

COMPUTER SOFTWARE INNOVATIONS INC  
Form 424B3  
September 24, 2008  
**PROSPECTUS SUPPLEMENT NO. 9**

**Filed Pursuant to Rule 424(b)(3)**

**To Prospectus dated May 9, 2008**

**Registration No. 333-129842**

## **Computer Software Innovations, Inc.**

### **14,435,472 SHARES OF COMMON STOCK**

This Prospectus Supplement supplements the Prospectus dated May 9, 2008, as amended and supplemented, relating to the offer and sale by the selling stockholder identified in the Prospectus of up to 14,435,472 shares of common stock of Computer Software Innovations, Inc. (the Company ).

This Prospectus Supplement includes the Company's Form 8-K dated September 24, 2008 filed with the Securities and Exchange Commission on September 24, 2008.

The information contained in the report included in this Prospectus Supplement is dated as of the period of such report. This Prospectus Supplement should be read in conjunction with the Prospectus dated May 9, 2008, as supplemented on June 4, 2008, July 2, 2008, July 16, 2008, July 17, 2008, August 5, 2008, August 25, 2008, September 17, 2008 and September 17, 2008, which Prospectus Supplements are to be delivered with this Prospectus Supplement. This Prospectus Supplement is qualified by reference to the Prospectus except to the extent that the information in this Prospectus Supplement updates and supersedes the information contained in the Prospectus dated May 9, 2008, including any supplements or amendments thereto.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus Supplement No. 9 is September 24, 2008.

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT PURSUANT**  
**TO SECTION 13 OR 15(d) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported) September 24, 2008

**COMPUTER SOFTWARE INNOVATIONS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**000-51758**  
(Commission File Number)

**98-0216911**  
(IRS Employer Identification No.)

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900 East Main Street, Suite T, Easley, South Carolina  
(Address of principal executive offices)

(864) 855-3900

29640  
(Zip Code)

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 7.01. Regulation FD Disclosure.**

Computer Software Innovations, Inc. (the Company ) is furnishing as Exhibit 99.1 a PowerPoint presentation to be presented in various locations to interested persons. The presentation contains certain forward-looking financial information concerning the Company.

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits.

The following exhibit is furnished as part of this report:

<b>Exhibit Number</b>	<b>Description</b>
Exhibit 99.1	PowerPoint Investor Presentation (September 2008)

**Forward-Looking and Cautionary Statements**

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Among other things, these statements relate to our financial condition, results of operations and future business plans, operations, opportunities and prospects. In addition, we and our representatives may from time to time make written or oral forward-looking statements, including statements contained in other filings with the Securities and Exchange Commission and in our reports to stockholders. These forward-looking statements are generally identified by the words or phrases may, could, should, expect, anticipate, plan, believe, seek, estimate, predict, project or words of similar import. These forward-looking statements are based upon our current knowledge, assumptions about future events and involve risks and uncertainties that could cause our actual results, performance or achievements to be materially different from any anticipated results, prospects, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are not guarantees of future performance. Many factors are beyond our ability to control or predict. You are accordingly cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date that we make them. We do not undertake to update any forward-looking statement that may be made from time to time by or on our behalf.

In our most recent Form 10-K, we have included risk factors and uncertainties that might cause differences between anticipated and actual future results. We have attempted to identify, in context, some of the factors that we currently believe may cause actual future experience and results to differ from our current expectations regarding the relevant matter or subject area. The operations and results of our software and systems integration businesses also may be subject to the effects of other risks and uncertainties, including, but not limited to:

a reduction in anticipated sales;

an inability to perform customer contracts at anticipated cost levels;

our ability to otherwise meet the operating goals established by our business plan;

market acceptance of our new software, technology and services offerings;

an economic downturn; and

changes in the competitive market place and/or customer requirements.



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMPUTER SOFTWARE INNOVATIONS, INC.

By: /s/ David B. Dechant  
Name: David B. Dechant  
Title: Chief Financial Officer

Date: September 24, 2008

Computer Software Innovations, Inc.  
OTC BB: CSWI  
Investor Presentation  
September 2008  
1  
Exhibit 99.1

This  
presentation  
contains  
forward-looking  
statements

that  
is,  
statements  
related  
to  
future,  
not  
past,  
events.

