
**AGILENT TECHNOLOGIES FOUNDATION
(A CALIFORNIA NON-PROFIT ORGANIZATION)**

FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2011

**AGILENT TECHNOLOGIES FOUNDATION
FINANCIAL STATEMENTS
YEAR ENDED OCTOBER 31, 2011**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Agilent Technologies Foundation
Santa Clara, California

We have audited the accompanying statement of financial position of Agilent Technologies Foundation (a California non-profit corporation) as of October 31, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Agilent Technologies Foundation as of October 31, 2011, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the financial statements as a whole. The schedules of grants authorized on pages 9 - 13 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

NICHOLS, RICK & COMPANY

Nichols, Rick & Company, CPA's
San Jose, California
May 16, 2012

Agilent Technologies Foundation
Statement of Financial Position
October 31, 2011

ASSETS

Assets:

Cash	\$	279,999
Cash equivalent - Schwab Value Advantage Money Fund		<u>5,695,206</u>
Cash & cash equivalents		<u>5,975,205</u>
Total current assets		5,975,205
Fixed Assets - archive display cases		19,581
Less: accumulated depreciation		<u>(12,587)</u>
Fixed assets, net		6,994
Collection - Agilent Company Archives		<u>3,326,000</u>
Total non-current assets		<u>3,332,994</u>
Total assets	\$	<u>9,308,199</u>

LIABILITIES & NET ASSETS

Liabilities:

Current liabilities		
Accounts payable	\$	69,305
Grants payable		<u>1,686,754</u>
Total current liabilities		1,756,059
Long term liabilities		
Grants payable		<u>617,154</u>
Total liabilities		2,373,213
Net Assets:		
Unrestricted net assets		<u>6,934,986</u>
Total liabilities and net assets	\$	<u>9,308,199</u>

Agilent Technologies Foundation
Statement of Activities
For the year ended October 31, 2011

Unrestricted Support and Revenue	
Interest income	\$ 275
Donation from Agilent Technologies, Inc.	6,000,000
Dividend income	<u>2,081</u>
Total unrestricted support and revenue	6,002,356
Expenses	
Grants	
Grant payments made	3,823,635
Prior year grant payments returned, unspent	(16,993)
Increase in grants authorized but unpaid	<u>1,302,314</u>
Total grant expense	5,108,956
Support services	
Administrative services	190,801
Depreciation expense	2,797
Professional services	33,337
Dues, subscriptions, and memberships	33,560
Filing fees	<u>10</u>
Total expenses	<u>5,369,461</u>
Increase in unrestricted net assets	632,895
Unrestricted net assets, November 1, 2010	<u>6,302,091</u>
Unrestricted net assets, October 31, 2011	<u>\$ 6,934,986</u>

Agilent Technologies Foundation
Statement of Cash Flows
For the year ended October 31, 2011

Cash flows from operating activities:	
Increase in net assets	\$ 632,895
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation expense	2,797
Changes in assets & liabilities:	
Decrease in accounts payable	(80,950)
Increase in grants payable	<u>1,302,314</u>
Net cash provided by operating activities	1,857,056
Net cash from investing activities:	-
Net cash from financing activities:	<u>-</u>
Net increase in cash	1,857,056
Cash and cash equivalents, November 1, 2010	4,118,149
Cash and cash equivalents, October 31, 2011	<u>\$ 5,975,205</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the period for:	
Interest	\$ 0
Income taxes	\$ 0

AGILENT TECHNOLOGIES FOUNDATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

Agilent Technologies Foundation ("Foundation"), is a non-profit California corporation incorporated in September 1999. The Foundation was formed for the purpose of supporting various philanthropic organizations and activities. Resources for the Foundation's activities are provided by donations from Agilent Technologies, Inc. and income earned from cash and cash equivalents.

Basis of Presentation

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The financial statements of the Foundation are prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred.

Contributions

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. In addition, pledges and unconditional promises to give are reported as temporarily restricted support upon date of notification and are then released from restrictions upon satisfaction of the time or use requirements. If a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted.

