

Department of the Treasury  
Internal Revenue Service

**Return of Private Foundation**  
**or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation**  
**Note:** The organization may be able to use a copy of this return to satisfy state reporting requirements.

**1997**

For calendar year 1997, or tax year beginning

8/01, 1997, and ending

7/31, 1998

Use the IRS label. Otherwise, please print or type. See Specific Instructions.

Cisco Systems Foundation  
170 West Tasman Drive  
San Jose, CA 95134-1706

**A** Employer identification number  
77-0443347

**B** State registration number (see instruction F)  
1995173

- C** If exemption application is pending, check here.
- D** 1. Foreign organizations, check here   
2. Organizations meeting the 85% test, check here and attach computation.
- E** If private foundation status was terminated under section 507(b)(1)(A), check here
- F** If the foundation is in a 60-month termination under section 507(b)(1)(E), check here
- G** If address changed, check here

**H** Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

**I** Fair market value of all assets at end of year (from Part II, col. (c), line 16)  
▶ \$ 65,232,986

**J** Accounting method:  Cash  Accrual  
 Other (specify) Modified Cash  
(Part I, column (d) must be on cash basis.)

JUL 27 '98

SCANNED

<b>Part I</b>		<b>(a)</b> Revenue and expenses per books	<b>(b)</b> Net investment income	<b>(c)</b> Adjusted net income	<b>(d)</b> Disbursements for charitable purposes (cash basis only)
<b>Analysis of Revenue &amp; Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in col.(a)(see page 9 of the instructions).					
1	Contrib., gifts, grants, etc. received (att sch) . . . . .				
2	Contributions from split-interest trusts . . . . .				
3	Interest on savings and temporary cash investments . . . . .	981,467	981,467	N/A	
4	Dividends and interest from securities. . . . .	94,940	94,940		
5a	Gross rents . . . . .				
b	(Net rental income or (loss) . . . . .)				
6	Net gain (loss) from sale of assets not on ln 10 . . . . .	2,106,229			
7	Capital gain net income (from Part IV, line 2) . . . . .		63,723,339		
8	Net short-term capital gain . . . . .				
9	Income modifications . . . . .				
10a	Gross sales less returns and allowances. . . . .				
b	Less: Cost of goods sold . . . . .				
c	Gross profit or (loss) (attach schedule) . . . . .				
11	Other income (attach schedule) . . . . .				
12	<b>Total.</b> Add lines 1 through 11 . . . . .	3,182,636	64,799,746		
13	Compensation of officers, directors, trustees, etc. . . . .				
14	Other employee salaries and wages . . . . .				
15	Pension plans, employee benefits. . . . .				
16a	Legal fees (attach schedule) . . . See . St. 1 . . . . .	8,377			8,377
b	Accounting fees (attach schedule) . . . . .				
c	Other professional fees (attach schedule) St. 2 . . . . .	117,118	95,152		21,966
17	Interest . . . . .	229	229		
18	Taxes (att sch) (see pg 12 of inst). . . See . St. 3 . . . . .	7,088	3,488		
19	Depreciation (attach schedule) and depletion . . . . .				
20	Occupancy . . . . .				
21	Travel, conferences, and meetings . . . . .				
22	Printing and publications . . . . .				
23	Other expenses (attach schedule) See . St. 4 . . . . .	184,867			124,867
24	<b>Total operating and administrative expenses.</b> Add lines 13 through 23 . . . . .	317,679	98,869		155,210
25	Contributions, gifts, grants paid See . Prt. XV . . . . .	2,124,070			1,982,570
26	<b>Total expenses and disbursements.</b> Add lines 24 and 25 . . . . .	2,441,749	98,869		2,137,780
27	<b>Subtract line 26 from line 12:</b>				
a	Excess of revenue over expenses and disbursements . . . . .	740,887			
b	Net investment income (if negative, enter -0-) . . . . .		64,700,877		
c	Adjusted net income (if negative, enter -0-) . . . . .				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
ASSETS	1	Cash—non-interest-bearing.....		19,772,247	19,772,247
	2	Savings and temporary cash investments.....			
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable.....			
	6	Receivables due from officers, directors, trustees, & other disqualified persons (attach schedule) (see page 14 of the instructions).....			
	7	Other notes and loans receivable ▶ Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use.....			
	9	Prepaid expenses and deferred charges.....			
	10a	Investments – U.S. and state government obligations (ett. sch.).....			
	b	Investments – corporate stock (attach schedule). See Stmt... 5.	63,904,502	45,384,851	45,384,851
	c	Investments – corporate bonds (attach schedule).....			
	11	Investments – land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12	Investments – mortgage loans.....			
	13	Investments – other (attach schedule).....			
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶ See Statement 6 )		75,888	75,888	
16	<b>Total assets (to be completed by all filers – see pg. 15 of the instructions)</b>	<b>63,904,502</b>	<b>65,232,986</b>	<b>65,232,986</b>	
LIABILITIES	17	Accounts payable and accrued expenses.....			
	18	Grants payable.....		141,500	
	19	Deferred revenue.....			
	20	Loans from officers, directors, trustees, & other disqual. persons.....			
	21	Mortgages and other notes payable (attach schedule).....			
	22	Other liabilities (describe ▶ See Statement 7 )		60,000	
23	<b>Total liabilities (add lines 17 through 22)</b> .....	<b>0</b>	<b>201,500</b>		
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted.....	63,904,502	65,031,486	
	25	Temporarily restricted.....			
	26	Permanently restricted.....			
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds.....			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund.....			
	29	Retained earnings, accumulated income, endowment, or other funds....			
30	<b>Total net assets or fund balances (see page 15 of the instructions)....</b>	<b>63,904,502</b>	<b>65,031,486</b>		
31	<b>Total liabilities and net assets/fund balances (see page 15 of the instructions).....</b>	<b>63,904,502</b>	<b>65,232,986</b>		

Part III Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	63,904,502
2	Enter amount from Part I, line 27a.....	740,887
3	Other increases not included in line 2 (itemize) ▶ See Statement 8	386,097
4	Add lines 1, 2, and 3.....	65,031,486
5	Decreases not included in line 2 (itemize) ▶	
6	<b>Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30.....</b>	<b>65,031,486</b>

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase O - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
See Statement 9				
(e) Gross sales price minus expense of sale	(f) Depreciation allowed (or allowable)	(g) Cost or other basis	(h) Gain or (loss) (e) plus (f) minus (g)	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(j) F.M.V. as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col. (i) over col. (j), if any		

2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 } { If (loss), enter -0- in Part I, line 7 } .....	2	63,723,339
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 11 and 16 of the instructions). If (loss), enter -0- in Part I, line 8 .....	3	-164,290

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? .....  Yes  No  
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 16 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
1996	15,000	12,944,017	0.001159
1995			
1994			
1993			
1992			

2 Total of line 1, column (d) .....	2	0.001159
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years .....	3	0.001159
4 Enter the net value of noncharitable-use assets for 1997 from Part X, line 5 .....	4	87,195,681
5 Multiply line 4 by line 3 .....	5	101,046
6 Enter 1% of net investment income (1% of Part I, line 27b) .....	6	647,009
7 Add lines 5 and 6 .....	7	748,055
8 Enter qualifying distributions from Part XII, line 4 .....	8	2,137,780

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 16.

Part VI Excise Tax on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 16 of the instructions)

Table with 11 rows for excise tax calculation. Includes sub-rows 6a-6d for credits. Total tax due is 156,591.

Part VII-A Statements Regarding Activities

Table with 13 rows for activity statements. Includes questions about political activities, unrelated business income, and state registration. Includes state name 'California' and phone number '408-526-4000'.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1 Self-dealing (section 4941):

a During the year did the organization (either directly or indirectly):

- (1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or employ the official for a period after termination of government service, it terminating within 90 days.)

Yes No

1b X

1c X

b If any answer is "Yes" to 1a(1)-(6), did ANY of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 18 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here.

c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 1997?

2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):

a At the end of tax year 1997, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 1997? If "Yes," list the years 19, 19, 19, 19.

b Are there any years listed in 2a for which the organization is NOT applying the provisions of section 4942 (a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942 (a)(2) to ALL years listed, answer "No" and attach statement - see page 18 of the instructions.)

c If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in 2a, list the years here. 19, 19, 19, 19.

2b N/A

3 Taxes on excess business holdings (section 4943):

a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?

b If "Yes," did it have excess business holdings in 1997 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 1997.)

3b N/A

4 Taxes on investments that jeopardize charitable purposes (section 4944):

a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?

b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 1997?

4a X

4b X

5 Taxes on taxable expenditures (section 4945) and political expenditures (section 4955):

a During the year did the organization pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section (509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

b If any answer is "Yes" to 5a(1)-(5), did ANY of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 18 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here.

5b N/A

c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53.4945-5(d).

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

1 List all officers, directors, trustees, foundation managers and their compensation (see page 19 of the instructions):

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 10				

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 19 of the instructions). If 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 and deferred compensation	(e) Expense account, other allowances
None				

Total number of other employees paid over \$50,000 ..... ▶

3 Five highest-paid independent contractors for professional services - (see page 19 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
BT Alex Brown	Investment Fees	57,323

Total number of others receiving over \$50,000 for professional services ..... ▶ 0

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments** (see page 20 of the instructions)

Describe any program-related investments made by the foundation during the tax year.	Amount
1 N/A	
2	
3	

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 20 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	
b Average of monthly cash balances	1b	34,397,767
c Fair market value of all other assets (see page 21 of the instructions)	1c	54,125,767
d Total (add lines 1a, b, and c)	1d	88,523,534
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2 Acquisition indebtedness applicable to line 1 assets	2	0
3 Subtract line 2 from line 1d	3	88,523,534
4 Cash deemed held for charitable activities - Enter 1 1/2% of line 3 (for greater amount, see page 21 of the instructions)	4	1,327,853
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	87,195,681
6 Minimum investment return. (Enter 5% of line 5)	6	4,359,784

**Part X Distributable Amount** (see page 21 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	4,359,784
2a Tax on investment income for 1997 from Part VI, line 5	2a	647,009
b Income tax for 1997. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	647,009
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	3,712,775
4a Recoveries of amounts treated as qualifying distributions	4a	
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b	4c	
5 Add lines 3 and 4c	5	3,712,775
6 Deduction from distributable amount (see page 22 of the instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and Part XIII, line 1	7	3,712,775