In  
this  
context,  
forward  
looking  
statements  
often  
address  
our  
expected  
future  
business  
and  
financial  
performance,  
and  
often  
contain  
words  
such  
as  
may,  
could,  
should,  
expect,  
believe,  
seek,  
estimate,  
predict,



or  
project.  
Forward-looking  
statements  
by  
their  
nature  
address  
matters  
that  
are,  
to  
different  
degrees,  
uncertain.  
For  
us,  
particular  
uncertainties  
arise  
from  
economic  
health  
of  
the  
software  
and  
technology  
industry,  
demand  
for  
CSI's  
products  
and  
engineering  
services,  
competitive  
pricing  
pressures  
and  
the  
availability  
of  
necessary  
financing.  
In  
addition,  
other  
risks  
are

more  
fully  
described  
in  
CSI's  
2007  
Form  
10-K  
and  
other  
filings  
with  
the  
Securities  
and  
Exchange  
Commission.  
These  
uncertainties  
may  
cause  
our  
actual  
results  
to  
be  
materially  
different  
from  
those  
expressed  
in  
our  
forward-looking  
statements.  
We  
do  
not  
undertake  
to  
update  
our  
forward-  
looking  
statements.  
Safe Harbor  
2

CSI, Inc. Overview

OTCBB:CSWI

Headquarters:

Easley, SC

225 Employees

4 offices

Provider of software and technology solutions to southeast education and government markets

Customer base: 600+ K-12 school districts, colleges/universities, city/county governments, non-profit organizations

Solutions

Proprietary SmartFusion®

software suite

Accounting, billing, payroll, workflow

Connected Classroom

Interactive white boards, video conferencing, Microsoft web portal

Network infrastructure & end-devices

Design, installation, hardware, computing, printing, imaging

Convergence applications

IP telephony, IP video

Network management

Disaster recovery, archiving, identity lifecycle, performance

3

Founded 1989  
Released Financial  
Management Software  
1999  
Released CSI  
Accounting+Plus  
for Windows  
2007  
Released SmartFusion  
Microsoft.Net/SQL  
1999  
Added Technology Div.  
Selling Computer &  
Network Hardware  
2001  
Added  
IP Telephony  
2003  
Added  
IP Surveillance

2003

Added

Interactive

Whiteboards

2004

Added

Classroom Audio

2005

Added

Network Security

2006

Added Storage and

Disaster Recovery

2005

Created Publicly

Traded

Company: CSWI

2007

Acquired McAleer

Computer Associates/

Alabama

2008

Acquired ICS/

North Carolina

4

Company Timeline

2008

Acquired

Version3/

South Carolina

Recognition

2008, 2007, 2006, 2005, 2004 VAR Business 500

2004, 2003, 2002 Elliott Davis: SC Fastest Growing Companies

2005 VAR Business: Government 100

2004 VAR Business: 50 Fastest Growing Technology Companies

2004 VAR Business: Technology Innovator Award-Application Development

2003 CRN: Top 5 Rising Stars

2003 Ingram Micro: Nation's Fastest Growing K-12 Sector

5

6

(\$ in millions)

FY 2007 (12.31.07) Year/Year Growth

State of the Business

1

EBITDA is a non-GAAP financial measure. See reconciliation to GAAP measure provided in Financial section.



7

(\$ in millions)

Q2 2008 Year/Year Growth

State of the Business

1

EBITDA is a non-GAAP financial measure. See reconciliation to GAAP measure provided in Financial section.

Strong Gross Margins

Software 44.6%; Technology 20.2%

Recurring Revenue Stream (50% of Software Revenue)

Stable Public Sector Markets

Excellent collection history

Ongoing technology budgets

Accelerated Market Share Growth via Acquisitions

ICS (Greensboro, NC) April 2008

Gained 85 municipal customers, expanded NC territory

McAlear (Mobile, AL) in January 2007

Gained 180 K12 school districts; created footprint in new markets

State of the Business

8

Market Demand For Connected Classroom  
Increase Customer Base In Existing Markets  
Leverage Solution Portfolio:

Sell CSI Solutions To Customers Gained In Acquisitions

Cross-Sell Existing Customers  
Continue Expanding Into New Geographies

Growth Drivers

9

Growth Drivers

School rooms with  
Internet  
access  
1  
1994: 3%  
2005: 93%  
Public schools providing

handheld computers **to**

students

or

teachers

1

2003: 10%

2005: 19%

K12

enrollment

in

South

region projected to

grow 17% through 2016

highest growth in the

country

1

U.S. has highest

growth rate

for interactive

white

boards

2

55% in 2007

Grow via demand for connected classroom

10

1

Source: Dept. of Education-

Nat 1 Center for Education Statistics

2

Source: Decision Tree Consulting 2008 Study

Growth Components

South Carolina  
Classrooms <sup>2</sup>: 16,712

Potential: \$69 -  
\$94 million

Grow via demand for connected classroom

North Carolina

Classrooms <sup>2</sup> : 78,042

Potential: \$320 -  
\$437 million

11

New School

Spending

AL/NC/SC

1

\$2.6 billion

+23% y/y

vs. +8% total U.S.

