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Form 990



Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012 , 2012, and ending 12-31-2012

B

Check if applicable

☐

Address change

☐

Name change

☐

Initial return

☐

Terminated

☐

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)
1330 West Peachtree Street No 100

Room/suite

City or town, state or country, and ZIP + 4
Atlanta, GA 30309

D

Employer identification number

58-1341679

E

Telephone number

(404) 872-7100

G

Gross receipts \$ 54,396,870

F

Name and address of principal officer
Christopher Corrigan
1330 West Peachtree Street No 100
Atlanta,GA 30309

H(a)

Is this a group return for affiliates?

☐ Yes☒ No

H(b)

Are all affiliates included?

☐ Yes☐ No

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

H(c)

Group exemption number ▶ 8510

I

Tax-exempt status

☒ 501(c)(3)

☐ 501(c) () ◀(Insert no)

☐ 4947(a)(1) or

☐ 527

J

Website: ▶ www.arthritis.org

K

Form of organization

☒ 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 mission of the Arthritis Foundation is to improve lives through leadership in prevention, control and cure of arthritis and related diseases		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	32
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	32
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	163
Revenue	6	Total number of volunteers (estimate if necessary)	6	50
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	6,236,731
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	-24,229
Expenses	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	38,998,639	34,111,935
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	6,217,776	5,838,836
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	888,397	714,682
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,028,591	5,530,947
			53,133,403	46,196,400
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	8,475,600	7,774,686
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
Net Assets or Fund Balances	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	13,627,834	15,313,860
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	2,776,615	2,359,368
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶5,908,461		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	29,727,624	28,490,722
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	54,607,673	53,938,636
	19	Revenue less expenses Subtract line 18 from line 12	-1,474,270	-7,742,236
			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	64,613,117	56,015,948
	21	Total liabilities (Part X, line 26)	29,927,777	27,638,481
	22	Net assets or fund balances Subtract line 21 from line 20	34,685,340	28,377,467

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

2013-06-27

Date

Christopher Corrigan CFO

Type or print name and title

Paid Preparer Use Only

Prnt/Type preparer's name
Susan Hill

Preparer's signature

Date
2013-06-27

Check ☐ if self-employed

PTIN
P00846200

Firm's name ▶ Metcalf Davis CPAs

Firm's EIN ▶ 58-1729751

Firm's address ▶ 3340 Peachtree Road NE Suite 2600
Atlanta, GA 303261089

Phone no (404) 264-1700

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

☒ Yes☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2012)

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☐

1

Briefly describe the organization's mission

The mission of the Arthritis Foundation is to improve lives through leadership in prevention, control and cure of arthritis and related diseases

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes ☒ 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 \$ 24,235,172 including grants of \$ 69,080) (Revenue \$ 5,838,836)

Education and Exercise The Arthritis Foundation Community Programs for Better Living empower people in local communities nationwide. Our evidence-based aquatic, exercise and self-help programs are proven to reduce pain and physician visits, decrease stiffness and increase function. 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. In addition, 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, the Tai Chi Program, the low-impact Exercise Program and the Aquatics program. Other programs for pain management are in the pilot stage.

4b

(Code) (Expenses \$ 10,006,612 including grants of \$ 7,679,046) (Revenue \$)

Research As the world's largest nonprofit supporter of arthritis research, the Arthritis Foundation fills a critical role in assuring progress of arthritis research. Our research program complements government and industry-based arthritis research by focusing on training new investigators and pursuing innovative strategies for preventing, controlling and curing arthritis. Our portfolio includes basic research to identify genes that cause arthritis and underlying disease processes, clinical and behavioral studies to test new treatments, and epidemiology studies and health services research to improve quality of care. Since 1948, we have funded more than 2,700 researchers with grants totaling over \$450 million.

4c

(Code) (Expenses \$ 7,540,431 including grants of \$ 26,560) (Revenue \$)

Advocacy and Public Health Policy Advocacy is valuable to both the Arthritis Foundation and to the individuals who make their voices heard on behalf of the 50 million Americans with arthritis. Helping people find their voices by meeting with Congressional representatives and speaking up to ensure access to health care and medications is empowering to patients and benefits millions more in the process. Part of our advocacy program includes the Arthritis Ambassador Program to strengthen relationships with members of Congress through advocacy training and relationship development. In addition the Arthritis Foundation is working to make arthritis a public health priority for the nation and improve the health of people with and at risk for arthritis through communication strategies and policy development to make physical activity more accessible for adults with arthritis.

4d

Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)





















4e

Total program service expenses

41,782,215






Part IV

Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
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 	4 Yes	
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 	5	No
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 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
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 	9	No
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 	10 Yes	
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 	11a Yes	
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 	11b	No
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 	11c	No
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 	11d Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
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 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a Yes	
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 	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
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	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16	No
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) 	17 Yes	
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 	18 Yes	
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 	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> 	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> 	22	Yes	
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? <i>If "Yes," complete Schedule J</i> 	23	Yes	
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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
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? <i>If "Yes," complete Schedule L, Part III</i>	27		No
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)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
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? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . 	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> 	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
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? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
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	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	131	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
1c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		Yes	
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.	163	
2b 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).		Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		Yes	
3b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		Yes	
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)?			No
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			No
5b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			No
5c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			
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?			No
6b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			
7 Organizations that may receive deductible contributions under section 170(c).			
7a 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?		Yes	
7b If "Yes," did the organization notify the donor of the value of the goods or services provided?		Yes	
7c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			No
d If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
7e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			No
7f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			No
7g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			No
7h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8	No
9 Sponsoring organizations maintaining donor advised funds.			
9a Did the organization make any taxable distributions under section 4966?			No
9b Did the organization make a distribution to a donor, donor advisor, or related person?			No
10 Section 501(c)(7) organizations. Enter			
10a Initiation fees and capital contributions included on Part VIII, line 12.		10a	
10b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		10b	
11 Section 501(c)(12) organizations. Enter			
11a Gross income from members or shareholders.		11a	
11b 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.			
13a 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	No
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 lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question 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	32	
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			
1b	Enter the number of voting members included in line 1a, above, who are independent	32	
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	No
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	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
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	Yes
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	Each committee with authority to act on behalf of the governing body?	8b	Yes
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	No