**Part XII Qualifying Distributions** (see page 22 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	2,137,780
b Program-related investments - total of lines 1 - 3 of Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc. purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,137,780
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 22 of the instructions)	5	647,009
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,490,771

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see page 22 of the instructions)

	(a) Corpus	(b) Years prior to 1996	(c) 1996	(d) 1997
1 Distributable amount for 1997 from Part XI, line 7 . . . . .				3,712,775
2 Undistributed income, if any, as of the end of 1996:				
a Enter amount for 1996 only . . . . .			400,680	
b Total for prior years: 19____, 19____, 19____		0		
3 Excess distributions carryover, if any, to 1997:				
a From 1992 . . . . .				
b From 1993 . . . . .				
c From 1994 . . . . .				
d From 1995 . . . . .				
e From 1996 . . . . .				
f Total of lines 3a through e . . . . .	0			
4 Qualifying distributions for 1997 from Part XII, line 4: ▶ \$ 2,137,780				
a Applied to 1996, but not more than line 2a . . . . .			400,680	
b Applied to undistributed income of prior years (Election required - see page 23 of the instructions) . . .		0		
c Treated as distributions out of corpus (Election required - see page 23 of the instructions) . . .	0			
d Applied to 1997 distributable amount . . . . .				1,737,100
e Remaining amount distributed out of corpus . . . . .	0			
5 Excess distributions carryover applied to 1997 . . . . . (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	0			
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .		0		
d Subtract line 6c from line 6b: Taxable amount - see page 23 of the instructions . . . . .		0		
e Undistributed income for 1996. Subtract line 4a from line 2a. Taxable amount - see pg. 23 of the instructions .			0	
f Undistributed income for 1997. Subtract lines 4d and 5 from line 1. This amount must be distributed in 1998 . .				1,975,675
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 23 of the instructions) . . . . .	0			
8 Excess distributions carryover from 1992 not applied on line 5 or line 7 (see page 23 of the instructions) . . . .	0			
9 Excess distributions carryover to 1998. Subtract lines 7 and 8 from line 6a . . . . .	0			
10 Analysis of line 9:				
a Excess from 1993 . . . . .				
b Excess from 1994 . . . . .				
c Excess from 1995 . . . . .				
d Excess from 1996 . . . . .				
e Excess from 1997 . . . . .				



**Part XIV Private Operating Foundations** (see page 23 of the instructions and Part VII-A, question 9) N/A

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1997, enter the date of the ruling. [ ]

**b** Check box to indicate whether the organization is a private operating foundation described in section  4942(j)(3) or  4942(j)(5).

	Tax year	Prior 3 years			(e) Total
	(a) 1997	(b) 1996	(c) 1995	(d) 1994	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the min. investment return from Part X for each year listed . . .					
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amts. included in ln. 2c not used directly for active conduct of exempt activities . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test - Enter 2/3 of min. investment return shown in Part X, line 6 for each year listed . . . . .					
<b>c</b> "Support" alternative test - enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization. . . . .					
<b>(4)</b> Gross investment income . . . . .					

**Part XV Supplementary Information** (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 24 of the instructions.)

**1 Information Regarding Foundation Managers:**

**a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).) None

**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here  if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc., (see page 24 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

**a** The name, address, and telephone number of the person to whom applications should be addressed:

See Statement 11

**b** The form in which applications should be submitted and information and materials they should include:

Written request with 501(c)(3) letter

**c** Any submission deadlines:

See Statement 13

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

See Statement 13

**Part XV** Supplementary Information (continued)

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year Matching Grants (Stmt 15) Available upon request	N/A	509(a)	Various	230,444
See Attached Statement 16 Available upon request	N/A	509(a)	Various	1,752,126
<b>Total</b> .....				▶ 3a 1,982,570
b Approved for future payment See Statement 12				
<b>Total</b> .....				▶ 3b 141,500







# Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

OMB No. 1545-0148

► File a separate application for each return.

Please type or print: File the original and one copy by the due date for filing your return. See instructions on back.	Name <b>Cisco Systems Foundation</b>	Employer identification number <b>77-0443347</b>
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>170 West Tasman Drive</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>San Jose, CA 95134-1706</b>	

**Note:** Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

1 I request an extension of time until 06/15, 19 99, to file (check only one):

<input type="checkbox"/> Form 706-GS(D)	<input type="checkbox"/> Form 990-T (401(a) or 408(a) trust)	<input type="checkbox"/> Form 1120-ND (4951 taxes)	<input type="checkbox"/> Form 8612
<input type="checkbox"/> Form 706-GS(T)	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 3520-A	<input type="checkbox"/> Form 8613
<input type="checkbox"/> Form 990 or 990-EZ	<input type="checkbox"/> Form 1041 (estate) (see instructions)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8725
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8804
<input checked="" type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1042	<input type="checkbox"/> Form 6069	<input type="checkbox"/> Form 8831

If the organization does not have an office or place of business in the United States, check this box

2a For calendar year 19\_\_\_\_, or other tax year beginning 8/01/97 and ending 7/31/98

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

3 Has an extension of time to file been previously granted for this tax year?  Yes  No

4 State in detail why you need the extension Taxpayer requests additional time to compile the information necessary to file a complete and accurate tax return.

5a If this form is for Form 706-GS(D), Form 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ 800000

b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ 800000

c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ 0

### 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 Michael Estrella Title CPA Date 3/14/99

**FILE ORIGINAL AND ONE COPY.** The IRS will show below whether or not your application is approved and will return the copy.

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

- We HAVE approved your application. Please attach this form to your return.
- We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your 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 your return.
- We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: \_\_\_\_\_

Director \_\_\_\_\_ by: \_\_\_\_\_ Date \_\_\_\_\_

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	Name <b>Delagnes, Mitchell &amp; Linder</b>
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>300 Montgomery St. Suite 1050</b>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>San Francisco, CA 94104</b>

EXTENSION APPROVED  
Date  
**APR 06 1999**  
**DEBORAH S. DECKER, Director**  
**OGDEN SERVICE CENTER**

# Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return. See instructions on back.

Name <b>Cisco Systems Foundation</b>	Employer identification number <b>77-0443347</b>
Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>170 West Tasman Drive</b>	
City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>San Jose, CA 95134-1706</b>	

**Note:** Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

- 1 I request an extension of time until 03/15, 19 99, to file (check only one):
- |   |  |  |                                    |
|---|--|--|------------------------------------|
| <input type="checkbox"/> Form 706-GS(D)         | <input type="checkbox"/> Form 990-T (401(a) or 408(a) trust)   | <input type="checkbox"/> Form 1120-ND (4951 taxes) | <input type="checkbox"/> Form 8612 |
| <input type="checkbox"/> Form 706-GS(T)         | <input type="checkbox"/> Form 990-T (trust other than above)   | <input type="checkbox"/> Form 3520-A               | <input type="checkbox"/> Form 8613 |
| <input type="checkbox"/> Form 990 or 990-EZ     | <input type="checkbox"/> Form 1041 (estate) (see instructions) | <input type="checkbox"/> Form 4720                 | <input type="checkbox"/> Form 8725 |
| <input type="checkbox"/> Form 990-BL            | <input type="checkbox"/> Form 1041-A                           | <input type="checkbox"/> Form 5227                 | <input type="checkbox"/> Form 8804 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1042                             | <input type="checkbox"/> Form 6069                 | <input type="checkbox"/> Form 8831 |

If the organization does not have an office or place of business in the United States, check this box

- 2a For calendar year 1998, or other tax year beginning 8/01/97 and ending 7/31/98
- b If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- 3 Has an extension of time to file been previously granted for this tax year?  Yes  No
- 4 State in detail why you need the extension Taxpayer requests additional time to gather information necessary to file a complete and accurate tax return.

5a	If this form is for Form 706-GS(D), Form 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions.	\$	<u>800000</u>
b	If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	\$	<u>800000</u>
c	Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions.	\$	<u>0</u>

### 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 Michael Santanello Title CPA Date December 15, 1998

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

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

- We HAVE approved your application. Please attach this form to your return.
- We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your 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 your return.
- We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: \_\_\_\_\_

Director \_\_\_\_\_ Date \_\_\_\_\_

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	Name <b>Delagnes, Mitchell &amp; Linder</b>
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>300 Montgomery St. Suite 1050</b>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>San Francisco, CA 94104</b>

Client F0117

Cisco Systems Foundation

77-0443347

Statement 1  
Form 990-PF, Part I, Line 16a  
Legal Fees

Silk Adler & Colvin .....	\$	8,377
Total	\$	<u>8,377</u>
		=====

Statement 2  
Form 990-PF, Part I, Line 16c  
Other Professional Fees

Design Fees .....	\$	6,985
Investment Management Fees .....		95,152
Professional Fees-other .....		13,540
Software Support .....		1,441
Total	\$	<u>117,118</u>
		=====

Statement 3  
Form 990-PF, Part I, Line 18  
Taxes

Excise Tax .....	\$	3,600
Withholding on Foreign Dividends .....		3,488
Total	\$	<u>7,088</u>
		=====

Statement 4  
Form 990-PF, Part I, Line 23  
Other Expenses

Checkwriting .....	\$	13,100
Membership Fees .....		61,687
Misc Program Expense .....		80
Program Administration .....		110,000
Total	\$	<u>184,867</u>
		=====



Client F0117

Cisco Systems Foundation

77-0443347

## Statement 5

Form 990-PF, Part II, Line 10b

## Investments - Corporate Stocks

Corporate Stocks	Val. Method	Book Val.	Fair Mkt. Value
Cohen Managed Acct (See Attached Sched.)	Mkt Val	\$ 10236186	10236186
Gateway Account (See Attached Schedule)	Mkt Val	9929592	9929592
So Eastern Asset Mgmt Acct (See Sch)	Mkt Val	4687470	4687470
Morgan Stanley (See Attached Schedule)	Mkt Val	20531603	20531603
	Total	\$ 45384851	45384851