Alabama

Classrooms <sup>2</sup> : 24,414

Potential: \$100 -  
\$137 million

1

Source: Dept. of Education-

Nat 1 Center for Education Statistics

\$489 -

\$668 million

potential in CSI

Promethean

states

2

2

Source: Dept. of Education-

Nat 1 Center

for Education Statistics.

Classrooms already equipped by CSI have  
been excluded from the base used to project  
remaining potential.

State Prospects



Grow via increasing customer base in existing markets

CSI

Core Markets

12

Opportunities in Core Markets

Matching CSI Target Profile

408

...county

governments

1

2,664

...city

governments

2

439

...library

systems

1

476

...colleges/universities

3

595

...K12

school

districts

3

8,295

...K12

schools

3

Core Market Opportunity

Sources:

1

Dept. of Census

2

Nat'l League of Cities

3

Dept. of Education-

Nat'l Center for Education Statistics

Grow via leveraging solution portfolio  
Sell CSI Solutions to

Acquired Customers  
180 K12 school districts  
85 city governments  
Cross-Sell Existing  
Customers  
Network  
Infrastructure &  
End-Devices  
SmartFusion®  
Proprietary  
Software Suite  
Connected  
Classroom  
Network  
Management  
Convergence  
Applications  
13  
CSI Solutions

Grow via continued expansion into new geographies

CSI

Core Markets

Total

U.S.

3,100

County

Governments

1

36,000

City

Governments

2

14,000

School

Districts

3

Total

U.S.

14

1

Source: Dept of Census

2

Source: National League of Cities

3

Source: Dept. of Education-

National Center for Education Statistics

Nationwide Prospects

Successful Beachhead  
Strategy  
2007 McAleer Acquisition  
1.  
Acquisition creates  
beachhead  
Immediate revenue &  
positive cash flow

2.

Sell CSI solutions to  
acquired accounts

3.

Use CSI solutions to  
attract new customers

4.

Expand sales force into  
contiguous territories

Grow via continued expansion into new geographies

15

Expansion Strategy



Summary of Capitalization as of 9.1.08

Common

Shares

Outstanding

1

7.1 M

F/D Shares Outstanding

12.3 M

Full Potential Diluted

20.5 M

Warrant Conversion Yields

\$ 8.7 M

52 Wk Trading Range

\$ 0.85 -

\$1.70

Current Share Price

\$ 0.95

Current Market Cap

\$ 5.9 M

Management/Board Ownership

2.2 Million Shares= 31% of Common  
outstanding; 16% outstanding shares

(common & preferred)

Select Financials

16

Key Statistics YTD thru 6.30.08

Fiscal Year Ends

Dec 31

EPS (Fully Diluted)

\$ 0.12

Revenue FY 2007

\$ 55.2 M

Total Assets

\$ 24.5 M

Revenue

TTM

2

\$ 56.1 M

Total Debt

EBITDA

3

FY

2007

\$ 4.8 M

With Sub-Debt

\$ 6.4 M

EBITDA

3

TTM

2

\$ 5.2 M

Without Sub-Debt

\$ 4.4 M

3

EBITDA is a non-GAAP financial measure. See reconciliation to GAAP measure provided in Financial section.

2

TTM: Trailing Twelve Months is a sum of the past 12 month timeframe.

1

Common shares outstanding includes 0.8 M shares held in trust related to Version3 acquisition.

Select Financials

(\$ in millions)

1

EBITDA is a non-GAAP financial measure. See reconciliation to GAAP measure provided in Financial section.

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Income Statement 3-Year Trend

Select Financials

(\$ in millions)

18

Balance Sheet 3-Year Trend

1

Includes deferred revenue, such as revenue from recurring support agreements.

EBITDA  
Non-GAAP Financial Measure: Explanation and Reconciliation of EBITDA  
EBITDA  
is  
a  
non-GAAP  
financial  
measure  
used  
by

management,  
lenders  
and  
certain  
investors  
as  
a  
supplemental  
measure  
in  
the  
evaluation  
of  
some  
aspects  
of  
a  
corporation's  
financial  
position  
and  
core  
operating  
performance.  
Investors  
sometimes  
use  
EBITDA  
as  
it  
allows  
for  
some  
level  
of  
comparability  
of  
profitability  
trends  
between  
those  
businesses  
differing  
as  
to  
capital  
structure  
and  
capital  
intensity

by removing the impacts of depreciation and amortization. EBITDA does not include changes in major working capital items such as receivables, inventory and payables, which can also indicate a significant need for, or source of, cash. Since decisions regarding capital investment and financing and changes in working capital components can

