

# Return of Organization Exempt From Income Tax

**2016**

Department of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**Open to Public Inspection**

**A For the 2016 calendar year, or tax year beginning , 2016, and ending , 20**

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C Name of organization</b> ARTHRITIS FOUNDATION INC  Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1355 PEACHTREE STREET NE 600  City or town, state or province, country, and ZIP or foreign postal code ATLANTA, GA 30309				<b>D Employer identification number</b> 58-1341679	
	<b>F Name and address of principal officer:</b> ANN PALMER, CEO 1355 PEACHTREE ST NE SUITE 600 ATLANTA, GA 30309				<b>E Telephone number</b> (404) 872-7100	
	<b>I Tax-exempt status:</b> <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				<b>G Gross receipts \$</b> 130,960,873.	
	<b>J Website:</b> ▶ WWW.ARTHRITIS.ORG				<b>H(a) Is this a group return for subordinates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b) Are all subordinates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
<b>K Form of organization:</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶				<b>L Year of formation:</b> 1948 <b>M State of legal domicile:</b> GA		
<b>H(c) Group exemption number</b> ▶ 8510						

**Part I Summary**

<b>Activities &amp; Governance</b>	1	Briefly describe the organization's mission or most significant activities: THE MISSION OF THE ARTHRITIS FOUNDATION IS TO IMPROVE LIVES THROUGH LEADERSHIP IN PREVENTION, CONTROL AND CURE OF ARTHRITIS AND RELATED DISEASES.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	31.
	4	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	31.
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	<b>5</b>	597.
	6	Total number of volunteers (estimate if necessary)	<b>6</b>	7,544.
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	6,108,627.
7b	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	63,333.	
<b>Revenue</b>			<b>Prior Year</b>	<b>Current Year</b>
	8	Contributions and grants (Part VIII, line 1h)	52,731,599.	54,727,053.
	9	Program service revenue (Part VIII, line 2g)	92,646.	4,071,347.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,719,205.	3,420,971.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,226,021.	15,544,736.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	63,769,471.	77,764,107.
<b>Expenses</b>	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	8,027,341.	9,248,741.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	19,495,799.	37,511,741.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	10,359.	4,955.
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 11,323,240.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	33,804,698.	38,595,559.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	61,338,197.	85,360,996.
19	Revenue less expenses. Subtract line 18 from line 12	2,431,274.	-7,596,889.	
<b>Net Assets or Fund Balances</b>			<b>Beginning of Current Year</b>	<b>End of Year</b>
	20	Total assets (Part X, line 16)	96,193,719.	174,521,717.
	21	Total liabilities (Part X, line 26)	27,438,253.	27,248,882.
22	Net assets or fund balances. Subtract line 21 from line 20	68,755,466.	147,272,835.	

**Part II Signature Block**

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>Sign Here</b>	▶ Signature of officer	Date			
	▶ JANE BASCLE Type or print name and title	VP OF FINANCE			
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	SANDRA L FEINSMITH	<i>Sandra L FeinSmith</i>	09/29/2017		P01064157
	Firm's name ▶ BDO USA, LLP	Firm's EIN ▶ 13-5381590		Phone no. 404-688-6841	
Firm's address ▶ 1100 PEACHTREE STREET, SUITE 700 ATLANTA, GA 30309-4516					

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

For Paperwork Reduction Act Notice, see the separate instructions.

# Application for Automatic Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**  
▶ Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile), click on Charities & Non-Profits, and click on e-file for Charities and Non-Profits.

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Enter filer's identifying number, see instructions	
	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	ARTHRTITIS FOUNDATION INC	58-1341679
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	1355 PEACHTREE STREET NE 600	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	ATLANTA, GA 30309	

Enter the Return Code for the return that this application is for (file a separate application for each return) . . . . .

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶ JANE BASCLE, VP OF FINANCE

Telephone No. ▶ 404 872-7100 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.

1 I request an automatic 6-month extension of time until 11/15, 2017, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year 2016 or  
▶  tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_.

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Forms 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.	<b>3b</b>	\$	0.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

**Caution.** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission:

THE MISSION OF THE ARTHRITIS FOUNDATION IS TO IMPROVE LIVES THROUGH LEADERSHIP IN PREVENTION, CONTROL AND CURE OF ARTHRITIS AND RELATED DISEASES.

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 [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ 33,208,057. including grants of \$ 29,285. ) (Revenue \$ ) ATTACHMENT 1

4b (Code: ) (Expenses \$ 17,989,395. including grants of \$ 132,763. ) (Revenue \$ 4,071,347. ) COMMUNITY HEALTH & SUPPORT: THE ARTHRITIS FOUNDATION COMMUNITY PROGRAMS EMPOWER PEOPLE IN LOCAL COMMUNITIES NATIONWIDE. THE FOUNDATION PROVIDES OPPORTUNITIES FOR PEOPLE TO CONNECT WITH OTHERS WITH SIMILAR CHALLENGES AND DEVELOP SUPPORTIVE RELATIONSHIPS. THE ARTHRITIS FOUNDATION PROGRAMS INCLUDE KIDS AND FAMILY CAMPS, THE JUVENILE ARTHRITIS NATIONAL CONFERENCE, THE WALK WITH EASE EXERCISE PROGRAM, AND EXERCISE AND AQUATICS PROGRAMS. THE PEOPLE WE REACH THROUGH THESE PROGRAMS AND ARM WITH INFORMATION AND SELF-MANAGEMENT STRATEGIES HAVE A BETTER PERSPECTIVE ON THEIR DISEASE AND, IN TURN, BETTER OUTCOMES.

4c (Code: ) (Expenses \$ 11,967,607. including grants of \$ 9,086,417. ) (Revenue \$ ) ATTACHMENT 2

4d Other program services (Describe in Schedule O.) ATTACHMENT 3 (Expenses \$ 2,094,356. including grants of \$ 276. ) (Revenue \$ )

4e Total program service expenses 65,259,415.

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A.</i> . . . . .	X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? . . . . .		X
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i> . . . . .		X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II.</i> . . . . .	X	
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III.</i> . . . . .		X
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I.</i> . . . . .		X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II.</i> . . . . .		X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i> . . . . .		X
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV.</i> . . . . .		X
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i> . . . . .	X	
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i> . . . . .	X	
<b>b</b> Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i> . . . . .		X
<b>c</b> Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i> . . . . .		X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i> . . . . .	X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i> . . . . .	X	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X.</i> . . . . .		X
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII.</i> . . . . .		X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional.</i> . . . . .	X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i> . . . . .		X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		X
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV.</i> . . . . .		X
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV.</i> . . . . .		X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV.</i> . . . . .		X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions). . . . .	X	
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II.</i> . . . . .	X	
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i> . . . . .		X

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

	Yes	No
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H.</i> . . . . .		X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .		
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i> . . . . .	X	
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i> . . . . .	X	
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i> . . . . .	X	
<b>24a</b> 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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.</i> . . . . .		X
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i> . . . . .		X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i> . . . . .		X
<b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II.</i> . . . . .		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III.</i> . . . . .		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .		X
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .		X
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i> . . . . .	X	
<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> . . . . .		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i> . . . . .		X
<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> . . . . .		X
<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> . . . . .		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.</i> . . . . .		X
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .		X
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i> . . . . .		
<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> . . . . .		X
<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> . . . . .		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for line numbers (1a-14b), descriptions, and Yes/No checkboxes. Includes entries for Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 990, Form 720, and Form 709.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (31), 1b (31), 2, 3, 4, 5, 6, 7a, 7b, 8, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ATTACHMENT 4
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records: JANE BASCLE, VP OF FINANCE 1355 PEACHTREE STREET NE, SUITE 600 ATLANTA, GA 404-872-7100

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

Check if Schedule O contains a response or note to any line in this Part VII.