# Portfolio Value Report

As of 7/31/98

Security	Shares	Curr Price	Balance
3Com Corp	9,100.000	24 3/4	225,225.00
Abbott Laboratories	7,900.000	41.562	328,340.00
Alltel Corp	7,233.000	41.937	303,330.00
Amer Home Prods. Corp	6,800.000	51 1/2	350,200.00
Amgen Inc	5,100.000	73.437	374,529.00
Avon Products	4,100.000	86 1/2	354,650.00
Becton Dickson	4,375.000	82.625	361,484.00
Bed Bath & Beyond	7,025.000	43.125	302,953.00
Boston Scientific	4,425.000	76.625	339,066.00
bristol Myers Squibb	2,900.000	113.937	330,417.00
Callaway Golf Co	10,825.000	12.000	129,900.00
Cisco Systems Inc.	4,850.000	95.750	464,388.00
Coca Cola Co.	4,300.000	80.687	346,954.00
Compaq Computer	12,950.000	32.875	425,731.00
Computer Associates	5,850.000	33.187	194,144.00
Conseco Inc	9,669.000	42.000	406,098.00
Dollar General Corp.	8,062.000	41.000	330,542.00
Franklin Resources	5,600.000	43.562	243,947.00
Intel	4,025.000	84.437	339,858.93
mattel Inc.	6,900.000	38.437	265,215.00
Mbna Corp.	8,900.000	33 1/2	298,150.00
Mcdonalds Corp.	5,825.000	66.812	389,180.00
Merck & Co.	2,350.000	123.312	289,783.00
Oracle Corp.	10,625.000	26.500	281,563.00
Parametric Technology	9,300.000	13.625	126,713.00
providian Financial Corp.	5,100.000	78.562	400,666.00
Seagate Technology	14,000.000	22 3/4	318,500.00
Sprint Corp.	4,425.000	70.000	309,750.00
Tandy Corp.	6,800.000	56.812	386,322.00
Union Carbide Corp.	6,725.000	48.000	322,800.00
US Bancorp-Del	7,725.000	46.000	355,350.00
Xerox Coro.	3,225.000	105.562	340,437.00
<b>TOTAL Investments</b>			<b>10,236,185.93</b>

# Portfolio Value Report

As of 7/31/98

Security	Shares	Curr Price	Balance
Allegheny Teledyne Inc.	500.000	20.000	10,000.00
Aluminum Co of America	400.000	69.312	27,724.80
American Electric Power Co Inc	500.000	43.062	21,531.00
American Express Co	1,100.000	110 3/8	121,412.50
American General Corp.	600.000	68.312	40,987.20
American International Group	1,700.000	150.812	256,380.40
Ameritech Corp. New	2,700.000	49.187	132,804.90
Amoco Corp	2,400.000	41 3/4	100,200.00
AMP Inc.	500.000	29 3/8	14,687.50
AT&T Corp.	4,000.000	60 5/8	242,500.00
Atlantic Richfield Co.	800.000	67 3/4	54,200.00
Avon Products Inc	300.000	86 1/2	25,950.00
Baker Hughes Inc.	400.000	24.437	9,774.80
BankAmerica Corp	1,700.000	89 3/4	152,575.00
Baxter International, Inc.	700.000	59 3/4	41,825.00
Bell Atlantic Corp	3,800.000	45 3/8	172,425.00
Bethlehem Steel Corp	300.000	10.812	3,243.60
Black & Decker Corp.	200.000	56 7/8	11,375.00
Boeing Co.	2,500.000	38.812	97,030.00
Boise Cascade Corp.	100.000	28.000	2,800.00
Bristol Myers Squibb Co	2,500.000	113.937	284,842.50
Brunswick Corp.	200.000	19.437	3,887.40
Burlington Northern Santa Fe	400.000	102.937	41,174.80
Ceridian Corp	200.000	57.187	11,437.40
Champion International Corp.	200.000	42.437	8,487.40
Chrysler Corp.	1,600.000	59.187	94,699.20
Cigna Corp.	500.000	66.062	33,031.00
Cisco Systems Inc.	2,500.000	95 3/4	239,375.00
Citicorp	1,100.000	170.000	187,000.00
Coastal Corp	500.000	32 3/4	16,375.00
Coca Cola Co.	6,100.000	80.687	492,190.70
Colgate Palmolive Co	700.000	92.437	64,705.90
Columbia/HCA Healthcare Corp	1,600.000	.28 1/2	45,600.00
Computer Sciences Corp	400.000	64.000	25,600.00
Delta Air Lines Inc	200.000	122 1/2	24,500.00
Dow Chemical Co	600.000	90 3/4	54,450.00
E I Du Pont De Nemours & Co	2,800.000	62.000	173,600.00
Eastman Kodak Co.	800.000	84 1/8	67,300.00
Entergy Corp. New	600.000	27 3/8	16,425.00
Exxon Corp	6,100.000	70 1/8	427,762.50
FDX Corp	400.000	60.687	24,274.80
First Chicago NBD Corp	700.000	83.812	58,668.40
Fluor Corp	200.000	42.062	8,412.40
Ford Motor Co	3,000.000	56.937	170,811.00
General Dynamics	300.000	47.562	14,268.60
General Electric Co	8,100.000	89.312	723,427.20
General Motors Corp	1,700.000	72.312	122,930.40
H J Heinz Co	900.000	55 1/8	49,612.50
Halliburton Co.	700.000	36.312	25,418.40
Harrahs Entertainment Inc.	300.000	21 1/8	6,337.50
Harris Corp.-Del	200.000	39 5/8	7,925.00
Hartford Financial Services Gr	600.000	52.062	31,237.20
Hewlett Packard Co	2,600.000	55 1/2	144,300.00
Homestake Mining Co	400.000	10.312	4,124.80
Honeywell Inc.	300.000	83.812	25,143.60
IBM Corp	2,300.000	132 1/2	304,750.00
Int'l Flavors & Fragrances Inc	300.000	42.000	12,600.00
Intel Corp	4,200.000	84.437	354,635.40

# Portfolio Value Report

As of 7/31/98

Security	Shares	Curr Price	Balance
International Paper Co	800.000	44 5/8	35,700.00
Johnson & Johnson	3,300.000	77 1/4	254,925.00
K Mart Corp	1,200.000	16.462	19,754.40
Limited Inc.	600.000	26 13/16	16,087.50
Mallinckrodt Inc. New	200.000	27.687	5,537.40
May Department Stores Co	600.000	64.187	38,512.20
McDonalds Corp.	1,700.000	66.812	113,580.40
MCI Communications Corp	1,800.000	64 3/4	116,550.00
Merck & Co. Inc.	3,000.000	123.312	369,936.00
Merrill Lynch & Co Inc	900.000	97 1/2	87,750.00
Microsoft Corp	6,100.000	110 1/8	671,762.50
Minnesota Mining & Mfg Co	1,000.000	74 7/8	74,875.00
Mobil Corp.	1,900.000	69 3/4	132,525.00
Monsanto Co.	1,500.000	56 5/8	84,937.50
National Semiconductor Corp	400.000	12.312	4,924.80
NationsBank Corp.	2,400.000	79 3/4	191,400.00
Norfolk Southern Corp	900.000	29 7/8	26,887.50
Northern Telecom Ltd	1,300.000	58 3/4	76,375.00
Occidental Petroleum Corp.	900.000	22 1/4	20,025.00
Oracle Corp.	2,400.000	26 1/2	63,600.00
Pepsico Inc.	3,700.000	38.812	143,604.40
Pharmacia & Upjohn Inc	1,300.000	47 3/8	61,587.50
Polaroid Corp.	100.000	33.000	3,300.00
Procter & Gamble Co	3,300.000	79 3/8	261,937.50
Put Dec 1050	25.000	3,200.000	80,000.00
Put S&P 100 Index Dec 1025	27.000	2,500.000	67,500.00
Put S&P 100 Index Sep 520	69.000	862 1/2	59,512.50
Ralston-Ralston Purina Group	900.000	32.187	28,968.30
Raytheon Co-CI B	800.000	55.312	44,249.60
Rockwell International Corp	500.000	40.687	20,343.50
Schlumberger Ltd	1,200.000	60.562	72,674.40
Sears Roebuck & Co.	1,000.000	50 3/4	50,750.00
Southern Co.	1,700.000	25 1/2	43,350.00
Tandy Corp.	300.000	56.812	17,043.60
Tektronix Inc.	100.000	27 3/8	2,737.50
Texas Instruments Inc	1,000.000	59.312	59,312.00
Toys r Us Inc	700.000	22 3/4	15,925.00
Unicom Corp.	500.000	34.562	17,281.00
Unisys Corp.	600.000	27.562	16,537.20
United Technologies Corp.	600.000	95.812	57,487.20
Wal-Mart Stores Inc.	5,600.000	63 1/8	353,500.00
Walt Disney Co Holding Co	5,100.000	34.437	175,628.70
Weyerhaeuser Co.	500.000	42.000	21,000.00
Williams Companies Inc.	1,000.000	32.062	32,062.00
Xerox Corp.	800.000	105.562	84,449.60
Short Positions			(207,542.80)
<b>TOTAL Investments</b>			<b>9,929,591.60</b>

GATEWAY ACCOUNT  
STATEMENT 5

# Portfolio Value Report

As of 7/31/98

Security	Shares	Curr Price	Balance
Boston Properties Inc. Com	19,000.000	32.312	613,928.00
Canadian Pacific Ltd New	12,000.000	23 7/8	286,500.00
Catellus Development	28,000.000	16.312	456,736.00
FDX Corp. Com	12,000.000	60.687	728,244.00
Georgia Pacific Corp.	25,000.000	22.437	560,925.00
Hilton Hotels Corp.	20,000.000	25.187	503,740.00
Host Marriott Corp.	35,000.000	16.937	592,795.00
Pioneer Natural Resources	22,000.000	19.687	433,114.00
Trizec Hahn Corp	24,000.000	21.312	511,488.00
<b>TOTAL Investments</b>			<b>4,687,470.00</b>

