
(703) 248-3000

**F Name and address of principal officer:** CHRISTOPHER DARBY  
 PO BOX 749 ARLINGTON, VA 22216

**G Gross receipts \$** 54,629,746.  
 H(a) Is this a group return for affiliates? Yes  No   
 H(b) Are all affiliates included? Yes  No   
 If "No," attach a list. (see instructions)

**I Tax-exempt status:** X 501(c)(03) (insert no.) 4847(a)(1) or 527

**J Website:** WWW.IQT.ORG  
**(c) Group exemption number** N/A

**K Type of organization** X Corporation Trust Association Other  
**L Year of formation:** 1999 **M State of legal domicile:** DE

**Part I Summary**

**1** Briefly describe the organization's mission or most significant activities:  
 IN-Q-TEL IDENTIFIES AND PARTNERS WITH COMPANIES TO HELP DELIVER SOLUTIONS TO THE CENTRAL INTELLIGENCE AGENCY AND THE BROADER U.S. INTELLIGENCE COMMUNITY (IC) TO FURTHER THEIR MISSIONS.

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

**3** Number of voting members of the governing body (Part VI, line 1a) **3** 10

**4** Number of independent voting members of the governing body (Part VI, line 1b) **4** 10

**5** Total number of employees (Part V, line 2a) **5** 88

**6** Total number of volunteers (estimate if necessary) **6** NONE

**7a** Total gross unrelated business revenue from Part VIII, line 12, column (C) **7a** NONE

**b** Net unrelated business taxable income from Form 990-T, line 34 **7b** NONE

	Prior Year	Current Year
<b>8</b> Contribution and grants (Part VIII, line 1h)	55,577,088.	50,433,734.
<b>9</b> Program service revenue (Part VIII, line 2g)	NONE	NONE
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,272,021.	1,581,170.
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9e, 10c, and 11e)	NONE	NONE
<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	60,849,109.	52,014,904.
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	NONE	NONE
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	NONE	NONE
<b>15</b> Salaries, other compensation, and employee benefits (Part IX, column (A), lines 5-10)	20,653,972.	19,029,061.
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11)	NONE	NONE
<b>b</b> Total fundraising expenses, Part IX, column (D), line 25		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 14a-14d)	26,209,276.	29,595,883.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	46,863,248.	48,624,944.
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	13,985,861.	3,389,960.

	Beginning of Year	End of Year
<b>20</b> Total assets (Part X, line 16)	132,677,391.	120,298,560.
<b>21</b> Total liabilities (Part X, line 26)	61,969,290.	56,031,279.
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20.	70,708,101.	64,267,281.

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
 Signature of officer: *Matthew Stottman* Date: 2/12/10  
 Type or print name and title: Matthew Stottman, CFO

**Paid Preparer's Use Only**  
 Preparer's signature: *[Signature]* Date: 02/08/2010 Check if self-employed   
 Preparer's identifying number: P00369623  
 Firm's name (or yours if self-employed), address, and ZIP + 4: PRICEWATERHOUSECOOPERS LLP  
 EIN: 13-4008324  
 Phone no.: 202-414-1000

May the IRS discuss this return with the preparer shown above? (See instructions) X Yes Yes No

SCANNED MAR 1 2 2010

**Part III Statement of Program Service Accomplishments** (see instructions)

**1** Briefly describe the organization's mission

SEE STATEMENT 1

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes" describe these new services on Schedule O

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O.

**4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

**4a** (Code \_\_\_\_\_) (Expenses \$ 38,478,491. including grants of \$ NONE) (Revenue \$ NONE)

SEE STATEMENT 2

**4b** (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4c** (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4d** Other program services (Describe in Schedule O )

(Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4e** Total program service expenses ► \$ 38,478,491. (Must equal Part IX, Line 25, column (B) )

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Rows 1-27 detailing various organizational requirements and reporting obligations.

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

		Yes	No
<b>28</b>	During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
<b>a</b>	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		X
<b>b</b>	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		X
<b>c</b>	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		X
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .		X
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .		X
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .		X
<b>32</b>	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .		X
<b>33</b>	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .		X
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .	X	
<b>35</b>	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		X
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		X
<b>37</b>	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .		X

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

		Yes	No		
<b>1a</b>	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns Enter -0- if not applicable . . . . .	<b>1a</b>	64		
<b>b</b>	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable . . . . .	<b>1b</b>	NONE		
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	<b>1c</b>			
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .	<b>2a</b>	88		
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? . . . . . <i>Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)</i>	<b>2b</b>		X	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	<b>3a</b>			X
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .	<b>3b</b>			
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .	<b>4a</b>			X
<b>b</b>	If "Yes," enter the name of the foreign country. ► _____ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>			X
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .	<b>5b</b>			X
<b>c</b>	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .	<b>5c</b>			
<b>6a</b>	Did the organization solicit any contributions that were not tax deductible? . . . . .	<b>6a</b>			X
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>			
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>				
<b>a</b>	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75? . . . . .	<b>7a</b>			X
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7b</b>			
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	<b>7c</b>			X
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	<b>7d</b>			
<b>e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	<b>7e</b>			X
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<b>7f</b>			X
<b>g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	<b>7g</b>			
<b>h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .	<b>7h</b>			
<b>8</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .	<b>8</b>			X
<b>9</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>				
<b>a</b>	Did the organization make any taxable distributions under section 4966? . . . . .	<b>9a</b>			X
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .	<b>9b</b>			X
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter				
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	<b>10a</b>			
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .	<b>10b</b>			
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter				
<b>a</b>	Gross income from members or shareholders . . . . .	<b>11a</b>			
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them ) . . . . .	<b>11b</b>			
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . . . .	<b>12a</b>			
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .	<b>12b</b>			

**Part VI Governance, Management, and Disclosure** (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

**Section A. Governing Body and Management**

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body	1a	10
b	Enter the number of voting members that are independent	1b	10
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6	Does the organization have members or stockholders?	6	X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
8	Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following.		
a	The governing body?	8a	X
b	Each committee with authority to act on behalf of the governing body?	8b	X
9a	Does the organization have local chapters, branches, or affiliates?	9a	X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	X
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	X