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- 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 neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(1) MICHAEL V. ORTMAN CHAIR	1.00 0.	X					0.	0.	0.	
(2) ROWLAND W. CHANG VICE CHAIR	1.00 0.	X					0.	0.	0.	
(3) PATRICIA HANNON VICE CHAIR	1.00 0.	X					0.	0.	0.	
(4) LAURIE STEWART TREASURER	1.00 0.	X					0.	0.	0.	
(5) CAVAN REDMOND SECRETARY	1.00 0.	X					0.	0.	0.	
(6) DANIEL T. MCGOWAN IMMEDIATE PAST CHAIR	1.00 0.	X					0.	0.	0.	
(7) K. ANDREW CRIGHTON DIRECTOR	1.00 0.	X					0.	0.	0.	
(8) FRANK P. LONGOBARDI DIRECTOR	1.00 0.	X					0.	0.	0.	
(9) MARY BATTLE DIRECTOR	1.00 0.	X					0.	0.	0.	
(10) EILEEN BOONE DIRECTOR	1.00 0.	X					0.	0.	0.	
(11) AARON BREITENBACH DIRECTOR	1.00 0.	X					0.	0.	0.	
(12) THEODORE CADWELL DIRECTOR	1.00 0.	X					0.	0.	0.	
(13) DENNIS EHLING DIRECTOR	1.00 0.	X					0.	0.	0.	
(14) AUTUMN EHNOW DIRECTOR	1.00 0.	X					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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
( 15) HELEN EMERY ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 16) E. ROBERT HARRIS ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 17) RANDEEP KAHLON ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 18) VIRGINIA KRAUS ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 19) MICHAEL MORIARTY ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 20) MATT MOONEY ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 21) DENNIS MOWREY ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 22) JOSEPH NELLIS ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 23) CHRIS NIETO ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 24) DAVID PLEASANCE ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 25) ANTHONY RIZZO, JR. ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
<b>1b Sub-total</b> . . . . .							0.	0.	0.	
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .							2,852,162.	0.	285,482.	
<b>d Total (add lines 1b and 1c)</b> . . . . .							2,852,162.	0.	285,482.	

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 56

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	X	
<b>4</b> 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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	X	
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .		X

**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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 5		

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶ 40

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
( 26) KIRSTEN SMITH ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 27) WALTER SMITH ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 28) SUZANNE TAYLOR ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 29) JENNIFER VIDO ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 30) DAN WENGER ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 31) W. HAYES WILSON ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 32) ALAN LOTVIN ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 33) BRYON WORNSON ----- DIRECTOR	1.00 ----- 0.	X					0.	0.	0.	
( 34) DAVID MCLOUGHLIN ----- CHIEF OPERATING OFFICER	40.00 ----- 0.			X			337,846.	0.	26,811.	
( 35) ANN PALMER ----- PRESIDENT/CEO	40.00 ----- 0.			X			529,577.	0.	43,025.	
( 36) WAYNE GUTHRIE ----- SR. VP, STAFF OPERATIONS	40.00 ----- 0.				X		223,523.	0.	19,657.	
<b>1b Sub-total</b> . . . . .										
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .										
<b>d Total (add lines 1b and 1c)</b> . . . . .										

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶** 56

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	X	
<b>4</b> 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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	X	
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .		X

**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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **▶**

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
( 37) SANDRA MACKEY ----- SR. VP, MARKETING & COMM	40.00 0.				X			224,615.	0.	25,398.
( 38) CINDY MCDANIEL ----- SR. VP, CONSUMER HEALTH	40.00 0.				X			210,292.	0.	33,475.
( 39) AMANDA NISKAR ----- NATIONAL SCIENTIFIC DIRECTOR	40.00 0.				X			227,123.	0.	23,278.
( 40) SANDIE PREISS ----- VP, ADVOCACY & ACCESS	40.00 0.				X			220,216.	0.	18,569.
( 41) INGRID MONTECINO ----- REGIONAL VICE PRESIDENT	40.00 0.					X		266,000.	0.	24,059.
( 42) RICHARD WILLIS ----- SVP, FIELD MANAGEMENT	40.00 0.					X		214,970.	0.	24,271.
( 43) ELIZABETH PHILLIPS ----- VP, CAUSE DEVELOPMENT	40.00 0.					X		207,615.	0.	22,491.
( 44) AMY DAUGHERTY ----- REGIONAL VICE PRESIDENT	0. 0.						X	190,385.	0.	24,448.
-----										
-----										
-----										
<b>1b Sub-total</b> .....										
<b>c Total from continuation sheets to Part VII, Section A</b> .....										
<b>d Total (add lines 1b and 1c)</b> .....										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 56

	Yes	No
3 Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> .....	X	
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? <i>If "Yes," complete Schedule J for such individual</i> .....	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> .....		X

**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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII.

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>	1,108,948.					
	<b>b</b> Membership dues . . . . .	<b>1b</b>						
	<b>c</b> Fundraising events . . . . .	<b>1c</b>	11,181,154.					
	<b>d</b> Related organizations . . . . .	<b>1d</b>						
	<b>e</b> Government grants (contributions) . .	<b>1e</b>	643,632.					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above .	<b>1f</b>	41,793,319.					
	<b>g</b> Noncash contributions included in lines 1a-1f: \$		1,281,049.					
	<b>h Total.</b> Add lines 1a-1f . . . . .			54,727,053.				
	<b>Program Service Revenue</b>	<b>Business Code</b>						
<b>2a</b> COMMUNITY HEALTH & SUPPORT			624100	4,071,347.	4,071,347.			
<b>b</b> _____								
<b>c</b> _____								
<b>d</b> _____								
<b>e</b> _____								
<b>f</b> All other program service revenue . . . . .								
<b>g Total.</b> Add lines 2a-2f . . . . .				4,071,347.				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 6 . . . . .			3,411,362.			3,411,362.	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .			0.				
	<b>5</b> Royalties . . . . .			122,200.			122,200.	
	<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) . . . . .			0.			
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
		48,170,295.						
		<b>b</b> Less: cost or other basis and sales expenses . . . . .		48,160,686.				
		<b>c</b> Gain or (loss) . . . . .		9,609.				
	<b>d</b> Net gain or (loss) . . . . .			9,609.			9,609.	
	<b>8a</b> Gross income from fundraising events (not including \$ 11,181,154. of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>a</b>	ATCH 7	14,349,989.				
		<b>b</b> Less: direct expenses . . . . .	<b>b</b>	5,036,080.				
		<b>c</b> Net income or (loss) from fundraising events. ATCH 8 . . . . .			9,313,909.			9,313,909.
<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . .	<b>a</b>		0.					
	<b>b</b> Less: direct expenses . . . . .	<b>b</b>	0.					
	<b>c</b> Net income or (loss) from gaming activities. . . . .			0.				
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>		0.					
	<b>b</b> Less: cost of goods sold . . . . .	<b>b</b>	0.					
	<b>c</b> Net income or (loss) from sales of inventory. . . . .			0.				
<b>Miscellaneous Revenue</b>			<b>Business Code</b>					
<b>11a</b> ADVERTISING REVENUE		541800	6,044,294.		6,044,294.			
<b>b</b> SECTION 481(A) ADJUSTMENT		900099	64,333.		64,333.			
<b>c</b> _____								
<b>d</b> All other revenue . . . . .								
<b>e Total.</b> Add lines 11a-11d . . . . .				6,108,627.				
<b>12 Total revenue.</b> See instructions. . . . .				77,764,107.	4,071,347.	6,108,627.	12,857,080.	