# Portfolio Value Report

As of 7/31/98

Security	Shares	Curr Price	Balance
AEŞ Corp.	2,200.000	45 13/16	100,787.50
Alcatel Alsthom	7,700.000	39 3/8	303,187.50
Amer express	1,900.000	110 3/8	209,712.50
Amoco Corp	4,700.000	41 3/4	196,225.00
AMR Corp.	2,100.000	71 7/16	150,018.75
App Global Due 11/18/12	6,000.000	17.000	102,000.00
Applied Material	7,100.000	33 1/2	237,850.00
Axa Uap ADR	5,600.000	67 7/16	377,650.00
Baker Hughes Inc.	3,100.000	25.000	77,500.00
Basf AG ADR	6,000.000	45.964	275,784.00
Bellsouth Telecom 6%	5,000.000	99.991	499,955.00
Boston Properties Inc. Com	1,800.000	32 5/16	58,162.50
Broadcom Corp.	1,200.000	62 3/4	75,300.00
Case Corp.	4,500.000	33 15/16	152,718.75
Century Comm. Due 3/15/03	3,000.000	69 3/8	208,125.00
Chevron Corp. Com	2,300.000	82 5/8	190,037.50
Citicorp	1,300.000	170.000	221,000.00
Coca Cola Co.	8,000.000	32 15/16	263,500.00
Diageo Plc Spons ADR	6,700.000	48 3/8	324,112.50
Diamond Dffshore Drilling Com	2,700.000	32 13/16	88,593.75
DU Pont	4,200.000	62.000	260,400.00
Exide Corp. SR notes	2,000.000	104.000	208,000.00
FDX Corp	2,200.000	60.687	133,511.40
FHLB 5.605% Due 4/27/99	10,000.000	99 7/8	998,750.00
Ford Cap 9.875% Due 5/15/02	4,000.000	112.117	448,468.00
Fruit of Loom 7.875%	5,000.000	100.662	503,310.00
General Electric Co	37,500.000	7.746	290,475.00
GMAC 6.5% Due 2/17/04	10,000.000	101.403	1,014,030.00
Grupo Financiero Ser B	82,000.000	1.999	163,908.16
Grupo Televisa Ser A 11.375%	2,000.000	109.000	218,000.00
Guidant Corp.	3,400.000	74 5/16	252,662.50
Henkel LP Spons ADR	3,300.000	90 3/4	299,475.00
Hewlett Packard Co	3,800.000	55 1/2	210,900.00
Host Marriott Corp.	2,000.000	106.000	212,000.00
Intel Corp	3,200.000	84.437	270,198.40
Istituto Mobiliare ADR	6,300.000	55 5/16	348,468.75
Itc Deltacom	4,500.000	47 3/4	214,875.00
Jacor Comm. CL A	5,500.000	58 5/8	322,437.50
Keystone 9.75% Due 09/01/03	1,000.000	103.771	103,771.00
Lilly Eli	3,900.000	67 1/4	262,275.00
Lockheed Martin Corp.	3,500.000	99 11/16	348,906.25
Michelin FF12 French	5,000.000	55.154	275,772.30
Morgan Stanley 5.875% Due 4/24	10,000.000	99.776	997,760.00
Morgan Stanley Debt	18,000.000	11 1/2	207,000.00
Motorola Inc.	4,100.000	52 1/4	214,225.00
Nationsbank 6.75% Due 2/26/01	10,000.000	101.672	1,016,718.70
Novartis AG ADR	3,800.000	84.336	320,476.80
Oracle Corp SR Nts 6.72%	4,000.000	101.900	407,600.00
Paccar Finan. 6.26%	4,000.000	100.527	402,108.00
Philips Electronics	3,500.000	81 11/16	285,906.25
Playtex Family NTS 9%	5,000.000	102 1/4	511,250.00
Saks Holdings 5.5% Due 9/15/03	2,000.000	96 3/8	192,750.00
Sherwin William 6.5% Due 2/1	10,000.000	101.676	1,016,760.00
Stone Container 9.875% 2/1/01	4,000.000	102 3/8	409,500.00
Sunamerica	3,900.000	61 7/16	239,606.25
Telebras Spons ADR	1,800.000	121 9/16	218,812.50
Telewest PLC Step up	3,500.000	84 3/8	295,312.50
Time Warner	2,000.000	90 5/16	180,625.00

# Portfolio Value Report

As of 7/31/98

<u>Security</u>	<u>Shares</u>	<u>Curr Price</u>	<u>Balance</u>
Unibanco Uniao DE Bancos	5,900.000	35 7/8	211,662.50
Unilever ADR	6,600.000	38 7/8	256,575.00
US Strips Coupon 2/15/03	10,000.000	77.989	779,890.00
US Strips Coupon 2/15/08	10,000.000	58.521	585,210.00
Warner Lambert	4 100 000	75 3/8	309,037.50
<b>TOTAL Investments</b>			<b>20,531,602.51</b>

1997

Federal Statements

Client F0117

Cisco Systems Foundation

77-0443347

Statement 6  
Form 990-PF, Part II, Line 15  
Other Assets

	Book Value	Fair Mkt. Value
Purchased interest .....	\$ 75888	\$ 75888
Total	\$ 75888	\$ 75888

Statement 7  
Form 990-PF, Part II, Line 22  
Other Liabilities

Other Liabilities	Balance Due
Due to Cisco Corporation .....	\$ 60,000
Total	\$ 60,000





Client F0117

Cisco Systems Foundation

77-0443347

Statement 9 (Continued)  
Form 990-PF, Part IV, Line 1  
Capital Gains and Losses for Tax on Investment Income

- 6)  
(a) Description : 300,000 sh. Neodata  
(b) How acquired : Purchased  
(c) Date acquired: Various  
(d) Date Sold : 5/01/98
- 7)  
(a) Description : 1,900 sh. Lucent Tech  
(b) How acquired : Purchased  
(c) Date acquired: Various  
(d) Date Sold : 6/16/98
- 8)  
(a) Description : 10,400 sh. Cedant  
(b) How acquired : Purchased  
(c) Date acquired: Various  
(d) Date Sold : 7/14/98
- 9)  
(a) Description : 1,800 Expired Telebras Options  
(b) How acquired : Purchased  
(c) Date acquired: Various  
(d) Date Sold : 7/28/98

	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost/ Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
1)	1544227		1654680	-110453				-110453
2)	62645689		1076367	61569322				61569322
3)	3818307		1500000	2318307				2318307
4)	5000000		4938858	61142				61142
5)	5000000		4982656	17344				17344
6)	318000		318840	-840				-840
7)	137388		131570	5818				5818
8)	161386		297787	-136401				-136401
9)			900	-900				-900
							Total	\$63723339

Cisco Systems Foundation  
Gateway Account  
Capital Gains (Losses)

Description	Date sold	Date acq.		Basis	Realized Gain
100 sh Amp	30-Jun-98	22-Apr-98	3,474.88	4,112.50	(637.62)
100 sh AT&T	30-Jun-98	22-Apr-98	5,724.80	6,418.75	(693.95)
100 sh AT&T	16-Jul-98	22-Apr-98	5,656.06	6,418.75	(762.69)
100 sh Amer Express	16-Jul-98	22-Apr-98	11,705.85	10,418.75	1,287.10
100 sh American General	30-Jun-98	22-Apr-98	7,106.01	6,743.75	362.26
100 sh American Internat'l	30-Jun-98	22-Apr-98	14,930.75	13,937.50	993.25
100 sh Ameritech	30-Jun-98	22-Apr-98	4,656.09	4,537.50	118.59
200 sh Amoco	30-Jun-98	22-Apr-98	8,499.71	8,762.50	(262.79)
100 sh Bankamerica	30-Jun-98	22-Apr-98	8,762.20	8,762.50	(0.30)
100 sh Bell Atlantic	30-Jun-98	22-Apr-98	4,599.84	4,850.00	(250.16)
100 sh Bell Atlantic	16-Jul-98	22-Apr-98	4,674.84	4,850.00	(175.16)
100 sh Boeing	30-Jun-98	22-Apr-98	4,418.60	5,331.25	(912.65)
100 sh Bristol Myers	30-Jun-98	22-Apr-98	11,555.86	10,806.25	749.61
100 sh Brunswick	30-Jun-98	22-Apr-98	2,474.91	3,337.50	(862.59)
100 sh Chrysler Corp	30-Jun-98	22-Apr-98	5,674.81	4,331.25	1,343.56
100 sh Cigna	30-Jun-98	22-Apr-98	7,112.26	6,991.67	120.59
100 sh Cisco Systems	30-Jun-98	22-Apr-98	9,355.93	7,356.25	1,999.68
100 sh Citicorp	30-Jun-98	22-Apr-98	14,987.00	16,043.75	(1,056.75)
100 sh Coastal Corp	16-Jul-98	22-Apr-98	3,331.13	6,968.75	(3,637.62)
200 sh Coca Cola Co	30-Jun-98	22-Apr-98	17,199.42	14,987.50	2,211.92
100 sh Coca Cola Co	30-Jun-98	22-Apr-98	8,693.46	7,493.75	1,199.71
100 sh Colgate Palmolive	30-Jun-98	22-Apr-98	8,880.95	8,631.25	249.70
100 sh Columbia/HCA	30-Jun-98	22-Apr-98	2,943.65	3,400.00	(456.35)
400 sh Digital Equipment	10-Jun-98	22-Apr-98	22,999.23	21,900.00	1,099.23
100 sh Dupont	30-Jun-98	22-Apr-98	7,593.49	7,518.75	74.74
300 sh Exxon Corp	30-Jun-98	22-Apr-98	21,636.77	22,068.75	(431.98)
100 sh First Chicago	30-Jun-98	22-Apr-98	8,893.45	9,431.25	(537.80)
100 sh Ford Motor Co	30-Jun-98	22-Apr-98	5,843.55	4,781.25	1,062.30
300 sh General Electric	30-Jun-98	22-Apr-98	27,505.33	17,287.50	10,217.83
100 sh General Electric	30-Jun-98	22-Apr-98	9,399.68	8,643.75	755.93
100 sh General Motors	30-Jun-98	22-Apr-98	6,712.27	7,093.75	(381.48)
100 sh Hewlett Packard	30-Jun-98	22-Apr-98	6,093.54	6,618.75	(525.21)
100 sh IBM	30-Jun-98	22-Apr-98	11,612.11	11,825.00	(212.89)
100 sh IBM	16-Jul-98	22-Apr-98	11,974.60	11,825.00	149.60
100 sh Intel	30-Jun-98	22-Apr-98	7,449.75	8,131.25	(681.50)
100 sh Johnson & Johnson	30-Jun-98	22-Apr-98	7,374.75	7,112.50	262.25
100 sh Johnson & Johnson	16-Jul-98	22-Apr-98	7,093.51	7,112.50	(18.99)
100 sh KMART	30-Jun-98	22-Apr-98	1,918.68	1,862.50	56.18
100 sh Limited Inc	30-Jun-98	22-Apr-98	3,343.63	3,187.50	156.13
100 sh McDonalds	30-Jun-98	22-Apr-98	6,887.27	6,168.75	718.52
100 sh Merck & Co	30-Jun-98	22-Apr-98	13,324.55	12,137.50	1,187.05
100 sh Microsoft	30-Jun-98	22-Apr-98	10,762.14	9,831.25	930.89
100 sh Microsoft	16-Jul-98	22-Apr-98	11,668.36	9,831.25	1,837.11
100 sh Minnesota Mining	30-Jun-98	22-Apr-98	8,237.22	9,618.75	(1,381.53)
100 sh Mobil Corp	16-Jul-98	22-Apr-98	7,324.75	8,025.00	(700.25)
100 sh Norfolk Southern	30-Jun-98	22-Apr-98	2,987.40	3,550.00	(562.60)
100 sh Northern Telecom	30-Jun-98	22-Apr-98	5,681.06	6,262.50	(581.44)
200 sh Oracle	30-Jun-98	22-Apr-98	4,912.33	5,525.00	(612.67)
100 sh Pepsico	30-Jun-98	22-Apr-98	8,362.22	8,487.50	(125.28)
100 Procter & Gamble	16-Jul-98	12-Jun-98	9,105.94	8,532.14	573.80

