

Form **990**

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)

OMB No 1545-0047

2006

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 2006 calendar year, or tax year beginning _____, and ending _____

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

C Name of organization: **The Rodale Institute**
 Number and street (or P O box if mail is not delivered to street address) Room/suite: _____
611 Siegfriedale Rd
 City or town State or country ZIP + 4: **Kutztown PA 19530**

D Employer identification number: **23-7206884**

E Telephone number: **610-683-1400**

F Accounting method: Cash Accrual
 Other (specify) _____

G Website: **www.rodaleinstitute.org**

J Organization type (check only one) 501(c)(3) (Insert no) 4947(a)(1) or 527

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. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **3,088,129**

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates _____
H(c) Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number _____

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

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

Line	Description	Amount	Amount
1	Contributions, gifts, grants, and similar amounts received:		
a	Contributions to donor advised funds	1a	0
b	Direct public support (not included on line 1a)	1b	997,227
c	Indirect public support (not included on line 1a)	1c	0
d	Government contributions (grants) (not included on line 1a)	1d	795,884
e	Total (add lines 1a through 1d) (cash \$ 1,774,793 noncash \$ 18,318)	1e	1,793,111
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	38,601
3	Membership dues and assessments	3	0
4	Interest on savings and temporary cash investments	4	69,545
5	Dividends and interest from securities	5	51,669
6a	Gross rents	6a	
b	Less: rental expenses	6b	
c	Net rental income or (loss) Subtract line 6b from line 6a	6c	0
7	Other investment income (describe Interest income from Note Rec.)	7	897,943
8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other
		68,042	8a 2,629
b	Less: cost or other basis and sales expenses	67,998	8b 0
c	Gain or (loss) (attach schedule)	44	8c 2,629
d	Net gain or (loss) Combine line 8c, columns (A) and (B)	8d	2,673
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>		
a	Gross revenue (not including \$ 0 of contributions reported on line 1b)	9a	0
b	Less: direct expenses other than fundraising expenses	9b	0
c	Net income or (loss) from special events Subtract line 9b from line 9a	9c	0
10a	Gross sales of inventory, less returns and allowances	10a	133,177
b	Less: cost of goods sold	10b	69,193
c	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a	10c	63,984
11	Other revenue (from Part VII, line 103)	11	33,412
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	2,950,938
13	Program services (from line 44, column (B))	13	1,746,472
14	Management and general (from line 44, column (C))	14	1,010,389
15	Fundraising (from line 44, column (D))	15	181,265
16	Payments to affiliates (attach schedule)	16	0
17	Total expenses. Add lines 16 and 44, column (A)	17	2,938,126
18	Excess or (deficit) for the year Subtract line 17 from line 12	18	12,812
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	12,316,912
20	Other changes in net assets or fund balances (attach explanation)	20	75,889
21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	12,405,613

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Part I **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 a	Grants paid from donor advised funds (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	0	0		
22 b	Other grants and allocations (attach schedule) (cash \$ 1,750 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	1,750	1,750	STATEMENT 4	
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0			
25 a	Compensation of current officers, directors, key employees, etc listed in Part V-A (attach schedule)	368,338	0	368,338	0
b	Compensation of former officers, directors, key employees, etc listed in Part V-B (attach schedule)	0	0	0	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)	0	0	0	0
26	Salaries and wages of employees not included on lines 25a, b, and c	1,316,743	1,046,740	206,218	63,785
27	Pension plan contributions not included on lines 25a, b, and c	70,986	40,607	28,952	1,427
28	Employee benefits not included on lines 25a - 27	198,298	113,435	80,876	3,987
29	Payroll taxes	114,376	65,428	46,648	2,300
30	Professional fundraising fees	0	0	0	0
31	Accounting fees	44,068		44,068	
32	Legal fees	0	0	0	0
33	Supplies	92,062	58,521	25,639	7,902
34	Telephone	31,801	21,620	9,086	1,095
35	Postage and shipping	22,323	6,293	1,779	14,251
36	Occupancy	10,512	10,000	512	0
37	Equipment rental and maintenance	113,858	107,367	3,095	3,396
38	Printing and publications	44,140	7,113	181	36,846
39	Travel	64,113	50,861	9,689	3,563
40	Conferences, conventions, and meetings	7,093	904	5,494	695
41	Interest	0			
42	Depreciation, depletion, etc (attach schedule) STMT 9	86,870	67,927	18,943	0
43	Other expenses not covered above (itemize):				
a	Professional Services	318,483	125,801	151,141	41,541
b	Marketing/Advertising	3,580	215	2,888	477
c	Contracts/Subcontracts	7,789	7,789	0	0
d	Insurance	8,407	3,304	5,103	0
e	Other	2,800	1,313	1,487	0
f	Testing & Measurement	9,736	9,484	252	0
g		0	0	0	0
44	Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	2,938,126	1,746,472	1,010,389	181,265