**Section B. Policies**

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	X
13	Does the organization have a written whistleblower policy?	13	X
14	Does the organization have a written document retention and destruction policy?	14	X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
a	The organization's CEO, Executive Director, or top management official?	15a	X
b	Other officers or key employees of the organization? Describe the process in Schedule O (see instructions)	15b	X
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

**Section C. Disclosure**

17	List the states with which a copy of this Form 990 is required to be filed	CA, MA
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request	
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization	MATT STROTTMAN 2107 WILSON BLVD. ARLINGTON, VA 22201 703-248-3000





**Part VIII Statement of Revenue**

52-2149962

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
<b>Contributions, gifts, grants and other similar amounts</b>	1a Federated campaigns . . . . .	1a				
	b Membership dues . . . . .	1b				
	c Fundraising events . . . . .	1c				
	d Related organizations . . . . .	1d				
	e Government grants (contributions) . . . . .	1e	50,433,734.			
	f All other contributions, gifts, grants, and similar amounts not included above . . . . .	1f				
	g Noncash contributions included in lines 1a-1f \$ . . . . .					
	<b>h Total. Add lines 1a-1f . . . . .</b>		<b>50,433,734.</b>			
<b>Program Service Revenue</b>	<b>Business Code</b>					
	2a					
	b					
	c					
	d					
	e					
	f All other program service revenue . . . . .					
<b>g Total. Add lines 2a-2f . . . . .</b>		<b>NONE</b>				
<b>Other Revenue</b>	3 Investment income (including dividends, interest, and other similar amounts) . . . . .		-800,957.		-800,957.	
	4 Income from investment of tax-exempt bond proceeds . . . . .		NONE			
	5 Royalties . . . . .		NONE			
	6a Gross Rents . . . . .	(i) Real				
		(ii) Personal				
	b Less rental expenses . . . . .					
	c Rental income or (loss) . . . . .					
	d Net rental income or (loss) . . . . .			NONE		
	7a Gross amount from sales of assets other than inventory . . . . .	(i) Securities	4,996,969.			
		(ii) Other				
	b Less cost or other basis and sales expenses . . . . .		2,614,842.			
	c Gain or (loss) . . . . .		2,382,127.			
	d Net gain or (loss) . . . . .		2,382,127.		2,382,127.	
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	a				
	b Less direct expenses . . . . .	b				
c Net income or (loss) from fundraising events . . . . .			NONE			
9a Gross income from gaming activities See Part IV, line 19 . . . . .	a					
b Less direct expenses . . . . .	b					
c Net income or (loss) from gaming activities . . . . .			NONE			
10a Gross sales of inventory, less returns and allowances . . . . .	a					
b Less cost of goods sold . . . . .	b					
c Net income or (loss) from sales of inventory . . . . .			NONE			
<b>Miscellaneous Revenue</b>		<b>Business Code</b>				
11a						
b						
c						
d All other revenue . . . . .						
e <b>Total. Add lines 11a-11d . . . . .</b>			NONE			
<b>12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . .</b>			<b>52,014,904.</b>		<b>1,581,170.</b>	

**Part IX Statement of Functional Expenses**

**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.**

**All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	NONE			
4 Benefits paid to or for members . . . . .	NONE			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	4,592,691.	2,235,631.	2,357,060.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages . . . . .	12,330,006.	9,839,403.	2,490,603.	
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions). . .	NONE			
9 Other employee benefits . . . . .	1,278,447.	855,972.	422,475.	
10 Payroll taxes . . . . .	827,917.	601,712.	226,205.	
11 Fees for services (non-employees)				
a Management . . . . .	NONE			
b Legal . . . . .	710,147.	56,300.	653,847.	
c Accounting . . . . .	389,650.		389,650.	
d Lobbying . . . . .	NONE			
e Professional fundraising services See Part IV, line 17	NONE			
f Investment management fees . . . . .	NONE			
g Other . . . . .	619,352.	182,111.	437,241.	
12 Advertising and promotion . . . . .	NONE			
13 Office expenses . . . . .	810,812.	586,001.	224,811.	
14 Information technology . . . . .	NONE			
15 Royalties . . . . .	NONE			
16 Occupancy . . . . .	1,307,541.	281,636.	1,025,905.	
17 Travel . . . . .	1,060,748.	846,876.	213,872.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings . . . .	546,694.	109,138.	437,556.	
20 Interest . . . . .	NONE			
21 Payments to affiliates . . . . .	NONE			
22 Depreciation, depletion, and amortization . . .	670,709.	112,104.	558,605.	
23 Insurance . . . . .	419,199.		419,199.	
24 Other expenses (itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a WORK PROGRAM FOR CIA AND IC	21,738,522.	21,611,260.	127,262.	
b PROTOTYPES	500,000.	500,000.		
c EQUIPMENT EXPENSES	476,034.	471,129.	4,905.	
d RESEARCH MATERIALS	146,610.	130,225.	16,385.	
e RECRUITING/HR & PLACEMENT FE	143,259.		143,259.	
f All other expenses	56,606.	58,993.	-2,387.	
25 Total functional expenses. Add lines 1 through 24f	48,624,944.	38,478,491.	10,146,453.	
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing . . . . .		<b>1</b>	
	<b>2</b> Savings and temporary cash investments . . . . .	80,908,958.	<b>2</b>	62,147,142.
	<b>3</b> Pledges and grants receivable, net . . . . .	3,377,548.	<b>3</b>	9,810,815.
	<b>4</b> Accounts receivable, net . . . . .		<b>4</b>	
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, or other related parties Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sales or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	263,930.	<b>9</b>	531,515.
	<b>10a</b> Land, buildings, and equipment cost basis . . . . .	<b>10a</b> 6,969,438.		
	<b>b</b> Less: accumulated depreciation Complete Part VI of Schedule D. . . . .	<b>10b</b> 4,462,339.	1,398,119.	<b>10c</b> 2,507,099.
	<b>11</b> Investments - publicly traded securities . . . . .		<b>11</b>	
	<b>12</b> Investments - other securities See Part IV, line 11 . . . . .	2,850,143.	<b>12</b>	1,921,924.
	<b>13</b> Investments - program-related. See Part IV, line 11 . . . . .	42,843,197.	<b>13</b>	42,583,185.
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets See Part IV, line 11 . . . . .	1,035,496.	<b>15</b>	796,880.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	132,677,391.	<b>16</b>	120,298,560.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	8,486,508.	<b>17</b>	7,634,260.
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	53,482,782.	<b>19</b>	48,397,019.
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow account liability Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable . . . . .		<b>24</b>	
	<b>25</b> Other liabilities Complete Part X of Schedule D . . . . .		<b>25</b>	
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25. . . . .	61,969,290.	<b>26</b>	56,031,279.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	70,708,101.	<b>27</b>	64,267,281.
	<b>28</b> Temporarily restricted net assets . . . . .		<b>28</b>	
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> <b>Total net assets or fund balances</b> . . . . .	70,708,101.	<b>33</b>	64,267,281.	
<b>34</b> <b>Total liabilities and net assets/fund balances.</b> . . . . .	132,677,391.	<b>34</b>	120,298,560.	

