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Form **990****Return of Organization Exempt From Income Tax**

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

OMB No 1545-0047

**2008****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.

<b>A</b> For the 2008 calendar year, or tax year beginning <b>April 1</b> , 2008, and ending <b>March 31</b> , 20 09	
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>The Herb Society of America, Inc.</b> Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>9019 Kirtland Chardon Road</b> City or town, state or country, and ZIP + 4 <b>Kirtland, Ohio 44094-5156</b>
	<b>D</b> Employer identification number <b>34 1596261</b> <b>E</b> Telephone number <b>( 440 ) 256-0514</b>
	<b>G</b> Gross receipts \$ <b>855,032</b>
	<b>F</b> Name and address of principal officer: <b>Katrinka Morgan, Exec. Director</b> <b>9019 Kirtland Chardon Road, Kirtland, Ohio 44094</b>
	<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c) ( 3 ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
<b>J</b> Website: ▶ <b>www.herbsociety.org</b>	
<b>K</b> Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	<b>L</b> Year of formation: <b>1935</b> <b>M</b> State of legal domicile: <b>OH</b>

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>The Herb Society of America, Inc. is a nonprofit corporation organized in 1933 for the purpose of furthering the knowledge and use of herbs and contributing the results of the experience and research of its members to the records of horticulture, science and related arts.</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>16</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>16</b>
	<b>5</b> Total number of employees (Part V, line 2a)	<b>5</b>	<b>10</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>2,000</b>
	<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C)	<b>7a</b>	<b>0</b>
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>217,882</b>	<b>396,332</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>92,171</b>	<b>127,707</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>60,874</b>	<b>18,968</b>
	<b>12</b> Total revenue. Add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>3,506</b>	<b>3,496</b>
	<b>12</b>	<b>374,433</b>	<b>546,503</b>
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>31,423</b>	<b>38,681</b>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>192,992</b>	<b>224,261</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>22,357</b>		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	<b>287,382</b>	<b>354,052</b>
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>511,797</b>	<b>616,994</b>	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>(137,364)</b>	<b>(70,491)</b>	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Year</b>	<b>End of Year</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>2,510,471</b>	<b>2,025,699</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>134,726</b>	<b>111,950</b>
	<b>22</b>	<b>2,375,745</b>	<b>1,913,749</b>

**Part II Signature Block**

<b>Sign Here</b>	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.		
	<b>Katrinka D. Morgan</b> Signature of officer		<b>2-11-10</b> Date
	<b>KATRINKA D. MORGAN</b> Type or print name and title		

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶	EIN ▶	Phone no. ▶ ( )	

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☒ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form **990** (2008)

SCANNED 11-11-10

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**Part III Statement of Program Service Accomplishments** (see instructions)**1** Briefly describe the organization's mission:

**The Herb Society of America, Inc. is dedicated to promoting the knowledge, use, and delight of herbs through educational programs, research, and sharing the experiences of its members with the community.**

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ **340,660** including grants of \$ ) (Revenue \$ **111,208** )

**Symposia - National conference with lectures, workshops, and other educational forums to further the knowledge of herbs.**

**4b** (Code: ) (Expenses \$ **81,234** including grants of \$ ) (Revenue \$ **15,459** )

**Publications - Available to members and the general public to further the knowledge of herbs.**

**4c** (Code: ) (Expenses \$ **78,614** including grants of \$ **38,681** ) (Revenue \$ **-0-** )

**Research Grants and Awards - Grants from The Herb Society of America, Inc. are made from the scholarship fund to selected recipients who have made applications outlining proposed programs of scientific or academic investigation of herbal plants. The scholarship committee determines the amount of the grants and it is subject to approval of the board of directors of The Herb Society of America, Inc. Progress reports and a complete copy of the finished work must be submitted.**