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 \$ N/A, (ii) the amount allocated to Program services \$ N/A, (iii) the amount allocated to Management and general \$ N/A, and (iv) the amount allocated to Fundraising \$ N/A

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? ▶ <u>Statement 5</u> 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 <u>New Farm org: the website operating as a global resource for information on regenerative agriculture serving farmers, educators & agriculture entrepreneurs. Daily advise, e-newsletter, online courses, farmer discussions, Farm Locator, success stories, Organic Price Index, guide to US organic certifiers, & research reports give visitors the resources they need. The site generated 800k visitors from over 199 countries.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	427,723
b <u>Research and Training: Expanded our research agenda to include cutting-edge new topics in response to the needs of farmers and agriculture educators. Carried out an extensive outreach program including workshops & field days & custom programs for over 400 participants from 5 continents. Research results were published in peer reviewed journals, fact sheets, brochures, & scientific reports.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	518,625
c <u>Kidsregen org: The exciting internet-based magazine for ages 7-13 with special sections for families & educators. The site features age-appropriate, solution-oriented activities & info. based on nature & gardening that empowers kids to make healthy choices for themselves & the environment. The site generated over 200k visitors from more than 172 countries.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	109,377
d <u>International. Provided applied research, training & education, communication & small enterprise development to organizations & individuals in Central America, Africa, Europe & Asia on agricultural methods designed to provide solutions to soil improvement, community regeneration and natural resource management solutions to hunger and malnutrition.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	150,889
e <u>Other program services (attach schedule) STATEMENT 6</u> (Grants and allocations \$ 1,750) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	539,858
f <u>Total of Program Service Expenses (should equal line 44, column (B), Program services)</u> ▶	1,746,472

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		45	
	46 Savings and temporary cash investments	2,036,517	46	2,149,808
	47 a Accounts receivable	47a 233,281		
	b Less: allowance for doubtful accounts	47b 1,000	6,306	47c 232,281
	48 a Pledges receivable	48a 16,731		
	b Less: allowance for doubtful accounts	48b 0	46,472	48c 16,731
	49 Grants receivable		227,131	49 160,158
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		0	50a 0
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b
	51 a Other notes and loans receivable (attach schedule) STATEMENT 7	51a 7,706,580		
	b Less: allowance for doubtful accounts	51b 0	7,706,580	51c 7,706,580
	52 Inventories for sale or use		26,107	52 13,404
	53 Prepaid expenses and deferred charges		52,682	53 65,754
	54 a Investments—publicly-traded securities STMT 8 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		1,914,979	54a 1,968,250
	b Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		0	54b 0
55 a Investments—land, buildings and equipment: basis	55a 0			
b Less: accumulated depreciation (attach schedule)	55b 0	0	55c 0	
56 Investments—other (attach schedule)		0	56 0	
57 a Land, buildings, and equipment: basis	57a 1,366,927			
b Less: accumulated depreciation (attach schedule) STATEMENT 9	57b 907,676	484,599	57c 459,251	
58 Other assets, including program-related investments (describe <input type="checkbox"/> Charitable Remainder Trust Receivable)		19,612	58 20,820	
59 Total assets (must equal line 74) Add lines 45 through 58		12,520,985	59 12,793,037	
Liabilities	60 Accounts payable and accrued expenses	189,376	60	333,523
	61 Grants payable		61	
	62 Deferred revenue	14,697	62	53,901
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		0	63 0
	64 a Tax-exempt bond liabilities (attach schedule)		0	64a 0
	b Mortgages and other notes payable (attach schedule) STATEMENT 10		0	64b 0
65 Other liabilities (describe <input type="checkbox"/>)		0	65 0	
66 Total liabilities. Add lines 60 through 65		204,073	66 387,424	
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	11,490,432	67	11,585,520
	68 Temporarily restricted	34,918	68	27,531
	69 Permanently restricted	791,562	69	792,562
	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)		12,316,912	73 12,405,613	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		12,520,985	74 12,793,037	

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	3,122,175
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1	75,889	
2	Donated services and use of facilities	b2	26,155	
3	Recoveries of prior year grants	b3		
4	Other (specify):	b4	69,193	
	COGS			
	Add lines b1 through b4		b	171,237
c	Subtract line b from line a		c	2,950,938
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	0	
	Add lines d1 and d2		d	0
e	Total revenue (Part I, line 12). Add lines c and d		e	2,950,938

