

Return of Organization Exempt From Income Tax

2006

Department of the Treasury
Internal Revenue Service

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

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 **AUG 1, 2006** and ending **JUL 31, 2007**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization NATIONAL INSTITUTE FOR DIRECT INSTRUCTION		D Employer identification number 93-1241440
		Number and street (or P O box if mail is not delivered to street address) Room/suite P.O. BOX 11248		E Telephone number (541) 485-1973
		City or town, state or country, and ZIP + 4 EUGENE, OR 97440		F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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).

G Website: **HTTP://WWW.NIFDI.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.

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 **N/A**

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list)

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

I Group Exemption Number **N/A**

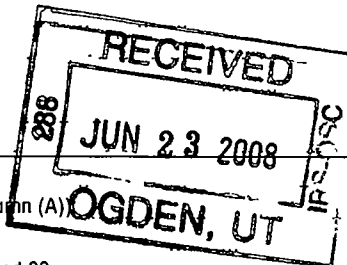
M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **3,481,572.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

SCANNED JUL 14 2008

Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Contributions to donor advised funds	1a			
	b Direct public support (not included on line 1a)	1b		25,000.	
	c Indirect public support (not included on line 1a)	1c			
	d Government contributions (grants) (not included on line 1a)	1d		1,393,382.	
	e Total (add lines 1a through 1d) (cash \$ 1,418,382. noncash \$)	1e			1,418,382.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			1,929,395.
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			129,111.
	5 Dividends and interest from securities	5			
	6 a Gross rents	6a			
	b Less rental expenses	6b			
c Net rental income or (loss) Subtract line 6b from line 6a	6c				
7 Other investment income (describe)	7				
8 a Gross amount from sales of assets other than inventory	(A) Securities	8a			
		8b			
		8c			
	d Net gain or (loss) Combine line 8c, columns (A) and (B)	8d			
9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ of contributions reported on line 1b)	9a			
	b Less direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events Subtract line 9b from line 9a	9c			
10 a Gross sales of inventory, less returns and allowances		10a			
	b Less cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a	10c			
11 Other revenue (from Part VII, line 103)	11			4,684.	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			3,481,572.	
Expenses	13 Program services (from line 44, column (B))	13		2,449,683.	
	14 Management and general (from line 44, column (C))	14		702,119.	
	15 Fundraising (from line 44, column (D))	15			
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 16 and 44, column (A)	17			3,151,802.
Net Assets	18 Excess or (deficit) for the year Subtract line 17 from line 12	18		329,770.	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		2,713,341.	
	20 Other changes in net assets or fund balances (attach explanation)	20		0.	
	21 Net assets or fund balances at end of year Combine lines 18, 19, and 20	21			3,043,111.



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Form 990 (2006)

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ <u>2,000</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	2,000.	2,000.		
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc listed in Part V-A STMT 3	123,564.	0.	123,564.	0.
b Compensation of former officers, directors, key employees, etc listed in Part V-B STMT 4	32,600.	0.	32,600.	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)				
26 Salaries and wages of employees not included on lines 25a, b, and c	489,081.	28,788.	460,293.	
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27				
29 Payroll taxes				
30 Professional fundraising fees				
31 Accounting fees	7,301.		7,301.	
32 Legal fees	3,401.		3,401.	
33 Supplies	135,371.	131,744.	3,627.	
34 Telephone	5,011.		5,011.	
35 Postage and shipping	2,074.		2,074.	
36 Occupancy	9,183.		9,183.	
37 Equipment rental and maintenance				
38 Printing and publications				
39 Travel	129,652.	126,019.	3,633.	
40 Conferences, conventions, and meetings	26,467.		26,467.	
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)	6,078.		6,078.	
43 Other expenses not covered above (itemize):				
a _____				
b _____				
c _____				
d _____				
e _____				
f _____				
g SEE STATEMENT 2	2,180,019.	2,161,132.	18,887.	
44 Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,151,802.	2,449,683.	702,119.	0.