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	Yes
10b	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	Yes
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
11b 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	Yes
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
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?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	Yes
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	No
16b	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	GA
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input checked="" type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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, physical address, and telephone number of the person who possesses the books and records of the organization	Essil Washington 1330 W Peachtree St Suite 100 Atlanta, GA (404) 965-7502

Check if Schedule O contains a response to any question in this Part VII ☐

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 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, or 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

[illegible]

Part VII

(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			
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								2,151,589	0	226,916

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 ▶9

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

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
Merkle Inc PO Box 64897 Baltimore MD 212644897	Direct Mail Processor	11,081,950
Paradysz Matera & Co Inc 5 Hanover Square New York NY 10004	List Rental Broker	1,081,413
Blackbaud Internet Solutions Division PO Box 930256 Atlanta GA 311930256	Technology and Software Services	1,053,868
Palm Coast Data LLC Lockbox 773787 350 East Devon Avenue Itasca IL 60143	Media Services	605,087
Fine Line 290 Garry StreetWinnipegCAR3C1H3	Professional Fulfillment Services	464,373

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►28

Part VIII

Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a	7,826				
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	622,449				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	33,481,660				
	g	Noncash contributions included in lines 1a-1f \$		208,988				
	h	Total. Add lines 1a-1f						34,111,935
Program Service Revenue	2a Sales and service fees b c d e f All other program service revenue		Business Code					
			624100	5,838,836	5,838,836			
	g	Total. Add lines 2a-2f			5,838,836			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		667,432			667,432	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties		95,694			95,694	
	6a	(i) Real	(ii) Personal					
		510,206						
		b Less rental expenses	565,512					
		c Rental income or (loss)	-55,306					
	d	Net rental income or (loss)		-55,306		-55,306		
	7a	(i) Securities	(ii) Other					
		7,675,382						
		b Less cost or other basis and sales expenses	7,628,132					
		c Gain or (loss)	47,250					
	d	Net gain or (loss)		47,250			47,250	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		34,010			34,010	
	a	40,836						
	b	Less direct expenses						6,826
	c	Net income or (loss) from fundraising events						
	9a	Gross income from gaming activities See Part IV, line 19						
	a							
	b	Less direct expenses						
	c	Net income or (loss) from gaming activities						
	10a	Gross sales of inventory, less returns and allowances						
	a							
	b	Less cost of goods sold						
	c	Net income or (loss) from sales of inventory						
	Miscellaneous Revenue			Business Code	6,292,037		6,292,037	
	11a	Advertising revenue	541800					
	b	Miscellaneous revenues	900099	-835,488				
	c							
	d	All other revenue						
e	Total. Add lines 11a-11d		5,456,549					
12	Total revenue. See Instructions			46,196,400	5,838,836	6,236,731	8,898	

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 to any question 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 governments and organizations in the United States See Part IV, line 21	7,764,686	7,764,686		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	10,000	10,000		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	2,378,505	1,068,605	997,986	311,914
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	10,161,263	5,976,151	2,588,781	1,596,331
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	860,225	510,974	225,379	123,872
9	Other employee benefits	1,038,478	612,917	275,320	150,241
10	Payroll taxes	875,389	497,036	246,148	132,205
11	Fees for services (non-employees)				
a	Management				
b	Legal	174,961	136,470	19,245	19,246
c	Accounting	122,800	15,964	106,836	
d	Lobbying	25,000	23,750	1,250	
e	Professional fundraising services See Part IV, line 17	2,359,368			2,359,368
f	Investment management fees				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	5,653,896	5,126,973	273,722	253,201
12	Advertising and promotion	839,153	713,037	9,131	116,985
13	Office expenses	3,936,597	3,032,848	657,293	246,456
14	Information technology				
15	Royalties				
16	Occupancy	269,408	210,138	29,635	29,635
17	Travel	1,135,897	778,582	137,142	220,173
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	522,122	398,667	84,331	39,124
20	Interest	65,732	51,271	7,231	7,230
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	251,515	196,181	27,667	27,667
23	Insurance	128,772	100,442	14,165	14,165
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	Membership/direct respo	9,538,066	9,538,066	0	0
b	Printing, publications,	2,227,551	2,170,607	10,982	45,962
c	Data processing and acc	1,298,750	728,293	454,209	116,248
d	Advertising commissions	643,360	643,360	0	0
e	All other expenses	1,657,142	1,477,197	81,507	98,438
25	Total functional expenses. Add lines 1 through 24e	53,938,636	41,782,215	6,247,960	5,908,461
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 <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720)	11,897,434	9,538,066	117,266	2,242,102