69 Put S&P August	07-Jul-98	11-Jun-98	10,349.65	51,750.00	(41,400.35)
6 Put S&P August	30-Jun-98	11-Jun-98	1,274.95	4,500.00	(3,225.05)
75 Put S&P July	11-Jun-98	22-Apr-98	36,561.28	54,375.00	(17,813.72)
25 Put S&P Sept	02-Jul-98	22-Apr-98	22,499.25	52,500.00	(30,000.75)
69 Put S&P Sept 500	13-Jul-98	07-Jul-98	21,561.78	27,600.00	(6,038.22)
100 sh Raytheon	30-Jun-98	22-Apr-98	5,837.30	5,800.00	37.30
100 sh Schlumberger	30-Jun-98	22-Apr-98	6,874.77	8,050.00	(1,175.23)
100 sh Southern Co	30-Jun-98	22-Apr-98	2,743.65	2,706.25	37.40
500 sh Unicom	30-Jun-98	22-Apr-98	3,512.38	3,393.75	118.63
200 sh Wal-Mart	30-Jun-98	22-Apr-98	12,249.59	10,448.06	1,801.53
100 sh Walt Disney	30-Jun-98	22-Apr-98	10,549.64	11,637.50	(1,087.86)
100 sh Williams Co	16-Jul-98	22-Apr-98	3,387.38	3,250.00	137.38
Abercrombie & Finch	09-Jun-98	22-Apr-98	23.56	23.00	0.56
Abercrombie & Finch	24-Jun-98	22-Apr-98	367.86	362.56	5.30
35 S&P May 540	22-Apr-98	Various	49,435.85	13,125.00	36,310.85
36 S&P May 530	18-May-98	Various	78,297.39	30,420.00	47,877.39
36 S&P May 535	18-May-98	Various	63,447.88	12,420.00	51,027.88
16 S&P June 545	27-May-98	Various	30,598.98	7,000.00	23,598.98
20 S&P June 540	03-Jun-98	Various	43,998.53	6,500.00	37,498.53
20 S&P June 540	03-Jun-98	Various	24,749.17	6,500.00	18,249.17
15 S&P June 535	04-Jun-98	Various	23,249.22	4,875.00	18,374.22
20 Call S&P	10-Jun-98	Various	41,998.60	65,000.00	(23,001.40)
20 S&P June 525	19-Jun-98	Various	66,497.78	30,000.00	36,497.78
20 S&P June 530	19-Jun-98	Various	58,498.05	10,960.00	47,538.05
15 Call S&P Aug 520	01-Jul-98	04-Jun-95	37,123.76	68,100.00	(30,976.24)
16 Call S&P Aug 525	02-Jul-98	28-May-98	43,798.54	65,600.00	(21,801.46)
20 Call S&P Aug 530	07-Jul-98	04-Jun-98	42,998.56	79,000.00	(36,001.44)
20 Call S&P Aug 540	10-Jul-98	19-Jun-98	38,498.71	73,250.00	(34,751.29)
5 Call S&P Jul 530	02-Jul-98	12-Jun-98	7,624.74	15,500.00	(7,875.26)
37 Call S&P Jul 535	07-Jul-98	Various	61,047.96	108,225.00	(47,177.04)
20 Call S&P Jul 540	10-Jul-98	15-May-98	36,748.77	62,500.00	(25,751.23)
11 Call S&P Jul 545	07/20/98	10-Jun-98	15,399.51	32,680.00	(17,280.49)
9 Call S&P Jul 545	07/14/98	10-Jun-98	12,599.55	27,143.00	(14,543.45)
35 Call S&P July 525	02-Jul-98	Various	85,747.14	122,500.00	(36,752.86)
15 Call S&P Jul 545	17-Jul-98	02-Jul-98	25,499.14	51,495.00	(25,995.86)
2 Call S&P Jul 545	20-Jul-98	02-Jul-98	3,399.89	7,268.00	(3,868.11)
5 Call S&P Jul 550	20-Jul-98	02-Jul-98	6,687.27	15,670.00	(8,982.73)
18 Call S&P July 560	07/20/98	07-Jul-98	14,399.52	38,412.00	(24,012.48)
20 Call S&P July 565	20-Jul-98	10-Jul-98	16,999.43	32,680.00	(15,680.57)
7 Call S&P Aug 575	22-Jul-98	16-Jul-98	9,799.67	2,800.00	6,999.67
7 Call S&P Aug 575	22-Jul-98	20-Jul-98	10,674.64	2,800.00	7,874.64
20 Call S&P Aug 580	22-Jul-98	20-Jul-98	23,499.21	6,000.00	17,499.21
			<u>1,544,227.09</u>	<u>1,654,680.43</u>	<u>(110,453.34)</u>
			=====	=====	=====

Client F0117

Cisco Systems Foundation

77-0443347

## Statement 10

Form 990-PF, Part VIII, Line 1

List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title & avg. Hrs/wk devoted	Comp.	Employee Ben. Pln Contrib.	Expense Account/ Other
John P. Morgridge 170 West Tasman Drive San Jose, CA 95134	Chairman B of T Part Time	0	0	0
John T. Chambers 170 West Tasman Drive San Jose, CA 95134	President Part Time	0	0	0
Barbara Beck 170 West Tasman Drive San Jose, CA 95134	Vice President Part Time	0	0	0
Larry R. Carter 170 West Tasman Drive San Jose, CA 95134	CFO Part Time	0	0	0
	Total	\$ 0	0	0

## Statement 11

Form 990-PF, Part XV, Line 2a

Name and Address of person to whom applicants should be addressed

Jean Taylor  
170 West Tasman Drive  
San Jose, CA 95134  
408-526-4000

Client F0117

Cisco Systems Foundation

77-0443347

Statement 12  
Form 990-PF, Part XV, Line 3b  
Recipient approved for future payment

Name and Address	Donee/Recipient Relationship	Fndtn. Status	Purpose of Grant/Contrib.	Amount
NetDay/NextDay Available upon request	N/A	509 (a)	Educational	\$ 100000
Cooperative Elder Svcs Available upon request	N/A	509 (a)	Charitable	1300
SC Office of Education Available upon request	N/A	509 (a)	Educational	17500
Chelmsford Public Schools Available upon request	N/A	509 (a)	Educational	6000
City Year Inc Available upon request	N/A	509 (a)	Educational	10000
Rensselaer Poly Institute Available upon request	N/A	509 (a)	Educational	6700
			Total	----- \$ 141500 =====

**Form 990-PF**

**Part IV**

**Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc. Programs**

**Grant Guidelines**

Cisco Systems Foundation was established in 1997 by a gift from Cisco Systems, Inc. The Foundation strives to establish a legacy of trust with the community at large. Its mission is to be an economic and intellectual asset for those communities throughout the world in which Cisco Systems has a significant business presence. The Foundation supports programs that enable all community members to sustain and upgrade their quality of life and further empowers them to contribute back into the communities.

Specifically, the Foundation funds organizations in the community that provide education, generate and sustain community service, or meet basic human needs. The Foundation focuses on those programs that extend useful innovation and attempt to make lasting positive change. It makes cash grants averaging \$10,000.

**Funding Criteria**

To be eligible for funding, organizations must operate within 50 miles of one of the following geographic areas: San Jose, California; Research Triangle Park, North Carolina; and Chelmsford, Massachusetts. Non-profit organizations applying for funding must be a public charity and hold tax-exempt status under IRC section 501(c)(3). Grants are made for specific programs/projects that leverage existing resources, serve the community at large, and make a significant positive impact on the client groups served. Program overhead expenses must not exceed 25% of total operating budget.

Ineligible for funding:

Athletic events, competitions or tournaments  
Capital building funds  
Conferences/Seminars  
Fundraising events or sponsorships  
General operating expenses  
Individuals  
Religious, political, or sectarian organizations  
Seminaries  
Start-up programs

If your program meets these criteria and falls within the focus areas, please answer all questions on the Proposal Checklist. We cannot consider incomplete proposals or programs/projects that fall outside our primary funding areas.

### Application for Funding:

The Cisco Systems Foundation makes funding decisions twice a year. Proposal deadlines are April 30 for July funding and November 30 for February funding. Proposals received after the deadline dates may be held for the next funding cycle.

### Review Process:

Proposals are screened for compliance to the guidelines. They are then passed on to the Grant Review Committee, which represents a cross-section of employees from various departments and levels. Recommendations are then presented to the Cisco Systems Foundation Board of Trustees for final approval. In some instances, a site visit to your agency may be requested by Cisco Staff.

### Evaluation:

The Foundation is interested in evaluating the success of the programs/projects it funds. Status reports will be required as a condition of funding.

### Organization Information:

1. Tell us a little bit about your organization (year founded, accomplishments, current goals)?
2. What is the issue to be addressed for a Cisco Foundation grant?
3. What are the objectives of this program/project?
4. How will the funds be spent?
5. Who is included in the population to be served (cultural, social, and economic backgrounds)?
6. How many individuals are/will be served by this program/project?
7. Do other organizations in the community serve this population?
8. What are the program/project's expected outcomes?
9. How will success of these outcomes be measured?
10. What other groups or organizations partner with you or are served by this program/project?
11. What is the timeline for implementation of this program/project?
12. Are there any Cisco Systems employees who are active with your organization?

### Document Checklist:

In addition to answering the questions, please supply the following documents:  
Proof of non-profit status (a copy of IRS 501(c)(3) letter)  
Itemized budget for the project, including funds that have already been committed.  
A current audited financial statement, and a detailed budget for the organization.



A copy of the organization's nondiscrimination policy.

I certify that all of the above listed information is included in this proposal statement. Incomplete proposals may not be considered.