**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).

Check if Schedule O contains a response or note to any line in this Part IX

<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 domestic organizations and domestic governments. See Part IV, line 21 . . . . .	9,189,923.	9,189,923.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .	58,818.	58,818.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 . . . . .	0.			
4 Benefits paid to or for members . . . . .	0.			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	2,852,162.	2,019,962.	354,287.	477,913.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0.			
7 Other salaries and wages . . . . .	27,950,554.	19,795,180.	3,471,938.	4,683,436.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	0.			
9 Other employee benefits . . . . .	4,325,113.	3,096,090.	508,915.	720,108.
10 Payroll taxes . . . . .	2,383,912.	1,709,185.	276,943.	397,784.
11 Fees for services (non-employees):				
a Management . . . . .	0.			
b Legal . . . . .	172,947.	114,096.	40,401.	18,450.
c Accounting . . . . .	381,469.	251,661.	89,113.	40,695.
d Lobbying . . . . .	961,398.	961,398.		
e Professional fundraising services. See Part IV, line 17.	4,955.			4,955.
f Investment management fees . . . . .	0.			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .	5,798,324.	3,825,253.	1,354,512.	618,559.
12 Advertising and promotion . . . . .	8,271,185.	6,144,957.	71,654.	2,054,574.
13 Office expenses . . . . .	8,631,004.	6,894,257.	997,906.	738,841.
14 Information technology . . . . .	1,742,637.	1,149,647.	407,087.	185,903.
15 Royalties . . . . .	0.			
16 Occupancy . . . . .	3,784,173.	2,959,438.	347,687.	477,048.
17 Travel . . . . .	2,705,170.	2,037,462.	358,275.	309,433.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0.			
19 Conferences, conventions, and meetings . . . . .	2,781,602.	2,554,348.	124,485.	102,769.
20 Interest . . . . .	0.			
21 Payments to affiliates . . . . .	0.			
22 Depreciation, depletion, and amortization . . . . .	1,285,639.	1,022,038.	136,404.	127,197.
23 Insurance . . . . .	632,513.	488,410.	74,430.	69,673.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MISCELLANEOUS EXPENSES	396,578.	112,678.	138,619.	145,281.
b UNCOLLECTIBLE RECEIVABLES	835,783.	710,504.		125,279.
c MEMBERSHIP DUES/SUBSCRIPTION	215,137.	164,110.	25,685.	25,342.
d _____				
e All other expenses _____				
<b>25 Total functional expenses.</b> Add lines 1 through 24e	85,360,996.	65,259,415.	8,778,341.	11,323,240.
<b>26 Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . .	0.			

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X. . . . .

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing . . . . .	7,294,136.	<b>1</b>	16,044,623.
	<b>2</b> Savings and temporary cash investments . . . . .	0.	<b>2</b>	0.
	<b>3</b> Pledges and grants receivable, net . . . . .	10,666,724.	<b>3</b>	14,753,135.
	<b>4</b> Accounts receivable, net . . . . .	6,052,588.	<b>4</b>	2,765,605.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .	0.	<b>5</b>	0.
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L . . . . .	0.	<b>6</b>	0.
	<b>7</b> Notes and loans receivable, net . . . . .	0.	<b>7</b>	0.
	<b>8</b> Inventories for sale or use . . . . .	301,491.	<b>8</b>	131,028.
	<b>9</b> Prepaid expenses and deferred charges . . . . .	1,161,862.	<b>9</b>	1,458,513.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b> 9,085,772.		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 3,274,163.	5,121,816.	<b>10c</b> 5,811,609.
	<b>11</b> Investments - publicly traded securities . . . . .	<b>ATCH 9</b> 50,137,286.	<b>11</b>	88,916,902.
	<b>12</b> Investments - other securities. See Part IV, line 11 . . . . .	2,498,237.	<b>12</b>	100,919.
	<b>13</b> Investments - program-related. See Part IV, line 11 . . . . .	0.	<b>13</b>	0.
	<b>14</b> Intangible assets . . . . .	0.	<b>14</b>	0.
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	12,959,579.	<b>15</b>	44,539,383.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	96,193,719.	<b>16</b>	174,521,717.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	7,568,415.	<b>17</b>	10,124,518.
	<b>18</b> Grants payable . . . . .	6,848,621.	<b>18</b>	8,483,042.
	<b>19</b> Deferred revenue . . . . .	0.	<b>19</b>	0.
	<b>20</b> Tax-exempt bond liabilities . . . . .	0.	<b>20</b>	0.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .	0.	<b>21</b>	0.
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .	0.	<b>22</b>	0.
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	0.	<b>23</b>	0.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .	0.	<b>24</b>	0.
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D . . . . .	13,021,217.	<b>25</b>	8,641,322.
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	27,438,253.	<b>26</b>	27,248,882.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	8,846,660.	<b>27</b>	33,973,907.
	<b>28</b> Temporarily restricted net assets . . . . .	25,802,462.	<b>28</b>	35,888,431.
	<b>29</b> Permanently restricted net assets . . . . .	34,106,344.	<b>29</b>	77,410,497.
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
	<b>33</b> Total net assets or fund balances . . . . .	68,755,466.	<b>33</b>	147,272,835.
	<b>34</b> Total liabilities and net assets/fund balances . . . . .	96,193,719.	<b>34</b>	174,521,717.

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI.

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	77,764,107.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	85,360,996.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	-7,596,889.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	68,755,466.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	3,255,012.
<b>6</b>	Donated services and use of facilities	<b>6</b>	0.
<b>7</b>	Investment expenses	<b>7</b>	0.
<b>8</b>	Prior period adjustments	<b>8</b>	2,999,653.
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	79,859,593.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	147,272,835.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII.

- 1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant? . . . . .  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes" to line 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 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? . . . . .
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
<b>2a</b>		X
<b>2b</b>	X	
<b>2c</b>	X	
<b>3a</b>	X	
<b>3b</b>	X	

Form **990** (2016)

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

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

**Open to Public Inspection**

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

**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: (For lines 1 through 12, check only one box.)

- 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 (Form 990 or 990-EZ).)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 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)(vi)**. (Complete Part II.)
- 9  An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: \_\_\_\_\_
- 10  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 exempt 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)**. (Complete Part III.)
- 11  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12  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 in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
  - f Enter the number of supported organizations. . . . .

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
<b>Total</b>						

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

Schedule A (Form 990 or 990-EZ) 2016



**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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .	34,111,935.	37,069,773.	42,556,795.	52,731,599.	54,727,053.	221,197,155.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						0.
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						0.
<b>4 Total.</b> Add lines 1 through 3. . . . .	34,111,935.	37,069,773.	42,556,795.	52,731,599.	54,727,053.	221,197,155.
<b>5</b> 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). . . . .						0.
<b>6 Public support.</b> Subtract line 5 from line 4.						221,197,155.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
<b>7</b> Amounts from line 4 . . . . .	34,111,935.	37,069,773.	42,556,795.	52,731,599.	54,727,053.	221,197,155.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	763,126.	683,119.	888,092.	1,500,889.	3,533,562.	7,368,788.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .	0.	0.	0.	10,687.	64,333.	75,020.
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . . . . .	-835,488.	-55,483.	27,631.	2,311,887.		1,448,547.
<b>11 Total support.</b> Add lines 7 through 10 . . . . .						230,089,510.
<b>12</b> Gross receipts from related activities, etc. (see instructions) . . . . .					<b>12</b>	29,403,195.
<b>13 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>14</b> Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f)) . . . . .	<b>14</b>	96.14%
<b>15</b> Public support percentage from 2015 Schedule A, Part II, line 14 . . . . .	<b>15</b>	96.97%
<b>16a 33 1/3% support test - 2016.</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 checked="" type="checkbox"/>
<b>b 33 1/3% support test - 2015.</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"/>
<b>17a 10%-facts-and-circumstances test - 2016.</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 VI 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 - 2015.</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 VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>18 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 10 of Part I or if the organization failed to qualify under Part II.  
 If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<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 . . . . .						
<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 through 5. . . . .						
<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 \$5,000 or 1% of the amount on line 13 for the year . . . . .						
<b>c</b> Add lines 7a and 7b. . . . .						
<b>8 Public support.</b> (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
<b>9</b> Amounts from line 6. . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
<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 . . . . .						
<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 VI.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						
<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 2016 (line 8, column (f) divided by line 13, column (f)). . . . .	<b>15</b>	%
<b>16</b> Public support percentage from 2015 Schedule A, Part III, line 15 . . . . .	<b>16</b>	%

