

Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

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

2007

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2007 calendar year, or tax year beginning 01-01-2007 and ending 12-31-2007

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

C Name of organization: THE INSTITUTE FOR FUNCTIONAL MEDICINE. Number and street: 4411 Pt Fosdick Dr NW. City or town: GIG HARBOR, WA 98335

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).

- H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? H(b) If "Yes" enter number of affiliates. H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling?

G Web site: http://www.functionalmedicine.org

J Organization type: 501(c)(3)

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than 25,000

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 2,696,980

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

Table with 3 main sections: Revenue (lines 1-12), Expenses (lines 13-17), and Net Assets (lines 18-21). Includes sub-rows for detailed revenue and expense categories.

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
22a Grants paid from donor advised funds (attach Schedule) (cash \$ ⁰ _____ noncash \$ ⁰ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (attach schedule) (cash \$ ⁰ _____ noncash \$ ⁰ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees etc. Listed in Part V-A (attach schedule)	25a	496,759	366,531	114,520
b Compensation of former officers, directors, key employees etc. listed in Part V-B (attach schedule)	25b	2,500	2,500	0
c Compensation and other distributions not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c			
26 Salaries and wages of employees not included on lines 25a, b and c	26	210,643	156,968	46,388
27 Pension plan contributions not included on lines 25a, b and c	27			
28 Employee benefits not included on lines 25a - 27	28	38,607	28,722	9,635
29 Payroll taxes	29	37,912	28,182	8,352
30 Professional fundraising fees	30			
31 Accounting fees	31	60,354	0	60,354
32 Legal fees	32	18,214	4,492	13,722
33 Supplies	33	29,202	23,474	5,128
34 Telephone	34	28,915	21,401	6,951
35 Postage and shipping	35	42,066	33,378	7,639
36 Occupancy	36	95,582	57,435	36,685
37 Equipment rental and maintenance	37	15,105	11,378	3,429
38 Printing and publications	38	90,481	87,596	2,654
39 Travel	39	97,948	59,421	27,567
40 Conferences, conventions, and meetings	40	509,616	505,285	3,320
41 Interest	41	3,125	2,344	719
42 Depreciation, depletion, etc. (attach schedule)	42	40,438	30,328	9,301
43 Other expenses not covered above (itemize)				
a See Additional Data Table	43a			
b	43b			
c	43c			
d	43d			
e	43e			
f	43f			
g	43g			
44 Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	2,539,692	1,903,574	534,691

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 \$⁰ _____, (ii) the amount allocated to Program services \$⁰ _____, (iii) the amount allocated to Management and general \$⁰ _____, and (iv) the amount allocated to Fundraising \$⁰ _____

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? ▶ 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	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
<p>a AFMCP Provided spring, fall and winter 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.</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>714,390</p>
<p>b 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.</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>596,425</p>
<p>c 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.</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>592,759</p>
<p>d</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p>e Other program services (attach schedule)</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶</p>	<p>1,903,574</p>

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)		(B)		
		Beginning of year		End of year		
Assets	45 Cash—non-interest-bearing		147,821	45	108,292	
	46 Savings and temporary cash investments		394,970	46	209,740	
	47a Accounts receivable	47a	96,311			
	b Less allowance for doubtful accounts	47b	4,469	17,787	47c	91,842
	48a Pledges receivable	48a	200,000			
	b Less allowance for doubtful accounts	48b		62,074	48c	200,000
	49 Grants receivable				49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)				50a	
	b Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule)				50b	
	51a Other notes and loans receivable (attach schedule)	51a				
	b Less allowance for doubtful accounts	51b			51c	
	52 Inventories for sale or use		135,757	52	85,825	
	53 Prepaid expenses and deferred charges		31,434	53	28,760	
	54a Investments—publicly-traded securities <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		50,800	54a	55,123	
	b Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b		
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	245,890				
b Less accumulated depreciation (attach schedule)	57b	177,707	45,600	57c	68,183	
58 Other assets, including program-related investments (describe <input type="checkbox"/> _____)				58		
59 Total assets (must equal line 74) Add lines 45 through 58		886,243	59	847,765		
Liabilities	60 Accounts payable and accrued expenses		179,945	60	82,282	
	61 Grants payable			61		
	62 Deferred revenue		338,217	62	283,021	
	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"/> _____)		7,044	65	12,431	
66 Total liabilities Add lines 60 through 65		525,206	66	377,734		
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		279,950	67	209,845	
	68 Temporarily restricted		81,087	68	260,186	
	69 Permanently restricted			69		
	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 and column (B) must equal line 21)		361,037	73	470,031		
74 Total liabilities and net assets / fund balances Add lines 66 and 73		886,243	74	847,765		