**The National Herb Garden disbursements are made from The National Herb Garden fund to The U.S. National Arboretum for day-to-day functioning of the garden. The National Herb Garden fund is a working fund with moneys available immediately through and by the Friends of the U.S. National Arboretum, 3501 New York Avenue, Washington D.C., 20002. Any expenditures of capital from this fund must be proposed by The National Herb Garden and approved by the board of directors of The Herb Society of America, Inc.**

**4d** Other program services. (Describe in Schedule O.)

(Expenses \$ **23,584** including grants of \$ ) (Revenue \$ **1,040** )

**4e Total program service expenses ▶ \$ **524,092** (Must equal Part IX, Line 25, column (B).)**

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	1 ✓	
2 Is the organization required to complete Schedule B, Schedule of Contributors? . . . . .	2 ✓	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .	3	✓
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II . . . . .	4	✓
5 <b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III . . . . .	5	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .	6	✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .	7	✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .	8	✓
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .	9	✓
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .	10 ✓	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable . . . . .	11 ✓	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII . . . . .	12	✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .	13	✓
14a Did the organization maintain an office, employees, or agents outside of the U.S.? . . . . .	14a	✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I . . . . .	14b	✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II. . . . .	15	✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III . . . . .	16	✓
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I . . . . .	17	✓
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .	18	✓
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .	19	✓
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H . . . . .	20	✓
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .	21 ✓	
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .	22	✓
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J . . . . .	23	✓
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25. . . . .	24a	✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	24b	✓
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c	✓
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	24d	✓
25a <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .	25a	✓
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I . . . . .	25b	✓
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II . . . . .	26	✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III . . . . .	27	✓

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>28</b> During the tax year, did any person who is a current or former officer, director, trustee, or key employee.		
<b>a</b> Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>	<b>28a</b>	✓
<b>b</b> Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	<b>28b</b>	✓
<b>c</b> Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	<b>28c</b>	✓
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	<b>29</b>	✓
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	<b>30</b>	✓
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	<b>31</b>	✓
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	<b>32</b>	✓
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	<b>33</b>	✓
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	<b>34</b>	✓
<b>35</b> Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	<b>35</b>	✓
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	<b>36</b>	✓
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	<b>37</b>	✓

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	12
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	-0-
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	10
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2b	✓
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	✓
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
<b>4a</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)?	4a	✓
<b>b</b>	If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	✓
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	✓
<b>c</b>	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
<b>6a</b>	Did the organization solicit any contributions that were not tax deductible?	6a	✓
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	✓
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	✓
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
<b>e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	✓
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	✓
<b>g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
<b>h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
<b>8</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
<b>9</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the organization make any taxable distributions under section 4966?	9a	
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
<b>10</b>	<b>Section 501(c)(7) organizations. Enter:</b>		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	10a	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
<b>11</b>	<b>Section 501(c)(12) organizations. Enter:</b>		
<b>a</b>	Gross income from members or shareholders	11a	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

**Part VI Governance, Management, and Disclosure** (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body . . . . .	<b>1a</b>	<b>16</b>
<b>b</b> Enter the number of voting members that are independent . . . . .	<b>1b</b>	<b>16</b>
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	<b>2</b>	✓
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	<b>3</b>	✓
<b>4</b> Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . . . .	<b>4</b>	✓
<b>5</b> Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	<b>5</b>	✓
<b>6</b> Does the organization have members or stockholders? . . . . .	<b>6</b>	✓
<b>7a</b> Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	<b>7a</b>	✓
<b>b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	<b>7b</b>	✓
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: . . . . .		
<b>a</b> The governing body? . . . . .	<b>8a</b>	✓
<b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .	<b>8b</b>	✓
<b>9a</b> Does the organization have local chapters, branches, or affiliates? . . . . .	<b>9a</b>	✓
<b>b</b> If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .	<b>9b</b>	✓
<b>10</b> Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990 . . . . .	<b>10</b>	✓
<b>11</b> Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	<b>11</b>	✓

