

Return of Organization Exempt from Income Tax

2004

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

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 2004 calendar year, or tax year beginning 7/01, 2004, and ending 6/30, 2005

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

Please use IRS label or print or type. See specific instructions.

NATIONAL COLLEGE OF NATUROPATHIC MEDICINE 049 S.W. PORTER STREET PORTLAND, OR 97201-4848

D Employer identification number 93-0461940 E Telephone number (503) 449-4343 F Accounting method: Cash, Accrual, Other (specify)

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

- 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? I Group Exemption Number M Check if the organization is not required to attach Schedule B

G Web site: NCNM.EDU

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

K Check here if the organization's gross receipts are normally not more than \$25,000. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 10,232,939.

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

SCANNED FEB 10 2006

Table with 21 rows and 4 columns: Line number, Description, Sub-line, Amount. Includes revenue from contributions, program services, and expenses.

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Handwritten mark resembling the number 6.

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22	Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22				
23	Specific assistance to individuals (att sch)	23				
24	Benefits paid to or for members (att sch)	24				
25	Compensation of officers, directors, etc	25	258,260.	18,088.	154,950.	85,222.
26	Other salaries and wages	26	5,205,382.	4,143,426.	1,060,413.	1,543.
27	Pension plan contributions	27	44,056.	28,341.	14,487.	1,228
28	Other employee benefits	28	315,750.	201,814.	107,298.	6,638
29	Payroll taxes	29	490,437.	358,445.	123,590.	8,402.
30	Professional fundraising fees	30				
31	Accounting fees	31				
32	Legal fees	32				
33	Supplies	33	298,762.	298,985.	-223.	
34	Telephone	34				
35	Postage and shipping	35				
36	Occupancy	36	437,814.	288,929.	148,885.	
37	Equipment rental and maintenance	37	137,163.	27,664.	109,499.	
38	Printing and publications	38	76,877.	54,695.	20,099.	2,083
39	Travel	39	132,311.	78,303.	52,502.	1,506.
40	Conferences, conventions, and meetings	40	64,784.	15,729.	48,871.	184.
41	Interest	41				
42	Depreciation, depletion, etc (attach schedule)	42	167,071.		167,071.	
43	Other expenses not covered above (itemize)					
a	SEE STATEMENT 4	43a	2,073,649.	1,698,218.	304,971.	70,460.
b	-----	43b				
c	-----	43c				
d	-----	43d				
e	-----	43e				
44	Total functional expenses (add lines 22-43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	9,702,316.	7,212,637.	2,312,413.	177,266.

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

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? <u>EDUCATIONAL FACILITY</u>	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a <u>COLLEGE OF NATUROPATHIC MEDICINE - AN EDUCATIONAL FACILITY TO EDUCATE AND TRAIN NATUROPATHIC PHYSICIANS</u> (Grants and allocations \$ _____)	4,877,909
b <u>NATUROPATHIC CLINIC - A MEDICINAL CLINIC SERVING THE GENERAL PUBLIC USING NATUROPATHIC PHYSICIANS AND PROVIDING EXPERIENCE TO STUDENTS OF THE COLLEGE</u> (Grants and allocations \$ _____)	2,334,728.
c ----- (Grants and allocations \$ _____)	
d ----- (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	7,212,637.