Part X

Balance Sheet

Check if Schedule O contains a response to any question in this Part X

☐

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			9,278,452	1	5,479,517
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net			6,652,569	3	5,898,201
	4	Accounts receivable, net			10,516,621	4	6,243,494
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	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				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			430,906	8	499,106
	9	Prepaid expenses and deferred charges			1,672,474	9	1,363,263
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	11,713,244			
	b	Less accumulated depreciation	10b	6,237,525	7,177,625	10c	5,475,719
	11	Investments—publicly traded securities			21,581,174	11	23,123,652
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			7,303,296	15	7,932,996
	16	Total assets. Add lines 1 through 15 (must equal line 34)			64,613,117	16	56,015,948
Liabilities	17	Accounts payable and accrued expenses			6,434,961	17	6,360,509
	18	Grants payable			5,836,605	18	6,283,803
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			2,400,000	20	2,000,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	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				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	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			15,256,211	25	12,994,169
	26	Total liabilities. Add lines 17 through 25			29,927,777	26	27,638,481
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			9,167,433	27	3,509,385
	28	Temporarily restricted net assets			13,036,516	28	11,756,991
	29	Permanently restricted net assets			12,481,391	29	13,111,091
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> 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			34,685,340	33	28,377,467
	34	Total liabilities and net assets/fund balances			64,613,117	34	56,015,948

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	46,196,400
2	Total expenses (must equal Part IX, column (A), line 25)	2	53,938,636
3	Revenue less expenses Subtract line 2 from line 1	3	-7,742,236
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	34,685,340
5	Net unrealized gains (losses) on investments	5	2,361,088
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-926,725
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	28,377,467

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	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 <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis	Yes	
2c	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	Yes	
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?	Yes	
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	Yes	

SCHEDULE A
(Form 990 or 990EZ)

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. ▶ See separate instructions.

OMB No 1545-0047

2012

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 11, 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)
- 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 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)
- 10

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated
- e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii)

A family member of a person described in (i) above?

(iii)

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

☐

Provide the following information about the supported organization(s)

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Total									

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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	45,636,230	37,690,176	36,965,299	38,998,639	34,111,935	193,402,279
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	45,636,230	37,690,176	36,965,299	38,998,639	34,111,935	193,402,279
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)						2,411,937
6 Public support. Subtract line 5 from line 4						190,990,342

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	45,636,230	37,690,176	36,965,299	38,998,639	34,111,935	193,402,279
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,305,115	1,276,403	913,383	798,359	763,126	5,056,386
9 Net income from unrelated business activities, whether or not the business is regularly carried on	140,717	92,134	8,046	-6,583		234,314
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	205,486	10,531	-175,300	335,022	-835,488	-459,749
11 Total support (Add lines 7 through 10)						198,233,230
12 Gross receipts from related activities, etc. (see instructions)					12	37,881,525
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage						
14	Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	<table><tr><td>14</td><td>96 350 %</td></tr><tr><td>15</td><td>95 960 %</td></tr></table>	14	96 350 %	15	95 960 %
14	96 350 %					
15	95 960 %					
15	Public support percentage for 2011 Schedule A, Part II, line 14					
16a	33 1/3% support test—2012. 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	<input type="checkbox"/>				
b	33 1/3% support test—2011. 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	<input type="checkbox"/>				
17a	10%-facts-and-circumstances test—2012. 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 IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization	<input type="checkbox"/>				
b	10%-facts-and-circumstances test—2011. 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 IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization	<input type="checkbox"/>				
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	<input type="checkbox"/>				

Part IIIPart III

Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 IV.)						
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 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage			
15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15		
16 Public support percentage from 2011 Schedule A, Part III, line 15	16		

Section D. Computation of Investment Income Percentage			
17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17		
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18		
19a 33 1/3% support tests—2012. 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—2011. 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 **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation
Schedule A, Part IV, Supplemental Information Other income is an accumulation of individually insignificant transactions of revenues and expenses incurred during normal day-to-day operations of the Organization and were not orginally 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 Organization's financial statements as 'Miscellaneous revenues and (losses) ' Additionally, a portion of other income is due to unused grant expenditures that were refunded to the Organization during the year

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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.
▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

If the organization answered “Yes” to 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” to 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” to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then

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

Name of the 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	
2	Political expenditures	▶ \$
3	Volunteer hours	

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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-

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)		189,486													
b Total lobbying expenditures to influence a legislative body (direct lobbying)		231,593													
c Total lobbying expenditures (add lines 1a and 1b)		421,079													
d Other exempt purpose expenditures		53,517,557													
e Total exempt purpose expenditures (add lines 1c and 1d)		53,938,636													
f Lobbying nontaxable amount Enter the amount from the following table in both columns		1,000,000													
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 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		
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													
i Subtract line 1f from line 1c If zero or less, enter -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?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(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	395,127	416,762	404,120	421,079	1,637,088
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	177,807	187,543	181,854	189,486	736,690

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 to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(b)
		Yes	No	Amount
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 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

Complete this part to 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, line 2, and Part II-B, line 1. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Arthritis Foundation Inc

Employer identification number
58-1341679

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	

Part II

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

1

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

☐ Preservation of land for public use (e g , recreation or education)☐ Preservation of an 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

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶_____

4

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

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶_____

7

Amount of expenses incurred in monitoring, inspecting, 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" to 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) Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b

Assets included in Form 990, Part X

▶ \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2012

Part III

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

- 3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other
- 4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

- 1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No
- b

If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
1c	
1d	
1e	
1f	
- 2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No
- b

If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

☐

Part V

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

- | | (a)Current year | (b)Prior year | b (c)Two years back | (d)Three years back | (e)Four years back |
|--|-----------------|---------------|---------------------|---------------------|--------------------|
| 1a Beginning of year balance | 5,388,928 | 6,068,156 | 7,126,682 | 6,163,456 | 6,795,413 |
| b Contributions | | | 306,960 | 200,000 | 250,000 |
| c Net investment earnings, gains, and losses | 599,664 | -42,379 | 552,774 | 1,085,046 | -881,957 |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | 299,559 | 636,849 | 1,918,260 | 321,820 | |
| f Administrative expenses | | | | | |
| g End of year balance | 5,689,033 | 5,388,928 | 6,068,156 | 7,126,682 | 6,163,456 |
- 2