**Part XI Financial Statements and Reporting**

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .		X
<b>b</b>	Were the organization's financial statements audited by an independent accountant? . . . . .	X	
<b>c</b>	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . .	X	
<b>3a</b>	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .		X
<b>b</b>	If "Yes," did the organization undergo the required audit or audits? . . . . .		



**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
(Complete only if you checked the box on line 5, 7, or 8 of Part I)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") . . . . .	44,330,106.	54,366,103.	54,024,972.	55,577,088.	50,433,734.	258,732,003.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>4 Total.</b> Add lines 1-3 . . . . .	44,330,106.	54,366,103.	54,024,972.	55,577,088.	50,433,734.	258,732,003.
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						
<b>6 Public support.</b> Subtract line 5 from line 4						258,732,003.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>7</b> Amounts from line 4. . . . .	44,330,106.	54,366,103.	54,024,972.	55,577,088.	50,433,734.	258,732,003.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	107,977.	214,499.	31,260.	55,629.	NONE	409,365.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV) . . . . .						
<b>11 Total support.</b> Add lines 7 through 10 . . . . .						259,141,368.
<b>12</b> Gross receipts from related activities, etc (See instructions.) . . . . .					12	
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here . . . . .						<input type="checkbox"/>

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

<b>14</b> Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) . . . . .	<b>14</b>	99.84 %
<b>15</b> Public support percentage from 2007 Schedule A, Part IV-A, line 26f . . . . .	<b>15</b>	97.84 %
<b>16a 33 1/3% support test - 2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .	<input checked="" type="checkbox"/>	
<b>b 33 1/3% support test - 2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .	<input type="checkbox"/>	
<b>17a 10%-facts-and-circumstances test - 2008.</b> If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization . . . . .	<input type="checkbox"/>	
<b>b 10%-facts-and-circumstances test - 2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization . . . . .	<input type="checkbox"/>	
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .	<input type="checkbox"/>	

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**  
 (Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") . . . . .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .						
3 Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
6 Total. Add lines 1-5 . . . . .						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 . . . . .						
c Add lines 7a and 7b. . . . .						
8 Public support (Subtract line 7c from line 6) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6 . . . . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
c Add lines 10a and 10b . . . . .						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV) . . . . .						
13 Total support. (Add lines 9, 10c, 11, and 12) . . . . .						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here . . . . .						<input type="checkbox"/>

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

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)) . . . . .	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g . . . . .	16	%

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

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)) . . . . .	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h . . . . .	18	%

- 19a **33 1/3% support tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .
- b **33 1/3% support tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .
- 20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions . . . . .

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

Area with horizontal dashed lines for supplemental information.

Supplemental Financial Statements

Department of the Treasury Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization

Employer identification number

IN-O-TEL, INC.

52-2149962

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

Table with 3 columns: Line number, Description, (a) Donor advised funds, (b) Funds and other accounts. Includes rows for total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement.

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

Table for Part II with multiple rows for purpose(s) of conservation easements, total number of easements, acreage, and monitoring details. Includes checkboxes for various purposes and a table for 'Held at the End of the Year'.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table for Part III with rows for reporting requirements for art and historical treasures, including revenue and asset reporting.

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

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

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

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

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

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

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

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

	Amount
c Beginning balance . . . . .	<b>1c</b>
d Additions during the year . . . . .	<b>1d</b>
e Distributions during the year . . . . .	<b>1e</b>
f Ending balance . . . . .	<b>1f</b>

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

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

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

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance . . . . .					
b Contributions . . . . .					
c Investment earnings or losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .					

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

- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
- b Permanent endowment ▶ \_\_\_\_\_ %
- c Term endowment ▶ \_\_\_\_\_ %

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

- (i) unrelated organizations . . . . .
- (ii) related organizations . . . . .

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .	NONE	2,371,937.	1,064,489.	1,307,448.
d Equipment . . . . .	NONE	3,804,580.	2,933,144.	871,436.
e Other . . . . .	NONE	792,921.	464,706.	328,215.
<b>Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c)) . . . . .</b>				<b>2,507,099.</b>



<b>Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements</b>		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	52,014,904.
2	Total expenses (Form 990, Part IX, column (A), line 25)	48,624,944.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3,389,960.
4	Net unrealized gains (losses) on investments	-12,874,679.
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4-8	-12,874,679.
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	-9,484,719.

<b>Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return</b>		
1	Total revenue, gains, and other support per audited financial statements	39,140,225.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12.	
a	Net unrealized gains on investments	2a -12,874,679.
b	Donated services and use of facilities	2b
c	Recoveries of prior year grants	2c
d	Other (Describe in Part XIV)	2d
e	Add lines 2a through 2d	2e -12,874,679.
3	Subtract line 2e from line 1	3 52,014,904.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1.	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV)	4b
c	Add lines 4a and 4b	4c
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5 52,014,904.