Part IV Balance Sheets (See 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		400.	45	550.	
	46 Savings and temporary cash investments		1,152,236.	46	1,482,077.	
	47 a Accounts receivable	47 a	215,428.			
	b Less: allowance for doubtful accounts	47 b	20,533.	199,345.	47 c	194,895.
	48 a Pledges receivable	48 a				
	b Less: allowance for doubtful accounts	48 b			48 c	
	49 Grants receivable				49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
	51 a Other notes & loans receivable (attach sch)	51 a				
	b Less: allowance for doubtful accounts	51 b			51 c	
	52 Inventories for sale or use			147,737.	52	152,573.
	53 Prepaid expenses and deferred charges			22,732.	53	26,690.
	54 Investments – securities (attach schedule)				54	
	55 a Investments – land, buildings, & equipment basis	55 a	<input type="checkbox"/> Cost <input type="checkbox"/> FMV 72,995.			
	b Less: accumulated depreciation (attach schedule) STATEMENT 5	55 b		72,995.	55 c	72,995.
	56 Investments – other (attach schedule)				56	
	57 a Land, buildings, and equipment basis	57 a	4,311,883.			
	b Less: accumulated depreciation (attach schedule) STATEMENT 6	57 b	1,387,814.	2,967,149.	57 c	2,924,069.
	58 Other assets (describe ► SEE STATEMENT 7)			78,601.	58	141,231.
59 Total assets (add lines 45 through 58) (must equal line 74)			4,641,195.	59	4,995,080.	
LIABILITIES	60 Accounts payable and accrued expenses		875,926.	60	719,178.	
	61 Grants payable			61		
	62 Deferred revenue		182,591.	62	299,072.	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64 a Tax-exempt bond liabilities (attach schedule)				64 a	
	b Mortgages and other notes payable (attach schedule)			1,343,485.	64 b	1,434,615.
	65 Other liabilities (describe ► SEE STATEMENT 8)			202,708.	65	219,132.
66 Total liabilities (add lines 60 through 65)			2,604,710.	66	2,671,997.	
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		1,330,760.	67	1,645,609.	
	68 Temporarily restricted		681,462.	68	653,211.	
	69 Permanently restricted		24,263.	69	24,263.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74					
	70 Capital stock, trust principal, or current funds				70	
	71 Paid-in or capital surplus, or land, building, and equipment fund				71	
	72 Retained earnings, endowment, accumulated income, or other funds				72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)			2,036,485.	73	2,323,083.
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)			4,641,195.	74	4,995,080.

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.

BAA

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

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

a	Total revenue, gains, and other support per audited financial statements	a	10,195,622.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify)		
	SEE STM 9 \$ 169,391.		
	Add amounts on lines (1) through (4)	b	169,391.
c	Line a minus line b	c	10,026,231.
d	Amounts included on line 12, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	10,026,231.

a	Total expenses and losses per audited financial statements	a	9,909,024.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify)		
	SEE STMT 10 \$ 206,708.		
	Add amounts on lines (1) through (4)	b	206,708.
c	Line a minus line b	c	9,702,316.
d	Amounts included on line 17, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	9,702,316.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see 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 and deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 11				
-----		258,250.	4,805.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No

If 'Yes,' attach schedule - see instructions

Part VI Other Information (See instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		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		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
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?		X
	b If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct and indirect political expenditures See line 81 instructions	81a	0.
81b	Did the organization file Form 1120-POL for this year?		X
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?		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	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a	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	85b	N/A
	c Dues, assessments, and similar amounts from members	85c	N/A
	d Section 162(e) lobbying and political expenditures	85d	N/A
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A
	b Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A
	b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88	X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>0.</u> , section 4912 <u>0.</u> , section 4955 <u>0.</u>		
	b 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b	X
	c Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
	d Enter Amount of tax on line 89c, above, reimbursed by the organization		0.
90a	List the states with which a copy of this return is filed <u>OREGON</u>		
	b Number of employees employed in the pay period that includes March 12, 2004 (See instructions)	90b	196
91	The books are in care of <u>NCNM</u> Telephone number <u>(503) 499-4343</u> Located at <u>049 SW PORTER STREET PORTLAND, OR</u> ZIP + 4 <u>97201</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		N/A

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

Note: Enter gross amounts unless otherwise indicated

- 93 Program service revenue
 - a CLINIC
 - b LOAN SERVICING
 - c TUITION FEES
 - d
 - e
 - f Medicare/Medicaid payments
 - g Fees & contracts from government agencies
- 94 Membership dues and assessments
- 95 Interest on savings & temporary cash invmnts
- 96 Dividends & interest from securities
- 97 Net rental income or (loss) from real estate
 - a debt-financed property
 - b not debt-financed property
- 98 Net rental income or (loss) from pers prop
- 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
- 103 Other revenue
 - a
 - b MISCELLANEOUS
 - c
 - d
 - e
- 104 Subtotal (add columns (B), (D), and (E))
- 105 Total (add line 104, columns (B), (D), and (E))

	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	
					1,915,166.
					212,179.
					6,773,356.
			14	962.	
			38	61,481.	
			1	122,609.	
			3	75,949.	
			3	77,394.	
				338,395.	8,900,701.
					9,239,096.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See 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 STATEMENT 12

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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				

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

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: G Jones Date: 1/19/2006

Type or print name and title: GERALD BORES V. PRESIDENT FINANCE

Paid Preparer's Use Only

Preparer's signature: TODD MASSINGER Date: 1-16-06 Check if self-employed: Preparer's SSN or PTIN (See General Instruction W): N/A