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

a

Board designated or quasi-endowment ▶ 0 %

b

Permanent endowment ▶ 91 020 %

c

Temporarily restricted endowment ▶ 8 980 %

The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

If "Yes" to 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. 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 | | 2,400,000 | | 2,400,000 |
| b Buildings | | 4,577,787 | 2,586,935 | 1,990,852 |
| c Leasehold improvements | | 2,947,115 | 2,276,430 | 670,685 |
| d Equipment | | 1,784,630 | 1,374,160 | 410,470 |
| e Other | | 3,712 | | 3,712 |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶ | | | | 5,475,719 |
- Schedule D (Form 990) 2012

Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	48,478,525
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	2,361,088
b	Donated services and use of facilities	2b	282,250
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	-361,213
e	Add lines 2a through 2d	2e	2,282,125
3	Subtract line 2e from line 1	3	46,196,400
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	
c	Add lines 4a and 4b	4c	0
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	46,196,400

Part XII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	54,786,398
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	282,250
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	565,512
e	Add lines 2a through 2d	2e	847,762
3	Subtract line 2e from line 1	3	53,938,636
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	0
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	53,938,636

Part XIII

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
Description of Uncertain Tax Positions Under FIN 48	Part X, Line 2	Income Taxes - The National Office is a not-for-profit corporation and has been recognized as exempt from federal income taxes on related income under Section 501(c)(3) of the Internal Revenue Code ("IRC"). At times the National Office may be engaged in certain activities for which it is responsible for payment of unrelated business income tax. Deferred tax assets and liabilities are measured based on enacted tax laws and rates expected to apply to taxable income in the years in which temporary differences are expected to be recorded or settled. Income taxes did not have a material impact on the financial position or change in net assets of the National Office as of and for the years ended December 31, 2012 and 2011. The National Office adopted certain provisions of FASB Accounting Standards Codification ("ASC") 740 "Income Taxes" relating to accounting for uncertainty in income taxes on January 1, 2009. This standard requires that the Foundation recognize in its financial statements the financial effects of a tax position, if that position is more likely than not of being sustained upon examination, including any appeals or litigation processes, based upon the technical merits of the position. Also, this standard recognizes related guidance on measurement, classification, interest and penalties, and disclosure. The implementation of this standard had no impact on the National Office's statement of financial position or statement of activities and management does not believe that there are any unrecognized tax benefits or costs that should be recorded.
Part XI, Line 2d - Other Adjustments		Change in valuation of split interest agreements -926,725 Rental expenses 565,512
Part XII, Line 2d - Other Adjustments		Rental expenses 565,512

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a. Form 990-EZ filers are not required to complete this part.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
Arthritis Foundation Inc

Employer identification number
58-1341679

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

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 ten 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			
Merkle Inc PO Box 64897 Baltimore, MD 212644897	Year-Round Direct Response Marketing	Yes		13,674,383	11,081,950	2,592,433
MDS Communication Corporation 545 W Juanita Ave Mesa, AZ 85210	Telemarketing service		No	147,735	75,013	72,722
Strategic Fundraising Inc 7591 9th St N St Paul, MN 55128	Telemarketing service		No	91,497	227,873	-136,376
Advanced Remarketing Services 308 Market Street Warren, RI 02885	Auto's for Arthritis - Donated Vehicles	Yes		51,802	8,694	43,108
Total ▶				13,965,417	11,393,530	2,571,887

3

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

AL, AK, AZ, AR, CA, CO, CT, DE, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY, DC

Part II Fundraising Events. Complete if the organization answered "Yes" to 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 Virtual Joints In Motion (event type)	(b) Event #2 (event type)	(c) Other events (total number)	(d) Total events (add col (a) through col (c))
Revenue	1	Gross receipts	40,836		40,836
	2	Less Contributions . .			
	3	Gross income (line 1 minus line 2)	40,836		40,836
Direct Expenses	4	Cash prizes			
	5	Noncash prizes . .			
	6	Rent/facility costs . .			
	7	Food and beverages .			
	8	Entertainment			
	9	Other direct expenses .	6,826		6,826
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			
	11	Net income summary Combine line 3, column (d), and line 10 ▶			
					34,010

Part III Gaming. Complete if the organization answered "Yes" to 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	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses . .			
	6	Volunteer labor	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶			

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate 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 _____

Does the organization operate 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 operated 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 ▶

15a 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 distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations 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 complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation
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Grants and Other Assistance to Organizations, Governments and Individuals in the United States

2012

Open to Public Inspection

▶ Attach to Form 990

58-1341679

Part I General Information on Grants and 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 Governments and Organizations in the United States.** Complete if the organization answered "Yes" to 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.

[illegible]

3 Enter total number of other organizations listed in the line 1 table **5**

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to 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) 2012 Howley Prize	1	10,000			2012 Howley Prize

Part IV

Supplemental Information.

