

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

OMB No 1545-0047

2017Open to Public
InspectionDepartment 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.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.**A** For the 2017 calendar year, or tax year beginning

, 2017, and ending

, 20

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated return
☐ Amended return
☐ Application pending

C Name of organization

ARTHRITIS FOUNDATION INC

Doing business as

Number and street (or P.O. box if mail is not delivered to street address)

1355 PEACHTREE STREET NE

Room/suite

600

City or town, state or province, country, and ZIP or foreign postal code

ATLANTA, GA 30309

F Name and address of principal officer:

ANN PALMER, CEO

1355 PEACHTREE ST NE SUITE 600 ATLANTA, GA 30309

D Employer identification number

58-1341679

E Telephone number

(404) 872-7100

G Gross receipts \$

188,345,593.

H(a) Is this a group return for subordinates?☐ Yes☒ No**H(b)** Are all subordinates included?☐ Yes☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶ 8510**I** Tax-exempt status:☒ X

501(c)(3)

☐ 501(c) ()

(insert no)

4947(a)(1) or

☐ 527**J** Website: ▶ WWW.ARTHRITIS.ORG**K** Form of organization:☒ X

Corporation

☐ Trust☐ Association☐ Other ▶**L** Year of formation: 1948**M** State of legal domicile:

GA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: THE AF IS PURSUING A CURE FOR AMERICA'S #1 CAUSE OF DISABILITY, WHILE CHAMPIONING THE FIGHT AGAINST ARTHRITIS WITH LIFE-CHANGING RESOURCES, SCIENCE, ADVOCACY, & COMMUNITY CONNECTS.		
	2 Check this box ☐ 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)	3	17.
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	17.
	5 Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5	684.
	6 Total number of volunteers (estimate if necessary)	6	7,500.
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	5,547,455.
b Net unrelated business taxable income from Form 990-T, line 34	7b	63,334.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	54,727,053.	57,639,168.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,071,347.	3,862,801.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,420,971.	11,407,644.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	15,544,736.	13,852,145.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	77,764,107.	86,761,758.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	9,248,741.	9,878,840.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	37,511,741.	34,426,646.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 10,331,111.	4,955.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	38,595,559.	34,591,650.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	85,360,996.	78,897,136.
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	-7,596,889.	7,864,622.
	20 Total assets (Part X, line 18)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	174,521,717.	187,448,846.
	22 Net assets or fund balances. Subtract line 21 from line 20	27,248,882.	28,643,122.
		147,272,835.	158,805,724.

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.

Sign Here

Signature of officer

Date

9/24/18

JANE BASCLE

CFO

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

SANDRA L FEINSMITH

Preparer's signature

Date

09/21/2018

Check ☐ If

self-employed

PTIN

P01064157

Firm's name ▶ BDO USA, LLP

Firm's EIN ▶ 13-5381590

Firm's address ▶ 1100 PEACHTREE STREET, SUITE 700 ATLANTA, GA 30309-4516

Phone no. 404-688-6841

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ X

Yes

☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2017)

**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.**

OMB No. 1545-1709

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, 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
File by the due date for filing your return. See instructions.	ARTHRTIS FOUNDATION INC	58-1341679
	Number, street, and room or suite no. If a P.O. box, see instructions. 1355 PEACHTREE STREET NE 600	Social security number (SSN)
	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) **01**

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) 8510 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, 2018, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► ☒ calendar year 2017 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

3a 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.	3a \$	0.
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.	3b \$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$	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.

Form **8868** (Rev. 1-2017)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒ X**1** Briefly describe the organization's mission:

THE ARTHRITIS FOUNDATION IS BOLDLY PURSUING A CURE FOR AMERICA'S #1
CAUSE OF DISABILITY, WHILE CHAMPIONING THE FIGHT AGAINST ARTHRITIS
WITH LIFE-CHANGING RESOURCES, SCIENCE, ADVOCACY, AND COMMUNITY
CONNECTIONS.

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

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

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

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

4 Describe the 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 \$ 29,672,454. including grants of \$ 31,730.) (Revenue \$)

ATTACHMENT 1

4b (Code:) (Expenses \$ 15,812,228. including grants of \$ 46,417.) (Revenue \$ 3,862,801.)

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 \$ 12,328,334. including grants of \$ 9,799,314.) (Revenue \$)

ATTACHMENT 2

4d Other program services (Describe in Schedule O.) ATTACHMENT 3

(Expenses \$ 1,869,268. including grants of \$ 1,379.) (Revenue \$)

4e Total program service expenses 59,682,284.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A.	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I.		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II.	X	
5 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? If "Yes," complete Schedule C, Part III.		X
6 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? If "Yes," complete Schedule D, Part I.		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II.		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III.		X
9 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? If "Yes," complete Schedule D, Part IV.		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V.	X	
11 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.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.	X	
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? If "Yes," complete Schedule D, Part VII.		X
c 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? If "Yes," complete Schedule D, Part VIII.		X
d 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? If "Yes," complete Schedule D, Part IX.	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	X	
f 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)? If "Yes," complete Schedule D, Part X.	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII.	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional.		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E.		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
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? If "Yes," complete Schedule F, Parts I and IV.		X
15 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? If "Yes," complete Schedule F, Parts II and IV.		X
16 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? If "Yes," complete Schedule F, Parts III and IV.		X
17 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? If "Yes," complete Schedule G, Part I (see instructions).	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II.	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III.		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H.		X
20b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 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? If "Yes," complete Schedule I, Parts I and II.	X	
22 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? If "Yes," complete Schedule I, Parts I and III.	X	
23 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? If "Yes," complete Schedule J.	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I.		X
25b 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? If "Yes," complete Schedule L, Part I.		X
26 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? If "Yes," complete Schedule L, Part II.		X
27 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? If "Yes," complete Schedule L, Part III.		X
28 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):		
28a a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV.		X
28b b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV.		X
28c c 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? If "Yes," complete Schedule L, Part IV.		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M.	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M.		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I.		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II.		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I.		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35b 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)? If "Yes," complete Schedule R, Part V, line 2.		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2.		X
37 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? If "Yes," complete Schedule R, Part VI.		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Form **990** (2017)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a 519		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b 0.		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a 684		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X	
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	3b	X	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