**Section B. Policies**

	Yes	No
<b>12a</b> Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	<b>12a</b>	✓
<b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	<b>12b</b>	✓
<b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	<b>12c</b>	✓
<b>13</b> Does the organization have a written whistleblower policy? . . . . .	<b>13</b>	✓
<b>14</b> Does the organization have a written document retention and destruction policy? . . . . .	<b>14</b>	✓
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision: . . . . .		
<b>a</b> The organization's CEO, Executive Director, or top management official? . . . . .	<b>15a</b>	✓
<b>b</b> Other officers or key employees of the organization? . . . . .	<b>15b</b>	✓
Describe the process in Schedule O. (see instructions)		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	<b>16a</b>	✓
<b>b</b> If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	<b>16b</b>	

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ► Ohio

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
☒ Own website    ☐ Another's website    ☒ Upon request

**19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► Katrinka Morgan, Executive Director - 9019 Kirtland Chardon Rd., Kirtland, OH 44094, (440) 256-0514

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**
**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Katrinka Morgan, Executive Director	32	✓						55,000	-0-	-0-
Lois Sutton, President				✓				-0-	-0-	-0-
Linda Lain, Vice-President				✓				-0-	-0-	-0-
Elizabeth Kennel, Secretary				✓				-0-	-0-	-0-
Gretchen Faro, Treasurer				✓				-0-	-0-	-0-
Ann Brokamp, Central District Delegate				✓				-0-	-0-	-0-
Susan Liechty, Great Lakes District Delegate				✓				-0-	-0-	-0-
Janet Walker, Mid-Atlantic District Delegate				✓				-0-	-0-	-0-
Usha Palaniswamy, Northeast District Delegate				✓				-0-	-0-	-0-
Debbie Boutelier, Southeast District Delegate				✓				-0-	-0-	-0-
Mary Doebbeling, South Central District Delegate				✓				-0-	-0-	-0-
Marilyn Filipek, West District Delegate				✓				-0-	-0-	-0-
Gloria McClure, Botany and Horticulture Chairperson				✓				-0-	-0-	-0-
Deborah Winter, Development Chairperson				✓				-0-	-0-	-0-
Susan Betz, Education Chairperson				✓				-0-	-0-	-0-
Peggy Rados, Membership Chairperson				✓				-0-	-0-	-0-
Anne Abbott, Nominating Chairperson				✓				-0-	-0-	-0-



**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Dr. James Duke, Honorary President				✓				-0-	-0-	-0-
<b>1b Total</b>								<b>55,000</b>	<b>-0-</b>	<b>-0-</b>

**2** Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **-0-**

**3** Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

	Yes	No
<b>3</b>		✓
<b>4</b>		✓
<b>5</b>		✓

**4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

**5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

**2** Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization **-0-**

**Part VIII Statement of Revenue**

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>	119,519				
	<b>c</b> Fundraising events . . . . .	<b>1c</b>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions). . . . .	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b>	276,813				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$ . . . . .						
	<b>h Total.</b> Add lines 1a-1f . . . . .			396,332			
<b>Program Service Revenue</b>	<b>2a Publications</b> . . . . .	<b>Business Code</b>	511120	15,459	15,459		
	<b>b Symposia</b> . . . . .		900099	111,208	111,208		
	<b>c Seed Exchange</b> . . . . .		900099	1,040	1,040		
	<b>d</b> . . . . .						
	<b>e</b> . . . . .						
	<b>f</b> All other program service revenue . . . . .						
	<b>g Total.</b> Add lines 2a-2f . . . . .			127,707			
	<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .			45,193		
<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .							
<b>5</b> Royalties . . . . .							
<b>6a</b> Gross Rents . . . . .		(i) Real	(ii) Personal				
<b>b</b> Less: rental expenses . . . . .							
<b>c</b> Rental income or (loss) . . . . .							
<b>d</b> Net rental income or (loss) . . . . .							
<b>7a</b> Gross amount from sales of assets other than inventory . . . . .		(i) Securities	(ii) Other	275,188			
<b>b</b> Less: cost or other basis and sales expenses . . . . .				301,413			
<b>c</b> Gain or (loss) . . . . .				(26,225)			
<b>d</b> Net gain or (loss) . . . . .				(26,225)			(26,225)
<b>8a</b> Gross income from fundraising events (not including \$ . . . . . of contributions reported on line 1c). See Part IV, line 18 . . . . .		<b>a</b>					
<b>b</b> Less: direct expenses . . . . .		<b>b</b>					
<b>c</b> Net income or (loss) from fundraising events . . . . .							
<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . .		<b>a</b>					
<b>b</b> Less: direct expenses . . . . .		<b>b</b>					
<b>c</b> Net income or (loss) from gaming activities . . . . .							
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .		<b>a</b>	8,329				
<b>b</b> Less: cost of goods sold . . . . .	<b>b</b>	7,116					
<b>c</b> Net income or (loss) from sales of inventory . . . . .			1,213	1,213			
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11a Insurance Assessments</b> . . . . .		900099	1,250	1,250			
<b>b Library Revenue</b> . . . . .		900099	1,033	1,033			
<b>c</b> . . . . .							
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . .			2,283				
<b>12 Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . .			546,503	131,203		18,968	