<b>Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return</b>		
1	Total expenses and losses per audited financial statements	48,624,944.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities	2a
b	Prior year adjustments	2b
c	Losses reported on Form 990, Part IX, line 25	2c
d	Other (Describe in Part XIV)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3 48,624,944.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV)	4b
c	Add lines 4a and 4b	4c
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5 48,624,944.

**Part XIV Supplemental Information**

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

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**Part XIV** Supplemental Information (continued)

Area with horizontal dashed lines for supplemental information.

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

▶ Attach to Form 990. To be completed by organizations  
that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the organization

IN-O-TEL, INC.

Employer identification number

52-2149962

**Part I Questions Regarding Compensation**

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.
- |  |   |
|--|---|
| <input type="checkbox"/> First-class or charter travel             | <input checked="" type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence            |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees              |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)            |

**b** If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . . . .

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? . . . . .

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations                | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a

- a** Receive a severance payment or change of control payment? . . . . .
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .
- c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

- a** The organization? . . . . .
- b** Any related organization? . . . . .
- If "Yes" to line 5a or 5b, describe in Part III

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

- a** The organization? . . . . .
- b** Any related organization? . . . . .
- If "Yes" to line 6a or 6b, describe in Part III

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III . . . . .

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III . . . . .

	Yes	No
1b	X	
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X

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

Schedule J (Form 990) 2008

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
C. DARBY	(i) 471,685. (ii)	433,458.	50,000.	9,200.	12,932.	977,275.	
S. BOWSER	(i) 414,022. (ii)	396,596.	NONE	9,200.	12,735.	832,553.	
B. ADAMS	(i) 279,471. (ii)	273,307.	NONE	9,200.	12,331.	574,309.	
M. STROTTMAN	(i) 246,919. (ii)	213,470.	NONE	9,200.	12,531.	482,120.	
E. POULOS	(i) 237,714. (ii)	188,453.	NONE	9,200.	6,206.	441,573.	
T. PEARSALL	(i) 260,664. (ii)	263,752.	NONE	9,200.	12,201.	545,817.	
P. CIGANER	(i) 258,685. (ii)	215,745.	NONE	9,200.	5,950.	489,580.	
S. YANCEY	(i) 70,952. (ii)	NONE	NONE	NONE	NONE	70,952.	
R. WIRT	(i) 52,357. (ii)	23,585.	NONE	NONE	NONE	75,942.	
E. KAUFMANN	(i) 281,576. (ii)	247,560.	NONE	9,200.	12,668.	551,004.	
P. BORBERLY	(i) 252,245. (ii)	229,263.	NONE	9,200.	6,299.	497,007.	
B. LEVITAN	(i) 246,551. (ii)	227,719.	NONE	9,200.	12,556.	496,026.	
J. ADDIEGO	(i) 238,281. (ii)	223,091.	NONE	9,200.	12,503.	483,075.	
M. BREIER	(i) 248,451. (ii)	208,453.	NONE	833.	12,568.	470,305.	
	(i)						
	(i)						
	(i)						



**SCHEDULE J-2  
(Form 990)**

**Continuation Sheet for Form 990**

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Name of the Organization

Employer Identification number

IN-O-TEL, INC.

52-2149962

**Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
P. KAMINSKI TRUSTEE & COMMITTEE CHAIR	12.	X					18,750.		NONE	
M. CROW BOT CHAIR & COMMITTEE CHAIR	12.	X					45,000.		NONE	
C. BOYD TRUSTEE	12.	X					35,000.		NONE	
J. BARKSDALE TRUSTEE	12.	X					35,000.		NONE	
D. JEREMIAH TRUSTEE	12.	X					35,000.		NONE	
A. JONES TRUSTEE & COMMITTEE CHAIR	12.	X					37,500.		NONE	
C. VEST TRUSTEE	12.	X					36,250.		NONE	
E. PATE-CORNELL TRUSTEE	12.	X					35,000.		NONE	
P. BARRIS TRUSTEE	12.	X					35,000.		NONE	
H. COX TRUSTEE & COMMITTEE CHAIR	12.	X					37,500.		NONE	
A.B. KROGARD TRUSTEE	12.	X					NONE		NONE	
C. DARBY PRESIDENT & CEO	40.			X			955,143.		19,400.	
S. BOWSER EVP & MANAGING PARTNER	40.			X			810,618.		19,401.	
B. ADAMS EVP - LEGAL & GENERAL COUNSEL	40.			X			552,778.		19,031.	
M. STROTTMAN EVP & CFO	40.			X			460,389.		19,400.	
E. POULOS CHIEF OF STAFF	40.			X			426,167.		13,074.	
T. PEARSALL EVP TECHNOLOGY TRANSFER	40.			X			524,416.		19,031.	
P. CIGANER EVP - IC SUPPORT	40.			X			474,430.		12,698.	
E. KAUFMANN PARTNER	40.					X	529,136.		19,400.	
P. BORBERLY PARTNER	40.					X	481,508.		13,068.	
B. LEVITAN PARTNER	40.					X	474,270.		19,400.	

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

Schedule J-2 (Form 990) 2008

JSA

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Name of the organization

Employer identification number

IN-Q-TEL, INC.

52-2149962

REVIEW OF FORM 990

PART VI, LINE 10

THE FORM 990 WAS PREPARED BY THE COMPANY'S EXTERNAL TAX ADVISORY FIRM

WITH THE ASSISTANCE OF IN-Q-TEL'S FINANCE AND LEGAL DEPARTMENTS. THE FORM

990 WAS ALSO REVIEWED BY CERTAIN MEMBERS OF THE COMPANY'S EXECUTIVE TEAM,

INCLUDING THE CFO AND GENERAL COUNSEL. ADDITIONALLY, THE AUDIT AND

ETHICS COMMITTEE OF THE BOARD OF TRUSTEES REVIEWED THE FORM 990 DURING

ONE OF ITS QUARTERLY MEETINGS. AFTER REVIEW BY THE AUDIT AND ETHICS

COMMITTEE, THE FORM 990 WAS DISTRIBUTED TO ALL MEMBERS OF THE BOARD OF

TRUSTEES PRIOR TO BEING FILED.