Donations

All donations are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials, services, equipment, and supplies are reflected as contributions in the accompanying statements at their estimated value at date of notification. The Foundation receives from Agilent Technologies, Inc. the use of facilities, miscellaneous supplies, and support services at no charge. The value of these items has not been determined. For the year ended October 31, 2011, no material amounts of services meeting the measurement requirements of FASB ASC 958-605-50 were contributed.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of these instruments.

Grants Receivable

Grants receivable are written off when they are deemed uncollectible. This method is not in accordance with generally accepted accounting principles, however, the Foundation's experience with collections indicates that the direct write off method approximates the allowance method.

Income Taxes

The Foundation is exempt from Federal income taxes under Internal Revenue Code ("Code") Section 501(c)(3), from California income taxes under Section 23701(d) of the California Bank and Corporation Tax Law, and has been determined to be an organization that is a private foundation. As a private foundation, the Code imposes an excise tax of 2% (reduced to 1% if certain conditions are met) on net taxable investment income of the Foundation. The tax years ending from October 2008 through current are still subject to potential examination by the appropriate authorities. Management has determined the implementation of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*, did not have a material impact on its financial statements.

AGILENT TECHNOLOGIES FOUNDATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Depreciation

Fixed assets consist of display cases for the collection, are reported at cost, and depreciated using the straight-line method over the estimated seven year useful life of the asset. The Foundation's policy is to capitalize expenditures of this nature equal to or in excess of \$1,000. Fixed asset additions for the year ended October 31, 2011 totaled \$0 and depreciation expense for the year ended October 31, 2011 was \$2,797.

Fair Value

Management has adopted FASB ASC 820-10, *Fair Value Measurements*, which establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. For cash and cash equivalents, the Association utilized Level 1 inputs, consisting of unadjusted quoted prices in active markets for identical assets and having the highest priority. Level 2 and Level 3 inputs were not utilized. The carrying amounts of accounts and grants payable approximate fair value because of the relative terms and/or short maturity of these financial instruments.

Estimates

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

2. COLLECTION:

The Foundation has capitalized collections since its inception. The Collection consists of printed materials and equipment detailing the legacy of Agilent Technologies, Inc.'s former parent company, Hewlett-Packard, and more specifically the history of David Packard and William Hewlett. The materials include publications, news clippings, photographs, laboratory notebooks, manuscripts, and other historical records. The Collection is stated at the estimated fair market value at the time of donation, based on an independent appraisal. Gains and losses on the deaccession of donated collection items are classified in the statement of activities based on the absence or existence and nature of donor restrictions placed on the item at the time of donation.

3. RELATED PARTY TRANSACTIONS and ACCRUED COMPENSATION:

The Foundation reimburses Agilent Technologies, Inc. for the actual salary cost incurred by individuals performing services for the Foundation plus an additional 31% for benefits and related payroll costs. Agilent Technologies, Inc. employees accrue 15 to 30 days of flexible time off (FTO), depending upon length of service, up to a maximum accrual of 22½ to 45 days. The FTO hours may be used for vacation, sick leave, holidays, family emergencies, religious observances, preventive health or dental care, and personal time. Upon termination, employees are compensated for unused FTO hours. Benefited part-time employees receive the FTO benefits on a pro-rated basis.

For the year ended October 31, 2011, the Foundation paid a total of \$280,210 for the reimbursement of services performed by Agilent Technologies, Inc. employees.

**AGILENT TECHNOLOGIES FOUNDATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2011**

4. GRANTS PAYABLE:

Grants payable represents all unconditional grants that have been authorized prior to year-end, but remain unpaid as of October 31, 2011. Conditional grants are expensed and considered payable in the period the conditions are substantially met. There were no conditional grants at October 31, 2011. The carrying amounts for current grants payable reported in the statement of financial position approximate fair values as all amounts are due within one year. The carrying amount for long term grants payable, due during the year ending October 31, 2013, is reported at gross, which approximates fair value.