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

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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? ► EDUCATIONAL TRAINING	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
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.)	
a ORGANIZATION IS IMPLEMENTING DIRECT INSTRUCTION THROUGHOUT THE UNITED STATES AND GUAM, PROVIDING THE BENEFITS IN EDUCATING STUDENTS TO THE COMMUNITY.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	2,449,683.
b	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	2,449,683.

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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	154,851.	129,142.
	46 Savings and temporary cash investments	2,290,190.	2,447,159.
	47 a Accounts receivable	280,591.	
	b Less: allowance for doubtful accounts		280,591.
	48 a Pledges receivable		
	b Less: allowance for doubtful accounts		
	49 Grants receivable		146,751.
	50 a Receivables from current and former officers, directors, trustees, and key employees		
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		
	51 a Other notes and loans receivable	42,498.	
	b Less: allowance for doubtful accounts		42,498.
	52 Inventories for sale or use		10,565.
	53 Prepaid expenses and deferred charges	3,798.	38,126.
	54 a Investments - publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		
	b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		
55 a Investments - land, buildings, and equipment: basis			
b Less: accumulated depreciation			
56 Investments - other			
57 a Land, buildings, and equipment: basis	33,953.		
b Less: accumulated depreciation STMT 6	8,555.	25,398.	
58 Other assets, including program-related investments (describe)			
59 Total assets (must equal line 74). Add lines 45 through 58	2,847,256.	3,120,230.	
Liabilities	60 Accounts payable and accrued expenses	58,165.	34,962.
	61 Grants payable		12,157.
	62 Deferred revenue	75,750.	30,000.
	63 Loans from officers, directors, trustees, and key employees		
	64 a Tax-exempt bond liabilities		
	b Mortgages and other notes payable		
	65 Other liabilities (describe)		
66 Total liabilities. Add lines 60 through 65	133,915.	77,119.	
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	2,713,341.	3,043,111.
	68 Temporarily restricted		
	69 Permanently restricted		
	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		
	71 Paid-in or capital surplus, or land, building, and equipment fund		
	72 Retained earnings, endowment, accumulated income, or other funds		
	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)	2,713,341.	3,043,111.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	2,847,256.	3,120,230.

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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	3,481,572.
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify): _____	b4		
	Add lines b1 through b4		b	0.
c	Subtract line b from line a		c	3,481,572.
d	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify): _____	d2		
	Add lines d1 and d2		d	0.
e	Total revenue (Part I, line 12). Add lines c and d		e	3,481,572.

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

a	Total expenses and losses per audited financial statements		a	3,151,802.
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify): _____	b4		
	Add lines b1 through b4		b	0.
c	Subtract line b from line a		c	3,151,802.
d	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify): _____	d2		
	Add lines d1 and d2		d	0.
e	Total expenses (Part I, line 17) Add lines c and d		e	3,151,802.

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
KURT ENGELMANN 393 DELLWOOD DRIVE EUGENE, OR 97405	PRESIDENT 40.00	77,308.	0.	0.
CHRISTINE WLASCHIN 49 SANDALWOOD LOOP CRESWELL, OR 97426	SECRETARY-TREASURER 32.00	36,006.	0.	0.
SIEGFRIED ENGELMANN 1871 RIVERVIEW STREET EUGENE, OR 97403	DIRECTOR 0.00	0.	0.	0.
OWEN ENGELMANN 1143 REGENCY DRIVE EUGENE, OR 97401	DIRECTOR 5.00	10,250.	0.	0.
ROBERT FOX 19357 SW LAURELHURST WAY BEND, OR 97702	VICE PRESIDENT 0.00	0.	0.	0.
GEOFF COLVIN 1010 W. 20TH AVE. EUGENE, OR 97405	DIRECTOR 0.00	0.	0.	0.
SARAH TARVER 432 N. MURRAY STREET MADISON, WI 53706	DIRECTOR 0.00	0.	0.	0.
MURIEL BERKELEY 301 NORTHFIELD PLACE BALTIMORE, MD 21210	DIRECTOR 0.00	0.	0.	0.