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

a	Total expenses and losses per audited financial statements		a	3,033,474
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1	26,155	
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify):	b4	69,193	
	COGS			
	Add lines b1 through b4		b	95,348
c	Subtract line b from line a		c	2,938,126
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	0	
	Add lines d1 and d2		d	0
e	Total expenses (Part I, line 17). Add lines c and d		e	2,938,126

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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
Name Statement 11 Str City ST ZIP	Title Hr/WK	172,104	206,917	0
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
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Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)		Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 13		
b	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) STMT 12	75b	X
c	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? See the instructions for the definition of "related organization" ▶ If "Yes," attach a statement that includes the information described in the instructions	75c	X
d	Does the organization have a written conflict of interest policy?	75d	X

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.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
Name _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				
Name <i>N/A</i> _____ Str _____ City _____ ST _____ ZIP _____				

Part VI Other Information (See the instructions.)		Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76	X
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	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes" attach a statement	79	X
80 a	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?	80a	X
b	If "Yes," enter the name of the organization ▶ _____ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81 a	Enter direct and indirect political expenditures (See line 81 Instructions) 81a N/A		
b	Did the organization file Form 1120-POL for this year?	81b	X

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 26,155		
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 <i>quid pro quo</i> 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 a	501(c)(4), (5), or (6) organizations 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	N/A	
d	Section 162(e) lobbying and political expenditures	N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	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?	N/A	
86 a	501(c)(7) orgs Enter: a Initiation fees and capital contributions included on line 12	N/A	
b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87 a	501(c)(12) orgs Enter: a Gross income from members or shareholders	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)	N/A	
88 a	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		X
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		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		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	
e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
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		N/A	
90 a	List the states with which a copy of this return is filed ▶ Statement 13		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)		30
90b			
91 a	The books are in care of ▶ Name Jack McCue Telephone no ▶ 610-683-1400 Located at ▶ 611 Siegfriedale Rd City Kutztown ST PA ZIP + 4 ▶ 19530		
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 ▶ Senegal See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	X	
91b			

Part VI Other Information (continued)

Yes No

- 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** | N/A

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 Technical/Consulting					20,823
b Education and Outreach					11,928
c Rental income from Organic Farming					5,850
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	69,545	
96 Dividends and interest from securities			14	51,669	
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			14	897,943	
100 Gain or (loss) from sales of assets other than inventory			18	2,673	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					63,984
103 Other revenue. a Exchange Rate Gain		0		0	984
b Miscellaneous Exp. Reimb.		0		0	32,428
c _____		0		0	0
d _____		0		0	0
e _____		0		0	0
104 Subtotal (add columns (B), (D), and (E))		0		1,021,830	135,997
105 Total (add line 104 columns (B), (D), and (E))					1,157,827

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).
93(a)-(c) and 102	All activities relate to the sale of educ. books, workshop registrations, technical services, and childrens educ. exhibit rental. They are important aspects of furthering public awareness of the main purpose of the Institute, which is the gathering of practical how-to information which is then provided to farmers, children, researchers, extensionists and policy-makers worldwide to regenerate human and environmental health.

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
N/A	%		0	0
	%		0	0
	%		0	0
	%		0	0

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).

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

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				0

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.

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				0

108 Did the organization have a binding written contract in effect on August 17 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

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

Please Sign Here

Signature of officer: John F McFue Date: 1/21/08

Type or print name and title

Paid Preparer's Use Only

Preparer's signature: [Signature] Date: 1/21/08 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: Ernst & Young U.S. LLP, One Renaissance Sq, 2 N Central, Phoenix, AZ 85004 EIN: 34-6565596 Phone no: 602-322-3000

SCHEDULE A
(Form 990 or 990-EZ)

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.)

OMB No 1545-0047

2006

Department of the Treasury
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization The Rodale Institute	Employer identification number 23-7206884
---	---

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 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
Paul Hepperly, 611 Siegfriedale Rd Kutztown, PA 19530	40	114,565	11,199	NONE
Jeff Moyer, 611 Siegfriedale Rd Kutztown, PA 19530	40	98,352	18,470	NONE
Amadou Diop, 611 Siegfriedale Rd Kutztown, PA 19530	40	89,477	17,960	NONE
Evelina Panayotova, 611 Siegfriedale Rd Kutztown, PA 19530	40	77,704	17,070	NONE
Greg Bowman, 611 Siegfriedale Rd Kutztown, PA 19530	40	71,488	16,850	NONE
Total number of other employees paid over \$50,000 ▶	2			

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
William Klepeiss 3111 Sodl Lane, Whitehall, PA 18052	IT/Project Management	84,720
Total number of others receiving over \$50,000 for professional services ▶	0	

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
N/A		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

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

Schedule A (Form 990 or 990-EZ) 2006

(RTA)

Part III Statements About Activities (See page 2 of the instructions)

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 ▶ \$ 36,400 (Must equal amounts on line 38, Part VI-A or line i 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

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?