Name of the organization

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IN-Q-TEL, INC.

52-2149962

CONFLICT OF INTEREST POLICY

PART VI, LINE 12C

FOR EVERY TRANSACTION SUBJECT TO BOARD/COMMITTEE APPROVAL, THE MEMBERS

ARE ASKED TO IDENTIFY ANY CONFLICTS. THE "DEAL TEAMS" ARE REQUIRED TO

IDENTIFY CONFLICTS INVOLVING IQT OFFICERS OR EMPLOYEES IN TRANSACTIONS IN

THE DOCUMENTS SUBMITTED FOR APPROVAL. ADDITIONALLY, EACH YEAR A

QUESTIONNAIRE IS SENT TO IQT TRUSTEES, OFFICERS AND KEY EMPLOYEES ASKING

FOR IDENTIFICATION OF CONFLICTS.

Name of the organization

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IN-Q-TEL, INC.

52-2149962

## COMPENSATION EXPLANATION

## PART VI, LINE 15

IN FORMULATING IQT'S COMPENSATION SYSTEM, THE BOARD OF TRUSTEES IS CONSCIOUS OF ITS RESPONSIBILITIES UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED ("CODE"), TO PAY REASONABLE COMPENSATION TO IQT'S EMPLOYEES AND TO AVOID ANY "EXCESS BENEFIT TRANSACTIONS" UNDER SECTION 4958 OF THE CODE. IN OVERSEEING IQT'S COMPENSATION SYSTEM, THE BOARD ADHERES TO THE FOLLOWING PRINCIPLES:

- THE COMPENSATION SYSTEM IS APPROVED BY THE BOARD OR A COMMITTEE OF THE BOARD COMPOSED ENTIRELY OF INDEPENDENT TRUSTEES WHO ARE NOT EMPLOYEES OF, OR INDEPENDENT CONTRACTORS TO, IQT AND WHO DO NOT HAVE A CONFLICT OF INTEREST WITH RESPECT TO ANYONE COVERED BY THESE POLICIES;
- THE BOARD, OR COMMITTEE THEREOF, OBTAINS AND RELIES UPON APPROPRIATE COMPENSATION DATA FROM COMPARABLE ENTITIES PRIOR TO MAKING COMPENSATION DETERMINATIONS; AND
- THE BOARD OR COMMITTEE ADEQUATELY DOCUMENTS THE BASIS FOR ITS DETERMINATION CONCURRENTLY WITH MAKING THAT DETERMINATION.

## COMPENSATION COMMITTEE

AS SET FORTH IN ITS CHARTER, IQT'S COMPENSATION COMMITTEE (THE "COMPENSATION COMMITTEE" OR "COMMITTEE") HAS BEEN CHARGED BY THE BOARD OF TRUSTEES TO ASSIST THE BOARD IN OVERSEEING IQT'S COMPENSATION SYSTEM. SPECIFICALLY, THE COMMITTEE PERFORMS THE FOLLOWING DUTIES:

- ENSURES THAT IQT'S COMPENSATION PROGRAM AND OTHER EMPLOYEE BENEFITS ARE

Name of the organization

Employer identification number

IN-O-TEL, INC.

52-2149962

COMPARABLE TO THE HIGH-TECH AND OTHER APPROPRIATE MARKETS.

• DETERMINES, WITH INPUT FROM THE CIA, AN OVERALL ANNUAL COMPANY

"PERFORMANCE SCORE" THAT REFLECTS THE EXTENT AND MANNER IN WHICH IQT HAS BEEN SUCCESSFUL IN PURSUING ITS MISSION.

• CONDUCTS AN ANNUAL REVIEW OF THE CHIEF EXECUTIVE OFFICER'S ("CEO'S") PERFORMANCE, AND MAKES RECOMMENDATIONS TO THE BOARD OF TRUSTEES ON THE CEO'S COMPENSATION AND BENEFITS FOR THE NEXT YEAR.

• ON AN ANNUAL BASIS, REVIEW THE CEO'S RECOMMENDATIONS REGARDING THE COMPENSATION AND BENEFITS OF THE OTHER DISQUALIFIED PERSONS, AS DEFINED IN SECTION 4958 OF THE INTERNAL REVENUE CODE, AND DETERMINES THEIR COMPENSATION AND BENEFITS FOR THE NEXT YEAR.

• ON AN ANNUAL BASIS, REVIEWS THE DETERMINATION OF COMPENSATION AND BENEFITS OF THE OTHER EMPLOYEES MADE BY THE CEO OR THE CEO'S DESIGNEE.

• ENGAGES AN INDEPENDENT COMPENSATION CONSULTING FIRM TO PERFORM A PERIODIC STUDY OF IQT'S COMPENSATION PROGRAM AND ADMINISTRATION, OR PARTS THEREOF. (THIS STUDY INCLUDES, BUT IS NOT LIMITED TO, A REVIEW OF DATA THE COMPANY USED TO BENCHMARK POSITIONS, DOCUMENTATION OF BASE SALARY ADJUSTMENTS, AND ANNUAL INCENTIVE PLAN AWARDS.) FOLLOWING COMPLETION OF SUCH STUDY, THE COMPENSATION CONSULTING FIRM DELIVERS A REPORT TO THE COMPENSATION COMMITTEE DISCUSSING IQT'S ADHERENCE TO ITS COMPENSATION POLICIES.

• WORKS WITH IQT'S IN-HOUSE AND OUTSIDE COUNSEL TO ENSURE THAT IQT'S COMPENSATION STRUCTURE AND PLANS COMPLY WITH INTERNAL REVENUE CODE AND OTHER LEGAL REQUIREMENTS.

Name of the organization

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IN-Q-TEL, INC.