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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 N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? N/A		
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A 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.		
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? 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	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 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 ▶ 0 . , section 4912 ▶ 0 . , section 4955 ▶ 0 .		
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		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 .		
e	<i>All organizations.</i> At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
f	<i>All organizations.</i> Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
g	<i>For supporting organizations and sponsoring organizations maintaining donor advised funds.</i> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90 a	List the states with which a copy of this return is filed ▶ OR		
b	Number of employees employed in the pay period that includes March 12, 2006	90b 11	
91 a	The books are in care of ▶ <u>CHRISTINE WLASCHIN</u> Telephone no ▶ <u>(541) 485-1973</u> Located at ▶ <u>805 LINCOLN STREET, EUGENE, OR</u> ZIP + 4 ▶ <u>97401</u>		
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 ▶ N/A See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91b	X

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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
 If "Yes," enter the name of the foreign country ▶ N/A
- 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) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a <u>DIRECT INSTRUCTION</u>					1,929,395.
b _____					
c _____					
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	129,111.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a <u>REIMBURSABLE SUPPLIES</u>					4,684.
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		129,111.	1,934,079.
105 Total (add line 104, columns (B), (D), and (E))					2,063,190.

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)
93A	<u>INCOME FROM IMPLEMENTING DIRECT INSTRUCTION</u>
103A	<u>MISCELLANEOUS REVENUE</u>
103B	<u>REIMBURSABLE SUPPLIES</u>

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	%			
	%			
	%			
	%			

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).

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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). N/A

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.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	----- ----- -----					
b	----- ----- -----					
c	----- ----- -----					
Totals						

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.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	----- ----- -----					
b	----- ----- -----					
c	----- ----- -----					
Totals						

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?

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: Kurt E Engelmann Date: 6-16-08
 Type or print name and title: Kurt E Engelmann President

Paid Preparer's Use Only: Preparer's signature: [Signature] Date: 6/3/08 Check if self-employed: Preparer's SSN or PTIN (See Gen. Inst. X):
 Firm's name (or yours if self-employed), address, and ZIP + 4: KERNUTT, STOKES, BRANDT & CO. LLP
1170 PEARL STREET
EUGENE, OREGON 97401-3500 EIN: _____ Phone no: 541-687-1170

Form 990 (2006)

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

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

2006

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

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

Name of the organization **NATIONAL INSTITUTE FOR DIRECT INSTRUCTION** Employer identification number **93 1241440**

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
GARY DAVIS 3291 INSPIRATION POINT DR, EUGENE, OR	40.00	74,725.	0.	0.
DONNA DWIGGINS 1894 BRENDA AVE, PENSACOLA, FL 32506	40.00	84,000.	0.	0.
DONALD CRAWFORD 655 GOODPASTURE ISLAND ROAD, APT. 231	35.00	56,053.	0.	0.
ROSELLA GIVENS 1460 WOODHILL DRIVE, MARIETTA, GA 300	40.00	92,500.	0.	0.
Total number of other employees paid over \$50,000 ▶	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None ")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	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
LINDA FROST 811 STAGS HEAD ROAD, TOWSON, MD 21286	DIRECT INSTRUCTION IMPLE	117,341.
VICKY VACHON 4721 WOODSIDE PL, WEST VANCOUVER, BC CA V75 2X5	DIRECT INSTRUCTION IMPLE	114,844.
SUE OWENS 572 HIGHLANDS, COLGATE, WI 53017	DIRECT INSTRUCTION IMPLE	93,701.
TAMI MCGRATTAN 794 HYW, MM, OREGON, WI 53575	DIRECT INSTRUCTION IMPLE	81,570.
DEBORAH LOSCHIAVO 1945 SUNRISE BLVD, EUGENE, OR 97405	DIRECT INSTRUCTION IMPLE	76,128.
Total number of other contractors receiving over \$50,000 for other services ▶	2	

NATIONAL INSTITUTE FOR DIRECT

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

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 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
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)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		X
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		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g		X
b	Did the organization make any taxable distributions under section 4966?	N/A	
c	Did the organization make a distribution to a donor, donor advisor, or related person?	N/A	
d	Enter the total number of donor advised funds owned at the end of the tax year ▶	N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶	N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶	0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year ▶	0.	