STATEMENT 14

b Lending of money or other extension of credit?

c Furnishing of goods services, or facilities?

STATEMENT 15

d Payment of compensation (or payment or reimbursement of expenses if more than \$1 000)?

STATEMENT 16

e Transfer of any part of its income or assets?

3 a 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)

b Did the organization have a section 403(b) annuity plan for its employees?

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space the environment historic land areas or historic structures? If "Yes," attach a detailed statement

d Did the organization provide credit counseling, debt management credit repair or debt negotiation services?

4 a Did the organization maintain any donor advised funds? If "Yes" complete lines 4b through 4g If "No" complete lines 4f and 4g

b Did the organization make any taxable distributions under section 4966?

c Did the organization make a distribution to a donor, donor advisor or related person?

d Enter the total number of donor advised funds owned at the end of the tax year

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year

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

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year

	Yes	No
1	X	
2a	X	
2b		X
2c	X	
2d	X	
2e		X
3a		X
3b	X	
3c		X
3d		X
4a		X
4b		X
4c		X
d	▶ N/A	
e	▶ N/A	
f	▶ N/A	
g	▶ N/A	

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 City ST Country
- 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)
- 11 a 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)
- 11 b 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 (EIN)	(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					0

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

Part IVA 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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	2,620,032	3,107,900	2,796,111	3,454,367	11,978,410
16 Membership fees received					0
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	165,991	214,569	199,965	456,416	1,036,941
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	1,009,728	979,187	993,392	1,011,066	3,993,373
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	STATEMENT 17 61,962	67,249	23,903	32,272	185,386
23 Total of lines 15 through 22	3,857,713	4,368,905	4,013,371	4,954,121	17,194,110
24 Line 23 minus line 17	3,691,722	4,154,336	3,813,406	4,497,705	16,157,169
25 Enter 1% of line 23	38,577	43,689	40,134	49,541	
26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e) line 24				26a 323,143
	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 3,151,952
	c Total support for section 509(a)(1) test: Enter line 24, column (e)				26c 16,157,169
	d Add: Amounts from column (e) for lines	18 3,993,373	19	22 185,386	26d 7,330,711
			26b 3,151,952		26e 8,826,458
	e Public support (line 26c minus line 26d total)				26f 54.63%
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				
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:				
	(2005)	(2004)	(2003)	(2002)	
	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:				
	(2005)	(2004)	(2003)	(2002)	
	c Add: Amounts from column (e) for lines:				27c 0
	15	16	17	20	21
	d Add: Line 27a total and line 27b total				27d 0
	e Public support (line 27c total minus line 27d total)				27e 0
	f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)				27f
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g 0.00%
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h 0.00%
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 9 of the instructions.)

N/A

(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?		
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?		
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)		
32 Does the organization maintain the following: a Records indicating the racial composition of the student body faculty and administrative staff? b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? c Copies of all catalogues brochures, announcements and other written communications to the public dealing with student admissions programs and scholarships? d Copies of all material used by the organization or on its behalf to solicit contributions? 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? b Admissions policies? c Employment of faculty or administrative staff? d Scholarships or other financial assistance? e Educational policies? f Use of facilities? g Athletic programs? h Other extracurricular activities? 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? 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		
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		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 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	36,400
38 Total lobbying expenditures (add lines 36 and 37)	38	0 36,400
39 Other exempt purpose expenditures	39	2,901,726
40 Total exempt purpose expenditures (add lines 38 and 39)	40	0 2,938,126
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	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	0 74,227
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	0 0
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	0 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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount	296,906	325,246	368,150	350,557	1,340,859
46 Lobbying ceiling amount (150% of line 45(e))					2,011,289
47 Total lobbying expenditures	36,400	62,443	88,118	46,412	233,373
48 Grassroots nontaxable amount	74,227	81,312	92,038	87,639	335,216
49 Grassroots ceiling amount (150% of line 48(e))					502,824
50 Grassroots lobbying expenditures	NONE	2,114	2,587	1,142	5,843

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions) N/A

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
		0

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

AS AMENDED JANUARY 21, 2008

RODALE INSTITUTE
 EIN 23-7206884
 FORM 990 2006

PART I, LINE 8(d)