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

<b>17</b> Investment income percentage for <b>2016</b> (line 10c, column (f) divided by line 13, column (f)) . . . . .	<b>17</b>	%
<b>18</b> Investment income percentage from <b>2015</b> Schedule A, Part III, line 17 . . . . .	<b>18</b>	%

**19a 33 1/3% support tests - 2016.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

**b 33 1/3% support tests - 2015.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, 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 Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
<b>b Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
<b>b</b> Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>c</b> Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
<b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

**Part IV Supporting Organizations (continued)**

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	<b>11 a</b>	
<b>b</b> A family member of a person described in (a) above?	<b>11 b</b>	
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>	<b>11 c</b>	

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>	<b>1</b>	
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>	<b>2</b>	

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>	<b>1</b>	

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	<b>1</b>	
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>	<b>2</b>	
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>	<b>3</b>	

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
<b>2</b> Activities Test. Answer (a) and (b) below.		Yes	No
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>	<b>2a</b>		
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>	<b>2b</b>		
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.			
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>	<b>3a</b>		
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>	<b>3b</b>		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

**1**  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

<b>Section A - Adjusted Net Income</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Net short-term capital gain	<b>1</b>		
<b>2</b> Recoveries of prior-year distributions	<b>2</b>		
<b>3</b> Other gross income (see instructions)	<b>3</b>		
<b>4</b> Add lines 1 through 3.	<b>4</b>		
<b>5</b> Depreciation and depletion	<b>5</b>		
<b>6</b> Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>		
<b>7</b> Other expenses (see instructions)	<b>7</b>		
<b>8 Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4).	<b>8</b>		

<b>Section B - Minimum Asset Amount</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
<b>a</b> Average monthly value of securities	<b>1a</b>		
<b>b</b> Average monthly cash balances	<b>1b</b>		
<b>c</b> Fair market value of other non-exempt-use assets	<b>1c</b>		
<b>d Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>		
<b>e Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):			
<b>2</b> Acquisition indebtedness applicable to non-exempt-use assets	<b>2</b>		
<b>3</b> Subtract line 2 from line 1d.	<b>3</b>		
<b>4</b> Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	<b>4</b>		
<b>5</b> Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>		
<b>6</b> Multiply line 5 by .035.	<b>6</b>		
<b>7</b> Recoveries of prior-year distributions	<b>7</b>		
<b>8 Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>		

<b>Section C - Distributable Amount</b>			Current Year
<b>1</b> Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>		
<b>2</b> Enter 85% of line 1.	<b>2</b>		
<b>3</b> Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>		
<b>4</b> Enter greater of line 2 or line 3.	<b>4</b>		
<b>5</b> Income tax imposed in prior year	<b>5</b>		
<b>6 Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	<b>6</b>		

**7**  Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 <b>Total annual distributions.</b> Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2016 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2016	(iii) Distributable Amount for 2016
1 Distributable amount for 2016 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2016 (reasonable cause required-explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2016:			
a			
b			
c From 2013. . . . .			
d From 2014. . . . .			
e From 2015. . . . .			
f <b>Total</b> of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2016 distributable amount			
i Carryover from 2011 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2016 from Section D, line 7:                   \$			
a Applied to underdistributions of prior years			
b Applied to 2016 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2016, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2016. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 <b>Excess distributions carryover to 2017.</b> Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b Excess from 2013. . . .			
c Excess from 2014. . . .			
d Excess from 2015. . . .			
e Excess from 2016. . . .			

**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

SCHEDULE A, PART II, SECTION B, LINE 10

OTHER INCOME IS AN ACCUMULATION OF INDIVIDUALLY INSIGNIFICANT  
TRANSACTIONS OF REVENUE AND EXPENSES INCURRED DURING NORMAL DAY-TO-DAY  
OPERATIONS OF THE ORGANIZATION AND WERE NOT ORIGINALLY RECORDED IN  
SPECIFIC INCOME OR EXPENSE ACCOUNTS DURING THE YEAR. FOR FINANCIAL  
REPORTING PURPOSES THIS ACCUMULATED BALANCE WAS DEEMED IMMATERIAL AND  
REMAINED SEPARATELY REPORTED ON THE ORGANIZATIONS FINANCIAL STATEMENTS AS  
"MISCELLANEOUS REVENUE AND LOSSES".

**SCHEDULE C**  
**(Form 990 or 990-EZ)**

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2016**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

**For Organizations Exempt From Income Tax Under section 501(c) and section 527**  
 ▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**  
 ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then**

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

**If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then**

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

**If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then**

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization ARTHRITIS FOUNDATION INC	Employer identification number 58-1341679
--	--

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV. (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) . . . . . ▶ \$ \_\_\_\_\_
- 3 Volunteer hours for political campaign activities (see instructions) . . . . . \_\_\_\_\_

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955. . . . . ▶ \$ \_\_\_\_\_
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 . . . . . ▶ \$ \_\_\_\_\_
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? . . . . .  Yes  No
- 4a Was a correction made? . . . . .  Yes  No
- b If "Yes," describe in Part IV.

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities. . . . . ▶ \$ \_\_\_\_\_
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities . . . . . ▶ \$ \_\_\_\_\_
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b . . . . . ▶ \$ \_\_\_\_\_
- 4 Did the filing organization file **Form 1120-POL** for this year? . . . . .  Yes  No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

Schedule C (Form 990 or 990-EZ) 2016



**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

**A** Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

**B** Check  if the filing organization checked box A and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying) . . . . .		224,326.	
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .		416,606.	
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) . . . . .		640,932.	
<b>d</b> Other exempt purpose expenditures . . . . .		84,720,064.	
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) . . . . .		85,360,996.	
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.		1,000,000.	
<b>If the amount on line 1e, column (a) or (b) is:</b>			
<b>The lobbying nontaxable amount is:</b>			
Not over \$500,000	20% of the amount on line 1e.		
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.		
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) . . . . .		250,000.	
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- . . . . .		0.	0.
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- . . . . .		0.	0.
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? . . . . .			<input type="checkbox"/> Yes <input type="checkbox"/> No

**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 separate instructions for lines 2a through 2f.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) Total
<b>2a</b> Lobbying nontaxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
<b>b</b> Lobbying ceiling amount (150% of line 2a, column (e))					6,000,000.
<b>c</b> Total lobbying expenditures	279,353.	484,387.	603,920.	640,932.	2,008,592.
<b>d</b> Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
<b>f</b> Grassroots lobbying expenditures	125,709.	217,974.	241,568.	224,326.	809,577.

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

Table with 3 main columns: Description, (a) Yes/No, and (b) Amount. Rows include questions about lobbying activities like influencing legislation, volunteers, staff, media, mailings, publications, grants, and direct contact.

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

Table with 3 columns: Question, Yes, No. Rows include: 1. Were substantially all (90% or more) dues received nondeductible by members? 2. Did the organization make only in-house lobbying expenditures of \$2,000 or less? 3. Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

Table with 2 main columns: Question and Amount. Rows include: 1. Dues, assessments and similar amounts from members. 2. Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid). 3. Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues. 4. If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year? 5. Taxable amount of lobbying and political expenditures (see instructions).

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

Blank lines for providing supplemental information as requested in the instructions above.

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**Part IV** Supplemental Information *(continued)*

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

ARTHRITIS FOUNDATION INC

58-1341679

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of 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?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year. (a) Total number of conservation easements, (b) Total acreage restricted by conservation easements, (c) Number of conservation easements on a certified historic structure included in (a), (d) Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation 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)?, 9 In Part XIII, 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" on Form 990, Part IV, line 8.