Firm's name (or yours if self-employed), address, and ZIP + 4: HOFFMAN, STEWART & SCHMIDT, PC
111 SW FIFTH AVENUE, STE. 1500
PORTLAND, OR 97204-3619 EIN: N/A Phone no: (503) 220-5900

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Organization Exempt Under
Section 501(c)(3)**

**(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 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

2004

Name of the organization **NATIONAL COLLEGE OF NATUROPATHIC
MEDICINE**

Employer identification number
93-0461940

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See 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 and deferred compensation	(e) Expense account and other allowances
RITA BETTENBURG ----- PORTLAND, OR	DEAN FULL-TIME	78,117.	1,562.	0.
DOHN KRUSCHWITZ ----- PORTLAND, OR	FACULTY FULL-TIME	77,675.	0.	0.
GERALD BORES ----- PORTLAND, OR	VP FINANCE FULL-TIME	75,700.	0.	0.
TAMARA STAUDT ----- PORTLAND, OR	CLINICS DIR. FULL-TIME	78,244.	1,565.	0.
RI HUI LONG ----- PORTLAND, OR	FULL-TIME	78,244.	1,565.	0.
Total number of other employees paid over \$50,000 ▶	21			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms) if there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE -----		

Total number of others receiving over \$50,000 for professional services ▶	0	

Part III Statements About Activities (See instructions)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u> (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.		X
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?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e Transfer of any part of its income or assets?		X
3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments)	X	
3b Do you have a section 403(b) annuity plan for your employees?	X	
4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
4b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6** A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8** A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9** A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state ▶** _____
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b** A community trust Section 170(b)(1)(A)(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 supports organizations described in **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3))

Provide the following information about the supported organizations (See instructions)

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

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

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

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

Table with 6 columns: Calendar year (or fiscal year beginning in), (a) 2003, (b) 2002, (c) 2001, (d) 2000, (e) Total. Rows 15-25 include categories like Gifts, grants, and contributions received; Membership fees received; Gross receipts from admissions; Gross income from interest, dividends; Net income from unrelated business activities; Tax revenues levied; The value of services or facilities furnished; Other income; Total of lines 15 through 22; Line 23 minus line 17; Enter 1% of line 23.

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 N/A; b Prepare a list for your records to show the name of and amount contributed by each person...; c Total support for section 509(a)(1) test; d Add Amounts from column (e) for lines 18, 19, 22, 26b; e Public support (line 26c minus line 26d total); f Public support percentage (line 26e (numerator) divided by line 26c (denominator))

27 Organizations described on line 12: N/A; a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list...; b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list...; c Add Amounts from column (e) for lines 15, 16, 17, 20, 21; d Add Line 27a total and line 27b total; e Public support (line 27c total minus line 27d total); f Total support for section 509(a)(2) test; g Public support percentage (line 27e (numerator) divided by line 27f (denominator)); h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, 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. N/A

Part V Private School Questionnaire (See 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?	X	
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?	X	
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) <u>SEE STATEMENT 14</u> ----- ----- -----	X	
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
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) ----- -----	X	
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?		X
b	Admissions policies?		X
c	Employment of faculty or administrative staff?		X
d	Scholarships or other financial assistance?		X
e	Educational policies?		X
f	Use of facilities?		X
g	Athletic programs?		X
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		X
34a	Does the organization receive any financial aid or assistance from a governmental agency?	X	
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		X
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.	X	

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

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	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720			

4 -Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable 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 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
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
		0.

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 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
51 a (i)		X
a (ii)		X
b (i)		X
b (ii)		X
b (iii)		X
b (iv)		X
b (v)		X
b (vi)		X
c		X

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

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
N/A		

STATEMENT 1
FORM 990, PART I, LINE 9
NET INCOME (LOSS) FROM SPECIAL EVENTS

SPECIAL EVENTS	GROSS RECEIPTS	LESS CONTRI- BUTIONS	GROSS REVENUE	LESS DIRECT EXPENSES	NET INCOME (LOSS)
SPECIAL EVENT	122,609.	0.	122,609.	0.	122,609.
TOTAL	<u>\$ 122,609.</u>	<u>\$ 0.</u>	<u>\$ 122,609.</u>	<u>\$ 0.</u>	<u>\$ 122,609.</u>

STATEMENT 2
FORM 990, PART I, LINE 10
GROSS PROFIT (LOSS) FROM SALES OF INVENTORY

BOOKSTORE SALES	\$ 282,657.
GROSS SALES	<u>\$ 282,657.</u>
LESS RETURNS & ALLOWANCES	<u>0.</u>
NET SALES	<u>\$ 282,657.</u>
LESS COST OF GOODS SOLD	<u>206,708.</u>
GROSS PROFIT FROM SALES OF INVENTORY	<u>\$ 75,949.</u>