Signature Date

Please attach this form to your completed funding proposal statement. Be sure to make a copy for your records.

## Other Contributions Program

### Virtual Schoolhouse Grant Program:

As part of the commitment to assist schools in providing access to the Internet, Cisco has established the Virtual Schoolhouse Grant Program. In 1997, the program awarded \$10,000 grants of equipment, services and training to 50 K-12 throughout the United States. To apply for Virtual Schoolhouse grants, schools must demonstrate their ability to support and implement a campus local area network (LAN) and connect it to the Internet.

For more information about the Virtual Schoolhouse Grant Program, visit the Cisco Educational Archives (CEARCH) home page at <http://sunsite.unc.edu/cisco/>. Applications are accepted online only. Deadline is March 1 and winners are announced in June.

## Employee Matching Gifts

Regular Cisco full and part time employees may request up to three Matching Gift contributions per fiscal year, to any eligible 501(c)(3) nonprofit organization. Minimum gift is \$25, maximum amount for three gifts is \$1000. The employee must be affiliated with the organization, either by working as a volunteer or by making a financial contribution equal to the amount being requested from the company. Recipient organizations must provide proof of eligibility and verify the employee's volunteer involvement or financial contribution. Matching Gifts are designated for the same purpose as the employee's original gift.

### The Process

1. Matching Gift checks are processed quarterly and sent directly to the designated recipient organization. Completed Matching Gift form must be RECEIVED, (not postmarked), at the above given address by the 15th of the last month of the quarter in order to be included in that quarter's check run.

2. Deadlines for submitting forms for FY98 are;

October 15th

January 15th

May 15th

July 15th

### Eligibility Guidelines:

#### **Eligible**

1. All Cisco Systems, Inc. active, part-time or full-time, regular employees are eligible to participate in the Matching Gift program.
2. The agency or organization must be non-profit, tax-exempt per Section 501(c)(3) the Internal Revenue Code and the donation must qualify under Section 170(c) of the Internal Revenue Code.
3. No goods or services may be received by the employee in exchange for the solicited Matching Gift.
4. Project being funded must have a non-religious primary purpose and the organization/project must serve the community at large.
5. Must provide audited financial statements upon request and must not spend more than 25 percent of the support revenue for overhead costs and fund raising expense.

6. All the Matching Gift funds will be restricted to the same purpose as the employee's own gift.
7. An eligible Cisco Systems employee must be affiliated with the recipient organization either by making a financial contribution to the organization at the same time the Matching Gift is requested or by working as a volunteer (a minimum of twenty-five (25) or more hours per fiscal year with the specified recipient organization)

### **Ineligible**

1. Cisco Systems, Inc. temporary employees, agency temporaries
2. Projects that are religious or political in nature, promote a hobby, or do not serve the community at large.
3. Fund-raising sponsorship, fund-raising event tickets, funds for operating expenses, capital improvements, salaries / stipends, multi-year projects, advertising, deferred gifts (pledges, annuities, charitable remainder trusts).
4. Athletic teams or programs, tournaments, membership based organizations (clubs, fraternities, sororities, athletic scholarships, seminaries).
5. Tuition or student fees, tickets to events, subscription fees, dues, unpaid pledges, repayment of loans.
6. Organizations that discriminate on the basis of age, disability, religion, ethnic origin, gender or sexual orientation.
7. Volunteer service for an appointed or elected government board.

### Contact Information:

Cisco Systems, Matching Gifts Program.  
P.O. BOX 8327  
Princeton, NJ. 08543-8327

**Cisco Systems Foundation**  
**Matching Gifts**  
 August 1997 through July 1998

Name	Amount
American Cancer Society	185.00
American Red Cross	300.00
Children's Hospital Medical Center Founda	125.00
Commonwealth Zoological Corporation - Zo	200.00
Connecticut Choral Society	100.00
Cry Child Relief & You, Inc.	1,000.00
East Carolina University Foundation	100.00
Fred E. Weibel Elementary PTA - Weibel Sc	145.00
Friends of the Medfield Memorial Public L	25.00
Indians for Collective Action	250.00
Joseph Azevada Elementary School	750.00
KALW Radio	990.00
Leukemia Society of America, Inc.	50.00
National Adrenal Diseases Foundation, Inc	1,000.00
Oregon Center for Environmental Health	50.00
Saint Agnes Academy Foundation, Inc.	500.00
Silver Bay Association for Christian Conf	300.00
St. Ignatius College Preparatory	350.00
University of Chicago	50.00
University of North Carolina Center for P	50.00
Villa Montalvo Association	100.00
Group Home Society, Inc.	100.00
Altoona Area Public Library - Altoona Are	600.00
Canisius College	750.00
Court Designated Child Advocates, Inc.	200.00
Massachusetts Audubon Society, Inc.	250.00
National Actors Theatre, Inc.	2,975.00
National Multiple Sclerosis Society	1,345.00
National Urban Fellows, Inc.	100.00
Planned Parenthood Mar Moute, Inc.	500.00
Project Bread the Walk for Hunger	250.00
Project Open Hand	1,450.00
San Francisco Symphony	50.00
University of Nebraska Foundation	50.00
WestWood Open Parent Faculty Group	200.00
American Diabetes Association	50.00
American Red Cross - Washington, D.C.	1,550.00
College Fund/UNCF	500.00
Concern for the Poor, Inc.	300.00
Country Lane Home & School Club	150.00
Crisis Pregnancy Center of Santa Clara Co	400.00
Cumberland School	250.00
Illinois State University Foundation	100.00
One With One	1,000.00
Opportunities Industrialization Center We	1,350.00
Portland Habitat for Humanity	500.00
Rochester Institute of Technology	155.00
Tri-City Homeless Coalition	700.00
UC Davis Foundation	100.00
University of California - Davis	1,255.00
University of Illinois Foundation	526.00
University of Oregon Foundation	100.00
Waldorf School of the Peninsula	100.00
World Wildfire Fund	1,200.00
Christian Brothers Academy	50.00
CityTeam Ministries	4,450.00
Cornell University	100.00
CornerStone Christian School of Gilroy	1,000.00
Cupertino Union School District - Meyerho	200.00
Dallas Theological Seminary	100.00
Fayerweather Street School	1,000.00
Gay Mens Health Crisis, Inc.	205.00
Habitat for Humanity International (GA)	1,550.00
Habitat for Humanity-East King County	250.00
Humane Society Inc. & SPCA - The Humane S	1,000.00

# Cisco Systems Foundation

## Matching Gifts

August 1997 through July 1998

Name	Amount
Iowa State University Foundation	50.00
Julie House	200.00
Keys Family Day School	300.00
Massachusetts Institute of Technology	375.00
Miami University	750.00
Mountain Lion Foundation	200.00
Northwest Harvest E M M	250.00
Old Dominion University	100.00
One World Montessori School, Inc.	2,250.00
Oregon State University Foundation	500.00
Peninsula Open Space Trust	200.00
Pine Ridge Association	1,000.00
Raleigh Rescue Mission, Inc.	30.00
Recording for The Blind & Dyslexic	1,000.00
Santa Clara University	85.00
SLE Foundation	1,950.00
Southern Illinois University - Carbondale	600.00
State of New Hampshire - Plymouth State C	125.00
UC San Diego Foundation 0940	350.00
U.S. Catholic Conference - Our Lady of Go	1,000.00
UC Santa Cruz Foundation	350.00
Union of Concerned Scientists	375.00
University of Texas at Austin	150.00
University of Wisconsin Foundation	300.00
US Catholic Conference - Notre Dame High	1,000.00
American Red Cross (San Jose)	4,362.00
American Red Cross (San Jose)	4,714.00
American Red Cross (San Jose)	2,170.00
American Red Cross (San Jose)	510.00
American Service to India	1,000.00
Bay Area Crisis Nursery	125.00
Brigham Young University	100.00
Brown University	100.00
California Lutheran High School	1,000.00
Castilleja School Foundation	1,000.00
College of William and Mary	150.00
Columbus Zoological Park Association	175.00
Community Impact	25.00
Families in Transition-Peninsula	500.00
Food and Nutrition Services - Meals on Wh	500.00
Humane Society of Santa Clara Valley	850.00
Lampigher School	100.00
Life Skills Ministry, Inc.	850.00
Mission San Jose High School	750.00
Moss Beach Homes, Inc.	325.00
Naperville Heritage Society	500.00
North Dakota State University Foundation	100.00
Norwich University	100.00
Oberlin College	100.00
Rensselaer Polytechnic Institute	300.00
Rubicon Children's Centers, Inc.	150.00
San Francisco Aids Foundation	50.00
Sonoma State University	400.00
St. Olaf College	400.00
Thomas Jefferson Memorial Foundation, Inc	250.00
Trustees of Princeton University	700.00
Trustees of Tufts College	150.00
UC Berkeley Foundation	1,500.00
University of North Carolina at Chapel Hi	180.00
WGBH Educational Foundation	170.00
Young Women's Christian Association of Sa	875.00
American Civil Liberties Union Foundation	250.00
Archbishop Mitty High School	1,000.00
Case Western Reserve University	200.00
Chestnut Hill College	500.00
Children's Center of San Lorenzo Valley	100.00