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 ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 17		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
b Enter the number of voting members included in line 1a, above, who are independent 1b 17		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		X
6 Did the organization have members or stockholders? 6		X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a	X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8a	X	
b Each committee with authority to act on behalf of the governing body? 8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O 9		X

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

	Yes	No
10a Did the organization have local chapters, branches, or affiliates? 10a	X	
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 10b	X	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12a	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 12c	X	
13 Did the organization have a written whistleblower policy? 13	X	
14 Did the organization have a written document retention and destruction policy? 14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official 15a	X	
b Other officers or key employees of the organization 15b	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16a		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? 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.
☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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, CFO 1355 PEACHTREE STREET NE, SUITE 600 ATLANTA, GA 30309 404-872-7100

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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) ROWLAND W. CHANG CHAIR	1.00 0.	X						0.	0.	0.
(2) LAURIE STEWART VICE CHAIR/SECRETARY	1.00 0.	X						0.	0.	0.
(3) FRANK LONGOBARDI TREASURER	1.00 0.	X						0.	0.	0.
(4) MICHAEL V. ORTMAN IMMEDIATE PAST CHAIR	1.00 0.	X						0.	0.	0.
(5) CAVAN REDMOND DIRECTOR	1.00 0.	X						0.	0.	0.
(6) K. ANDREW CRIGHTON DIRECTOR	1.00 0.	X						0.	0.	0.
(7) MARY BATTLE DIRECTOR	1.00 0.	X						0.	0.	0.
(8) DENNIS M. P. EHLING DIRECTOR	1.00 0.	X						0.	0.	0.
(9) HELEN EMERY DIRECTOR	1.00 0.	X						0.	0.	0.
(10) RANDEEP S. KAHLOH DIRECTOR	1.00 0.	X						0.	0.	0.
(11) MARTIN LOTZ DIRECTOR	1.00 0.	X						0.	0.	0.
(12) MATT MOONEY DIRECTOR	1.00 0.	X						0.	0.	0.
(13) MICHAEL MORIARTY DIRECTOR	1.00 0.	X						0.	0.	0.
(14) DAVID A. PLEASANCE 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) ANTHONY RIZZO, JR. DIRECTOR	1.00 0.	X						0.	0.	0.
(16) W. HAYES WILSON DIRECTOR	1.00 0.	X						0.	0.	0.
(17) ROBIN DORE DIRECTOR	1.00 0.	X						0.	0.	0.
(18) PATRICIA HANNON DIRECTOR	1.00 0.	X						0.	0.	0.
(19) EILEEN BOONE DIRECTOR	1.00 0.	X						0.	0.	0.
(20) JOSEPH NELLIS DIRECTOR	1.00 0.	X						0.	0.	0.
(21) JANE BASCLE CHIEF FINANCIAL OFFICER	37.50 0.			X				207,500.	0.	20,631.
(22) DAVID MCLOUGHLIN CHIEF OPERATING OFFICER	37.50 0.			X				355,813.	0.	37,124.
(23) ANN PALMER PRESIDENT/CEO	37.50 0.			X				574,000.	0.	44,232.
(24) CATHERINE MCCLELLAN VP LEGAL AFFAIRS	37.50 0.			X				141,575.	0.	10,711.
(25) SANDIE PREISS VP, ADVOCACY & ACCESS	37.50 0.				X			137,680.	0.	18,544.
1b Sub-total								0.	0.	0.
c Total from continuation sheets to Part VII, Section A								3,173,494.	0.	269,669.
d Total (add lines 1b and 1c)								3,173,494.	0.	269,669.

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 **65**

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		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 **6**

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) GUY EAKIN SR. VP, SCIENCE	37.50 0.				X			217,838.	0.	9,833.
(27) CINDY MCDANIEL SR. VP, CONSUMER AFFAIRS	37.50 0.				X			194,741.	0.	33,097.
(28) ANN MCNAMARA SR. VP, REVENUE STRATEGY	37.50 0.				X			230,000.	0.	3,267.
(29) RICHARD WILLIS SR. VP, FIELD MANAGEMENT	37.50 0.				X			229,612.	0.	27,029.
(30) ANDY GAMMUTO CHIEF INFORMATION OFFICER	37.50 0.					X		192,506.	0.	6,883.
(31) MELISSA HONABACH SR. VP, MARKETING & COMM	37.50 0.					X		155,769.	0.	9,965.
(32) NANCY BEIDLER REGION VICE PRESIDENT	37.50 0.					X		164,800.	0.	14,059.
(33) SYLVIA RICHARD REGION VICE PRESIDENT	37.50 0.					X		160,745.	0.	17,743.
(34) INGRID MONTECINO REGIONAL VICE PRESIDENT	37.50 0.					X		210,915.	0.	16,551.