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	2,701,303
b	Amounts included on line a but not on Part I, line 12		
1	Net unrealized gains on investments	b1	4,323
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify) <input type="checkbox"/> _____	b4	52,617
	Add lines b1 through b4	b	56,940
c	Subtract line b from line a	c	2,644,363
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	56,940
e	Total revenue (Part I, line 12) Add lines c and d	e	2,644,363

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

a	Total expenses and losses per audited financial statements	a	2,592,309
b	Amounts included on line a but not on Part I, line 17		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify) <input type="checkbox"/> _____	b4	52,617
	Add lines b1 through b4	b	52,617
c	Subtract line b from line a	c	2,539,692
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	2,539,692

Part V-A 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
Carolyn Larkin <input type="checkbox"/> 4411 Pt Fosdick Dr NW Suite 305 Gig Harbor, WA 98335	CEO 40 0	150,000	0	22,016
Carolyn Larkin <input type="checkbox"/> 4411 Pt Fosdick Dr NW Suite 305 Gig Harbor, WA 98335	0 0	25,000	0	0
David Jones MD <input type="checkbox"/> 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335	President 40 0	149,090	22,826	0
Laurie Hofmann <input type="checkbox"/> 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335	Vice Chairman of the Board 35 0	89,910	0	0
Fran Biddle <input type="checkbox"/> 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335	Director of Ops & Finance 25 0	18,855	1,562	0
Bethany Hays MD <input type="checkbox"/> 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335	Secretary 1 25	11,500	0	0
Mark Hyman MD <input type="checkbox"/> 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335	Board Member 1 25	6,000	0	0
Joe Pizzorno MD <input type="checkbox"/> 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335	Chairman of the Board 1 25	0	0	0
Robert MacLellan <input type="checkbox"/> 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335	Treasurer 1 25	0	0	0

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

Table with 3 columns: Question (75a-75d), Yes, No. 75a: Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings. 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? 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 the organization? 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 (If not paid enter -0-), (D) Contributions to employee benefit plans and deferred compensation plans, (E) Expense account and other allowances. Row 1: JEFFREY S BLAND, 4411 PT FOSDICK DR NW SUITE 305 GIG HARBOR, WA 98335, 0, 2,500, 0, 0.

Part VI Other Information (See the instructions.)

Table with 3 columns: Question (76-81b), Yes, No. 76: Did the organization make a change in its activities or methods of conducting activities? 77: Were any changes made in the organizing or governing documents but not reported to the IRS? 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? 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 or indirect political expenditures. 81b: Did the organization file Form 1120-POL for this year?

Part VI Other Information (continued)

Yes No

82a	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?	82a		No
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	0	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	Yes	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	Yes	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b		
	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 the prior year			
c	Dues assessments, and similar amounts from members	85c		
d	Section 162(e) lobbying and political expenditures	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		
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		
86	501(c)(7) orgs. Enter a Initiation fees and capital contributions included on line 12	86a	0	
b	Gross receipts, included on line 12, for public use of club facilities	86b	0	
87	501(c)(12) orgs. Enter a Gross income from members or shareholders	87a	0	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	0	
88a	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	88a		No
b	At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)? If yes complete Part XI	88b		No
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="text" value="0"/> , section 4912 <input type="text" value="0"/> , section 4955 <input type="text" value="0"/>			
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		No
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0	
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0	
e	All organizations. At any time during the tax year was the organization a party to a prohibited tax shelter transaction?	89e		No
f	All organizations. Did the organization acquire direct or indirect interest in any applicable insurance contract?	89f		No
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		
90a	List the states with which a copy of this return is filed <input type="text" value="WA"/>			
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions)	90b		10
91a	The books are in care of <input type="text" value="FRAN BIDDLE CPA"/> Telephone no <input type="text" value="(253) 853-9280"/> <input type="text" value="4411 PT FOSDICK DR NW SUITE 305"/> Located at <input type="text" value="GIG HARBOR, WA"/> ZIP + 4 <input type="text" value="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)?	91b	Yes	No
	If "Yes," enter the name of the foreign country <input type="text"/>			
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts			