have  
a  
significant  
impact  
on  
cash  
flow,  
EBITDA  
is  
not  
a  
good  
indicator  
of  
a  
business's  
cash  
flows.  
We  
use  
EBITDA  
for  
evaluating  
the  
relative  
underlying  
performance  
of  
the  
Company's  
core  
operations  
and  
for  
planning  
purposes,  
including  
a  
review  
of  
this  
indicator  
and  
discussion  
of  
potential  
targets  
in  
the  
preparation



of  
annual  
operating  
budgets.  
We  
calculate  
EBITDA  
by  
adjusting  
net  
income  
or  
loss  
to  
exclude  
net  
interest  
expense,  
income  
tax  
expense  
or  
benefit  
and  
depreciation  
and  
amortization,  
thus  
the  
term  
"Earnings  
Before  
Interest,  
Taxes,  
Depreciation  
and  
Amortization"  
and  
the  
acronym  
"EBITDA."  
EBITDA  
is  
presented  
as  
additional  
information  
because  
management  
believes

it  
to  
be  
a  
useful  
supplemental  
analytic  
measure  
of  
financial  
performance  
of  
our  
core  
business,  
and  
as  
it  
is  
frequently  
requested  
by  
sophisticated  
investors.  
However,  
management  
recognizes  
it  
is  
no  
substitute  
for  
GAAP  
measures  
and  
should  
not  
be  
relied  
upon  
as  
an  
indicator  
of  
financial  
performance  
separate  
from  
GAAP  
measures

(as discussed further below). When evaluating EBITDA, investors should consider, among other things, increasing and decreasing trends in the measure and how it compares to levels of debt and interest expense, ongoing investing activities, other financing activities and changes in working capital needs. Moreover, this measure should not be construed

as  
an  
alternative  
to  
net  
income  
(as  
an  
indicator  
of  
operating  
performance)  
or  
cash  
flows  
(as  
a  
measure  
of  
liquidity)  
as  
determined  
in  
accordance  
with  
GAAP.  
While  
some  
investors  
use  
EBITDA  
to  
compare  
between  
companies  
with  
different  
investment  
and  
capital  
structures,  
all  
companies  
do  
not  
calculate  
EBITDA  
in  
the  
same

manner.  
Accordingly,  
the  
EBITDA  
presented  
below  
may  
not  
be  
comparable  
to  
similarly  
titled  
measures  
of  
other  
companies.  
A  
reconciliation  
of  
net  
income  
reported  
under  
GAAP  
to  
EBITDA  
is  
provided  
in  
the  
following  
slide.  
19

Reconciliation of EBITDA  
Amounts in Thousands \$  
Three Months Ended  
June 30  
Year Ended  
December 31  
TTM  
Ended  
June 30  
2008  
2007  
2007  
2006  
Reconciliation of Net income  
(loss) per GAAP to EBITDA:

Net income (loss) per GAAP

\$ 1,012

\$ 903

\$ 1,741

\$ (880)

\$ 1,993

Adjustments:

Income tax expense

674

776

855

(98)

855

Interest expense, net

131

152

549

406

528

Depreciation and  
amortization of fixed assets  
and trademarks

180

129

525

338

609

Amortization of software  
development costs

314

259

1,109

709

1,208

EBITDA

\$ 2,310

\$ 2,219

\$ 4,779

\$ 475

\$ 5,193

20

1

TTM: Trailing Twelve Months is a sum of the past 12 month timeframe.

1

Nancy K. Hedrick

CEO & President

27 yrs in IT

President of CSI since 1989

Thomas P. Clinton

Sr. VP of Strategic Partnerships

22 yrs in IT

VP at CSI since 1999

David Dechant, CPA

Chief Financial Officer

22 yrs in Finance

(including Conso Int'l Corp & Warner-Lambert)

CFO at CSI since 2005

Beverly N. Hawkins

Sr. VP of Software Development,  
Implementation & Support

21 yrs in IT

VP of CSI since 1989

William J. Buchanan

Sr. VP of Delivery & Support

22 yrs in IT

VP at CSI since 1999

Senior Management Team

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Advantages of business model

Strong gross margins

Recurring revenue stream

Focused on public sector markets with stable budgets

Positioned for continued growth

Market demand for connected classroom solutions

Customer base growth in existing markets

Leverage solution portfolio with newly acquired and existing customers

Continue expanding into new geographies

Investment Summary

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Company Contact

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ddechant@csioutfitters.com

Telephone: 864.855.3900

Company Website: [www.csioutfitters.com](http://www.csioutfitters.com)

Investor Contact

Alliance Advisors, LLC

Mark McPartland

markmcp@allianceadvisors.net

Telephone: 910.221.1827

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Contact Us