1b Sub-total**c Total from continuation sheets to Part VII, Section A****d Total (add lines 1b and 1c)**

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 **65**

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

	Yes	No
3		X
4	X	
5		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? If "Yes," complete Schedule J for such individual

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. 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 RevenueCheck 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
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 999,997.				
	b	Membership dues	1b				
	c	Fundraising events	1c 11,109,440.				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e 186,486.				
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f 45,343,245.				
	g	Noncash contributions included in lines 1a-1f: \$	1,418,663.				
	h	Total. Add lines 1a-1f		57,639,168.			
Program Service Revenue	2a	COMMUNITY HEALTH & SUPPORT	Business Code 624100	3,862,801.	3,862,801.		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		3,862,801.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 6		4,426,960.			4,426,960.
	4	Income from investment of tax-exempt bond proceeds		0.			
	5	Royalties		126,703.			126,703.
		(i) Real (ii) Personal					
	6a	Gross rents					
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)		0.			
	7a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other 103,751,705. 107,004.				
	b	Less: cost or other basis and sales expenses	96,852,439. 25,586.				
	c	Gain or (loss)	6,899,266. 81,418.				
	d	Net gain or (loss)		6,980,684.			6,980,684.
	8a	Gross income from fundraising events (not including \$ 11,109,440. of contributions reported on line 1c). See Part IV, line 18	ATCH 7 12,883,797.				
	b	Less: direct expenses	4,705,810.				
	c	Net income or (loss) from fundraising events	ATCH 8	8,177,987.			8,177,987.
	9a	Gross income from gaming activities. See Part IV, line 19					
	b	Less: direct expenses					
c	Net income or (loss) from gaming activities		0.				
10a	Gross sales of inventory, less returns and allowances						
b	Less: cost of goods sold						
c	Net income or (loss) from sales of inventory		0.				
Miscellaneous Revenue				Business Code			
11a	ADVERTISING REVENUE	541800	5,483,121.		5,483,121.		
b	SECTION 481(A) ADJUSTMENT	900099	64,334.		64,334.		
c							
d	All other revenue						
e	Total. Add lines 11a-11d		5,547,455.				
12	Total revenue. See instructions.		86,761,758.	3,862,801.	5,547,455.	19,712,334.	

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 ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(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	9,866,779.	9,866,779.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	12,061.	12,061.		
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	2,493,227.	1,800,343.	306,946.	385,938.
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	25,369,339.	18,319,027.	3,123,275.	3,927,037.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0.			
9 Other employee benefits	4,409,061.	3,207,956.	529,401.	671,704.
10 Payroll taxes	2,155,019.	1,567,251.	257,445.	330,323.
11 Fees for services (non-employees):				
a Management	0.			
b Legal	252,978.	140,804.	71,944.	40,230.
c Accounting	314,719.	175,168.	89,502.	50,049.
d Lobbying	538,251.	538,251.		
e Professional fundraising services. See Part IV, line 17.	0.			
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.)	5,610,974.	3,283,858.	1,482,369.	844,747.
12 Advertising and promotion	8,222,694.	6,185,057.	86,970.	1,950,667.
13 Office expenses	7,271,857.	5,597,258.	1,041,049.	633,550.
14 Information technology	1,724,955.	545,696.	871,279.	307,980.
15 Royalties	0.			
16 Occupancy	3,661,793.	2,881,295.	321,151.	459,347.
17 Travel	2,101,065.	1,657,126.	219,261.	224,678.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	2,469,266.	2,316,795.	68,270.	84,201.
20 Interest	0.			
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	975,937.	741,712.	126,872.	107,353.
23 Insurance	589,153.	448,187.	76,159.	64,807.
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	333,059.	-4,430.	189,598.	147,891.
b UNCOLLECTIBLE RECEIVABLES	338,121.	260,732.		77,389.
c MEMBERSHIP DUES/SUBSCRIPTION	186,828.	141,358.	22,250.	23,220.
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	78,897,136.	59,682,284.	8,883,741.	10,331,111.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)	6,285,835.	4,525,801.		1,760,034.

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	16,044,623.	1	19,216,408.
	2 Savings and temporary cash investments	0.	2	0.
	3 Pledges and grants receivable, net	14,753,135.	3	19,511,562.
	4 Accounts receivable, net	2,765,605.	4	2,787,700.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0.	5	0.
	6 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.	6	0.
	7 Notes and loans receivable, net	0.	7	0.
	8 Inventories for sale or use	131,028.	8	91,721.
	9 Prepaid expenses and deferred charges	1,458,513.	9	1,859,675.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 9,505,846.		
	b Less: accumulated depreciation	10b 4,224,533.		
	11 Investments - publicly traded securities	5,811,609.	10c	5,281,313.
	12 Investments - other securities. See Part IV, line 11	88,916,902.	11	88,865,600.
	13 Investments - program-related. See Part IV, line 11	100,919.	12	3,425,544.
	14 Intangible assets	0.	13	0.
	15 Other assets. See Part IV, line 11	0.	14	0.
16 Total assets. Add lines 1 through 15 (must equal line 34)	44,539,383.	15	46,409,323.	
	174,521,717.	16	187,448,846.	
Liabilities	17 Accounts payable and accrued expenses	10,124,518.	17	11,067,161.
	18 Grants payable	8,483,042.	18	9,335,057.
	19 Deferred revenue	0.	19	0.
	20 Tax-exempt bond liabilities	0.	20	0.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0.	21	0.
	22 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.	22	0.
	23 Secured mortgages and notes payable to unrelated third parties	0.	23	0.
	24 Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	25 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	8,641,322.	25	8,240,904.
	26 Total liabilities. Add lines 17 through 25	27,248,882.	26	28,643,122.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	33,973,907.	27	45,147,713.
	28 Temporarily restricted net assets	35,888,431.	28	33,426,602.
	29 Permanently restricted net assets	77,410,497.	29	80,231,409.
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	147,272,835.	33	158,805,724.
	34 Total liabilities and net assets/fund balances	174,521,717.	34	187,448,846.

