

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

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2005 calendar year, or tax year beginning 2005, and ending

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: INSTITUTE FOR FUNCTIONAL MEDICINE. D Employer identification number: 91-2107518. E Telephone number: (253) 858-4724. F Accounting method: Accrual.

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

G Website: HTTP://WWW.FUNCTIONALMEDICINE.ORG

J Organization type (check only one): 501(c)(3), 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? Yes X No

H(b) If "Yes," enter number of affiliates N/A

H(c) Are all affiliates included? Yes No

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes X No

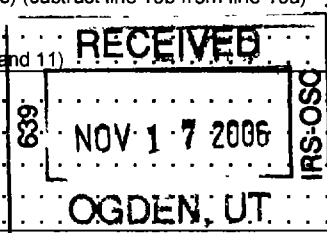
I Group Exemption Number

M Check if the organization is not required to attach Sch B (Form 990 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b and 10b to line 12 1,668,547.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions)

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6 a Gross rents, b Less rental expenses, c Net rental income or (loss); 7 Other investment income; 8 a Gross amount from sales of assets other than inventory, b Less cost or other basis and sales expenses, c Gain or (loss), d Net gain or (loss); 9 Special events and activities; 10 a Gross sales of inventory, less returns and allowances, b Less cost of goods sold, c Gross profit or (loss); 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.



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Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	182,551.	129,760.	51,386.	1,405.
26	Other salaries and wages	287,954.	205,562.	80,104.	2,288.
27	Pension plan contributions	NONE			
28	Other employee benefits	47,293.	31,329.	15,784.	180.
29	Payroll taxes	56,612.	37,502.	18,894.	216.
30	Professional fundraising fees				
31	Accounting fees	23,304.	15,957.	6,660.	687.
32	Legal fees	12,243.	8,383.	3,499.	361.
33	Supplies	43,685.	30,392.	13,197.	96.
34	Telephone	23,974.	18,200.	5,033.	741.
35	Postage and shipping	69,886.	56,342.	11,315.	2,229.
36	Occupancy	67,871.	48,903.	17,073.	1,895.
37	Equipment rental and maintenance	16,230.	7,924.	8,201.	105.
38	Printing and publications	80,258.	78,144.	2,114.	
39	Travel	72,080.	44,067.	26,831.	1,182.
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	37,327.	23,253.	13,237.	837.
43	Other expenses not covered above (itemize)				
a	STMT 3	515,939.	428,096.	83,672.	4,171.
b					
c					
d					
e					
f					
g					
44	Total functional expenses Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	1,537,207.	1,163,814.	357,000.	16,393.

Joint Costs. Check if you are following SOP 98-2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____,
 (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? SEE STATEMENT 4 All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts, but optional for others.)
a SYMPOSIUM: PROVIDED AN ANNUAL FIVE DAY INTERNATIONAL EVENT OFFERING CME CREDIT FOR PRACTITIONERS. EVENT FUNCTIONS AS A COMPREHENSIVE ANNUAL UPDATE OF EMERGING RESEARCH AND CLINICAL PERSPECTIVES OF FUNCTIONAL MEDICINE. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	321,776.
b PRODUCED FUNCTIONAL MEDICINE UPDATE, MONTHLY AUDIO SERIES BRINGING ANALYSIS OF EMERGING SCIENTIFIC INFORMATION TO PRACTITIONERS IN THE FIELD. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	216,949.
c AFMCP: PROVIDED SPRING AND FALL SIX DAY COURSE WHICH TAUGHT PRACTITIONERS HOW TO APPLY THE PRINCIPLES AND PROCESSES OF FUNCTIONAL MEDICINE TO ENHANCE PATIENT OUTCOMES. COURSE WAS TAUGHT USING A COMBINATION OF LECTURES AND SMALL GROUP CASE STUDIES. CME CREDIT WAS OFFERED. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	245,504.
d PROVIDED RESOURCE MATERIALS FOR COURSE ATTENDEES, MEMBERS AND GENERAL PUBLIC ABOUT THE SCIENTIFIC BASIS AND CLINICAL APPLICATIONS OF FUNCTIONAL MEDICINE APPROACHES TO PATIENT ASSESSMENT AND TREATMENT. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	195,551.
e Other program services (attach schedule) SEE STATEMENT 5 (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	184,034.
f Total of Program Service Expenses (should equal line 44, column (B), Program services), ▶	1,163,814.