Table with 2 columns: Revenue, Assets. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), 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 XIII, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116 (ASC 958), 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) Revenue 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 (ASC 958) relating to these items: a Revenue included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2016

JSA 6E1268 1.000

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

- 3** Using the organization's acquisition, 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
  - b**  Scholarly research
  - c**  Preservation for future generations
  - d**  Loan or exchange programs
  - e**  Other \_\_\_\_\_
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 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 Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on 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 XIII and complete the following table:
- |  | Amount    |
|--|-----------|
| <b>c</b> Beginning balance             | <b>1c</b> |
| <b>d</b> Additions during the year     | <b>1d</b> |
| <b>e</b> Distributions during the year | <b>1e</b> |
| <b>f</b> Ending balance                | <b>1f</b> |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

**Part V Endowment Funds.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance	25,842,339.	7,295,703.	6,451,538.	5,689,033.	5,388,928.
<b>b</b> Contributions	16,095,896.	19,983,998.	868,460.		
<b>c</b> Net investment earnings, gains, and losses	2,445,741.	-314,863.	208,043.	979,718.	599,664.
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs	1,559,184.	1,122,499.	232,338.	217,213.	299,559.
<b>f</b> Administrative expenses					
<b>g</b> End of year balance	42,824,792.	25,842,339.	7,295,703.	6,451,538.	5,689,033.

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment  \_\_\_\_\_ %
- b** Permanent endowment  88.5500 %
- c** Temporarily restricted endowment  11.4500 %

The percentages on lines 2a, 2b, and 2c should equal 100%.

**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
<b>3a(i)</b>		X
<b>3a(ii)</b>		X
<b>3b</b>		

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

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

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land		718,151.		718,151.
<b>b</b> Buildings		2,532,101.	979,136.	1,552,965.
<b>c</b> Leasehold improvements		2,608,530.	467,458.	2,141,072.
<b>d</b> Equipment		884,764.	678,701.	206,063.
<b>e</b> Other		2,342,226.	1,148,868.	1,193,358.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				5,811,609.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) BENEFICIAL INT IN PERP TRUST	44,539,383.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) . . . . . ▶	44,539,383.

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) SPLIT INTEREST AGREEMENTS	8,599,085.
(3) DEBT OBLIGATIONS	42,237.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	8,641,322.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include descriptions, sub-headers (2a-2d, 4a-4b), and totals (2e, 3, 4c, 5).

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include descriptions, sub-headers (2a-2d, 4a-4b), and totals (2e, 3, 4c, 5).

**Part XIII Supplemental Information.**

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, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

**Part XIII** Supplemental Information (continued)

PART X LINE 2

THE FOUNDATION IS EXEMPT FROM FEDERAL INCOME TAX AS AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. WITH RESPECT TO ANY UNRELATED BUSINESS INCOME GENERATED BY THE FOUNDATION, IT RECORDS INCOME TAXES USING THE LIABILITY METHOD UNDER WHICH DEFERRED TAX ASSETS AND LIABILITIES ARE DETERMINED BASED ON THE DIFFERENCES BETWEEN THE FINANCIAL ACCOUNTING AND TAX BASES OF ASSETS AND LIABILITIES. DEFERRED TAX ASSETS OR LIABILITIES AT THE END OF EACH PERIOD ARE DETERMINED USING THE CURRENTLY ENACTED TAX RATE EXPECTED TO APPLY TO TAXABLE INCOME IN THE PERIOD THAT THE DEFERRED TAX ASSET OR LIABILITY IS EXPECTED TO BE REALIZED OR TO BE SETTLED. AS OF DECEMBER 31, 2016 AND 2015, THE FOUNDATION HAD NO DEFERRED TAX ASSETS OR LIABILITIES OR ANY UNCERTAIN TAX POSITIONS.



**SCHEDULE G  
(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information Regarding Fundraising or Gaming Activities**

Complete if the organization answered "Yes" on Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule G (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

**Open to Public  
Inspection**

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

**Part I Fundraising Activities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

**1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a  Mail solicitations
- b  Internet and email solicitations
- c  Phone solicitations
- d  In-person solicitations
- e  Solicitation of non-government grants
- f  Solicitation of government grants
- g  Special fundraising events

- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?  **Yes**  **No**
- b** If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
			Yes	No			
1	ATTACHMENT 1						
2							
3							
4							
5							
6							
7							
8							
9							
10							
<b>Total</b>					10,177,759.	7,381,765.	2,795,994.

**3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

ALL STATES

**Part II Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events	
		BICYCLE TOUR LA (event type)	ARTHRITIS WALK (event type)	242. (total number)	(add col. (a) through col. (c))	
Revenue	1	Gross receipts . . . . .	1,291,508.	601,652.	23,637,983.	25,531,143.
	2	Less: Contributions . . . . .	908,300.	339,377.	9,933,477.	11,181,154.
	3	Gross income (line 1 minus line 2) . . . . .	383,208.	262,275.	13,704,506.	14,349,989.
Direct Expenses	4	Cash prizes . . . . .				
	5	Noncash prizes . . . . .	7,499.	3,701.	275,758.	286,958.
	6	Rent/facility costs . . . . .	168,202.	22,170.	1,860,853.	2,051,225.
	7	Food and beverages . . . . .				
	8	Entertainment . . . . .	1,020.		105,896.	106,916.
	9	Other direct expenses . . . . .	175,009.	38,554.	2,377,418.	2,590,981.
	10	Direct expense summary. Add lines 4 through 9 in column (d) . . . . . ▶				5,036,080.
	11	Net income summary. Subtract line 10 from line 3, column (d) . . . . . ▶				9,313,909.

**Part III Gaming.** Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1	Gross revenue . . . . .			
Direct Expenses	2	Cash prizes . . . . .			
	3	Noncash prizes . . . . .			
	4	Rent/facility costs . . . . .			
	5	Other direct expenses . . . . .			
	6	Volunteer labor . . . . .	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No
	7	Direct expense summary. Add lines 2 through 5 in column (d) . . . . . ▶			
	8	Net gaming income summary. Subtract line 7 from line 1, column (d) . . . . . ▶			

9 Enter the state(s) in which the organization conducts gaming activities: \_\_\_\_\_  
 a Is the organization licensed to conduct gaming activities in each of these states?  Yes  No  
 b If "No," explain: \_\_\_\_\_  
 \_\_\_\_\_  
 10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No  
 b If "Yes," explain: \_\_\_\_\_  
 \_\_\_\_\_

- 11 Does the organization conduct gaming activities with nonmembers?  Yes  No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No
- 13 Indicate the percentage of gaming activity conducted in:
 

a The organization's facility	<b>13a</b>	%
b An outside facility	<b>13b</b>	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_.
- c If "Yes," enter name and address of the third party:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

16 Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

Director/officer       Employee       Independent contractor

- 17 Mandatory distributions:
  - a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No
  - b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

**Part IV Supplemental Information.** Provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

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990, SCHEDULE G, PART I - HIGHEST PAID FUNDRAISER

NAME AND ADDRESS OF FUNDRAISER	ACTIVITY	DID FUNDRAISER HAVE CUSTODY OR CONTROL OF CONTRIBUTIONS?		GROSS RECEIPTS FROM ACTIVITY	AMOUNT PAID TO (OR RETAINED BY) FUNDRAISER	AMOUNT PAID TO (OR RETAINED BY) ORGANIZATION
		YES	NO			
MERKLE, INC.  P.O. BOX 64897 BALTIMORE MD 21264-4897	DIRECT MAIL		X	10,000,518.	7,255,970.	2,744,548.
MDS COMMUNICATIONS CORP  545 W. JUANITA AVENUE MESA AZ 85210	DIRECT MAIL		X	77,258.	40,153.	37,105.
INFOCISION  P.O. BOX 932441 CLEVELAND OH 44193	TELEMKTG		X	99,983.	85,642.	14,341.