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 Monitoring is provided by the Arthritis Foundation's National Office through oversight of the terms and conditions of a written grant agreement Multiyear agreements require yearly progress and financial reports for continuation of funding

Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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
Albert Einstein College of Medicine of Yeshiva University1300 Morris Park Avenue Bronx, NY 10461	13-1624225	501(c)(3)	150,000				research
Benaroya Research Institute at Virginia Mason1201 Ninth Avenue Seattle, WA 981012795	91-0653422	501(c)(3)	50,000				research
Beth Israel Deaconess Medical Center330 Brookline Avenue BR 109 Boston, MA 02215	04-2103881	501(c)(3)	60,000				research
Boston UniversityOffice of Research Administration 85 East Newton Street M-921 Boston, MA 021182394	04-2103547	501(c)(3)	250,000				research
Brigham and Women's Hospital IncResearch Management PO Box 3149 Boston, MA 022413149	04-2312909	501(c)(3)	230,000				research
Broad Institute7 Cambridge Center Cambridge, MA 02142	26-3428781	501(c)(3)	100,000				research
Children's Hospital Boston Research Finance Boston, MA 02441	04-2774441	501(c)(3)	100,000				research
Cincinnati Children's Hospital Medical Center - Research Foundation3333 Burnet Avenuem ML 7030 Cincinnati, OH 45229	31-0833936	501(c)(3)	100,000				research
Cleveland Clinic Foundation 9500 Euclid Avenue PO Box 931531 Cleveland, OH 44193	34-0714585	501(c)(3)	100,000				research
Dana-Farber Cancer Institute 450 Brookline Ave Boston, MA 02115	04-2263040	501(c)(3)	20,833				research
Duke Clinical Research Institute2400 Pratt Street Durham, NC 27705	56-0532129	501(c)(3)	125,000				research
Duke UniversityOffice of Sponsored Programs 2200 W Main Street Suite 300 Durham, NC 27708	56-0532129	501(c)(3)	350,000				research
Emory UniversityPO Box 935084 Atlanta, GA 311935084	58-0566256	501(c)(3)	100,000				research
Georgia Health Sciences UniversityPO Box 945552 Atlanta, GA 303945552	58-1418202	501(c)(3)	150,000				research
Georgia Tech Research CorporationPO Box 100117 Atlanta, GA 303840117	58-0602146	501(c)(3)	100,000				research
Hackensack University Medical Center30 Prospect Avenue Research Building Hackensack, NJ 07601	22-1487576	501(c)(3)	200,000				research
Hospital for Special Surgery 535 East 70th Street New York, NY 10021	13-1671474	501(c)(3)	110,375				research
Johns Hopkins University 3400 N Charles Street Baltimore, MD 21218	52-0595110	501(c)(3)	100,000				research
Massachusetts General Hospital (The General Hospital Corp)MGH Research Finance PO Box 414876 Boston, MA 022414876	04-2697983	509 (a) (1)	170,000				research
Mayo Clinic200 First St SW Rochester, MN 559050001	41-6011702	501(c)(3)	50,000				research
Medical University of South CarolinaResearch Sponsored Programs Charleston, SC 294258060	57-6000722	501(c)(3)	50,000				research
Mount Sinai School of MedicineOne Gustave L Levy Place New York City, NY 10029	13-6171197	501(c)(3)	50,000				research
New York University School of MedicinePO Box 415026 Boston, MA 022415026	13-5562308	501(c)(3)	207,917				research
Northwestern University633 Clark Street Evanston, IL 60208	36-2167817	501(c)(3)	50,000				research
Oklahoma Medical Research Foundation825 NE 13 Street Oklahoma City, OK 73104	73-0580274	501(c)(3)	150,000				research
Oregon Health & Science UniversitySponsored Projects Administration Portland, OR 972393098	93-1176109	501(c)(3)	50,000				research
Rush University Medical Center1700 West Van Buren Rm277 Chicago, IL 60612	36-2174823	501(c)(3)	150,000				research
Saint Francis Hospital and Medical CenterDepartment of Research 114 Woodland Street Hartford, CT 061051299	06-1008255	501(c)(3)	50,000				research
Seattle Children's Hospital FoundationPO Box 5371M/S S-200 Seattle, WA 981455005	91-0564748	501(c)(3)	100,000				research
St Jude Children's Research HospitalPO Box 1000 Dept 949 Memphis, TN 381480949	16-2064601	501(c)(3)	50,000				research
Stanford UniversityPO Box 44253 San Francisco, CA 941444253	94-1156365	501(c)(3)	235,000				research
Temple UniversityResearch Accounting Services PO Box 824242 Philadelphia, PA 191824242	23-1365791	501(c)(3)	50,000				research
The Children's Hospital of Philadelphia Research InstituteLockbox 1457 CHOP Research Philadelphia, PA 191781457	23-1352166	509 (a) (1)	50,000				research
The Feinstein Institute for Medical ResearchGrants Contracts 350 Community Drive Manhasset, NY 11030	11-2673595	501(c)(3)	100,000				research
The R F for SUNY402 Crofts Hall Buffalo, NY 142607016	14-1368361	501(c)(3)	100,000				research
The Regents of the University of CaliforniaCachiers Office West Sacramento, CA 957989062	94-6036494	501(c)(3)	150,000				research
The Regents of the University of California Berkeley Extramural Funs Accounting Berkeley, CA 947201103	94-6002123	501(c)(3)	50,000				research
The Regents of the University of California Los Angeles University of California Los Angeles Los Angeles, CA 90095	95-6006143	501(c)(3)	160,000				research
The Regents of the University of Michigan3003 S State Street Room 1054 Ann Arbor, MI 481091274	38-6006309	501(c)(3)	230,000				research
The Rockefeller University 1230 York Avenue Box 259 New York, NY 10065	13-1624158	501(c)(3)	120,000				research