STATEMENT 3
FORM 990, PART I, LINE 20
OTHER CHANGES IN NET ASSETS OR FUND BALANCES

CHANGE IN VALUE OF INTEREST RATE SWAP	\$ -37,317.
TOTAL	<u>\$ -37,317.</u>

STATEMENT 4
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
ADVERTISING	77,755.	47,709.	29,530.	516.
BOOKS/PERIODICALS	66,768.	1,320.	65,448.	
DUES/SUBSCRIPTIONS	51,280.	4,794.	46,486.	
EVENTS	131,048.	29,437.	55,065.	46,546.
INSURANCE	272,922.	118,633.	154,289.	
JANITORIAL SUPPLIES	52,112.	4,049.	48,063.	
LAUNDRY EXPENSE	33,662.	33,662.		
LICENSES & TAXES	12,021.	1,727.	10,294.	
MISCELLANEOUS	72,601.	25,670.	46,931.	
OFFICE SUPPLIES	110,976.	59,964.	45,705.	5,307.
OPERATING EXPENSE	32,082.	23,070.	5,808.	3,204.
OTHER PROFESSIONAL FEES	241,264.	189,826.	50,372.	1,066.
OUTSIDE LAB FEES	239,610.	239,610.		
PHYSICAL PLANT ALLOCATION		566,940.	-580,486.	13,546.
PROFESSIONAL FEES	147,013.	68,712.	78,266.	35.
PUBLIC SERVICE	120,606.	118,569.	1,797.	240.

STATEMENT 4 (CONTINUED)
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A)	(B)	(C)	(D)
	<u>TOTAL</u>	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT & GENERAL</u>	<u>FUNDRAISING</u>
SCHOLARSHIPS	85,814.	66,434.	19,380.	
SECURITY	15,881.		15,881.	
TEACHING SUPPLIES	74,971.	80,198.	-5,227.	
UTILITIES	235,263.	17,894.	217,369.	
TOTAL	<u>\$ 2,073,649.</u>	<u>\$ 1,698,218.</u>	<u>\$ 304,971.</u>	<u>\$ 70,460.</u>

STATEMENT 5
FORM 990, PART IV, LINE 55B
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT

<u>CATEGORY</u>	<u>BASIS</u>	<u>ACCUM. DEPREC.</u>	<u>BOOK VALUE</u>
LAND	\$ 72,995.		\$ 72,995.
TOTAL	<u>\$ 72,995.</u>	<u>\$ 0.</u>	<u>\$ 72,995.</u>

STATEMENT 6
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

<u>CATEGORY</u>	<u>BASIS</u>	<u>ACCUM. DEPREC.</u>	<u>BOOK VALUE</u>
FURNITURE AND FIXTURES	\$ 692,018.	\$ 466,994.	\$ 225,024.
MACHINERY AND EQUIPMENT	600,926.	439,962.	160,964.
BUILDINGS	2,008,439.	480,858.	1,527,581.
LAND	1,010,500.		1,010,500.
TOTAL	<u>\$ 4,311,883.</u>	<u>\$ 1,387,814.</u>	<u>\$ 2,924,069.</u>

STATEMENT 7
FORM 990, PART IV, LINE 58
OTHER ASSETS

DEPOSITS ON PROPERTY AND EQUIPMENT	\$ 68,383.
LOAN FEES	72,848.
TOTAL	<u>\$ 141,231.</u>

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STATEMENT 8
FORM 990, PART IV, LINE 65
OTHER LIABILITIES

INTEREST RATE SWAP

	\$ 219,132.
TOTAL	\$ <u>219,132.</u>

STATEMENT 9
FORM 990, PART IV-A, LINE B(4)
OTHER AMOUNTS

BOOKSTORE COST OF GOODS SOLD
 CHANGE IN VALUE OF INTEREST RATE SWAP

	\$ 206,708.
	-37,317.
TOTAL	\$ <u>169,391.</u>

STATEMENT 10
FORM 990, PART IV-B, LINE B(4)
OTHER AMOUNTS

BOOKSTORE COST OF GOODS SOLD

	\$ 206,708.
TOTAL	\$ <u>206,708.</u>

STATEMENT 11
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
WILLIAM J. KEPPLER, PH.D. C/O ORGANIZATION PORTLAND, OR 97201	PRESIDENT 40	\$ 148,000.	\$ 2,600.	\$ 0.
EDWARD N HALL C/O ORGANIZATION PORTLAND, OR 97201	TREASURER NONE		0.	0.
JOHN R CAMPBELL, PHD C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE		0.	0.
ELLEN GOLDSMITH, MSOM LAC LMT C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE		0.	0.
NANCY GARBETT C/O ORGANIZATION PORTLAND, OR 97201	VICE CHAIR NONE		0.	0.