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** Yes No

If "Yes," enter the name of the foreign country _____

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 **92**

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 SYMPOSIUM					539,361
b EDUCATION PROGRAMS					703,060
c CONSULTING SERVICES					244,000
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					170,297
95 Interest on savings and temporary cash investments			14	18,793	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b non 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					370,428
103 Other revenue a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				18,793	2,027,146
105 Total (add line 104, columns (B), (D), and (E))					2,045,939

Note: Line 105 plus line 1e, 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)
	See Additional Data Table

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).

Part XI Information Regarding Transfers To and From Controlled Entities Complete only if the organization is a controlling organization as defined in section 512(b)(13)

				Yes	No
106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity					No
	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	
a					
b					
c					
Totals					

				Yes	No
107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity					No
	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	
a					
b					
c					
Totals					

		Yes	No
108 Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?			

Please Sign Here

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

Signature of officer _____ Date 2008-08-08

Fran Biddle Director of Finance
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: SARA ELIZABETH J HYRE _____ Date _____

Firm's name (or yours if self-employed), address, and ZIP + 4: CLARK NUBER PS
10900 NE 4TH SUITE 1700
BELLEVUE, WA 98004

**SCHEDULE A
(Form 990 or
990EZ)**

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

2007

Department of the
Treasury
Internal Revenue
Service

Name of the organization
THE 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
DAN LUKACZER 4411 PT FOSDICK DR NW GIG HARBOR, WA 98335	ASSOC DIR MED ED 40 0	73,300	4,133	0
SALLY J PRIEST 4411 PT FOSDICK DR NW GIG HARBOR, WA 98335	EVENT & CME MANAGER 40 0	58,769	8,732	0
SHEILA QUINN 4411 PT FOSDICK DR NW GIG HARBOR, WA 98335	SENIOR EDITOR 40 0	64,514	7,302	0
Total number of other employees paid over \$50,000				


Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individual 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
Laurie Hofmann 36 Sudeste Place SANTA FE, NM 87505	CONSULTING/FNDRAISING	89,910
Human Perspectives International In 805 La Mirada Street LAGUNA BEACH, CA 92651	EXECUTIVE CONSULTING	192,041
Total number of others receiving over \$50,000 for professional services		

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 individual or firms. If there are none, enter "None". See page 2 for 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		

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, include 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) 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	1		No
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.) 	2a		No
a Sale, exchange, or leasing property?	2b		No
b Lending of money or other extension of credit?	2c		No
c Furnishing of goods, services, or facilities?	2d	Yes	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2e		No
3a Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)	3a		No
b Did the organization have a section 403(b) annuity plan for its employees?	3b		No
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment , historic land areas or structures? If "Yes" attach a detailed statement	3c		No
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		No
4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g	4a		No
b Did the organization make any taxable distributions under section 4966?	4b		No
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c		No
d Enter the total number of donor advised funds owned at the end of the tax year			0
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year			0
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts			0
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year			0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that 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)(vi) (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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization
 Type I Type II Type III - Functionally Integrated Type III - Other

Provide the following information about the supported organizations. (see page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support?
			Yes	No	
Total					

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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.

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	305,862	129,659	230,347	148,605	814,473
16 Membership fees received	130,793	137,759	117,584	92,053	478,189
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose	1,470,220	1,412,630	1,029,567	1,030,705	4,943,122
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	13,686	2,596	2,083	428	18,793
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets	8,928	0	750	610	10,288
23 Total of lines 15 through 22	1,929,489	1,682,644	1,380,331	1,272,401	6,264,865
24 Line 23 minus line 17	459,269	270,014	350,764	241,696	1,321,743
25 Enter 1% of line 23	19,295	16,826	13,803	12,724	

26 Organizations described on lines 10 or 11:

a Enter 2% of amount in column (e), line 24 **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts **26b**

c Total support for section 509(a)(1) test Enter line 24, column (e) **26c**

d Add Amounts from column (e) for lines 18 _____ 19 _____
22 _____ 26b _____ **26d**

e Public support (line 26c minus line 26d total) **26e**

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** **26f**

27 Organizations described on line 12:

a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " **Do not file this list with your return.** Enter the sum of such amounts for each year
(2006) _____ 0(2005) _____ 40,000(2004) _____ 25,000(2003) _____ 25,000