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

I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box)

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

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

(a) Name(s) of supported organization(s)	(b) Employer identification number (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					►

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

NATIONAL INSTITUTE FOR DIRECT

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	337,050.	7,340.	250.	250.	344,890.
16 Membership fees received					
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	2,372,691.	2,597,448.	1,987,577.	1,118,790.	8,076,506.
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	80,325.	12,621.	8,340.	11,257.	112,543.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
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					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	6,815.	2,252.	SEE STATEMENT 9 18,757.	4,958.	32,782.
23 Total of lines 15 through 22	2,796,881.	2,619,661.	2,014,924.	1,135,255.	8,566,721.
24 Line 23 minus line 17	424,190.	22,213.	27,347.	16,465.	490,215.
25 Enter 1% of line 23	27,969.	26,197.	20,149.	11,353.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	9,804.
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	0.
c Total support for section 509(a)(1) test. Enter line 24, column (e)	26c	490,215.
d Add Amounts from column (e) for lines 18 <u>112,543.</u> 19 _____ 22 <u>32,782.</u> 26b _____	26d	145,325.
e Public support (line 26c minus line 26d total)	26e	344,890.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	70.3548%

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: N/A

(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: N/A

(2005)	(2004)	(2003)	(2002)
--------	--------	--------	--------

c Add Amounts from column (e) for lines 15 _____ 16 _____
17 _____ 20 _____ 21 _____

27c	N/A
27d	N/A
27e	N/A

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. Enter amount on line 23, column (e) 27f N/A

g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) 27g N/A %

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) 27h N/A %

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

NATIONAL INSTITUTE FOR DIRECT

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)		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	32d	
<hr/> <hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)	33h	
<hr/> <hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

NATIONAL INSTITUTE FOR DIRECT

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)

N/A

(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)	0.													
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	0.													
38 Total lobbying expenditures (add lines 36 and 37)	0.													
39 Other exempt purpose expenditures	0.													
40 Total exempt purpose expenditures (add lines 38 and 39)	0.													
41 Lobbying nontaxable amount Enter the amount from the following table - <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">If the amount on line 40 is -</td> <td style="width: 50%;">The lobbying nontaxable amount is -</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </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	0.	
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)	0.													
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	0.													
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	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		0.	255,533.	229,605.	485,138.
46 Lobbying ceiling amount (150% of line 45(e))					727,707.
47 Total lobbying expenditures		0.	10,000.	2,000.	12,000.
48 Grassroots nontaxable amount		0.	63,883.	57,401.	121,284.
49 Grassroots ceiling amount (150% of line 48(e))					181,926.
50 Grassroots lobbying expenditures		0.	0.	0.	0.

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

- 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
		0.

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

2006 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 2

990

Asset No	Description	Date Acquired	Method	Life	C o r v	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	PROGRAM SERVICES * ORGANIZATIONAL COSTS * 990 PAGE 2 TOTAL PROGRAM SERVICES * GRAND TOTAL 990 PAGE 2 DEPR & AMORT	05/29/99	248	50M	HYA3		1,126.				1,126.	1,126.		0.	1,126.
							1,126.				1,126.	1,126.		0.	1,126.
							1,126.				1,126.	1,126.		0.	1,126.

FOOTNOTES

STATEMENT 1

SCHEDULE A PART VI-A
THERE WERE NO LOBBYING ACTIVITIES DURING THE YEAR.