STATEMENT 11 (CONTINUED)
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
ARTHUR A VANDENBARK, PHD C/O ORGANIZATION PORTLAND, OR 97201	SECRETARY NONE	\$ 0.	\$ 0.	\$ 0.
DAVID R ODIORNE, MS, DC C/O ORGANIZATION PORTLAND, OR 97201	MEMBER 40	110,250.	2,205.	0.
PAULINE A BAUMANN, ND C/O ORGANIZATION PORTLAND, OR 97201	CHAIR NONE	0.	0.	0.
DOUG CAMPBELL C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE	0.	0.	0.
DAVID SHEFRIN, ND C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE	0.	0.	0.
JANIE GOODEN GREANLEAF DPA C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE	0.	0.	0.
JERE A HIGH, ND C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE	0.	0.	0.
MICHAEL G MANES C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE	0.	0.	0.
STEVEN P. MARSDEN C/O ORGANIZATION PORTLAND, OR 97201	MEMBER NONE	0.	0.	0.
GREG GARCIA, ND C/O ORGANIZATION PORTLAND, OR 97201	NON-VOTING MEMB NONE	0.	0.	0.
KRIS RITCHEY (ND2) C/O ORGANIZATION PORTLAND, OR 97201	NON-VOTING MEMB NONE	0.	0.	0.
TAMMI STOCK C/O ORGANIZATION PORTLAND, OR 97201	NON-VOTING MEMB NONE	0.	0.	0.

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STATEMENT 11 (CONTINUED)
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
SCOTT D. SOUTH C/O ORGANIZATION PORTLAND, OR 97201	PAST CHAIR NONE	\$ 0.	\$ 0.	\$ 0.
TOTAL		<u>\$ 258,250.</u>	<u>\$ 4,805.</u>	<u>\$ 0.</u>

STATEMENT 12
FORM 990, PART VIII
RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE #	EXPLANATION OF ACTIVITIES
93A	CLINIC PROGRAMS ALLOW STUDENTS TO OBTAIN EXPERIENCE AND TRAINING IN NATUROPATHIC OR CHINESE MEDICINE.
93B	LOAN SERVICES ARE FOR ELIGIBLE STUDENTS. LOANS ARE BEING PURCHASED BY A NON-PROFIT CORPORATION. EARNINGS FROM LOAN SALES ARE USED TO PROVIDE FOR THE NEED-BASED GRANTS FOR STUDENTS.
93C	EDUCATIONAL SERVICES PROVIDE FOR THE TRAINING AND LICENSING OF NATUROPATHIC PHYSICIANS.

STATEMENT 13
SCHEDULE A, PART III, LINE 3
QUALIFICATIONS OF RECIPIENTS RECEIVING GRANTS OR LOANS

SCHOLARSHIP RECIPIENTS MUST MEET REQUIREMENTS ESTABLISHED BY THE DONOR OF THE SCHOLARSHIP FUNDS.

STATEMENT 14
SCHEDULE A, PART V, LINE 31
EXPLANATION

IN ACCORDANCE WITH THE REV PROC 75-50, THE SCHOOL ANNUALLY MAKES ITS RACIALLY NONDISCRIMINATORY POLICY KNOWN TO ALL SEGMENTS OF THE GENERAL COMMUNITY BY PUBLISHING A NOTICE OF ITS POLICY IN A NEWSPAPER OF GENERAL CIRCULATION THAT SERVES ALL RACIAL SEGMENTS OF THE COMMUNITY. THE NOTICE USES THE FONT AND TYPE AND WORDING SUGGESTED BY THE REVENUE PROCEDURE.

2004

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NATIONAL COLLEGE OF NATUROPATHIC
MEDICINE

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STATEMENT 15
SCHEDULE A, PART V, LINE 34
EXPLANATION

THE COLLEGE PARTICIPATES IN STUDENT FINANCIAL ASSISTANCE PROGRAMS SPONSORED BY THE
US DEPARTMENT OF EDUCATION.