**Part IX Statement of Functional Expenses****Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	34,011	34,011		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	4,670	4,670		
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	55,000	44,000	8,800	2,200
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	148,177	118,542	23,708	5,927
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,965	3,172	634	159
9	Other employee benefits				
10	Payroll taxes	17,119	13,695	2,739	685
11	Fees for services (non-employees):				
a	Management	1,049	283	766	
b	Legal	8,265	2,232	6,033	
c	Accounting				
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees				
g	Other				
12	Advertising and promotion	25,732	20,586	4,117	1,029
13	Office expenses	10,695	10,695		
14	Information technology				
15	Royalties				
16	Occupancy	15,666	12,533	2,506	627
17	Travel	32,971	18,713	11,342	2,916
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	154,893	154,389	378	126
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	10,018	8,014	1,603	401
23	Insurance	4,250	3,400	680	170
24	Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a	Professional Develop/Training/Travel	5,686	4,549	910	227
b	Computer Consultant	7,475	2,018	5,457	
c	District Operations	19,244	17,320		1,924
d	Member Benefit/Development	12,437	6,689		5,748
e	Publications	39,395	39,395		
f	All other expenses Miscellaneous	6,276	5,186	872	218
25	<b>Total functional expenses. Add lines 1 through 24f</b>	<b>616,994</b>	<b>524,092</b>	<b>70,545</b>	<b>22,357</b>
26	<b>Joint Costs.</b> Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1 Cash—non-interest-bearing . . . . .		1	
	2 Savings and temporary cash investments . . . . .	35,225	2	17,590
	3 Pledges and grants receivable, net . . . . .		3	
	4 Accounts receivable, net . . . . .		4	1,877
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L . . . . .		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L . . . . .		6	
	7 Notes and loans receivable, net . . . . .		7	
	8 Inventories for sale or use . . . . .	13,848	8	11,990
	9 Prepaid expenses and deferred charges . . . . .	15,391	9	9,899
	10a Land, buildings, and equipment: cost basis <b>10a</b> 367,046			
	b Less: accumulated depreciation. Complete Part VI of Schedule D <b>10b</b> 229,125	147,459	10c	137,921
	11 Investments—publicly traded securities . . . . .	2,257,057	11	1,806,622
	12 Investments—other securities. See Part IV, line 11 . . . . .		12	
	13 Investments—program-related. See Part IV, line 11 . . . . .		13	
	14 Intangible assets . . . . .		14	
	15 Other assets. See Part IV, line 11 . . . . .	41,491	15	39,800
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	2,510,471	16	2,025,699	
<b>Liabilities</b>	17 Accounts payable and accrued expenses . . . . .	24,024	17	24,551
	18 Grants payable . . . . .		18	
	19 Deferred revenue . . . . .	105,768	19	81,774
	20 Tax-exempt bond liabilities . . . . .		20	
	21 Escrow account liability. Complete Part IV of Schedule D . . . . .		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		22	
	23 Secured mortgages and notes payable to unrelated third parties . . . . .		23	
	24 Unsecured notes and loans payable . . . . .		24	
	25 Other liabilities. Complete Part X of Schedule D . . . . .	4,934	25	5,625
	26 <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	134,726	26	111,950
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets . . . . .	1,088,039	27	657,677
	28 Temporarily restricted net assets . . . . .	435,154	28	614,026
	29 Permanently restricted net assets . . . . .	852,552	29	642,046
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds . . . . .		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32 Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
	33 <b>Total net assets or fund balances</b> . . . . .	2,375,745	33	1,913,749
	34 <b>Total liabilities and net assets/fund balances</b> . . . . .	2,510,471	34	2,025,699