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** \$5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year
(2006) _____ 0(2005) _____ 0(2004) _____ 0(2003) _____ 0

c Add Amounts from column (e) for lines 15 _____ 814,473 16 _____ 478,189
17 _____ 4,943,122 20 _____ 0 21 _____ 0 **27c** 6,235,784

d Add Line 27a total _____ 90,000 and line 27b total _____ 0 **27d** 90,000

e Public support (line 27c total minus line 27d total) **27e** 6,145,784

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) **27f** 6,264,865

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** **27g** 98 1 %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** **27h** 0 3 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions.)**(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	
<hr/>		
<hr/>		
<hr/>		
32 Does the organization maintain the following	32a	
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 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)		
<hr/>		
<hr/>		
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)		
<hr/>		
<hr/>		
34a 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)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 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	41	
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	0
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	0

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)**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (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

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (Add lines **c** through **h**.)

Yes	No	Amount

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

- (i)** Cash
- (ii)** Other assets

b Other transactions

- (i)** Sales or exchanges of assets with a noncharitable exempt organization
- (ii)** Purchases of assets from a noncharitable exempt organization
- (iii)** Rental of facilities, equipment, or other assets
- (iv)** Reimbursement arrangements
- (v)** Loans or loan guarantees
- (vi)** Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
51a(i)		No
a(ii)		No
b(i)		No
b(ii)		No
b(iii)		No
b(iv)		No
b(v)		No
b(vi)		No
c		No

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Additional Data

Software ID:

Software Version:

EIN: 91-2107518

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

Form 990, Part II, Line 43 - Other expenses not covered above (itemize):

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
a CONSULTING FEES	43a	443,855	239,511	157,846	46,498
b ADVERTISING	43b	129,560	117,953	389	11,218
c MEETINGS	43c	10,427	5,871	4,095	461
d TAXES & LICENSES	43d	2,426	2,280	146	0
e SUBSCRIPTIONS	43e	3,088	2,441	416	231
f INSURANCE	43f	7,036	5,277	1,618	141
g INTERNET	43g	65,871	50,955	13,723	1,193
h PROCESSING FEES	43h	59,962	59,851	94	17

Form 990, Part VIII - Relationship of Activities to the Accomplishment of Exempt Purposes:

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).
93A-	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
C,	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
94 &	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
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
0	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
0	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

TY 2007 Compensation Explanation

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Person Name	Explanation
Carolyn Larkin	Carolyn Larkin is paid as the CEO through Human Perspectives International, Inc and her compensation is also reported on Schedule A, Part II
Carolyn Larkin	Compensation of \$25,000 is due to the reimbursement of rent paid for relocation to Washington
Laurie Hofmann	Laurie Hofmann, an independent contractor, is paid as the Director of Marketing Her compensation is also reported on Schedule A, Part II

TY 2007 Other Changes in Net Assets Schedule**Name:** THE INSTITUTE FOR FUNCTIONAL MEDICINE**EIN:** 91-2107518

Description	Amount
UNREALIZED GAIN ON INVESTMENTS	4,323

TY 2007 Other Expenses Included Schedule

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Description	Amount
SOLD	52,617

TY 2007 Other Liabilities Schedule

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Description	Beginning of Year Amount	End of Year Amount
CAPITAL LEASE	7,044	12,431

TY 2007 Other Revenues Included Schedule

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Description	Amount
SOLD	52,617

TY 2007 Sales Of Inventory Schedule

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Category	Gross Sales	Cost of Goods Sold	Net (Gross Sales Minus Cost of Goods Sold)
PRODUCT SALES	423,045	52,617	370,428

TY 2007 Contractor Compensation Explanation

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Contractor	Explanation
Laurie Hofmann	Laurie Hofmann is paid as the Director of Marketing and since she is on the board of directors, her compensation is also reported on Form 990, Part V-A.
Human Perspectives International In	Human Perspectives International, Inc is paid for Carolyn Larkin's services as CEO. Carolyn's compensation as CEO is also reported on Form 990, Part V-A.