Form **990** (2017)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI. ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	86,761,758.
2	Total expenses (must equal Part IX, column (A), line 25)	2	78,897,136.
3	Revenue less expenses. Subtract line 2 from line 1	3	7,864,622.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	147,272,835.
5	Net unrealized gains (losses) on investments	5	2,431,250.
6	Donated services and use of facilities	6	0.
7	Investment expenses	7	0.
8	Prior period adjustments	8	0.
9	Other changes in net assets or fund balances (explain in Schedule O)	9	1,237,017.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	158,805,724.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII. ☐

	Yes	No
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		X
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	X	
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.	X	
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?		X
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.		

Form **990** (2017)

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.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

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)						
Total						

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

Schedule A (Form 990 or 990-EZ) 2017

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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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	37,069,773.	42,556,795.	52,731,599.	54,727,053.	57,639,168.	244,724,388.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
4 Total. Add lines 1 through 3.	37,069,773.	42,556,795.	52,731,599.	54,727,053.	57,639,168.	244,724,388.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						0.
6 Public support. Subtract line 5 from line 4						244,724,388.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
7 Amounts from line 4.	37,069,773.	42,556,795.	52,731,599.	54,727,053.	57,639,168.	244,724,388.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	683,119.	888,092.	1,500,889.	3,533,562.	4,553,663.	11,159,325.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0.	0.	10,687.	64,333.	64,334.	139,354.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	-55,483.	27,631.	2,311,887.			2,284,035.
11 Total support. Add lines 7 through 10						258,307,102.
12 Gross receipts from related activities, etc. (see instructions)					12	32,910,281.
13 First five years. 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 stop here.						☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f)).	14	94.74%
15 Public support percentage from 2016 Schedule A, Part II, line 14	15	96.14%
16a 33 1/3% support test - 2017. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.		☒
b 33 1/3% support test - 2016. 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 stop here. The organization qualifies as a publicly supported organization		☐
17a 10%-facts-and-circumstances test - 2017. 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 stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization.		☐
b 10%-facts-and-circumstances test - 2016. 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 stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		☐
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		☐

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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 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						
3 Gross receipts from activities that are not an unrelated trade or business under section 513 .						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. 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 stop here ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2016 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2017 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2016 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests - 2017. 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 - 2016. 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
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? 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.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
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)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? 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.		
c 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)? 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.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? 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).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 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? If "Yes," provide detail in Part VI .		
7 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? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
9a 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))? If "Yes," provide detail in Part VI .		
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? If "Yes," provide detail in Part VI .		
c 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? If "Yes," provide detail in Part VI .		
10a 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)? If "Yes," answer 10b below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a 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 A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		

Section B. Type I Supporting Organizations

	Yes	No
1 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? 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.		
2 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? 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.		

Section C. Type II Supporting Organizations

	Yes	No
1 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)? 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).		

Section D. All Type III Supporting Organizations

	Yes	No
1 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?		
2 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? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 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? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a ☐ The organization satisfied the Activities Test. Complete line 2 below.			
b ☐ The organization is the parent of each of its supported organizations. Complete line 3 below.			
c ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 Activities Test. Answer (a) and (b) below.			
a 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? 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.			
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? 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.			
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a 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? Provide details in Part VI .			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.			

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.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3.	4		
5 Depreciation and depletion	5		
6 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)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4).	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d.	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035.	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1.	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3.	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6		
7 ☐ Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

Schedule A (Form 990 or 990-EZ) 2017

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	Total annual distributions. 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 2017 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-2017	(iii) Distributable Amount for 2017
1	Distributable amount for 2017 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2017 (reasonable cause required-explain in Part VI). See instructions.			
3	Excess distributions carryover, if any, to 2017			
a				
b	From 2013			
c	From 2014			
d	From 2015			
e	From 2016			
f	Total of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2017 distributable amount			
i	Carryover from 2012 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2017 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2017 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2017, 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 2017. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7	Excess distributions carryover to 2018. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a	Excess from 2013			
b	Excess from 2014			
c	Excess from 2015			
d	Excess from 2016			
e	Excess from 2017			

Schedule A (Form 990 or 990-EZ) 2017

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

2017

**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.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

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) 2017

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.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		188,388.	
b Total lobbying expenditures to influence a legislative body (direct lobbying)		349,863.	
c Total lobbying expenditures (add lines 1a and 1b)		538,251.	
d Other exempt purpose expenditures		78,358,885.	
e Total exempt purpose expenditures (add lines 1c and 1d)		78,897,136.	
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.		1,000,000.	
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:		
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.		
g Grassroots nontaxable amount (enter 25% of line 1f)		250,000.	
h Subtract line 1g from line 1a. If zero or less, enter -0-		0.	0.
i Subtract line 1f from line 1c. If zero or less, enter -0-		0.	0.
j 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?			☐ Yes ☐ 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.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) Total
2a Lobbying nontaxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b Lobbying ceiling amount (150% of line 2a, column (e))					6,000,000.
c Total lobbying expenditures	484,387.	603,920.	640,932.	538,251.	2,267,490.
d Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f Grassroots lobbying expenditures	217,974.	241,568.	224,326.	188,388.	872,256.