**Part XI Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .	2a <input checked="" type="checkbox"/>	
b Were the organization's financial statements audited by an independent accountant? . . . . .	2b <input type="checkbox"/>	<input checked="" type="checkbox"/>
c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . .	2c <input checked="" type="checkbox"/>	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .	3a <input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes," did the organization undergo the required audit or audits? . . . . .	3b <input type="checkbox"/>	

Department of the Treasury  
Internal Revenue Service

**To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.**

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2008

**Open to Public Inspection**

Name of the organization

**The Herb Society of America, Inc.**

Employer identification number

34 1596261

Part I	Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only **one** organization.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
  - 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
  - 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)
  - 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
  - 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
  - 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
  - 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
  - 8 ☐ A community trust described in **section 170(b)(1)(A)(vii).** (Complete Part II.)
  - 9 ☒ An organization that normally receives: (1) more than 33⅓ % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33⅓ % 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).** (Complete Part III.)
  - 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)
  - 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
    - a ☐ Type I
    - b ☐ Type II
    - c ☐ Type III—Functionally integrated
    - d ☐ Type III—Other
  - e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
  - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
  - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
    - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		
    - (ii) A family member of a person described in (i) above? 

11g(ii)		
---------	--	--
    - (iii) A 35% controlled entity of a person described in (i) or (ii) above? 

11g(iii)		
----------	--	--
  - h Provide the following information about the organizations the organization supports.

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

[illegible]

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
3 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
4 <b>Total.</b> Add lines 1-3 . . . . .						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						
6 <b>Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4 . . . . .						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
9 Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
11 <b>Total support.</b> Add lines 7 through 10 . . . . .						
12 Gross receipts from related activities, etc. (see instructions) . . . . .					12	
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) . . . . .	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f . . . . .	15	%
16a <b>33 1/3 % support test—2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
b <b>33 1/3 % support test—2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
17a <b>10%-facts-and-circumstances test—2008.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
b <b>10%-facts-and-circumstances test—2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► <input type="checkbox"/>		

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**  
(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .	167,496	201,945	168,960	217,882	396,332	1,152,615
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .	105,565	97,932	104,548	92,171	127,707	527,923
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1-5 . . . . .	273,061	299,877	273,508	310,053	524,039	1,680,538
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 . . . . .						
<b>c</b> Add lines 7a and 7b . . . . .						
<b>8 Public support</b> (Subtract line 7c from line 6.) . . . . .						1,680,538

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>9</b> Amounts from line 6 . . . . .	273,061	299,877	273,508	310,053	524,039	1,680,538
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	60,623	59,757	62,963	60,189	45,193	288,725
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
<b>c</b> Add lines 10a and 10b . . . . .	60,623	59,757	62,963	60,189	45,193	288,725
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						1,969,263
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)) . . . . .	15	85.3 %
<b>16</b> Public support percentage from 2007 Schedule A, Part IV-A, line 27g . . . . .	16	87.3 %