TY 2007 Other Income Schedule

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Description	2006	2005	2004	2003	Total
OTHER INCOME	8,928	0	750	610	10,288

TY 2007 Self Dealing Statement

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Line Number	Explanation
2d	SEVERAL BOARD MEMBERS RECEIVE COMPENSATION (DISCLOSED ON FORM 990, PART V-A) FOR SPEAKING AT EVENTS AND PROVIDING CONSULTING SERVICES. THE COMPENSATION PROVIDED IS NO MORE THAN FAIR MARKET VALUE FOR THE SERVICES RENDERED.

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2007 Supplemental Support Schedule

Name: THE INSTITUTE FOR FUNCTIONAL MEDICINE

EIN: 91-2107518

Year	Gifts, Grants and Contributions Received	Membership Fees Received	Gross Receipts From Admissions, Etc.	Gross Investment Income And Post 1975UBI	Net UBI Pre 1975	Tax Revenues Levied For Organization's Benefit	Value Of Services, Facilities Furnished By Government	Other Income	Total
2007	305,862	130,793	1,470,220	13,686				8,928	1,929,489
2004	129,659	137,759	1,412,630	2,596				0	1,682,644
2003	230,347	117,584	1,029,567	2,083				750	1,380,331
2002	148,605	92,053	1,030,705	428				610	1,272,401

BYLAWS
OF
THE INSTITUTE FOR FUNCTIONAL MEDICINE

Effective October 13, 2001

Revised May 3, 2002

Revised September 25, 2007

Revised February 12, 2008

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BYLAWS
OF
THE INSTITUTE FOR FUNCTIONAL MEDICINE

ARTICLE I

Membership

Section 1. Classes. The membership of the corporation shall consist of one class of members, designated as “active members.” The board of directors may establish, in its discretion, additional classes of members and specify the rights of members in each class.

Section 2. Active Members. The active membership of the corporation shall consist of individuals, domestic or foreign, profit or nonprofit corporations, general or limited partnerships, associations or other entities whose background, experience or interests indicate that they will support the purposes of the corporation, and who submit an application form and remit an application fee. The application fee shall be established as the board of directors from time to time determines by resolution. Active members shall not be entitled to vote, to receive written notice of meetings of the active membership, or to participate in the call of such meetings. Active members shall have such other rights and obligations as the board of directors may establish, in its discretion, by resolution.

Section 3. Annual Dues. The annual membership dues for active members of the corporation shall be established as the board of directors from time to time determines by resolution.

Section 4. Certificates of Membership. Certificates of membership in the corporation may be issued. If issued, the respective members’ names shall be entered in the membership register of the corporation as the certificates are issued. Certificates shall bear the member’s name and shall be signed by the president or the secretary.

Section 5. Status of Membership. Membership in the corporation shall be personal, shall not survive the death of any individual member, and may not be transferred by any means.

Section 6. Termination of Membership. Membership in the corporation may be terminated for any action by a member that is detrimental to the best interests of the corporation, or for failure to actively support corporate purposes, or to actively participate in corporate activities. Failure to pay annual dues within 60 days of it’s due date automatically terminates membership. Removal shall require the affirmative vote of three-fourths (3/4ths) of the board of directors. In the event that any such termination is contemplated, the board of directors shall notify the member in writing of the reasons for the proposed action, and of the time and place of the meeting of the board of directors at which termination is to be considered, not later than ten (10) days prior thereto. At the meeting, the accused member shall be entitled to respond to the stated reasons, and to be heard in his or her own defense.

ARTICLE II

Board of Directors

Section 1. Powers and Qualifications. The affairs of the corporation shall be managed by the board of directors.

Section 2. Number and Term. The number of directors of the corporation shall be not less than seven (7) nor more than eleven (11) directors. The board of directors, by amendment of these Bylaws, may increase or decrease the number of directors, provided that no decrease in number shall have the effect of shortening the term of any incumbent. Upon election, a director is expected to serve a minimum term of two years. Directors may run for consecutive terms of office if so desired. . Each such director shall hold office for the term for which he or she is elected and until his or her successor shall have been elected and qualified.