Included in grants payable is an estimate of contributions to various non-profit organizations based on pledges received by October 31, 2011 from Agilent Technologies, Inc.'s employees. The provisions of this contribution stipulate the Foundation will match Agilent Technologies, Inc. employees' contributions, up to a maximum of \$5,000 per employee. The total estimated for the year ending October 31, 2012 is \$929,000, and is reported net of a 3% reserve of approximately \$ 28,000 for unfulfilled pledges.

5. CONCENTRATIONS AND CONTINGENCIES:

At times during the fiscal year ended October 31, 2011, the Foundation maintained balances in excess of insured limits at one financial institution.

The Foundation, during the normal course of operating its business, may be subject to various lawsuits and government audits. Management believes that losses resulting from these matters, if any, would either be covered under the Foundation's insurance policy or are immeasurable. Management further believes the losses, if any, would not have a material effect on the financial position of the Foundation.

6. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through May 16, 2012, the date on which the financial statements were available to be issued.

**Agilent Technologies Foundation
Schedule of Grants Authorized
October 31, 2011**

Grants Authorized Summary

Recipient - Purpose	Total Amount Authorized	<u>Amounts Paid During Fiscal Years Ended:</u>			Amount Authorized Remaining Balance
		10/31/09 & Prior	10/31/10	10/31/11	
<i>Grants Authorized Through October 31, 2010</i>	\$ 29,711,765	\$ 24,971,781	\$ 3,738,390	\$ 696,572	\$ 305,022
<i>Grants Authorized During Fiscal Year Ending October 31, 2011:</i>					
<i>Foreign Charities - Government Entities or Equivalency Determination - page 10</i>	594,650	-	-	451,750	142,900
<i>Foreign Charities - Expenditure Responsibility - page 11</i>	98,912	-	-	98,912	-
<i>U.S. Charities - University Research - page 12</i>	2,322,640	-	-	1,371,269	951,371
<i>U.S. Charities - Projects and Employee Match - page 13</i>	2,109,747	-	-	1,205,132	904,615
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Sub-totals - Grants Authorized During Fiscal Year Ending October 31, 2011:</i>	<u>5,125,949</u>	<u>-</u>	<u>-</u>	<u>3,127,063</u>	<u>1,998,886</u>
<i>Totals - Grants Authorized as of October 31, 2011:</i>	<u>\$ 34,837,714</u>	<u>\$ 24,971,781</u>	<u>\$ 3,738,390</u>	<u>\$ 3,823,635</u>	<u>\$ 2,303,908</u>

Agilent Technologies Foundation
Schedule of Grants Authorized
For the year ended October 31, 2011
Foreign Charities - Government Entities or Equivalency Determination

Recipient	Purpose	Total Amount Authorized	Total Amount Paid	Amount Authorized Remaining Balance
Australian Red Cross	Victoria and Queensland floods employee match	\$ 6,150	\$ 6,150	\$ -
Beijing Adolescence Science & Technology Activity	BASTIC, ISEF Beijing Regional Fair	55,000	55,000	-
Dalian Institute of Chemical Physics	Cooled sorptive rod headspace extraction Technique	21,000	21,000	-
Foederverein Science und Technologie e.V.	Science Teacher Training Program	12,000	12,000	-
Fudan University	Needle trap Devices & SPME Design for Flow Modulated	24,000	24,000	-
Heidelberg University	High-throughput Multiplexing HPLC	40,000	40,000	-
International Art & Technology Cooperation Organization	Kids' ISO 14000 Programme	5,500	5,500	-
Japan Philanthropic Association	11th Japan Science Education Volunteer Research Conference	5,500	5,500	-
Jugendforschungszentrum Schwarzwald- SchÖbuch e.v.	Extension of the JFZ	20,000	20,000	-
King's College London	Development of data acquisition and analysis for preclinical ASL	40,000	-	40,000
Southeast University	ZGST Application on Wideband Characterization of Power Amplifier	22,000	22,000	-
Swinburne University of Technology	Ripple Sensor for Surface Enhanced Raman Spectroscopy	40,000	-	40,000
Technion - Israel Institute of Technology	Metabolomics in human steroid processing	45,000	45,000	-
Tokyo University of Agriculture and Technology	In Situ Measurement of RNA Expression Levels in Live Cells	36,000	36,000	-
Tsinghua University	Characterization and modeling of Concurrent Dual Band Pas based on Multi-Tone X-Parameter	23,900	-	23,900
Tsinghua University	Modeling and Simulation of the Complex Indoor and Urban GNSS channels	25,000	25,000	-
Tsinghua University	Non-Intrusive Power Line Quality Measurement and Data Networking based on OFDM Technology	25,600	25,600	-
University of Tokushima	New evaluation method of the current collapse for high power GaN devices	29,000	29,000	-
University of Tokyo	Study on electrical monitoring of cell function using semiconductor biosensing devices	36,000	36,000	-
University of Waterloo	Monitoring drugs of abuse in urine by direct immersion solid-phase micro extraction	44,000	44,000	-
United Way International	Employee Match - China Giving Campaign for 2012	10,500	-	10,500
United Way International	Employee Match - Hong Kong Giving Campaign for 2012	5,000	-	5,000
United Way International	Employee Match - India Giving Campaign for 2012	8,000	-	8,000
United Way International	Employee Match - Taiwan Giving Campaign for 2012	15,500	-	15,500
		-	-	-
Totals - Foreign Charities - Government Entities or Equivalency Determination - to page 9		\$ 594,650	\$ 451,750	\$ 142,900