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)) . . . . .	17	14.7 %
<b>18</b> Investment income percentage from 2007 Schedule A, Part IV-A, line 27h . . . . .	18	12.7 %

**19a 33⅓ % support tests—2008.** If the organization did not check the box on line 14, and line 15 is more than 33⅓ %, and line 17 is not more than 33⅓ %, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☒

**b 33⅓ % support tests—2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33⅓ %, and line 18 is not more than 33⅓ %, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► ☐

## Part IV

**Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

[illegible]



**SCHEDULE D  
(Form 990)**

**Supplemental Financial Statements**

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that  
answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization

Employer identification number

The Herb Society of America, Inc.

34 : 1596261

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if  
the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year . . . . .		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year . . . . .		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No		

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements . . . . .	2a
b Total acreage restricted by conservation easements . . . . .	2b
c Number of conservation easements on a certified historic structure included in (a) . . . . .	2c
d Number of conservation easements included in (c) acquired after 8/17/06 . . . . .	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ .....

4 Number of states where property subject to conservation easement is located ▶ .....

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? . . . . . ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ .....

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ .....

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? . . . . . ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**  
Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 . . . . . ▶ \$ .....

(ii) Assets included in Form 990, Part X . . . . . ▶ \$ .....

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 . . . . . ▶ \$ .....

b Assets included in Form 990, Part X . . . . . ▶ \$ .....

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition d ☐ Loan or exchange programs  
 b ☐ Scholarly research e ☐ Other \_\_\_\_\_  
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Trust, Escrow and Custodial Arrangements.** Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

**Part V Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,254,563				
b Contributions	255,989				
c Investment earnings or losses	(201,596)				
d Grants or scholarships					
e Other expenditures for facilities and programs	504,193				
f Administrative expenses					
g End of year balance	1,804,763				

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ 30.40 %  
 b Permanent endowment ▶ 35.58 %  
 c Term endowment ▶ 34.02 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		✓
3a(ii)		✓
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		28,375		28,375
b Buildings		253,552	147,808	105,744
c Leasehold improvements				
d Equipment		85,119	81,317	3,802
e Other				
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				137,921



**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	546,503
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	616,994
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	(70,491)
4	Net unrealized gains (losses) on investments	4	(391,505)
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	(391,505)
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	(461,996)

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

The endowment funds of The Herb Society of America, Inc. are intended to be used based on the donor-imposed

stipulations. Use of these funds is in some cases restricted to only the income produced by the specific fund while

others allow for invasion of the principal as permitted by actions of the Board. The funds are available to support the

general purpose of The Society or are for specific programs such as The National Herb Garden, The Society's library,

research and educational programs, district operations and enhancement and preservation of The Society's

headquarters.





**SCHEDULE O  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

**2008**

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Name of the organization

**The Herb Society of America, Inc.**

Employer identification number

**34 : 1596261**

**Form 990, Part III, Line 4d - Other Program Services**

Various activities furthering the exempt purpose of The Herb Society of America, Inc. including the operations of a library and maintaining a website both which are available for use by members and non-members.

**Form 990, Part VI, Line 6, 7a and 7b -**

The Herb Society of America, Inc. has members. The governing body is elected by members and hold terms of 2 to 3 yrs. Decisions of the governing body are subject to approval by members. A meeting of members is held annually.

**Form 990, Part VI, Line 10 -**

The Form 990 is provided to the Executive Director and Finance and Operating Committee for review prior to mailing.

**Form 990, Part VI, Line 12c -**

Board Members are required to sign a conflict of interest policy upon election and then annually while they are a member of the governing body.

**Form 990, Part VI, Line 15 -**

Compensation of the Executive Director and key employees, if any, is reviewed annually by The Executive Committee. Data is taken from The APGA compensation study in determining appropriate compensation amounts.

**Form 990, Part VI, Line 19 -**

The Herb Society of America, Inc. has posted on its website the organizations governing documents, conflict of interest policy, financial statements and Form 990.