The Scripps Research InstituteOffice of Sponsored Programs 10550 North Torrey Pines Road TPC-7 La Jolla, CA 92037	33-0435951	501(c)(3)	41,666				research
University of Pennsylvania Medical CenterPO Box 785541 Philadelphia, PA 191046205	23-1352685	501(c)(3)	50,000				research
The University of Alabama at Birmingham701 20th Street South AdmBldg Room 990D Birmingham, AL 352940109	63-6005396	501(c)(3)	100,000				research
The University of ChicagoGift Services Chicago, IL 60637	36-2177139	501(c)(3)	60,000				research
The University of Tennessee-Health Science Center62 South Dunlap Suite 300 Memphis, TN 38163	62-6001636	501(c)(3)	150,000				research
The University of Texas Health Science Center at HoustonPO Box 203382 Houston, TX 772263382	74-1761309	501(c)(3)	100,000				research
The University of Texas Southwestern Medical Center at DallasBank of America Lockbox Services Lockbox 841753 Dallas, TX 75207	75-6002868	501(c)(3)	50,000				research
Trustees of Dartmouth CollegeOffice of Sponsored Projects Hanover, NH 037551404	02-0222111	501(c)(3)	60,000				research
University of California San Diego - Health Sciences Cashiers Office 9500 Gilman Drive 0009 La Jolla, CA 920930012	96-6006144	501(c)(3)	50,000				research
University of California San FranciscoControllers Office 1855 Folsom Street Suite 425 Box 0897 San Francisco, CA 94143	94-6036493	501(c)(3)	200,000				research
University of Illinois at ChicagoGrants and Contracts Springfield, IL 627080787	37-6000511	501(c)(3)	250,000				research
University of IowaGrant Accounting Office Iowa City, IA 522421316	42-6004813	115	100,000				research
University of Kentucky Research FoundationC/O PNC Bank Cleveland, KY 44193	61-6033693	501(c)(3)	160,000				research
University of Maryland BaltimorePO Box 41428 Baltimore, MD 212036428	52-6002033	501(c)(3)	50,000				research
University of Massachusetts Medical School55 Lake Avenue North Worcester, MA 01655	04-3167352	170(c) (1)	50,000				research
University of North Carolina at Chapel HillThurston Arthritis Research Center CB 7280 3330 Thurston Building Chapel Hill, NC 275997280	56-6001393	501(c)(3)	100,000				research
University of PittsburghOffice of Research/Cost Accounting PO Box 371220 Pittsburgh, PA 152517220	25-0965591	501(c)(3)	50,000				research
University of Southern CaliforniaSponsored Projects Accounting Los Angeles, CA 900898001	95-1642394	501(c)(3)	150,000				research
University of VirginiaOffice of Sponsored Programs Charlottesville, VA 22904	54-6001796	501(c) (7)	50,000				research
Vanderbilt University Medical CenterDept of Finance Atlanta, GA 311920303	62-0476822	501(c)(3)	100,000				research
Veterans Medical Research Foundation3350 La Jolla Village Drive 151-A San Diego, CA 92161	33-0189397	501(c)(3)	100,000				research
Wake Forest University Health SciencesMedical Center Blvd WinstonSalem, NC 27157	22-3849199	501(c)(3)	200,000				research
Washington University School of Medicine7700 Rosedale Campus Box 21034 St Louis, MO 631121408	43-0653611	501(c)(3)	-4,166				research
Yale UniversityGrants Contract Financial Administration PO Box 1873 New Haven, CT 065081873	06-0646973	501(c)(3)	150,000				research
ACR Research & Education Foundation2200 Lake Boulevard NE Atlanta, GA 30319	58-1654301	501(c)(3)	204,561				research
Arthritis Research Center Foundation Inc1035 N Emporia Suite 288 Wichita, KS 67214	48-1223461	501(c)(3)	250,000				research
American College of Rheumatology2200 Lake Boulevard NE Atlanta, GA 30319	58-1654301	501(c)(3)	50,000				AF Rheumatology Research Workshop
Arthritis Foundation Florida Chapter110 12th Street West Bradenton, FL 34205	59-0816892	501(c)(3)	500				Program Grant
Arthritis Foundation Great Lakes Region3740 Ridge Mill Drive Hilliard, OH 43026	27-4014550	501(c)(3)	9,000				Program Grant
Arthritis Foundation Great West Region115 NE 100th St Suite 350 Seattle, WA 98125	38-3826066	501(c)(3)	19,000				Program Grant
Arthritis Foundation Heartland Region35 E Wacker Drive Suite 21634 Chicago, IL 60601	26-4639290	501(c)(3)	5,000				Program Grant
Arthritis Foundation Mid Atlantic4720 Montgomery Lane Bethesda, MD 20814	80-0518955	501(c)(3)	6,000				Program Grant
Arthritis Foundation New England Region35 Cold Spring Road Suite 411 Rocky Hill, CT 06067	04-2113261	501(c)(3)	5,000				Program Grant
Arthritis Foundation Northeast Region122 East 42nd Street 18th Floor New York, NY 10168	80-0489313	501(c)(3)	5,000				Program Grant
Arthritis Foundation Northern California Chapter657 Mission Street Suite 603 San Francisco, CA 94105	94-1212126	501(c)(3)	4,500				Program Grant
Arthritis Foundation Pacific Region800 W 6th Street Suite 1250 Los Angeles, CA 90017	95-1885447	501(c)(3)	15,000				Program Grant
Arthritis Foundation South Central Region4300 MacArthur Avenue Suite 245 Dallas, TX 75209	94-3454386	501(c)(3)	5,000				Program Grant
Arthritis Foundation Southeast Region209 10th Ave South Suite 212A Nashville, TN 37203	38-3806275	501(c)(3)	8,500				Program Grant
Arthritis Foundation Upper Midwest Region1876 Minnehaha Ave West St Paul, MN 55104	39-0860526	501(c)(3)	15,000				Program Grant
Foundation for the National Institutes of Health9650 Rockville Pike Bethesda, MD 20814	52-1986675	501(c)(3)	6,000				Unrestricted support - John Decker Society Annual
Osteoarthritis Research Society International15000 Commerce Parkway Suite C Mount Laurel, NJ 08054	52-1867506	501(c)(3)	20,000				Program Grant