Section 3. Committees. The board of directors, by resolution adopted by a majority of the directors in office, may designate and appoint committees of the board. Such committees shall consist of two (2) or more directors and shall have and exercise such authority of the board of directors in the management of the corporation as may be specified in said resolution. However, no such committee shall have the authority of the board of directors to amend, alter or repeal the Bylaws; elect appoint or remove any member of any such committee or any director or officer of the corporation; amend the Articles of Incorporation; adopt a plan of merger or adopt a plan of consolidation with another corporation; authorize the voluntary dissolution of the corporation or revoke proceedings therefor; adopt a plan for the distribution of the assets of the corporation not in the ordinary course of business; or amend, alter or repeal any resolution of the board of directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation of authority to it shall not operate to relieve the board of directors or any individual director of any responsibility imposed upon it, him or her by law.

Section 4. Election. After the first annual meeting, the member or members of one class of directors shall be elected at each annual meeting of the members of the Board of Directors, to hold office until the expiration of the term of office of the class of directors into which elected, and until his, her or their respective successors are elected and qualified.

Section 5. Vacancies. The board of directors shall have power to fill any vacancy occurring in the board and any directorship to be filled by reason of an increase in the number of directors by amendment to these Bylaws. Any director elected to fill a vacancy shall be elected or appointed for the unexpired term of his or her predecessor in office.

Section 6. Ex Officio Director. The president, who acts as the chief executive officer of the corporation, shall serve on the board of directors in an *ex officio*, non-voting capacity. The president may speak at meetings of the board of directors and shall receive notice of all meetings of the board of directors, with the exception of Executive Sessions, unless invited to such special sessions.

ARTICLE III

Advisory Council

The corporation may have an advisory council, whose members may advise the corporation's board of directors. The advisory council members shall have no voting rights in the corporation's management. Members may be appointed to the advisory council from time to time by majority vote of the directors present at any regular or special meeting of the board of directors. The board of directors may by resolution remove an advisory council member.

ARTICLE IV

Meetings of Board of Directors

Section 1. Annual Meetings. The annual meeting of the board of directors for election of directors to succeed those whose terms expire, and for the transaction of such other business as may properly come before the meeting, shall be held each year on the date, time and place as specified in the notice calling the annual meeting. In no event shall more than thirteen (13) months elapse between dates of the corporation's annual meeting.

Section 2. Regular Meetings. Regular meetings of the board of directors or of any committee designated by the board of directors shall be held at such frequency, time and place as the board of directors may determine from time to time. At such meetings, the directors or committee members may transact such business as may properly come before the meeting.

Section 3. Special Meetings. Special meetings of the board of directors may be held at any place and time, whenever called by the chairman, president, secretary, or any two (2) directors.

Section 4. Notice of Meetings. Notice of the time and place of any annual, regular or special meeting of the board of directors shall be given by the secretary, or by the director or directors calling the meeting, by regular mail, electronic mail, facsimile, telegram, or by personal communication over the telephone or otherwise, at least ten (10) days prior to the date on which the meeting is to be held. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where the director attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any meeting of the board of directors need be specified in the notice or any waiver of notice of such meeting.

Section 5. Quorum. A majority of the board of directors shall constitute a quorum for the transaction of business, unless otherwise provided by law. The act of the majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors. At any meeting of the board of directors at which a quorum is present, any business may be transacted, and the board may exercise all of its powers. A director who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the director's dissent or abstention is entered in the minutes of the meeting or the director files his or

her written dissent or abstention to such action with either the person acting as secretary of the meeting before the adjournment of the meeting or by registered mail to the secretary of the corporation immediately after the adjournment of the meeting.

Section 6. Meetings Held by Telephone or Similar Communications Equipment. Members of the board of directors or its committees may participate in a meeting of the board or such committees by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 7. Notification Period for Bylaw Changes A notification period of 10 days is required before convening any regular or special meeting of the Board of Directors at which a Bylaws amendment will be considered. Notice may be waived in writing by any Director who is unable to be present at the meeting, or by a unanimous vote of the entire Board of Directors at the meeting.

ARTICLE V

Actions by Written Consent

Any corporate action required or permitted by the Articles of Incorporation or Bylaws, or by the laws of the State of Washington, to be taken at a meeting of the board of directors (or its committees) of the corporation, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote, and may be described as such. Provided such consent is unanimous, such a vote may be conducted electronically via email or facsimile.