Agilent Technologies Foundation
Schedule of Grants Authorized
For the year ended October 31, 2011
Foreign Charities - Expenditure Responsibility Grants

Recipient	Purpose	Total Amount Authorized	Total Amount Paid	Amount Authorized Remaining Balance
NPO The Committee of Japan Physics Olympiad	To support the Physics Challenge	\$ 9,500	\$ 9,500	\$ -
SNS Foundation	To support the Eureka - Phase II	20,112	20,112	-
SNS Foundation	To support the Sanskaar - Phase II	24,500	24,500	-
Agastya International Foundation	To support the District Rural Science Educ. Program (DRSEP)	44,800	44,800	-
		<u>-</u>	<u>-</u>	<u>-</u>
<i>Totals - Foreign Charities - Expenditure Responsibility Grants - to page 9</i>		<u>\$ 98,912</u>	<u>\$ 98,912</u>	<u>\$ -</u>

Agilent Technologies Foundation
Schedule of Grants Authorized
For the year ended October 31, 2011
United States Charities - University Research

Recipient	Purpose	Total Amount Authorized	Total Amount Paid	Amount Authorized Remaining Balance
Arizona State University	University Research	\$ 25,000	\$ 25,000	\$ -
Arizona State University	University Research	43,313	43,313	-
Baylor University	University Research	30,000	30,000	-
Boston University	University Research	56,520	56,520	-
Brigham Young University	University Research	30,000	30,000	-
Brigham Young University	University Research	30,000	30,000	-
Duke University	University Research	50,000	50,000	-
Hamner Institutes for Health Science	University Research	450,000	150,000	300,000
Harvard Medical School	University Research	372,867	121,496	251,371
Maastricht University	University Research	100,000	-	100,000
Massachusetts Institute of Technology	University Research	58,300	58,300	-
McMaster University	University Research	50,000	50,000	-
Ohio State University	University Research	50,000	50,000	-
Sanford-Burnham Medical Research Institute	University Research	50,000	50,000	-
Stanford University	University Research	56,160	56,160	-
Stanford University	University Research	55,000	55,000	-
The Broad Institute	University Research	450,000	150,000	300,000
University of California, Davis	University Research	25,000	25,000	-
University of California, Davis	University Research	40,000	40,000	-
University of California, Los Angeles	University Research	30,000	30,000	-
University of Maryland	University Research	43,250	43,250	-
University of Michigan	University Research	42,387	42,387	-
University of Michigan	University Research	50,745	50,745	-
University of New Hampshire	University Research	44,098	44,098	-
University of Texas, Dallas	University Research	35,000	35,000	-
Yale University	University Research	55,000	55,000	-
		-	-	-
Totals - U.S. Charities - University Research - to page 9		\$ 2,322,640	\$ 1,371,269	\$ 951,371