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" to Form 990,
Part IV, question 23.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2012

Open to Public
Inspection

Name of the organization
Arthritis Foundation Inc

Employer identification number

58-1341679

Part I

Questions Regarding Compensation

- 1a

Check the appropriate box(es) if the organization provided any of the following to or for a person listed in 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 idemnification 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 (e.g., maid, chauffeur, chef)
- 1b

If any of the boxes in 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 officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in 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 in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:

4a

Receive a severance payment or change-of-control payment?

4b

Participate in, or receive payment from, a supplemental nonqualified retirement plan?

4c

Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.

5

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

5a

The organization?

5b

Any related organization?

If "Yes," to line 5a or 5b, describe in Part III.

6

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

6a

The organization?

6b

Any related organization?

If "Yes," to line 6a or 6b, describe in Part III.

7

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

8

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

9

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

YesNo

1b		
2		
4a	Yes	
4b	Yes	
4c		No
5a		No
5b		No
6a		No
6b		No
7	Yes	
8		No
9		

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

Cat No 50053T

Schedule J (Form 990) 2012

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 in 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 are not 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 reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)Roberta K Byrum CPA Chief Operating Officer	(i)	257,846	40,000	0	30,000	1,162	329,008	0
	(ii)	0	0	0	0	0	0	0
(2)Christopher Corrigan Chief Financial Officer	(i)	203,665	20,000	0	13,418	7,654	244,737	0
	(ii)	0	0	0	0	0	0	0
(3)John H Klippel MD President/CEO	(i)	380,625	73,000	8,500	42,000	10,405	514,530	0
	(ii)	0	0	0	0	0	0	0
(4)Debra Neuman Chief External Relations Officer	(i)	258,691	25,000	0	13,092	9,028	305,811	0
	(ii)	0	0	0	0	0	0	0
(5)George P Brennan National Sales Director, AT	(i)	114,455	0	43,693	11,446	11,566	181,160	0
	(ii)	0	0	0	0	0	0	0
(6)Marla F Davidson Vice President, Information	(i)	187,005	0	0	19,824	7,899	214,728	0
	(ii)	0	0	0	0	0	0	0
(7)Kenneth W Guthrie Jr Vice President, Human Resources	(i)	175,037	0	0	2,019	7,852	184,908	0
	(ii)	0	0	0	0	0	0	0
(8)Lois Modell Vice President,Development	(i)	162,889	0	0	7,685	9,756	180,330	0
	(ii)	0	0	0	0	0	0	0
(9)Amy Melnick Scharf Vice President, Advocacy	(i)	198,183	0	3,000	14,206	7,904	223,293	0
	(ii)	0	0	0	0	0	0	0

Part III **Supplemental Information**

Complete this part to 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.

Identifier	Return Reference	Explanation
	Part I, Line 7	Senior management performance based incentive compensation plan
	Part I, Line 8	CEO has a contract

Software ID:
Software Version:
EIN: 58-1341679
Name: Arthritis Foundation Inc

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Roberta K Byrum CPA	(i)	257,846	40,000	0	30,000	1,162	329,008	0
	(ii)	0	0	0	0	0	0	0
Christopher Corrigan	(i)	203,665	20,000	0	13,418	7,654	244,737	0
	(ii)	0	0	0	0	0	0	0
John H Klippel MD	(i)	380,625	73,000	8,500	42,000	10,405	514,530	0
	(ii)	0	0	0	0	0	0	0
Debra Neuman	(i)	258,691	25,000	0	13,092	9,028	305,811	0
	(ii)	0	0	0	0	0	0	0
George P Brennan	(i)	114,455	0	43,693	11,446	11,566	181,160	0
	(ii)	0	0	0	0	0	0	0
Marla F Davidson	(i)	187,005	0	0	19,824	7,899	214,728	0
	(ii)	0	0	0	0	0	0	0
Kenneth W Guthrie Jr	(i)	175,037	0	0	2,019	7,852	184,908	0
	(ii)	0	0	0	0	0	0	0
Lois Modell	(i)	162,889	0	0	7,685	9,756	180,330	0
	(ii)	0	0	0	0	0	0	0
Amy Melnick Scharf	(i)	198,183	0	3,000	14,206	7,904	223,293	0
	(ii)	0	0	0	0	0	0	0

SCHEDULE M
(Form 990)

Noncash Contributions

OMB No 1545-0047

2012

Open to Public Inspection

►Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

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				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	13	208,988	Realized sales price
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 Acknowledgement29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

30a

Yes

No

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

31

Yes

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

32a

Yes

33 If the organization did not 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.

Cat No 51227J

Schedule M (Form 990) (2012)

Part II

Supplemental Information. Complete this part to 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.

Identifier	Return Reference	Explanation
Third Party Use	Part I, Line 32b	Auto's for Arthritis- Advanced Remarketing Services delivers professional remarketing services to the Arthritis Foundation 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 National Office accounting staff has been given access to the online report system to generate report used to disburse funds to the appropriate chartered entities based on the donor zip code

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public
Inspection

Name of the organization Arthritis Foundation Inc	Employer identification number 58-1341679
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Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 7a	Twenty members of the Foundation's Board of Directors are elected by the Regional Corporations as each Region has the right to elect two members

Identifier	Return Reference	Explanation
	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, including the Foundation's COO. 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 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. The final form was provided to the entire board of directors prior to filing. The form is filed after review before the entire board at a scheduled meeting.

Identifier	Return Reference	Explanation
	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 conflict of interest disclosure form annually and prior to initial appointment to serve in these 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.