**SCHEDULE I  
(Form 990)**

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

OMB No. 1545-0047

**2016**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

**Part I General Information on Grants and Assistance**

- Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) CARRA INC C/O STANFORD UNIV MEDICAL CTR	46-4152355	501(C)(3)	4,800,000.				RESEARCH GRANT
(2) DUKE UNIVERSITY 2138 CAMPUS DRIVE DURHAM, NC 27708	56-0532129	501(C)(3)	233,985.				RESEARCH GRANT
(3) RUSH UNIVERSITY MEDICAL CENTER 1700 WEST VAN BUREN, RM. 277	36-2174823	501(C)(3)	505,243.				RESEARCH GRANT
(4) UNIVERSITY OF IOWA B-5 JESSUP HALL IOWA CITY, IA 52242	42-6004813	501(C)(3)	316,618.				RESEARCH GRANT
(5) VANDERBILT UNIVERSITY MEDICAL CENTER 1161 21ST AVE S # T1217 NASHVILLE, TN 37232	62-0476822	501(C)(3)	270,000.				RESEARCH GRANT
(6) NEW YORK UNIVERSITY SCHOOL OF MEDICINE 550 1ST AVENUE NEW YORK, NY 10016	13-5562308	501(C)(3)	100,000.				RESEARCH GRANT
(7) STANFORD UNIVERSITY P.O. BOX 44253 SAN FRANCISCO, CA 94144-4253	94-1156365	501(C)(3)	237,500.				RESEARCH GRANT
(8) THE UNIVERSITY OF TENNESSEE-HEALTH SCIENCE 920 COURT AVE MEMPHIS, TN 38163	06-0646973	501(C)(3)	135,000.				RESEARCH GRANT
(9) BAYLOR COLLEGE OF MEDICINE P.O BOX 301207 DALLAS, TX 75303	74-1613878	501(C)(3)	263,863.				RESEARCH GRANT
(10) YALE UNIVERSITY YALE UNIVERSITY NEW HAVEN, CT 06520	06-0646973	501(C)(3)	297,510.				RESEARCH GRANT
(11) ALBERT EINSTEIN COLL OF MEDICINE-YESHIVA UN 1300 MORRIS PARK AVENUE BRONX, NY 10461	47-2209056	501(C)(3)	81,000.				RESEARCH GRANT
(12) UNIVERSITY OF COLORADO DENVER 1250 14TH ST DENVER, CO 80202	84-6000555	501(C)(3)	50,000.				RESEARCH GRANT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶

3 Enter total number of other organizations listed in the line 1 table ▶

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2016)

**SCHEDULE I  
(Form 990)**

**Grants and Other Assistance to Organizations,  
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Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

**Part I General Information on Grants and Assistance**

- Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
<b>(1)</b> BRIGHAM AND WOMEN'S HOSPITAL 75 FRANCIS STREET BOSTON, MA 02115	04-2312909	501(C)(3)	34,000.				RESEARCH GRANT
<b>(2)</b> CEDARS-SINAI MEDICAL CENTER 6500 WILSHIRE BLVD #1150	95-1644600	501(C)(3)	172,106.				RESEARCH GRANT
<b>(3)</b> CHILDREN'S HOSPITAL OF LOS ANGELES 4650 SUNSET BLVD - MS #60	95-3777340	501(C)(3)	90,000.				RESEARCH GRANT
<b>(4)</b> DARTMOUTH 11 ROPE FERRY ROAD, #6210 HANOVER, NH 03755	02-0222111	501(C)(3)	108,179.				RESEARCH GRANT
<b>(5)</b> FOUNDATION FOR THE NAT'L INST OF HEALTH 9650 ROCKVILLE PIKE BETHESDA, MD 20814	52-1986675	501(C)(3)	238,500.				RESEARCH GRANT
<b>(6)</b> METROHEALTH MEDICAL CENTER P.O BOX 73308 CLEVELAND, OH 44193	34-6004382	501(C)(3)	200,000.				RESEARCH GRANT
<b>(7)</b> OREGON HEALTH & SCIENCE UNIVERSITY SPONSORED PROJECTS ADMINISTRATION	93-1176109	501(C)(3)	50,000.				RESEARCH GRANT
<b>(8)</b> SEATTLE CHILDREN'S HOSPITAL FOUNDATION P.O. BOX 5371, M/S. S-200 SEATTLE, WA 98145	91-0564748	501(C)(3)	50,000.				RESEARCH GRANT
<b>(9)</b> THE RESEARCH FOUNDATION OF SUNY 402 CROFTS HALL BUFFALO, NY 14260	14-1368361	501(C)(3)	365,499.				RESEARCH GRANT
<b>(10)</b> UC REGENTS 9500 GILMAN DRIVE LA JOLLA, CA 92093	96-6006144	501(C)(3)	164,500.				RESEARCH GRANT
<b>(11)</b> UNC CHAPEL HILL 103 SOUTH BUILDING CAMPUS BOX 9100	56-6001393	501(C)(3)	118,600				RESEARCH GRANT
<b>(12)</b> UNIVERSITY OF SAN FRANCISCO 4150 CLEMENT ST SAN FRANCISCO, CA 94121	94-1156628	501(C)(3)	150,000.				RESEARCH GRANT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶

3 Enter total number of other organizations listed in the line 1 table ▶

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2016)

**SCHEDULE I  
(Form 990)**

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

OMB No. 1545-0047

**2016**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

**Part I General Information on Grants and Assistance**

- Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) UNIVERSITY OF UTAH 201 SOUTH PRESIDENT'S CIRCLE #411	87-6000525	501(C)(3)	50,000.				RESEARCH GRANT
(2) UNIVERSITY OF WASHINGTON BOX 354966 SEATTLE, WA 98195	91-6001537	501(C)(3)	50,000.				RESEARCH GRANT
(3) CALIFORNIA POLYTECHNIC STATE UNIV 1 GRAND AVENUE SAN LUIS OBISPO, CA 93407	77-0209717	501(C)(3)	16,500.				EDUCATION GRANT
(4) CALIFORNIA STATE UNIVERSITY 1250 BELLFLOWER BLVD LONG BEACH, CA 90840	45-2163910	501(C)(3)	49,500.				EDUCATION GRANT
(5) WAKE FOREST PIEDMONT PLAZA 1, 6TH FLOOR	22-3849199	501(C)(3)	16,500.				EDUCATION GRANT
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 29.

3 Enter total number of other organizations listed in the line 1 table ▶

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2016)

**Part III Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 JUNIOR ARTHRITIS CAMPERSHIPS	65.	34,138.			
2					
3					
4					
5					
6					
7					

**Part IV Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b); and any other additional information.

PART I LINE 2

MONITORING IS PROVIDED BY THE ARTHRITIS FOUNDATION'S NATIONAL OFFICE THROUGH OVERSIGHT OF THE TERMS AND CONDITIONS OF A WRITTEN AGREEMENT. MULTIYEAR AGREEMENTS REQUIRE YEARLY PROGRESS AND FINANCIAL REPORTS FOR CONTINUATION OF FUNDING.



**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

ARTHRITIS FOUNDATION INC

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

**Open to Public  
Inspection**

Employer identification number

58-1341679

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |   |
|--|---|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use    |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence    |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees      |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (such as, maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? **4a**  Yes  No
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**  Yes  No
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**  Yes  No
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a**  Yes  No
- b** Any related organization? **5b**  Yes  No
- If "Yes" on line 5a or 5b, describe in Part III.

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a**  Yes  No
- b** Any related organization? **6b**  Yes  No
- If "Yes" on line 6a or 6b, describe in Part III.

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III.

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.