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	65,958.	45	83,662.
	46 Savings and temporary cash investments	324,511.	46	352,107.
	47a Accounts receivable	47a 18,907.		
	b Less allowance for doubtful accounts	47b 4,680.	6,104.	47c 14,227.
	48a Pledges receivable	48a 1,000.		
	b Less allowance for doubtful accounts	48b	23,220.	48c 1,000.
	49 Grants receivable			49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		45,892.	52 168,515.
	53 Prepaid expenses and deferred charges	STMT. 6	8,129.	53 19,804.
	54 Investments - securities (attach schedule) STMT. 7. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		40,851.	54 44,018.
	55a Investments - land, buildings, and equipment basis	55a		
	b Less accumulated depreciation (attach schedule)	55b		55c
56 Investments - other (attach schedule)			56	
57a Land, buildings, and equipment basis	57a 154,380.			
b Less accumulated depreciation (attach schedule)	57b 103,106.	56,887.	57c 51,274.	
58 Other assets (describe <input type="checkbox"/> STMT 8)		17,474.	58 NONE	
59 Total assets (must equal line 74) Add lines 45 through 58		589,026.	59 734,607.	
Liabilities	60 Accounts payable and accrued expenses		113,641.	60 80,772.
	61 Grants payable			61
	62 Deferred revenue	STMT. 9	392,431.	62 383,393.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63
	64a Tax-exempt bond liabilities (attach schedule)			64a
	b Mortgages and other notes payable (attach schedule)			64b
	65 Other liabilities (describe <input type="checkbox"/> STMT 10)		21,587.	65 143,043.
66 Total liabilities. Add lines 60 through 65		527,659.	66 607,208.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted		-53,649.	67 110,336.
	68 Temporarily restricted		115,016.	68 17,063.
	69 Permanently restricted		NONE	69 NONE
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds			70
	71 Paid-in or capital surplus, or land, building, and equipment fund			71
	72 Retained earnings, endowment, accumulated income, or other funds			72
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		61,367.	73 127,399.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73		589,026.	74 734,607.

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions)

a	Total revenue, gains, and other support per audited financial statements	a	1,726,497.
b	Amounts included on line a but not on Part I, line 12		
1	Net unrealized gains on investments	b1	3,168.
2	Donated services and use of facilities	b2	53,408.
3	Recoveries of prior year grants	b3	
4	Other (specify) <u>SEE STATEMENT 11</u>	b4	69,850.
	Add lines b1 through b4	b	126,426.
c	Subtract line b from line a	c	1,600,071.
d	Amounts included on Part I, line 12, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify) _____	d2	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12) Add lines c and d	e	1,600,071.

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

a	Total expenses and losses per audited financial statements	a	1,660,465.
b	Amounts included on line a but not on Part I, line 17		
1	Donated services and use of facilities	b1	53,408.
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify) <u>SEE STATEMENT 12</u>	b4	69,850.
	Add lines b1 through b4	b	123,258.
c	Subtract line b from line a	c	1,537,207.
d	Amounts included on Part I, line 17, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify) _____	d2	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17) Add lines c and d	e	1,537,207.

Part V Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See 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 & deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 13		171,700.	10,851.	NONE

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5E1040 1 000

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 8
75b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)
75c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations
75d Does the organization have a written conflict of interest policy?

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column See the instructions)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1 shows -0- in columns B, C, D, and E.

Part VI Other Information (See the instructions)

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?
80b If "Yes," enter the name of the organization and check whether it is exempt or nonexempt
81a Enter direct and indirect political expenditures (See line 81 instructions)
81b Did the organization file Form 1120-POL for this year?