FORM 990

OTHER EXPENSES

STATEMENT 2

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
BANK CHARGES	356.		356.	
PROFESSIONAL FEES	31,182.		31,182.	
FEEES	244.		244.	
INSURANCE	26,562.		26,562.	
EXCISE TAXES	470.		470.	
RESEARCH AND DEVELOPMENT	60.		60.	
PHOTOCOPIES	3,886.		3,886.	
DUES AND SUBSCRIPTIONS	403.		403.	
MARKETING	2,406.		2,406.	
CONSULTING OUTSIDE SERVICES	88,424.		88,424.	
CONSULTING FEES	2,161,132.	2,161,132.		
ADMINISTRATION EXPENSE	42,509.		42,509.	
MISCELLANEOUS	-177,615.		-177,615.	
TOTAL TO FM 990, LN 43	2,180,019.	2,161,132.	18,887.	

FORM 990 OFFICER COMPENSATION ALLOCATION STATEMENT 3
 PART II, LINE 25A

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
KURT ENGELMANN	77,308.			77,308.
A. PROGRAM SERVICES				
B. MANAGEMENT AND GENERAL	77,308.			77,308.
C. FUNDRAISING				

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
CHRISTINE WLASCHIN	36,006.			36,006.
A. PROGRAM SERVICES				
B. MANAGEMENT AND GENERAL	36,006.			36,006.
C. FUNDRAISING				

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
OWEN ENGELMANN	10,250.			10,250.
A. PROGRAM SERVICES				
B. MANAGEMENT AND GENERAL	10,250.			10,250.
C. FUNDRAISING				

TOTAL PROGRAM SERVICES				
TOTAL MANAGEMENT AND GENERAL				123,564.
TOTAL FUNDRAISING				
TOTAL OFFICER, ETC., COMPENSATION INCLUDED ON PART II, LINE 25A				<u>123,564.</u>

FORM 990 CASH GRANTS AND ALLOCATIONS STATEMENT 5
TO OTHERS

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
PROFESSIONAL DEVELOPMENT MARGARET FAIN ELEMENTARY SCHOOL 101 HEMPHILL SCHOOL RD, NW ATLANTA, GA 30331	2,000.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B	2,000.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 6

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
OFFICE EQUIPMENT	8,552.	2,125.	6,427.
COMPUTER	25,401.	6,430.	18,971.
TOTAL TO FORM 990, PART IV, LN 57	33,953.	8,555.	25,398.

FORM 990

EXPLANATION OF RELATIONSHIP
PART V-A, LINE 75B

STATEMENT 7

INDIVIDUAL'S NAME

TITLE OR ROLE

SIEGMUND ENGELMANN

DIRECTOR

INDIVIDUAL'S NAME

TITLE OR ROLE

OWEN ENGELMANN

DIRECTOR

EXPLANATION OF RELATIONSHIP

FATHER AND SON

INDIVIDUAL'S NAME

TITLE OR ROLE

SIEGMUND ENGELMANN

DIRECTOR

INDIVIDUAL'S NAME

TITLE OR ROLE

KURT ENGELMANN

PRESIDENT

EXPLANATION OF RELATIONSHIP

FATHER AND SON

FORM 990

PART V-A OFFICER COMPENSATION FROM
RELATED ORGANIZATIONS

STATEMENT 8

OFFICER'S NAME	COMPENSATION	EMPLOYEE BENEFIT PLAN CONTRIBUTION	EXPENSE ACCOUNT
OWEN ENGELMANN	73,200.	0.	0.

NAME OF RELATED ORGANIZATION	EMPLOYER ID NUMBER
ENGELMANN BECKER	37-0913069

RELATIONSHIP BETWEEN ORGANIZATIONS

EMPLOYEE/OWNER

COMPENSATION DESCRIPTION

OFFICER WAGES

OFFICER'S NAME	COMPENSATION	EMPLOYEE BENEFIT PLAN CONTRIBUTION	EXPENSE ACCOUNT
KURT ENGELMANN	700.	0.	0.