Schedule C (Form 990 or 990-EZ) 2017

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)).

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

		(a)		(b)
		Yes	No	Amount
For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.				
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities?			
j	Total. Add lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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."

1	Dues, assessments and similar amounts from members	1	
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).		
a	Current year	2a	
b	Carryover from last year.	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues. . . .	3	
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?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

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.

Part IV Supplemental Information *(continued)*

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

ARTHRITIS FOUNDATION INC

Supplemental Financial Statements

▶ 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.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

Open to Public
Inspection

Employer identification number

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.

	(a) Donor advised funds	(b) Funds and other accounts
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?	☐ Yes ☐ No	
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?	☐ Yes ☐ No	

Part II Conservation Easements.

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).	
☐ Preservation of land for public use (e.g., recreation or education)	☐ Preservation of a historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	
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	2a Held at the End of the Tax Year
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d
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?	☐ Yes ☐ No
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)?	☐ Yes ☐ No
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.

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 on 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 on 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) 2017

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 **d** ☐ Loan or exchange programs
- b** ☐ Scholarly research **e** ☐ Other _____
- c** ☐ Preservation for future generations
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part 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 |
|--|-----------------|
| c Beginning balance | 1c _____ |
| d Additions during the year | 1d _____ |
| e Distributions during the year | 1e _____ |
| f Ending balance | 1f _____ |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, 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 ☐ Yes ☐ No

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
1a Beginning of year balance	42,824,792.	25,842,339.	7,295,703.	6,451,538.	5,689,033.
b Contributions	198,073.	16,095,896.	19,983,998.	868,460.	
c Net investment earnings, gains, and losses	8,308,088.	2,445,741.	-314,863.	208,043.	979,718.
d Grants or scholarships					
e Other expenditures for facilities and programs	1,846,646.	1,559,184.	1,122,499.	232,338.	217,213.
f Administrative expenses					
g End of year balance	49,484,307.	42,824,792.	25,842,339.	7,295,703.	6,451,538.

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 ▶ 80.8200 %

c Temporarily restricted endowment ▶ 19.1800 %

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:

	Yes	No
(i) unrelated organizations	3a(i) ☐	☒
(ii) related organizations	3a(ii) ☐	☒
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	3b ☐	☐

- 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
1a Land		635,651.		635,651.
b Buildings		2,501,825.	1,195,218.	1,306,607.
c Leasehold improvements		2,604,394.	748,825.	1,855,569.
d Equipment		884,764.	781,532.	103,232.
e Other		2,879,212.	1,498,958.	1,380,254.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				5,281,313.

Schedule D (Form 990) 2017

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) _____		
Total. (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) _____		
Total. (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	46,409,323.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.). ►	46,409,323.

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	8,233,093.
	(3) DEBT OBLIGATIONS	7,811.
	(4)	
	(5)	
	(6)	
	(7)	
	(8)	
	(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►		8,240,904.

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.

1	Total revenue, gains, and other support per audited financial statements	1	90,430,025.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	2,431,250.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	1,301,351.
e	Add lines 2a through 2d	2e	3,732,601.
3	Subtract line 2e from line 1	3	86,697,424.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	64,334.
c	Add lines 4a and 4b	4c	64,334.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	86,761,758.

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.

1	Total expenses and losses per audited financial statements	1	78,897,136.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	78,897,136.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	78,897,136.

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. 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, 2017 AND 2016, THE FOUNDATION HAD NO DEFERRED TAX ASSETS OR LIABILITIES OR ANY UNCERTAIN TAX POSITIONS.

PART XI, LINE 2D

NET CHANGE IN VALUATION OF SPLIT INTEREST AGREEMENTS - (\$333,725)
NET CHANGE IN PENSION LIABILITIES - (\$234,864)
UNREALIZED GAIN ON BENEFICIAL INTERESTS IN PERPETUAL TRUSTS \$1,869,940

PART XI, LINE 4B

SECTION 481(A) ADJUSTMENT - (\$64,334)

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

ARTHRITIS FOUNDATION INC

Supplemental Information Regarding Fundraising or Gaming Activities

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

▶ Go to www.irs.gov/Form990 for the latest instructions.

OMB No. 1545-0047

2017

Open to Public
Inspection

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

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						
Total				10,172,803.	8,012,779.	2,160,024.

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.

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 BICYCLE TOUR LA (event type)	(b) Event #2 CRYSTAL BALL (event type)	(c) Other events 232. (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	910,805.	479,831.	22,602,601.	23,993,237.
	2 Less: Contributions	707,902.	91,503.	10,310,035.	11,109,440.
	3 Gross income (line 1 minus line 2).	202,903.	388,328.	12,292,566.	12,883,797.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes	5,367.		272,605.	277,972.
	6 Rent/facility costs	84,713.	10,000.	1,670,882.	1,765,595.
	7 Food and beverages	95,975.	90,919.	323,513.	510,407.
	8 Entertainment	19,524.	10,050.	160,411.	189,985.
	9 Other direct expenses	143,416.	36,874.	1,781,561.	1,961,851.
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				4,705,810.
	11 Net income summary. Subtract line 10 from line 3, column (d) ▶				8,177,987.