52-2149962

DOCUMENTS AVAILABLE TO THE PUBLIC

PART VI, LINE 19

IN-Q-TEL DOES NOT MAKE THIS INFORMATION AVAILABLE TO THE PUBLIC.

Name of the organization

Employer identification number

IN-Q-TEL, INC.

52-2149962

EIP DISCLOSURE STATEMENT

SCHEDULE R, PART V

IN-Q-TEL MAINTAINS AN INVESTMENT IN A SEPARATE RELATED ENTITY CALLED

IN-Q-TEL EMPLOYEE FUND, LLC. THIS ENTITY WAS CREATED AS PART OF AN

EMPLOYEE INCENTIVE PROGRAM (EIP) WHICH INVOLVED MAKING SIDE-BY-SIDE

EQUITY INVESTMENTS WITH IN-Q-TEL. THE EIP WAS SUSPENDED IN JUNE 2007 AND

NO FURTHER INVESTMENTS ARE BEING MADE.



**Part III Identification of Related Organizations Taxable as a Partnership**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?	
							Yes	No		Yes	No
INTEL EMPLOYEE FUND 542043626 PO BOX 749 ARLINGTON, VA 22216	INVESTMENTS	DE	N/A	INVESTMENT	34,388.	4,517,728.		X	NONE		X
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**Part IV Identification of Related Organizations Taxable as a Corporation or Trust**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
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**Part V Transactions With Related Organizations**

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV

**1** During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
<b>a</b> Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity . . . . .		X
<b>b</b> Gift, grant, or capital contribution to other organization(s) . . . . .	X	
<b>c</b> Gift, grant, or capital contribution from other organization(s) . . . . .	X	
<b>d</b> Loans or loan guarantees to or for other organization(s) . . . . .	X	
<b>e</b> Loans or loan guarantees by other organization(s) . . . . .	X	
<b>f</b> Sale of assets to other organization(s) . . . . .	X	
<b>g</b> Purchase of assets from other organization(s) . . . . .	X	
<b>h</b> Exchange of assets . . . . .	X	
<b>i</b> Lease of facilities, equipment, or other assets to other organization(s) . . . . .	X	
<b>j</b> Lease of facilities, equipment, or other assets from other organization(s) . . . . .	X	
<b>k</b> Performance of services or membership or fundraising solicitations for other organization(s) . . . . .	X	
<b>l</b> Performance of services or membership or fundraising solicitations by other organization(s) . . . . .	X	
<b>m</b> Sharing of facilities, equipment, mailing lists, or other assets . . . . .	X	
<b>n</b> Sharing of paid employees . . . . .	X	
<b>o</b> Reimbursement paid to other organization for expenses . . . . .	X	
<b>p</b> Reimbursement paid by other organization for expenses . . . . .	X	
<b>q</b> Other transfer of cash or property to other organization(s) . . . . .	X	
<b>r</b> Other transfer of cash or property from other organization(s) . . . . .	X	

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(1)	(A) Name of other organization(s)	(B) Transaction Type (e-r)	(C) Amount Involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			



FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

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IN-Q-TEL IDENTIFIES AND PARTNERS WITH COMPANIES DEVELOPING  
CUTTING-EDGE TECHNOLOGIES TO HELP DELIVER THESE SOLUTIONS TO THE  
CENTRAL INTELLIGENCE AGENCY AND THE BROADER U.S. INTELLIGENCE  
COMMUNITY (IC) TO FURTHER THEIR MISSIONS.

FORM 990, PART III - PROGRAM SERVICES  
=====4A PROGRAM SERVICE  
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IN-Q-TEL WAS ESTABLISHED IN 1999 AS AN INDEPENDENT, PRIVATE AND NOT-FOR-PROFIT COMPANY TO HELP THE CIA AND THE GREATER U.S. INTELLIGENCE COMMUNITY (IC) IDENTIFY, ADVANCE, AND DELIVER CUTTING-EDGE TECHNOLOGIES THAT MEET PRESENT AND FUTURE INTELLIGENCE NEEDS. IN-Q-TEL'S OPEN STRATEGIC INVESTMENT MODEL GIVES IT THE AGILITY - OFTEN LACKING WITHIN TRADITIONAL GOVERNMENT CONTRACTING APPROACHES - TO FIND AND NURTURE THE ENTREPRENEURS AND COMPANIES THAT CAN PROVIDE A SUPPLY CHAIN OF INNOVATION, WHICH ENABLES THE IC TO BENEFIT FROM TECHNOLOGY BREAKTHROUGHS.

IN-Q-TEL'S MISSION IS TO TAKE THE CALCULATED INVESTMENT RISKS NECESSARY TO SUPPORT LEADING-EDGE, BUT OFTEN UNPROVEN TECHNOLOGIES AND MATURE THEM TO OPERATIONAL TECHNOLOGIES THAT HELP THE CIA AND THE IC ACHIEVE THEIR MISSION.

APPROACH  
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IN-Q-TEL WORKS AS:

- \* A STRATEGIC INVESTMENT FIRM, INVESTING IN COMPANIES AND HELPING BUILD BUSINESSES INTO RELIABLE PROVIDERS FOR THE IC;
- \* A TECHNOLOGY ACCELERATOR, FOSTERING DEVELOPMENT AND INTRODUCTION OF TECHNOLOGIES NEEDED BY THE IC;
- \* A CAPABILITIES BUILDER, HELPING NASCENT COMMERCIAL TECHNOLOGIES MATURE INTO COMMERCIAL-OFF-THE-SHELF (COTS) PRODUCTS THE GOVERNMENT CAN BUY AT LOWER COSTS THAN ALTERNATIVE APPROACHES; AND
- \* AN IDEA LAB AND FORUM FOR INNOVATION, PROVIDING THE IC WITH INSIGHT AND ACCESS TO BOTH NEW TECHNOLOGIES AND LEADING INNOVATORS AND THINKERS.