NAME OF RELATED ORGANIZATION	EMPLOYER ID NUMBER
ENGELMANN BECKER	37-0913069

RELATIONSHIP BETWEEN ORGANIZATIONS

EMPLOYEE/OWNER

COMPENSATION DESCRIPTION

MISCELLANEOUS COMPENSATION

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
SIEG ENGELMANN	50,000.	0.	0.
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
ROYAL LIMITED PARTNERSHIP		93-1191727	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			
PARTNER			
<u>COMPENSATION DESCRIPTION</u>			
CONSULTING SERVICE COMPENSATION			

<u>OFFICER'S NAME</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BENEFIT PLAN CONTRIBUTION</u>	<u>EXPENSE ACCOUNT</u>
SIEG ENGELMANN	700.	0.	0.
<u>NAME OF RELATED ORGANIZATION</u>		<u>EMPLOYER ID NUMBER</u>	
ENGELMANN BECKER		37-0913069	
<u>RELATIONSHIP BETWEEN ORGANIZATIONS</u>			
OFFICER			
<u>COMPENSATION DESCRIPTION</u>			
MISCELLANEOUS COMPENSATION			

SCHEDULE A	OTHER INCOME			STATEMENT 9
DESCRIPTION	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT
MISCELLANEOUS	6,815.	2,252.	18,757.	4,958.
TOTAL TO SCHEDULE A, LINE 22	<u>6,815.</u>	<u>2,252.</u>	<u>18,757.</u>	<u>4,958.</u>

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

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

Section 501(c) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization NATIONAL INSTITUTE FOR DIRECT INSTRUCTION	Employer identification number 93-1241440
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 11248	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. EUGENE, OR 97440	

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

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

- The books are in the care of ▶ **CHRISTINE WLASCHIN**
Telephone No ▶ **(541) 485-1163** FAX No ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a section 501(c) corporation required to file Form 990-T) extension of time until **MARCH 15, 2008**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year _____ or
 ▶ tax year beginning **AUG 1, 2006**, and ending **JUL 31, 2007**.

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	N/A

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

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

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

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

Part II Additional (not automatic) 3-Month Extension of Time. You must file original and one copy.		
Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization NATIONAL INSTITUTE FOR DIRECT INSTRUCTION	Employer identification number 93-1241440
	Number, street, and room or suite no. If a P.O. box, see instructions P.O. BOX 11248	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. EUGENE, OR 97440	

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

- Form 990
 Form 990-EZ
 Form 990-T (sec. 401(a) or 408(a) trust)
 Form 1041-A
 Form 5227
 Form 8870
 Form 990-BL
 Form 990-PF
 Form 990-T (trust other than above)
 Form 4720
 Form 6069

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

• The books are in the care of **CHRISTINE WLASCHIN**

Telephone No. **(541) 485-1973** FAX No. _____

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

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

- 4 I request an additional 3-month extension of time until **JUNE 15, 2008**
- 5 For calendar year _____, or other tax year beginning **AUG 1, 2006**, and ending **JUL 31, 2007**
- 6 If this tax year is for less than 12 months, check reason. Initial return Final return Change in accounting period
- 7 State in detail why you need the extension

TAXPAYER NEEDS MORE TIME TO FILE A COMPLETE AND ACCURATE TAX RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	8a	\$	
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	8c	\$	N/A

Signature and Verification

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

Signature _____ Title _____ Date _____

Notice to Applicant. (To Be Completed by the IRS)

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

Director _____ By: _____ Date _____

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

Type or print 823832 05-01-07	Name KERNUTT STOKES BRANDT & CO LLP
	Number and street (include suite, room, or apt. no.) or a P.O. box number 1170 PEARL STREET
	City or town, province or state, and country (including postal or ZIP code) EUGENE, OR 97401