NET GAIN FROM SALE OF ASSETS

8(A) SECURITIES

<u>DESCRIPTION</u>	<u>SALES PRICE</u>	<u>BROKER FEE</u>	<u>COST</u>	<u>LOSS</u>
Publicly traded securities	68,042	0	67,998	44
	<u>68,042</u>	<u>0</u>	<u>67,998</u>	<u>44</u>

8(B) FIXED ASSETS

<u>DESCRIPTION</u>	<u>DATE ACQUIRED</u>	<u>DATE SOLD</u>	<u>GROSS SALES PRICE</u>	<u>COST</u>	<u>DEPRECIATION SINCE ACQUISITION</u>	<u>GAIN</u>
93 Pickup Truck-Senegal	5/27/1993	10/1/2006	\$1,533	\$29,520	\$29,520	\$1,533
Motorcycle-Senegal		6/23/2006	\$724	\$0	\$0	\$724
Computer-Senegal		3/1/2006	\$372	\$0	\$0	\$372
			<u>\$2,629</u>	<u>\$29,520</u>	<u>\$29,520</u>	<u>\$2,629</u>

AS AMENDED JANUARY 21, 2008

RODALE INSTITUTE
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PART I, LINE 10 GROSS PROFIT/LOSS FROM SALES OF INVENTORY

Bookstore/Catalog Gross Sales	65,914
Organic Grain and Organic Vegetable Sales	<u>67,263</u>
Gross Sales of Inventory	133,177
Less: Cost of Goods Sold	
Inventory	32,995
Organic Grain Purchased from farmer for resale	22,230
Direct and indirect labor, materials and supplies consumed in the production of produce for resale	2,079
Freight In	416
Inventory Write Off	<u>11,473</u>
Cost of Goods Sold	69,193
Gross profit from sales of inventory	<u>63,984</u>

AS AMENDED JANUARY 21,2008

RODALE INSTITUTE
EIN 23-7206884
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PART 1, LINE 20

OTHER CHANGES IN NET ASSETS OR FUND BALANCES

Net Unrealized Appreciation on Investments	\$75,889
TOTAL	\$75,889

RODALE INSTITUTE
 EIN 23-7206884
 FORM 990, 2006

PART II, LINE 22GRANTS AND ALLOCATIONS

<u>Name & Address of Recipient</u>	<u>Amount Received</u>	<u>Relationship of Individual to Any Person or Corporation with an Interest in the Organization</u>	<u>Purpose of Grant</u>
The David Porter School 41-77 Little Neck Parkway Little Neck, NY 11363	1,000	NONE	Garden Supplies
Novato Charter School 940 C Street Novato, CA 94949	500	NONE	Garden Supplies
Glade Run Foundation P O box 70 Zelienpole, PA 16063	250	NONE	Garden Supplies
Total Amount Received	<u>\$1,750</u>		

RODALE INSTITUTE
EIN 23-7206884
FORM 990, 2006

Part III

What is the organization's primary exempt purpose?

The Rodale Institute[®] works with people worldwide to achieve a regenerative food system that renews environmental and human health. Our commitment to research is the backbone of our mission, and our research has helped support the movement for national education and research on organic agriculture and food. We are engaged in promoting and taking the message of organic and regenerative agriculture to farmers, agricultural researchers, policy makers, and the general public in the U S and worldwide. We also recognize children as the earth's future decision makers, and our www.kidsregen.org website provides factual, fun, and useful information to empower kids, parents, and educators to make healthy choices.

RODALE INSTITUTE
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Part III, Line 44(e)

Statement of Program Service Accomplishments

(5) **New Farm Operations:** Maintained organic certification, worked on educational activities, developed our own role as a marketer of organic crops and processed products. Continued to improve our research and training capacities through facilities development. Acts as a resource to advise & implement practical solutions to technical challenges. Use collaboration and support for research on the No-Till Plus project

\$415,314

(6) **Marketing Services:** Gathered and processed a total of 320 media outlets spreading The Rodale Institute's message of Healthy Soil, Healthy Food, Healthy People® with a circulation to gear toward 14 million readers. Major topics included news about FST (Farming Systems Trial), No-Till Plus, and the School Garden Awards, publications in renowned newspapers and magazines like The New York Times, The Philadelphia Inquirer, USA Today, and a special showing about our internship program at the NBC's Today Show

\$124,544

Total:

\$539,858

RODALE INSTITUTE
 EIN 23-7206884
 FORM 990, 2006

PART IV, LINE 51(c)

DETAIL OF OTHER NOTES AND LOANS RECEIVABLE

NOTE 1

Borrower's Name:	Rodale, Inc
Original Amount	\$2,061,160
Balance Due:	\$1,030,580
Date of Note:	January 1991
Date of Maturity:	March 31, 2006
Repayment Terms	10 Annual installments of \$103,058 with remaining principal due March 31, 2006
Interest Rate:	12%
Security:	None
Special Note:	This note was refinanced as of March 31, 2006, See Note 1
Purpose of Loan.	Consideration for Repurchase of Preferred Stock Of Rodale, Inc