**Cisco Systems Foundation**  
**Matching Gifts**  
 August 1997 through July 1998

Name	Amount
Community Hospice Foundation of the Bay A	125.00
Cystic Fibrosis Research, Inc.	500.00
Hillbrook School	550.00
Leukemia Society of America, Inc.	1,812.00
Make a Wish Foundation of Eastern North C	250.00
Montana State University	250.00
Naperville Education Foundation	500.00
National Multiple Sclerosis Society	25.00
Palo Alto Ballet, Inc. - Western Ballet	500.00
Pataphysical Broadcasting Foundation, Inc	100.00
Peninsula Outreach Programs, Inc.	100.00
Roessler-Chadwick Foundation	100.00
Role Model Program	250.00
Saint Francis High School	1,000.00
Second Harvest Food Bank Serving Santa Cr	100.00
Shriners Hospitals for Children, Burns In	275.00
St. Lucy School	1,000.00
Tri City Chinese School	1,000.00
Trustees of Boston University	350.00
US Catholic Conference - Cardinal Gibbons	500.00
US Catholic Conference - Notre Dame High	200.00
West Portal Parents Club	100.00
William Marsh Rice University	600.00
YMCA of Santa Clara Valley	75.00
Big Brothers&Big Sisters of Santa Cruz Co	250.00
Buddhist Compassion Relief Tzu Chi Founda	975.00
California Polytechnic State University F	620.00
Center for World Music	1,000.00
Chiaravalle Montessori School	50.00
Church of the Holy Apostles/Holy Apostles	25.00
Coastside Infant Toddler Center	1,000.00
Community Legal Services and Counseling C	375.00
Cooperative for Assistance & Relief Every	200.00
Covenant House	360.00
Educational Information Corporation WCPE	70.00
Environmental Defense Center	300.00
Fenway Community Health Center	125.00
Focus on the Family	500.00
Hawaii Preparatory Academy	1,000.00
Kent Place School	300.00
KQED, Inc.	700.00
Los Gatos Elementary Educational Foundati	250.00
North Carolina State University	380.00
Nursing Mothers Counsel, Inc.	500.00
Orange County Rape Crisis Center	1,000.00
Peninsula School Ltd.	1,500.00
San Jose Community College District Found	925.00
St. Andrews School of Boca Raton, Inc.	50.00
Strake Jesuit College Preparatory	500.00
Sunnyvale Community Services	300.00
University of Alabama	50.00
Washington Drama Society, Inc. - Arena St	750.00
Wellesley College	600.00
American Cancer Society	650.00
American Cancer Society	400.00
Belhaven College	500.00
California Pacific Medical Center Foundat	50.00
Catholic Charities of San Jose	500.00
India Literacy Project	850.00
Millikin Basics & Elementary School	90.00
Montclair Educational Foundation	1,300.00
Nature Conservancy of Alabama	250.00
San Jose State University	425.00
University of the Pacific Finance Cent	250.00
Valley Humane Society, Inc.	100.00
American Cancer Society	250.00

# Cisco Systems Foundation

## Matching Gifts

August 1997 through July 1998

Name	Amount
Armenian Apostolic Church of St. Gregory	1,000.00
Career Closet of Santa Clara County	3,155.00
Friends of Farallone PTA	250.00
KTEH TV Foundation	1,000.00
Le Moyne College	400.00
Loras College	35.00
Lucile Packard Children's Hospital at Sta	200.00
National Multiple Sclerosis Society (Sant	750.00
Northeast Atlanta Christian Ministries	250.00
Salvation Army	100.00
Stanford University	1,570.00
U.S. Catholic Conference - Sacred Heart S	250.00
Villa Siena, Inc.	250.00
Babson College	100.00
Building Together, Inc.	500.00
Hofstra University	25.00
Jane Lathrop Stanford Middle School PTA	575.00
Leukemia Society of America, Inc.	1,589.00
Leukemia Society of America, Inc.	100.00
Mayo Foundation of East Texas	750.00
North Peninsula Jewish Community Day Scho	750.00
Pepperdine University	50.00
U.S. Catholic Conference - Saint Elizabet	260.00
University of California - Los Angeles	100.00
American Red Cross	100.00
Middlesex School	150.00
New York University	50.00
Roman Catholic Bishop of San Jose - St. L	2,000.00
Rosemont College	175.00
Association of Former Students of Texas A	250.00
Holland Hall School	100.00
I Have a Dream-Boston, Inc.	500.00
Los Altos Educational Foundation	4,200.00
National Multiple Sclerosis Society	75.00
Purdue University Calumet	50.00
State University of New York - Albany	25.00
Graystone Elementary School	1,000.00
Palo Verde Elementary PTA	75.00
Bellarmine College Preparatory	750.00
Boston Symphony Orchestra, Inc.	50.00
Southbay Christian School-Southbay Christ	300.00
Humane Society of the United States	250.00
US Catholic Conference - Presentation Hig	500.00
Mountain View Schools Fund	40.00
Stevens Institute of Technology	50.00
Miscellaneous	10.00
American Cancer Society	325.00
Crystal Choir	1,000.00
Fremont Union High School District - Lynb	250.00
Good Samaritan Health System	100.00
Hopewell School PTO	1,000.00
IIT Bombay Heritage Fund	1,000.00
Jackson Elementary School	300.00
Leukemia Society of America, Inc.	1,127.10
Leukemia Society of America, Inc.	952.40
Leukemia Society of America, Inc.	202.40
Loma Prieta Home & School Club	555.00
Loma Vista PTO	1,000.00
Mission San Jose Elementary Parent Teache	100.00
Moreland Discovery School	100.00
San Jose Unified Educational Foundation	25.00
Scotts Valley Unified School District	300.00
Simmons College	25.00
Vietnam Health Educational Literature Pro	820.00
YMCA of Santa Clara Valley	300.00
Mountain View - Los Altos High School Fou	300.00



**Cisco Systems Foundation**  
**Matching Gifts**  
 August 1997 through July 1998

Name	Amount
Trustees of Princeton University	75.00
First Assembly of God - South Valley Chri	1,000.00
Los Altos Educational Foundation	600.00
Esalen Institute - Friends of Esalen	250.00
Potter Road School Parent Teacher Organiz	500.00
KALW Radio	60.00
Saratoga Educational Foundation	600.00
Huaxia Chinese School, New York	1,000.00
Springer Elementary School	150.00
Amateur Radio Emergency Service, East Bay	800.00
Georgia Student Educational Fund, Inc.	850.00
San Jose Symphony	840.00
Agricultural Education Foundation	250.00
Santa Barbara Rape Crisis Center	300.00
Santa Clara Valley Performing Arts Associ	200.00
Bridgeport Area Foundation	1,000.00
Continuing Developmental Services Foundat	300.00
New Hampshire Special Olympics, Inc.	50.00
Trail Center	250.00
UC San Diego Foundation 0940	200.00
University of Michigan	350.00
American Lung Association of Maryland, In	225.00
American Red Cross (San Jose)	1,235.00
American Red Cross (San Jose)	3,087.00
Barry R. Kirshner Wildlife Foundation - B	3,000.00
Big Brothers&Big Sisters of Santa Cruz Co	290.00
Unkown Payee	760.00
Christian Children's Fund	296.00
Cornell University	100.00
Dana-Farber, Inc.	550.00
Fund for Santa Barbara, Inc.	300.00
Hope for Children, Inc.	100.00
InnVision of Santa Clara Valley	250.00
Leukemia Society of America, Inc.	400.00
Long Island Educational TV Council, Inc.	250.00
San Francisco Aids Foundation	1,100.00
San Francisco Opera Association	1,000.00
Santa Clara University	300.00
Triangle Land Conservancy	250.00
UC Santa Cruz Foundation	600.00
United Way of Santa Clara County	1,000.00
University of California - Santa Barbara	315.00
University of California - Davis	125.00
University of Connecticut Foundation	50.00
University of Illinois Foundation	100.00
Virginia Commonwealth University	25.00
WGBH Educational Foundation	320.00
Arizona State University Foundation	100.00
California Police Activities League	25.00
Chestnut Hill College	500.00
Christmas in April of Mid Peninsula	1,000.00
Cry Child Relief & You, Inc.	1,250.00
Earlham College	350.00
Grace Day School	250.00
Inwood House	4,500.00
Jimmie Heuga Center	300.00
Live Oak Adult Day Services	1,000.00
Los Angeles Gay & Lesbian Community Servi	450.00
Loyola University of Chicago	50.00
Northern Arizona University Foundation	50.00
Opera San Jose, Inc.	100.00
Raleigh Rescure Mission, Incorporated	1,000.00
Rensselaer Polytechnic Institute	60.00
Roxbury Latin School	250.00
Rye Free Reading Room	140.00
Saint Margarets Mcternan School, Inc.	250.00

**Cisco Systems Foundation**  
**Matching Gifts**  
 August 1997 through July 1998

Name	Amount
Saint Peter's College	125.00
Schola Cantorum, Inc.	500.00
St. Jude Children's Research Hospital	50.00
Town of Pepperell - Lawrence Library	250.00
Trustees of Dartmouth College	250.00
U.S. Committee for UNICEF	400.00
University of Florida Foundation, Inc.	100.00
University of North Carolina at Chapel Hi	75.00
University of San Francisco	25.00
University of Wisconsin Foundation	250.00
US Catholic Conference - Archbishop Mollo	250.00
US Catholic Conference - Tutwiler Clinic	1,000.00
Valley Churches United Missions	200.00
Valley Ranch Elementary School	500.00
Western Pennsylvania Humane Society	200.00
American Conservatory Theatre	600.00
American Diabetes Association	1,000.00
Best Friends Animal Sanctuary	40.00
Billy DeFrank Lesbian and Gay Community C	1,000.00
Carnegie Mellon University	500.00
Colgate University	250.00
Community Association for Rehabilitation	1,370.00
Cystic Fibrosis Foundation Headquarters	300.00
Hartwick College	50.00
Hope for the City San Francisco	1,000.00
Lafayette College	200.00
Loomis institute	100.00
National Multiple Sclerosis Society (Sant	500.00
Northeastern University	30.00
Oklahoma State University Foundation	75.00
On Lok, Inc.	250.00
People for Ethical Treatment of Animals (	150.00
Plan International USA, Inc. - Child Reac	1,100.00
Purdue Foundation, Inc.	100.00
Saint John's Hospital & Health Center Fou	50.00
St. Marys Hospital Foundation, Inc.	150.00
Stanford University	1,750.00
Stevens Institute of Technology	125.00
U.S. Catholic Conference - Saint Joseph S	200.00
UC Berkeley Foundation	950.00
Alliance for Community Care	500.00
American Cancer Society, Inc. American Ca	750.00
American Parkinson Disease Association	100.00
American Red Cross	500.00
Animal Protection Society of Orange Co In	50.00
Babson College	100.00
Community Foundation Silicon Valley	250.00
Defenders of Wildlife	250.00
Duke University	1,920.00
Georgia Tech Foundation, Inc.	100.00
Hospice of Northwest Florida, Inc.	50.00
Kansas State University Foundation	100.00
Loyola College in Maryland, Inc.	25.00
Massachusetts Institute of Technology	500.00
My Brother's Table	100.00
Northwest Asian American Theatre	1,000.00
Nortre Dame High School - Michigan	250.00
Pius X Foundation	500.00
Planning & Conservation League Foundation	500.00
Shattuck School	200.00
St. John's Preparatory School	50.00
Trustees of Boston University	75.00
Virginia Tech Foundation, Inc.	25.00
Washington State University Foundation	200.00
World Vision, Inc.	500.00
YMCA of Santa Clara Valley	50.00