**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1a</b>		
<b>1b</b>		
<b>2</b>		
<b>3</b>		
<b>4a</b>		X
<b>4b</b>		X
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2016

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 WAYNE GUTHRIE SR. VP, STAFF OPERATIONS	(i)	200,523.	15,000.	8,000.	9,708.	9,949.	243,180.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 SANDRA MACKEY SR. VP, MARKETING & COMM	(i)	204,615.	20,000.	0.	8,985.	16,413.	250,013.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 CINDY MCDANIEL SR. VP, CONSUMER HEALTH	(i)	190,292.	20,000.	0.	16,823.	16,652.	243,767.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 DAVID MCLOUGHLIN CHIEF OPERATING OFFICER	(i)	302,846.	0.	35,000.	10,000.	16,811.	364,657.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 INGRID MONTECINO REGIONAL VICE PRESIDENT	(i)	266,000.	0.	0.	10,592.	13,467.	290,059.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 AMANDA NISKAR NATIONAL SCIENTIFIC DIRECTOR	(i)	227,123.	0.	0.	9,085.	14,193.	250,401.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 ANN PALMER PRESIDENT/CEO	(i)	411,077.	110,000.	8,500.	28,400.	14,625.	572,602.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 SANDIE PREISS VP, ADVOCACY & ACCESS	(i)	200,216.	20,000.	0.	8,168.	10,401.	238,785.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 RICHARD WILLIS SVP, FIELD MANAGEMENT	(i)	194,970.	20,000.	0.	7,799.	16,472.	239,241.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 ELIZABETH PHILLIPS VP, CAUSE DEVELOPMENT	(i)	174,615.	33,000.	0.	8,305.	14,186.	230,106.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
11 AMY DAUGHERTY REGIONAL VICE PRESIDENT	(i)	190,385.	0.	0.	15,231.	9,217.	214,833.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

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**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

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**SCHEDULE M  
(Form 990)**

**Noncash Contributions**

OMB No. 1545-0047

**2016**

**Open To Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art . . . . .				
2 Art - Historical treasures . . . . .				
3 Art - Fractional interests . . . . .				
4 Books and publications . . . . .				
5 Clothing and household goods . . . . .	X		778,689.	FMV
6 Cars and other vehicles . . . . .				
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities - Publicly traded . . . . .	X	97.	502,360.	STOCK EXCHANGE VALUE
10 Securities - Closely held stock . . . . .				
11 Securities - Partnership, LLC, or trust interests . . . . .				
12 Securities - Miscellaneous . . . . .				
13 Qualified conservation contribution - Historic structures . . . . .				
14 Qualified conservation contribution - Other . . . . .				
15 Real estate - Residential . . . . .				
16 Real estate - Commercial . . . . .				
17 Real estate - Other . . . . .				
18 Collectibles . . . . .				
19 Food inventory . . . . .				
20 Drugs and medical supplies . . . . .				
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
25 Other ▶ ( _____ )				
26 Other ▶ ( _____ )				
27 Other ▶ ( _____ )				
28 Other ▶ ( _____ )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . . **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period? . . . . .		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions? . . . . .	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .	X	
b If "Yes," describe in Part II.		
33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2016)

JSA

6E1298 1.000

**Part II** **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

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PART I, LINE 32B

AUTOS FOR ARTHRITIS-ADVANCED REMARKETING SERVICES DELIVERS PROFESSIONAL  
REMARKETING SERVICES TO THE ARTHRITIS FOUNDATION'S CAR DONATION PROGRAMS.  
SERVICES INCLUDE STATE OF THE ART CALL CENTER, NATIONWIDE TOWING  
COVERAGE, ESTABLISHED NETWORK OF BUYERS AND AUCTIONS, COMPREHENSIVE  
REPORTING AND PROCESSING OF ALL REQUIRED STATE AND IRS DOCUMENTS. FUNDS  
COLLECTED (GROSS, LESS APPLICABLE FEES) ARE DIRECT DEPOSITED INTO THE  
NATIONAL OFFICE BANK ACCOUNT.

**SCHEDULE O  
(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

ARTHRITIS FOUNDATION INC

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

**Open to Public  
Inspection**

Employer identification number

58-1341679

FORM 990, PART VI, SECTION A, LINE 1

THE EXECUTIVE COMMITTEE HAS BEEN GIVEN THE AUTHORITY TO EXERCISE ANY AND ALL POWERS OF THE NATIONAL BOARD BETWEEN MEETINGS OF THE FULL NATIONAL BOARD. THE EXECUTIVE COMMITTEE CONSISTS OF THE OFFICERS AND UP TO EIGHT ADDITIONAL DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 11

THE FORM 990 WAS PREPARED BY A PUBLIC ACCOUNTING FIRM WITH INPUT FROM THE FOUNDATION'S ACCOUNTING STAFF AND VP OF FINANCE. A DRAFT COPY OF THE FORM 990 WAS REVIEWED BY KEY ACCOUNTING STAFF AND SENIOR MANAGEMENT. EACH PERSON INDIVIDUALLY REVIEWED THE FORM (INCLUDING SCHEDULES) AND SUBMITTED QUESTIONS OR COMMENTS TO MANAGEMENT AS NECESSARY. QUESTIONS AND COMMENTS WERE RESOLVED APPROPRIATELY TO THE SATISFACTION OF THE FOUNDATION'S VP OF FINANCE. THE FORM 990 (INCLUDING SCHEDULES) WAS THEN REVIEWED AND APPROVED BY THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS PRIOR TO SUBMISSION. THE FINAL FORM WAS PROVIDED TO THE ENTIRE BOARD OF DIRECTORS AT A SCHEDULED MEETING. COMMENTS AND SUGGESTED CHANGES WERE INCORPORATED INTO A SUBSEQUENT DRAFT OF THE FORM 990. THE FINAL DRAFT OF THE FORM 990 WAS PRESENTED TO THE FULL BOARD OF DIRECTORS PRIOR TO SUBMISSION.

FORM 990, PART VI, SECTION B, LINE 12C

AT LEAST ANNUALLY, ALL EMPLOYEES MUST SIGN A CONFLICT OF INTEREST DISCLOSURE FORM. VOLUNTEERS IN POSITIONS OF GOVERNANCE SUCH AS FOR BOARD MEMBERS, COMMITTEE MEMBERS AND AD HOC TASK FORCE MEMBERS SHALL COMPLETE A

Name of the organization ARTHRITIS FOUNDATION INC	Employer identification number 58-1341679
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CONFLICT OF INTEREST DISCLOSURE FORM ANNUALLY AND PRIOR TO INITIAL APPOINTMENT TO SERVE IN THE VARIOUS POSITIONS. THE BOARD OF DIRECTORS AUDIT COMMITTEE REVIEWS AND ADJUDICATES POTENTIAL VOLUNTEER CONFLICTS. IF POTENTIAL CONFLICTS EXIST AS TO ARTHRITIS FOUNDATION STAFF, THE APPROPRIATE MANAGEMENT AND/OR THE HUMAN RESOURCES DEPARTMENT SHALL ADDRESS THEM.

FORM 990, PART VI, SECTION B, LINE 15

THE COMPENSATION AND PERSONNEL COMMITTEE MET ON NOVEMBER 18, 2016 TO REVIEW TOTAL COMPENSATION AND BENEFITS FOR THE CEO AND SEVEN OTHER KEY EMPLOYEES. THE COMMITTEE RECEIVED COMPENSATION REPORTS PREPARED BY AN INDEPENDENT COMPENSATION CONSULTANT, JER HR ASSOCIATES LLC, AND REVIEWED THE COMPARATIVE ANALYSIS OF MARKET DATA FOR PEER ORGANIZATIONS WITH THE TOTAL COMPENSATION PAID BY THE ARTHRITIS FOUNDATION FOR EACH POSITION. IT WAS THE CONSULTANT'S UNRESERVED OPINION THAT THE BASE SALARIES AND TOTAL COMPENSATION PROVIDED TO THE FOUNDATION'S EIGHT SENIOR MANAGEMENT EXECUTIVES, INCLUDING THE CEO, MEET ALL STANDARDS OF REASONABLENESS AND ARE NOT EXCESSIVE. THE COMMITTEE MEETS ANNUALLY TO COMPLETE THIS REVIEW AND REPORTS TO THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION C, LINE 19

THE ORGANIZATION MAKES PUBLIC THE MAJORITY OF ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS VIA THE NATIONAL OFFICE'S WEBSITE AT WWW.ARTHRITIS.ORG. ALL OTHER DOCUMENTS NOT READILY AVAILABLE VIA THIS WEBSITE ARE AVAILABLE UPON REQUEST.