ARTICLE VI

Waiver of Notice

Whenever any notice is required to be given to any director of the corporation by the Articles of Incorporation or Bylaws, or by the laws of the State of Washington, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE VII

Officers

Section 1. Officers Enumerated. The officers of the board shall be a chairman, a vice chairman, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary by the board of directors, each of whom shall be annually elected by the board

of directors, and shall serve until their successors are duly elected and qualified. Any two (2) or more offices may be held by the same person, except the offices of chairman and secretary. In addition to the powers and duties specified below, the chairman, vice chairman, secretary, treasurer shall have such powers and perform such duties as the board of directors may prescribe. The president of the corporation shall act as the chief executive officer of the corporation. The board may also appoint other corporate officers in addition to the president, such as a controller.

Section 2. The Chairman. The chairman shall be the chief presiding officer and shall preside at all meetings of the board of directors and of the membership.

Section 3. The Vice Chairman. In the absence or disability of the chairman, the vice chairman shall act as chairman.

Section 4. The Secretary. It shall be the duty of the secretary to keep records of the proceedings of the board of directors and of the membership, if any, to administer the membership register, to sign all certificates of membership, if any, to keep the corporate seal, and to affix the same to certificates of membership and other proper documents.

Section 5. The Treasurer. The treasurer shall have the care and custody of and be responsible for all funds and investments of the corporation and shall cause to be kept regular books of account. The treasurer shall cause to be deposited all funds and other valuable effects in the name of the corporation in such depositories as may be designated by the board of directors, and in general, shall perform all of the duties incident to the office of treasurer.

Section 6. The President. The president shall be the chief executive officer of the corporation serving subject to such terms and conditions as may be directed by the board of directors. The president shall serve as an *ex officio* non-voting member of the board of directors. The president has the responsibility of implementing the policies of the board of directors and reports directly to the chairman of the board. The president shall have responsibility for the day-to-day administration of the corporation.

Section 7. Vacancies. Vacancies in any office arising from any cause may be filled by the board of directors at any annual, regular or special meeting.

Section 8. Salaries. The salaries of all officers and agents of the corporation, if any, shall be fixed by the board of directors.

Section 9. Removal. The chairman, vice chairman, secretary, treasurer, or president may be removed by the board of directors whenever in its judgment the best interests of the corporation will be served thereby.

ARTICLE VIII

Administrative and Financial Provisions

Section 1. Fiscal Year. The last day of the corporation's fiscal year shall be December 31.

Section 2. Loans Prohibited. No loans shall be made by the corporation to any officer or to any director.

Section 3. Corporate Seal. The board of directors may provide for a corporate seal, which shall have inscribed thereon the name of the corporation, the year and state of incorporation and the words “corporate seal.”

Section 4. Books and Records. The corporation shall keep at its registered office, its principal office in this state, or at its secretary’s office if in this state, the following: current Articles of Incorporation and Bylaws; a record of members, including names, addresses and classes of membership, if any; correct and adequate records of accounts and finances; a record of officers’ and directors’ names and addresses; minutes of the proceedings of the members, if any, the board, and any minutes which may be maintained by committees of the board. Records may be written or electronic if capable of being converted to writing. The records shall be open at any reasonable time to inspection by any member of more than three (3) months’ standing or a representative of more than five percent (5%) of the membership. Costs of inspecting or copying shall be borne by such member except for copies of Articles of Incorporation or Bylaws. Any such member must have a purpose for inspection reasonably related to membership interests. Use or sale of members’ lists by such member if obtained by inspection is prohibited.

Section 5. Amendment of Bylaws. These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the board of directors at any annual, regular or special meeting of the board.

Section 6. Rules of Procedure. The rules of procedure at meetings of the membership and of the board of directors of the corporation shall be the rules contained in Roberts’ Rules of Order on Parliamentary Procedure, newly revised, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or with any resolution of the board of directors.

CERTIFICATION

Bethany Hays, MD, being Secretary of The Institute for Functional Medicine, hereby certifies that the foregoing Bylaws were duly adopted by the board of directors on April 24, 2001, and were revised on May 3, 2002, and September 25, 2007 and January 26, 2008 in accordance with motions passed at the May 22, 2001 and October 13, 2001 and September 29, 2007 and February 12, 2008 meetings of the Board of Directors.

Bethany Hays, MD, Secretary
Date: February 12, 2008