**Cisco Systems Foundation**  
**Matching Gifts**  
**August 1997 through July 1998**

Name	Amount
YMCA of Santa Clara Valley, Southwest Bra	1,000.00
American Red Cross	30.00
Amnesty International, USA	250.00
Auburn University	300.00
California Polytechnic State University F	200.00
Carlton College	50.00
Colonial Williamsburg Foundation	250.00
Covenant House	180.00
Humane Society of the United States	35.00
Music Associates of Aspen, Inc. Aspen Col	1,000.00
Planetary Society	500.00
Second Harvest	150.00
Tewksbury Community Pantry, Inc.	200.00
University of Missouri - Rolla	250.00
University of Notre Dame	300.00
Friends for Youth, Inc.	300.00
Hill-Murray High School	500.00
Mountain Lion Foundation	500.00
New College Foundation, Inc.	140.00
North Carolina State University	500.00
North Peninsula Jewish Community Day Scho	200.00
San Francisco SPCA	500.00
St. Vincent De Paul Society	1,000.00
Western Reserve Academy	100.00
Gateway School	250.00
Habitat for Humanity International (GA)	50.00
Island Philharmonic Society, Inc. - Long	280.00
Merriam Elementary School	500.00
Muscular Dystrophy Association of New Ham	25.00
Nature Conservancy, Inc.	500.00
Nature Conservancy, Inc.	810.00
Providence College	50.00
Roessler-Chadwick Foundation	150.00
San Francisco Bay Bird Observatory	500.00
San Jose State University	200.00
Sunburst Projects	25.00
US Catholic Conference - St. Pius X Churc	1,000.00
Bates College	50.00
Juvenile Diabetes Foundation	1,000.00
National Kidney Foundation of Northern Ca	1,000.00
New Hampshire Public Television	35.00
Oregon State University Foundation	50.00
Paul Center for Learning and Recreation,	200.00
Save San Francisco Bay Association	50.00
US Catholic Conference - St. Huberts Cath	50.00
Villanova University	500.00
American Friends Service Committee	400.00
Child Abuse Prevention Center	1,950.00
Cleveland Academy of Finance	1,500.00
Cooperative for Assistance & Relief Every	200.00
Saint Vincent de Paul Society	25.00
Compassion International	576.00
Leukemia Society of America, Inc.	100.00
University of North Carolina Center for P	150.00
Alzheimer's Association	250.00
Bellarmine College Preparatory	1,750.00
St. Mary & All Angels - Christian School	1,000.00
US Catholic Conference - Our Lady of Lour	1,000.00
Friends of Farallone PTA	250.00
India Literacy Project	100.00
Unkown Payee	100.00
Salvation Army	120.00
US Catholic Conference - Presentation Hig	200.00
Groton Public Library Endowment	1,000.00
Portola Valley Schools Foundation	350.00
San Francisco Firefighters Toy Program	150.00

Cisco Systems Foundation

Matching Gifts

August 1997 through July 1998

Name	Amount
University of California - Los Angeles	125.00
Childrens Health Council of the Mid-Penin	50.00
MADD - Irving	25.00
Total Matching Gifts	230,443.90
TOTAL	230,443.90

Cisco Systems Foundation  
 Grants Paid  
 August 1997 through July 1998

Name	Amount
American Cancer Society	1,706.00
Center for Corporate Community Relations	4,295.00
University of Massachusetts/Lowell	13,656.90
Global School Net Foundation	100,000.00
Fitchburg Access Television, Inc.	5,000.00
Mass Networks Education Partnership, Inc.	10,000.00
One with One, Inc	5,000.00
Raleigh Rescue Mission, Inc.	15,000.00
Ravenscroft School, Inc.	6,000.00
Rensselaer Polytechnic Institute	3,000.00
Costano Adopted School	6,000.00
Shelter Network of San Mateo County	5,000.00
Silicon Valley Charity Ball Foundation	45,000.00
Via Rehabilitation Services, Inc.	10,000.00
Women and Their Children's Housing	10,000.00
Youth and Family	25,000.00
Teach for America	10,000.00
Project Bread the Walk for Hunger	44,899.00
Food Bank, Inc.	30,946.00
Wakefiled School, Inc.	1,000.00
Salvation Army	15,000.00
Genesis Home	10,000.00
Habitat for Humanity of Wake County, Inc.	15,000.00
Junior Achievement	5,000.00
Junior League of Raleigh, Inc.	5,000.00
Plugged In-Learning Through Technology	50,000.00
Teach for America, Inc.	15,000.00
AIDS Resources Information & Services	25,000.00
Alzheimers Disease & Related Disorders	4,285.00
Bay Area Lupus Foundation	3,737.59
Bay Area Youth Agency	10,000.00
Children's Shelter Assoc of Santa Clara	40,000.00
Community Health Awareness Council	7,500.00
Digital Clubhouse Network	12,250.00
EdSource	4,000.00
Free At Last	5,000.00
Good Samaritan Charitable Trust	5,000.00
The Guardsmen	6,250.00
Healthy Venues	15,000.00
HomeBase	8,000.00
Inn Vision of Santa Clara Valley	50,500.00
Museum of Art & History	5,000.00
Parents Helping Parents	10,000.00
Public Allies	5,000.00
Resource Area for Teachers	10,000.00
Sacred Heart Community Service	50,000.00
San Jose Conservation Corps	15,000.00
San Jose Symphony	15,000.00
Marine Science Institute	5,000.00
Rogers Middle School	5,850.00
Second Harvest Food Bank	135,000.00
Community Treasure Foundation	5,000.00

California Virtual Community	75,000.00
America's Promise -- Silicon Valley	10,000.00
Western Governors University	250,000.00
Cleveland Academy of Finance	2,000.00
A.J. Dorsa Elementary School	2,500.00
Castilleja School Foundation	50,000.00
Adolescent Counseling Services	5,000.00
Assistance League of Santa Clara County	10,000.00
Bay & Valley Habitat for Humanity	40,000.00
Big Brothers/Sisters of San Francisco	5,000.00
Challenge Learning Center	10,000.00
City Year	70,000.00
Court Designated Child Advocates, Inc.	25,000.00
Diabetes Society of Santa Clara Valley	5,000.00
Huckleberry Youth Program, Inc.	7,500.00
Loaves & Fishes Family Kitchen	10,000.00
Opera of San Jose	10,000.00
San Jose State University	10,000.00
Santa Cruz Barrios Unidos, Inc.	10,000.00
Services for Brain Impaired	3,500.00
Shelter against Violent Environment, Inc.	5,000.00
Smithsonian Institution	32,500.00
St Vincent De Paul Society	20,000.00
Tech Museum of San Jose	110,000.00
Whelan Elementary School	1,000.00
Westchester Academy	1,000.00
Washington Irving High School	1,000.00
W.S. Freeman Elementary School	1,000.00
Villa Academy	1,000.00
U.S. Catholic Conference -- Sacred Heart	1,000.00
U.S. Catholic Conference -- St. Robert	1,000.00
U.S. Catholic Conference -- St. Joseph's HS	1,000.00
U.S. Catholic Conference -- St. Joseph	1,000.00
U.S. Catholic Conference -- St. John	1,000.00
U.S. Catholic Conference -- St. Francis	1,000.00
U.S. Catholic Conference -- St. Clare	1,000.00
U.S. Catholic Conference -- St. Anthony	1,000.00
U.S. Catholic Conference -- St. Alexander	1,000.00
U.S. Catholic Conference -- Our Lady of Mercy	1,000.00
U.S. Catholic Conference -- Notre Dama HS	1,000.00
U.S. Catholic Conference -- Immaculate Conception	1,000.00
U.S. Catholic Conference -- Beaumont School	1,000.00
St. James Episcopal School	1,000.00
Seeliger Elementary School	1,000.00
Readington Middle School	1,000.00
Penobscot Valley HS	1,000.00
New Milford HS	1,000.00
Michaelangelo Middle School	1,000.00
Louisville Collegiate School	1,000.00
Lockard Elementary School	1,000.00
Lisle Junior HS	1,000.00
Lemon G Hine Junior HS	1,000.00
Lebanon Borough Elementary School	1,000.00
Jack London Elementary School	1,000.00
J.L. Mann Academy of Science, Math	1,000.00
Henry Senschwine Grade School	1,000.00
Granite City Senior HS	1,000.00
Gooding Joint School District	1,000.00
Galena Primary School	1,000.00
Farragut HS	1,000.00
Enka HS	1,000.00
Endicott -- St John Middle School	1,000.00
Dover HS	1,000.00
Conference Board Inc	1,250.00
Colbert Heights HS	1,000.00

Clover Junior High School	1,000.00
Chief Joseph Middle School	1,000.00
Casita Center for Technology	1,000.00
Campo Elementary School	1,000.00
Brophy College Preparatory	1,000.00
Blake School	1,000.00
Bell Senior HS	1,000.00
Barnstead Elementary School	1,000.00
Adlai E Stevenson HS	1,000.00

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\$1,752,125.49

Client F0117

Cisco Systems Foundation

77-0443347

Statement 17  
Part II, Line 22 &  
Part VII-B, Question 1(a)(2)

During the fiscal year ending 7/31/98, Cisco Systems Corporation advanced program administrative costs of \$60,000 on behalf of the Foundation. No interest was accrued or paid in connection with this charitable-purpose loan. Cisco Systems Foundation reimbursed the Corporation for these costs in the fiscal year ending 7/31/99. Under Section 4941(d)(2)(B), the lending of money to a private foundation by a disqualified person is not self-dealing if, as in this instance, the loan is without interest or other charge and if the proceeds of the loan are used exclusively for purposes specified in Section 501(c)(3).



Client F0117

Cisco Systems Foundation

77-0443347

**Explanation of Purchase, Sales, Ect.**

The Foundation purchased securities on margin for short periods of time until cash could be transferred from one account to another and cover the purchase of the various securities. The average time frame for this type of transaction is one to two days.

The original donation of the Cascade stock included both calls and puts. The purpose of these calls and puts was to guarantee a ceiling and floor price for the sale of this stock. Because of the large number of shares donated, the calls and puts were deemed necessary to counteract the effects of blockage.

Short sales and the purchase of calls and puts have been considered an effective strategy for increasing the Foundation's net investment income. This investment policy has been authorized by the Foundation's Board of Directors.

The Foundation's investments are maintained at two different brokerage houses. The investments at these houses are further divided into various accounts, each with its own investment manager. The Board regularly monitors the performance of each of these accounts.