Agilent Technologies Foundation
Schedule of Grants Authorized
For the year ended October 31, 2011
United States Charities - Projects and Agilent Corporation Employee Contribution Matching

Recipient	Purpose	Total Amount Authorized	Total Amount Paid	Amount Authorized Remaining Balance
ALearn	To support the Math Acceleration Project (MAP)/SUTA.	\$ 10,000	\$ 10,000	\$ -
American Red Cross International Relief	Japan Earthquake	100,000	100,000	-
American Red Cross International Relief	Japan Earthquake employee match	210,894	210,894	-
American Red Cross International Relief	The Agilent Technologies Foundation donation to Thailand Floods.	10,000	-	10,000
Audubon Canyon Ranch	Junior Naturalist Program (Juniper)	15,000	15,000	-
Children's Discovery Museum of San Jose	Dig Deeper!: A Science Support Initiative for teachers	50,000	50,000	-
Clean Air Now	To support Clean Air Challenge in the U.S., China. Spain and Australia.	20,000	20,000	-
Clean Air Now	To support Clean Air Challenge in the U.S., China. Spain and Australia.	130,000	130,000	-
Clean Air Now	To support Clean Air Challenge in the U.S., China. Spain and Australia.	20,000	20,000	-
Clean Air Now	To support Clean Air Challenge in the U.S., China. Spain and Australia.	20,000	20,000	-
Delaware Foundation for Science and Mathematics Education	International Math Pilot and Initial Delaware Adoption and Scale-Up	23,000	23,000	-
Denver Museum of Nature & Science	Colorado Connections: Hybrid Online Course	15,000	15,000	-
Drexel University	Eng. Project in Community Service: Students & the Sensor Network for	2,000	2,000	-
Drexel University	Summer Music Technology (SMT) Program	2,000	2,000	-
MentorNet	One-on-one mentoring Program in Engineering & Science	10,000	10,000	-
National Engineers Week Foundation	Introduce a Girl to Engineering Day 2011.	10,000	10,000	-
New Teacher Center	eMSS-Electronic Mentoring for Students Success Program	25,000	25,000	-
Regents of the University of California	The Aurora Project	15,000	15,000	-
Resource Area for Teachers (RAFT)	RAFT's Innovation Institute 2011: Creative Teachers, Inspired Learners	15,000	15,000	-
San Jose Museum of Art	To support Multi-part Art, a hands-on art & school based curriculum program.	15,000	15,000	-
Santa Clara Unified School District-GAIN	Girls Achieving in Non-Traditional Subjects (GAINS) program	5,000	5,000	-
Santa Rosa Junior College Foundation	Stem Saturday and Research Academies Program	18,400	18,400	-
Society for Science & the Public	Supporting educators and the science community through inquiry-based science opportunities in 2011.	125,000	125,000	-
Society of Women Engineers	SWE Collegiate Leadership Program	25,000	25,000	-
Stanford University	Stanford Institutes of Medicine Summer Research Prog.	10,000	10,000	-
Stanford University	RISE High School Internship program	5,000	5,000	-
The JK Group, Inc.-Agilent Fdn. Trustees	U.S. University Match	241,971	237,356	4,615
The Keystone Center	CSI: Climate Status Investigations	3,000	3,000	-
Tower Foundation of San Jose State	Frosh Summer Bridge: Pilot Program	20,000	20,000	-
UC San Diego Foundation	To support year-long science, engineering and technology	10,000	10,000	-
UCSF Foundation	2011 North Bay Science Festival	10,000	10,000	-
United Way Worldwide	JAPAN employee giving campaign - Central Community Chest of Japan	28,482	28,482	-
The JK Group, Inc.-Agilent Fdn. Trustees	Employee Match - Americas Giving Campaign for 2012	890,000	-	890,000
		-	-	-
Totals - U.S. Charities - Projects and Agilent Corporation Employee Contribution Matching - to page 9		\$ 2,109,747	\$ 1,205,132	\$ 904,615