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				
	2 Cash prizes				
Direct Expenses	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ 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 | 13a | % |
| b An outside facility | 13b | % |
- 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).

ATTACHMENT 1

990, SCHEDULE G, PART I - HIGHEST PAID FUNDRAISER

NAME AND ADDRESS OF FUNDRAISER	ACTIVITY	DID FUNDRAISER HAVE CUSTODY OR CONTROL OF CONTRIBUTIONS? YES NO	GROSS RECEIPTS FROM ACTIVITY	AMOUNT PAID TO (OR RETAINED BY) FUNDRAISER	AMOUNT PAID TO (OR RETAINED BY) ORGANIZATION
MERKLE, INC. PO BOX 64987 BALTIMORE MD 21264-4897	DIRECT MAIL	X	9,965,126.	7,893,740.	2,071,386.
INFOCISION PO BOX 932441 CLEVELAND OH 44193	TELEMTG	X	207,677.	119,039.	88,638.

**SCHEDULE I
(Form 990)**

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

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

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization

ARTHURITIS FOUNDATION INC

Employer identification number

58-1341679

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Part I General Information on Grants and Assistance

1 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**

2 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 non-cash assistance	(h) Purpose of grant or assistance
(1) CARRA INC C/O STANFORD UNV MED PALO ALTO, CA 94304	46-4152355	501 (C) (3)	4,725,000.				RESEARCH GRANT
(2) SUNY, THE RESEARCH FOUNDATION OF 402 CROFTS HALL BUFFALO, NY 14260-7016	14-1368361	501 (C) (3)	395,957.				RESEARCH GRANT
(3) STANFORD UNIVERSITY P.O. BOX 44253 SAN FRANCISCO, CA 94144-4253	94-1156365	501 (C) (3)	337,000.				RESEARCH GRANT
(4) UNIVERSITY OF IOWA B-5 JESSUP HALL IOWA CITY, IA 52242	42-6004813	501 (C) (3)	320,460.				RESEARCH GRANT
(5) DUKE UNIVERSITY 2138 CAMPUS DRIVE DURHAM, NC 28260-2651	56-0532129	501 (C) (3)	312,663.				RESEARCH GRANT
(6) BAYLOR COLLEGE OF MEDICINE P.O BOX 301207 DALLAS, TX 75303	74-1613878	501 (C) (3)	275,112.				RESEARCH GRANT
(7) VANDERBILT UNIVERSITY MEDICAL CENTER 1211 MEDICAL CENTER DR NASHVILLE, TN 37232	62-0476822	501 (C) (3)	270,000.				RESEARCH GRANT
(8) YALE UNIVERSITY 149 ELM STREET NEW HAVEN, CT 06520	06-0646973	501 (C) (3)	221,407.				RESEARCH GRANT
(9) METROHEALTH MEDICAL CENTER P.O BOX 73308 CLEVELAND, OH 44193	34-6004382	501 (C) (3)	216,667.				RESEARCH GRANT
(10) UNIVERSITY OF SAN FRANCISCO 9500 GILMAN DRIVE, 0009 LA JOLLA, CA 92093	96-6006144	501 (C) (3)	162,500.				RESEARCH GRANT
(11) RUSH UNIVERSITY MEDICAL CENTER 1700 WEST VAN BUREN CHICAGO, IL 60612	36-2174823	501 (C) (3)	155,870.				RESEARCH GRANT
(12) UNC CHAPEL HILL 250 E FRANKLIN ST CHAPEL HILL, NC 27514	56-6001393	501 (C) (3)	145,167.				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) (2017)

**SCHEDULE I
(Form 990)**

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

OMB No. 1545-0047

2017

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.

► Go to www.irs.gov/Form990 for the latest information.