NOTE 1A

Borrower's Name.	Rodale, Inc
Original Amount:	\$1,030,580
Balance Due:	\$1,030,580
Date of Note:	January 1991
Date of Maturity:	March 31, 2011
Repayment Terms	Quarterly payment of interest with principal balloon payment at end of term
Interest Rate:	higher of the prime rate or 7%
Security.	None
Purpose of Loan.	Refinance consideration Of Rodale, Inc

NOTE 2

Borrower's Name:	Rodale, Inc
Original Amount:	\$7,100,000
Balance Due	\$6,676,000
Date of Note:	January 1991
Date of Maturity:	February 1, 2011
Repayment Terms:	Quarterly payment of interest with principal balloon payment at end of term balloon payment
Interest Rate:	12%
Security:	None
Purpose of Loan:	Future support commitment

TOTAL	<u>\$7,706,580</u>
-------	--------------------

AS AMENDED JANUARY 21,2008

RODALE INSTITUTE
EIN 23-7206884
FORM 990, 2006

PART IV, LINE 54

INVESTMENTS-SECURITIES

DESCRIPTION

Certificate of Deposit	113,940
Common Stock	1,747,403
Money Market Fund	<u>106,907</u>
	<u>1,968,250</u>

AS AMENDED JANUARY 21,2008

RODALE INSTITUTE
 EIN 23-7206884
 FORM 990, 2006

PART IV, LINE 57(a) LAND, BUILDINGS, AND EQUIPMENT

<u>ASSET BASIS</u>	<u>BALANCE 12/31/2005</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 12/31/2006</u>
Land	254,726	0		254,726
Pond	34,421	0		34,421
Land Improvement- Paving	30,858			30,858
Office Equipment and Computers	227,871	61,522	35,826	253,567
Machinery and Farm Equipment	559,702	0		559,702
Buildings	73,119	0		73,119
Vehicles	<u>160,534</u>	<u>0</u>		<u>160,534</u>
Total	<u>1,341,231</u>	<u>61,522</u>	<u>35,826</u>	<u>1,366,927</u>

PART IV, LINE 57(b)

<u>ACCUMULATED DEPRECIATION</u>	<u>BALANCE 12/31/2005</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 12/31/2006</u>
Land Improvements	21,121	3,778		24,899
Office Equipment and Computers	198,000	11,293	6,306	202,987
Machinery and Farm Equipment	491,146	43,580		534,726
Buildings	35,568	8,098		43,666
Vehicles	<u>110,797</u>	<u>20,121</u>	<u>29,520</u>	<u>101,398</u>
Total	<u>856,632</u>	<u>86,870</u>	<u>35,826</u>	<u>907,676</u>
NET TOTAL	<u>484,599</u>			<u>459,251</u>

RODALE INSTITUTE
EIN 23-7206884
FORM 990, 2006

PART IV, LINE 64

MORTGAGES AND OTHER NOTES PAYABLE

TITLE OR

IDENTIFICATION OF NOTE:

LINE OF CREDIT

Name of Lender:	M&T Bank
Original Amount:	\$250,000
Balance Due:	\$0
Original Date of Note:	1991
Date of Maturity:	None, but is reviewed annually for renewal
Interest Rate:	Prime Plus 1/4%, 8 5% as of December 31, 2006
Security Provided by Borrower:	None, but is reviewed annually for renewal
Purpose of Loan:	General Purpose
Consideration Furnished by Lender:	Cash and Cash Equivalent of \$250,000

23-7206884

RODALE INSTITUTE
SUPPORT SCHEDULE
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PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS	COMPENSATION	BENEFIT PLANS	EXPENSE ACCT
PAUL MCGINLEY THE RODALE INSTITUTE GROSS, MCGINLEY LABARRE & EATON 33 S SEVENTH ST. ALLENTOWN, PA 18105	CO-CHAIRMAN 1	0	0	0
ARDATH RODALE RODALE INC. CHAIRMAN 33 E MINOR ST EMMAUS, PA 18049	CO-CHAIRMAN 1	0	0	0
ANTHONY RODALE RODALE INC SOUTH MOUNTAIN CENTER 400 SOUTH 10TH ST EMMAUS, PA 18098	CHAIRMAN EMERITUS 1	0	0	0
JOHN HABERERN THE RODALE INSTITUTE 611 SEIGFRIEDALE RD KUTZTOWN, PA 19530	PRESIDENT 1	0	0	0
TAMMY FOLK THE RODALE INSTITUTE 611 SEIGFRIEDALE RD KUTZTOWN, PA 19530	CHIEF FIN. OFFICER Internm Treasurer to Board 40	155,810	206,861	0
JOHN MCCUE THE RODALE INSTITUTE 611 SEIGFRIEDALE RD KUTZTOWN, PA 19530	CHIEF ADMINISTRATION OFFICER 40	16,294	56	0
TIM LANG ST MARY'S ROAD EALING, LONDON W5 5RF	DIRECTOR 1	0	0	0
DR. GEORGE BIRD NATIONAL SCIENCE BLDG DEPT OF ENTEMOLOGY, RM 243 EAST LANSING, MI 48824	DIRECTOR 1	0	0	0

PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS	COMPENSATION	BENEFIT PLANS	EXPENSE ACCT.
JOSEPH MCMAHON 1924 N STREET WASHINGTON, DC 20036	DIRECTOR 1	0	0	0
LORNA DONALDSON DONALDSON FARMS PO BOX 224 TIPTONVILLE, TN 38079	DIRECTOR 1	0	0	0
W CLINTON PETTUS 302 WADE WILSON BUILDING CHEYNEY, PA 19319	DIRECTOR 1	0	0	0
DR. TED ALTER 24 HOLLY CIRCLE STATE COLLEGE, PA 16801	DIRECTOR 1	0	0	0
CYNTHIA DOBSON RODALE INC. 33 EAST MINOR STREET EMMAUS, PA 18098	SECRETARY 1	0	0	0
CHRISTIANE BAKER 21 MONTGOMERY PLACE BROOKLYN, NY 11215	DIRECTOR 1	0	0	0
HELEN PISZEK NELSON PO BOX 385 FORT WASHINGTON, PA 19034	DIRECTOR 1	0	0	0
LOUISE SCHORN SMITH 461 WHARTON BOULEVARD EXTON, PA 19341	DIRECTOR 1	0	0	0
TOTAL		172,104	206,917	0

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Part V-A, 75b

RELATIONS THROUGH FAMILY OR BUSINESS

OFFICERS AND DIRECTORS.

Ardath Rodale
Chairman of Rodale Inc /Co-Chairman of The Rodale Institute
Mother of Anthony Rodale

Anthony Rodale
Board member of Rodale Inc /Chairman Emeritus of The Rodale Institute
Son of Ardath Rodale

John Haberern
Employee (Senior Vice President) of Rodale Inc /President of Rodale Institute
All compensation paid through Rodale Inc

Paul McGinley
Partner, Gross, McGinley, LaBarre and Eaton LLP
Provides General Counsel to Rodale Inc and legal services to The Rodale Institute
Compensated by Rodale Inc

Joseph McMahan
McMahan and Associates
Provides consulting services to Rodale Inc
Compensated by Rodale Inc

Ted Alter
Employee of Penn State University

George Bird
Employee of Michigan State University
Professional affiliations with United States Department of Agriculture,
United States Department of Environmental Protection

AS AMENDED JANUARY 21,2008

Rodale Institute
EIN #23-7206884

<u>State</u>	<u>Status</u>	<u>Registering Agency</u>	<u>Registration Number</u>	<u>Initial Registration Date</u>
AL	Registered	State of Alabama Office of the Attorney General Consumer Affairs	AL00-281	6/29/2000
AK	Registered	State of Alaska Department of Law Office of the Attorney General		9/1/1996
AZ	Registered	Office of the Secretary of State Charitable Solicitation Public Services Department		1996
AR	Registered	State of Arkansas Office of the Attorney General Consumer Protection Division		1996
CA	Registered	State of California Department of Justice Registry of Charitable Trusts	Q2658	1996
CO	Registered	State of Colorado Secretary of State	20053001998	2/18/2005
CT	Registered	State of Connecticut Department of Consumer Protection Public Charities Unit	7222-05357	1996
DC	Registered	District of Columbia Dept. of Consumer and Regulatory Affairs	23720XXX-64004351	12/3/2004
FL	Registered	Florida Dept of Agric And Cons Services Division of Consumer Services	SC-07124/CMC	1996
GA	Registered	Secretary of State - Georgia Securities and Business Regulation	01-911737	1991
HI	Exempt	Registration Form was returned- Hawii has done away w/ reg. requirements		
IL	Registered	Office of the Attorney General State of Illinois Charitable Turst and Solicitations Bureau	01-030,086	1996
KS	Registered	State of Kansas Office of the Secretary of State	238-262-0 SO	1996
KY	Registered	Office of Attorney General Consumer Protection Division	1546	1997
LA	Exempt	Dept of Justice Public Protection Div.		
MD	Registered	Office of the Secretary of State Charitable Organizations Division	5113	1985
MA	Registered	MA Office of the Attorney General Division of Public Charities	20622	1986
ME	Registered	Office of Licensing and Registration Char. Solicitations Registration	CO2919	1999
MI	Registered	State of Michigan Department of Attorney General Charitable Trust Section	MICS9729	1985
MO	Exempt	Missouri Attorney General Char. Solicitations Registration		
MN	Registered	State of Minnesota Office of the Attorney General Business Regulation Section		1989
MS	Registered	Mississippi Secretary of State Charities Registration	C-0914	1996
NC	Registered	North Carolina Department of Sec Of State Charitable Solicitation	SL000520	1984
NE	Registered	State of Nebraska		1996