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	The Compensation and Personnel Committee met on 10/29/2012 to review total compensation and benefits for the CEO and eight other key employees. The Committee received compensation reports prepared by an independent compensation consultant, James E. Rocco Associates, 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 ten 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.

Identifier	Return Reference	Explanation
	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.

Identifier	Return Reference	Explanation
Other Fees	Form 990, Part IX, line 11g	Other Program service expenses 5,126,973 Management and general expenses 273,722 Fundraising expenses 253,201 Total expenses 5,653,896

Identifier	Return Reference	Explanation
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 9	- Net change in valuation of split interest agreement -926,725

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, Line 1a, Executive Committee	The Arthritis Foundation Board of Directors has established in its Bylaws an Executive Committee comprised of the Officers of the Board of Directors (the Chair, the Vice Chair, the Secretary, the Treasurer, the Immediate Past Chair and such other officers as the Board may determine) and up to eight additional Directors. All members of the Executive Committee are required under the Bylaws to be Directors of the Corporation. Subject to any restrictions imposed by law or the corporation's Bylaws (such as amendment of the Bylaws), the Executive Committee may exercise any and all powers of the Board of Directors between meetings of the Board, and shall be subject at all times to the control and direction of the Board.

Additional Data

Software ID:

Software Version:

EIN: 58-1341679

Name: Arthritis Foundation Inc

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
Bruce Ashcroft Director	0 00	X						0	0	0
Kenneth G Baltes Director	0 00	X						0	0	0
Peter WC Barnhart Treasurer	0 00	X						0	0	0
Jeff Bass Director	0 00	X						0	0	0
Robert A Campbell CPA Director	0 00	X						0	0	0
Rowland W Bing Chang Vice Chair	0 00	X						0	0	0
Charles L Christian MD Director Emeritus	0 00	X						0	0	0
Allen J Cizner Director	0 00	X						0	0	0
David C Clapp Director Emeritus	0 00	X						0	0	0
K Andrew Cnughton Director	0 00	X						0	0	0
Santiago Jim M de Solo Director	0 00	X						0	0	0
Catherine T Dunlay Director	0 00	X						0	0	0
Helen Emery Director	0 00	X						0	0	0
Kathleen M Ferrell PT MLA Director Emeritus	0 00	X						0	0	0
John A Geishecker Jr Director	0 00	X						0	0	0
John A Gilpin Director	0 00	X						0	0	0
Tanya Hairston-Whitner Director	0 00	X						0	0	0
E Robert Harris Director	0 00	X						0	0	0
John Heydt Director	0 00	X						0	0	0
Lisa B Hogan Esq Director	0 00	X						0	0	0
Margaret Jackson Director	0 00	X						0	0	0
Stuart S Kassan MD FACP FACR Director	0 00	X						0	0	0
Armin U Kruder Esq Director Emeritus	0 00	X						0	0	0
Jerry G Langley Director Emeritus	0 00	X						0	0	0
Debra R Lappin JD Director Emeritus	0 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(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			
Richard L Lautizenheiser MD Director Emeritus	0 00	X						0	0	0
George Liberatore Director	0 00	X						0	0	0
Kip L Lilly Director	0 00	X						0	0	0
Frank P Longobardi Director	0 00	X						0	0	0
Kathy Lubbers Director	0 00	X						0	0	0
Kevin Mandrell Director	0 00	X						0	0	0
Glenn T Marrichi Director Emeritus	0 00	X						0	0	0
Peter R Martin Director	0 00	X						0	0	0
Pamela R Massey Director	0 00	X						0	0	0
Daniel T McGowan Chair	0 00	X						0	0	0
Pattye L Moore Apr Director Emeritus	0 00	X						0	0	0
William J Mulvihill Director Emeritus	0 00	X						0	0	0
Pat Novak Nelson Vice Chair	0 00	X						0	0	0
Dennis R Olden Director	0 00	X						0	0	0
Michael V Ortman Secretary	0 00	X						0	0	0
Eugene Overfelt CPA Director Emeritus	0 00	X						0	0	0
Cecile Perich Director Emeritus	0 00	X						0	0	0
Laura Robbins DSW Director Emeritus	0 00	X						0	0	0
Stanford K Rubin Esq Director Emeritus	0 00	X						0	0	0
William W Satterfield Director Emeritus	0 00	X						0	0	0
Kevin C Short Director	0 00	X						0	0	0
David E Shuey Immediate Past Chair	0 00	X						0	0	0
Laurie Stewart Director	0 00	X						0	0	0
Janalee Taylor Director	0 00	X						0	0	0
Suzanne Taylor Director	0 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(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			
Kelli Thompson Director	0 00	X						0	0	0
Peter Vican Director	0 00	X						0	0	0
W Hayes Wilson Director	0 00	X						0	0	0
Janet S Wyatt Director	0 00	X						0	0	0
Roberta K Byrum CPA Chief Operating Officer	37 50				X			297,846	0	31,162
Christopher Corrigan Chief Financial Officer	37 50				X			223,665	0	21,072
John H Klippel MD President/CEO	37 50				X			462,125	0	52,405
Debra Neuman Chief External Relations Officer	37 50				X			283,691	0	22,120
George P Brennan National Sales Director, AT	37 50					X		158,148	0	23,012
Marla F Davidson Vice President, Information	37 50					X		187,005	0	27,723
Kenneth W Guthrie Jr Vice President, Human Resources	37 50					X		175,037	0	9,871
Lois Modell Vice President, Development	37 50					X		162,889	0	17,441
Amy Melnick Scharf Vice President, Advocacy	37 50					X		201,183	0	22,110