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)		
	82b 53,408.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	N/A	
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 NONE, section 4912 NONE, section 4955 NONE		
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		NONE
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		NONE
90 a	List the states with which a copy of this return is filed WA		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions)	90b	12
91 a	The books are in care of C.J. DEARTH Telephone no 253-853-9280 Located at 4411 PT. FOSDICK DR. SUITE 305 GIG HARBOR, WA ZIP + 4 98335		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts	91b	X
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country	91c	X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year		<input type="checkbox"/> NONE

Part VII Analysis of Income-Producing Activities (See the instructions)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a ADVERTISING	541800	212,157.			
b SYMPOSIUM					418,445.
c EDUCATION PROGRAMS					466,707.
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					137,759.
95 Interest on savings and temporary cash investments			14	2,596.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					254,968.
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		212,157.		2,596.	1,277,879.
105 Total (add line 104, columns (B), (D), and (E))					1,492,632.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	STMT 15

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions)

- (a) Did the organization during the year, receive any funds directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury I declare that I have examined this return and believe it is true, correct, and complete Declaration of preparer (other than the taxpayer) is based on all information of which preparer has knowledge

Please Sign Here

Signature of officer: Susan Bland

Type or print name and title: SUSAN BLAND, TREASURER

Paid Preparer's Use Only

Preparer's signature: [Signature]

Firm's name (or yours if self-employed), address and ZIP + 4: CLARK NUBER P.S.
10900 NE 4TH, SUITE 1
BELLEVUE, WA

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2005

Name of the organization
INSTITUTE FOR FUNCTIONAL MEDICINE

Employer identification number
91-2107518

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one. If there are none, enter "None ")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 16				
Total number of other employees paid over \$50,000 . . ▶ NONE				

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None ")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶ NONE		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms If there are none, enter "None " See page 2 of the instructions)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶ NONE		

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ

Schedule A (Form 990 or 990-EZ) 2005

Part III Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e	Transfer of any part of its income or assets?	2e	X
3a	Do you make grants for scholarships, fellowships, student loans, etc? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)	3a	X
b	Do you have a section 403(b) annuity plan for your employees?	3b	X
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c	X
4a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a	X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b	X

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

- The organization is not a private foundation because it is (Please check only **ONE** applicable box)
- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
 - 6** A school Section 170(b)(1)(A)(ii) (Also complete Part V)
 - 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
 - 8** A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
 - 9** A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ► _____
 - 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
 - 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
 - 11b** A community trust Section 170(b)(1)(A)(v) (Also complete the **Support Schedule** in Part IV-A)
 - 12** An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
 - 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization ► Type 1 Type 2 Type 3

Provide the following information about the supported organizations (See page 6 of the instructions)

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

- 14** An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Table with columns: Calendar year (or fiscal year beginning in), (a) 2004, (b) 2003, (c) 2002, (d) 2001, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied; 21 Value of services or facilities furnished; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11; 27 Organizations described on line 12; 28 Unusual Grants.

Part V Private School Questionnaire (See page 7 of the instructions) NOT APPLICABLE
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement) ----- ----- -----	31	
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34 a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768) NOT APPLICABLE

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

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table -			
If the amount on line 40 is -			
The lobbying nontaxable amount is -			
Not over \$500,000 20% of the amount on line 40	}	41	
Over \$500,000 but not over \$1,000,000 . . . \$100,000 plus 15% of the excess over \$500,000			
Over \$1,000,000 but not over \$1,500,000 . . . \$175,000 plus 10% of the excess over \$1,000,000			
Over \$1,500,000 but not over \$17,000,000 . . . \$225,000 plus 5% of the excess over \$1,500,000			
Over \$17,000,000 \$1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
Grassroots nontaxable					
48 amount					
Grassroots ceiling amount					
49 (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h)			NONE

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities



4411 POINT FOSDICK DR. NW, SUITE 305, GIG HARBOR WA 98335
PHONE 800-228-0622 FAX 253-853-6766

2005 Audit

Item 9

A list of related parties with whom you do business.