Rodale Institute
 EIN #23-7206884

<u>State</u>	<u>Status</u>	<u>Registering Agency</u>	<u>Registration Number</u>	<u>Initial Registration Date</u>
		Secretary of State		
ND	Registered	Secretary of State State of North Dakota	3973	11/14/2000
NH	Registered	The State of New Hampshire Department of Justice Charitable Trust Division	5964-05964	1996
NJ	Registered	State of New Jersey Department of Law & Public Safety Division of Consumer Affairs Office of Consumer Protection Charities Registration	CH0915100	1996
NM	Registered	Attorney General of New Mexico Consumer Protection Division New Mexico Registrar of Charitable Org.		1996
NY	Registered	New York State Department of State Office of Charities Registration		1983
OH	Registered	Office of the Attorney General Charitable Law Section	0175-18	1996
OK	Registered	Secretary of State		1996
OR	Registered	Department of Justice Charities Activities Section	21990	1996
PA	Registered	Commonwealth of PA Department of State Bureau of Charitable Organizations	3187	1982
RI	Registered	Department of Business Regulation Securities Division		1996
SC	Registered	State of South Carolina Office of the Secretary of State Division of Public Charities		1995
TN	Registered	State of Tennessee Department of State Division of Charitable Solicitations	2888	1996
UT	Registered	State of Utah Department of Commerce Division of Consumer Protection	C1400	1996
VA	Registered	Commonwealth of Virginia Department of Ag & Consumer Affairs Division of Consumer Protection		1984
WA	Registered	Secretary of State Charitable Solicitations	R01-N96-250 4013	1996
WV	Registered	State of West Virginia Secretary of State		12/28/1989
WI	Registered	State of Wisconsin Department of Regulation & Licensing	0001102	1984

AS AMENDED JANUARY 21, 2008

RODALE INSTITUTE
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Schedule A, Part III 2a

SALE, EXCHANGE, OR LEASING OF PROPERTY

The following board members are also on the Rodale Inc board Ardath Rodale and Anthony Rodale

The Rodale Institute is not a related organization by the 50% board overlap rule and ownership

The Rodale Institute leases office space from Rodale Inc at \$833 per month conducted at FMV

AS AMENDED JANUARY 21,2008

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SCHEDULE A, PART III, LINE 2c

FURNISHING OF GOODS, SERVICES, OR FACILITIES
TO OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES,
MEMBERS OF THEIR FAMILIES, AND TAXABLE ORGANIZATIONS

The Institute paid Rodale, Inc \$2,864 for educational books for resale at The Rodale Institute
Bookstore/Café The following officers are board members of both the Institute and Rodale, Inc' Ardath Rodale and
Anthony Rodale

AS AMENDED JANUARY 21, 2008

RODALE INSTITUTE
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Schedule A, Part III, 2d

PAYMENT OF COMPENSATION TO OFFICERS, DIRECTORS,
TRUSTEES, KEY EMPLOYEES, MEMBERS OF THEIR FAMILIES,
AND TAXABLE ORGANIZATIONS

	<u>COMPENSATION</u>	<u>BENEFIT PLANS</u>
Tammy Folk, CFO, Vice President	\$336,417	\$15,571
John McCue, CAO	\$16,294	\$56

AS AMENDED JANUARY 21,2008

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SCHEDULE A, PART IV-A, LINE 22 - OTHER INCOME

<u>Description</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Extraordinary Gain				
Rental Income	4,250	4,250	4,410	5,000
Miscellaneous Income	30,365	4,904	3,661	5,912
Miscellaneous Expense Reimbursements	35,177	50,201	9,281	14,163
Exchange Rate Gain/(Loss)	<u>-7,830</u>	<u>7,894</u>	<u>6,551</u>	<u>7,197</u>
	61,962	67,249	23,903	32,272

STATEMENT #17