IDENTIFYING THE NEWEST TECHNOLOGIES:  
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STRATEGIC INVESTMENTS - COMPRISED PRIMARILY OF TECHNOLOGY ADVANCEMENT WORK PROGRAMS AND OFTEN ALSO INCLUDING EQUITY INVESTMENTS - ARE IN-Q-TEL'S MAIN AVENUE FOR GAINING ACCESS TO EMERGING COMPANIES THAT ARE NOT KNOWN TO THE IC. THROUGH THE SMALL EQUITY INVESTMENTS, IN-Q-TEL GAINS INSIGHT AND INFLUENCE TO SUPPORT TECHNOLOGY DEVELOPMENT THAT WILL GENERATE PRODUCTS FOR THE IC. IN-Q-TEL COMPLEMENTS THESE EQUITY STAKES WITH LATE-STAGE DEVELOPMENT AND COMMERCIALIZATION PROGRAMS. IN THIS WAY, IN-Q-TEL INVESTMENTS ACCELERATE PRODUCT DEVELOPMENT AND DELIVERY, HELPING COMPANIES ADD CAPABILITIES THAT IC USERS NEED.

## FORM 990, PART III - PROGRAM SERVICES

AREAS OF FOCUS INCLUDE A BROAD RANGE OF TECHNOLOGIES FROM ELECTRONICS, SEMICONDUCTORS, AND INFORMATION TECHNOLOGY TO PHYSICAL AND BIOLOGICAL SCIENCES.

## BUILDING STRONG COMPANIES FOR STRONG TECHNOLOGIES:

USING PRODUCT DEVELOPMENT FUNDING AND EQUITY INVESTING, IN-Q-TEL CREATES INCENTIVES FOR COMPANIES TO PUT THEIR BEST TALENT INTO SOLVING THE TOUGHEST TECHNOLOGY PROBLEMS FACING THE CIA AND THE INTELLIGENCE COMMUNITY. THROUGH WORK PROGRAMS AND MARKET GUIDANCE, IN-Q-TEL FOSTERS THE DEVELOPMENT OF STRONG COMPANIES, WHICH PRODUCE COMMERCIALY VIABLE TECHNOLOGIES THAT AT THE SAME TIME SOLVE CRITICAL INTELLIGENCE COMMUNITY MISSION CHALLENGES.

## SERVING NEW INTELLIGENCE COMMUNITY CUSTOMERS:

TODAY, IN-Q-TEL HAS EXPANDED ITS IC PARTNERSHIPS TO INCLUDE THE CIA, THE DEFENSE INTELLIGENCE AGENCY (DIA), THE FEDERAL BUREAU OF INVESTIGATION (FBI), THE NATIONAL GEOSPATIAL INTELLIGENCE AGENCY (NGA), AND OTHERS.

## PROGRAM ACCOMPLISHMENTS

IN FURTHERANCE OF ITS EXEMPT PURPOSES, IN-Q-TEL'S ACHIEVEMENTS SINCE INCEPTION IN 1999 THROUGH MARCH 31, 2009 INCLUDE THE FOLLOWING:

1. DELIVERED MORE THAN 150 TECHNOLOGIES, MANY OF WHICH HAVE CONTRIBUTED DIRECTLY TO THE CIA AND IC MISSIONS. TECHNOLOGY DELIVERED BY IN-Q-TEL, FOR EXAMPLE, MAKES IT POSSIBLE TO FUSE DATA FROM MAPS, IMAGES, TEXT AND OTHER SOURCES; VISUALIZE INFORMATION IN WAYS NOT PREVIOUSLY POSSIBLE; RAPIDLY PROCESS VAST AMOUNTS OF INFORMATION IN MULTIPLE LANGUAGES; MAKE SENSE OF SEEMINGLY UNCONNECTED INFORMATION; AND IDENTIFY THE MOST CRITICAL INTELLIGENCE FASTER AND MORE EFFECTIVELY.
2. ENGAGED WITH MORE THAN 160 COMMERCIAL COMPANIES, MOST OF WHICH WERE PREVIOUSLY UNKNOWN TO THE GOVERNMENT, AND MORE THAN 15 UNIVERSITIES AND RESEARCH LABS, WHICH IN-Q-TEL IDENTIFIED THROUGH ITS COMMERCIAL AND ACADEMIC OUTREACH PROGRAMS AND BY REVIEWING MORE THAN 8,000 US AND INTERNATIONAL COMPANIES' BUSINESS PLANS.
3. CULTIVATED A NETWORK OF MORE THAN 200 VENTURE CAPITAL FIRMS, 100 LABS AND RESEARCH ORGANIZATIONS, FURTHER BROADENING THE IC'S ACCESS TO INNOVATIVE TECHNOLOGIES.

FORM 990, PART III - PROGRAM SERVICES  
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4. LEVERAGED MORE THAN \$1.5 BILLION IN PRIVATE-SECTOR FUNDS TO SUPPORT TECHNOLOGY FOR THE CIA AND THE IC.

GOVERNANCE AND OVERSIGHT:  
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IN-Q-TEL IS BOUND BY A CHARTER AGREEMENT WITH THE CIA, WHICH SETS OUT THE RELATIONSHIP BETWEEN THE TWO ORGANIZATIONS, AND BY AN ANNUAL CONTRACT WITH THE CIA. IN-Q-TEL IS NOT PART OF THE CIA AND IS NOT A GOVERNMENT AGENCY.

THE COMPANY IS GOVERNED BY AN INDEPENDENT BOARD OF TRUSTEES COMPRISED OF FORMER CABINET OFFICERS AND OFFICIALS FROM THE DEFENSE AND INTELLIGENCE COMMUNITIES, AS WELL AS CEOS OF MAJOR COMPANIES, UNIVERSITY LEADERS, AND LEADERS IN THE INVESTMENT INDUSTRY.

A GOVERNMENT CONTRACTOR OPERATING AS AN INDEPENDENT, NONPROFIT CORPORATION, IN-Q-TEL RECEIVES REGULAR OVERSIGHT FROM THE CIA AND OTHER CLIENT AGENCIES, WHICH KEEPS CONGRESS INFORMED OF THE COMPANY'S ACTIVITIES.