**Open to Public
Inspection**

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

Part I General Information on Grants and Assistance

- 1 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
- 2 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 non-cash assistance	(h) Purpose of grant or assistance
(1) THE UNIVERSITY OF TENNESSEE-HEALTH SCIENCE 920 MADISON AVE MEMPHIS, TN 38163	06-0646973	501 (C) (3)	135,000.				RESEARCH GRANT
(2) CEDARS-SINAI MEDICAL CENTER 6500 WILSHIRE BLVD LA, CA 90048-4920	95-1644600	501 (C) (3)	129,080.				RESEARCH GRANT
(3) ALBERT EINSTEIN COLL OF MEDICINE-YESHIVA UN 1300 MORRIS PARK AVENUE BRONX, NY 10461	47-2209056	501 (C) (3)	108,000.				RESEARCH GRANT
(4) NEW YORK UNIVERSITY SCHOOL OF MEDICINE P.O BOX 415026 BOSTON, MA 02241	13-5562308	501 (C) (3)	100,000.				RESEARCH GRANT
(5) CLEVELAND CLINIC 9500 EUCLID AVENUE CLEVELAND, OH 44193	34-0714585	501 (C) (3)	57,820.				RESEARCH GRANT
(6) UNIVERSITY OF WASHINGTON BOX 354966 SEATTLE, WA 98195-4696	91-6001537	501 (C) (3)	50,000.				RESEARCH GRANT
(7) UNIVERSITY OF UTAH 201 PRESIDENT'S CIRCLE	87-6000525	501 (C) (3)	50,000.				RESEARCH GRANT
(8) UNIVERSITY OF COLORADO DENVER 1201 LARIMER ST DENVER, CO 80204	84-6000555	501 (C) (3)	50,000.				RESEARCH GRANT
(9) SEATTLE CHILDREN'S HOSPITAL FOUNDATION P.O. BOX 5371 SEATTLE, WA 98145-5005	91-0564748	501 (C) (3)	50,000.				RESEARCH GRANT
(10) OREGON HEALTH & SCIENCE UNIVERSITY 3181 SW SAM JACKSON PK RD	93-1176109	501 (C) (3)	50,000.				RESEARCH GRANT
(11) PDN FOR THE NATIONAL INSTITUTES OF HEALTH 9650 ROCKVILLE PIKE BETHESDA, MD 20814	52-1986675	501 (C) (3)	50,000.				RESEARCH GRANT
(12) DARTMOUTH 11 ROPE FERRY ROAD, #6210 HANOVER, NH 03755	02-0222111	501 (C) (3)	45,365.				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) (2017)

**SCHEDULE I
(Form 990)**

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

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

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Part I General Information on Grants and Assistance

1 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

2 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) CHILDREN'S HOSPITAL OF LOS ANGELES 4650 SUNSET BLVD LOS ANGELES, CA 90027	95-3777340	501 (C) (3)	35,000.				RESEARCH GRANT
(2) CALIFORNIA POLYTECHNIC STATE UNIV 1 GRAND AVENUE SAN LUIS OBISPO, CA 93407	77-0209717	501 (C) (3)	35,000.				EDUCATION GRANT
(3) WAKE FOREST PIEDMONT PLAZA 1 WINSTON-SALEM, NC 27157	22-3849199	501 (C) (3)	15,000.				EDUCATION GRANT
(4) CALIFORNIA STATE UNIVERSITY 1250 BELLFLOWER BLVD. LONG BEACH, CA 90840	45-2163910	501 (C) (3)	15,000.				EDUCATION GRANT
(5) WASHINGTON UNIVERSITY PO BOX 8233 ST. LOUIS, MO 63110	43-0653611	501 (C) (3)	10,000.				RESEARCH GRANT
(6) VIRGINIA WESLEYAN 5817 WESLEYAN DRIVE NORFOLK, VA 23455	54-6039600	501 (C) (3)	7,500.				EDUCATION GRANT
(7) UNIVERSITY OF FLORIDA 219 GRINTER HALL GAINSVILLE, FL 32611	59-6002052	501 (C) (3)	7,500.				EDUCATION GRANT
(8) OSTEOARTHRITIS RESEARCH SOCIETY INT'L 15000 COMMERCE PKWY MOUNT LAUREL, NJ 08054	52-1867506	501 (C) (3)	6,000.				EDUCATION GRANT
(9)							
(10)							
(11)							
(12)							
2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table							32.
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) (2017)

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						
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

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.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

Part I Questions Regarding Compensation

	Yes	No
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.		
☐ First-class or charter travel		
☐ Travel for companions		
☐ Tax indemnification and gross-up payments		
☐ Discretionary spending account		
☐ Housing allowance or residence for personal use		
☐ Payments for business use of personal residence		
☐ Health or social club dues or initiation fees		
☐ 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.		
☒ Compensation committee		
☒ Independent compensation consultant		
☒ Form 990 of other organizations		
☒ Written employment contract		
☒ Compensation survey or study		
☒ 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?		X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		X
c Participate in, or receive payment from, an equity-based compensation arrangement?		X
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?		X
b Any related organization?		X
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?		X
b Any related organization?		X
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.		X
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.		X
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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