Jeffrey S Bland, PhD, Board of Trustees, Chairman
Speaker at IFM educational events
Functional Medicine Update

Susan Bland, Board of Trustees, Secretary/Treasurer
Functional Medicine Update

Laurie Hofmann, Board of Trustees
Marketing/Fund Raising consultant

FORM 990, PART I - GROSS SALES LESS RETURNS AND ALLOWANCES
=====

DESCRIPTION -----	AMOUNT -----
SUBSCRIPTIONS	192,215.
PRODUCT SALES	131,229.

TOTAL	323,444.
	=====

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====

DESCRIPTION

AMOUNT

UNREALIZED GAIN ON INVESTMENTS

3,168.

TOTAL

3,168.
=====

FORM 990, PART II - OTHER EXPENSES

=====

DESCRIPTION -----	TOTAL -----	PROGRAM SERVICES -----	MANAGEMENT AND GENERAL -----	FUNDRAISING -----
SPEAKER FEES	70,313.	70,313.	NONE	NONE
ADVERTISING	1,790.	1,686.	104.	NONE
FOOD & BEVERAGE	84,110.	83,372.	738.	NONE
OTHER PROFESSIONAL SERVICES	119,991.	82,162.	34,290.	3,539.
AUDIO VISUAL	37,149.	37,149.	NONE	NONE
BAD DEBT EXPENSE	4,680.	NONE	4,680.	NONE
DIRECT MAIL	25,607.	25,557.	50.	NONE
TAXES & LICENSES	73,184.	72,342.	827.	15.
BANK FEES	47,328.	39,089.	7,825.	414.
INSURANCE	6,964.	4,490.	2,340.	134.
OTHER MISC EXPENSES	12,454.	11,936.	449.	69.
OTHER COST OF GOODS SOLD	16,566.	NONE	16,566.	NONE
EXHIBIT EXPENSE	5,803.	NONE	5,803.	NONE
CONTRIBUTIONS	10,000.	NONE	10,000.	NONE
TOTALS	515,939.	428,096.	83,672.	4,171.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
=====

THE PRIMARY PURPOSE IS TO EDUCATE HEALTHCARE PRACTITIONERS,
SCIENTISTS, AND THE INTERESTED PUBLIC WORLDWIDE ABOUT INTEGRATED
SCIENCE-BASED PRACTICES OF BOTH ESTABLISHED AND EMERGING HEALTH CARE
THROUGH A CONTINUING MEDICAL EDUCATION PROGRAM FEATURING A
COMPREHENSIVE FUNCTIONAL MEDICINE CURRICULUM.

FORM 990, PART III - OTHER PROGRAM SERVICES (LINE E)

=====

DESCRIPTION

GRANTS AND
ALLOCATIONS

EXPENSES

NEUROPROTECTION MODULE: PROVIDED A THREE-DAY
 FORMAT COURSE TO HELP HEALTHCARE PROVIDERS EXTEND
 THE PRACTICE OF FUNCTIONAL MEDICINE TO PATIENTS
 TRADITIONALLY DIAGNOSED WITH NEUROLOGICAL
 CONDITIONS, INCLUDING EPISODIC DISORDERS AND MORE
 CLASSICAL NEURODEGENERATIVE DISORDERS. CME WAS
 OFFERED.

184,034.

TOTALS

 184,034.
 =====

FORM 990, PART IV - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
-----	-----	-----
SYMPOSIUM EXPENSES	6,351.	2,500.
EDUCATIONAL PROGRAM EXPENSES	1,778.	9,000.
OTHER PREPAID EXPENSES	NONE	8,304.
TOTALS	8,129.	19,804.

FORM 990, PART IV - INVESTMENTS - SECURITIES

=====

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
-----	-----	-----
MUTUAL FUNDS	40,851.	44,018.
TOTALS	40,851.	44,018.
	=====	=====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
-----	-----	-----
DEPOSITS	17,474.	NONE
TOTALS	17,474.	NONE
	=====	=====

FORM 990, PART IV - DEFERRED REVENUE

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
SUBSCRIPTIONS	144,539.	NONE
EDUCATIONAL PROGRAMS	71,882.	16,704.
IFM MEMBERSHIPS	99,040.	73,430.
SYMPOSIUM EXHIBITORS	60,250.	2,500.
SYMPOSIUM ATTENDEES	565.	87,247.
NEUROLOGY MODULE	16,155.	2,000.
TEXTBOOK "FUNCTIONAL MEDICINE"	NONE	201,512.
TOTALS	----- 392,431. =====	----- 383,393. =====

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
CAPITAL LEASE	21,587.	13,192.
DEFERRED FMU SUBSCRIPTIONS AND INVENTORY	NONE	129,851.
TOTALS	----- 21,587. =====	----- 143,043. =====

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

=====

DESCRIPTION

AMOUNT

COST OF BOOKS AND PUBLICATIONS
SOLD

69,850.