IN-Q-TEL HAS BEEN THE FOCUS OF A NUMBER OF THOUGHTFUL STUDIES THAT DESCRIBE AND SCRUTINIZE THE ORGANIZATION. TWO ARE CITED BELOW.

## \* BUSINESS EXECUTIVES FOR NATIONAL SECURITY (BENS)

IN A REPORT TO CONGRESS, AN INDEPENDENT PANEL OF BUSINESS EXECUTIVES RECOMMENDED THAT IN-Q-TEL SERVE AS THE CIA'S "TECHNOLOGY ACCELERATOR." THE PANEL CONCLUDED THAT IN-Q-TEL HAS ACHIEVED SIGNIFICANT EARLY PROGRESS AND THAT "CREATING A MODEL LIKE IN-Q-TEL MAKES GOOD BUSINESS SENSE."

THE ASSESSMENT WAS MADE BY A PANEL FROM BUSINESS EXECUTIVES FOR NATIONAL SECURITY, A NATIONAL, NON-PARTISAN, AND NOT-FOR-PROFIT ORGANIZATION OF BUSINESS LEADERS- 30 OF WHOM FORMED THE INDEPENDENT IANEL AFTER THE CIA SELECTED BENS TO CONDUCT THE CONGRESSIONALLY MANDATED STUDY. THE REPORT, "ACCELERATING THE ACQUISITION AND IMPLEMENTATION OF NEW TECHNOLOGIES FOR INTELLIGENCE: THE REPORT OF THE INDEPENDENT PANEL ON THE CENTRAL INTELLIGENCE AGENCY IN-Q-TEL VENTURE," WAS SUBMITTED TO THE CIA AND CONGRESS.

JUNE 2001  
SOURCE-BUSINESS EXECUTIVES FOR NATIONAL SECURITY  
WWW.BENS.ORG

FORM 990, PART III - PROGRAM SERVICES

\* HARVARD BUSINESS SCHOOL CASE STUDY

THIS HARVARD BUSINESS SCHOOL CASE STUDY PROVIDES BACKGROUND ABOUT IN-Q-TEL'S HISTORY AND STRATEGY, LAYING THE GROUNDWORK FOR IN-Q-TEL TO CONSIDER THE CASE FOR EXPANSION.

BY JOSH LERNER, FELDA HARDYMON, KEVIN BOOK, ANN LEAMON  
FEBRUARY 12, 2004  
SOURCE-HARVARD BUSINESS SCHOOL  
[HTTP://HARVARDBUSINESSONLINE.HBSP.HARVARD.EDU/B02/EN/CASES/CASES\\_HOME.JHTML](http://HARVARDBUSINESSONLINE.HBSP.HARVARD.EDU/B02/EN/CASES/CASES_HOME.JHTML)

IN ADDITION, WE PARTICIPATE IN PERIODIC REVIEWS BY THE INSPECTOR GENERAL OFFICE AND THE U.S. SENATE SELECT COMMITTEE ON INTELLIGENCE TO ASSESS THE EFFECTIVENESS OF TECHNOLOGY SOLUTIONS FROM OUR INVESTMENTS IN SOLVING CHALLENGING PROBLEMS IN THE INTELLIGENCE COMMUNITY.

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS  
 =====

NAME AND ADDRESS -----	DESCRIPTION OF SERVICES COMPENSATION -----
EVERYSCAPE INC. 716 MAIN STREET 2ND FLOOR WALTHAM, MA 02451	TECH. DEVELOPMENT 1,422,570.
THINKOM SOLUTIONS, INC. 20000 MARINER AVE, STE 500 TORRANCE, CA 90503	TECH. DEVELOPMENT 985,000.
ASANKYA 75 FIFTH STREET NW ATLANTA, GA 30308	TECH. DEVELOPMENT 1,212,428.
VERACODE INC. 4 VAN DE GRAAFF DRIVE BURLINGTON, MA 01803	TECH. DEVELOPMENT 1,322,643.
CORESTREET LTD ONE ALEWIFE CENTER CAMBRIDGE, MA 02140	TECH. DEVELOPMENT 1,292,350.
TOTAL COMPENSATION	----- 6,234,991. =====

- 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).

**Part II Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print  File by the extended due date for filing the return See instructions	Name of Exempt Organization <b>IN-Q-TEL, INC.</b>	Employer identification number <b>52-2149962</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>P.O. BOX 12407</b>	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ARLINGTON, VA 22219</b>	

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

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

- The books are in the care of **THE ORGANIZATION**  
Telephone No. **703-248-3000** 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 is for.

- I request an additional 3-month extension of time until **FEBRUARY 16, 2010**.
- For calendar year \_\_\_\_\_, or other tax year beginning **APRIL 1, 2008**, and ending **MARCH 31, 2009**.
- If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- State in detail why you need the extension **AWAITING INFORMATION FROM THIRD PARTIES WHICH IS NECESSARY TO PREPARE AND COMPLETE AN ACCURATE RETURN.**

<b>8a</b> 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>8a</b> \$	N/A
<b>b</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.	<b>8b</b> \$	N/A
<b>c Balance Due.</b> 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.	<b>8c</b> \$	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 *L. Walker* Title **TAX MANAGER** Date *11-16-09*

## Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ 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). ▶
- 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).

A corporation 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 a corporation 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](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

<b>Type or print</b>	Name of Exempt Organization <b>IN-Q-TEL, INC.</b>	Employer Identification number <b>52-2149962</b>
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. <b>P.O. BOX 749</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ARLINGTON, VA 22216</b>	

**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 ▶ THE ORGANIZATION

Telephone No. ▶ 703-248-3000 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 corporation required to file Form 990-T) extension of time until NOVEMBER 16, 2009, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶  calendar year 20\_\_\_\_ or
- ▶  tax year beginning APRIL 1, 2008, and ending MARCH 31, 2009.

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

<b>3a</b> 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>3a</b>	\$	N/A
<b>b</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.	<b>3b</b>	\$	N/A
<b>c</b> <b>Balance Due.</b> 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.	<b>3c</b>	\$	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.