Schedule J (Form 990) 2017

Schedule J (Form 990) 2017

Page 2

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 JANE BASCLE CHIEF FINANCIAL OFFICER	(i) 207,500.	0.	0.	3,392.	17,239.	228,131.	0.
(ii)	0.	0.	0.	0.	0.	0.	0.
DAVID MCLOUGHLIN	(i) 315,813.	30,000.	10,000.	20,800.	16,324.	392,937.	0.
2 CHIEF OPERATING OFFICER	(ii) 0.	0.	0.	0.	0.	0.	0.
ANN PALMER	(i) 423,900.	123,600.	26,500.	28,800.	15,432.	618,232.	0.
3 PRESIDENT/CEO	(ii) 0.	0.	0.	0.	0.	0.	0.
SANDIE PREISS	(i) 137,680.	0.	0.	8,863.	9,681.	156,224.	0.
4 VP, ADVOCACY & ACCESS	(ii) 0.	0.	0.	0.	0.	0.	0.
GUY EAKIN	(i) 197,838.	20,000.	0.	0.	9,833.	227,671.	0.
5 SR. VP, SCIENCE	(ii) 0.	0.	0.	0.	0.	0.	0.
CATHERINE MCCLELLAN	(i) 141,575.	0.	0.	820.	9,891.	152,286.	0.
6 VP LEGAL AFFAIRS	(ii) 0.	0.	0.	0.	0.	0.	0.
CINDY MCDANIEL	(i) 194,741.	0.	0.	15,664.	17,433.	227,838.	0.
7 SR. VP, CONSUMER AFFAIRS	(ii) 0.	0.	0.	0.	0.	0.	0.
ANN MCNAMARA	(i) 230,000.	0.	0.	1,769.	1,498.	233,267.	0.
8 SR. VP, REVENUE STRATEGY	(ii) 0.	0.	0.	0.	0.	0.	0.
RICHARD WILLIS	(i) 209,612.	20,000.	0.	9,246.	17,783.	256,641.	0.
9 SR. VP, FIELD MANAGEMENT	(ii) 0.	0.	0.	0.	0.	0.	0.
ANDY GAMUTO	(i) 192,506.	0.	0.	0.	6,883.	199,389.	0.
10 CHIEF INFORMATION OFFICER	(ii) 0.	0.	0.	0.	0.	0.	0.
MELISSA HONABACH	(i) 155,769.	0.	0.	0.	9,965.	165,734.	0.
11 SR. VP, MARKETING & COMM	(ii) 0.	0.	0.	0.	0.	0.	0.
NANCY BEIDLER	(i) 164,800.	0.	0.	13,184.	875.	178,859.	0.
12 REGION VICE PRESIDENT	(ii) 0.	0.	0.	0.	0.	0.	0.
SYLVIA RICHARD	(i) 160,145.	600.	0.	6,430.	11,313.	178,488.	0.
13 REGION VICE PRESIDENT	(ii) 0.	0.	0.	0.	0.	0.	0.
INGRID MONTECINO	(i) 210,915.	0.	0.	8,277.	8,274.	227,466.	0.
14 REGIONAL VICE PRESIDENT	(ii) 0.	0.	0.	0.	0.	0.	0.
(i)							
(ii)							
15							
(i)							
(ii)							
16							
(i)							
(ii)							

Schedule J (Form 990) 2017

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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.

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

- ▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**
▶ **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2017

**Open to Public
Inspection**

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		727,139.	FMV
6 Cars and other vehicles				
7 Boats and planes.				
8 Intellectual property				
9 Securities - Publicly traded.	X	121.	691,524.	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) (2017)

JSA

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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.

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

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.

OMB No. 1545-0047

2017

**Open to Public
Inspection**

ARTHRITIS FOUNDATION INC

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 CFO. 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 CFO.
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

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 17, 2017 TO REVIEW TOTAL COMPENSATION AND BENEFITS FOR THE CEO AND 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 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

Employer identification number

ARTHRITIS FOUNDATION INC

58-1341679

FORM 990, PART XI, LINE 9

NET CHANGE IN VALUATION OF SPLIT INTEREST AGREEMENTS - (\$333,725)

NET CHANGE IN PENSION LIABILITIES - (\$234,864)

UNREALIZED GAIN ON BENEFICIAL INTERESTS IN PERPETUAL TRUSTS \$1,869,940

SECTION 481(A) ADJUSTMENT - (\$64,334)

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.

ATTACHMENT 2

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

ATTACHMENT 2 (CONT'D)

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	Employer identification number
ARTHRITIS FOUNDATION INC	58-1341679
	ATTACHMENT 3

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

DESCRIPTION	GRANTS	EXPENSES	REVENUE
PROFESSIONAL EDUCATION	1,379.	1,869,268.	
TOTALS	1,379.	1,869,268.	

ATTACHMENT 4FORM 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 5990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
MERKLE, INC. PO BOX 64897 BALTIMORE, MD 21264-4897	DIRECT MAIL COUNSEL	5,735,647.
MEREDITH CORPORATION PO BOX 730148 DALLAS, TX 75373-0148	PRINTING & ARTWORK	224,224.
EXECUTIVE MAILING SERVICES 7855 W. 111TH STREET PALOS HILLS, IL 60465	DIRECT MAIL	206,979.
BLACKBAUD INTERNET SOLUTIONS DIVISION PO BOX 930256 ATLANTA, GA 31193-0256	TECH & SOFTWARE SVCS	150,000.
GLOBAL CLOUD LTD 30 WEST THIRD ST, FLOOR 2 CINCINNATI, OH 45202	TECH & SOFTWARE SVCS	130,000.

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

FORM 990, PART VIII - INVESTMENT INCOME

DESCRIPTION	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
INVESTMENT INCOME	4,426,960.			4,426,960.
TOTALS	<u>4,426,960.</u>			<u>4,426,960.</u>

ATTACHMENT 7FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

DESCRIPTION	AMOUNT
CCC BICYCLE TOUR - LA METRO	707,902.
CRYSTAL BALL ATLANTA	91,503.
OTHER EVENTS	10,310,035.
TOTAL	<u>11,109,440.</u>

ATTACHMENT 8FORM 990, PART VIII - FUNDRAISING EVENTS

DESCRIPTION	GROSS INCOME	DIRECT EXPENSES	NET INCOME
CCC BICYCLE TOUR - LA METRO	202,903.	348,995.	-146,092.
CRYSTAL BALL ATLANTA	388,328.	147,843.	240,485.
OTHER EVENTS	12,292,566.	4,208,972.	8,083,594.
TOTALS	<u>12,883,797.</u>	<u>4,705,810.</u>	<u>8,177,987.</u>

ATTACHMENT 9

Name of the organization

ARTHRITIS FOUNDATION INC

Employer identification number

58-1341679

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	88,865,600.	FMV
TOTALS	<u>88,865,600.</u>	