TOTAL

69,850.
=====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN

DESCRIPTION	AMOUNT
COST OF BOOKS AND PUBLICATIONS SOLD	69,850.
TOTAL	69,850.

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
DAVID JONES, MD 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	PRESIDENT 40 HRS/WK	123,600.	10,851.	NONE
LAURIE HOFMANN 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	BOARD MEMBER 20 HRS/WK	48,100.	NONE	NONE
SUSAN BLAND, MA 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	SECRETARY/TREASURER <5 HRS/WK	NONE	NONE	NONE
JOSEPH PIZZORNO, MD 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	VICE-CHAIRMAN <5 HRS/WK	NONE	NONE	NONE
JEFFREY BLAND, PHD 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	BOARD MEMBER <5 HRS/WK	NONE	NONE	NONE
MARK HYMAN, MD 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	BOARD MEMBER <5 HRS/WK	NONE	NONE	NONE
ROBERT MACLELLAN 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	BOARD MEMBER <5 HRS/WK	NONE	NONE	NONE
BETHANY HAYS, MD 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	BOARD MEMBER <5 HRS/WK	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
JOHN BITZER 4411 PT. FOSDICK DR., SUITE 305 GIG HARBOR, WA 98335	BOARD MEMBER <5 HRS/WK	NONE	NONE	NONE
GRAND TOTALS		171,700.	10,851.	NONE

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

=====

LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
--------------------	---

93B C, 94 & 102	ANNUAL SYMPOSIUM, OTHER EDUCATIONAL PROGRAMS, PUBLICATIONS AND MEMBER SERVICES PROVIDE CONTINUING EDUCATION TO HEALTHCARE PRACTITIONERS ON THE SCIENTIFIC BASIS AND CLINICAL APPLICATIONS OF FUNCTIONAL MEDICINE, WITH THE ULTIMATE GOAL OF IMPROVING PATIENT OUTCOMES. MOST PROGRAMS ARE ALSO AVAILABLE TO THE PUBLIC.
--------------------------	--

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
SHEILA QUINN 4411 PT. FOSDICK DR., STE. 305 GIG HARBOR, WA 98335	SR. EDITOR 40 HRS/WK	75,907.	7,489.	NONE
SALLY PRIEST 4411 PT. FOSDICK DR., STE. 305 GIG HARBOR, WA 98335	MEETING MANAGER 40 HRS/WK	53,542.	7,096.	NONE
TOTAL COMPENSATION		129,449.	14,585.	NONE

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D
=====

SEE PART V OF THE FORM 990, STATEMENT 12.

THE ORGANIZATION ENTERED INTO TRANSACTIONS WITH THREE BOARD MEMBERS FOR CONSULTING SERVICES. ONE BOARD MEMBER PROVIDED CONSULTING SERVICES RELATED TO MARKETING AND DEVELOPMENT ACTIVITIES, AND WAS PAID \$48,633. THE OTHER TWO BOARD MEMBERS PRODUCED AND MARKETED THE FUNCTIONAL MEDICINE UPDATE, ("FMU") WHICH IS ONE OF THE ORGANIZATION'S EXEMPT ACTIVITIES. THIS STEMS FROM A LICENSING AGREEMENT THAT WAS ENTERED INTO BETWEEN THE ORGANIZATION AND ITS TWO BOARD MEMBERS IN A PRIOR TAX YEAR. THIS WAS VOTED ON BY THE BOARD AND THE TWO INVOLVED BOARD MEMBERS RECUSED THEMSELVES FROM THE VOTE. THIS AGREEMENT WAS TERMINATED ON DECEMBER 31, 2005. A RELATED PARTY PAYABLE OF \$129,851 HAS BEEN RECORDED ON THE STATEMENT OF FINANCIAL POSITION TO REPRESENT THE AMOUNTS OF DEFERRED FMU SUBSCRIPTIONS AND INVENTORY THE ORGANIZATION AGREED TO PAY TO THE BOARD MEMBERS AT THE TERMINATION OF THE AGREEMENT.