Name of the organization ARTHRITIS FOUNDATION INC	Employer identification number 58-1341679
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FORM 990, PART XI, LINE 9

NET CHANGE IN VALUATION OF SPLIT INTEREST AGREEMENTS - (\$512,125)

NET CHANGE IN PENSION LIABILITIES - \$63,572,

UNREALIZED GAIN ON BENEFICIAL INTERESTS IN PERPETUAL TRUSTS \$162,372,

SECTION 481(A) ADJUSTMENT - (\$64,333)

NET ASSETS TRANSFERRED IN FROM CHARTERED ENTITIES - \$80,210,107

ATTACHMENT 1

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

ADVOCACY AND ACCESS: ADVOCACY IS ONE OF THE FOUR PILLARS OF THE ARTHRITIS FOUNDATION. OUR MISSION IS TO BE THE VOICE OF PEOPLE WITH ARTHRITIS WITH POLICY MAKERS, ELECTED OFFICIALS, REGULATORS, AT ALL LEVELS OF GOVERNMENT, AND EMPLOYERS. WE DO THIS BY ENGAGING OUR COMMUNITY OF ADVOCATES IN LEGISLATIVE AND REGULATORY POLICY MAKING, HELPING THEM TO FIND THEIR VOICES THROUGH ADVOCACY TRAINING, MEETINGS WITH CONGRESSIONAL REPRESENTATIVES AND STATE OFFICIALS TO ENSURE ACCESS TO TIMELY, AFFORDABLE ACCESS TO TREATMENTS AND MEDICATIONS. PART OF OUR ADVOCACY PROGRAM ALSO INCLUDES THE ARTHRITIS AMBASSADOR PROGRAM TO STRENGTHEN RELATIONSHIPS WITH MEMBERS OF CONGRESS THROUGH ADVOCACY TRAINING AND RELATIONSHIP DEVELOPMENT. A NEW FOCUS OF THE ADVOCACY PROGRAM IS ACTIVE ENGAGEMENT BY OUR ADVOCATES IN POLICYMAKING AT THE STATE LEVEL. IN ADDITION, THE ARTHRITIS FOUNDATION IS WORKING TO ENSURE THAT RESEARCH FUNDING FOR ARTHRITIS IS INCREASED AND THAT THERE IS RECOGNITION OF THE FACT THAT THIS DISEASE IMPACTS ONE IN FOUR AMERICANS.



Name of the organization ARTHRITIS FOUNDATION INC	Employer identification number 58-1341679
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ATTACHMENT 2

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FORM 990, PART III - PROGRAM SERVICE, LINE 4C

SCIENTIFIC DISCOVERY: FOR ALMOST 70 YEARS, THE ARTHRITIS FOUNDATION HAS INITIATED AND SUPPORTED SCIENTIFIC DISCOVERIES THAT IMPROVE THE LIVES OF PEOPLE WITH ARTHRITIS AND RELATED DISEASES. THE ARTHRITIS FOUNDATION CONTINUES TO LEAD THE WAY IN ADVANCING SCIENTIFIC DISCOVERIES AND SEEKING SOLUTIONS THAT WILL POSITIVELY IMPACT THE LIVES OF THOSE WHO SUFFER. OUR COMMITMENT TO FINDING A CURE IS UNWAVERING. THE SCIENTIFIC STRATEGY IS THE DIRECTION THE ARTHRITIS FOUNDATION SCIENCE DEPARTMENT IS GOING OVER THE NEXT FIVE YEARS. THE SCIENTIFIC STRATEGY HAS THREE PILLARS. THE GOAL FOR EACH PILLAR IS LISTED BELOW.

PILLAR #1: DELIVERING ON DISCOVERY

IMPROVED DECISION MAKING AND BETTER LIVES THROUGH IMPROVED PREVENTION, EARLIER DIAGNOSIS AND NEW TREATMENTS TO PREVENT, CONTROL AND CURE ARTHRITIS AND RELATED DISEASES.

PILLAR #2: DECISION MAKING WITH METRICS

FACT-BASED METRICS FOR DECISION MAKING AND GUIDING ACTIONS TO IMPROVE THE HEALTH OF PEOPLE ACROSS THE LIFESPAN WITH ARTHRITIS AND RELATED DISEASES.

PILLAR #3: BUILDING HUMAN CAPITAL

SCIENTIFIC RESEARCH PIPELINE IS STRENGTHENED AND SCIENTIFIC DISCOVERY IS CATALYZED AND ACCELERATED FOR ARTHRITIS AND RELATED DISEASES.

Name of the organization ARTHRITIS FOUNDATION INC	Employer identification number 58-1341679
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ATTACHMENT 3

FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

<u>DESCRIPTION</u>	<u>GRANTS</u>	<u>EXPENSES</u>	<u>REVENUE</u>
PROFESSIONAL EDUCATION	276.	2,094,356.	
TOTALS	<u>276.</u>	<u>2,094,356.</u>	

ATTACHMENT 4

FORM 990, PART VI, LINE 17 - STATES

AL, AZ, CA, CT,

FL, GA, HI, IL, KS, KY, LA, MD, MA, MI,

MN, MS, NH, NJ, NM, NY, NC, OK, OR, PA,

RI, SC, TN, UT, VA, WV, WI,

ATTACHMENT 5

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
MERKLE, INC. PO BOX 64897 BALTIMORE, MD 21264-4897	DIRECT MAIL COUNSEL	7,045,311.
QUAD/GRAPHICS, INC. PO BOX 842858 BOSTON, MA 02284-2858	PRINTING & ARTWORK	1,462,706.
BLACKBAUD INTERNET SOLUTIONS DIVISION PO BOX 930256 ATLANTA, GA 31193-0256	TECH & SOFTWARE SVCS	849,842.
GRAPHIC SOLUTIONS GROUP PO BOX 720477 ATLANTA, GA 30358	PRINTING & ARTWORK	786,080.
MEREDITH CORPORATION PO BOX 730148 DALLAS, TX 75373-0148	PRINTING & ARTWORK	777,605.

Name of the organization ARTHRITIS FOUNDATION INC	Employer identification number 58-1341679
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ATTACHMENT 6

FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	<u>(A)</u> <u>TOTAL</u> <u>REVENUE</u>	<u>(B)</u> <u>RELATED OR</u> <u>EXEMPT REVENUE</u>	<u>(C)</u> <u>UNRELATED</u> <u>BUSINESS REV.</u>	<u>(D)</u> <u>EXCLUDED</u> <u>REVENUE</u>
INVESTMENT INCOME	3,411,362.			3,411,362.
TOTALS	<u>3,411,362.</u>			<u>3,411,362.</u>

ATTACHMENT 7

FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

<u>DESCRIPTION</u>	<u>AMOUNT</u>
CCC BICYCLE TOUR - LA METRO	908,300.
ARTHRITIS WALK - NY	339,377.
OTHER EVENTS	9,933,477.
TOTAL	<u>11,181,154.</u>

ATTACHMENT 8

FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>GROSS</u> <u>INCOME</u>	<u>DIRECT</u> <u>EXPENSES</u>	<u>NET</u> <u>INCOME</u>
CCC BICYCLE TOUR - LA METRO	383,208.	351,730.	31,478.
ARTHRITIS WALK - NY	262,275.	64,425.	197,850.
OTHER EVENTS	13,704,506.	4,619,925.	9,084,581.
TOTALS	<u>14,349,989.</u>	<u>5,036,080.</u>	<u>9,313,909.</u>

ATTACHMENT 9

Name of the organization ARTHRITIS FOUNDATION INC	Employer identification number 58-1341679
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ATTACHMENT 9 (CONT'D)

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
MARKETABLE SECURITIES	88,916,902.	FMV
TOTALS	<u>88,916,902.</u>	