SCHEDULE A, PART IV-A - OTHER INCOME

=====

DESCRIPTION -----	2004 ----	2003 ----	2002 ----	2001 ----	TOTAL -----
OTHER INCOME	750.	610.	625.		1,985.
TOTALS	750.	610.	625.		1,985.
	=====	=====	=====	=====	=====

INSTITUTE FOR FUNCTIONAL MEDICINE

EIN 91-2107518
 FYE 12/31/2005

FORM 990, PART II, LINE 42 AND PART IV, LINE 57 - FIXED ASSETS and DEPRECIATION

<u>Description</u>	<u>Cost</u>	<u>Current Depreciation</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land		NONE	NONE	
Land Improvements				
Buildings				
Leasehold Improvements				
Equipment	100,698.	29,519.	63,914.	36,784.
Furniture & Fixtures	53,682.	7,808.	39,192.	14,490.
Property, Plant & Equipment	<u>154,380.</u>	<u>37,327.</u>	<u>103,106.</u>	<u>51,274.</u>
Construction in Progress		NONE	NONE	
Total Fixed Assets, line 57	<u><u>154,380.</u></u>		<u><u>103,106.</u></u>	<u><u>51,274.</u></u>
Total Depreciation Expense, line 42		<u><u>37,327.</u></u>		

NOTE Depreciation is calculated using the straight-line method over the estimated useful life of the asset

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

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

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

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile

Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of Exempt Organization INSTITUTE FOR FUNCTIONAL MEDICINE	Employer identification number 91-2107518
	Number, street, and room or suite no. If a P O box, see instructions 4411 PT. FOSDICK DR. 305	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions GIG HARBOR, WA 98335	

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

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

• The books are in the care of ▶ **C.J. DEARTH**

Telephone No. ▶ **253 853-6766** FAX No. ▶ **253 853-6766**

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole** group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until **08/15**, **2006** to file the exempt organization return for the organization named above. The extension is for the organization's return for
 ▶ calendar year **2005** or
 ▶ tax year beginning _____, _____, and ending _____, _____

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

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

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

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

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization INSTITUTE FOR FUNCTIONAL MEDICINE	Employer identification number 91-2107518
	Number, street, and room or suite no. If a P.O. box, see instructions 4411 PT. FOSDICK DR., SUITE 305	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions GIG HARBOR, WA 98335	

AUG 14 2006

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

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

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

The books are in the care of **C.J. DEARTH**
Telephone No **253 853-9280** FAX No **253 853-6766**

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

If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole group**, check this box If it is for **part of the group**, check this box and attach a list with the names and EINs of all members the extension is for:

4 I request an additional 3-month extension of time until **11/15/2006**

5 For calendar year **2005**, or other tax year beginning _____ and ending _____

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

7 State in detail why you need the extension **ADDITIONAL TIME IS REQUIRED TO GATHER THE NECESSARY INFORMATION FROM THIRD PARTIES TO ASSURE PREPARATION OF A COMPLETE AND ACCURATE TAX RETURN.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868. \$ _____

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____

Signature and Verification

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

Signature **[Handwritten Signature]** Title **Attorney** Date **8/17/06**

Notice to Applicant - To Be Completed by the IRS

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

EXTENSION APPROVED

AUG 3 2006

Director _____ By _____

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

Type or print	Name CLARK WUBER P. 3006
	Number and street (include suite, room, or apt. no.) or a P.O. box number 10900 NE 4TH SUITE 300
	City or town, province or state, and country (including postal or ZIP code) BELLEVUE, WA 98004

RECEIVED

OGDEN

FIELD DIRECTOR SUBMISSION PROCESSING, OGDEN